



Corporate Governance

Annual Report
Thai Institute of Directors

2017

Enterprise with Integrity

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About Report

This edition of Thai Institute of Directors' (IOD) annual report takes the Integrated Reporting Framework as its guideline, with the aim to present a thorough analysis of both financial and non-financial information. The information on IOD's strategy and performances are also reported so that IOD members can follow the progress of IOD's strategy and operation.

Information featured in the annual report include outputs from IOD performance between 1 January 2017 and 31 December 2017, except for the information about IOD Board of Directors which is from the period between 1 January 2017 and 31 March 2018.



Corporate
Governance

IOD Business

About IOD

The Thai Institute of Directors Association (IOD) is a leading organization dedicated to improving director professionalism and corporate governance in Thailand. Founded in 1999, two years after the Asian financial crisis, IOD has been at the forefront of promoting good governance practices in Thai companies. Through its various activities, it has helped develop a professional standard of directorship and provided best practice guidelines for company directors to perform their duties effectively and in line with international standards. IOD believes that with effective directors, a company can be managed and operate effectively in a way that results in increased shareholder value and sustainable growth of the Thai economy.

IOD is a not-for-profit, membership organization, established with support from core institutions involved in Thai capital market, namely the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Bank of Thailand, and the Foundation for Capital Market Development Fund, and international organizations, such as the World Bank. IOD is recognized locally and abroad for its leading role in corporate governance, and has been cited by national and international forums as one of the most successful professional bodies

IOD Activities

IOD aims to develop and support company directors to perform their duties effectively and in line with the principles of good corporate governance (CG) through activities. IOD activities focus on the following areas:

- Enhance company directors' capabilities through knowledge and skill development

- Stimulate ideas and creativities among company directors through discussion and knowledge sharing which leads to practical adaptation and implementation
- Promote relationship and networking among IOD members for sharing experience, knowledge and skills
- Conduct surveys, research, and give opinions on issues relating to company directors and corporate governance, then distribute the findings to IOD members as a guideline for continuous improvement of good corporate governance

IOD organizes training and development activities for both company directors and their supporting teams including high-level executives and company secretaries. Among the activities are seminars, workshops, and networking sessions aim at building relationships among directors and IOD members, research publications, best practice guidelines on corporate governance for the board, views on drafted laws and regulations which may affect company directors, and anti-corruption. At present, IOD's members comprise of directors from different organizations ranging from small to large companies, limited companies, state-owned enterprises and other agencies.

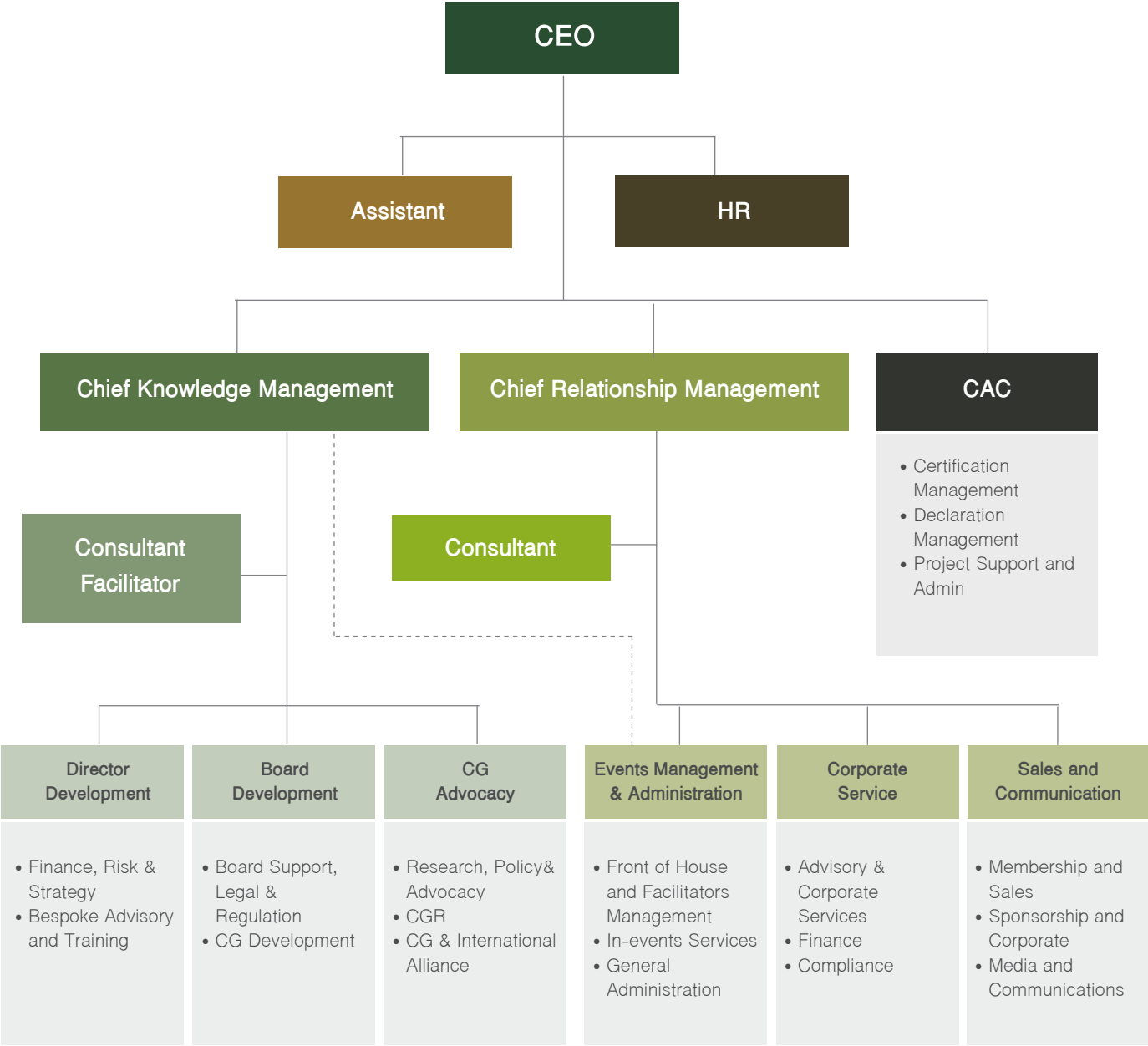
Vision

IOD is recognized internationally for promoting directorship to a professional level leading to the sustainable growth of Thai companies.

Mission

Develop and support company directors to implement good corporate governance

Organization Chart



Chairman's Review

2017 was another year of change in terms of corporate governance ("CG") in Thailand. The overall trend has moved towards the interests of all stakeholders to ensure sustainability. Institutional investors have adopted governance factors as one of the key investment criteria, which has triggered greater interest in governance matters.

A three-year strategic plan has been developed covering the period from 2017 to 2019 under the supervision of the IOD's board, to ensure that management constantly track corporate governance trends. During 2017, the first year of implementation, the IOD's board has adjusted key governance supervision practices in the following two aspects to ensure that strategic goals will be achieved.

1. Providing leadership in the development of CG – becoming its knowledge leader

The board of the IOD recognizes the importance of tracking changes, both locally and globally. The introduction of CG Code 2017 and Investment Governance Code for Institutional Investors (I Code) are key changes that occurred in the past year. The IOD's board and management agreed that it is essential to educate directors on these matters, especially on principles that are new. Therefore, the IOD has strategically developed content of training courses in alignment with changing



governance trends. It has also prepared various best practices that would become a source of information to support directors in enhancing the effectiveness of their performance in accordance with the new CG Code.

Moreover, the board also focused on internal process improvement via modern technology to reduce the working time of staff thereby improving productivity by allowing them to engage in more tasks and also enhancing

efficiency. This is an important factor that will support the IOD's operations in accordance with its strategy. However, the board suggested that management take gradual steps in affecting these improvements, taking an appropriate amount of time to learn and adjust to new working practices. The board also assigned certain directors to act as advisors and requested management to provide progress updates on this front at every board meeting. Furthermore, the management and staff took part in working groups to drive this process improvement, helping to educate them, and also gain their acceptance. The completion of the program will enhance the IOD's ability to deliver outputs such as the preparation of best practices, research papers, Corporate Governance Report of Thai listed companies, and CG educational activities, as stipulated in the strategic plan. This will help boosting the IOD's recognition as the country's CG knowledge leader.

2. Build relationships and further collaboration with relevant parties for extensive success

The past success of CG development in Thailand was a result of collaboration among various relevant parties. In pursuit of delivery of its strategic plan, the IOD's board places significant emphasis on participation of members and other stakeholders such as regulators, company directors, investors, capital market organizations etc. Their respective participation could be in the form of joining IOD's committees, appointing delegates from IOD to become committee members of external organizations, or jointly arranged CG promotional activities. These initiatives will help the IOD gather information that will be used for the continued development of its activities, ensuring these meet the demand of stakeholders in a practical way. Furthermore, these initiatives create a positive relationship between the IOD and relevant parties, which in turn will foster

greater collaboration - ensuring extensive corporate governance development.

The IOD's achievements in 2017 have been derived from the efforts of management, advisors, staff, collaboration with capital market organizations, listed companies, support from IOD members, facilitators, IOD committees and task forces, and corporate partners. The board would like to take this opportunity to express our gratitude to the aforementioned parties.

The IOD's board believes support from all stakeholders will bolster Thailand's corporate governance development and will continue to promote corporate governance along with high ethical practices to support sustainable growth.



Mr. Prasan Chuaphanich
Chairman

Business Model

Our Revenues

- Training incomes
- Membership fees
- Sponsorships
- Project grants

Our Value Propositions

Director Value proposition

High-standard and up-to-date director training and knowledge-sharing events that promote directorship to a professional level.

Member Value Proposition

A reputable and efficient membership organization that helps develop and support directors to implement good corporate governance.

Founder Value Proposition

A capable and internationally-recognized IOD that meets the purpose of raising corporate governance practices of companies together with long-term financial viability.

Stakeholder Value Proposition

An independent and effective CG organization that builds confidence in the country's businesses by enhancing trust and reputation of companies while contributing to a robust CG Ecosystem and culture.

Social Value proposition

An important infrastructure in the private sector that helps build better business by enhancing the capability, knowledge, and practices of corporate governance of company directors and top executives.

Our Activities

- Director training and board education
- Research, best practices and CG assessment
- Advocacy
- Knowledge sharing and outreach events
- Certification of anti-corruption practice through CAC
- Participation to influence regional and global CG developments

Key Capital and Relationship

- **Intellectual Capital:** Maintain brand reputation, intellectual property, knowledge, and organization's procedures and protocols that are significant to the organization's expected high standards and comparative advantages.
- **Manufactured Capital:** Ensure efficient management of resources that drive knowledge innovation and lead to business sustainability.
- **Human Capital:** Ensure proper management of the organization's talents that consider their motivation and long-term career with remuneration policies that promote the organization's ability to create value.
- **Financial Capital:** Adequate revenue streams that support growth of services and activities, and ensure long-term financial viability.
- **Social Capital:** Build strong trust and relationship with all stakeholder to assure the organization's long-term viability and its social legitimacy to operate.

Our Costs

- Staff cost and benefits
- Activities cost
- Income tax
- Rental fee, utilities and maintenance
- Contractual services
- Capital expenditures

Our Operating Context

- Changing global CG landscape and standards
- Risk of government entities and top companies not showing good examples of CG
- Shift of focus of CG from shareholder to stakeholder
- Increased expectation of CG and sustainability by the public
- Inadequate companies' knowledge and capability of CG
- Thailand's yet-to-be-developed strong CG culture
- Evolving domestic regulations and disclosure rules

Our Challenges

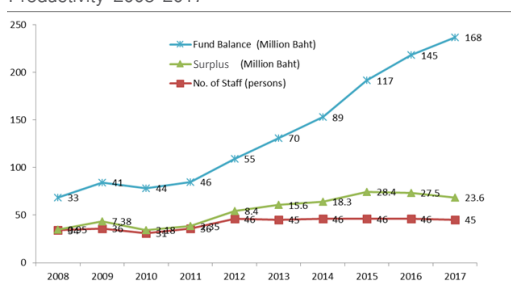
- Keeping up with global and domestic CG developments
- Maintaining quality and relevance of the organization to the business community
- Ensuring continued interest of directors on the importance of CG
- Strengthening an active Ecosystem in the country to continuously raise CG standards
- Retaining high-caliber staffs and talents
- Spreading CG awareness and knowledge to non-listed companies, SMEs, and not-for-profit organizations

Our Top Risks

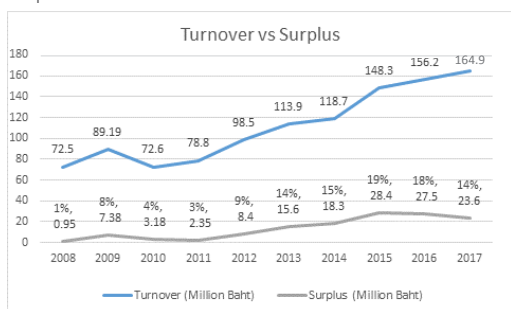
- Reputational risk
- Legal risk
- Instability in key positions compounded by high staff turnover
- Lack of adequate high-quality facilitators
- Compliance risk
- Financial sustainability risk

Financial Sustainability

Productivity 2008-2017



Surplus 2008-2017



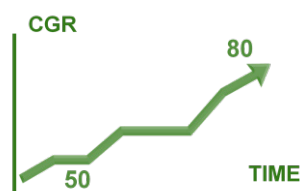
Making CG Impact



More than
25,000 directors
trained with IOD



Almost
4,000 became
IOD membership



Continued improvement of CG of
Thai listed companies
with average score of **80**
in 2017 compared to 50 in 2001



16
policy advocacies
since 2014

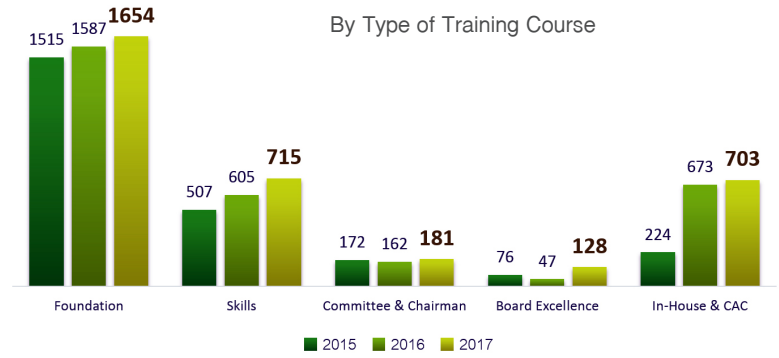


894 companies joined CAC

314 certified

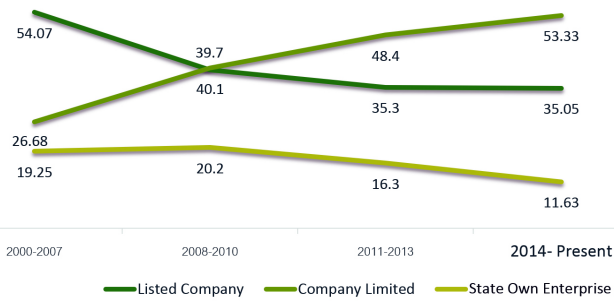
Key Statistics

Training

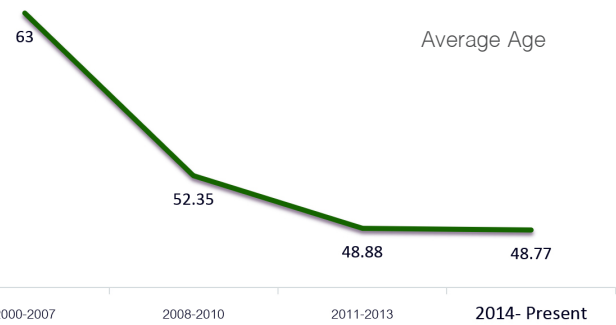


Participants Profile

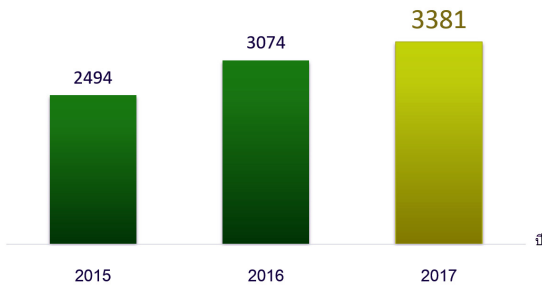
By Type of Companies



Average Age

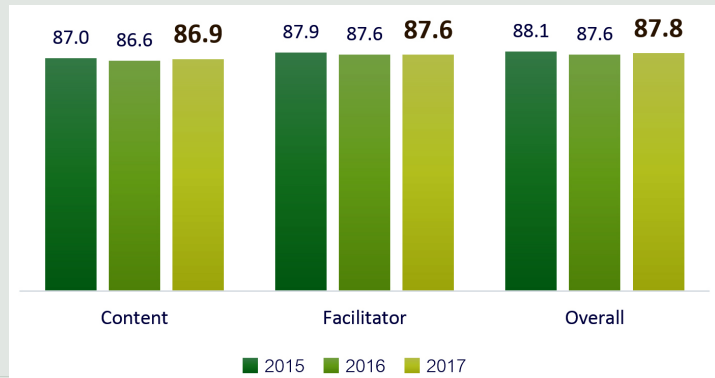


By Year

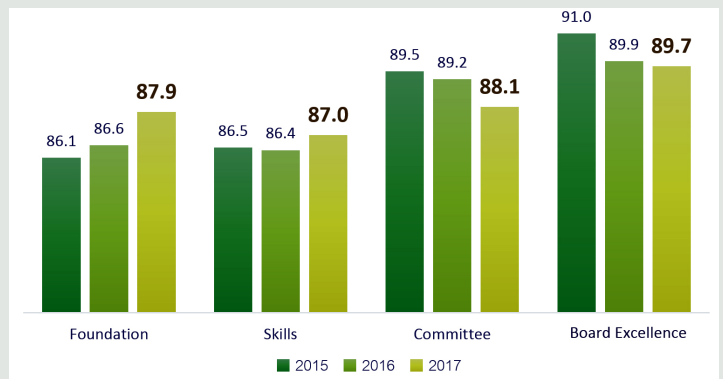


Satisfaction Results

Average Satisfaction Score of all Training Courses



Satisfaction Results-By Types of Training Courses



Membership

Total number of IOD members, Membership status and Rate of membership renewals



Rate of Membership Renewals

Year	Total Number of Membership Expiring During the Year	Total Number of Membership Renewals	% Rate of Membership Renewals
2013	1,223	701	57%
2014	1,407	908	62%
2015	1,481	911	62%
2016	1,474	972	64%
2017	1,747	1,168	67%

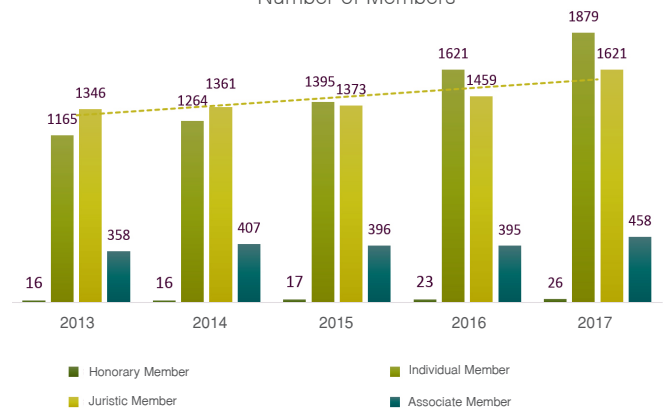
Total Number of New IOD Members (By Source)

Year	New IOD Members (From DCP Classes)	New IOD Member (Others)	Total Number of New IOD Members
2013	298	323	621
2014	329	150	479
2015	311	380	691
2016	368	366	734
2017	303	616	919

Status of the Members

	2013	2014	2015	2016	2017
Honorary Member	16	16	17	23	26
Fellow Member	112	116	124	137	205
Graduate Member	1,765	1,838	1,843	1,972	2,261
General Member	634	671	801	971	1,034
Associate Member	358	407	396	395	458
Total	2,885	3,048	3,181	3,498	3,984

Number of Members



Satisfaction of Member Activity Attendees

Average Score = 83.61% (2016 = 82.93%)

- | | |
|--|--------|
| 1. Does the scope of the seminar meet your expectation? | 83.01% |
| 2. Do you find topics discussed in the seminar useful to your business? | 83.67% |
| 3. The seminar are considered appropriate (Length, Time, and Format) | 82.79% |
| 4. How satisfied were you with the speakers/Presenters? | 85.51% |
| 5. Through attending this activity, how much are you satisfied with the service of the IOD staff? | 88.48% |
| 6. Through attending this activity, how much are you satisfied with the create networking for members? | 78.20% |

Strategic Patrons & Sponsoring Partners

The IOD wishes to take this opportunity to express our great appreciation and many thanks to our corporate sponsors for their kind contribution, great support and close cooperation in helping to establish good corporate governance practices throughout Thailand on a sustainable basis.

Thank you.

Exclusive Partners



Premium Partners



Regulatory and Not-for-Profit Organizations



Associate Partners

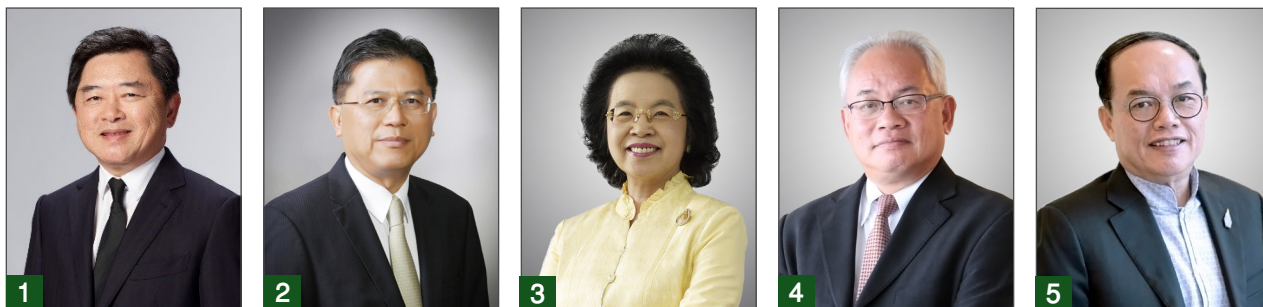


Supporting Partners



Board of Directors, Steering Committee and Facilitators

Board of Directors



1. Mr. Prasan Chuaphanich (65)

Chairman of the Board

16 May 2015 - 24 May 2018

Education

- Bachelor of Accounting (2nd Class Honors), Chulalongkorn University
- Diploma in Auditing, Chulalongkorn University
- Certified Public Accountant (Thailand), Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Ivey School of Business, University of Western Ontario, Canada, Executive Management Programme
- Harvard Business School, Boston, USA - Leading Professional Services Firms

Attended in IOD Program

- Directors Certification Program (DCP) 119/2009
- Financial Institutions Governance Program (FGP) 6/2013
- Board Matters and Trends (BMT) 2/2017

Board member / Management in Listed Company

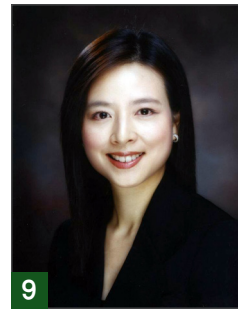
- Independent Director and Audit Committee member, PTT Global Chemical Plc.
- Independent Director and Chairman of the Audit Committee, Siam Commercial Bank Plc.
- Independent Director Member of Audit Committee and Chairman of Sustainable Development Committee, Advanced Info Services Public Company Limited
- Independent Director, Audit Committee member and Chairman of the Nomination and Remuneration Committee, Thai Solar Energy Plc.

Board member / Management in Non-Listed Company

- Director, IFRS Advisory Council , IFRS Foundation
- Quality Assurance Review Panel, The Securities and Exchange Commission, Thailand
- Expert Member, Public Sector Audit and Evaluation Committee (PAEC)
- State Enterprise Director Nomination Subcommittee, State Enterprise Policy Office (SEPO), Ministry of Finance
- Audit Committee Member, Mahidol University
- Member of the Finance and Property Committee, King Mongkut's University of Technology Thonburi
- Chairman of Steering Committee of Corporate Governance Report of Thai Listed Companies, Thai Institute of Directors Association (IOD)
- Chairman of Corporate Governance and Policy Advocacy Advisory Board, Thai Institute of Directors Association (IOD)
- Member of Thailand's Private Sector Collective Action Against Corruption Council, Thai Institute of Directors Association (IOD)
- Commission Member, Office of Insurance Commission
- Expert Member (Accounting) of the Committee on Dumping and Subsidy, Ministry of Commerce
- Advisory Board of Center for Building Competitive Enterprises (CBCE), Thai Listed Companies Association

Experiences

- 2016 - 2017 Chairman of Audit Committee, Thai Institute of Directors Association (IOD)
- 2015 - 2017 Member of the Advisory Committee on Corporate Governance and Policy , Thai Institute of Directors Association (IOD)



- 2014 - 2017 President, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- 2012 - 2017 Expert Member of the General Insurance Fund under the Ministry of Finance
- 2014 - 2015 Member, Sub-Committee on the Reform of International Economy and other Economic Matters, National Reform Council
- 2013 - 2015 Independent Director, Nam Heng Concrete (1992) Co., Ltd.
- 2013 - 2015 Executive Member, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2013 - 2014 Member, Advisory Committee, ASEAN CG Scorecard Project, Thai Institute of Directors Association
- 2012 - 2015 President, Faculty of Commerce and Accountancy, Chulalongkorn University Alumni Association
- 2011 - 2014 Chairman, Auditing Standards Committee, Federation of Accounting Professions under the Patronage of His Majesty the King
- 2011 - 2014 Vice President, Federation of Accounting Professions under the Patronage of His Majesty the King
- 2008 - 2012 Executive Chairman, PricewaterhouseCoopers Co., Ltd.

2. Mr. Predee Daochai (59)

Vice Chairman

Chairman of the Compensation Committee

Member of the Audit Committee

16 May 2015 - 24 May 2018

Education

- Advanced Management Program (AMP), Harvard Business School, USA
- Master of Comparative Law, University of Illinois at Urbana-Champaign, U.S.A.
- Barrister - at - Law, Thailand
- Bachelor of Law (Second Class Honours) Thammasat University, Thailand

Training

- National Defence College, Thailand Course: The Joint State - Private Sector Course Class 24
- Capital Market Academy, Thailand Course: Executive Program in Synergizing Knowledge, Vision, and Leadership (CMA) Class 20/2015
- Thailand Energy Academy, Thailand Course: Executive Program in Energy Literacy for a Sustainable Future (TEA) Class 8/2016
- IMD Business School, Switzerland Course: Breakthrough Program for Senior Executives
- Stanford Graduate School of Business, USA. Course: Influence and Negotiation Strategies Program
- London Business School, UK Course: Making Innovation Happen Programme
- The Institute of International Finance (IIF), UK Course: Risk Management Executive Program

Attended in IOD Program

- Directors Certification Program (DCP) 56/2005
- Financial Institutions Governance Program (FGP) 1/2010
- Ethical Leadership Program 1/2015
- Corporate Governance for Capital Market Intermediaries (CGI) 11/2016

Board member / Management in Listed Company

- Director and President, KASIKORNBANK Public Company Limited
- Member of the Risk Management Committee, KASIKORNBANK Public Company Limited

Board member / Management in Non-Listed Company

- Member, The National Legislative Assembly
- Chairman, The Thai Bankers' Association
- Committee, Payment Systems Committee (PSC), Bank of Thailand
- Committee, The Joint Standing Committee on Commerce, Industry and Banking
- Board, Bangkok Patana School Foundation



- Chairman, KASIKORN SECURITIES PCL.
- Chairman, KASIKORN FACTORY AND EQUIPMENT Co., Ltd.

Experiences

- 2016 - 2017 Chairman, KASIKORN LEASING Co., Ltd
- 2013 - 2016 Chairman, KASIKORN RESEARCH CENTER Company Limited
- 2014 - 2016 Chairman, KASIKORN ASSET MANAGEMENT Co.,Ltd.
- 2010 - 2013 Director, Muang Thai Life Assurance Company Limited
- 2010 - 2013 Senior Executive Vice President, KASIKORN-BANK Public Company Limited

3. Ms. Potjane Thanavaranit (71)

Vice Chairman

Chairman of the Audit Committee

29 May 2017 - AGM 2020

Education

- MBA., Syracuse University, NY, USA (USAID Scholarship)
- Bachelor of Accountancy, Chulalongkorn University

Training

- Certificate of Advanced General Insurance Program, Swiss Insurance Training Center, Switzerland (Swiss Re Scholarship)
- Certificate of Advanced Management Program, Australian Management College, Australia (COLOMBO Scholarship)
- Certificate of Executive Development Program (EDP.1 Class 18), Institute of the Civil Service Commission
- Degree from the National Defense College, Class 42
- Certificate of Top Executive Program, Capital Market Academy, Class 8
- Certificate of Top Executive Program in Commerce and Trade, Commerce Academy, Class 3
- Certificate of Advanced Security Management Program,

The National Defense College Association of Thailand, Class 2

- Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016
- CG Forum 2/2016 "Honest, Cautious, Protective for the director", Year 2016
- Seminar on "CyberSecurity Awareness Training for Senior Executive", Year 2016
- Strategic IT Governance (for non-IT), Year 2017
- Seminar on "Cyber Resilience Leadership", Year 2017

Attended in IOD Program

- Director Certification Program (DCP) 17/2002
- Role of the Chairman Program (RCP) 13/2006
- Role of the Compensation Committee (RCC) 4/2007
- Audit Committee Program (ACP) 32/2010
- Financial Institutions Governance Program (FGP) 2/2011
- Advanced Audit Committee Program (ACP, MIA, MFM, MFR, MIR) 10/2013
- Anti-Corruption for Executive Program (ACEP) 7/2013
- Director Certification Program Update (DCPU) 1/2014
- Driving Company Success with IT Governance (ITG) 2/2016

Board member / Management in Listed Company

- Chairman of the Audit Committee and Independent Director, Bank of Ayudhya PCL
- Chairman of Risk Management Committee and Independent Director, Berli Jucker PCL
- Chairman of the Remuneration Committee, Chairman of the Good Corporate Governance Committee, Audit Committee Member and Independent Director, Oishi Group PCL
- Audit Committee Member and Independent Director, Thai Reinsurance PCL
- Audit Committee Member and Independent Director, Bangkok Insurance PCL
- Chairman of the Board (Independent Director), Audit Committee Member, Chairman of the Compensation and Nomination Committee, Univentures PCL

Independent Director in the Boardroom

- Independent Directors 10 (71%)
- Ex Officio Directors (Include CEO) 4 (29%)

Gender in the Boardroom

- Female 4 (29%)
- male 10 (71%)

Board Skill

- Accounting/Finance
- Legal
- Strategy
- Marketing
- Human Resource
- Information Technology
- Risk
- Corporate Governance
- Public Relations

Board member / Management in Non-Listed Company

- Honorary Members, Mae Fah Luang University Council
- Independent Director, Thai Beverage PCL (Listed in Singapore Exchange)
- Qualified member of the Committee, Thai Investors Association
- Director, Krungsri Foundation
- Qualified member of the Committee, The Federation of Thai Insurance Organization
- Member of the Council of State, Office of the Council of State

Experiences

- 2016 - 2017 Chairman of the Audit Committee, Big C Supercenter PCL
- 2016 - 2017 Independent Director, Big C Supercenter PCL
- 2009 - 2016 Independent Director, Berli Jucker PCL
- 2014 - 2015 Member of National Reform Council, National Reform Council
- 2012 - 2014 Nomination and Remuneration Committee Member, Thai Reinsurance PCL
- 2010 - 2013 Director, BJC Logistics and Warehouse Co., Ltd.
- 2008 - 2013 Chairman of the Audit and Evaluation Committee of Ministry of Commerce, Ministry of Commerce
- 2010 - 2012 Audit Committee Member, Bank of Ayudhya PCL
- 2007 - 2012 Member and Treasurer, Bhumirajanagarindra Kidney Foundation

4. Dr. Bandid Nijathaworn (64)

President and CEO

Member of the Capital Fund Management Committee

Director and Secretary, Board of Director

Education

- Ph.D. in Economics, La Trobe University, Melbourne, Australia
- B.A. with Honours in Mathematical Economics, University of Essex, Colchester, England

Training

- Advanced Management Program, Harvard University, Boston, USA.

Attended in IOD Program

- Directors Certification Program (DCP) 9/2007
- The Executive Director Course (EDC) 1/2012
- Boardroom Success through Financing and Investment (BFI) 0/2016

Board member / Management in Listed Company

-

Board member / Management in Non-Listed Company

- Member of the Council of trustees and the board of directors of Thailand Development Research Institute
- Vice Chairman, ANZ Bank (Thai) Public Company Limited
- Vice Chairman, Stamford International University (Ended March 2018)
- Visiting Professor, Hitotsubashi University, Tokyo, Japan
- Chairman, Advisory Panel Member, ASEAN+3 Macroeconomic Research Office (AMRO), Singapore

Experiences

- 2011 -2014 Chairman of the Thai Bond Market Association
- 2004 -2010 Deputy Governor for Monetary Stability at the Bank of Thailand
- 2006 - 2009 Deputy Governor in charge of financial stability, financial policy and banking supervision
- 2000 Assistant Governor, Information and Public Relations Group effective October 1st , 2000
- 1998 Senior Director of BOT Northern Region Office
- 1997 Director of International Department
- 1996 Director of the Banking Department
- 1995 Director of Economic Research Department

5. Professor Kitipong Urapeepatanapong (63)

Director

Member of the Nomination & Governance Committee

29 May 2017 - AGM 2020

Education

- LLM, University of British Columbia, Canada
- LLM, Chulalongkorn University
- Admitted as Thai Barrister-at-law, Chulalongkorn University
- LLB, Chulalongkorn University

Training

- King Prajadhipok's Institute, Class 5 (Certificate, Good Governance for Medical Executives) (2017)
- Thailand Energy Academy, Class 8 (Certificate, Executive Program on Energy Technology) (2016)
- Commerce Academy (Certificate, Top Executive Program in Commerce & Trade, TEPCoT) (2008)
- Capital Market Academy, Class 4 (Certificate for Senior Executives Program) (2007)
- National Defense College, Class 18 (Diploma for Joint State-Private Sectors) (2005)
- The Judicial Training Institute, Class 9 (Certificate for Senior Executives) (2004)
- Harvard Business School (Certificate, Families in Business Thailand, 2004)
- The Law Society of Thailand (Certificate, Notary Public Training, Class 1, 2003)
- The King's Prajadhipok Institute, (Diploma for Executives Program, 2002)
- Certificate, Corporate Governance, Director Education Program, Yale School of Management (2002)
- Certificate, Company Directors Course, Australian Institute of Directors (2000)
- Executive Certificate, Baker & McKenzie Partner Program, J.L. Kellogg Northwestern University () (1999)

Attended in IOD Program

- Director Certification Program (DCP) 0/2000
- DCP Refresher Course 5/2007
- Role of the Chairman Program (RCP) 21/2009

Board member / Management in Listed Company

-

Board member / Management in Non-Listed Company

- Chairman, Baker & McKenzie
- Executive Director, Siam Piwat Co.,Ltd.
- Member of the Board of Governors of the Stock Exchange of Thailand
- Chairman of the Bangkok Office
- Head of the Financial Services Division and Head of Tax Practice Group, the Bangkok Office
- Chairman of the Tax and Regulatory Commission of the Thai Chamber of Commerce

- Member of the National Reform Council (Legal), as well as Chairman of the Revenue Code Re-enactment Committee

Experiences

- 2014 - 2015 Member, SET Head Office Construction Committee, The Stock Exchange of Thailand
- 2014 - 2015 Member, Listing Expansion Committee, The Stock Exchange of Thailand
- 2014 - 2015 Executive Member, The National Reform Council
- 1999 Independent Director, Krung Thai Bank Public Company Limited

6. Ms. Kesara Manachusree (56)

Director

SET July 2014

Education

- Master of Science in Finance, Golden Gate University, San Francisco, USA
- Bachelor of Arts in Economics, Thammasart University

Training

- Certificate, Thailand Energy Academy Leadership Program (TEA) #6
- Certificate, TLCA Leadership Development Program (LDP)
- Certificate, Top Executive Program in Commerce and Trade, Commerce Academy, University of the Thai Chamber of Commerce(TEPCoT) 7
- Certificate, Advanced Senior Executive Program (ASEP), Evanston, Chicago}, USA, a joint program of Sasin (Chulalongkorn University) and Kellogg School of Management (Northwestern University)
- Certificate, Capital Market Academy Leadership Program, The Stock Exchange of Thailand ,Class 4

Attended in IOD Program

- Director Certification Program (DCP) 82/2006

Board member / Management in Listed Company

-

Board member / Management in Non-Listed Company

- Director, Management System Certification Institution (Thailand)
- Director, World Federation of Exchanges (WFE)
- Honorary Member, Thammasat University Council Committee

- Director, Economics Faculty, Thammasat University
- Director, The Thammasat Economics Association
- Director, Center for Building Competitive Enterprises
- Advisory Board of Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Vice Chairman, Thailand Futures Exchange Public Company Limited
- Chairman of SET subsidiaries:
 - Finnet Innovation Network Co., Ltd.
 - Live Fin Corp Co. Ltd.
 - Thailand Securities Depository Co., Ltd.
 - Settrade.com Co., Ltd.
 - Thailand Clearing House Co., Ltd.
 - Thai NVDR Co., Ltd.
 - Thai Trust Fund Management Co., Ltd.

Experiences

- 2014 - 2017 Chairman of Siam DR Co., Ltd.
- 2014 - 2015 Executive Vice President, The Stock Exchange of Thailand
- 2004 - 2015 Managing Director, Thailand Futures Exchange Public Company Limited
- 2010 - 2011 Director - Investment Analysts Association
- 2009 - 2011 Director, The Faculty of Economics, Chulalongkorn University
- 1999 - 2003 Executive Vice President, Thai Bond Dealing Center

7. Mr. Charamporn Jotikasthira (61)

Director

Member of the Capital Fund Management Committee

29 May 2017 - AGM 2020

Education

- MBA, Harvard University, USA
- BS (Electrical Engineering and Computer Science), Massachusetts Institute of Technology, USA

Training

- National Defence Course for the Joint State Private Sector, The National Defence College of Thailand, 2004
- Certificate, Executive Leadership Program, Capital Market Academy, Class 11
- Certificate, The Executive Program of Energy Literacy for a Sustainable Future, Thailand Energy Academy (TEA), Class 1/2012

Attended in IOD Program

- Directors Certification Program (DCP) 185/2014

- Directors Accreditation Program (DAP) 66/2007

Board member / Management in Listed Company

- Executive Director, Bangkok Bank PCL
- Independent Director, Minor International PCL
- Independent Director, Singha Estate PCL
- Member of the Strategy and Transformation Committee, Thai Airways International Public Company Limited

Board member / Management in Non-Listed Company

- Member of the Chulabhorn Royal Academy Council
- Director of Office of the National Strategic Committee
- Director of The Thai Silk Company (Jim Thompson)
- Director, Suksapattana Foundation
- Director, Foundation for Research in Information Technology

Experiences

- 2014 President, Thai Airways International PCL
- 2015 Director, Chairman of Corporate Governance Committee, Nok Airlines PCL
- 2015 Director, Thai Smile Airways Co.,Ltd.
- 2011 - 2014 Chairman, Electronic Transactions Development Agency (Public Organization)
- 2011 - 2014 The Financial Institutions Policy Committee (FIPC) Bank of Thailand
- 2011 - 2014 President and CEO, The Stock Exchange of Thailand
- 2010 - 2014 Chairman, Thailand Securities Depository Co., Ltd.
- 2010 - 2014 Chairman, Thailand Clearing House Co., Ltd.
- 2010 - 2014 Chairman, SETTRADE.COM Co., Ltd.
- 2010 - 2014 Chairman, Family Know How Co., Ltd.
- 2008 - 2010 Chief Information Officer, Siam Commercial Bank PCL
- 2002 - 2008 Executive Vice President, GTS & Capital Markets Group, Executive Vice President, Business Cash Management Group, Siam Commercial Bank PCL
- 1999 - 2001 Executive Vice President, Information Technology Division, Executive Vice President, Risk Management Division, Siam Commercial Bank PCL
- 1999 - 2001 President, SCB Securities Co., Ltd.
- 1990 - 1994 President, SCB Asset Management

8. Mr. Chaiwat Utaiwan (65)

Director

Chairman of the Nomination & Governance Committee

Member of the Compensation Committee

30 May 2016 - AGM 2019

Education

- Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Master of Science (Mathematics and Computer Science) University of Louisville, Kentucky, U.S.A.
- Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University

Training

- Advance Political and Electoral Development Training course, Class 8, Political and Electoral Development Institute
- Thailand Insurance Leadership Program, Class 6, OIC Advanced Insurance Institute (OICAI)
- Top Executive Program in Thailand Energy Academy Program, Class 4, Thailand Energy Academy (TEA),
- Poom Palung Pandin Course for Top Executive, Class 1, Chulalongkorn University
- Top Executive Program in Commerce and Trade (TEPCoT), Class 6, Commerce Academy, University of the Thai Chamber of Commerce
- Public Director Certification Program (PDI), Class 12, Public Director Institute, King Prajadhipok's Institute
- Capital Market Academy Leadership Program, Class 3/2006, Capital Market Academy (CMA)
- The Joint State-Private Sector Regular Course, Class 20, National Defence College, National Defence Studies Institute

Attended in IOD Program

- Directors Certification Program (DCP) 18/2002
- Role of Chairman Program (RCP) 29/2012

Board member / Management in Listed Company

- Independent Director and Chairman of Risk Management Committee, Grande Asset Hotels and Property Public Company Limited
- Director, Audit Committee and Remuneration and Nominating Committee, Thai British Security Printing Public Company Limited
- Director and Executive Committee, CK Power Public Company Limited
- Advisor to Board of Directors, TTW Public Company Limited

Board member / Management in Non-Listed Company

- Director, Pathum Thani Water Company Limited

- Director, Thai Water Operations Company Limited
- Director, Faculty of Commerce and Accountancy, Thammasat University
- Advisor
 - Chairman of the Federation of Thai Industries
 - Board of Director of the Land Bank Administration Institute (Public Organization)
 - Board of Director of Water Institute for Sustainability

Experiences

- 2014- 2018 Chairman of the Board of Directors, Islamic Bank of Thailand
- 2014 - 2018 Director, Executive Committee, Corporate Governance Committee, Risk Management Committee and Managing Director, TTW Public Company Limited
- 2014 - 2018 Managing Director Pathum Thani Water Company Limited
- 2011 - 2018 Chairman of the Board of Directors, Suvarnabhumi Airport Hotel Company Limited
- 2015 - 2016 Vice president, Thai Listed Companies Association
- 2011 - 2014 Director, Executive Committee, Risk Management Committee and President, Bangkok Metro Public Company Limited
- 2011 - 2012 Vice Chairman of Board of Directors, Bangkok Metro Networks Limited
- 2011 - 2012 Director and Executive Committee, Government Saving Bank
- 2007 - 2011 President and Chief Executive Officer, Siam City Bank Public Company Limited
- 2001 - 2007 Chairman of the Executive Committee and President, AIG Retail Bank Public Company Limited
- 2001 - 2007 President and Chief Executive Officer, AIG Finance (Thailand) Public Company Limited

9. Ms. Nualphan Lamsam (52)

Director

Member of the Capital Fund Management Committee

31 May 2013 - 30 AGM 2016

30 May 2016 - AGM 2019

Education

- Master in Educational Management, Boston University
- Bachelor of Accounting in Marketing, Chulalongkorn University

Attended in IOD Program

- Directors Certification Program (DCP) 67/2005

Board member / Management in Listed Company

- President and Chief Executive Officer, Muang Thai Insurance Public Company Limited
- Director of Phatra Leasing Public Company Limited
- Director, DO DAY DREAM CO.,LTD

Board member / Management in Non-Listed Company

- Honorary Consul, Honorary Consulate of the Republic of Lithuania in Thailand
- Advisor to the Board of Director, Muang Thai Real Estate Public Company Limited
- National Identity Director, National Identity Board
- Member of the Commission of Assumption University Council
- Deputy Secretary General, Chamber of Commerce and Board of Trade of Thailand
- Advisor to the Board of Director, Muang Thai Group Holding Company Limited
- Advisor to the President of Muang Thai Life Assurance Public Company Limited
- Honorary Chairman, Saint Honore (Bangkok) Company Limited (Importer and Distributor of HERMES, France)
- Club President of Port FC Company Limited

Experiences

- 2015 - 2016 Independent Director, DO DAY DREAM CO.,LTD
- 2009 - 2016 Independent Director of Navanakorn Public Company Limited
- 2014 - 2016 Advisor to the President of the Nation Legislative Assembly
- 2011 - 2013 Vice President, Thai General Insurance Association
- 2009 - 2012 Deputy Secretary General, The Thai Chamber of Commerce
- 2009 - 2010 Vice Minister for Social Development and Human Security
- 2008 - 2009 Honorary President of Trans Fasion (Thailand) Company Limited
- 2008 - 2009 President of Muang Thai Insurance Public Company Limited
- 2007 - 2009 Director of Phatra Leasing Public Company Limited
- 2006 - 2009 Advisor to the President Muang Thai Life Assurance Company Limited
- 2004 - 2009 Director of Muang Thai Fortis Holding Company Limited
- 2008 - 2009 President of Muang Thai Insurance Public Company Limited

10. Mr. Banchong Chittchang (69)

Director

Member of the Compensation Committee

16 May 2015 - 24 May 2018

Education

- Master of M.S. Mechanical Engineering, University of Akron, USA
- Bachelor of Engineering (Mechanical), 2nd Class Honors, Chulalongkorn University

Attended in IOD Program

- Directors Certification Program (DCP) 7/2001 (Fellow Member)
- Chartered Director Class (CDC) 1/2007
- DCP Refresher Course 5/2007
- Role Of The Compensation Committee (RCC) 7/2008
- The Executive Director Course (EDC) 1/2012
- Anti-Corruption for Executive Program (ACEP) 3/2012
- Director Certification Program Update (DCPU) 1/2014
- Boardroom Success through Financing and Investment (BFI) 0/2016
- Strategic Board Master Class (SBM) 1/2017

Board member / Management in Listed Company

- Chairman and Independent director of TPBI Public Company Limited
- Independent director & audit committee member of Lam Soon (Thailand) Public Company Limited
- Independent director of Thai Optical Group Public Company Limited

Board member / Management in Non-Listed Company

- Facilitator of the Strategy Courses, etc., for Thai Institute of Directors Association (Thai IOD)
- Advisor to Thai Investors Association
- Advisor to CP ALL Public Company Limited

Experiences

- 1995 - 2004 President of Malee Sampran plc
Director and Vice Chairman, Food Industries Group, the Federation of Thai Industries
Director, Personnel Management Association of Thailand
- 1989 - 1994 Managing Director, Inchcape Manufacturing Co.,Ltd
- 1981-1989 Operations Manager, Foremost Dairies Co., (Bangkok) Ltd.

- 1978-1981 Production Planning & Control Manager, Fedders (Thailand) Ltd.
- 1970-1978 Quality Control Manager, Goodyear (Thailand) Limited

11. Mr. Paiboon Kittisrikangwan (57)

Director

BOT Oct 2016

Education

- MBA (Finance), University of Chicago Graduate School of Business
- BSc Econ (Monetary Economics), London School of Economics and Political Science, University of London

Training

- The Programme for Senior Executives on Justice Administration Batch 21, Judicial Training Institute, Office of the Judiciary
- Top Executive Program in Industrial Development and Investment (Class 2), Institute of Business and Industrial Development (IBID)
- Executive Program (Class 5/2014), Thailand Energy Academy (TEA)
- Diploma, Thailand's National Defence College (Class 53)
- Capital Market Academy Leadership Program (CMA 10/2010), The Stock Exchange of Thailand
- AMP (Advanced Management Program), Harvard Business School, U.S.A.

Attended in IOD Program

- Director Certification Program (DCP) 43/2004

Board member / Management in Listed Company

-

Board member / Management in Non-Listed Company

- Deputy Governor Corporate Support Services and Banknote Management, Bank of Thailand
- Chairman of the Banknote Management Committee, Bank of Thailand
- Member, Monetary Policy Committee (MPC), Bank of Thailand
- Member, Payment System Committee (PSC), Bank of Thailand
- Member of the Executive Committee the life insurance Fund committee, Ministry of Finance

- Member of the Executive Committee of the Endowment Fund Ministry of Finance
- Director and Chairman of the Audit Committee, Export - Import Bank of Thailand

Experiences

- June 2009 - 14 Aug 2014 Assistant Governor in charge of monetary policy and secretary to the Monetary Policy Committee (MPC)
- Oct 2005 - May 2009 Senior Director, Prudential Policy Department, Financial Institutions Policy Group, Bank of Thailand
- Oct 2001 - June 2003 Chief, Bank of Thailand London Representative Office

12. Ms. Patareeya Benjapolchai (63)

Director

Chairperson of the Capital Fund Management Committee

Member of the Audit Committee

31 May 2013 - 30 AGM 2016

30 May 2016 - AGM 2019

Education

- M.B.A., Thammasat University
- B.A. (Accounting), Chulalongkorn University

Training

- Certificate, Leadership Program, class 1, Capital Market Academy
- The Executive Program, University of Michigan, USA.
- Diploma, Advanced Accounting and Auditing Chulalongkorn University
- Certificate, Capital Market Academy Leadership Program, Capital Market Academy
- Certificate, Advanced course on Political and Economic Studies, King Prajadhipok's Institute

Attended in IOD Program

- Directors Certification Program (DCP) 1/2000
- Financial Institutions Governance Program (FGP) 1/2010
- Director Certification Program Update (DCPU) 2/2014

Board member / Management in Listed Company

- "Independent Director, Member of the Audit Committee, and Chairman of the Governance and Nomination Committee, Thaicom Plc
- Independent Director, Chairman of Audit Committee, Member of Remuneration Committee and Member of

Corporate Governance Committee, MCOT Plc.

- Independent Director and Chairperson of the Corporate Governance Committee, and Member of the Audit Committee, TISCO Financial Group Public Company Limited
- Independent Director, and Member of the Audit Committee, TISCO Bank Plc

Board member / Management in Non-Listed Company

- Advisor for Civil Penalties Measurement, The Securities and Exchange Commission
- Member of Subcommittee on Acquisition of Securities for Business Takeover, The Securities and Exchange Commission
- Older Fund Administration Committee, Ministry of Social Development and Human Security
- Independent Director and Chairman of Audit Committee, Bangkok Glass Plc.
- Member, Revolving Fund Evaluation Committee, Ministry of Finance
- Member of SET Awards Committee, The Stock Exchange of Thailand and Corporate Governance Committee, The Stock Exchange of Thailand
- Senior Expert in Corporate Governance and Corporate Social Responsibility, The Stock Exchange of Thailand
- Associate Judge, The Central Intellectual Property and International Trade Court
- Director, Baan Ruam Tang Fhun Co., Ltd.
- Advisor, Thai Listed Companies Association
- Honorary Advisor, The Institute of Internal Auditors of Thailand.
- Director, Krabi Petra Co., Ltd.

Experiences

- 2013 - 2017 Member of Disciplines for Directors and Executives of Listed Companies Committee The Securities and Exchange Commission
- 2011 - 2017 Member of Ethics Committee, Federation of Accounting Professions
- 2011 - 2016 Chairman of the Audit Committee, The Office of the Agricultural Futures Trading Commission
- 2010 - 2013 Audit Committee Office of the Permanent Secretary for Defence, Ministry of Defence
- 2006 - 2010 President, The Stock Exchange of Thailand
- 2009 - 2010 Chairman, Securities Depository (Thailand), Co, Ltd.
- 2009 - 2010 Chairman, SETTRADE.COM Co.,Ltd.
- 2009 - 2010 Chairman, Family Know-How Co, Ltd.

13. Mr. Rapee Sucharitakul (56)

Director

SEC May 2015

Education

- LLM in Commercial Law from University of Bristol, United Kingdom
- LLB (with honors) from University of Essex, United Kingdom.

Attended in IOD Program

- Directors Certification Program (DCP) 1/2000
- Role of the Chairman Program (RCP) 12/2005
- The Executive Director Course (EDC) 1/2012
- Financial Institutions Governance Program (FGP) 6/2013
- Strategic Board Master Class (SBM) 1/2017

Board member / Management in Listed Company

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Board member / Management in Non-Listed Company

- Secretary-General of the SEC, Thailand
- Chairman, Capital Market Supervisory Board
- Member of the State Enterprises Policy Committee
- Member of Financial Institutions Policy Committee
- Director of Insurance Commission
- Board of Directors, National Savings Fund
- Board of Directors, Government Pension Fund

Experiences

- 2013 - 2015 Director, Kasikornbank Public Company Limited
- 2013 - 2015 Independent director, Big C Supercenter Plc
- 2012 - 2015 Advisor to the President, Muang Thai Life Assurance Co., Ltd.
- 2010 - 2014 Director, Stock Exchange of Thailand

14. Mr. Supattanapong Punmeechaow (58)

Director

Member of the Nomination & Governance Committee

26 Jan 2018 - AGM 2019

Education

- M.B.A., Chulalongkorn University
- B. Eng. (Chemical Engineering), Chulalongkorn University

Training

- Capital Market Academy Leadership Program, Class 23, Capital Market Academy

- The Rule of Law and Democracy Course (Class 3), 2015, College Constitution
 - Corporate Governance Program for Directors and Executives of State Enterprises and Public Organizations (Class 12), 2014, King Prajadhipok's Institute-State Enterprise Policy Office and Office of the Public Sector Development Commission
 - Certificate in Top Executives in the Energy Education Program, Thailand Energy Academy (Class 4)
 - Oxford Energy Seminar 2013, United Kingdom
 - The National Defence Course (Class 50) and The Joint State-Private Sector Course (Class 20), National Defence College
 - Advance Management Program, INSEAD University, France
 - 2015 - 2016 Chairman, Thai Fatty Alcohol Company Limited
 - 2014 - 2015 Chairman, Sport Services Alliance Limited
 - 2014 - 2014 Director, Islamic Bank of Thailand
 - 2012 - 2014 Senior Executive Vice President, Corporate Strategy , PTT Public Company Limited
 - 2013 - 2014 Director and Director of the Nomination and Remuneration Committee, Bangchak Petroleum Public Company Limited
 - 2011 - 2014 Director, Sakari Resources Limited
-

Attended in IOD Program

- Director Certification Program (DCP) 131/2010
- Role of the Chairman Program (RCP) 30/2013

Board member / Management in Listed Company

- Senior Executive Vice President, PTT Public Company Limited
- Director and Secretary to the Board of Directors / Director to the Risk Management Committee and President & Chief Executive Officer, PTT Global Chemical Public Company Limited
- Director and Member of the Risk Management Committee, Global Power Synergy Public Company Limited
- Chairman, Global Green Chemicals Public Company Limited

Board member / Management in Non-Listed Company

- Director, PTT Chemical International Private Limited
- President, Chulalongkorn Engineering Alumni
- Member, Council of Trustees, Petroleum Institute of Thailand
- Committee Member, The Federation of Thai Industries
- Committee Member, Thai Listed Companies Association
- Vice President, Thailand Swimming Association
- Honorary Member of Vidyasirimedhi Institute Council
- Member of Kamnoetvidya Science Academy
- Vice President, The Power of Leading Foundation

Experiences

- 2014 - 2017 Vice Chairman, Vinythai Public Company Limited
- 2015 - 2017 Chairman of the Community Partnership
- 2016 Director of the Center of Excellence on Environmental Health and Toxicology (EHT), Mahidol University

Thailand's Private Sector Collective Action Coalition Against Corruption Council (CAC Council)

Roles and Responsibilities:

1. Consider and develop code of conduct and best practices of coalition members
2. Consider and develop a process to certify companies joining as coalition members
3. Consider the appointment and revocation of company membership
4. Advocate for the coalition through comments on anti-corruption matters provided to the public and media.
5. Discuss with coalition members and participating organizations to determine directions, strategies, and operating plans.
6. Consider supporting and arranging anti-corruption activities such as seminars, workshops, training courses, surveys, distributions of best practices, communications, and participating in anti-corruption activities conducted by the state or NGOs etc.

Chairman

Mr. Panas Simasathien

Vice Chairman

Mr. Kopr Kritayakirana
Ms. Juri Vichit-Vadakan

Council Members

Mr. Paron Issarasena Na Ayudhya
Mr. Kovit Poshyananda
Mr. Pramon Sutivong
Mr. Krirk-Krai Jirapaet
Mr. Prasan Chuaphanich
Mr. Chanin Vongkusolkit
Ms. Tarisa Watanagase
Mr. Surong Bulakul
Mr. Bandid Nijathaworn Secretary

Coalition Certification Committee

Roles and Responsibilities:

The committee is set to screen supporting documents of companies seeking CAC certification and proposes view to the CAC Council regarding the certification approval. The committee is also obliged to consider and review the substance of the certification process as well as compile and share anti-corruption best practices with coalition members.

Chairman

Mr. Bandid Nijathaworn

Council Member

Mr. Yuth Vorachattarn
Mr. Kitipong Urapeepatanapong
Mr. Surapong Churangsarit
Mr. Yongkiat Kitaphanich
Mr. Anuwat Jongyindee
Ms. Varunee Pridanonda
Mr. Pairat Srivilairit
Mr. Kulvech Janvatanavit Secretary

Chairman

Mr. Prasan Chuaphanich
Chairman, Thai Institute of Directors Association

Council Member

Mr. Bandid Nijathaworn
President & CEO, Thai Institute of Directors Association
Ms. Waratchya Srimachand
Senior Assistant Secretary-General Deputy, The Office of the Securities and Exchange Commission
Mr. Yuth Vorachattarn
Expert on Corporate Governance and Social Responsibility, The Stock Exchange of Thailand
Ms. Pattera Dilokrunghirapop
Chairperson, Association of Securities Companies
Ms. Wachira Na Ranong
President of Thai Investors Association
Mr. Sombat Narawutthichai
President, Investment Analysts Association
Ms. Pensri Suteerasarn
President, Thai Listed Companies Association
Ms. Voravan Tarapoom
Honorary Chairperson, Association of Investment Management Companies

Secretary

Ms. Wirawan Munnapinun
Assistant Vice President-Research & Policy, Thai Institute of Directors Association

Steering Committee of Corporate Governance Report of Thai Listed Companies

Roles and Responsibilities:

In order to ensure that the criteria used in the study is in line with international standards and best practices, a Steering Committee was established to review and comment on the evaluation template. The Committee comprises of experts from various market segments namely:

Facilitators

Roles and Responsibilities:

The IOD has appointed various facilitators, through screening those qualified persons with special expertise and experiences on the specific subject matter on which they will be presenting; whereby the education or training sessions focus upon achieving an active exchange of viewpoints among the course participants who are also well experienced. As such, it is essential that the IOD's facilitators present their viewpoints that will then be combined with the extensive experiences of the course participants, in order to facilitate a genuine understanding of the principles in regards to discharging the duties and role of company directors

NAME	Since	NAME	Since
1. Asistant Prof. Krit Umpote	2000	47. Prof. Dr. Pornchai Chunhachinda	2014
2. Prof. Kitipong Urapeepatanapong	2000	48. Assoc. Prof. Dr. Sunti Tirapat	2014
3. Ms. Kaisri Nuengsigkapien	2000	49. Ms. Duangmon Chuengsatiansup	2014
4. Mr. Nararat Limnarat	2000	50. Ms. Charuphan Intararoong	2014
5. Mr. Weerawong Chittmittrapap	2000	51. Ms. Camille Ma	2014
6. Mr. Weerachai Ngamdeevilaisak	2000	52. Mr. Kulvech Janvatanavit	2014
7. Mr. Sirichai Rasameechan	2000	53. Mr. Brenton Justin Mauriello	2015
8. Prof.Dr. Warapatr Todhanakasem	2000	54. Mr. Jonathan LH Blaine	2015
9. Ms. Suvabha Charoenying	2001	55. Mr. Pornlert Lattanan	2015
10. M.L. Pakakaew Boonliang	2001	56. Mr. Chinapat Visuttiapat	2015
11. Ms. Manida Zinmerman	2002	57. Dr. Noppakorn Klinton	2015
12. Mr. Chalee Chatanayingyong	2003	58. Dr. Somjin Sornpaisarn	2015
13. Ms. Nangie Gittisriboongul	2003	59. Mr. Thawatchai Pittayasophon	2015
14. Ms. Waratchaya Srimachand	2003	60. Ms. Saranya Chindavanig	2015
15. Ms. Varunee Pridanonda	2004	61. Ms. Somsuda Tanchanpongs	2015
16. Mr. Banchong Chittchang	2005	62. Mr. Anantachai Yoonprathom	2015
17. Mr. Chainarong Indharameesup	2007	63. Mr. Anurat Kongtoranin	2015
18. Mr. Manote Lertsakorn	2007	64. Mr. Prinya Hom-aneek	2015
19. Mr. Supot Singhasaneh	2007	65. Ms. Surangkana Wayuparb	2015
20. Dr. Thamanoon Ananthothai	2007	66. Mr. Gong Rungswang	2016
21. Ms. Narisara Phatanaphibul	2008	67. Mr. Yuttana Suwanpradit	2016
22. Mr. Sutham Songsiri	2008	68. Mr. Jirapat Tammawaranukup	2016
23. Mr. Teerachai Chemnasiri	2009	69. Dr. Mana Nimitmongkol	2016
24. Mr. Alan Kam	2009	70. Mr. Tada Tearprasert	2016
25. Ms. Nangnoi Charoenthaveesub	2009	71. Mr. Pravej Ongartsitthikul	2016
26. Mr. Term Techasarin	2010	72. Ms. Jomkwan Kongsakul	2016
27. Ms. Pratana Mongkolkul	2010	73. Dr. Kulpravee Siripuripalangkorn	2017
28. Mr. Suwit Chindasanguan	2010	74. Ms. Boonsiri Charusiri	2017
29. Mr. Apiwut Pimolsaengsuriya	2010	75. Ms. Pattaralada Sa-ngasang	2017
30. Mr. Sanpat Sapon	2011	76. Mr. Theppachol Kosol	2017
31. Dr. Bandid Nijathaworn	2011	77. Ms. Primyadar Duangrat	2017
32. Prof.Dr. Kriengsak Chareonwongsak	2011	78. Ms. Thananan Sangnuan	2017
33. Mr. Peter J. Van Haren	2011	79. Mr. Warathorn Wongsawangisiri	2017
34. Asst. Prof. Dr. J. Thomas Connelly	2011	80. Ms. Pattanaporn Tripipat	2017
35. Ms. Siraporn Chulasatpakdy	2012	81. Ms. Sarica Apiwatthakakul	2017
36. Mr. Anuwat Jongyindee	2012	82. Mr. Pote Harinasuta	2017
37. Mr. Thanakit Permpoonkhantisuk	2012	83. Ms. Aongorn Somprasong	2017
38. Mr. Supirut Pothavorn	2012	84. Mr. Ekaluck Wangchucherdkul	2017
39. Dr. Narumol Sinhaseni	2013	85. Mr. Thitipong Nandhabiwat	2017
40. Mr. Kobkit Thienpreecha	2013	86. Mr. Panuwat Benrohman	2017
41. Ms. Pornpinant Asawawattanaporn	2013	87. Mr. Tanai Charinsarn	2017
42. Ms. Nareudee Corsiri	2013	88. Mr. Chris Hafner	2017
43. Mr. Thodsaporn Rattanamastip	2013	89. Ms. Uramanee Puttong	2017
44. Ms. Waraporn Theppunkulngam	2013	90. Mr. Piti Eiamchamroonlarp	2017
45. Dr. Agapol Na Songkhla	2014	91. Ms. Somthawin Patanavanich	2017
46. Mr. Kudun Sukhumananda	2014		

IOD Operating Context and Strategy

Chief Executive's Review

I was appointed President and CEO of the Thai Institute of Directors (IOD) in July 2011. The mandate was to help improve Thailand's corporate governance through the roles and duties of directors, more generally, to build a quality business sector. It was a challenging task indeed as it involved so many players and so many variables including changes of the attitude, behaviour, and practices of businesses. The task obviously cannot be done single-handedly by any single organization but needs the support and collaboration of all parties. This inevitably makes integrity and public standing of IOD's prerequisites.

This being the case, I have given special importance to three areas I consider critical to the IOD's future.

First and foremost, to make IOD an institution not just a training centre that helps directors in their duties, but a full-fledged institution that strives for better corporate governance. It is this institutional role of the organization that the private sector recognizes and supports.

Second, IOD must have a good financial position to ensure its long-term financial viability. This is crucial even for a not-for-profit organization as poor financial standing can affect the continuity of IOD's work, as well as the confidence and independence of the organization.

Third, the potential of the organization hinges on the quality and the capability of its staffs. This means IOD must be able to attract and retain high-calibre staffs to the point that they can have a clear career path with IOD. This is key to the organization's ability to sustainably fulfil its mission and to turning the IOD into

a recognized depository of knowledge, capability, and strong governance culture.

These are the agenda that myself and the executive team have set, consistent with the board's plan and targets. The task is particularly challenging, as I have noted earlier, especially in the current environment of heightened business uncertainty, increased awareness of corporate governance at home and abroad, and continued disappointing news on corporate governance scandals and poor governance in the public sector. All this has raised expectation of IOD, as organization that promotes corporate governance.

First year under the current Three-Year Strategic Plan.

2017 was the first year under the current three-year strategic plan (2017-19). In that year, we focused on making corporate governance impactful for companies through the leadership role of the boards in supporting growth and sustainability. Under the broad strategy, the works of the IOD will focus on knowledge building to help directors fulfilling their duties, and relationship building that strengthens collaborations of participants in the country's CG Eco-system for better corporate governance outcomes and quality businesses. Specifically, IOD's drive on corporate governance focused on four issues, namely leadership role of the board, board diversity, IT governance, and stakeholder engagement. All were well received.

On knowledge building, last year we focused on updating and finalizing best practices for board committees. We issued new guidelines on best practices for nomination and remuneration committees.



Research was carried out to quantify, among other things, correlations between company performance and corporate governance of listed companies on the MAI board of the stock exchange. The finding was presented at the National Research Dialogue on Corporate Governance Conference, organized by IOD and eight local universities with a common aim of promoting research on corporate governance. An On-line library comprising 108 research articles was initiated to disseminate CG knowledge to the public, and the FAQs were posted on corporate governance on the Institute's app and website.

We have continued to give importance to incorporating new research findings and developments to improve the content of director training at the Institute. Specifically, last year the importance of stakeholders to the fiduciary duties of the boards was highlighted in line with the focus of the new corporate governance codes issued by the SEC. On advocacy, an area IOD recognizes as an important channel through which directors can provide feedbacks to regulators on legislation that can affect directors, last year members of the Institute took part to provide comments on two key legislations. The first concerned the draft of the Payment System Act by the Bank of

Thailand while the second was about the draft amendment of the SEC Act to facilitate shareholders meeting as per SEC instruction.

On finance, the Institute last year embarked on two new corporate services: new corporate membership model and corporate governance advisory service, to better service members and as a means to raise new revenue to lessen the dependency of the Institute's income on director training income, which accounts for more than 70 percent of total revenue. Efforts were also made to control costs and reduce expenditure while increasing income from sponsorship which last year saw 51 companies sponsoring the Institute's events and activities.

The Institute continued to be involved in promoting corporate governance in the neighbouring countries as better governance in these economies will likely benefit Thai companies' business and investment in the long-term. Last year, the Institute organized director training class in Myanmar and participated in corporate governance conferences as speakers and resource persons in Laos and Cambodia. At home, IOD continued to work closely with the Anti-Corruption Organization of Thailand, supporting it by conducting three training classes for its independent observers in the Integrity Pact-linked government investment projects. The Institute also ran eleven Ethical Leadership Classes for Thai companies, to raise awareness on the importance of good governance and ethical business for company boards and executives.

Pushing for better governance of companies to fight corruption, through the Collective Action Coalition of the Private Sector against Corruption or CAC in the capacity of the coalition secretariat, continued to be one of the Institute's main activities and made a good progress last year. The number of signatory companies to the Coalition rose to 894 with 314 companies certified

for having put in place anti-corruption policy and compliance system as required by the CAC. In the same year, the CAC also launched a pilot Citizen Feedback project that enabled the public and businesses to provide feedback on their degree of satisfaction when contacting government offices for services, as well as information on bribery offered or given via the QR code technology. The project was done in conjunction with five government agencies in Bangkok for a period of two months, courtesy of the Office of the Public Development Commission. In all, more than 2,500 feedbacks were received, demonstrating the willingness of the public to cooperate with the drive to stamp out corruption. The project is set to be expanded to cover more areas in Bangkok this year.

Communication to enhance public understanding of the role and mission of the Institute is another area important to the works of IOD. The Institute does this through press interviews, articles, and speaking or engaging in public forums on corporate governance issues. Last year, IOD held six press conferences with 285 news items reported on the Institute's activities, pointing to growing press interest in IOD's activities.

Likewise, we also have to be careful about not having bad press about the IOD. In this regard, we pay particular attention to risk management in IOD's own operation, especially legal issue that could arise from our communication and training activities. To manage this, a seminar on Copyright and Intellectual property rights was held for our course facilitators, focusing on the use of case studies, both foreign and local, that could have high sensitivity.

Human resource comprising facilitators, executives, and staffs are key assets to the organization that needs to be retained, motivated, and accorded with incentives that lead to further development. IOD pays attention to this by periodically reviewing compensation and by organizing training sessions on corporate governance

and soft skills and provides opportunities for staffs to utilize their knowledge and expertise for the benefit of the organization while creating a working environment that promotes creative thinking and teamwork. Moreover, last year an investment was made to renovate our main IOD office at North Park, turning it into a modern office with inputs and ideas from staffs. This makes the new office something that the staffs can enjoy and be proud of.

Performance and Investment

Our balance sheet last year was satisfactory. Total revenue grew by 5.6 percent and expenditure rose by 9.7 percent. More than 70 percent of revenue comes from training activities. Hence, the challenge of reducing revenue dependency on training and making the revenue structure more balance remains. Fixed expenditure accounted for 50 percent of total expenditure. All in all, the Institute reported a total surplus of 23.6 million baht, raising the accumulated surplus to 168.5 million at end 2017. The surplus - though modest - has been carefully managed for returns by our investment committee that gives importance to protecting the value of investment amidst a volatile financial markets condition. Last year, interest income from investment was 3.1 million baht, equivalent to a return of 2.05 percent marginally higher than the year before.

Last year was also the first year that Institute invested to improve its overall capability and capacity. There was an investment to renovate the existing office and a move to identify a location for the Institute's downtown office to better serve members. To facilitate the investment, the IOD board set aside a budget of six million baht of the approved investment budget for the improvement of the existing office which was completed last April. The remaining of the approved investment budget, which includes upgrading the IT system, will be spent this year.

On investment, the Institute has been making investments since it started in

1999 to improve efficiency and capability of its operation to support growth and ensure high standard of services. In the last year, the level of satisfaction assessed by participants on the Institute's many activities was rated quite satisfactory. Director training received a satisfaction level of 87.8 percent compared to 87.6 percent a year before. Research received a satisfaction rate of 87.4 percent while events received 83.6 percent. IOD's membership grew by 13.9 percent last year, reaching a total of 3,984 members. The Institute was also able to attract many high-calibre people from the private sector to join or help the Institute in its mission.

The IOD also performed satisfactorily in the eyes of the press. Eighty percent of the press surveyed expressed better knowledge and understanding of the role of IOD and gave an overall mark of 72.9 for the Institute's role in promoting corporate governance, in encouraging directors to pay attention to stakeholders, as well as on its advocacy role. Nonetheless, they also would also like to see more active public relations especially through social media, education classes on corporate governance for the press, and a speedy and forceful reaction to news of corporate governance failures when they arise. All this suggests that public expectation of the role of the Institute has increased.

For next year, the works of the Institute will continue to make progress along the path envisioned in the current three year plan, emphasizing making corporate governance impact through actual practices. This is going to be quite challenging in a society like ours where a large part of the population tend or are willing to tolerate bad governance practices. To this end, IOD will focus on three issues in its director development: the leadership role of the board, the importance of paying attention to the longer term impact of board decision, and the importance of stakeholders for business sustainability. These issues will be included and discussed in our director courses as appropriate. Next

year the Institute also plans to develop two new courses in response to the demand of directors: the board's role in promoting ethical culture in the organization and Governance of not-for-profit organization.

Our research work next year will focus on creating and disseminating CG knowledge to IOD members and the public to facilitate their engagement in promoting good corporate governance in businesses. This will be done through a closer working relationship of people in the country's governance Eco-system possibly via formal governance projects that would help build a stronger corporate governance culture in the country's businesses.

A new corporate membership model will be put into effect in 2018 to expand membership. The new model will offer new benefits and new experience of IOD membership to our members. We will continue to support the member's smaller group functions or activities that reflect their specific directors' interest such as family business group, independent directors group, Chairman group, Fellow member group, and chartered directors group. Our view is that such grouping can greatly increase the efficiency of directors in performing their duties. In addition, networking amongst members will benefit from having an IOD downtown office while the new corporate governance advisory service will greatly help companies improving their corporate governance practices.

To date, the CAC project has become an important infrastructure in the private sector for fighting corruption, promoting clean business, and improving governance. In 2018, the CAC model will be extended to the small and medium sized companies with full CAC features. This includes requirements for companies to put in place policy and control mechanism against corruption with certification for meeting the requirements. The self-assessment questionnaires for SME have been completed since last year and the SME certification will be launched

this year, making the fight against corruption truly accessible by all levels of companies. As noted earlier, IOD's Citizen Feedback project will be extended this year to cover more government offices in the whole of Bangkok metropolitan, highlighting the important role that citizen can play in fighting corruption.

Financial soundness is also important to the CAC given the financial accounts of IOD and CAC are separated. This means it is also important for the CAC to build a strong brand and become widely known in order to attract and earn long-term support from businesses.

Our works on the new IT system will also start in 2018. The current system is almost twenty years old and is due for a major upgrade. With a new system, the IOD will be in a position to offer better services to members with the use of new technology and IOD's applications. Likewise, the organization's work process is set for a major revamp to enable a full utilization of the new technology. Next, changes will also need to be made to the IOD's organization's structure and staff skills to ensure maximum benefits of the new technology and the new downtown office as indicated earlier.

While much progress on many fronts has been made on the IOD's works, much remains to be done to raise Thailand's corporate governance to a higher level. I must thank the IOD board, the staffs, and our members for their continuous supports as well as their willingness to lend a hand whenever this is needed. This has helped our organization to grow with stability. I hope we continue to receive the same supports and participation in years to come so that IOD can fulfil its mission through its own potential and capability, to the benefit of all stakeholders.



Dr. Bandid Nijathaworn
President and CEO

Key Risks and Opportunities

Stakeholders' expectation, particularly institutional investors, to see an improvement of corporate governance to enhance credibility in Thai business drives IOD to expand activities in a bid to improve staff's knowledge and capacity, relationship with stakeholders, and internal infrastructure to meet the expectation.

IOD's Key Opportunities:

- **Expand into new geographical coverage i.e. CLMV and regional Thailand, and more diversified groups of directors.**

Corporate governance has become one of the factors for credibility assessment and investment decision. For this reason, regulators, the government, public and private sectors in many countries are all eager to make corporate governance a standard to make the country and its business attractive to both domestic and foreign investors. IOD, as a director institute, has over 18 years of experience in helping improve corporate governance practices of Thai listed companies. Several sectors therefore want support from IOD, particularly in the CLMV countries where the capital market is currently under development and needs to attract foreign capital investment.

The group of limited companies, particularly family businesses, also shows interest in good corporate governance. They are eager to enhance their business professionalism and list in the stock exchanges. An increasing number of participants of IOD training courses from this group is evident



compared to those from listed companies. IOD should place this group high in the priority list and consider ways to make IOD's offers easier to access for them, as some participants in this group travel from other province to participate in IOD training courses.

The demand for corporate governance development does not happen only in the private sector. The current government also gives corporate governance a priority and push for a similar goal. The drafted law on state-owned enterprise governance will lead to a huge institutional reform essential for boosting effectiveness among state-owned enterprises starting from the board of directors, the group through which IOD can help put good corporate governance into practice. In addition, there are non-profit organizations that still lack corporate governance. IOD will also take care of the matter.

- **Assist family business in transforming family run companies into professionally run companies.**

Most businesses in Thailand are family business where breadwinners make the final decision. However, effective corporate governance and management practices among this group is still lacking. As a result, several issues occurred, making business operation more complicated the more it grows.

Realizing the importance of corporate governance to family businesses, IOD therefore recently developed the course Family Business Governance (FBG) to equip this group with corporate governance knowledge and professionalism. However, the access to this course is still limited partly because family businesses are located all over the country. New training programs and seminars catered for family businesses should also be considered in order to support their growth in the future.

- **Demand for bespoke services such as in-house training and CG Assessment services from companies waiting to play on international arena and/or improve the implementation of CG.**

Many organizations now give priorities to corporate governance, as they believe it will lead to sustainable business. For private companies, corporate governance is one of the key factors that both domestic and foreign institutional investors prioritize. Several organizations and members thus contacted IOD asking for advisory on how to improve corporate governance and the board and committees in order to be in line with domestic and international standards.

IOD therefore introduced the CG Assessment & Advisory Service in 2017 in a bid to give advice for developing organizations. Such service will also give IOD an opportunity to support each organization effectively in putting corporate governance into practice.

Many organizations and companies have shown their interest in organizing in-house trainings with an aim to enhance their directors and executives' capabilities in corporate governance in the context of their business. Courses

that are of their interest are Ethical Leadership Program (ELP), Corporate Governance for Executives (CGE) and Role of Corporate Risk Leader (RCL). In addition, IOD facilitators are invited to give lectures and speak about the importance of corporate governance and duties of directors at different organizations. Both governmental and private sectors have also continuously shown interest in those sessions.

It is expected that in the future, many organization will want to receive tailor-made counselling and trainings, IOD therefore will equip our staff with knowledge and skills that will enable them to provide consultation and training contents to meet the increasing demand.

- **Provide comprehensive CG platform for director community, build strong director network and make their voices heard.**

A strong network of directors will push and provide comments on policies and guidelines. The gathering of directors will lead to knowledge sharing and improvement of Thailand's corporate governance. IOD therefore encourages members to participate in activities with the aim to expand the director network and give opportunities to improve the courses through member activities, for example, director forum, chairman forum, audit committee forum, fellow member events and family business events. In addition, IOD acts as an intermediary who regularly gathers IOD members' opinions on new policies and best practices that may affect their roles and responsibilities then forwarding them to the regulators.

In the future, IOD aims to become a center for members to exchange their views, knowledge and skills. In 2018, a meeting and co-working space for members where newly appointed and experienced directors can engage in discussion will be established in downtown Bangkok. In addition, clubs will be established to help unite IOD members in moving corporate governance forward, starting with the Independent Director Club where members can share ideas and experiences, purpose new activities and set up guidelines and best practices for independent directors in a bid to enhance their effectiveness. When the demand for skilled independent directors are now high, the Independent Director Club will play a part in developing professional independent directors.

- **Build best-in-class CG knowledge through and for IOD members and business community.**



The current corporate governance landscape has three significant changes as follows:

Firstly, business prioritizes not only shareholders but all stakeholders. Secondly, regulators, institutional investors and retail shareholders now have increased expectation for better corporate governance from the business. Finally, corporate governance has become crucial for investment decision. These changes have created new potentials of corporate governance and lead to the revision of existing corporate governance policies at both national and international levels.

At the international level, the role of institutional investors towards corporate governance is newly added in the updated version of G20/OECD Principles of Corporate Governance endorsed by the Organization for Economic Co-operation and Development (OECD). The new addition is also in line with the latest ICGN Global Governance Principle. Other additions that should be focused on are, for example, shareholders' participation in decision making on executive director compensation, the adoption of IT in annual general meeting process, the importance of public disclosure of non-financial information, the board's roles and responsibilities in risk oversight, tax planning, and the establishment of committees.

At the ASEAN level, new details such as the leader role of the board in corporate strategy formulation, lead independent directors, compensation for executive directors, and IT governance are included in the ASEAN CG Scorecard criteria.

In Thailand, the Securities and Exchange Commission (SEC) has issued the Corporate Governance Code for Listed Companies 2017 (CG Code 2017) and the Investment Governance Code of Institutional Investors (I Code). The key focus is for the companies to set a sustainable corporate goal and objectives through stakeholder participations, with the board of directors as the strategic leader who oversees and support technology and innovation adoption to create value for the business.

The following changes have prompted the directors to adjust the way they work in order to oversee the implementation of the strategy effectively. Several issues are new trends, i.e. IT, lead independent directors and sustainability-oriented business. Company directors need the information and practical guidelines related to these issues. IOD will develop best practices and provide related information through training programs and seminars.

IOD's Key Risks:

- **Reputation risk from inability to upkeep the quality of courses and services due to higher level of incoming traffic**

IOD is highly regarded particularly among listed companies as a credible institution. An increasing number of limited companies and other sectors have shown interest in IOD-organized training programs and activities as well as in seeking support or collaboration from IOD. Trainings and member activities thus need careful planning to keep up with the increasing number of members

showing interest. However, resources, particularly staff capable of course content development, are still inadequate. Workloads need to be prioritized as the issues may affect the quality of training programs and other services.

- **Legal risk in the context of teaching materials, case studies, and public comments**

Information such as statistics, research results and video clips used as training materials could violate copyrights. Legal consultant will help provide advice to facilitators and staff to reduce the risk.

In addition, most training participants want to learn from real case studies, especially those of Thai companies. It is essential for IOD to avoid defamation lawsuit by carefully checking the status of each case and adjusting some details so that the case study will not affect any party.

IOD takes a careful approach to giving opinions in public by focusing only on directors' roles and responsibilities, and adhering to the corporate governance principles with independent and impartial mind.

- **Human capital risk of losing key senior persons and experienced CG Analysts. Pool of experienced facilitators does not keep up with demand for classes**

Human resources, particularly staff with experience and knowledge in corporate governance, are the important factor that helps make IOD's operation effective. The institute therefore gives priority to maintaining human resources, planning on position replacement and

trainings for all staff. Salary structure is also adjusted to compete with external organizations.

Facilitators are crucial for the effectiveness of IOD training courses. However, it is difficult to find facilitators well equipped with knowledge, experience and skills in corporate governance. For this reason, IOD plans to develop potential facilitators by organizing the annual "Facilitator's Day" to keep the institute's facilitators updated on new information and ideas. Potential facilitators are also invited to participate in activities, seminars and trainings planned for individual facilitator development. Mentoring program is also organized for new facilitators. A list of potential facilitators is prepared for each course as well as future development plan for each facilitator.

• **Relationship with stakeholders and members. Inadequate coverage due to human resource issues**

IOD collaborates with many organizations and more and more members are showing interest in participating in IOD activities. Staff are needed for planning and relationship management with different supporters, alliances and IOD members. More technologies are also required for information collection system to enable an effective communication and connection. To take care of each group of stakeholders, more staff are required. By using new technologies to add value and effectiveness, IOD staff will be able to manage time and work more effectively. Qualifications of the new recruitments also need to meet the criteria and requirements.

• **Delay in implementation of digital strategy**

At present, advanced information technologies, particularly digital technologies, helps reduce cost and enhance effectiveness. IOD is aware of the importance and implemented the Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) in 2017.

As digital operation is a new topic for IOD, the progress is relatively slow. Finding a suitable system integration service provider and determining which technology can help which operation needs to be taken step-by-step with constant inputs from experts and IOD board of directors.

Any delay in implementation may affect the success of strategy implementation, particularly the strategy that involves usage of technology. Hence, an IT project consultant is hired and the procurement committee with directors of IOD board as members is formed. The IT project committees at operational level and executive level are also established. IT system integration is expected to be completed in 2018.

• **Intellectual capital**

IOD needs to upgrade corporate governance knowledge of its staff constantly to remain relevant, but execution of which is jeopardized by a greater demand of number of classes and other activities. There is also a tradeoff between the short-term pressure to generate revenue to upgrade facilities, compensate the staff, advisors and

facilitators, versus the long-term need to invest in intellectual and manufactured capitals to build organizational culture towards sustainability.

• **Financial risk**

A slowdown in the economy and a drop in the stock market could materially impact IOD's sponsorship, membership and training revenue. There is also a growing numbers of alternative service providers and newcomers in corporate governance educational services.

• **Compliance risk**

Registered as an association, IOD is governed by different rules and regulations from general companies. As a small organization, IOD has no dedicated legal department. The capacity to take care of every detail relating to laws and regulation is still limited. A law firm and a consultant having expertise in legal affairs thus are hired to take care of specific cases and sometimes IOD directors who are legal experts are also consulted.

Strategy

In 2017 Thai IOD's embarked upon the new 3 years Strategic Plan whereby the long-term strategic focus will be for IOD to create tangible impacts to business community and capital market by cultivating real substance of corporate governance practices and equipping boardroom with soft and hard skills to steer businesses through increasingly uncertain environment, ensuring sustainable competitiveness at global scale

The strategy focuses on fostering CG in practice to create value for our stakeholders vs prior focus on generating fee income from directors training. The strategy is structured around two focus areas: to build a strong CG knowledge and engagement with members; ultimately, CG impact in Thailand will be championed by IOD members.

The current three year IOD Strategy was approved by Board of Directors in October 2016 where we agreed upon three core work principles to achieve the long term objective of the institution - Inspiring, Outreach and Discerning.

1. **Inspiring** — our work will adhere to high quality and international standard, our agenda will be pushed forward inspiring members to aim high. Our work will touch the human aspects inspiring members to embrace CG practice from their inner core.

2. **Outreaching** — we aim to work with all internal and external stakeholders to provide a comprehensive one-stop CG governance knowledge platform and make our members voices heard. This platform is to be easily accessible.

3. **Discerning** — our work will set out to be intellectual, insightful, substantial and thought-provoking to provide CG framework, food for thoughts, tackle major dilemmas and differentiate right from wrong.

Our key focus group will continue to be director community; products and services offerings will gear towards creating productive ecosystem to maximize director performance. Not only events, training and workshops will be provided to directors but dedicated services will be provided to C-Suites and Company Secretaries.

Our market segmentation will be profit-seeking corporations with growing interest from private and pre-listed companies. With the outreach mindset, we look to extend our coverage to include not-for-profit organizations, public sector entities and students to fully engrain the practice of corporate governance to society at large.

The financing of our mission will continue to be from membership fee, training, sponsorship, members and other advisory services. The income mix will be shifted more towards membership and advisory fee vs the current reliance on training revenue to balance the revenue mix and ensure long-term financial sustainability of the institution. The product shift towards bespoke advisory and members services such as board placement will also complement the CG in substance imperative.

Our Strategic Imperative is to be recognized for '**Knowledge Leadership**' in Governance and functioned as integral part of the business community with strong '**Relationships**' with members, stakeholders and society

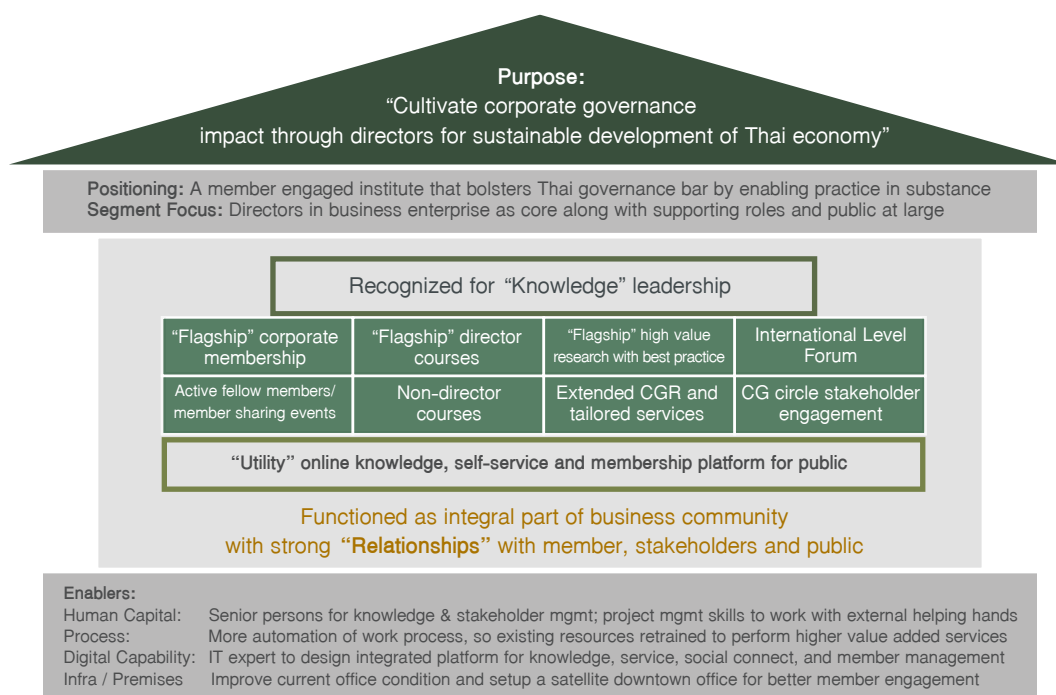
Knowledge Leadership

There will be 2 types of distinctive offerings "Flagship" and "Utility". The flagship training and advisory offerings will be provided to directors and companies investing in improvement of corporate governance, helping them to excel at their role and responsibilities in adding value to companies and their stakeholders.

Utility offerings will work hand in hand with Flagship offerings in making knowledge available and accessible to society at large. The wider call for good corporate governance from society will act as a society license to operate. This call for action will immune society from corporate abuse and encourage companies to act for best interests of all stakeholders. The shift of mindset from

regulatory CG compliance model to self-imposed action will ensure society is to benefit from all capital employed in companies on sustainable basis.

IOD's public contribution of spreading knowledge about CG will need to be implemented in the most cost-efficient manner. This calls for the use of technology and e-platform to minimize this outreach expenses.



Relationships

Ability to work with members, regulators and all other stakeholders of IOD will be the key to successful execution of this strategy. Financial, intellectual and human resources will be employed to ensure IOD is acknowledged as the leading one stop CG entity.

The 9 Key Initiatives

In the medium term, the focus will be on 9 key initiatives as follows:

1. Flagship Director Courses
2. Non-director Courses
3. Flagship high value research with best practices
4. Extended CGR and tailored services
5. Flagship corporate membership
6. Active fellow members/member sharing events
7. International Level Forum
8. CG Circle and Stakeholder Engagement
9. Utility knowledge, self-service and membership platform for public

The institute capital will be deployed to

drive these initiatives via the following enablers :

1. Human Capital — skills upgrade
2. Intellectual Capital — Process upgrade
3. Social and Relationship Capital - Digital Capability upgrade
4. Manufactured Capital-Infrastructure and Premises renovation

Performance

IOD focuses on activities following its nine strategies. The strategic implementation was first undertaken in 2017 to lay the foundation for every aspect of the strategic plan for the coming years.

For IOD training, improvement in curriculum designs, training formats, class management and up-to-date contents that are suitable for the current participant group are as follows:

1. Flagship director courses

- High perceived value and price
- Inspiring, updated, extended content

2. Non-director course

- High-quality content for director supporting functions
- Drive cost down through digitalization

Unlike in the past where most participants were from listed companies, the number of training participants from family businesses is now increasing. Hence, it is essential for IOD to adjust the training curriculum to respond to the change, particularly the foundational course for company directors such as Directors Accreditation Program (DAP), which has the highest number of directors participating, so that new participants can be equipped with knowledge on the foundation and elements of corporate governance. In addition, IOD needs to make the content of Family Business Governance (FBG) more in-depth to meet the changes in family business landscape. A new training course Boardroom Success through Financing & Investment (BFI) is also

introduced to enhance the capability of family businesses, enabling them to understand the process of seeking new financial capital, for example, bank loan program, private equity, debenture, and capital investment by listing in a stock exchange.

In addition, changing business atmosphere has an impact on views and expectations towards the roles and responsibilities of directors. Company directors no longer only ensure credibility to shareholders, but also need to play an active role as the strategic leader who can drive the organization through changes while building a strong relationship with all stakeholders to ensure a sustainable growth. As this change is reflected in SEC's CG Code 2017, IOD therefore use the Code as the guideline for improving training curriculum, particularly the Directors Certification Program. The improvement was mainly on directors' roles in strategy oversight and board and director effectiveness. Strategic Board Master Class (SBM) is also developed in cooperation with experts in Thailand and England with the aim to establish company directors' understanding of new issues and concepts of business strategies and tools for analyzing new trends that may affect business in the future.

IOD also improved its skill-enhancement courses for committees to effectively perform their duties, particularly for independent directors, nomination committee, and compensation committee. Soft skill enhancement contents will also be introduced more in IOD training programs.

As roles and responsibilities of company directors are changing, the management team and company secretaries, regarded as the important supporting team of the board, should also understand these changing factors. IOD therefore has improved Corporate Governance



for Executive (CGE) and Company Secretary Program (CSP), the foundation courses for executives and company secretaries. In these courses, executives and company secretaries will learn of directors' expectation of their roles and new principles of corporate governance so they can better support the board.

Apart from the content, curriculum development process and internal management are also crucial. IOD has invited members and experts to share opinions on curriculum development. Technology is also integrated into the process to cut down any redundant working steps. Online registration and free downloads of training materials through the IOD application are among the latest services upgraded to improve participants' satisfaction.

Training format is also a crucial. The newly introduced half-day Director Certification Program is organized for 10 consecutive weeks in a downtown location so that company directors who also work at the management level can attend the class and have a better time

management. The residential class of Director Certification Program is also introduced so that the directors from upcountry and/or overseas can join the training more conveniently. An increasing number of participants in this type of class is seen each year.

3. Flagship high value research with best practice

- Thought provoking, practical, inspiring researches and examples to enable real practice

A strong foundation for good corporate governance in practice is the awareness of the importance and benefits of corporate governance. For this reason, IOD has been continuously encouraging and supporting researches on corporate governance. Since 2016, IOD has been collaborating with leading educational institutions to organize the National Research Alliance Dialogue on Corporate Governance to create a platform where the academic sector can have the opportunity to present their researches on corporate governance to the public. This event also works as a knowledge



directors of the committees. IOD is also planning to publish a best practice guideline for other committees in the next year.

IOD also believes that the institute can be a voice for the members. When there are proposed or amendments to rules and regulations, IOD asks members to give opinions on the practicality and feasibility of the amendments and forward them to the regulators. In 2017, IOD forwarded the members' opinions on the amendment of the Securities and Exchange Act B.E. 2535 to include rules on annual general meeting,

and experience sharing platform where directors and executives who are IOD members can share real-life cases with the academia.

The 2017 edition of the National Research Alliance Dialogue on Corporate Governance comprises six research outputs from different universities. IOD's Research and Policy Department also presented a research on the topic "A Study on the Relationship between the Level of Corporate Governance and the Performance of MAI-listed Companies".

In addition, knowing the importance of encouraging company directors

to follow the corporate governance principles, especially as several aspects of corporate governance landscape are changing and new issues have emerged, IOD has introduced best practice guidelines for company directors.

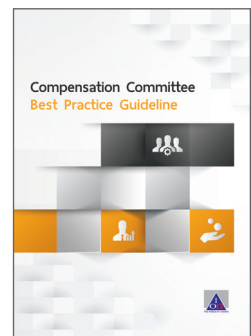
In 2017, IOD published a best practice guideline for the nomination committee and a best practice guideline for the compensation committee. Approved by the Reading Committee comprising facilitators from related courses, representatives from consulting companies, The Stock Exchange of Thailand (SET) and SEC, the two guidelines are useful and practical for

and on the Bank of Thailand's drafted Payment Systems Act B.E...

4. Extended CGR and tailored services

- Make detailed CGR reports available through automation to enable assessed companies's improvement
- Boardroom service to enable real practice

The revision of the OECD's Corporate Governance Principles, ASEAN CG Scorecard's assessment criteria and the new CG Code 2017 are in line with the changing corporate governance landscape. As a result, CGR needs to



consider revising its assessment criteria as well. However, since the CGR result has become one of the factors influencing investment decision in listed companies, any change in the criteria may affect stakeholders in a wide scale. An appropriate measure therefore needs to be undertaken.

In 2017, IOD gave priorities to informing listed companies about how the assessment criteria covered the new CG Code and the impact that might occur if the company planned to publish its annual report following the new CG Code. In the meantime, IOD is in the process of studying whether to make any adjustment or addition to the assessment criteria prior to submitting the study to CGR Steering Committee for consideration in 2018.

Apart from assessment, IOD also organized the CGR Workshop. The activity is regularly organized twice a year in order to inform listed companies the assessment criteria and encourage them to do the CGR Checklist. The workshop has proved to continuously better the assessment result. According to the 2018 CGR results, the average score of listed companies is at 80%, the highest in seven years compared to the overall 78% in 2016. The higher

average score comes particularly from an increase in the scores of two crucial categories: Role of Stakeholders and Board Responsibilities. In addition, the assessment also found that the board of listed companies are more active in their oversight roles and consider their stakeholders when conducting the business in order to achieve a sustainable growth.

However, IOD is in a process of studying the feasibility of technology adoption for the assessment process, its presentation and result reports prior to proposing the plan to the CGR Steering Committee. Technological integration into the overall IOD working process is ongoing.

Apart from the CGR which assesses the quality of corporate governance practice using publicly disclosed documents, many companies and organizations are showing interest in integrating corporate governance practices into their business more. To promote corporate governance implementation, in 2017, IOD therefore launched the “CG Assessment & Advisory Service” as a model for providing corporate assessment and consultancy services essential for corporate governance development

in an organization. The service was promoted among company secretaries participating in the IOD Open House event and will be expanded to a wider group of members in the future.

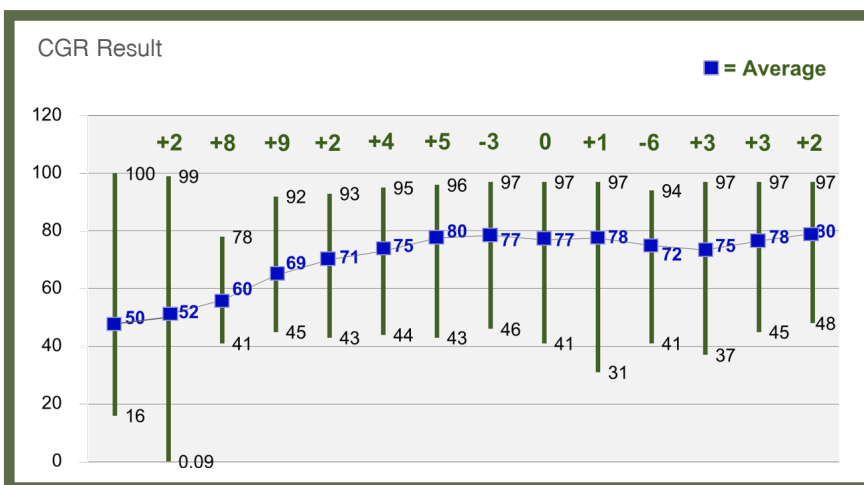
5. Flagship corporate membership

- Encourage companies to become members to build a more extensive director network

IOD aims to encourage more companies to become members, so that all directors will be able to receive information updates and continuously participate in IOD activities. Generally, IOD members receive the following privileges:

- 1) Monthly member activities;
- 2) Subscription of the bi-monthly Boardroom Magazine packed with varieties of IOD activities and articles relating to the roles and responsibilities of board of directors and corporate governance;
- 3) Subscription of the monthly Boardroom Flash which summarizes updates in rules and regulations related to directors’ roles and responsibilities, and global corporate governance trends;
- 4) Knowledge and insights through published IOD studies;
- 5) Discount rates for IOD training courses. Registration fee is either waived or paid at a special member price when attending IOD activities organized for the members;
- 6) Rights to attend and vote in the IOD’s annual general meeting;
- 7) Access to the Director Pool and Membership Directory; and
- 8) Other privileges provided by member companies.

To encourage companies to become IOD members, privileges for corporate members will be improved. It is expected that all SET-listed companies will be IOD members. Of the total current





IOD members, 409 are SET-listed and MAI-listed companies, 770 are non-SET-listed companies, 16 state enterprises, and 71 other organizations.

Focus group interviews and surveys were carried out to understand members' opinions on the suitable privileges that meet their needs in 2018. Comments and inputs from the IOD members are as follows:

- **Interviews of corporate directors focus group** show that they were not much aware of the privileges of becoming IOD members. They only knew that they would get a discount for DCP course. More communication about the privileges, particularly of membership

renewal, is needed. Activities such as the annual general meeting and two-day-one-night events for fellow members should also be organized to strengthen relationships among IOD members.

- **Surveys of the directors of MAI-listed companies** found the factors leading to IOD membership application included intention to learn about corporate governance and other issues (50.4%), participation in self-development activities such as seminars (27.9%), joining the network of people in similar professions (17.1%), and privileges such as discounts for training courses and merchandises (4.7%).

- **Company secretaries** stated that the factors influencing their decision to apply for IOD membership include participation in self-development activities such as seminars (39%) joining the network of people in similar professions (16%), and privileges such as discounts for training courses and merchandises (13%)

- **129 IOD members** stated that they were satisfied with the existing privileges ranking from high to low as follows: discounts for training courses, access to researches and best practices, seminar participations, magazines and newsletters, joining the network of IOD members, and director recruitment services.

In the future, the privileges that IOD members would like to see more ranking from high to low are: Advisory Services, a space for members in downtown location, new activities that encourage the expansion of membership network, research publications, seminars, policy advocacy, as well as director recruitment services.

Members also gave the following reasons that made them decide to discontinue the membership: a lack of

policy on auto membership renewal, unattractive privileges, and a lack of time to participate in IOD activities.

Following the above surveys, IOD plans to add more services on CG Assessment & Advisory Service in its 2018 plan. A member space in downtown location will be organized. A new package for new members, particularly corporate members will also be introduced.

6. Active fellow members/ member sharing events

- Create platforms for fellow members to make community contribution

In 2016 IOD began introducing activities for each specific group of members and has continuously organized such activities in 2017, so members can choose to attend activities that meets their needs as well as exchange views with other members having similar roles and responsibilities. Such strategy enables members to participate more in activities planning, initiating their own group's activity planning that they are interested in participating. As a result, the voice of each group will be stronger. Members can learn from each other through idea sharing and voicing of opinions on policies and best practices of the roles of directors and corporate governance.

A total of 21 formal and non-formal activities were organized in 2017. The overall satisfaction to the events last year was rated at 83.61%, compared to 82.93% in 2016.

1. Seminar series in which all IOD members are welcome to attend i.e. National Director Conference, IOD International Trip, Breakfast Talk, AGM Meeting and Dinner Talk, and Luncheon Talk

2. Activities for specific group of members i.e. activities for family business owners, chairman of the board, independent directors, the nomination and governance committee, members of the board, fellow members, and professional directors listed in IOD Chartered Director Pool.

3. Networking and relationship building activities

For the Director Certification Program (DCP), the Chairman and CEO (Chief Engagement Officer) of each class are appointed to enhance relationship among the current and the previous participants of the program. The CEO group organizes activities aimed at building a relationship between DCP classes. Meetings between participants of different programs such as Family Business Governance (FBG) and Strategic Board Master Class (SBM) are also organized.

Apart from activities for training participants, members who are golfers also organize a series of golf tournament which has been held for 13 consecutive years at. In 2017, a total of 72 IOD members participated and competed in the tournament held at Navatanee Golf Course.

Apart from activities exclusively organized for members, IOD Open House is also organized as an event to increase visibility of IOD's works among different groups of professionals and as a platform where they can share knowledge among each other. In 2017, IOD, with the cooperation of MAI Listed Company Association (maiA), held an Open House event for the directors of MAI-listed companies. Another Open House event was also held for company secretaries.

7. International Level Forum

- Build venues to ingrain messages



into business community and join high-profile forums to gain share of voice

IOD is aware that attending international conferences and activities such as overseas trips is beneficial for the improvement of IOD's works and activities as it helps expand our views and horizons.

In 2017, IOD participated and co-organized the following international-level activities aimed at developing directors and corporate governance through knowledge sharing:

- Conference of IODs in Emerging Markets: Held in Thailand, the conference of the Institute of Directors in emerging markets aimed at promoting corporation in organizational development in the group of countries. Directors and executives attending the conference also participated in the National Director Conference, IOD's major annual event. Executives from Latin America, Egypt, China and India also gave talks during the conference.

- National Director Conference: "Steering Governance in a Changing World" was the theme of the conference in

2017. Up to 290 participants worldwide attended the IOD's major annual event. A total of 13 international speakers were also invited to share experiences and insights in different sessions.

- International Trip: IOD has organized international trip since 2016 to attend the annual conference held by member countries of the Global Network of Director Institute (GNDI) and visited leading companies and organizations. Previous trips were organized in the United States and England.

For 2017, a trip to Singapore was organized so that IOD members could participate in the seminar on the topic "The Sustainability Imperative - A Multifaceted, Mind shifting Look at Money and Meaning in the New Capitalism" held by the Singapore Institute of Directors (SID). IOD members also had an opportunity to visit leading organizations well known for their effective sustainable business practice i.e. Singapore Exchange (SGX), Deloitte & Touche LLP, Singtel and ASEAN+3 Macro Economic Research Officer (AMRO), so they could adapt knowledge and experience learned during the trip into practice.

Lessons learned from the trip is that Singapore gives much importance to sustainability which is regarded as a matter of national and global security. Strong movement and cooperation from all sectors i.e. government authorities responsible for long-term policymaking, regulators and private sector are evident. All of them would like to see sustainable development achieved for the future generations in three dimensions: economy, society and environment. For the private sector, the board of directors, as the leader of the company, is responsible for driving the whole organization to put sustainability into practice by encouraging all stakeholders to join force in the movement to achieve the ultimate goal of sustainable development.

- Global Network of Director Institutes (GNDI)

As of 2017, there are 21 institutional members of GNDI. Israel's Directors Union (IDU) and Argentina's Institute of Corporate and Public Governance (IGEP) are the latest organizations joining in the GNDI. IOD also participated in the annual GNDI meeting held in Russia in June 2017 with an aim to discuss the long-term GNDI strategies and general management. As for IOD's work plan as a GNDI member, IOD plans to host the GNDI meeting and invite GNDI members to participate in the National Director Conference to be organized in 2018.

- Corporate governance promotion in CLMV countries

IOD has a crucial role in raising awareness of corporate governance importance in Cambodia, Laos, Myanmar and Vietnam, known as CLMV countries, via several activities i.e. trainings, meetings and discussions with capital markets regulators, and taking part in seminars held in CLMV countries.



Last year, representatives from IOD and SEC visited the Securities and Exchange Commission of Cambodia (SECC), Cambodia Securities Exchange (CSX) and other capital market agencies to study the overall corporate governance in Cambodia's capital market. Information derived will be taken as a guidance for drafting the work plan. IOD also worked with the UK-Myanmar Financial Services Taskforce comprising Standard Chartered Bank, Allen & Overy, Prudential and the British Government to expand project cooperation and corporate governance development in Myanmar's capital market via the Directors Accreditation Program (DAP). The second class of DAP was held in May 2017.

IOD also received support from SEC and SET to send a team of experts to Laos for sharing knowledge and insights with Lao executives and directors on the topic "Introduction to Corporate Governance and Corporate Governance Ecosystem". IOD experts also attended the "Cambodia Excellence Program" held in Cambodia last April and August to give a talk on the importance and the ecosystem of corporate governance as well as corporate governance in family business. The session gained much interest from Cambodia's leading businessmen and entrepreneurs.

8. CG circle stakeholder engagement

- Establish closer relationships with stakeholders to align concept and enable real practice

IOD gives importance to stakeholder engagement, particularly IOD members, to learn about their views and needs essential for improving curriculum and activities. In 2017, working committees on curriculum development were set up. The CG Steering Committee, comprising representatives from several organizations such as IOD, SEC, and Thai Listed Companies Association was also set up.

Representatives from targeted groups such as family businesses and listed companies are also invited to sit in the working committee on brainstorming, reviewing curriculum contents and improving training quality of the Directors Accreditation Program (DAP) with the aim to enhance understanding of corporate governance among participants from family businesses, limited companies, and listed companies.

In addition, with cooperation and inputs from Bank of Thailand, SEC, SET, Office of Insurance Companies and Electronic Transactions Development Agency IOD improved the content of IT Governance and Cyber Resilience Program (ITG) and gained their support in promoting the course to directors particularly from the financial sector.

Apart from the training, IOD also continuously organizes other activities by cooperating with partners and experienced facilitators in different fields to share their knowledges and new issues related to corporate governance during monthly seminars for several groups of members, i.e. fellow members, chartered directors, family businesses and committees. Knowledge sharing sessions among IOD members are also organized so that the members will be more involved in brainstorming sessions of different activities. Member meetings are also arranged so that IOD members can build a strong relationship and network.

IOD also assists the overall corporate governance development of Thai capital market with other agencies. The institute previously took part in SEC's committees including the working committee on sustainable development of listed companies to draft the Corporate Governance Code for Listed Companies in 2017. IOD also sits in a committee for considering the criteria relat-

ing to the public offering of equity and management of equity securities.

9. Utility online knowledge, self-service and membership platform for public

- Utilize online platform to lower service costs and reach more people, making corporate governance knowledge a public utility

Online communication has been widely accepted as an easy, convenient and fast way to reach wide group of audiences while staying cost-effective. IOD therefore utilizes online channels for corporate governance information distribution.

In 2017, IOD began distributing corporate governance-related information through the website which can be accessed by IOD members and the public for free as follows:

- **CG FAQs:** A compilation of questions and answers relating to roles and responsibilities of corporate directors. The questions compiled are derived mostly from training participants, IOD-organized forums and conferences as well as inquiries through emails and phone calls. FAQs are categorized by types of directors and committees.

- **CG Library:** An online resource for articles relating to roles and responsibilities of corporate directors and corporate governance. Currently in its infancy, the library collects articles published in Boardroom Magazine categorized by topics. Physical CG Library featuring a collection of corporate governance books and publications is also available for access at IOD's office.

Enablers

In order to achieve strategic objectives, IOD places importance on the following four enablers:

1. Human Capital

A focus on staff development enabling IOD staff to grow professionally in terms of both position and capability. Work effectiveness is also to be enhanced via annual training programs for executives and staff. Training programs are considered based on skills and knowledge needed.

In 2017, various activities i.e. trainings, seminars and class observations were arranged for executives and staff by both IOD and external organizations. The summary of activities is listed in the table of information on the “2017 Executive and Staff Development”.

2. Intellectual Capital

A focus on change in organizational structure enabling work effectiveness and efficiency. The new organizational structure approved by the board of directors is shown in the following diagram:

Reasons for change in the organizational structure are as follow:

1. Establishing a synergy between departments essential for driving forward the strategy i.e. work process, IT, staff collaboration, resource sharing, particularly knowledge building and relationship and member engagement

2. Streamlining a line of command under the supervision of senior executives for a clear strategy and accountability.



Aspect of Training	Program / Event / Topic	Number of Participants
1. Coaching & Value of Change	Coaching	4
	1. Top Leaders Conference “ULTIMATE Coaching, ULTIMATE Results, ULTIMATE Happiness”	
	2. Leader as Coach	
	3. The Extraordinary Coach by Slingshot	
	4. Coaching for Board and Executives	
	Value of Change	17
2. CG	1.1 Event - Held by IOD	
	Observe Class (i.e. DCP, DAP, CSP, ACPG)	17
	Seminar / Forum / Conference	12
	Facilitator Day 1/2017	25
	Facilitator Day 2/2017	33
	CGR Workshop	38
	CG for IOD	34
	1.2 Event - Held by other organization	17
3. Job Skill	First Time Manager Program	15
	Seminar / Forum / Conference - Held by IOD and other organization	16
4. General Knowledge	Innovative thinking, Risk management	9

3. Formalizing work of the Collective Action Coalition Against Corruption (CAC) under the IOD structure in order to ensure that the project will be permanent and share information resource with the institute.

4. Minimizing the silo structure and enabling staff to work together on multi-tasking opportunities. Flexibility of staff mobility between departments should be available. Staff themselves should be able to also clearly see their career paths.

In addition, IOD also aims to adjust its work process in a bid to reduce working duration. Apart from productivity enhancement, staff will also have more time for self-development and learning other areas of work.

Integration of technologies into work process however should be taken into account during the period of change. For this reason, the change cannot occur rapidly. The management team has gathered information on traditional work processes and their limitations in order to consider how work processes can be transformed for effectiveness in the long run.





3. Social and Relationship Capital:

A focus on integrating cutting-edge technologies into work process to enhance operational effectiveness that meets the need of stakeholders

In 2017, IOD contracted an IT consultant and set up a working committee comprising executives and staff so they can give inputs on requirements for the IT systems. A procurement committee comprising IOD directors Charamporn Jotikasthira and Banchong Chittchang was also set up.

The procured IT systems included:

1. Enterprise Resource Planning (ERP) which enables IOD to plan and control procurement process and effectively keep a precise record of internal audit for additional workload in the future without necessity to employ more staff.

2. Customer Relationship Management (CRM) which will enhance IOD's capacity to respond to members' need by organizing trainings and seminars on topics that meet the members' demand. CRM will help members access their own database and keep it updated. Members can also use the system for self-registration to participate in IOD training programs.

In 2017, an IT consultant was selected. The new IT system is expected to be completed by 2018.

4. Manufactured Capital:

A focus on improving infrastructure to support the strategy. IOD's office renovation took place in 2017. By reducing the size of office desks and redesigning the office areas, the office is now more spacious and staff-friendly. More small-sized meeting rooms are made available as these are regularly used.

Thailand's Private Sector Collective Action Coalition against Corruption (CAC)

In the past year, the CAC has made substantial progress in various aspects and such development placed the CAC in a strong position to move into its next phase of collective action network broadening and deepening in 2018.

Institutionalize the standards of the CAC in the Thai business community

The CAC has pursued a sectoral approach, reaching out to business associations and interest groups to seek collaboration in different ways. Such attempts include promotion of

CAC group sign-up, recognition and incentives for CAC certified companies, as well as CAC advocacy and recruitment. Moreover, the CAC also drove for greater roles of investors, encouraging them to weigh CAC participation and certification in making investment decision while supporting them to question boards of listed companies about anti-corruption progresses of the firms.

Achievements in 2017 include collaboration with:

Thai Bankers' Association (TBA)

Following years of persistent persuasion by the CAC, the Thai Bankers' Association, one of the CAC's eight founding members, finally agreed to take a step forward in supporting the initiative by signing a memorandum of understanding with the IOD on March 24, 2017. Under the MOU, the TBA agreed to encourage its members, consisting of 15 local banks, to use the anti-corruption practices of private firms as one factor in considering their loan applications.

Chartered Financial Analyst Society Thailand (CFAST)

On May 29, 2017, the CAC signed MOU with the CFA Society Thailand for collaboration in driving clean business practices and anti-corruption momentum in the Thai business community. The partnership involves appointment of selected CFAST members as CAC Advocate, who will help promote the CAC program with private companies or industry associations in a bid to recruit them to sign up and expand clean business ecosystem.

Association of Investment Management Companies (AIMC)

On August 7, 2017, 11 asset management companies under AIMC, controlling over 90% of the domestic market share, made a joint announcement that they will separately introduce the so-called corporate governance or “CG fund”. This special type of fund will limit its investment portfolio to stocks of companies with proven track records of high governance standards and established internal graft-prevention mechanisms. The CG funds will invest in stocks that meet two key criteria including 1) certified by CAC and 2) earn at least a four-star (out of five) Corporate Governance Rating score updated annually by the Thai Institute of Directors. So far, 10 funds have been set up, raising over THB 4 billion or US\$125 million from investors.

Thai Investors Association (TIA)

The TIA has continued to send representatives to attend annual general meetings of all listed firms and asked executives to describe their anti-corruption progress and provide details regarding CAC participation and certification. Such activities by investors added positive pressure on listed companies to make progress and take a more proactive approach to their anti-corruption efforts.

Pharmaceutical Research and Manufacturers Association (PReMA)

Three key PReMA members namely Astellas Pharma (Thailand), Boehringer Ingelheim (Thai) and Novartis (Thailand) jointly signed declaration of intents to join the CAC at the sideline of the CAC's 8th annual National Conference in Bangkok on November 21.

Indonesia's Komisi Pemberantasan Korupsi or KPK (Corruption Eradication Commission)

The CAC has in 2017 commenced working with the KPK, an agency equal to Thailand's National Anti-Corruption Commission (NACC), to help them lay foundation for potential establishment of the private sector's collective action by offering insights and experiences of CAC in Thailand.

Due partly to the aforementioned achievements, number of signatory companies at the end of 2017 surged to 881 from 805 while number of CAC-certified companies shot up to 314 from 200.

Strengthen the certification and mechanism and training programs of the coalition

To cope with the rapid expansion of the coalition, the CAC saw the need to take into account the larger number and diversity of member companies and proactively changed the way it functions. Given the coalition's members wide variety of corporate profiles, the CAC has developed a more robust certification process that included e-documentation and incident management procedures as well as a fixed 18-month timeline for companies to achieve certification. The change was crucial to ensure and sustain the efficiency and credibility of the program.

A standardized auditing process will be created through a tailor-made working paper for auditors to examine the self-evaluation and supporting documents of applicants. The CAC has collaborated with the Federation of Accounting Professionals (FAP) to develop a training course that will help

auditors understand the application of working paper. One class was conducted last year.

Separately, the IOD organized eight classes of Anti-Corruption: the practical guide (ACPG), joined by 182 participants and five classes of Ethical Leadership Program (ELP), joined by 114 directors and executives.

Strengthen the capacity of small-and medium-sized enterprises to address corruption

In order to extend clean business practices, the CAC has designed a new certification process for SMEs that will be more concise, easier to comply, and more suitable with the structure and potential of SMEs. By joining the program, SMEs can upgrade their work standards to meet higher expectations from major trading partners, foreign counterparties, financial institutions and other stakeholders. Meanwhile, they can also mitigate bribery risk, which will in turn reduce their costs and enhance competitiveness.

Following series of focus group meetings with SMEs, the CAC has developed Anti-bribery toolkit for Thai SMEs that will provide step-by-step guidance for small and medium companies to install policies and compliance standards and get certification. The CAC has also developed e-training platform for SME to train their employees about bribery and appropriate practices to tackle bribery.

Under the SME Certification program, the self-evaluation checklist has been shortened to 17 from 71 applied with major firms but all the key elements are

maintained and in alignment with the National Anti-Corruption Commission's guidelines. However, the CAC still requires that SMEs seek verification of the checklist by third party as do large companies. To be eligible to join the SME certification program, companies must have no more than Bt1 billion annual revenues and they must not list on the bourse nor be unit of listed companies.

Additionally, owners or top executives of SMEs that wish to join the program are required to attend CAC executive briefing to give them thorough understanding of the certification process. The CAC has conducted the first quarterly executive briefing for SME on February 14, 2018. SMEs can start the intention declaration with CAC in mid-2018 and begin applying for certification in Q3/ 2018.

In the initial stage, the CAC targets SMEs in the supply chain of CAC members and will eventually expand to cover SMEs in general. The CAC has been working with several certified companies in recruiting their suppliers to apply for the first batch of SME certification. Among active change agents include energy conglomerate PTT PCL, auto parts manufacturer Sombon Advance Technology PCL, Bangchak Corporation PCL etc.

Enhance public sector transparency through citizen feedback platform

In a bid to help improve public service efficiency, the CAC has been working with partners to design a platform called "Citizen Feedback" that allows citizens to express their views regarding

satisfaction and transparency of services provided by government agencies. This platform will eventually lead to ranking of public offices and positive competition among them. The government can use this data to fix issues at particular units and consider awarding good performers accordingly.

The "CitizenFeedback" will be a platform for the general public to reflect their opinions toward government services by scanning QR Code located at the agencies the visited, which will link them to a brief on-line survey that can be completed within mere two minutes. Besides service rating, respondents can also indicate their impressions and obstacles as well as bribery lead they may find from visiting the government offices. Respondents can provide their input freely as their identity will not be revealed while they can also track the survey results.

The compiled data will be analyzed and presented statistically to compare level of satisfaction and transparency of each government agency on a regular basis. The analytical result will be proposed to the evaluated agencies as well as constantly publicized through various media channels to assist help state agencies improve their services and satisfaction of visitors.

Moreover, analyzed data from private experts will help the government aware of citizen satisfaction level at government offices. This input will help the government design incentives for state agencies to improve their efficiency, transparency, and service quality.

The CAC led the initiative with collaboration from Thailand Marketing Research Society (TMRS), Anti-Corruption Organization (Thailand) (ACT), Hand Social Enterprise. The Office of Public Sector Development Commission also helped recruiting government agencies to participate in the pilot program.

During mid-September to late October 2017, the CAC conducted the pilot of "Citizen Feedback" project at five sites of three government agencies including:

- 1) The Department of Land Transport's registration unit
- 2) Food and Drug Administration's license application center
- 3) Department of Land's Bangkok Metropolitan Land Office
- 4) Department of Land's Huaykwang Land Office and
- 5) Department of Land's Nonthaburi Land Office

The pilot is considered to be a success, with over 2,500 respondents from citizens getting services from the sites, much higher than responses that agencies got from their suggestion boxes or lengthy evaluation forms people rarely care to fill.

After testing the system in the initial phase, the CAC plans to continue working with the aforementioned partners and expand the number of government agencies and sites in the second phase of pilot this year. The ultimate goal of the project is to cover all key government sites nationwide within the next few years.

Report of Board of Directors' Responsibilities for the Financial Statement

One of the important responsibilities of the IOD's Board of Directors is to oversee the proper preparation of the IOD's Financial Statements, so as to ensure that they are fully accurate and credible by being undertaken in a correct, comprehensive and transparent manner in accordance with the principles of good corporate governance. As such, the Board has appointed the Audit Committee, comprising of Independent Directors, to be responsible, among other duties, for reviewing the completeness and accuracy of the IOD's Financial Statements.

Based on its review of the IOD's Financial Statements and associated reports, the Audit Committee has found that these Financial Statements and reports, for the financial year ending on December 31, 2016, have been prepared fully in accordance with generally accepted accounting standards together with appropriate and regularly used

accounting policies and practices. Thus, all significant information has also been disclosed in an adequate and comprehensive manner within the 'Notes to the Financial Statements'. The Audit Committee has also assessed and reviewed the internal controls system together with the associated internal audit activities, with the Audit Committee having found that these internal operational aspects are both adequate and appropriate to the IOD's activities.

Therefore, Board of Directors is of the opinion that the IOD's Financial Statement and reports for the financial year ending on December 31, 2016 accurately presents both the financial status and the IOD's operating performance results for the year, as well as correctly discloses all associated significant information in a comprehensive manner.



(Mr. Prasan Chuaphanich)
Chairman



(Dr. Bandid Nijathaworn)
President & CEO

Audit Committee Report

The IOD Audit Committee, which was appointed by the Board of Directors, currently is comprised of three Members, who are Independent Directors, all of which have extensive experience in financial management, finance and accounting and legal expertise.

They are:

1. Ms. Potjane	Thanavarani	Chairperson
2. Ms. Patareeya	Benjapolchai	Member
3. Mr. Predee	Daochai	Member

Ms. Wilairat Nensaengtham, Senior Vice President, served as Secretary to the Audit Committee.

The Audit Committee performs its tasks as per the scope and responsibilities specified in the Audit Committee Charter as assigned by the Board of Directors. In 2017, the Audit Committee held a total of 4 meetings with management and senior executives in charge of concerned units and internal auditors. Also the Committee met with the external auditor without participation of the management, and reported the results of each meeting to the Board of Directors for acknowledgement. The details of actions taken by the Audit Committee can be summarized as follows:

1. Review of Financial Statements:

The Audit Committee reviewed the information and significant facts contained in the IOD Financial Statements. It also invited the external Auditor to meet to clarify any questions of the Audit Committee and confirm that the preparation of the IOD Financial Statements was fully in accordance with generally accepted accounting standards and whether the information disclosed was adequate. All of the opinions and comments expressed by the Auditor were in a fully independent manner.

The Audit Committee has reviewed the IOD financial statements and is of the opinion that these financial statements are in accordance with Thai Financial Reporting Standards and with appropriate accuracy in significant essence and sufficient disclosure of information. The external auditor has expressed an opinion thereon as presented in their report to the Board of Directors and to IOD members. Also, the external auditor performed their duties and expressed their opinions independently.

2. Review the internal controls systems and internal audit activities:

The Audit Committee reviewed the adequacy of IOD's internal controls systems and selected an Internal Auditor from an independent company to be responsible for monitoring the findings of the internal control activities and to closely oversee

the outcome of the review. Based on the review, the Audit Committee has found that IOD has in place an adequate internal controls system that is appropriate to its operations.

3. Consideration of the appointment of the IOD External Auditor:

The Audit Committee has considered the selection of the external Auditor based on the following considerations: credibility; degree of independence; lack of any other business relationships with or vested interests relating to the IOD/ the Board Directors/the Management Group; and experience in auditing the IOD financial accounts. The Committee also reviewed the associated audit fee and found it to be appropriate. The Committee then submitted its opinion to the IOD Board of Directors, to be proposed for approval at the 2017 AGM, that PricewaterhouseCoopers ABAS Co. Ltd. be appointed as the authorized external Auditor for IOD for 2017 - with Mr. Pongthavee Ratanakoses Certified Public Accountant (Thailand) no. 7795, Mr. Prasit Yuengsrikul Certified Public Accountant (Thailand) No. 4174 and Mr. Vichien Khingmontri Certified Public Accountant (Thailand) No. 3977 of PricewaterhouseCoopers ABAS Ltd. be appointed as the Association's auditors, any one of them being authorized to conduct the audit and express an opinion on the financial statements of the Association.

4. Review that the operations and activities comply with all relevant laws:

The Audit Committee has reviewed and ensured that the IOD conducts its operations correctly and in strict compliance with all relevant laws. During 2017, no instances of IOD having breached any legal requirements were found.

5. Risk Assessment:

The Audit Committee has determined that an assessment of the risk factors be conducted together with the preparation of a risk management plan.

In summary, from its review of the activities, the Audit Committee is of the opinion that during 2017 the operations of the IOD are in full compliance with all relevant legal requirements and in accordance with the principles of good corporate governance, and that an appropriate and adequate internal controls system is in place, and that all its financial reports have been correctly prepared and are creditable.



(Ms. Potjane Thanavarani)

Chairperson of the Audit Committee

Summary of Operating Results Financial Position as of

Million baht	31 December 2017	31 December 2016
Assets		
Current assets		
Cash and cash equivalents	33.26	51.67
Short-term investment	120.36	80.59
Accounts receivables and other receivables	14.85	8.09
Other current assets	0.12	0.50
Total current assets	168.92	140.85
Non-current assets		
Long-term investment	40.00	46.18
Equipments, net	7.21	4.49
Intangible assets, net	0.01	0.16
Other assets	1.05	-
Total non-current assets	46.27	50.83
Total assets	217.19	191.68
Liabilities and capital funds		
Current liabilities		
Account payables and other payables	23.85	26.20
Current portion of		
prepaid membership fees	5.26	4.18
Deferred tax expenditure	2.87	2.59
Other current liabilities	3.13	3.52
Total current liabilities	35.11	36.49
Non-current liabilities		
Prepaid membership fees	3.40	2.79
Employee benefit obligations	10.14	7.77
Total non-current liabilities	13.54	10.56
Total liabilities	48.65	47.05
Capital funds		
Financial endowment from		
• Stock Exchange of Thailand	16.00	16.00
• Bank of Thailand	3.00	3.00
• Securities and Exchange Commission	2.00	2.00
• Capital Market Fund Development Foundation	2.00	2.00
• The World Bank	8.62	8.62
Unrealized gains from securities held for sale	0.45	0.18
Accumulated excess of revenue over expenses	136.47	112.83
Total capital funds	168.54	144.62
Total liabilities and capital funds	217.19	191.68

Cash and cash equivalents decreased by 35.63 percent while short-term investment (i.e., time deposit of less than 1 year, mutual fund and short-term government notes) increased by 49.76 percent. This investment management scheme aimed to increase investment yields.

Long-term investment was composed of corporate bonds of Krungthai Card Plc., Berli Jucker Plc., and the Siam Cement Plc. It increased by 22 mil. baht in 2017.

Account receivables and other receivables increased from 8.09 mil. baht to 14.85 mil. baht, a 83.56 increase. They represented grants for the ASEAN CG Scorecard, CGR project, and CAC project for which they were forthcoming.

In 2017, IOD redecorated its office using an investment budget of 5.34 mil. baht, resulting in an increase in depreciation. Also, the uses of outside properties for some training courses increased.

Overall, IOD recorded the revenue in excess of expenses of 23.64 mil. baht in 2017 which decreased from 27.48 mil. baht in 2016, a 14 percent decrease.

Summary of Operating Results Revenue and Expenses

for the year ended on:

Million baht	31 December 2017	31 December 2016
Revenue from trainings	118.89	113.42
Revenue from CGR company report	2.03	1.38
CGR research grants,		
ASEAN CG Scorecard grants	10.69	10.43
CAC sponsorship	7.23	7.01
Total revenue from trainings and grants	138.84	132.24
Membership dues and fees	8.43	7.08
Revenue from membership seminar activities	1.45	2.20
Revenue from magazine advertising	2.32	2.61
Sponsorship for member activities	9.39	8.82
Total revenue from membership	21.59	20.71
Other income	4.47	3.25
Total other income	4.47	3.25
Total revenue	164.90	156.20
Operating expenses		
Training and research	(52.11)	(46.56)
Membership seminar activities	(8.44)	(6.65)
Executives & employees compensation	(58.89)	(54.09)
Properties and equipments	(6.38)	(6.76)
Other operating expenses	(5.69)	(7.21)
Total operating expenses	(131.51)	(121.27)
Excess of revenue over operating expenses	33.39	34.93
Unrealized gains or losses from exchange rates	(0.96)	0.04
Reserves for retirement benefits	(2.37)	(1.93)
Depreciation	(3.16)	(2.47)
Excess of revenue over expenses before taxes	26.90	30.57
Income taxes	(3.26)	(3.09)
Excess of revenue over expenses, net	23.64	27.48

In 2017, IOD recorded total revenue of 164.90 mil. baht comparing to 156.20 mil. baht in 2016 for an increase of 8.70 mil. baht or 5.57 percent.

A revenue increase was mainly from trainings, showing a 5.47 mil. baht incremental. Training participants were 3,381 persons in 2017 and 3,074 persons in 2016 (an additional of 307 persons). An increase in training revenue was a result of 3 additional courses: BFI, SBM and BNCP as well as more In-house trainings.

As of the year-end 2016, IOD had 3,984 members, increasing from 3,498 members in 2016 or a 13.89 percent increase. Membership dues and fees increased from 7.08 mil. baht to 8.43 mil. baht, a 19.07 percent increase.

Revenue from membership seminar activities dropped from 2.20 mil. baht to 1.45 mil. baht, a decrease of 0.75 mil. baht. Certain activities, e.g., Alumni Party, Family Business Club, were temporarily cancelled and expected to be re-organized in 2018.

However, IOD continued to organized its core activities, e.g., Director Briefing, Director Forum, National Director Conference, to enhance the knowledge, experience and director professionalism. As such, the expenses for the membership seminar and activities increased from 6.65 mil. baht to 8.44 mil. baht, a 26.92 percent increase.

In 2017, IOD redecorated its office using an investment budget of 5.34 mil. baht, resulting in an increase in depreciation. Also, the uses of outside properties for some training courses increased.

Overall, IOD recorded the revenue in excess of expenses of 23.64 mil. baht in 2017 which decreased from 27.48 mil. baht in 2016, a 14 percent decrease.

Governance

IOD Board of Directors

IOD Board of Directors' role is to ensure that IOD's operation is effective and in line with the corporate governance policy to maintain positive image and credibility with all stakeholders.

To ensure that IOD's roles and responsibilities follows its mission, which focuses on creating activities for member and corporate governance development, a total of 14 directors with relevant expertise and experience were appointed. The current IOD Board of Directors consists of four ex officio directors: one executive director and three representatives from the founding institutions (SEC, SET and the Bank of Thailand), and ten independent directors and non-executive directors. The list of members of the Board and their background is featured in the topic "Board of Directors, Steering Committee, and Facilitators".

Board Committees

The IOD Board appointed Board Committees to help review and screen matters based on appropriateness and necessity to enable the overall activity of the Board to be more effective and efficient.

The Audit Committee

The Audit Committee's roles and responsibilities are to review and review and ensure that IOD's financial reports

comply with the standard, accurate, comprehensive and are adequately disclosed. The Audit Committee also ensure that IOD's internal audit system is appropriate and effective, and that the information on related party transactions and possible conflict of interest are disclosed.

In addition, the Audit Committee is responsible for external auditor appointment, setting auditor fees, approving procurement of internal audit service providers, and reviewing stakeholders' complaints received by the Board. The Audit Committee also has the duty to prepare the Audit Committee report for disclosure in the annual report.

In 2017, the Audit Committee comprised of the following three independent directors who have experience in business management, law and finance:

1. Ms. Potjaneer Thanavarant
Chairperson
2. Ms. Patareeya Benjapolchai
3. Mr. Predee Daochai

A total of four meetings were held.

The Nomination and Governance Committee

The Nomination and Governance Committee is responsible for preparing and reviewing IOD's corporate governance policy and its implementation on a regular basis. In 2017, the Committee comprised of the following directors:

1. Mr. Chaiwat Utaiwan
Chairperson
2. Prof. Kitipong Urapeepatanapong
3. Mr. Supattanapong Punmeechaow

A total of three meetings were held.

The Compensation Committee

The Compensation Committee's duties is proposing policies and criteria for Board compensation and staff's annual pay raise and bonus to the IOD Board for approval on an annual basis.

In 2017, the Committee comprised of the following directors:

1. Mr. Predee Daochai
Chairperson
2. Mr. Banchong Chittchang
3. Mr. Chaiwat Utaiwan

A total of two meetings were held.

The Capital Fund Management Committee

The Capital Fund Management Committee is responsible for determining policies and criteria for the management of IOD's capital investment in order to achieve appropriate financial returns.

In 2017, the Committee comprised the following directors:

1. Ms. Patareeya Benjapolchai
Chairperson
2. Mr. Charamporn Jotikasthira

3. Ms. Nualphan Lamsam
4. Dr. Bandid Nijathaworn

A total of three meetings were held.

The 2017 statistics of Board meetings

The IOD Board members are notified

every December of Board meetings scheduled for the next year. The management sends out the invitation letter with meeting agendas and related documents to every Board member at least seven days before the meeting day to allow directors time for reviewing.

In 2017, there was no executive session held as there was no special agenda that requires one. A total of five Board meetings were held, including a Board Strategy meeting aimed at reviewing IOD's vision, mission and strategy.

NUMBER OF MEETING ATTENDANCE

No.	Name - Surname	Board of Directors	AGM 2017	Audit Committee	Nomination and Governance Committee	Compensation Committee	Capital Fund Management Committee
1	Mr. Krirk-Krai Jirapaet	2/5 ²	1				
2	Mr. Chatchai Virameteekul	2/5 ²	1		2/2		
3	Mr. Weerasak Kowsurat	4/5 ¹	1		2/2		
4	Prof. Surapon Nitikraipot	2/5 ²	1				
5	Ms. Kesara Manchusree	3/5	1				
6	Mr. Chaiwat Utaiwan	1/1	1			0/2	
7	Ms. Nualphan Lamsam	2/5	-				2/3
8	Mr. Banchong Chittchang	5/5	1			1/2	
9	Mr. Prasan Chuaphanich	5/5	1	2/4 ⁴			
10	Mr. Predee Daochai	4/5	-	3/4			
11	Mr. Paiboon Kittisrikangwan	4/5	-				
12	Mr. Pailin Chuchottaworn	3/5 ¹	-		2/2	1/1	
13	Ms. Patareeya Benjapolchai	5/5	1	4/4			3/3
14	Mr. Rapee Sucharitaku	1/5	-				
15	Dr. Bandid Nijathaworn	5/5	1				3/3
16	Ms. Potjane Thanavarant	3/5 ²		2/4 ⁵			
17	Prof. Kitipong Urapeepatanapong	2/5 ²			1/1 ⁶		1/1 ⁷
18	Mr. Charamporn Jotikasthira	3/5 ²					

/1 At the 5th/2017 IOD Board meeting on 18 December 2017, the Board acknowledged the resignation of Mr. Weerasak Kowsurat and Mr. Pailin Chuchottaworn

/2 IOD members approved the appointment of Prof. Kitipong Urapeepatanapong, Mr. Charamporn Jotikasthira, and Ms. Potjane Thanavarant as IOD directors replacing Mr. Krirk-Krai Jirapaet, Mr. Chatchai Virameteekul, and Prof. Surapon Nitikraipot who completed their terms. The appointment was effective on 29 May 2017.

/3 A Board Strategy meeting was held in 2017 (in addition to the normal Board meeting which was usually held for four times).

/4 Appointed by the Board as the Chairman during the 3rd/2017 Board meeting.

/5 Appointed as the Chairperson of the Audit Committee on 10 August 2017.

/6 Appointed as members of the Nomination and Governance Committee on 10 August 2017. The third Committee meeting was held in December 2017 with only one member left during that time.

/7 Appointed as members of the Capital Fund Management Committee on 10 August 2017.

Roles and Responsibilities of the IOD Board of Directors

Director selection

Each director shall remain in the position for two consecutive terms. Each name can be re-nominated at least two years after the latest appointment. Regardless of the reasons that may lead to the completion of the director's terms, the Nomination and Governance Committee is responsible for selecting candidates and nominate the names to either a Committee meeting or a Board meeting for approval on a case-by-case basis, except for the ex officio directors.

Qualifications of independent directors are:

1. Not currently the CEO or an executive of IOD;
2. Having no familial relationship with members of IOD management, i.e. being parents, spouse, spouse's parents, siblings, son or daughter, or spouse of son or daughter; and
3. Having no business or professional relationship with IOD or members of IOD management, or any conflicts of interest at a significant level.

Diversity in expertise, experience and skills is taken into account during the director selection process to ensure that the chosen directors can effectively oversee IOD's operation.

IOD members can nominate candidates to the Nomination and Governance Committee for consideration before the annual general meeting.

In 2017, the Nomination and Governance Committee considered the candidates nominated by IOD members and those in the IOD database against the skill

matrix to select the most appropriate candidates based on intended structural diversity and long-term strategic considerations, i.e. gender, age, expertise, role-model quality, public acceptance, and time dedication. The capacity of each candidate to support IOD's strategy was also considered. The Board then reviewed and approved the nominated candidates before seeking approval from IOD members in the annual general meeting.

IOD members approved the appointment of the following three candidates as IOD directors:

1. Prof. Kitipong Uraepatanapong
2. Mr. Charamporn Jotikasthira
3. Ms. Potjaneer Thanavarant

Director orientation

Newly-appointed IOD directors receive documents that explain IOD's operation, rules and codes, corporate governance policy and other important information they need to know prior to officially becoming IOD directors. The three new IOD directors: Prof. Kitipong Uraepatanapong, Mr. Charamporn Jotikasthira & Ms. Potjaneer Thanavarant, attended the orientation session on 26 June 2017.

Defining vision and strategy

The Board aims to ensure that "IOD is recognized internationally for promoting directorship to a professional level leading to the sustainable growth of Thai companies". For this reason, a special Board Strategy meeting to review IOD's vision, mission and strategy is held annually. The Board also give IOD management advices and oversee the implementation of strategy and is updated on the progress constantly. A Board

Strategy meeting was held on 16 October 2017 for the Board to set the strategy for 2017-2019.

Internal Control

The IOD Board ensures that the management set up financial and operational internal control systems that comply with related rules and regulations by publishing an internal control handbook as a guidance. An internal auditor reports directly to the Audit Committee is also appointed while an external party is contracted to conduct an internal audit. The Audit Committee is responsible for conducting a review of the internal control system on an annual basis.

A complaint channel is also introduced so that staff can directly file their complaints to the Chairman of the Board of Directors, the Chairman of the Audit Committee and the Chairman of the Nomination and Governance Committee. The Board is considering other appropriate channels so that IOD's members and stakeholders can submit their complaints to the Audit Committee more conveniently.

CEO Performance Evaluation

The IOD Board conducts performance evaluation of the CEO following the KPI acknowledged and agreed with the Board. The Board use the performance evaluation as one of the factors for determining compensation and contract extension of the CEO.

The Board reports the performance evaluation result to the CEO after which it will be discussed to determine ways to improve the CEO's performance.

Policy Governance

Corporate governance policy

The IOD Board has initiated and implemented the corporate governance policy since 2009. Policy review is also carried out on an annual basis. There was no amendment to the corporate governance policy in 2017.

Ethics and code of conduct

Introduced in 2013, the IOD's ethics and code of conduct included the guideline for ethics of the Board, Committees, advisors, executives and staff. By signing, every personnel acknowledges the agreement to put the guideline into practice.

Anti-corruption

The anti-corruption policy and code of conduct were set by the Board and included in the IOD Handbook of Ethics and Code of Conduct.

Stakeholder relationship management

The policy on the relationship with stakeholders is set by the Board. The institute respects and considers the rights of all stakeholders, i.e. members, staff, partners, facilitators, regulators and other agencies, as well as corporate social responsibility. IOD treats each stakeholder group equally and in accordance with the legal rights and agreements. IOD never has legal dispute with any group of stakeholders.

Information disclosure

Aware of the importance of information disclosure to the public, the IOD Board ensures that the disclosed information is accurate, comprehensive, transparent, up-to-date, and complies with the law.

IOD's major information disclosure channels are:

1. Annual report
2. IOD website: www.thai-iod.com
3. IOD publications: Boardroom Magazine and Boardroom Flash

For the annual general meeting, IOD Board ensures that members' rights are treated fairly and appropriately by enabling IOD members to attend the annual general meeting with convenience. Any action that may obstruct opportunities of the members to access IOD information and the meeting shall not occur.

Members can share opinions and suggestions, vote during the meeting and use their rights to make a decision on any key change including the selection of directors. In 2017, the annual general meeting was held on 29 May 2017 at the ballroom of the Grand Hyatt Erawan.

Board performance evaluation

Evaluation of the IOD Board's performance is conducted on an annual basis. The result of the evaluation is used for further improvement of the Board.

The Nomination and Governance Committee is responsible for conducting

the evaluation of the Board's performance and presenting the result to the Board. In 2017, individual, group and Committee performance evaluations were conducted. Each director evaluates performance by using set assessment forms. The secretary then collects, evaluates and summarizes the evaluation before reporting to the Nomination and Governance Committee. A meeting with the Board to report the result and agree on how to enhance effectiveness of Board then is held.

Performance evaluation of the Board is based on the following six areas:

1. The structure and qualification of the Board;
2. Roles and responsibilities of the Board;
3. Board meetings;
4. Board's practice;
5. The Board's relationship with the management; and
6. Director and executive's self-development.

Performance evaluation of individual Board members is based on the following three areas:

1. The qualification of the director;
2. Director meetings;
3. Roles and responsibilities of the director;

Performance evaluation of the Committees is based on the following three areas:

1. The structure and qualification of the Committee;
2. Committee meetings;
3. Roles and responsibilities of the Committee;

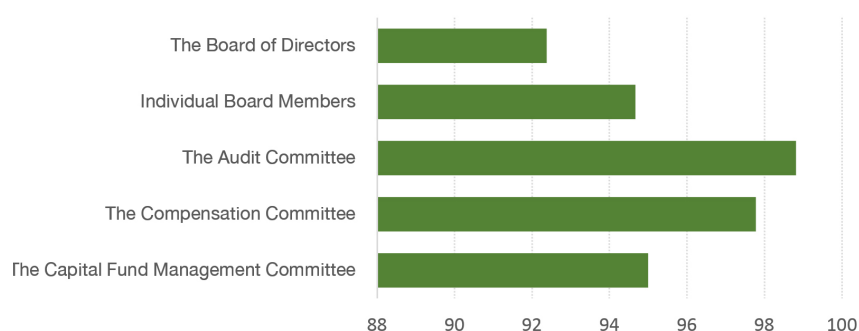
Director compensation

The IOD directors received no compensation from the institute except the privilege to participate in academic activities organized by the IOD.

Director development

IOD supports and encourages its directors to enhance their knowledge and experience that will be beneficial to their work as IOD directors. Participating in IOD training programs and representing IOD in corporate governance networks' activities are some examples.

Average Performance Evaluation's Result*



*Performance evaluation of the Nomination and Governance Committee was not undertaken since there was no active Committee members in the position during the annual performance evaluation.

In 2017, IOD directors participated in training programs and seminars as well as corporate governance brainstorming sessions as summarized below:

1. Mr. Prasan Chuaphanich

- BMT - Board Matters and Trends 2/2017
- Director Luncheon Briefing 2/2017
- Current Issue Seminar 1/2017
- Director Dinner Talk 1/2017
- National Director Conference
- Director Breakfast Talk 3/2017
- IOD International Trip 2017
- Nomination Director Event 1/2017
- Audit Committee Forum 1/2017
- Fellow Member Group Meeting 2/2017
- ID Forum
- Collective Action Against Corruption Conference

2. Mr. Predee Daochai

-

3. Ms. Potjaneer Thanavaranit

- Audit Committee Forum 1/2017
- Collective Action Against Corruption Conference
- Director Dinner Talk 2/2017

4. Prof. Kitipong Urapeepatanapong

-

5. Ms. Kesara Manchusree

- Director Breakfast Talk 2/2017
- Fellow Member Group Meeting 2/2017

6. Mr. Charemporn Jotikasthira

-

7. Mr. Chaiwat Utaiwan

- Director Dinner Talk 1/2017

8. Ms. Nualphan Lamsam

-

9. Mr. Banchong Chittchang

- Strategic Board Master Class 1/2017
- Current Issue Seminar 1/2017
- Director Dinner Talk 1/2017
- Chairman Forum 1/2017
- Family Business Event 2/2017
- Fellow Member Group Meeting 1/2017
- Director Breakfast Talk 2/2017
- Director Breakfast Talk 3/2017
- Family Business Event 3/2017
- Nomination Director Event 1/2017
- Collective Action Against Corruption Conference
- Audit Committee Forum 1/2017
- Fellow Member Group Meeting 2/2017
- Director Dinner Talk 2/2017
- IOD International Trip 2017

10. Mr. Paiboon Kittisrikangwan

-

11. Ms. Patareeya Benjapolchai

- Family Business Event 1/2017
- Director Dinner Talk 1/2017
- Fellow Member Group Meeting 1/2017
- Director Breakfast Talk 2/2017
- IOD International Trip 2017

12. Mr. Rapee Sucharitakul

- Director Luncheon Briefing 2/2017
- Strategic Board Master Class (SBM) 1/2017
- National Director Conference 1/2017

13. Mr. Supattanapong Punmeechaow

-

14. Dr. Bandid Nijathaworn

- Current Issue Seminar 1/2017
- National Director Conference 1/2017
- Director Dinner Talk 1/2017
- Chairman Forum 1/2017
- Family Business Event 3/2017
- Audit Committee Forum 1/2017
- Fellow Member Group Meeting 2/2017
- Director Dinner Talk 2/2017

Appendix

THAI INSTITUTE OF DIRECTORS ASSOCIATION

FINANCIAL STATEMENTS

31 DECEMBER 2017



Independent auditor's report

To the Board of Directors and members of Thai Institute of Directors Association

My opinion

In my opinion, the financial statements of Thai Institute of Directors Association ("the Association") present fairly, in all material respects, the financial position of the Association as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

What I have audited

The Association's financial statements comprise:

- the statement of financial position as at 31 December 2017;
- the statement of income and expenditure for the year then ended;
- the statement of changes in fund balances for the year then ended; and
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Association in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period.

I have determined that there are no key audit matters to communicate in my report

Other information

Management are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.



Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS for NPAEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The audit committee assists management in discharging their responsibilities for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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.
- 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 the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

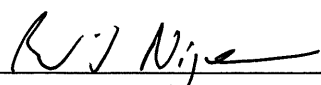
PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, reading 'Pongthavee Ratanakoses'.

Pongthavee Ratanakoses
Certified Public Accountant (Thailand) No. 7795
Bangkok
7 May 2018

Thai Institute of Directors Association
Statement of Financial Position
As at 31 December 2017

	<u>Notes</u>	<u>2017 Baht</u>	<u>2016 Baht</u>
Assets			
Current assets			
Cash and cash equivalents	3	33,264,766	51,671,948
Short-term investments	4	112,686,656	80,587,208
Long-term investments due within 1 year	4	8,000,000	-
Trade and other receivables	5	14,771,405	8,087,962
Other current assets		<u>203,249</u>	<u>504,262</u>
Total current assets		<u>168,926,076</u>	<u>140,851,380</u>
Non-current assets			
Long-term investments	4	40,000,000	46,179,186
Equipment, net	6	7,208,400	4,490,400
Intangible asset, net	7	9,841	156,808
Other non-current assets		<u>1,045,500</u>	<u>-</u>
Total non-current assets		<u>48,263,741</u>	<u>50,826,394</u>
Total assets		<u><u>217,189,817</u></u>	<u><u>191,677,774</u></u>



(Mr. Bandid Nijathaworn)
 President & CEO



(Mr. Prasan Chuaphanich)
 Chairman

Thai Institute of Directors Association
Statement of Financial Position (Cont'd)
As at 31 December 2017

	Notes	2017 Baht	2016 Baht
Liabilities and fund balance			
Current liabilities			
Trade and other payables	8	23,851,595	26,199,932
Current portion of membership fee received in advance		5,257,884	4,183,434
Accrued income tax		2,868,305	2,592,527
Other current liabilities		<u>3,132,143</u>	<u>3,515,943</u>
Total current liabilities		<u>35,109,927</u>	<u>36,491,836</u>
Non-current liabilities			
Membership fee received in advance		3,400,010	2,793,342
Employee benefit obligations	9	<u>10,144,314</u>	<u>7,769,597</u>
Total non-current liabilities		<u>13,544,324</u>	<u>10,562,939</u>
Total liabilities		<u>48,654,251</u>	<u>47,054,775</u>
Fund balance			
Fund received from			
- The Stock Exchange of Thailand		16,000,000	16,000,000
- Bank of Thailand		3,000,000	3,000,000
- The Office of the Securities and Exchange Commission		2,000,000	2,000,000
- Capital Market Development Fund Foundation		2,000,000	2,000,000
- The World Bank		8,618,454	8,618,454
Gain on measurement of available for sale investments		447,613	179,281
Accumulated excess of income over expenditure		<u>136,469,499</u>	<u>112,825,264</u>
Total fund balance		<u>168,535,566</u>	<u>144,622,999</u>
Total liabilities and fund balance		<u><u>217,189,817</u></u>	<u><u>191,677,774</u></u>

The notes to the financial statements on pages 9 to 16 are an integral part of these financial statements.

Thai Institute of Directors Association
Statement of Income and Expenditure
For the year ended 31 December 2017

	<u>Notes</u>	<u>2017</u> <u>Baht</u>	<u>2016</u> <u>Baht</u>
Income			
Revenue from training and seminar		120,342,526	115,617,147
Membership fee		8,434,368	7,080,000
Donations and sponsorship income		27,316,323	26,262,563
Other income	10	<u>8,807,771</u>	<u>7,242,421</u>
Total income		<u>164,900,988</u>	<u>156,202,131</u>
Expenditure			
Training and seminar expenses		89,346,726	81,306,116
Membership expenses		16,091,077	13,317,863
Administrative expenses		32,560,943	31,016,243
Income tax	12	<u>3,258,007</u>	<u>3,086,237</u>
Total expenditure		<u>141,256,753</u>	<u>128,726,459</u>
Excess of income over expenditure for the year		<u><u>23,644,235</u></u>	<u><u>27,475,672</u></u>

The notes to the financial statements on pages 9 to 16 are an integral part of these financial statements.

Thai Institute of Directors Association
Statement of Changes in Fund Balances
For the year ended 31 December 2017

	2017	2016
	Baht	Baht
	<hr/>	<hr/>
Fund balance		
Beginning balance	31,618,454	31,618,454
	<hr/>	<hr/>
Ending balance	31,618,454	31,618,454
	<hr/>	<hr/>
Accumulated excess of income over expenditure		
Beginning balance	112,825,264	85,349,592
Increase during the year	23,644,235	27,475,672
	<hr/>	<hr/>
Ending balance	136,469,499	112,825,264
	<hr/>	<hr/>
Gain on measurement of available for sale investments		
Beginning balance	179,281	-
Increase during the year	268,332	179,281
	<hr/>	<hr/>
Ending balance	447,613	179,281
	<hr/>	<hr/>
Total	<u>168,535,566</u>	<u>144,622,999</u>

The notes to the financial statements on pages 9 to 16 are an integral part of these financial statements.

Thai Institute of Directors Association
Statement of Cash Flows
For the year ended 31 December 2017

	Notes	2017 Baht	2016 Baht
Cash flows from operating activities			
Excess of income over expenditure before income tax		26,902,242	30,561,909
Adjustment for:			
Depreciation charge	6	3,013,652	2,216,871
Amortisation charge of intangible assets	7	146,967	250,569
Interest income	10	(3,128,241)	(2,805,803)
Employee benefit obligations	9	2,374,717	1,931,105
Gain on disposal of equipment		(48,493)	-
Loss from equipment written-off		279	3
 Changes in operating assets and liabilities			
- Trade and other receivables		(6,539,949)	2,430,551
- Other current assets		301,013	242,789
- Other assets		(1,045,500)	-
- Trade and other payables		(2,551,744)	(820,224)
- Membership fee received in advance		1,681,118	399,029
- Other current liabilities		(383,800)	1,062,598
 Net cash received from operating activities		20,722,261	35,469,397
Interest received		2,984,747	2,934,987
Income tax paid		(2,982,229)	(2,908,477)
 Net cash generated from operating activities		20,724,779	35,495,907
 Cash flows from investing activities			
Cash paid for purchases of equipment		(5,543,492)	(1,068,401)
Cash received from sales of equipment		63,461	
Cash paid for purchases of computer software		-	-
Purchase investment in bond		(22,000,000)	-
Proceed from investment in bond		-	6,000,000
Purchase investment in fixed deposit		(92,239,138)	(80,587,208)
Proceed from investment in fixed deposit		80,587,208	10,000,000
Purchase available for sale investments		-	(19,999,905)
 Net cash generated from (used in) investing activities		(39,131,961)	(85,655,514)
 Net increase (decrease) in cash and cash equivalents		(18,407,182)	(50,159,607)
Cash and cash equivalents, beginning balance		51,671,948	101,831,555
 Cash and cash equivalents, ending balance	3	33,264,766	51,671,948
 Non-cash transactions:			
Payable for purchases of equipment		218,387	14,980

The notes to the financial statements on pages 9 to 16 are an integral part of these financial statements.

1 General information

Thai Institute of Directors Association (“the Association”) is a non-political and non-profit making association, which was established on 28 December 1999, with the objectives to develop and support good corporate governance efficient and conducive to achieve the international recognition and acceptance; create and improve standards, quality and ethics of company directors; arrange training courses for the purpose of disseminating knowledge, skills and information useful for the work performance of the company directors; collaborate in carrying out all activities beneficial to the country’s business arena as a whole to national development and prosperity.

The address of its registered office is as follows:

3th Floor, CMA. Building 2, 2/9 Moo 4 (Northpark Project), Vibhavadi-Rangsit Road, Thung Song Hong, Laksi, Bangkok 10210.

The financial statements have been approved for issue by the Association’s management on 7 May 2018.

2 Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) as issued by the Federation of Accounting Professions (FAP). Additional disclosure is made following the principle concept of Thai Financial Reporting Standards;

- Statements of Cash Flows

The financial statements have been prepared under the historical cost convention.

An English-language version of the financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai-language statutory financial statements shall prevail.

2.2 Foreign currency transactions

Items included in the financial statements of the Association are measured using Thai Baht. The financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, foreign currency monetary balances are translated by using the exchange rate at the closing rate on that date. Monetary assets denominated in foreign currency are translated to Thai Baht by using a bank’s buying rate and monetary liabilities denominated in foreign currency are translated to Thai Baht by using a bank’s selling rate. Non-monetary balances denominated in a foreign currency are carried at cost using the exchange rate at the date of transaction.

Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and expenditure

2 Significant accounting policies (Cont'd)

2.3 Cash and cash equivalents

Cash comprises cash on hand, deposits held at call with banks but exclude deposits with banks which are held to maturity (fixed deposit), certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalents comprise short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.4 Investments

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following four categories: 1. Trading investments, 2. Held-to-maturity investments, 3. Available-for-sale investments and 4. General investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

1. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
2. Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
3. Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
4. Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available for sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date. The unrealised gains and losses of trading investments are recognised in statement of income and expenditure. The unrealised gains and losses of available for sale investments are recognised in fund balance.

Held-to-maturity investments are carried at amortised cost using the effective yield method less loss on decrease in value.

General investments are carried at cost less allowance for decrease in value.

A test for allowance for decrease in value is carried out when there is a factor indicating that an investment might be decreased in value. If the carrying value of the investment is higher than its recoverable amount, loss on decrease in value is charged to the statement of income and expenditure.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income and expenditure. When disposing of part of the Association's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2 Significant accounting policies (Cont'd)

2.5 Equipment

An item of equipment is stated at cost less accumulated depreciation and allowance for decrease in value (if any).

The cost of an item of equipment comprises its purchase price, import duties and non-refundable purchase taxes (after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These include the initial estimate of costs of dismantling and removing the item, and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period.

The cost of replacing part of equipment is included in the carrying amount of the asset when it is probable that future economic benefits will flow to the Association and the carrying amount of those replaced parts is derecognised. Repairs and maintenance are charged to the statement of income and expenditure during the financial period in which they are incurred.

Depreciation is calculated on the straight line basis to write off the cost of each asset to its residual value over the estimated useful life as follows:

Office renovation	5 years
Office equipment	3, 5 years
Furniture and fixtures	5 years

The assets' residual value, useful lives, and depreciation method are regularly reviewed.

Whenever there is any indication showing a permanent decrease in the amount of property, plant, and equipment; such as an evidence of obsolescence or physical damage of an asset, significant changes in the manner in which an asset is used or is expected to be used, the Association shall recognise loss on decrease in value of property, plant and equipment in statement of income and expenditure where the carrying amount of asset is higher than the recoverable amount. The recoverable amount of asset is the higher of its fair value less costs to sell and its value in use.

2.6 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 3 or 5 years.

2.7 Provident fund

The Association operates a provident fund that is a defined contribution plan. The assets of which are held in a separate fund which is managed by the external fund manager. The provident fund is funded by payments from employees and by the Association. Contributions to the provident fund are charged to the statement of income and expenditure in the year to which they relate.

2 Significant accounting policies (Cont'd)

2.8 Provisions

Provisions - general

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Association expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Employee benefit obligations

The Association has an obligation under labour law in benefit payable under the plan for employees until retirement date. The maximum amount of obligation shall not exceed the amount of final salary payable for 10 months. The employees will receive the payment amount at retirement date. The Association estimated a provision at the end of reporting period, which calculation is based on current salary reflected by the employee turnover and the proportion of working period of employees and working period until retirement.

2.9 Revenue recognition

Income and expenditure are recognised on an accrual basis.

3 Cash and cash equivalents

Cash and cash equivalents as at 31 December 2017 comprise the followings:

	2017	2016
	Baht	Baht
Cash on hand	38,926	41,052
Deposits held at call with financial institutions	33,225,840	51,630,896
	<u>33,264,766</u>	<u>51,671,948</u>

4 Investments

The movement of investments can be analysed as follow;

	Available for sale investments Baht	Hold-to- maturity investments Baht	Fixed deposits Baht	Total Baht
For the year ended 31 December 2016				
Opening balance	-	32,000,000	10,000,000	42,000,000
Additions	19,999,905	-	80,587,208	100,587,113
Redemptions	-	(6,000,000)	(10,000,000)	(16,000,000)
Gain on change in value	179,281	-	-	179,281
Closing balance	<u>20,179,186</u>	<u>26,000,000</u>	<u>80,587,208</u>	<u>126,766,394</u>
As at 31 December 2016				
Equity instrument				
Cost	19,999,905	-	-	19,999,905
<u>Plus</u> Unrealised gain	<u>179,281</u>	<u>-</u>	<u>-</u>	<u>179,281</u>
Total	<u>20,179,186</u>	<u>-</u>	<u>-</u>	<u>20,179,186</u>
Debt instruments				
Cost	-	26,000,000	80,587,208	106,587,208
Total	<u>-</u>	<u>26,000,000</u>	<u>80,587,208</u>	<u>106,587,208</u>
Grand total	20,179,186	26,000,000	80,587,208	126,766,394
<u>Less</u> Classify as current assets	<u>-</u>	<u>-</u>	<u>(80,587,208)</u>	<u>(80,587,208)</u>
Classify as non-current assets	<u>20,179,186</u>	<u>26,000,000</u>	<u>-</u>	<u>46,179,186</u>

As at 31 December 2016, short-term investments comprise fixed deposits that mature between 3 and 12 months from the date of acquisition and fixed deposits with an original maturity of more than 12 months but mature within the following 12 months. Deposits bear interest at the rates ranging between 1.40% - 1.87% per annum.

Long-term investments comprise available for sale investments in mutual funds issued by financial institutions and hold-to-maturity investments which consist of investments in bonds issued by Ministry of Finance. The bonds are due for redemption in October 2018 and January 2025. Long-term investments also comprise debentures issued by Krungthai card Public Company Limited, due for redemption in August 2019, and debentures issued by PTT Public Company Limited, due for redemption in November 2020. These debentures bear interest at the rates ranging from 3.00% to 5.00% per annum.

Thai Institute of Directors Association
Notes to the Financial Statements
For the year ended 31 December 2017

4 Investments (Cont'd)

	Available for sale investments Baht	Hold-to- maturity investments Baht	Fixed deposits Baht	Total Baht
As at 31 December 2017 equity instrument				
Opening balance	20,179,186	26,000,000	80,587,208	126,766,394
Additions	-	22,000,000	92,239,138	114,239,138
Redemptions	-	-	(80,587,208)	(80,587,208)
Gain on change in value	268,332	-	-	268,332
Closing balance	<u>20,447,518</u>	<u>48,000,000</u>	<u>92,239,138</u>	<u>160,686,656</u>
As at 31 December 2017 Equity instrument				
Cost	19,999,905	-	-	19,999,905
Plus Unrealised gain	447,613	-	-	447,613
Total	<u>20,447,518</u>	<u>-</u>	<u>-</u>	<u>20,447,518</u>
Debt instruments				
Cost	-	48,000,000	92,239,138	140,239,138
Total	<u>-</u>	<u>48,000,000</u>	<u>92,239,138</u>	<u>140,239,138</u>
Grand total	20,447,518	48,000,000	92,239,138	160,686,656
Less Classify as current assets	(20,447,518)	(8,000,000)	(92,239,138)	(120,686,656)
Classify as non-current assets	<u>-</u>	<u>40,000,000</u>	<u>-</u>	<u>40,000,000</u>

As at 31 December 2017, the Association classifies available for sale investments as short-term investments because the Association has the intention of holding the investments for less than 12 months from the statement of financial position date.

Short-term investments comprise available for sale investments in mutual funds issued by financial institutions and fixed deposits that mature between 6 and 12 months from the date of acquisition and fixed deposits with an original maturity of more than 12 months but mature within the following 12 months. The deposits bear interest at the rates ranging between 1.30% - 1.60% per annum

Long-term investments comprise held-to-maturity investments in bonds issued by Ministry of Finance with an interest rate of 3.00% per annum and due for redemption in January 2025. Long-term investments also include debentures issued by Krungthai card Public Company Limited, PTT Public Company Limited, Siam Cement Public Company Limited and Berli Jucker Public Company Limited. These debentures become due for redemption in August 2019 to June 2022 and bear interest at the rates ranging from 3.00% to 5.00% per annum. A portion of hold-to-maturity investments amounting Baht 8 million, due for redemption in October 2018, is presented as current assets.

5 Trade and other receivables

	2017 Baht	2016 Baht
Accrued income	13,454,371	6,802,000
Prepaid expenses	447,498	228,232
Other receivables	869,536	1,057,730
	<u>14,771,405</u>	<u>8,087,962</u>

6 Equipment, net

	Office renovation Baht	Office equipment Baht	Furniture and fixture Baht	Total Baht
As at 31 December 2016				
Cost	14,553,479	13,502,173	3,847,954	31,903,606
<u>Less</u> Accumulated depreciation	<u>(13,621,826)</u>	<u>(10,243,152)</u>	<u>(3,548,228)</u>	<u>(27,413,206)</u>
Net book amount	<u>931,653</u>	<u>3,259,021</u>	<u>299,726</u>	<u>4,490,400</u>
For the year ended 31 December 2017				
Opening net book amount	931,653	3,259,021	299,726	4,490,400
Additions	5,340,350	406,549	-	5,746,899
Disposal, net	-	(1)	(14,967)	(14,968)
Write off, net	(7)	(260)	(12)	(279)
Depreciation charge	<u>(1,144,096)</u>	<u>(1,765,113)</u>	<u>(104,443)</u>	<u>(3,013,652)</u>
Closing net book amount	<u>5,127,900</u>	<u>1,900,196</u>	<u>180,304</u>	<u>7,208,400</u>
As at 31 December 2017				
Cost	18,491,070	12,682,508	2,799,292	33,972,870
<u>Less</u> Accumulated depreciation	<u>(13,363,170)</u>	<u>(10,782,312)</u>	<u>(2,618,988)</u>	<u>(26,764,470)</u>
Net book amount	<u>5,127,900</u>	<u>1,900,196</u>	<u>180,304</u>	<u>7,208,400</u>

7 Intangible asset, net

	Computer software Baht
As at 31 December 2016	
Cost	2,073,776
<u>Less</u> Accumulated amortisation	<u>(1,916,968)</u>
Net book amount	<u>156,808</u>
For the year ended 31 December 2017	
Opening net book amount	156,808
Additional	-
Amortisation charge	<u>(146,967)</u>
Closing net book amount	<u>9,841</u>
As at 31 December 2017	
Cost	2,073,776
<u>Less</u> Accumulated amortisation	<u>(2,063,935)</u>
Net book amount	<u>9,841</u>

8 Trade and other payables	2017	2016
	Baht	Baht
Other payables	2,366,456	5,253,565
Accrued expenses	6,134,805	5,988,742
Deferred training and seminar income	14,888,527	14,509,523
Deferred sponsorship income	157,000	86,000
Advance from members	304,807	362,102
	<u>23,851,595</u>	<u>26,199,932</u>
9 Employee benefit obligations	2017	2016
	Baht	Baht
Opening balance	7,769,597	5,838,492
Provision charge for the year	2,374,717	1,931,105
Paid during the year	-	-
Closing balance	<u>10,144,314</u>	<u>7,769,597</u>
10 Other incomes	2017	2016
	Baht	Baht
Survey report income	2,028,000	1,377,000
Interest income	3,128,241	2,805,803
Advertising income	2,319,000	2,608,000
Others	1,332,530	451,618
	<u>8,807,771</u>	<u>7,242,421</u>

11 Commitments

Consultancy and training commitment

The Association has entered into an agreement with a foreign institution to obtain consultancy and training in respect of several executive training programs. The Association is required to pay right execution fee and the training program usage fee amounting to AUD 15,000 per quarter until 2019.

Operating lease commitments

The future minimum lease payments under non-cancellable operating lease are as follows:

	2017	2016
	Baht	Baht
Not later than 1 year	4,762,157	4,762,157
Later than 1 year and not later than 5 years	3,004,000	7,510,000
	<u>7,766,157</u>	<u>12,272,157</u>

12 Income tax

The Association pays income tax at the rate of 2% on service income and sponsorship income with the exemption of membership fee income and donation. Interest income is subject to tax at the rate of 10%.

General Information

Name	Thai Institute of Directors Association
Address	3rd Floor, The CMA Building 2, 2/9 Moo 4, North Park Project, Vibhavadi-Rangsit Road, Thung SongHong, Laksi, Bangkok 10210, Thailand
Tel.	(66) 2955-1155,
Fax.	(66) 2955-1156-7
Type of Business	Non Profit Association
Register No.	Jor.3904/2542 dated. December 28, 1999
Register	Ministry of Interior, Thailand
Established Capital	17 Million Baht
Account Period	1 January - 31 December
Auditor	Mr. Pongthavee Ratanakoses Certified Public Accountant (Thailand) No. 7795 PricewaterhouseCoopers ABAS Limited 15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120, Thailand Tel. (66) 2344-1000 Fax. (66) 2286-5050 www.pwc.com/th
Audit Fee in 2017	240,000 Baht
Non Audit Fee	-

IOD Team

Management

1. Dr. Bandid	Nijathaworn	President & CEO
2. Ms. Ada	Ingawanij	Executive Vice President
3. Mr. Somporn	Chitphentom	Executive Vice President
4. Ms. Wilairat	Nensaengtham	Senior Vice President
5. Mr. Kulvech	Janvatanavit	Project Leader
6. Ms. Wirawan	Munnapinun	Assistant Vice President
7. Ms. Siriporn	Wutthigul	Assistant Vice President
8. Ms. Ratanapat	Yaowabut	Executive Secretary



Member Relations

1. Mr. Somporn	Chitphentom	Executive Vice President
2. Ms. Siriporn	Wutthigul	Assistant Vice President
3. Ms. Sarinee	Ruangkongkiat	
4. Ms. Srirat	Emmad	
5. Mr. Sittisak	Phaemane	
6. Ms. Tanyaporn	Autthaporn	
7. Ms. Suthinee	Kerdchuay	
8. Ms. Natcha	Vicharana	



Director Training

1. Ms. Ada	Ingawanij	Executive Vice President
2. Mr. Tanakorn	Pornratananukul	
3. Ms. Benyada	Kumlungsua	
4. Ms. Ruangfon	Jaismut	
5. Ms. Charawi	Chiramakara	
6. Ms. Waratnarn	Ratchamusikpat	
7. Mr. Apilarp	Phaopinyo	
8. Ms. Pairumpar	Yooyen	
9. Mr. Dacha	Kongdang	
10. Mr. Pakit	Rimmakulsub	
11. Ms. Piyanuch	Buachim	
12. Mr. Hatsadin	Kampiranond	
13. Ms. Nareerat	Pengprapat	
14. Ms. Pattraporn	Kaewka	



Research & Policy

1. Ms. Ada Ingawanij Executive Vice President
2. Ms. Wirawan Munnapinun Assistant Vice President
3. Ms. Manee Maneesang
4. Ms. Veerin Siriphan
5. Ms. Witchuta Suwannachairob
6. Ms. Siriporn Wongkeaw
7. Ms. Tanawan Surawattanasise
8. Ms. Aurakarn Jungthirapanich



Private Sector Collective Action Coalition Against Corruption (CAC Project)

1. Mr. Kulvech Janvatanavit Project Leader
2. Mr. Phisanu Phromchanya
3. Mr. Pana Ratanabanangkoon
4. Mr. Kittidej Chantangkul
5. Ms. Isara Areerad



Administration

1. Mr. Somporn Chitphentom Executive Vice President
2. Ms. Wilairat Nensaengtham Senior Vice President
3. Ms. Nisa Jirapongwanich
4. Ms. Angkana Nuaurai
5. Mr. Suwittha Poolsap
6. Ms. Piyanart Yukong
7. Ms. Chuleeporn Prasert
8. Ms. Suchaya Channarongkuls





Thai Institute of Directors Association

3rd Floor, The CMA Building 2, 2/9 Moo 4, North Park Project, Vibhavadi-Rangsit Road,
Thung SongHong, Laksi, Bangkok 10210, Thailand

Tel. (66) 2955-1155, Fax. (66) 2955-1156-7
www.thai-iod.com