

# FOUNDATION

สร้างรากฐานเพื่อขับเคลื่อนความยั่งยืนขององค์กร

THAI INSTITUTE OF DIRECTORS  
ANNUAL REPORT 2019

บริษัทไทย ก้าวไกล ด้วยคุณธรรม

*Enterprise with Integrity*

# Content

## IOD BUSINESS 2

- 4 Vision and Mission
- 5 Chairman's Review
- 7 Message from CEO
- 9 Organization Chart
- 10 Board of Directors
- 29 CAC Council
- 30 Key Statistics
  - 30. Financials
  - 31. Director Training
  - 32. Membership
  - 35. CGR
  - 36. CAC
- 38 Strategic Partners
- 41 Corporate Strategies, Way Forward and Corporate Performance 2019
- 61 Key Risks

## GOVERNANCE 62

- 64 Overview of IOD Governance
- 76 Governance Committee Report
- 77 Nomination and Compensation Committee Report

## FINANCIALS 78

- 80 Report of Board Responsibility for Financial Statements
- 81 Audit Committee Report
- 82 Auditor's Report & Financial Statements
- 106 General Information

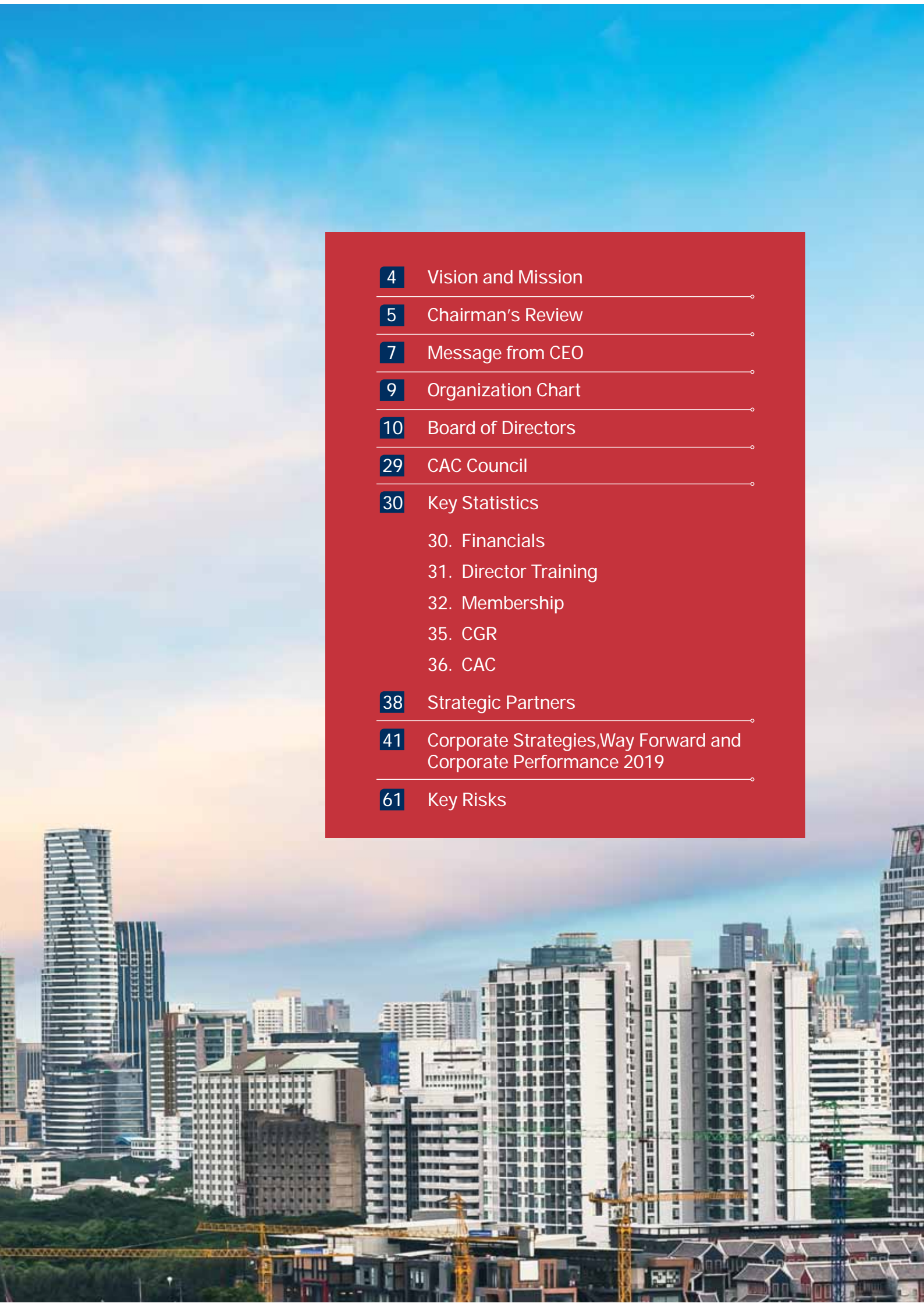


---

# IOD BUSINESS

ANNUAL REPORT 2019





<b>4</b>	Vision and Mission	○
<b>5</b>	Chairman's Review	○
<b>7</b>	Message from CEO	○
<b>9</b>	Organization Chart	○
<b>10</b>	Board of Directors	○
<b>29</b>	CAC Council	○
<b>30</b>	Key Statistics	
	30. Financials	
	31. Director Training	
	32. Membership	
	35. CGR	
	36. CAC	
<b>38</b>	Strategic Partners	○
<b>41</b>	Corporate Strategies, Way Forward and Corporate Performance 2019	○
<b>61</b>	Key Risks	

## Vision and Mission

### VISION

“Boardroom Excellence for Sustainable Growth”

### MISSION

“Enable and engage company directors to create value for the company and implement corporate sustainability practices for the benefits of capital market and society”



## Chairman's Review

The year 2019 marked the 20th anniversary of IOD. Over the years, we have always committed to supporting the directors' work following the principles of Corporate Governance (CG). This is the reason why IOD is recognized at both national and international levels as one of the leading CG-driven organizations.

To ensure that our work will meet increasing expectations from our stakeholders, the IOD Board of Directors has been closely following CG trends and the rapid change in business direction. The IOD directors and management team have worked together to brainstorm and review our vision to meet these challenges, and have created the **newly-approved vision "Boardroom Excellence for Sustainable Growth"**. To ensure that IOD directors will be able to work effectively and become CG role models, the Nomination Committee and the Compensation Committee have been merged together, and the Governance Committee has been set up.



In addition, our management team has been implementing activities based on the following principles:

**1. Transformation from corporate governance to corporate sustainability following the principles of environmental, social and governance (ESG)**

The CGR assessment has been adjusted and developed to ensure that the ESG principles are incorporated into the training curriculum and criteria. A guideline was also developed to ensure that directors work following the CG Code.


**2. Constant and long-term development in every activity**

Outputs from all activities - for example, lessons learned and the results of case studies from the Board of the Year's award-winning directors - will be assessed for further development. Directors are also occasionally invited to share their experiences during training sessions and forums, and to provide inputs when developing boardroom culture surveys. Results and implementation outputs will not only be presented during the IOD National Director Conference and other forums but will also be used for further curriculum development and the development of new training courses on specific culture among directors. In addition, CAC projects have been expanded to cover SMEs as well as business companies.

**3. A focus on value creation**

Stakeholder engagement and cooperation with partners are given priority mainly for the benefit of activity development. The Board of the Year project not only helps add value to our work, but is also a good sample of how regulatory bodies, consulting firms, and capital market organizations work together to develop a guideline and criteria for awarding this prestigious and honorable prize. IOD has also collaborated with other partners to share experiences and has provided interesting articles for our members who are growing in number.

To celebrate our successes on our 20 years anniversary, the IOD Board of Directors would like to recognize the dedication of our management, consultants and staff. The IOD Board would also like to thank various capital market organizations, listed companies, our members, facilitators, sub-committees, working committees, and partners for their cooperation and support. Going forward, the IOD Board will strive to support the continued dedication of driving Thai businesses toward sustainability.



**Mr. Prasan Chuapanich**  
Chairman



## Message from CEO

If we regard the management as our brain, the directors' duties can be compared to mindfulness. Mindfulness will complement the brain to think thoroughly and to always look forward. The directors' ultimate duty is to drive the organization toward sustainability. However, with ever-increasing expectations from stakeholders, the current challenges facing our directors are beyond value protection. The directors must be mindful of emerging trends such as customer behavioral changes and technological advances, which may impact the business.

To seek solutions for these challenges, the IOD's strategic roadmap has been adjusted to drive the new vision of **"Boardroom Excellence for Sustainable Growth"**. The revised three-year roadmap between 2019-2021 are as follow:

- **Year 2019: The Year of Foundation Building.**  
To focus on developing directors' guidelines for the Corporate Governance Code (CG Code) in alignment with the Securities and Exchange Commission (SEC) and to encourage directors to understand the role of value creation in establishing corporate sustainability amid disruption.
- **Year 2020: The Year of Strengthening Organizational System.**  
To focus on developing the IOD's staffs and facilitators, improving existing and creating new curriculums and using technology to respond to members' needs.
- **Year 2021: The Year of Growth.**  
To focus on growing the IOD memberships both in quantity and quality. To ensure continuous learning and practical application of new found knowledge and to find ways to measure the positive impact on corporate and social sustainability.



Our three-year roadmap has been further distilled into the following four strategic themes:

1. **ESG Standard-Setting** Developing roadmap to develop directors' guidelines covering 16 topics in alignment with SEC's CG Code. Two of the 16 topics have been completed and will be distributed in 2020. In addition, contents in module 9 and 10 of DCP training course relating to implementation effectiveness of the directors have been improved. Case studies from other countries have been updated. More in-country case studies including cases from Board of the Year-awarded directors have been adopted for use in the trainings. New generation of facilitators will be trained by the IOD's seasoned facilitators to strengthen our facilitator pipeline for continuity and sustainability. I would like to thank Mr. Rapee Sucharitakul, the IOD's Consultant, for his suggestions, guidance and support on development of ESG Standard Setting and guidelines for training curriculum and facilitators throughout 2019.
2. **Thought Leadership** Negative news on the business often times are caused by the organizational culture and behavior of directors. To better understand this, in 2019 the IOD elevated on the topic "Culture and Behavior" as our focus for events. The IOD, together with Chulalongkorn University's Faculty of Economics, conducted a survey on the Boardroom Culture of Thai directors. The results were presented at various events including at the National Director Conference and Forum and were subsequently used to develop the Boardroom Culture curriculum. The revised curriculum was launched in 2019 with good reception. In addition, IOD member activities have been improved so members will have opportunities to quickly learn new and interesting trends such as the issue of PM2.5 particles and global trends. Finally, directors who completed DCP training will be able to receive updates through recurring events called the "DCP series" from the IOD's facilitators on current topics such as digital strategy and family business law.
3. **Boardroom Voice for Change** Corporate sustainability depends on social and stakeholder sustainability. That is why the IOD give priority to the issue of corruption and encourage businesses to strengthen their internal compliance system to prevent corruption. Thai Private Sector Collective Action Against Corruption (CAC) in 2019, increased the number of private companies declaring intent to join the coalition from 936 to 1,011 and increased the number of certified members from 366 to 433. In addition, five large companies have

supported the CAC's initiatives to encouraging their trade partners, who mostly are SMEs, to join the CAC as well. The expansion of the CAC network led by large-scale companies has been a major step for Thailand to collectively seek solutions to effectively reduce the corruption problems in the country.

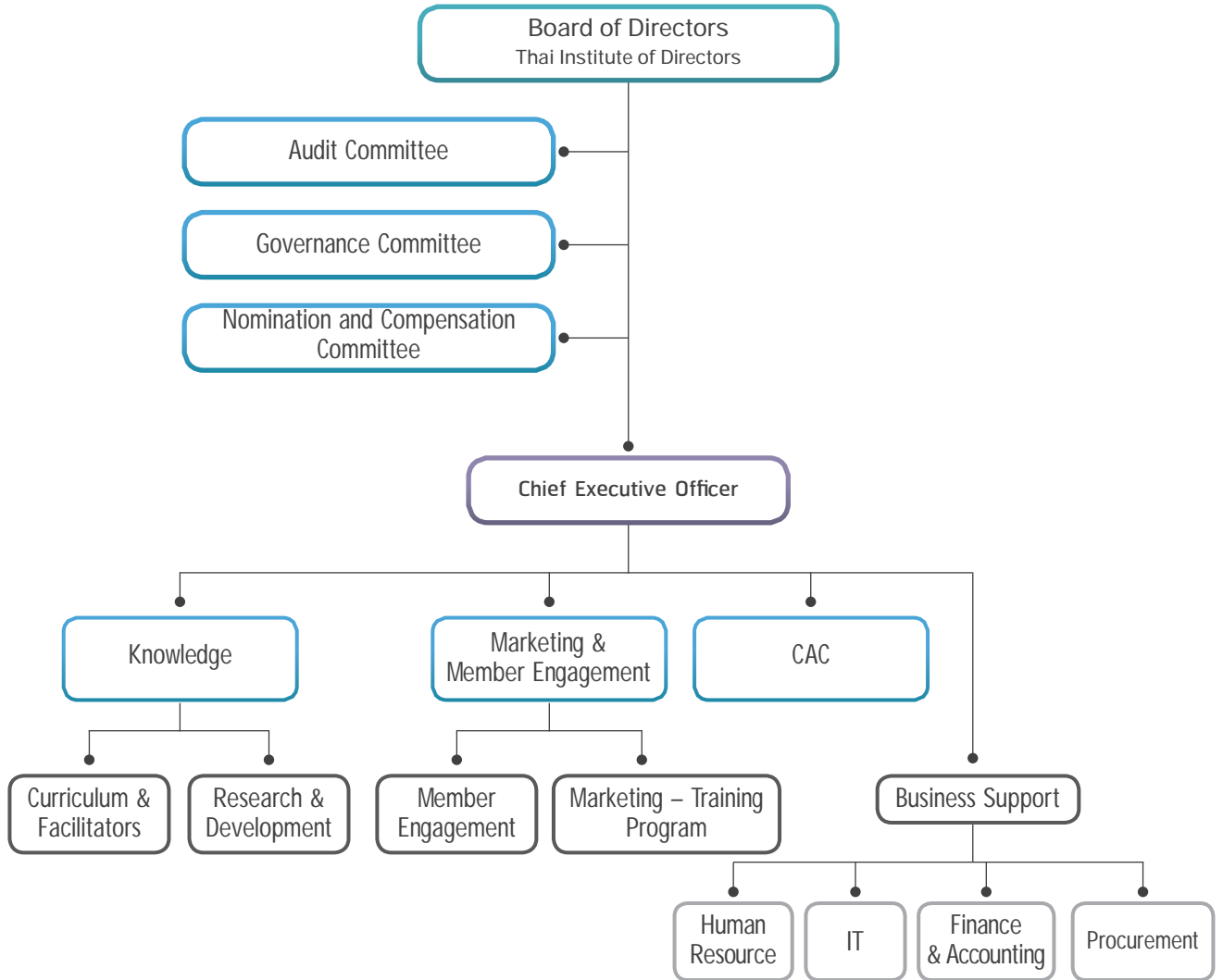
4. **Member Solution Platform** Preparing IOD members to cope with major changes through lifelong learning has been our primary goal. In 2019, the IOD organized more knowledge enhancement activities for members. Eleven events were organized at the IOD Member Space at Gaysorn Village attended by 415 participants. In-addition, the activities were redesigned with new and fresh concepts. For example, at the National Director Conference, directors and CEOs of two well-known companies were invited to speak about their business transformation and collaboration between the directors and the management to overcome challenges. The IOD also explored new privileges for our members working with related agencies such as Rise Accelerator at their Corporate Innovation Summit 2019 to expand knowledge and skills for our members. We believe working in partnership with other agencies will enable IOD members to receive other privileges in the future.

Our success following the four strategic themes will not happen without the following: 1. IOD directors working tirelessly and voluntarily to support these changes 2. Facilitators dedicating themselves to stimulate participants to effectively learn during the training classes 3. Trust and feedbacks from IOD members and last but not least 4. IOD staffs working diligently to ensure success of the IOD activities, adding value to members and directors, and driving the organization towards Boardroom Excellence for Sustainable Growth in the future. I would like to take this opportunity to express my sincere appreciation for your hard work and dedication. Thank you very much.



Mr. Kulvech Janvatanavit  
CEO

# Organization Chart



## Board of Directors

### Mr. Prasan Chuaphanich

Age 68 years

• Chairman of the Board

**Date of Appointment :** 16 May 2015 – 24 May 2018  
24 May 2018 – AGM 2021



#### Education

- Ph.D. in Accountancy (Honorary), Kasem Bundit University
- 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 Chairman of the Audit Committee, **Siam Commercial Bank PCL.**
- Independent Director Member of Audit Committee and Chairman of Sustainable Development Committee, **Advanced Info Services PCL.**
- Independent Director, Audit Committee member and Chairman of the Nomination and Remuneration Committee, **Thai Solar Energy PCL.**

#### Board member / Management in Non-Listed Company

- Commissioner, Audit Committee and Chairman of Subcommittee on Governance and Remuneration, **The Securities and Exchange Commission**
- Chairman of the Board, **Thai Institute of Directors Association (IOD)**
- Board of Directors and Chairman of Audit Committee, **Kerry Express (Thailand) Limited**
- Chairman of the Quality Assurance Review Panel, **The Securities and Exchange Commission, Thailand**
- Director, **Public Sector Audit 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 Corporate Governance report of Thai Listed Companies Steering committee, **Thai Institute of Directors Association (IOD)**
- Member of Thailand's Private Sector Collective Action Against Corruption Certification Committee, **Thai Institute of Directors Association (IOD)**
- Commission Member (Accounting), Thailand - Commission Member, **OIC Advanced Insurance Institute**
- Chairman of the Audit Committee of the Office of Insurance Commission, **OIC Advanced Insurance Institute**
- Commission Member, **OIC Advanced Insurance Institute**



- Expert Member (Accounting) of the Committee on Dumping and Subsidy, **Thailand**
- Advisory Board of Center for Building Competitive Enterprises (CBCE),  
**Thai Listed Companies Association**

#### Experiences

- 2016 – 2019 Independent Director and Chairman of the Audit Committee,  
**PTT Global Chemical PCL.**
- 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)**
- 2015 – 2017 Council member, IFRS Advisory Council, IFRS Foundation,  
London, **United Kingdom**
- 2014 – 2017 President, **Federation of Accounting Professions under the Royal Patronage of His Majesty the King**
- 2014 – 2015 Member, Sub-Committee on the Reform of International Economy and other Economic Matters,  
**National Reform Council**
- 2012 – 2017 Expert Member of the **General Insurance Fund under the Ministry of Finance**
- 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 (IOD)**
- 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.**,  
Joint Executive Chairman of **PricewaterhouseCoopers, Southeast Asia Peninsula Region**
- 2004 – 2010 Chairman, **Accounting System Committee**



## Mr. Predee Daochai

Age 61 years

- Vice Chairman
- Chairman of the Governance Committee

**Date of Appointment :** 16 May 2015 – 24 May 2018  
24 May 2018 – AGM 2021



### Education

- Master of Comparative Law (MCL), University of Illinois at Urbana-Champaign, USA
- Barrister - at - Law, Thailand
- Bachelor's Degree (Honors), Thammasat University, Thailand

### Training

- The Joint State - Private Sector Course Class 24, National Defence College, Thailand
- Capital Market Academy Leader Program 20/2015, Capital Market Academy, Thailand
- Executive Program in Energy Literacy for a Sustainable Future Class 8/2016, Thailand Energy Academy, Thailand
- Advanced Management Program (AMP187), Harvard Business School, USA
- Executive Program (EP) Singularity University

### Attended in IOD Program

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

### Board member / Management in Listed Company

- Director and President, KASIKORNBANK PCL.

### Board member / Management in Non-Listed Company

- Chairman, Thai Bankers' Association
- Chairman, National ITMX Company Limited
- Expert Board Member of the State Enterprise Policy Committee
- Member of the Payment Systems Committee, Bank of Thailand
- Member of the National Strategy Committee
- Member of the Eastern Economic Corridor Policy Committee
- Member of the Board of Investment
- Director, ASEAN Bankers Association
- Member of the Bangkok Patana School Foundation Board
- Director, Muang Thai Group Holding Company Limited
- Chairman, KASIKORN FACTORY AND EQUIPMENT Company Limited
- Chairman, KASIKORN LEASING Company Limited

### Experiences

- 2016 – 2020 Chairman, KASIKORN SECURITIES PCL.
- 2016 – 2017 Chairman, KASIKORN LEASING Company Limited
- 2013 – 2016 Chairman, KASIKORN RESEARCH CENTER Company Limited
- 2010 – 2013 Director, Muang Thai Life Assurance Company Limited





## Miss Potjaneer Thanavaranit

Age 73 years

- Vice Chairman
- Chairperson of the Audit Committee

**Date of Appointment :** 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 "Cyber Security 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.**



### Board member / Management in Non-Listed Company

- Chairperson of Audit and Evaluation Committee,  
**Office of the National Anti-Corruption  
Commission (NACC)**
- Honorary Members,  
**Mae Fah Luang University Council**
- Audit Committee Member  
and 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**







## Professor Kitipong Urapeepatanapong

Age 65 years

- Director
- Member of the Governance Committee

**Date of Appointment :** 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

- Independent Director, **Pruksa Holding PCL.**

### Board member / Management in Non-Listed Company

- Chairman, **Baker & McKenzie**
- Executive Director, **Siam Piwat Co., Ltd.**
- Chairman of the Tax and Regulatory Commission of **the Thai Chamber of Commerce**
- Member of the National Reform Council (Legal)
- Deputy Chairman of the National Reform Commission (Legal and member of the critical issues committee)
- Steering Committee, Office of the National Higher Education, Science, **Research and Innovation Policy Council**
- Board member, **The Stock Exchange of Thailand**
- Independent Director; Member, **Governance and Nomination Committee), SCG Packaging Co., Ltd.**

### Experiences

- 2014-2018 Member of the Board of Governors of **the Stock Exchange of Thailand**
- 2014-2015 Executive Member, **The National Reform Council**
- 1999 Independent Director, **Krung Thai Bank PCL.**



## Dr. Kulpatra Sirodom

Age 64 years

- Director
- Member of the Nomination and Compensation Committee

**Date of Appointment :** 29 May 2019 – AGM 2022



### Education

- Doctor of Philosophy (Finance), University of Pittsburgh, USA
- Master of Business Administration (Finance), West Virginia University, USA
- Bachelor of Business Administration (Finance), Thammasat University

### Training

- Global Association of Risk Professionals (GARP)

### Attended in IOD Program

- Audit Committee Program (ACP) 29/2009
- Director Certification Program (DCP) 0/2000

### Board member / Management in Listed Company

- Independent Director, Member of the Audit Committee and Member of the Nomination and Compensation Committee, **TISCO Financial Group PCL.**
- Independent Director and Chairperson of the Audit Committee, **Thai Group Holdings PCL.**
- Independent Director and Chairperson of the Audit Committee, **The Erawan Group PCL.**
- Chairperson of the Corporate Governance Committee, Chairperson of the Audit Committee and Independent Director, **Thai Wacoal PCL.**
- Independent Director and Chairperson of the Audit Committee, **Thai President Foods PCL.**

### Board member / Management in Non-Listed Company

- Independent Director and Member of the Audit Committee, **TISCO Bank PCL.**
- Director and Chairperson of the Audit Committee, **Mae Fah Luang Foundation Under Royal Patronage**
- Director and Treasurer, **Thailand Social Enterprise**

- Director and Chairperson of the Audit Committee, **Thai Listed Companies Association**
- Independent Director, **Thailand Securities Depository Company Limited**
- Independent Director and Chairperson of Risk Management Sub-committee, **Thailand Clearing House Company Limited**
- Expert Member, **Sripatum University Council**
- Member, **Southeast Bangkok College Council**
- Expert Member, **Commission Policy on Private Participation in State Affairs**
- Arbitrator, **The Securities and Exchange Commission**
- Director, **The Professor Sangvian Indaravijaya Foundation**
- Director, **Siam Commercial Foundation**

### Experiences

- Independent Director, Member of the Audit Committee and Member of the Corporate Social Responsibility Committee, **Siam Commercial Bank PCL.**
- Independent Director and Member of the Audit Committee, **President Bakery PCL.**
- Independent Director, **Total Industrial Services Company Limited**
- Expert Member on Risk Management, Investment Risk Management Sub-Committee, **Social Security Fund**
- Advisor, **The Federation of Accounting Professions**
- Revolving Evaluation Sub-Committee, **The Comptroller General's Department**
- Member of the Risk Management Sub-Committee, **Government Pension Fund**
- Director, **H.R.H. Prince Pijitjirapa Tevakul Foundation**
- Associate Professor, Faculty of Commerce and Accountancy, **Thammasat University**





## Mrs. Kaisri Nuengsigkapien

Age 58 years

- Director
- Member of the Audit Committee

**Date of Appointment :** 24 May 2018 – AGM 2021

### Education

- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University

### Training

- Capital Market Academy Leadership Program, Class 3, Capital Market Academy

### Attended in IOD Program

- Directors Certification Program (DCP) 0/2000
- The Role of the Chairman Program (RCP) 30/2013
- The Role of the Compensation Committee Program (RCC) 16/2013

### Board member / Management in Listed Company

- Chairman of the Board of Directors / Chairman of Executive Committee, **Mc Group PCL.**
- Independent Director/ Chairman of Audit Committee, **SCG Packaging PCL.**

### Board member / Management in Non-Listed Company

- Chairman of the Board of Directors, **Buono (Thailand) PCL.**
- Director, **TOP T 2015 Co., Ltd.**
- Director / Treasurer, **Rakkaew Foundation**
- Member of Corporate Governance Committee, **Bank of Thailand**

### Experiences

- Advisor, **Securities and Exchange Commission, Thailand (SEC)**
- Chief Executive Officer, **KPMG Thailand**



## Mr. Charamporn Jotikasthira

Age 62 years

- Director
- Member of the Governance Committee

**Date of Appointment :** 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
- IT Governance and Cyber Resilience Program (ITG) 7/2018

### Board member / Management in Listed Company

- Executive Director, **Bangkok Bank PCL**
- Independent Director, **Minor International PCL**
- Independent Director, **Singha Estate PCL**
- Advisor, **Thai Group Holdings PCL**.

### Board member / Management in Non-Listed Company

- Member of the **Chulabhorn Royal Academy Council**
- Director of Finance, **Srisavarindhira Thai Red Cross Institute of Nursing**
- Director of **The Thai Silk Company (Jim Thompson)**
- Director, **Suksapattana Foundation**
- Director, **Foundation for Research in Information Technology**

### Experiences

- 2017 – 2019 Director of Office of the **National Strategic Committee**
- 2014 – 2017 President, **Thai Airways International PCL**.
- 2015 – 2017 Director, Chairman of Corporate Governance Committee, **Nok Airlines PCL**.
- 2015 – 2017 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**
- 2010 – 2014 President and CEO, **The Stock Exchange of Thailand**
- 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**.
- 1995 – 1999 President, **SCB Securities Co., Ltd.**
- 1990 – 1994 President, **SCB Asset Management**





## Mr. Chaiwat Utaiwan

Age 66 years

- Director
- Chairman of the Nomination and Compensation Committee

**Date of Appointment :** 30 May 2016 – 29 May 2019  
29 May 2019 – AGM 2022

### 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

- 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
- Thailand Insurance Leadership Program, Class 6, OIC Advanced Insurance Institute (OICAI)
- Advance Political and Electoral Development Training course, Class 8, Political and Electoral Development Institute
- 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
- Health Communication Program, Class 1, Chulabhorn Royal Academy

### Attended in IOD Program

- Directors Certification Program (DCP) 18/2002
- Role of Chairman Program (RCP) 29/2012
- Board that Make a Difference (BMD) 7/2018
- Board Nomination and Compensation Program (BNCP) 5/2018

### Board member / Management in Listed Company

- Chairman of the Board of Directors, **Thanasiri Group PCL.**
- Chairman of the Board of Directors, **TBSP PCL.**
- Independent Director and Chairman of Risk Management Committee, **Grande Asset Hotels and Property PCL.**
- Advisor to Board of Directors, **TTW PCL.**
- Director and Executive Committee, **CK Power PCL.**

### Board member / Management in Non-Listed Company

- Chairman of the Board of Directors, **Advance Power Conversion Co., Ltd.**
- Chairman of the Board of Directors, **Next Capital Co., Ltd.**
- Director, **Finance Bureau, The Thai Red Cross Society**
- Director, **Faculty of Commerce and Accountancy, Thammasat University**
- Advisory Committee, **Faculty of Commerce and Accountancy, Chulalongkorn University**
- Expert Board Member of **King Phutthaloetla Naphalai (Rama II) Phraboromrachanusorn Foundation under royal patronage**
- Director, **Pathum Thani Water Company Limited**
- Director, **Thai Water Operations Company Limited**



### Experiences

- 2014 – 2018 Chairman of the Board of Directors, **Islamic Bank of Thailand**
- 2011 – 2018 Chairman of the Board of Directors, **Suvarnabhumi Airport Hotel Company Limited**
- 2014 – 2018 Director, Executive Committee, Corporate Governance Committee, **Risk Management Committee and Managing Director TTW PCL.**
- 2014 – 2018 Managing Director **Pathum Thani Water Company Limited**
- 2011 – 2014 Director, Executive Committee, **Risk Management Committee and President, Bangkok Metro PCL.**
- 2011 – 2014 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 PCL.**





## Mr. Banchong Chittchang

Age 71 years

- Director
- Member of the Nomination and Compensation Committee
- Member of the Governance Committee

**Date of Appointment :** 16 May 2015 – 24 May 2018  
24 May 2018 – AGM 2021

### Education

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

### Training

- Inchcape Management Program, at Euro-Asia Center, INSEAD, in Fontainebleau, France

### 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
- Boards that Make a Difference (BMD) 7/2018

### Board member / Management in Listed Company

- Chairman/Independent director of **TPBI PCL.**
- Independent director & audit committee member of **Lam Soon (Thailand) PCL.**
- Independent director & Chairman of the Business Strategic Committee of **Thai Optical Group PCL.**

### 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**

### Experiences

- 2010 – 2018 Advisor to **CP ALL PCL.**
- 1995 – 2004 President of **Malee Sampran PCL.** Director and Vice Chairman, Food Industries Group, **the Federation of Thai Industries Council,** **Thailand Management Association**
- 1989 – 1994 Managing Director, **Inchcape Manufacturing Co., Ltd**
- 1981 – 1989 Operations Manager, **Foremost Dairies (Bangkok) Co., Ltd.**
- 1978 – 1981 Production Planning & Control Manager, **Fedders Thai Co., Ltd.**
- 1970 – 1978 Quality Control Manager, **Goodyear (Thailand) Limited**



## Mr. Supattanapong Punmeechaow

Age 60 years

- Director
- Member of the Nomination and Compensation Committee

**Date of Appointment :** 30 May 2016 – 29 May 2019  
29 May 2019 – AGM 2022



### Education

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

### Training

- Business Revolution and Innovation Network (BRAIN) 2/2561
- 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

### Attended in IOD Program

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

### Board member / Management in Listed Company

- Director / Chairman of the Enterprise Risk Management Committee, PTT PCL.

- Director / Director to the Risk Management Committee, PTT Global Chemical PCL.
- Chairman, Global Green Chemicals PCL.

### Board member / Management in Non-Listed Company

- Member, Council of Trustees, Petroleum Institute of Thailand
- President, Chulalongkorn University Engineering Alumni

### Experiences

- 2014 – 2019 Senior Executive Vice President, PTT PCL.
- 2014 – 2017 Vice Chairman, Vinythai PCL.
- 2015 – 2017 Chairman of the Community Partnership
- 2016 Director of the Center of Excellence on Environmental Health and Toxicology (EHT), Mahidol University
- 2015 – 2016 Chairman, Thai Fatty Alcohol Company Limited
- 2014 – 2015 Chairman, Sport Services Alliance Limited
- 2014 Director, Islamic Bank of Thailand
- 2012 – 2014 Senior Executive Vice President, Corporate Strategy, PTT PCL.
- 2013 – 2014 Director and Director of the Nomination and Remuneration Committee, Bangchak Petroleum PCL.
- 2011 – 2014 Director, Sakari Resources Limited







## Miss Suvabha Charoenying

Age 56 years

- Director
- Member of the Audit Committee

**Date of Appointment :** 29 May 2019 – AGM 2022

### Education

- Master of Business Administration in Finance and Marketing, Assumption University
- Bachelor of Business Administration in Finance and Banking, Assumption University

### Training

- Families in Business from Generation to Generation Program, Harvard Business School, USA
- TLCA Leadership Development Program, IMD Lausanne, Switzerland
- Capital Market Academy Leadership Program (Batch 1), Capital Market Academy (CMA)
- Energy Literacy for a Sustainable Future - Class 13/2019, Thailand Energy Academy (TEA)
- Certified Financial Planner (CFP) Class 1/2009, Thai Financial Planner Association (TFPA) / Financial Planning Standards Board (FPSB)

### Attended in IOD Program

- Strategic Board Master Class (SBM) 7/2019 and 2/2017
- Boardroom Success through Financing and Investment (BFI) 0/2016
- Chartered Director Class (CDC) 9/2015
- Corporate Governance for Capital Market Intermediaries (CGI) 0/2014
- Financial Institutions Governance Program (FGP) 5/2012
- The Executive Director Course (EDC) 1/2012
- Audit Committee Program (ACP) 35 /2011
- Successful Formulation & Execution of Strategy (SFE) 6/2010
- DCP Re - Refresher Course 1/2005

- Finance for Non-Finance Director (FND) 1/2001
- Directors Certification Program (DCP) 1/2000

### Board member / Management in Listed Company

- Director of **Minor International PCL.**
- Non-Executive Director of **TQM Corporation PCL.**

### Board member / Management in Non-Listed Company

- Director of **SF Corporation PCL.**
- Director of **Gourmet Asia Co., Ltd.**
- Director of **Gourmet Enterprise Co., Ltd.**
- Director of **Intermart (Thailand) Co., Ltd.**
- Director of **Family Office Co., Ltd.**
- Vice Chairman of **Thai Financial Planner Association (TFPA)**

### Experiences

- Director and Managing Director, **Thanachart Securities PCL.**
- Independent Director, **Big C Supercenter PCL.**
- Independent Director, **Humanica Co., Ltd.**
- Independent Director, **T.K.S. Technologies PCL.**
- Independent Director and Member, **Audit Committee, GMM Grammy PCL.**
- Chief Executive Officer, **Schroder Asset Management Ltd.**
- Executive Director, **Securities One PCL.**
- Vice President, **Morgan Grenfell Thai Co., Ltd.**



## Dr. Pakorn Peetathawatchai

Age 55 years

- Director from Founders (SET)

**Date of Appointment :** SET June 2018



### Education

- Doctoral of Business Administration in Finance and Economics, Boston University, U.S.A.
- Master of Business Administration, Finance Major, University of Wisconsin, U.S.A.
- Bachelor of Engineering in Electronics King Mongkut's Institute of Technology, Ladkrabang

### Training

- Columbia Senior Executive Program, Columbia University, U.S.A.
- Certificate, Thailand Energy Academy Leadership Program
- Certificate, Capital Market Academy Leadership Program, The Stock Exchange of Thailand

### Attendance in IOD Programs

- Directors Accreditation Program (DAP) 47/2005
- Director Certification Program (DCP) 188/2014
- Corporate Governance for Capital Market Intermediaries (CGI) 12/2016

### Board member / Management in Non-Listed Company

- President, **The Stock Exchange of Thailand**
- Director, **Capital Market Development Fund**
- Member and Secretariat, **Capital Market Development Committee**
- Vice Chairman, **Thailand Futures Exchange PCL.**
- Chairman, **Thailand Clearing House Co., Ltd.**
- Chairman, **Thailand Securities Depository Co., Ltd.**
- Chairman, **Settrade.com Co., Ltd.**

- Chairman, **Thai NVDR Co., Ltd.**
- Chairman, **Fin Net Innovation Network Co., Ltd.**
- Chairman, **Live Fin Corp Co. Ltd.**

### Experiences

- 2018 – 2019 Vice-Chairman of the Emerging Markets Working Group and Director of **World of Federation of Exchanges**
- 2013 – 2018 Senior Executive Vice President, Head of Corporate Strategy Division and Head of Finance & Investment Division, **The Stock Exchange of Thailand**
- 2010 – 2012 Senior Executive Vice President, Chief Marketing Officer, **The Stock Exchange of Thailand**
- 2010 Senior Executive Vice President, Finance, **Mitr Phol Sugar Corporation Limited**
- 2006 – 2009 Executive Vice President, Group Head, Treasury Group, **Siam Commercial Bank PCL.**
- 2005 – 2009 Director and Chairman of the Investment Committee, **Siam Commercial New York Life Insurance PCL.**





## Mr. Paiboon Kittisrikangwan

Age 59 years

- Director from Founders (BOT)

**Date of Appointment :** BOT October 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 Defense 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.

### Attendance in IOD Programs

- Director Certification Program (DCP) 43/2004
- IT Governance and Cyber Resilience Program (ITG) 9/2018

### Board member / Management in Listed Company

- -None-

### Board member / Management in Non-Listed Company

- Deputy Governor (Corporate Development), **Bank of Thailand**
- Member, **Board of Directors, Bank of Thailand**

- Chairman, **Banknote Management Committee, Bank of Thailand**
- Member, **Monetary Policy Committee (MPC), Bank of Thailand**
- Member, **Payment System Committee (PSC), Bank of Thailand**
- Member, **Board of Directors, the Life Insurance Fund**
- Member, **Board of Directors, the General Insurance Fund**

### Experiences

#### Bank of Thailand

- August 2014 – Present  
Deputy Governor (Corporate Support Services and Banknote Management)
- June 2009 – August 2014  
Assistant Governor, Monetary Policy Group  
Secretary to the Monetary Policy Committee (MPC)
- October 2005 – May 2009  
Senior Director, Prudential Policy Department, Financial Institutions Policy Group
- October 2001 – June 2003  
Chief, London Representative Office
- November 1996 – June 1998  
Deputy Director, Financial Markets Business, Banking Department

#### Others

- August 2014 – July 2018  
Director, Board of Directors,  
Export - Import Bank of Thailand
- August 2014 – July 2018  
Member and Chairman, Audit Committee,  
Export - Import Bank of Thailand



## Mr. Kulvech Janvatanavit

Age 55 years

- CEO
- Secretary of the Board

**Date of Appointment :** 1 December 2018



### Education

- Master of Science in Real Estate Development (MSRED) from Massachusetts Institute of Technology, USA,
- Master of Business Administration (MBA) in Finance and International Business from Sasin GIBA,
- Sasin-Wharton exchange Program, selected on the competitive basis,
- Bachelor of Science (BS) in Mechanical Engineering, Chulalongkorn University.

### Attended in IOD Program

- Directors Certification Program (DCP) 14/2002
- Strategic Board Master Class (SBM) 2/2017

### Board member / Management in Listed Company

- -None-

### Board member / Management in Non-Listed Company

- Member of The Financial Institutions Policy Committee (FIPC), the **Bank of Thailand**
- Member of **SET Sustainability Award Committee**
- Treasurer of **SOS Children's Villages Thailand**
- Advisor of the working group to drive and follow up the policy of the Minister of Higher Education, Science, Research and Technology Along with overseeing the governance

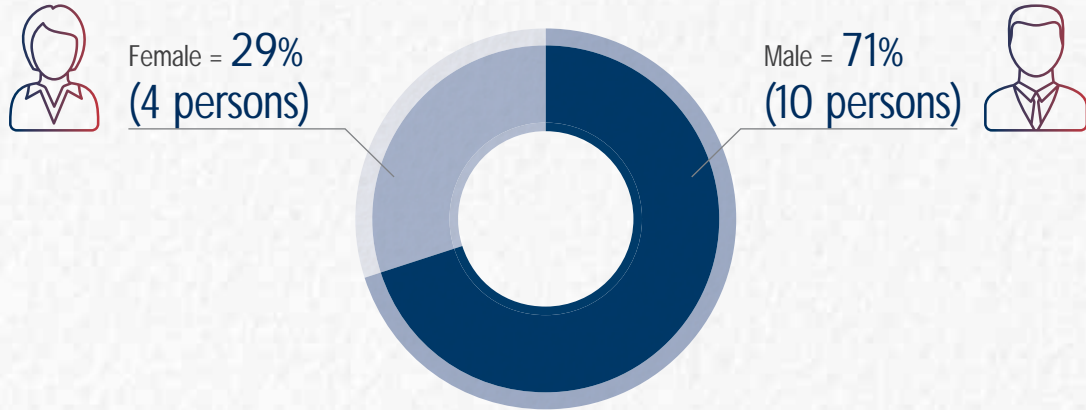
### Experiences

- 2014 – 2018 Principal Project Advisor, Thailand's Private Sector Collective Action Coalition against Corruption (CAC), **Thai Institute of Directors.**
- 2014 – 2018 Independent Director and Member of Audit Committee, **Thai Poly Acrylic PCL.**
- 2008 – 2013 Advisor, **PricewaterhouseCoopers FAS Ltd. Bangkok, Thailand**
- 2001 – 2008 Partner, **PricewaterhouseCoopers FAS Ltd. Bangkok, Thailand**
- 1999 – 2001 Director, **PricewaterhouseCoopers FAS Ltd. Bangkok, Thailand**
- 1994 – 1999 Managing Director, **SCB Advisory Service Co., Ltd., Thailand**
- 1994 Assistant Manager, **Swiss Bank Corporation, Bangkok, Thailand**
- 1991 – 1992 Negotiator, **Richard Ellis, Bangkok, Thailand**
- 1986 – 1988 Junior, **Trade & Lyle International, London, The United Kingdom**

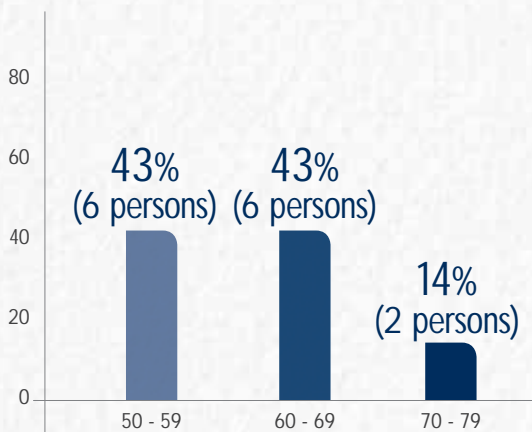


# IOD Board of Directors

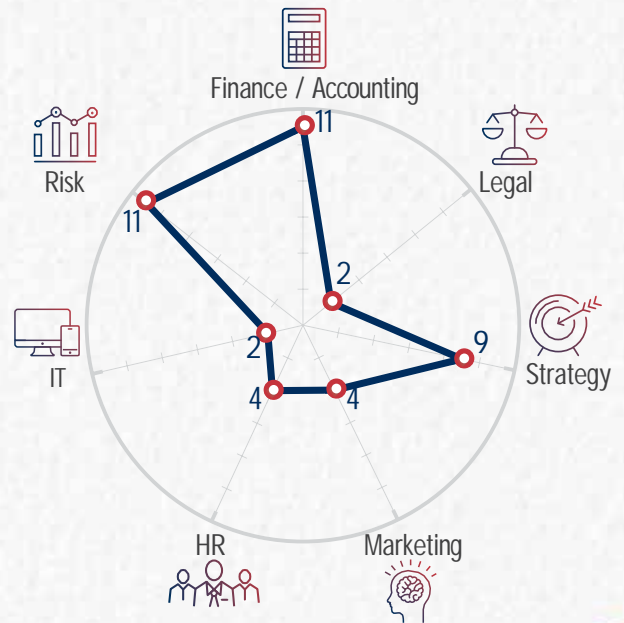
## Gender Diversity in the Boardroom



## Age Diversity in the Boardroom



## Expertise of Directors





# Thailand's Private Sector Collective Action against Corruption

## Roles and Responsibilities

1. Develop code of conduct and best practices for coalition members
2. Develop process to certify companies joining as coalition members
3. Consider appointment and revocation of company membership
4. Advocate the coalition through comments on anti-corruption matters for the public and the media
5. Discuss with coalition members and participating organizations about determined directions, strategies, and operating plans.
6. Support and arrange 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

Dr. Panas Simasathien

### Vice Chairman

Dr. Kopr Kritayakirana  
Dr. Juri Vichit-Vadakan

### Council Members

Mr. Paron	Issarasena Na Ayudhya	
Dr. Kovit	Poshyananda	
Mr. Pramon	Sutivong	
Mr. Krirk-Krai	Jirapaet	
Mr. Prasan	Chuaphanich	
Mr. Chanin	Vongkusolkit	
Dr. Tarisa	Watanagase	
Mr. Surong	Bulakul	
Mr. Kulvech	Janvatanavit	Secretary

## Coalition Certification Committee

### Roles and Responsibilities

The committee was set to screen supporting documents from 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 certification process as well as compile and share anti-corruption best practices with the coalition members.

### Chairman

Mr. Kulvech Janvatanavit

### Council Members

Mr. Yuth	Vorachattarn	
Professor Kitipong	Urapeepatanapong	
Mr. Surapong	Churangsarit	
Mr. Yongkiat	Kitaphanich	
Mr. Anuwat	Jongyindee	
Mrs. Varunee	Pridanonda	
Mr. Pairat	Srivilairit	
Mr. Pana	Ratanabanangkoon	Secretary



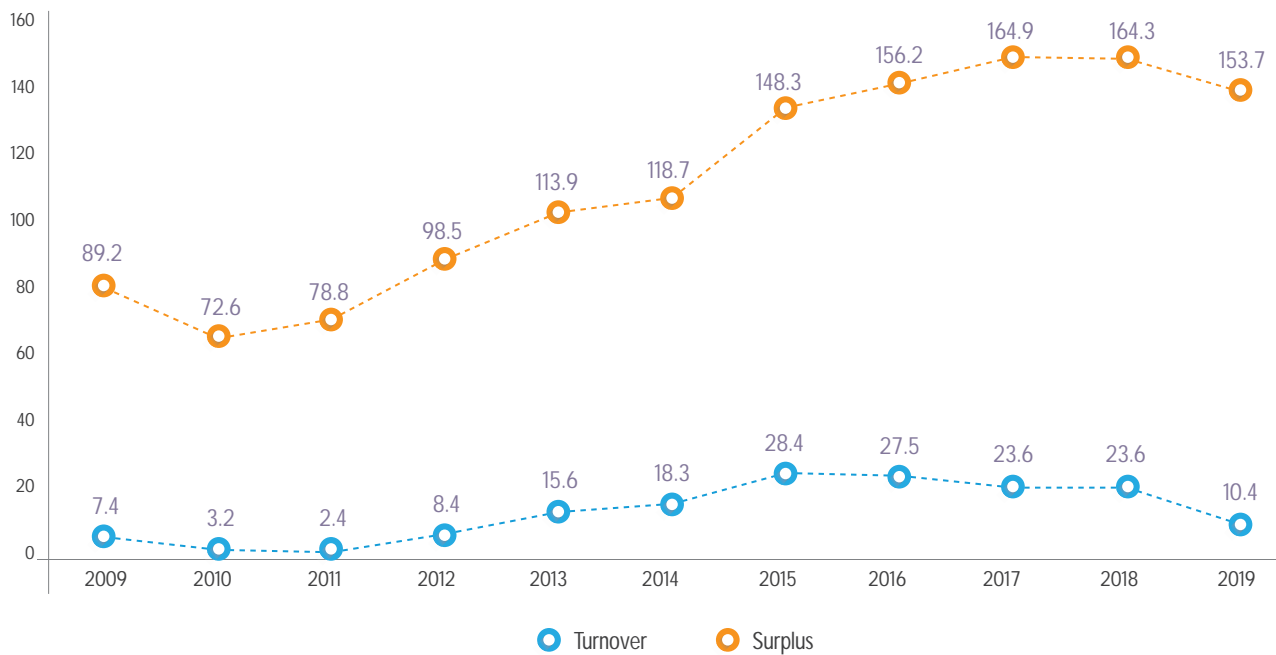
# Key Statistics

## Financial Statistics

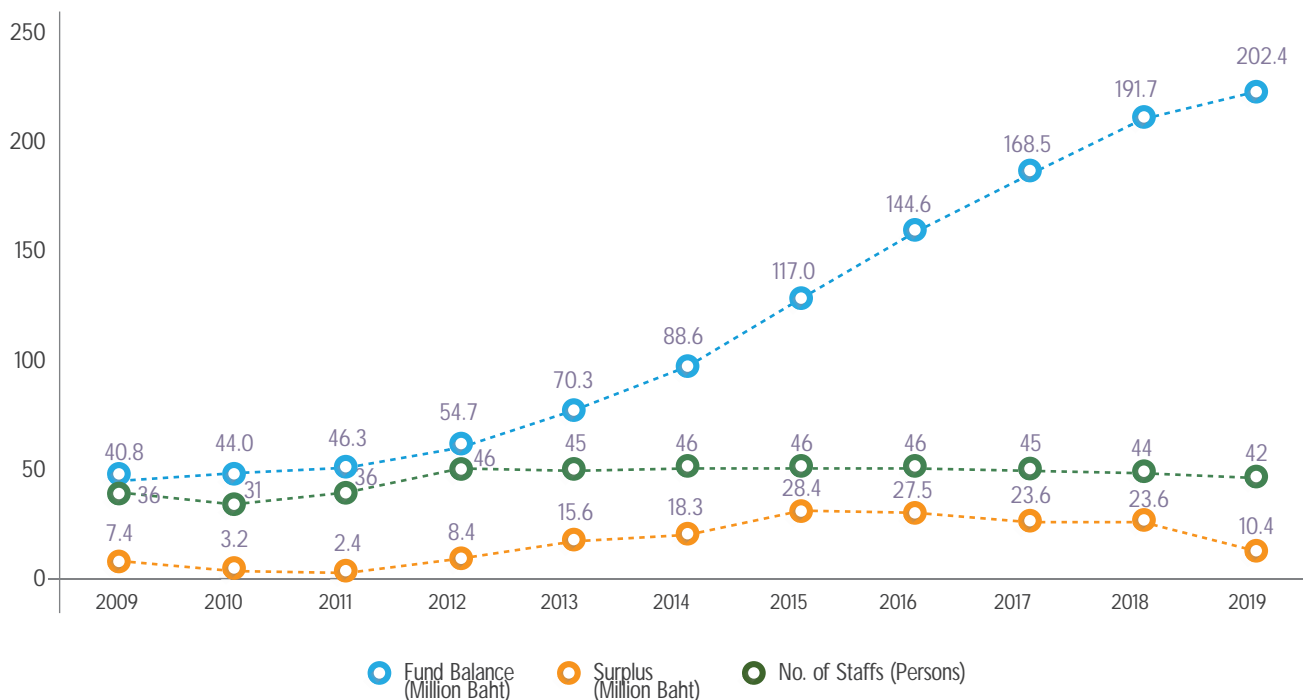
### Financial Status

#### Surplus 2009 – 2019

Turnover and Surplus  
Unit: Million Baht



#### Performance 2009 – 2019



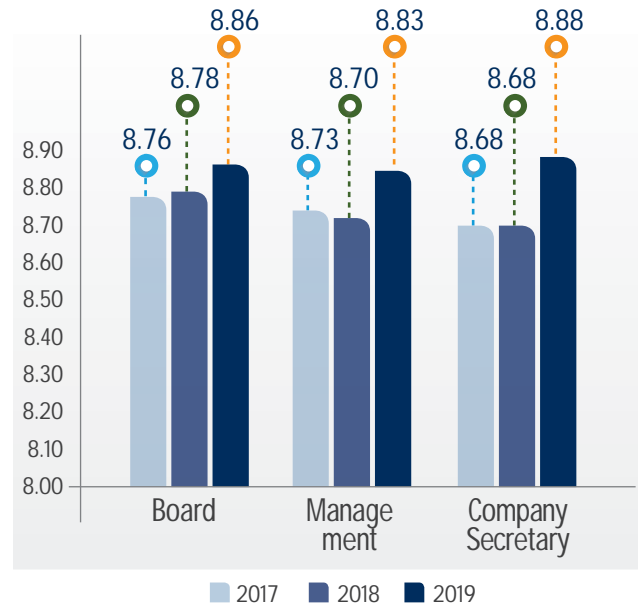
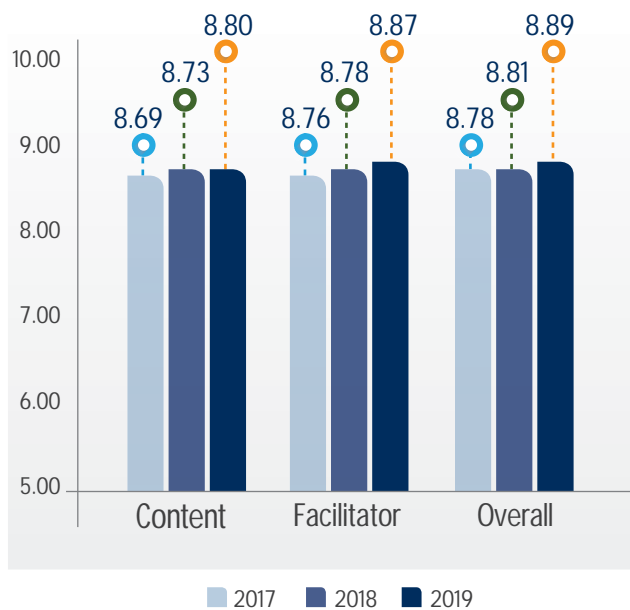


## Key Statistics – Director Training

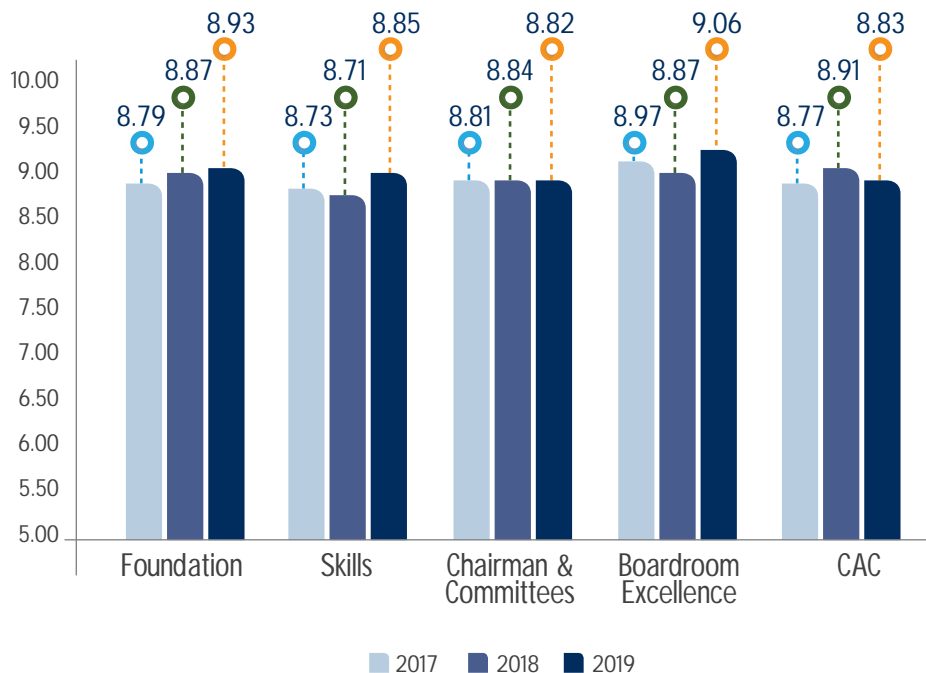
### Satisfaction Results of Training Courses

\*Note: Satisfaction Results in 2019 is based on member experience and content/facilitator

### Satisfaction score - by participants profile



### Satisfaction score - by types of training courses



## Key Statistics - Membership

### Member



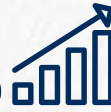
As of 2019

IOD has a total of member

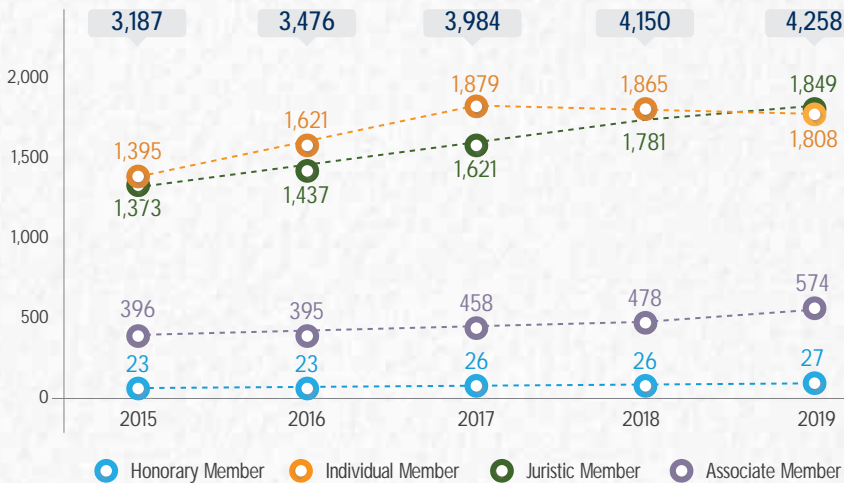
**4,258** persons

Increased

**+2%**

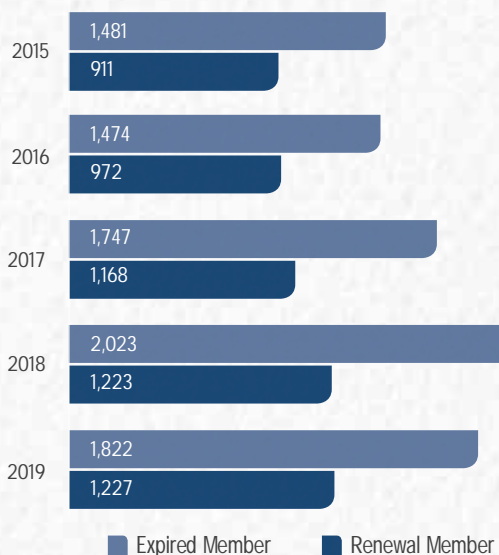


### Number of members divided by member type

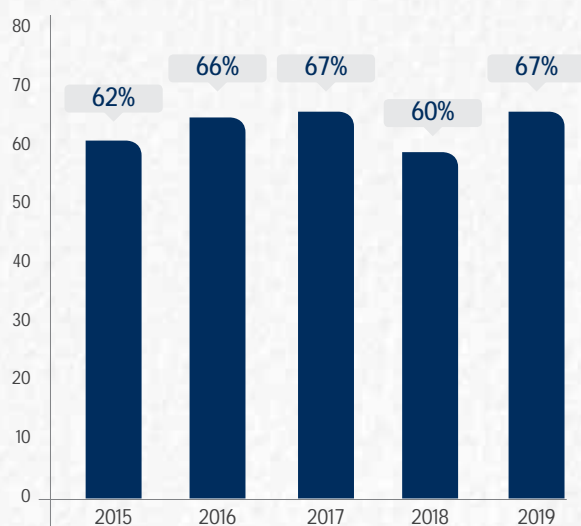


### Member Retention Rate

No. of (persons)



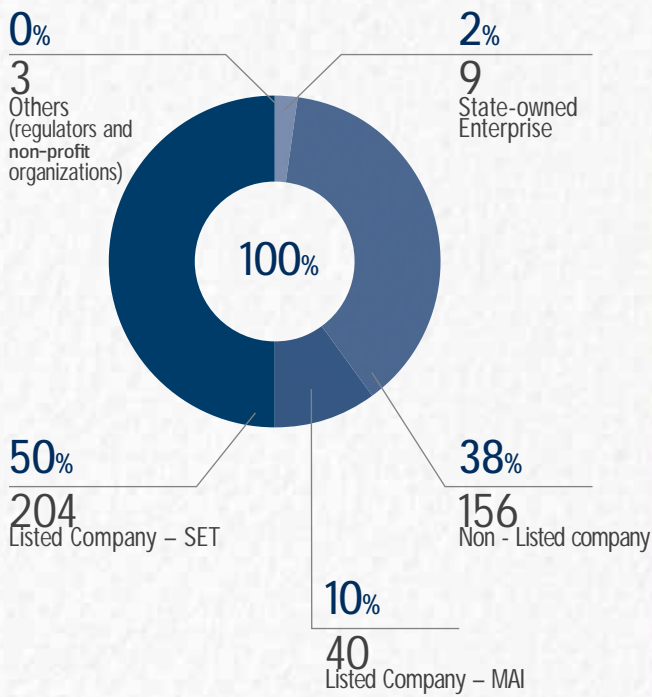
Retention Rate



### Number of Juristic Members

As of 2019, there are active companies listed as juristic member

# 412 companies

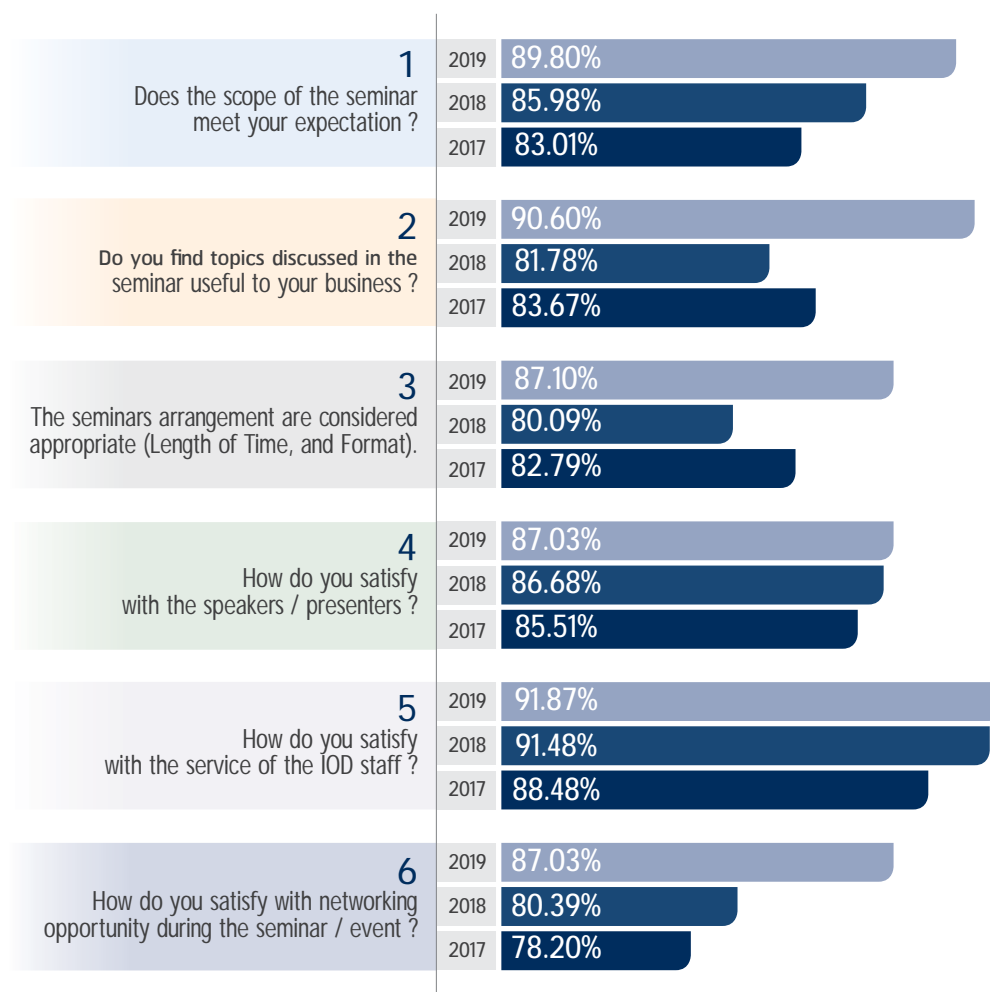


## Satisfaction Survey of Member Events in 2019

Average score of 89.16%, compared to only 84.40% in 2018

Evaluation Topics	2019	2018	2017
1. Does the scope of the seminar meet your expectation ?	89.80%	85.98%	83.01%
2. Do you find topics discussed in the seminar useful to your business ?	90.60%	81.78%	83.67%
3. The seminars arrangement are considered appropriate (Length of Time, and Format).	87.10%	80.09%	82.79%
4. How do you satisfy with the speakers / presenters ?	87.03%	86.68%	85.51%
5. How do you satisfy with the service of the IOD staff ?	91.87%	91.48%	88.48%
6. How do you satisfy with networking opportunity during the seminar / event ?	87.03%	80.39%	78.20%

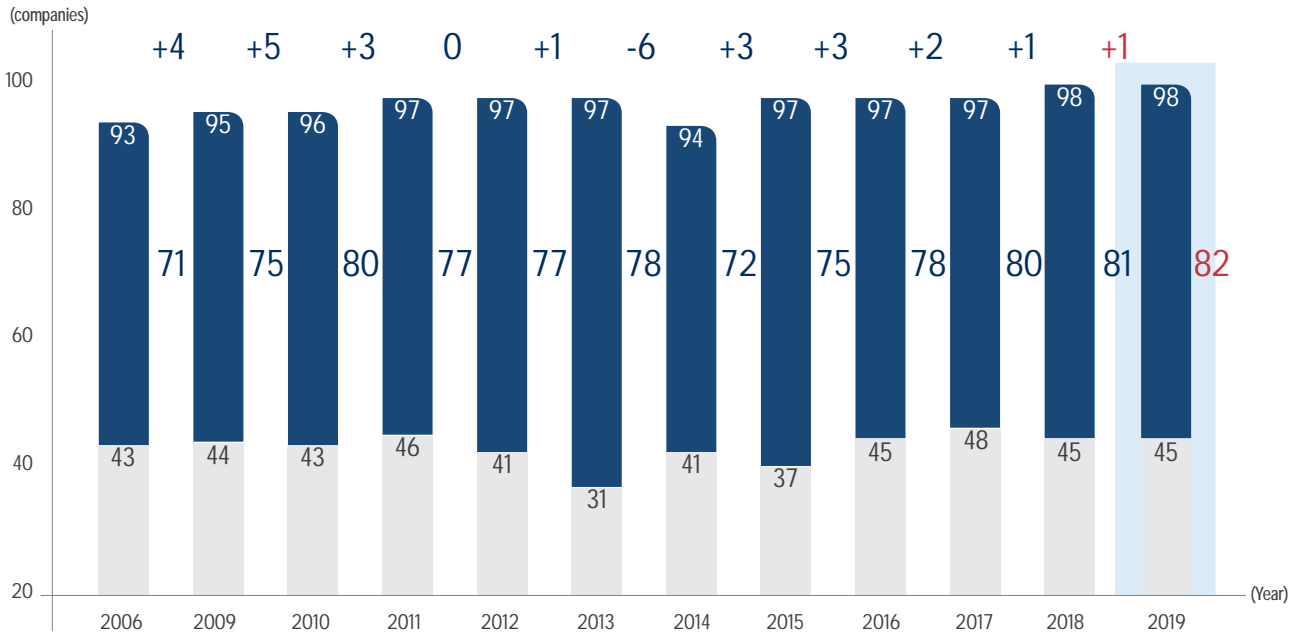
### Satisfaction Survey of Member Events



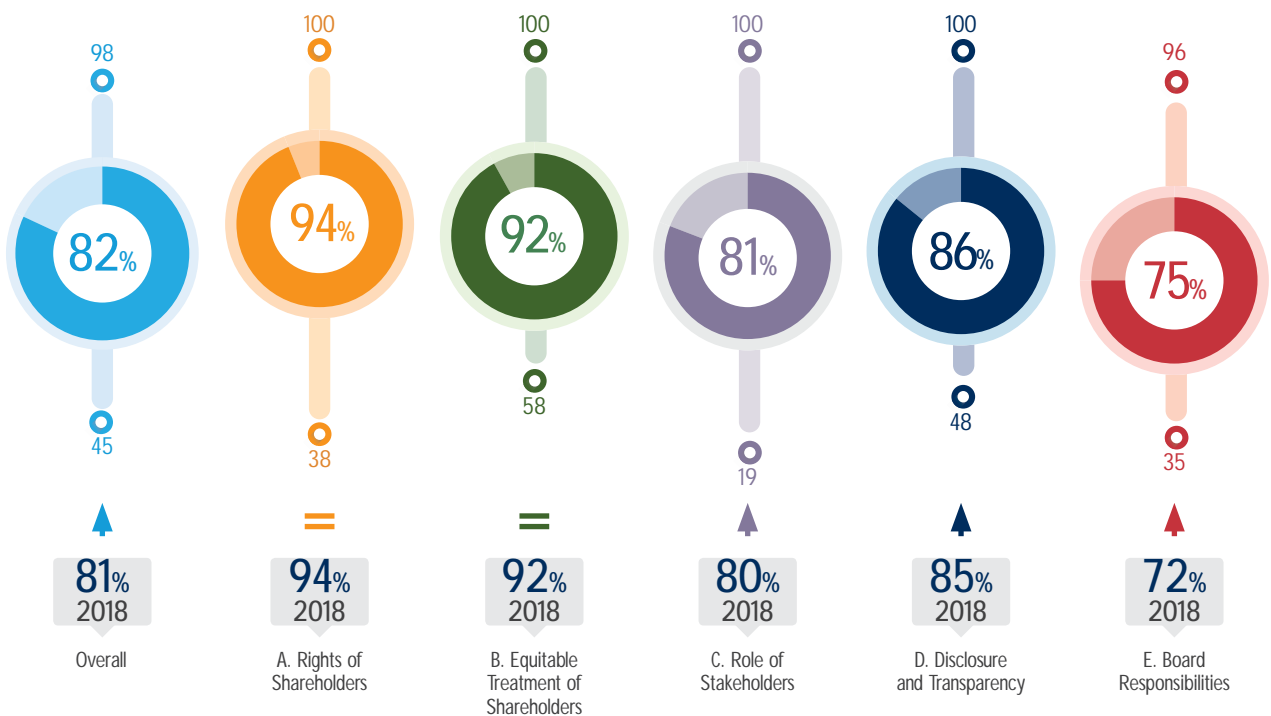
## CGR Result : 2006 - 2019

### CGR Result : 2006 - 2019

Remark : - To pause for a review and revision of the criteria, There was no assessment in 2007.  
 - In 2009, there was a consideration for major criteria revision and thus only certain groups of companies (290 companies) were assessed  
 - In 2011 and 2014, new criteria were added in assessment



### CGR Result : 2018 vs 2019



# Key Statistics – Thailand's Private Sector Collective Action against Corruption (CAC)

## Gain Critical Mass

### Attract

- 67 New Companies certified\*
- 56 Companies recertified
- 42 New SME Signatories

### Engage

- 40 Company visits
- 8 SME Executive briefings
- 8 Road to Join / Certify briefings

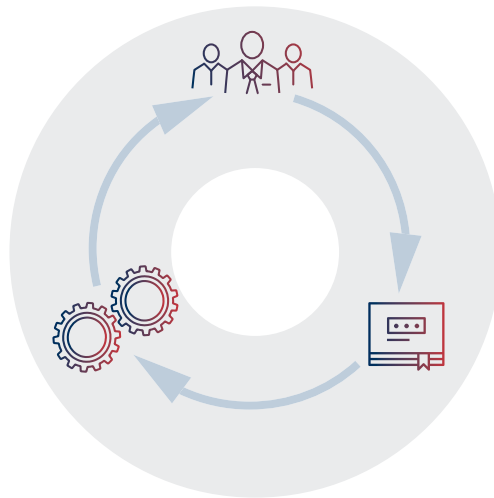
## Co - create Solutions

### Engage

- 2 NACC sub-committee appointments
- 3 PACC sub-committee appointments
- 5 Panel Roadshow Revenue department/MOC collaborations

### Enable

UNDP collaboration (B1.22 min funding secured)



## Uplift Compliance Standards

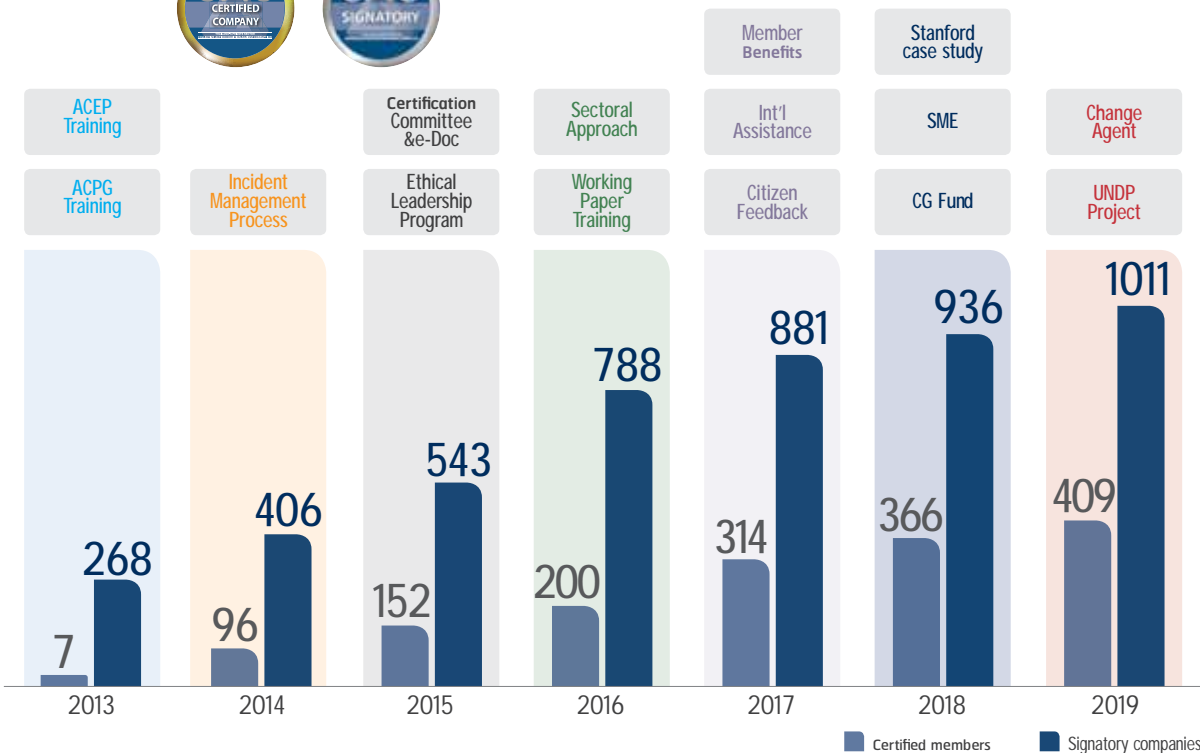
### Ensure

- Standardized risk assessment
- Revised 71 checklist
- 3 ACPG classes
- 3 CRC classes
- 3 Working Paper classes
- 2 SME Clinics

### Evolve

- Revised certification process
- Developed new website
- Developed on-line declaration

\*including 24 SMEs

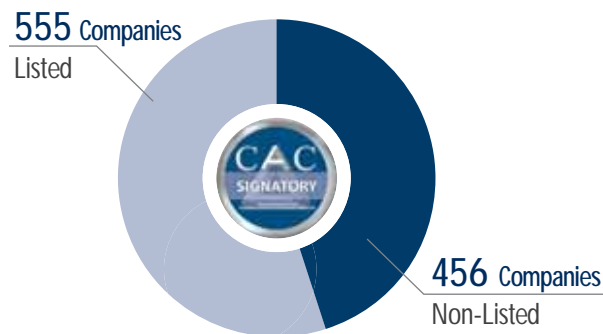


### Number of Companies

\*Note: No. of companies as at 30 December 2019, excluding SMEs

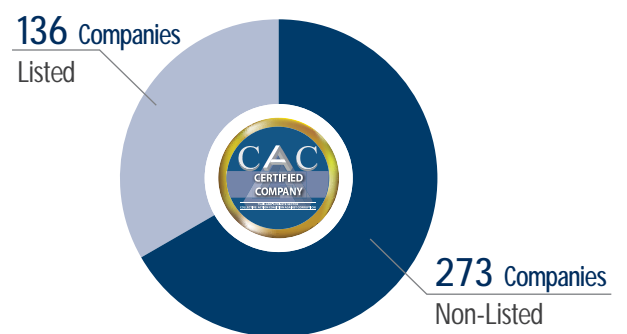
Number of companies declared intention

# 1011 Companies



Companies certified by CAC

# 409 Companies



The following 5 companies received the CAC's Change Agent Award for successfully encouraging SME trade partners to join forces and become CAC's Signatory Members.

1. Bangchak Corporation PCL.
2. Haadthip PCL.
3. IRPC PCL.
4. Pruksa Real Estate PCL.
5. Somboon Advance Technology PCL.



## Strategic Partners in 2019

### Strategic Partners in 2019

Governmental Organizations, Regulatory Organizations and Non-Governmental Organizations



ธนาคารแห่งประเทศไทย  
BANK OF THAILAND



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



กองทุนรวม  
ธรรมาภิบาลไทย  
สร้างสรรค์สังคมไทย  
ใส่ใจผู้ลงทุน



Empowered lives.  
Resilient nations.

Key Private Companies Partners of Thai Institute of Directors (IOD)

Exclusive Partners



Premium Partners





Associate Partners



Supporting Partners



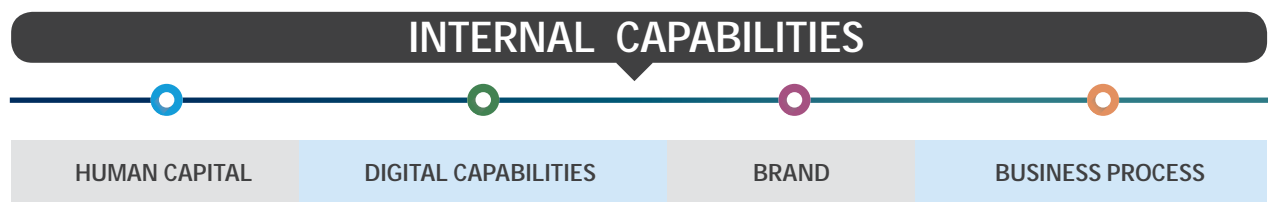
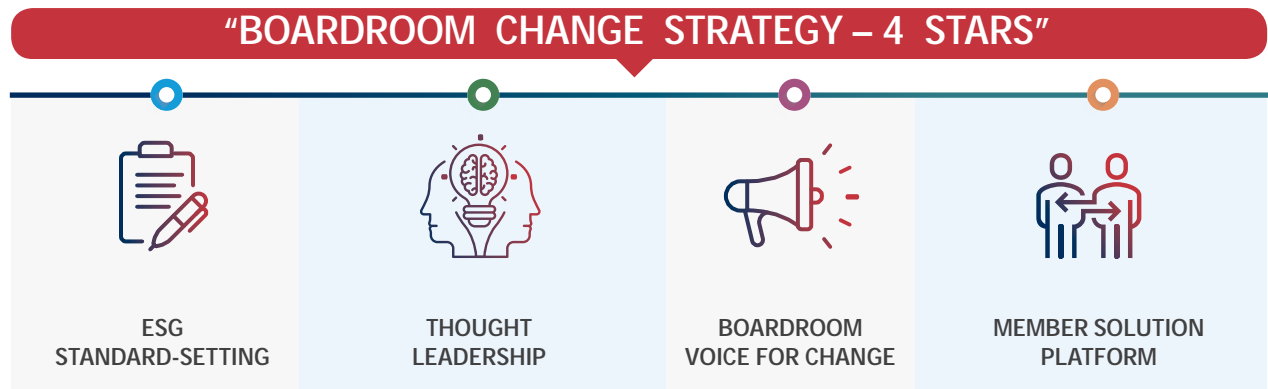
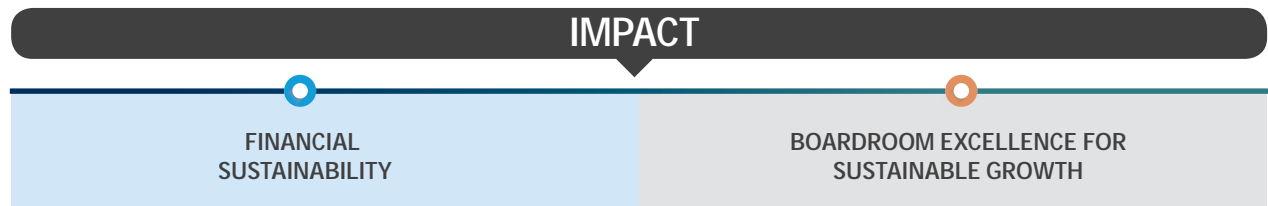
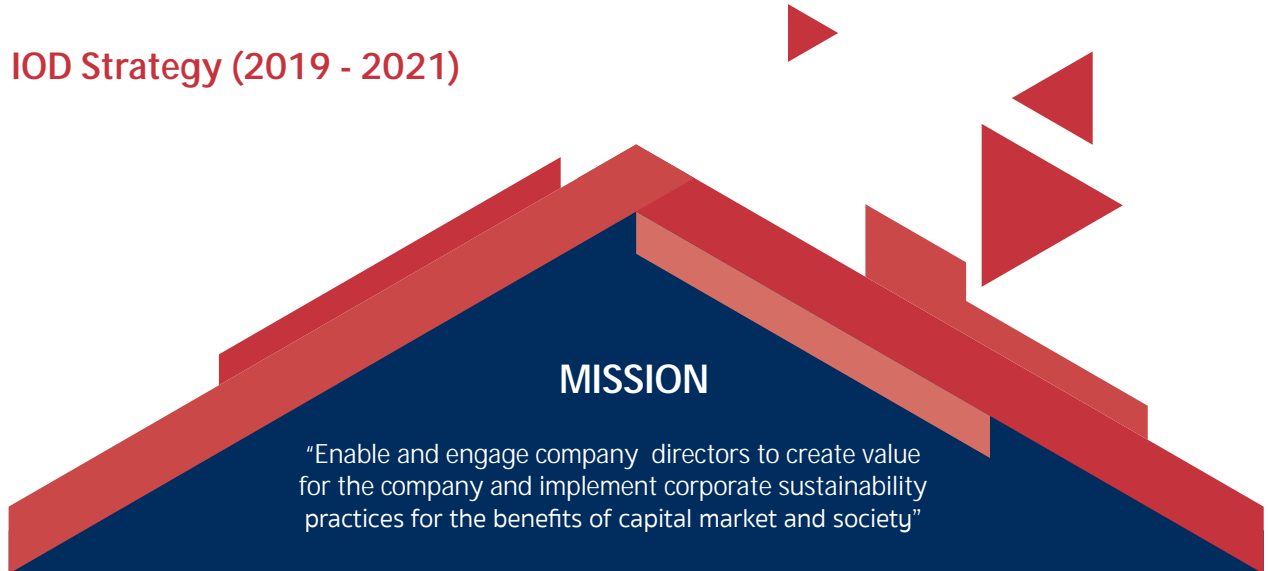
A man in a dark suit, white shirt, and red tie is shown from the chest up, resting his chin on his hand in a thoughtful pose. A complex, three-dimensional maze is superimposed over his face and upper body, with the maze's walls appearing to be made of a translucent, reddish-brown material. The background is a plain, light color. The overall composition suggests a focus on strategic thinking and navigating complex challenges.

**CORPORATE  
STRATEGIES,  
WAY FORWARD  
AND  
CORPORATE  
PERFORMANCE**



# Corporate Strategies, Way Forward and Corporate Performance 2019

IOD Strategy (2019 - 2021)





## Strategic and Operational Plan of IOD

The Securities and Exchange Commission and the Stock Exchange of Thailand work in collaboration to develop an integrated plan for the capital market aimed at developing and enhancing competitiveness, facilitating listed companies, reducing redundancy and unnecessary regulatory burdens, and promoting companies to do business with more focus on the environment, social and governance (ESG). As the IOD, we join the force by helping to promote the role of directors and listed companies in driving ESG implementation. Therefore, IOD needs to adjust our strategic direction and operational plan to be in line with the development plan for the capital market. In 2019, IOD directors and management then worked together to come up with a new three-year strategic framework for 2019-2021. Also, to understand our directors' need and their roles and responsibilities and be able to support company directors to drive their corporates towards sustainability, IOD will take the Director-centric approach in every part of our work. IOD strategic framework comprises the following four key aspects:



### I. ESG Standard-Setting

Directors need to understand the ESG framework and hold on to the ESG principles to drive successful ESG implementation within the organizations. IOD will play a role in supporting directors by developing handbooks and guidelines, advocating directors on their roles and responsibilities and encouraging directors to drive positive changes within the organizations.

- **Boardroom Guidelines** - Develop handbooks and best practices on ESG for directors to use as a framework for their oversight responsibilities.
- **Boardroom Education** - Develop and prepare curriculums and facilitators for disseminating the best practices to directors and creating a better understanding of directors' roles and responsibilities.
- **Boardroom Assessment** - Assess and monitor the progress of companies driving ESG implementation and the role of the board in their part.



### II. Thought Leadership

Directors cannot only hold on to the principles but also have to respond positively to changes and challenges surrounding them. Therefore, IOD has to take a role as a thought leader and helps guide directors to be aware of changing trends.

- **Theme-based** - Identify the theme or global ESG trend each year for further in-depth study, analysis, and dissemination to directors.
- **Issue-based** - Identify and keep directors informed of new business trends and current boardroom issues





### III. Boardroom Voice for Change

Directors performing their roles and responsibilities as required by the principles is not enough. Directors also need to play a more active role in leading and driving positive changes in society. IOD, as a secretary to the project "Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)", will act as an intermediary, bringing directors together to make positive changes and fight against corruption.

- **Gain Critical Mass** - Expand a network among the private sectors both from large corporations and SMEs.
- **Uplift Compliance Standard** - Set a standard and checklists for positive changes and build awareness on their importance.
- **Co-create Solutions** - Create positive changes by working with the government and public sectors in solving chronic corruption problems.



### IV. Member Solution Platform

To perform the director's roles more effectively, directors also need to keep enhancing their knowledge and experiences through the exchange among directors. IOD, therefore, will create platforms, where members can meet and share their knowledge and experiences on a variety of topics. Besides, a membership database will be established and strengthened to support members' needs and create a better experience for our members.

- **Data Intelligence** – Update members' information and upgrade membership database and information management system
- **Member Optimization** – Explore new platforms to reach a wider group of members by leveraging technologies as well as organizing events to encourage continuing membership participation.
- **Business Development** – Create new business opportunities and seek new partnerships to improve and extend membership services.



Internal capabilities, including staff, IT systems, and business processes are also important for the successful execution of the strategy. They are key enablers or factors that drive business success, therefore IOD has plans to improve and prepare them to support the new strategic direction in the following two aspects;

1



### Compliance (Value Protection)

Develop internal policies and operational procedure manuals that align with new strategic direction, make them available and easily accessible, and communicate with staff.

2



### Development (Value Creation)

Enhance the human resource development process, improve the IT systems and business administrations, including procurement process and financial management, to support the new strategic direction.





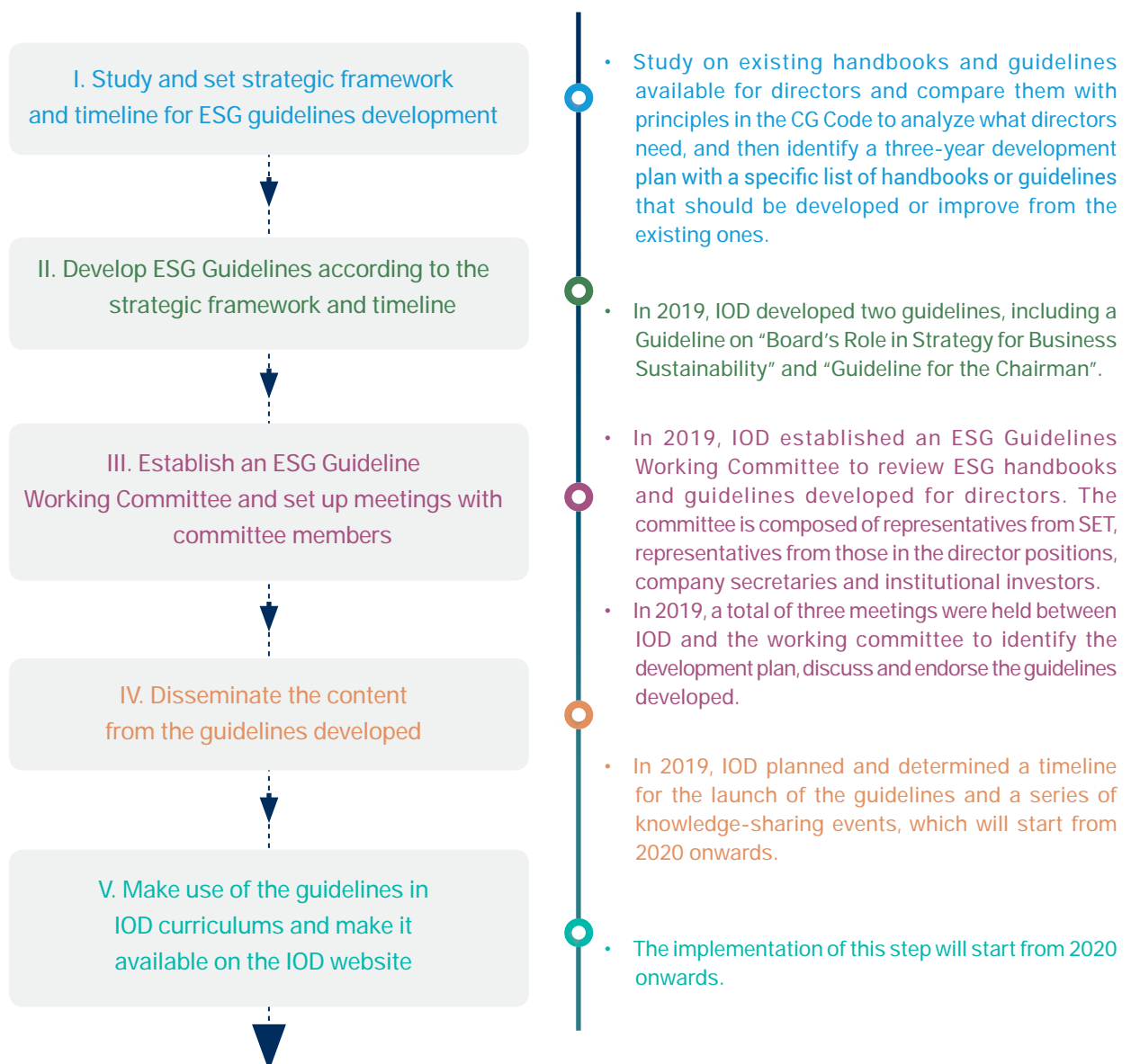
## Our Strategy and Performance

Our three-year strategic framework was first introduced and implemented in 2019. The first year was about laying a strong foundation for the strategic actions in the following years. Details are provided as follow:

### 1. ESG Standard-Setting

With the Director-centric approach, IOD started to implement a 3-year “ESG standard-setting” strategy by focusing on understanding directors’ needs in the first year and later come up with a strategic action plan in the following years. ESG standard-setting strategy consists of 3 main tasks as follows:

**1.1 Boardroom Guidelines** : developing director handbooks and best practices on ESG for directors. In 2019, all works implemented by IOD under “Boardroom Guidelines” can be summarized in the table below:



**1.2 Boardroom Education** : developing and preparing curriculums and facilitators for disseminating the best practices to directors and creating a better understanding of directors' roles and responsibilities. In 2019, all the works implemented by IOD under "Boardroom Education" consists of the two following aspects;

**Curriculum Development :**

There are two aspects of curriculum development at IOD:



## I. Ongoing Improvement

- **Director Certification Program (DCP)**

In 2019, IOD studied the clients' information to get an overall picture of directors attending "DCP" to analyze the needs and tailor DCP content to suit the needs of the current type of participants. With a three-year development plan, the first year will focus on improving Risk, Strategy, and Board and Director Effectiveness modules.

- **Successful Formulation and Execution of Strategy (SFE)**

As the DCP, IOD's foundation program, is in the process of improvement, all extension programs to the DCP need to be revisited in terms of content structure for the alignment purpose. In 2019, IOD revisited and improved all sessions of the SFE program to align with DCP strategy modules and already launched once in November 2019.







## II. New Development

- **Corruption Risk and Control : Technical Update (CRC)**

According to CAC, building a collective action with the private sector is essential for countering corruption. Private companies joining CAC will have to pass a total of 71 checklists to receive a CAC certificate and become certified companies. However, it is found that those companies usually do not pass the criteria of 71 checklists especially in areas of corruption risk assessment and controls. To raise more awareness on these issues, IOD then developed the CRC program to emphasize the key issues of corruption risk assessment and controls and designed the program to be more workshop-based.

- **Board Leadership Program (BLP) for Cambodia and Laos**

Under support from SEC, IOD developed the two-day training program “BLP” based on the need of

each country, which gains from the onsite visits and the interviews with stakeholders in the capital market of each country. After developing the program, IOD also organized the ‘Train the Trainer’ program for those who are potential local facilitators to understand the program content and learn about facilitation methods and techniques.

- **In-house Program**

In 2019, IOD organized a total of five in-house training programs for the following companies:

- 1 program for Toyota Motors (Thailand),
- 2 programs for PTT Public Company Limited,
- 1 program for Advanced Info Service Public Co.,Ltd. and
- 1 Independent Observer Program for Anti-Corruption Organization of Thailand (ACT)



### Facilitator Management

Facilitators are considered very important to IOD as they are a group of professionals who support IOD training and make IOD training very well recognized among the group of company directors. Facilitator management, therefore, has been a part of IOD's three-year strategic framework. For 2019, IOD focused on setting up the facilitator management framework and developing the facilitator handbook in preparation for the further actions from 2020 onwards.

**1.3 Boardroom Assessment :** IOD assesses and monitors the progress of the ESG implementation by the companies. The assessment results for the year 2019 is shown below.



- **"CGR"** stands for Corporate Governance Report of Thai Listed Companies, which is an assessment of corporate governance practices based on the public information disclosed against IOD's assessment criteria. IOD has conducted a CGR assessment since 2001 on an annual basis.
- **The overall average corporate governance score (CG score) of 677 companies** in 2019 is 82 percent, which is 1 percentage points higher than that of 657 companies in 2018. The CGR 2019 results indicate that the board of directors of Thai listed companies placed more emphasis on the board leadership towards sustainability and played a more active leadership role as required by the CG code and to be in line with the investors' expectations
- **IOD will introduce a new CGR assessment model comprising 3 major updates**
  - 1) Extending CGR criteria to cover ESG issues and reduce redundancy on the criteria compared with those conducted by other organizations
  - 2) Indicating specific targets on assessment criteria to better identify room for improvement of each listed company
  - 3) Making an announcement of the CGR results ranging from listed companies with "satisfactory" recognition level to listed companies with "excellent" recognition level to encourage the development of listed companies. However, IOD plans to adopt this new model by 2022 with continuing activities organized during 2020-2021 to prepare all listed companies for the new model. During the transition, CGR will be conducted based on the existing assessment criteria and method.





- **ASEAN CG Scorecard** is a program initiated by the ASEAN Capital Markets Forum and sponsored by the Securities and Exchange Commissions of each ASEAN country. The program's purpose is to evaluate corporate governance standards of listed companies within the six ASEAN countries, conducted on a bi-annual basis. The Thai SEC has assigned the IOD as CG expert to evaluate Thai listed companies.
- **In 2019, IOD organized "ASEAN CG Scorecard Coaching"** activity to provide knowledge and create understanding on the assessment criteria. In that activity, IOD also presented the room for improvement and provided guidance with examples to the listed companies. More importantly, IOD also conducted scoring simulation, where all listed companies could participate by performing self-assessment.
- **The assessment result of 2019 is expected to be announced during March-April 2020**
- **The Board of the Year Awards** is the only prestigious award in the capital market given to the board of Thai listed companies that have performed according to corporate governance principles and are able to perform their duties efficiently as leaders. IOD has organized the Board of the Year Awards since 2002 on a bi-annual basis.
- **For the Board of the Year Awards 2018**, the awarding assessment criteria were re-considered to be more in-depth and cover larger boardroom issues, by the collaboration between CG experts at IOD and experts from leading consulting firms. Also, there is a reviewing process of the transparency of award consideration.
- **Besides, IOD also introduced new types of awards. Some awards are also given based on different sizes of business.** More stakeholders are also being involved in the process of award consideration, making the award more impactful and well-recognized in the capital market.



## 2. Thought Leadership

There are two parts under the “Thought Leadership” strategy: Theme-based and Issue-based approaches. As for the theme-based approach, IOD will identify the theme or global ESG trend each year for further in-depth study, analysis, and dissemination to directors. With a three-year plan, IOD implements the theme-based approach to prepare directors for becoming a ‘Board of the Future”, who can adapt themselves to the changing business environment. The second part is the issue-based approach. IOD will keep directors informed of new business trends and feed them with current boardroom issues regularly. However, in 2019, IOD started implementing the theme-based approach first. “Boardroom Culture” was taken as a key theme for 2019 as being a ‘Board of the Future’ should begin with having good boardroom culture. All works implemented by IOD under “Theme-based” approach can be summarized as shown below:



- **Q1/2019 :**

A survey on boardroom culture among Thai companies was undertaken by IOD and Chulalongkorn University. Over 200 directors responded to the survey

- **Q2/2019 :**

The survey result was taken and analyzed to prepare a summary report

- **Q4/2019 :**

An additional article on boardroom culture was developed based on the survey results and published to IOD members.

- **Q3/2019 :**

The survey result was first introduced and presented in the National Director Conference in July 2019.

- **Q3-4/2019 :**

The survey result was also presented in a number of member activities, including Chairman Forum and Company Secretary Forum

- **Q4/2019 :**

Boardroom culture program was developed based on the survey result in order to create a long-term awareness and be able to reach a wider of group of directors.



As for the issue-based plan, we are planning to launch the project in 2020 onwards so that the directors will be able to be thoroughly informed on the updates with current ESG issues and trends.



### 3. Boardroom Voice for Change

Two of the IOD's strategy focuses in promoting ESG standard setting and thought leadership among directors of Thai listed companies. Measuring success of these two strategies can be done by understanding the change from IOD-trained directors in leading their organization and supply chains as well as changes terms of making positive social and environmental impact.

One of the key challenges in increasing quality of life, doing business and developing Thailand is corruption. Thailand's Corruption Perception Index (CPI) ranking assessed by Transparency International has been in continuous decline. In the 2019 survey among over 180 countries worldwide, Thailand was ranked at 101 with a score of 36 points out of 100. Such score has put Thailand in lower ranking than ASEAN counterparts like Vietnam, Malaysia and Singapore.



Since 2010, the IOD has set up the Thai Private Sector Collective Action Against Corruption to build collective action in the private sector and help fight corruption. The CAC's has three main missions:

**1. Gaining Critical Mass:** In 2019, CAC's focus has been to attract large listed companies in the SET and State-owned enterprises. Fifty-two new large companies joined the CAC and a total of 56 companies received certification renewal, accounting for 12% growth from 2018. For the SME Certification program, additional 42 SMEs declared intentions to join the CAC SME Certification and a total of 10 SMEs were certified. These SMEs are major trade partners of Bangchak Corporation Public Company Limited and Somboon Advanced Technology Public Company Limited.

In addition, CAC representatives also visited chairman and executives of 40 CAC-certified companies to ask for feedback on their experience in the certification process and to invite them to participate in the CAC Change Agent project,

aimed at encouraging their SME partners to also join the collective action. A total of 6 listed companies, Bangchak Corporation Public Company Limited, Haadthip Public Company Limited, IRPC Public Company Limited, Pruksa Real Estate Public Company Limited, Somboon Advanced Public Company Limited and Sabina Public Company Limited, have so far joined the CAC Change Agent project.

The CAC working committee organized a total of eight briefing sessions on the topics of "Road to Join" and "Road to Certify" for outreach and knowledge sharing. A total of eight SME executive briefing sessions were also held. The success story of CAC-certified Siam Steel Public Company Limited was publicized to showcase the company's strategy to improve business operation by adopting CAC system to reduce corruption risk in transportation.





**2. Uplifting Certification Standards :** In 2018, the CAC's online certification system was developed to be launched in 2020. Certification standards have been adjusted, enabling companies to adapt to new risk environment. In addition, training courses in Anti- corruption the Practical Guide, Ethical Leadership Program and Corruption Risk and Control Workshop were offered to help companies increase their anti-corruption expertise and confidently enter the certification process. Lastly, SME Clinic briefing sessions were held for SMEs showing interest in joining CAC.

**3. Co-creating Change with the Public Sector:**

CAC received funding by the United Nations Development Programme (UNDP) to study corruption issues facing private companies when dealing with the public sector. A survey was carried out among companies certified by CAC in a bid to analyze challenges more in-depth. Cases identified in Thailand were compared with countries successful in finding a solution to corruption facing private sectors when dealing with the public sector. Result of the project will be reported in 2020.

CAC has also partnered with leading organizations such as Organisation for Economic Co-operation and Development (OECD), and United Nations Office on Drugs and Crime (UNODC). CAC is also honored to represent the Thai private sector in a work project initiated by the Comptroller's General aimed at enhancing working transparency in the government sector. CAC was also invited to contribute in many subcommittees at the National Counter Corruption Commission and the Office of Public Sector Anti-Corruption Commission.



#### 4. Member Solution Platform

Member Solution Platform is a strategy to strengthen and carry over the other 3 strategies of IOD into practical and reach out to members. Valuable contents, insight findings, knowledges, surveys & guidelines will be passed on through member platform and training programs; henceforth; to elevate continue learning journey for IOD's member. IOD is also perform as advocator role by bringing up corporate governance related issues of directorship for our member to share thoughts and discuss among each other via event or survey platform. This is another channel to help springboard the development of procedures and regulations that serve present's context.

Key performance in 2019 through member solution platform can be categorized into 3 areas as follow:

# 1



##### Data Intelligence

- **Platform Upgrade**

An improvement of technology platform on Customer Relation Management (CRM) system for supporting data collection and data management has been implemented in 2019. It is scheduled to completion in 2020. A new and up-to-date feature function, especially a platform for social media data collection, will enable IOD to design marketing communication for our members more effectively.

- **Data Analytic & Segmentation**

Data input from every user interface front-end; including mobile application and website; will be kept on CRM system. Members and client information will be centralized on one single platform to formulate Big Data and serve the purpose of data analytic. It will help IOD to have a better understanding to members and clients' needs which will allow us to develop new product and improve services for an utmost benefit of our members and clients.

# 2



##### Member Optimization

IOD is adopting technology to provide user-friendly platform for our member to access information and knowledge. At the same time, we create member events throughout the year to engage with member and convey director journey through various directorship training programs. All these engagements will fortify continued learning journey and embrace life-long engagement for member and IOD.

In 2019, IOD has identified boardroom trends and issues into 3 working themes; including boardroom culture, environment social and governance (ESG), and boardroom innovation; that will equip and support director, management and executive and company secretary. Content sharing had come with both macro view and in-depth knowledge supporting the context of corporate governance issue and impact presently and future by experienced speakers from partners, facilitators, and experts. On the other hands, marketing communication activities is moving towards online approach for an ease of access to our members. Training course is still considered as a key platform for transferring





corporate governance principles and knowledge from facilitators. Key activities in 2019 were as follow:

- **Maintain Existing Members and Expand New Membership**

Presently, there are 412 companies classified as Juristic Members which categorized into 204 companies in SET-listed, 40 companies in MAI-listed, 156 non-listed companies, 9 State Owned Enterprises, and 3 organization in others category. Total individual members are 4,258 members divided into 737 new member and 1,227 renew member which is equivalent to 67% retention rate in 2019. Privileges and benefits of IOD membership are as follow:

- 1) A joining of monthly member event at free of charge or member rate.
- 2) Free copy of bi-monthly Boardroom magazine, showcasing IOD event summary and related articles on directors' roles and responsibilities and CG. In 2019, the magazine has converted from print to e-magazine format.
- 3) Boardroom Flash newsletter cover rules and regulations relating to directors and global trends on Corporate Governance.
- 4) An access to Corporate Governance Guidelines and Research.
- 5) Discount for IOD training program.
- 6) An eligible to participate and vote at IOD Annual General Meeting (except Associate Member)
- 7) Privilege to access IOD Member Space on 5th floor of Gaysorn Village. The space is design as a private lounge and a meeting place for member. Additionally, the space is well-equipped for member to hold a private meeting and organize small function
- 8) Other privileges from member's companies  
In 2019, IOD had welcomed 298 members to experience IOD Member Space and there were 11 events in total organized at member lounge.

An improvement of juristic membership privilege is now in the pipeline plan. Last year, IOD had done focus group with company secretary whereas many good recommendations and comments have been considered. In 2019, we were continuing our survey with corporate visit and will keep visiting and doing survey in the following year to listen to member's insight for the development of new membership scheme



- Capitalize Knowledge through Member Event Platform**

In 2019, IOD has reinforced our value proposition of advocacy through the discussion of issue in various business forums focusing on four target groups of members' profile comprising of chairman, audit committee, independent director, and company secretary. Additionally, a value proposition of IOD on Thought Leadership has been reflected on content and knowledge transfer through member event platform. Theme focus in 2019 was mainly on Boardroom Culture.

Member engagement and re-engagement was one of IOD priority to strengthen network among members including Independent Director Club, DCP Club, Company Secretary Club, and Family Business Club. DCP Club was a new initiative in 2019 to reconnect DCP alumni with an objective to build directorship community to exchange thought, idea, and knowledge among each other.



A total of 25 formal and informal member events and activities were held in 2019. Average satisfaction rate was 89.16%, compared to 84.4% in 2018. Member events and activities were categorized as follow:

- 1) Annual Conferences and activities for members including IOD international trip to Australia, AGM meeting & reception cocktail, and National Director Conference (NDC).** New activities were introduced at NDC this year such as Camp Fire session during conference's coffee break as well as Board of the Year Award presentation and ceremony. These have given a sense of new engagement experience for our member. NDC participants was a break record number of 587 persons.
- 2) Business Forums which were held to serve specific issues and group of members including Chairman, Independent Directors, Audit Committee, and Company Secretary.** This year IOD was collaborated with many partners from government body and private sector to deliver line-up of successful events such as a collaboration for Audit Committee Forum where IOD had worked with Securities and Exchange Commission and Big 4 Consulting Firms to formulate relevant content and issue specifically. A collaboration with Chulalongkorn University to develop research paper; "Culture in the Boardroom". Research content was presented at Chairman Forum and Company Secretary Forum. Finally, a working team with Independent Director (ID) Club to organize ID Club events throughout the year.





3) Learning events and seminars for members were organized at IOD Member Space. The event concept was more on experiential based learning. An inaugural of DCP Series was introduced. Apart from this, director briefing which was organized with Knowledge Partners were remained as usual.

4) Relationship building activities were also available for members including Chief Engagement Officer (CEO) group.

CEO was a representative from each DCP batch. Role of CEO is to tighten up relationship among peers in the same batch and across to other batches and help promote DCP alumni to meet and gather occasionally.

- **Generate awareness through online platform,** IOD was shifting the focus on to online communication platform to provide an ease of access to our members everywhere every time. Content was disseminated to member more often in the form of digital content such as VDO content broadcasted with live streaming feed on social media platform (Facebook and YouTube) which support real-time experience between IOD and members. In addition, IOD has partnered with top tier media; Bangkok Post; to launch communication campaign for

Board of the Year Project. Board of the Year content was projected into digital content marketing to expand reach and build digital engagement. By the end of 2019, total Facebook fanpage was 2,109 followers; 40% increase from the previous year.

- **Market Expansion with In-house Training Program**

Apart from 115 public classes of 24 training programs held in 2019, IOD also continued expanding markets to cover in-house training sessions for corporates level targeting management, executives and those who have supporting role in the boardroom. In-House programs are aim to develop corporate governance knowledge and relevant skills required. In 2019, IOD provided in-house training programs for directors and executives of leading corporates as follow:

- 1) Corporate Governance for Executive for PTT Public Company Limited (2 times)
- 2) Risk Management Program for Corporate Leader for Advance Info Services Public Company Limited (1 times)
- 3) Ethical Leadership Program (ELP) for Toyota Motor Thailand Company Limited (1 times)
- 4) Independent Observer Program (IOP) for Anti-Corruption Organization of Thailand (1 times)





### 3



#### Business Development

IOD had collaborated with many partners whom they have a relevant content benefit that gear towards Culture in the Boardroom as well as other important knowledge to enhance directors' capability to cope with fast-forward business environment nowadays. Here are some of our works:

- Collaboration with RISE Accelerator in organizing "Design Thinking for Boardroom" session at Corporate Innovation Summit 2019
- Collaboration with ISACA in organizing an activity "IT: Things that directors have to know, but not dare to ask."
- Collaboration with Future board and Norwegian Embassy to raise awareness of board composition focus on gender mix. IOD participated as one of the panel discussions of "Gender Balance on Corporate Boards".



## 5. Internal Capabilities

As IOD focuses on Director-centric approach, Business Support Section therefore develops work plan and process to meet the changing strategy and to enhance internal capabilities and work effectiveness among staffs in various areas e.g. personnel development and recruitment, IT system development, and improve business administration process so that scope of practice would be clearly explained and strategic implementation can be divided into two aspects as follow:

# 1



### Compliance (Value Protection)

By reviewing and implementing of policies and guidelines, communication to staffs on implementation process is crucial to meet the present working environment and growth following the new strategy. Internal working process such as accounting and financial documentation, IT infrastructures, procurement, human resources management and IOD board's support are improving well-organized for proper compliance.

# 2



### Development (Value Creation) can be divided into at least two key aspects:

- **Human Resource Development** is a key developing area of IOD resource. In 2019 IOD focused on staff development through leadership programs and other capabilities. Workshops and activities were organized for employee engagement. A guideline for output management system and action plan on human resource development, leadership and boardroom culture were developed to create engagement among staff and the association. Internal HR champion team was also developed as a channel for staffs from each department to share views and experiences for better staff development.
- **IT Development:** ERP system has been upgraded for enhancing work effectiveness. The first phase of the development will be completed in the first quarter of 2020 .



## Key Risks

The IOD has assessed risks according to five risk factors facing the organization in-line with the four strategies as follow:



### Key Risks

#### 1. Financial Risk

Sluggish economic growth in late 2019 may pose negative impacts on IOD's revenue from donations and sponsorships, membership fees, and training and seminars. Hence, IOD must perform a market analysis to understand the directors' needs and then adjust the training's marketing plan to serve their interests. Moreover, maintaining a good relationship with regulators and IOD's sponsors is also prioritized to ensure that IOD will continuously receive their supports.

#### 2. Risk of inadequate pool of facilitators that may have an impact on training's quality

One of many factors making IOD's training programs very effective and well-recognized is the delivery of our high-quality facilitators. Therefore, their diversity in terms of skills, knowledge, and experiences are considered very important for the success of IOD's training programs. However, as it is difficult to find new facilitators these days, the IOD has therefore organized the annual 'Facilitator Day' as a platform for both existing facilitators and the potentials to gather and share knowledge and information essential for their skill development. They are also regularly invited to attend IOD's conferences and seminars to update new trends. A list of facilitators and facilitator development plans are constantly reviewed and updated so that IOD will have a diverse group of qualified facilitators for different programs and be able to enhance facilitators' readiness to conduct classes.

#### 3. Reputational risk from failure to maintain the quality of trainings and other services

Thanks to IOD's reputation, many companies have participated in our training programs and member activities. They also look for collaboration and support from IOD in many forms, giving rise to the increase in the number of services such as training and events for our members over the years. Due to our limited number of staff responsible for content analysis and development, workloads need to be

prioritized to minimize the impact on the quality of training programs and other services for our members.

However, IOD considers human resources are the vital factors for operational efficiency, especially those who have strong expertise and knowledge on corporate governance. As a result, IOD places much significance on talent management and succession planning. Also, IOD regularly organizes training for IOD staff, on both individual and organizational basis to promote director-centric mindset. Salary and incentive adjustments are also conducted to be in line with the competitive market. Meanwhile, performance assessment is also regularly conducted to identify areas for improvements to our staff.

#### 4. Reputational risk from companies with good CG scoring and CAC-certified companies' failure to meet good CG and anti-corruption standards and practices

As IOD performs the role in assessing CG scoring of Thai-listed companies and certifying the companies joining the CAC, the failure of those companies may pose negative impacts on IOD's reputation and credibility. As a result, a priority is given to periodic monitoring and investigation on news of those companies. An incident management system is also initiated to deal with any unexpected incident which may harm IOD's reputation.

#### 5. Legal risk from the disclosure of confidential information of directors or companies

As this risk is increasing both in terms of likelihood and impact and may harm IOD's credibility, Policies and guidelines as required by the Personal Data Protection Act B.E.2562 (PDPA) will be developed. Training on PDPA will be conducted internally to ensure that the IOD staff will be equipped with the knowledge and skills essential for managing personal data. Apart from that, IOD plans to develop a safe and secure database management system to prevent the risk.



---

# GOVERNANCE







**64** Overview of IOD Governance

**76** Governance Committee Report

**77** Nomination and Compensation Committee

# 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 three ex officio directors: one executive director and two representatives from the founding institutions (The Stock Exchange of Thailand (SET) and the Bank of Thailand (BOT)), and ten independent directors. The list of members of the Board and their background is featured in the topic "Board of Directors".



## 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.

In 2019, to ensure that IOD directors will be able to work effectively and become CG role models, the Nomination Committee and the Compensation Committee have been merged together, and the Governance Committee has been set up. Each committee has roles and responsibilities as follow:



## Audit Committee

The Audit Committee's roles and responsibilities are to 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 2019, the Audit Committee comprised of the following three independent directors who have experience in business management, law and finance:

1. Miss Potjane Thanavaranit Chairperson
2. Mrs. Kaisri Nuengsigkapan
3. Miss Suvabha Charoenying

A total of four meetings were held.

Note: Mrs. Patareeya Benjapolchai performed her duties as a member of the Audit Committee until May 29, 2019  
Miss Suvabha Charoenying started performing her duties on June 10, 2019





## Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the board of directors to support its duties in the nomination of directors, board evaluation, and development of a succession plan for the CEO and executive members. The Committee also takes responsibilities in the annual evaluation, contract and remuneration packages of the CEO and IOD staff.

In 2019, the Committee comprised of the following directors:

- |                                  |             |
|----------------------------------|-------------|
| 1. Mr. Chaiwat Utaiwan           | Chairperson |
| 2. Dr. Kulpatra Sirodom          |             |
| 3. Mr. Banchong Chittchang       |             |
| 4. Mr. Supattanapong Punmeechaow |             |

A total of four meetings were held.



## Governance Committee

The Governance Committee is responsible to support the board's governance duties in accordance with the IOD's corporate governance policy, code of ethics, and other related CG policies and practices.

In 2019, the Committee comprised of the following directors:

- |                       |                     |
|-----------------------|---------------------|
| 1. Mr. Predee         | Daochai Chairperson |
| 2. Professor Kitipong | Urapeepatanapong    |
| 3. Mr. Charnporn      | Jotikasthira        |
| 4. Mr. Banchong       | Chittchang          |

A total of two meetings were held.



## Statistics of Board meetings in 2019

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.

A total of 7 meetings were held in 2019. Of the total, six meetings were general agenda. A joint meeting with the management was also held reviewing IOD's vision, mission and strategy.



## Details of Meeting Attendances of IOD Directors in 2019

Name - Last Name	Total Number of Meeting(s)							
	IOD Directors	AGM	Audit Committee	Nomination and Governance Committee	Compensation Committee	Capital Fund Management Committee <sup>/3</sup>	Nomination and Compensation Committee <sup>/3</sup>	Governance Committee <sup>/3</sup>
Total Number of Meeting(s)	6/6 <sup>/2</sup>							
1 Mr. Prasan Chuaphanich	6/6	Attended						
2 Mr. Predee Daochai	5/6	Attended			2/2			2/2
3 Miss Potjaneer Thanavarani	6/6	Attended	4/4					
4 Professor Kitipong Uraepatanapong	3/6	Attended		2/2				1/2
5 Dr. Kulpatra Sirodom	3/6 <sup>/1</sup>	Nominated as director at AGM					4/4	
6 Mrs. Kaisri Nuengsigkapan	2/6	—	4/4					
7 Mr. Charamporn Jotikasthira	3/6	Attended				1/1		1/2
8 Mr. Chaiwat Utaiwan	4/6	Attended		2/2	2/2		4/4	
9 Mrs. Nualphan Lamsam	— <sup>/1</sup>	—				1/1		
10 Mr. Banchong Chittchang	5/6	Attended			2/2		3/4	2/2
11 Mr. Paiboon Kittisrikangwan	6/6	Attended						
12 Dr. Pakorn Peetathawatchai	4/6	—				1/1		
13 Mrs. Patareeya Benjapolchai	3/6 <sup>/1</sup>	—	2/4 <sup>/1</sup>	2/2	2/2			2/2
14 Mr. Supattanapong Punmeechaow	4/6	Attended		1/2			4/4	
15 Miss Suvabha Charoenying	2/6 <sup>/1</sup>	Nominated as director at AGM	2/4 <sup>/1</sup>					
16 Mr. Kulvech Janvatanavit	6/6	Attended				1/1		

/1 IOD members voted for Dr. Kulpatra Sirodom and Miss Suvabha Charoenying to replace Mrs. Nualphan Lamsam and Mrs. Patareeya Benjapolchai as IOD directors effective on May 29, 2019.

/2 In 2019, a total of 7 meetings were held. Six of them were general agenda meeting, and one was Board meetings aimed at reviewing IOD's strategies.

/3 IOD Boardroom has agreed in adjusting IOD sub-committees to be as follows:  
 1. Audit Committee  
 2. Nomination and Compensation Committee  
 3. Governance Committee and agreed in cancellation of Capital Fund Management Committee effective June 10, 2019.



## Roles and Responsibilities of 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 Compensation 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

For selection process, IOD members can nominate potential candidates to become directors. The Nomination and Compensation Committee will be responsible for selecting potential candidates prior to the annual general meeting. Those being nominated for the director positions will be considered following the reviewing process designed by the Nomination and Compensation Committee. After selection, IOD board of directors will propose the shortlisted candidates for approval during the annual general meeting.

In 2019, the Nomination and Compensation 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.

In 2019, the Nomination and Compensation Committee selected directors from the IOD list of professional directors having diverse qualifications and expertise following the Skill Matrix system. The committee also works to ensure that the selected directors will be able to dedicate their time for work and contribution to long-term vision while continuously supporting corporate governance following the IOD strategy. One of the key strategies is to be the Center of Boardroom Excellence for expanding long-term cooperation, relation and stakeholder engagement. The selected directors are those having knowledge and experience in corporate governance and sustainability essential for driving IOD towards boardroom excellence. The shortlisted candidates will be proposed to the board for consideration.

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

1. Dr. Kulpatra Sirodom
2. Miss Suvapa Charoenying

### 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 two new IOD directors: Dr. Kulpatra Sirodom and Miss Suvabha Charoenying, attended the orientation session on August 5, 2019.

### Defining vision and strategy

In 2019, the Board considered and approved the IOD new vision of "Boardroom Excellence for Sustainable Growth". For this reason, an ad-hoc meeting is also held on an annual basis to review IOD's vision, mission and strategy. The board also gives the management team suggestions while ensuring that strategic implementation is updated and constantly progressing. A meeting was held on November 3, 2019 to set the IOD strategy for Year 2020.

### 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 and the Chairperson of the Audit 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. In 2019, the board agreed to improve IOD corporate governance policy, for example, partly reconstruct IOD sub-committees to meet the need at present and add some key points relating to the CG Code.

### 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](http://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 2019, the annual general meeting was held on 29 May 2019 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 Compensation Committee is responsible for conducting the evaluation of the Board's performance and presenting the result to the Board.

In 2019, 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 Compensation 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. Structure and qualifications;
2. Roles and responsibilities;
3. Board meetings;
4. Board's practice;
5. Board relationship with the management; and
6. Director and executive's self-development.

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

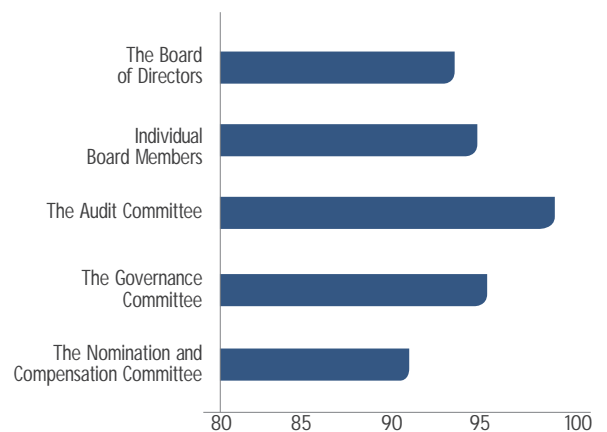
1. Director's qualification;
2. Director meetings;
3. Roles and responsibilities of the director.

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

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



Result of Average Performance Evaluation



## 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.



In 2019, IOD directors participated in the following training programs, seminars and forums

		Position	IOD Training and Event Attendance
1	Mr. Prasan Chuaphanich	Chairman of the Board	IOD Special Event 1/2019 : Board of the Year, Board of the Future
			Director Briefing 2/2019: Digital Transformation: Stories and Strategies for Success
			Year of the Pig: 5 Trends Board Should Know
			IOD International Trip 2019, Sydney, Australia
			National Director Conference & Board of the Year Awards 2019
			DCP Series 3/2019 : IT Benefits and Risks for Business
			IT: What directors have to know, but do not dare ask
			Chairman Forum 1/2019
			Collective Action Against Corruption Conference 2019
			Audit Committee Forum 1/2019
2	Mr. Predee Daochai	Vice Chairman	National Director Conference & Board of the Year Awards 2019
		Chairman of the Governance Committee	
3	Miss Potjaneer Thanavaranit	Vice Chairman	Special Event 1/2019 : Board of the Year, Board of the Future
		Chairperson of the Audit Committee	





		Position	IOD Training and Event Attendance
4	Prof. Kitipong Urapeepatanapong	Director	Director Briefing 2/2019: Digital Transformation: Stories and Strategies for Success
		Member of the Governance Committee	IOD International Trip 2019, Sydney, Australia
			DCP Series 2/2019: Handing over Wealth to Family Business Inheritance
5	Dr. Kulpatra Sirodom	Director	IOD Special Event 1/2019 : Board of the Year, Board of the Future
		Member of the Nomination and Compensation Committee	Boardroom Transformation
			National Director Conference & Board of the Year Awards 2019
			DCP Reunion 1/2019
6	Mrs. Kaisri Nuengsigkapien	Director	National Director Conference & Board of the Year Awards 2019
		Member of the Audit Committee	Chairman Forum 1/2019
7	Mr. Charamporn Jotikasthira	Director	Year of the Pig: 5 Trends Board Should Know
		Member of the Governance Committee	National Director Conference & Board of the Year Awards 2019
8	Mr. Chaiwat Utaiwan	Director	Director Breakfast Talk 1/2019: How Could You Achieve Blockchain in Your Business?
		Chairman of the Nomination and Compensation Committee	DCP Series 2/2019: Handing over Wealth to Family Business Inheritance
			National Director Conference & Board of the Year Awards 2019
			Audit Committee Forum 1/2019



	Position	IOD Training and Event Attendance
9	Mr. Banchong Chittchang	Director
	Member of the Nomination and Compensation Committee & the Governance Committee	Director Briefing 2/2019: Digital Transformation: Stories and Strategies for Success
		Boardroom Transformation
		Year of the Pig: 5 Trends Board Should Know
		IOD International Trip 2019, Sydney, Australia
		Director Breakfast Talk 1/2019: How Could You Achieve Block-chain in Your Business?
		ID Club Committee Meeting
		Independent Director Forum 1/2019: Tips & Tricks for Dealing with Question in AGM
		Director Briefing 2/2019: Digital Transformation: Stories and Strategies for Success
		Director Briefing 3/2019 : Stories and Strategies for Success
		DCP Series 2/2019: Inheritance
		Growing Clean Business in a Corrupt Environment Briefing
		National Director Conference & Board of the Year Awards 2019
		DCP Series: 3/2019: Harnessing Opportunities from Digital Disruption
		DCP Series 4/2019: "How to Develop a Winning Digital Strategy"
		Chairman Forum 1/2019
		Collective Action Against Corruption Conference 2019
		Audit Committee Forum 1/2019



	Position	IOD Training and Event Attendance
10	Mr. Paiboon Kittisrikangwan Director from the founding institution (Bank of Thailand)	National Director Conference & Board of the Year Awards 2019
11	Dr. Pakorn Peetathawatchai Director from the founding institution (The Stock Exchange of Thailand)	IOD Special Event 1/2019 : Board of the Year, Board of the Future
		National Director Conference & Board of the Year Awards 2019
12	Mr. Supattanapong Punmeechaow Director	National Director Conference 2019
	Member of the Nomination and Compensation Committee	
13	Miss Suvabha Charoenying Director	Strategic Board Master Class (SBM) 7/2019
		Member of the Audit Committee
		IOD Special Event 1/2019 : Board of the Year, Board of the Future
		Director Briefing "Boardroom Transformation"
		Independent Director Forum 1/2019: Tips & Tricks for Dealing with Question in AGM
		Director Briefing 3/2019 : Stories and Strategies for Success
		DCP Series 2/2019: Handing over Wealth to Family Business Inheritance
		Growing Clean Business in a Corrupt Environment Briefing
		National Director Conference & Board of the Year Awards 2019
		DCP Series 4/2019: "How to Develop a Winning Digital Strategy"
Collective Action Against Corruption Conference 2019		



	Position	IOD Training and Event Attendance
14	Mr. Kulvech Janvatanavit	
	CEO	IOD Special Event 1/2019 : Board of the Year, Board of the Future
	Secretary of the Board	Current Issue Talk 1/2019: Can Boardroom Save Bangkok?
		Director Briefing "Boardroom Transformation"
		Year of the pig: 5 Trends that Boardroom Should Know
		IOD International Trip 2019, Sydney, Australia
		Director Briefing: Unleashing Blockchain in Finance and Beyond
		ID Club Committee Meeting #2
		ID Club Networking 1/2019: Treasury Stock
		Director Briefing 2/2019: Digital Transformation: Stories and Strategies for Success
		DCP Series 1/2019: When is the Right Time to IPO?
		DCP Series 2/2019: Handing over Wealth to Family Business Inheritance

	Position	IOD Training and Event Attendance
		Independent Director Forum 1/2019: Tips & Tricks for Dealing with Question in AGM
		Growing Clean Business in a Corrupt Environment Briefing
		Director Briefing 3/2019 Stories and Strategies for Success
		National Director Conference & Board of the Year Awards 2019
		DCP Series: 3/2019: Harnessing Opportunities from Digital Disruption
		Member Event with ISACA: IT: What directors have to know, but do not dare ask
		Chairman Forum 2019
		Audit Committee Forum
		Collective Action Against Corruption Conference 2019
		Company Secretary Forum
		DCP Alumni Party



## Governance Committee Report : Year 2019

The IOD board of directors appoints the Governance Committee to support the board's governance duties in accordance with the IOD's corporate governance policy, code of ethics, and other related CG policies and practices.

**The Governance Committee is comprised of the following four directors:**

- |                   |                  |          |
|-------------------|------------------|----------|
| 1. Mr. Predee     | Daochai          | Chairman |
| 2. Prof. Kitipong | Urapeepatanapong |          |
| 3. Mr. Charamporn | Jotikasthira     |          |
| 4. Mr. Banchong   | Chittchang       |          |

**In 2019, A total of two meetings were held to consider the following topics:**

### 1. Governance Committee Charter

According to the board's resolution, the Nomination and Governance Committee was restructured to the Nomination and Compensation Committee and the Governance Committee was appointed. A Charter was drafted as a framework and presented to the IOD board of directors for approval on August 5, 2019.

### 2. Corporate Governance Policy

The Governance Committee considered and reviewed the IOD CG policy and agreed that the following significant revision are needed:

- Partly reconstruct IOD sub-committees to meet the need at present
- Add some key points to be consistent with the CG Code
- Adjust messages to be more concise

The Governance Committee regularly reports on performance to the IOD board of directors. We are well aware of the CG priority and appropriate practice among all stakeholders. We are committed to support the board in the continuous and tangible development of the CG policy and practices leading to sustainable growth of IOD.



**Mr. Predee Daochai**  
Chairman of the Governance Committee



# Nomination and Compensation Committee Report : Year 2019

The Nomination and Compensation Committee is appointed by the board of directors to support its duties in the nomination of directors, board evaluation, and development of a succession plan for the CEO and executive members. The Committee also takes responsibilities in the annual evaluation, contract and remuneration packages of the CEO and IOD staff.

**The Nomination and Compensation Committee is comprised of the following four directors:**

- |                      |             |          |
|----------------------|-------------|----------|
| 1. Mr. Chaiwat       | Utaiwan     | Chairman |
| 2. Dr. Kulpatra      | Sirodom     |          |
| 3. Mr. Banchong      | Chittchang  |          |
| 4. Mr. Supattanapong | Punmeechaow |          |

**A total of four meetings were held to consider the following topics:**

## 1. Director nomination and performance evaluation

The Nomination and Compensation Committee was responsible for selecting potential candidates for approval in the 2019 annual general meeting. Qualifications and expertise in various fields were taken into consideration based on the skill matrix system to ensure that the Committee successfully fulfilled its responsibilities following the IOD strategy. The Committee focused on finding directors who possess knowledge and experience on CG and sustainability to help drive IOD towards the goal of being 'Boardroom Excellence'.

The Committee was responsible for board evaluation and reports to the board of directors on a plan to enhance board's effectiveness and performance.

## 2. Criteria and guidance on performance evaluation, pay raise and succession plan for CEO and executive positions in 2020

The Committee was responsible for performance evaluation and pay raise evaluation of the CEO. A result was submitted to the board of directors for

approval. Other responsibility included establishing a succession plan for the CEO and executive members.

## 3. Salary and bonus criteria

The Nomination and Compensation Committee considered appropriateness of pay raise for the IOD staff based on the market rates, relevant statistics and sustainability of IOD. For future development, the Committee studied on a salary structure to ensure that it will be in accordance with the IOD vision, mission, strategy and sustainability.

The Committee always realizes that IOD implementation effectiveness and sustainability depend on the financial position, corporate governance as well as fair and equal treatment to all stakeholders. Results of the implementation and other suggestions are regularly presented to the board of directors for consideration.



**Mr. Chaiwat Utaiwan**  
Chairman, Nomination and Compensation Committee



---

# FINANCIALS







**80** Report of Board  
Responsibility for  
Financial Statements

**81** Audit Committee Report

**82** Auditor's report &  
Financial Statements

**106** General Information

## 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, 2019, 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, 2019 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

Thai Institute of Directors Association



**Mr. Kulvech Janvatanavit**  
CEO

Thai Institute of Directors Association



## 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. Miss Potjane | Thanavaranit | Chairperson  |
| 2. Mrs. Kaisri  | Nuangsikapi  | Audit Member |
| 3. Miss Suvabha | Charoenying  | Audit Member |

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

In 2019, the Audit Committee held a total of four meetings with management and senior executives in charge of concerned units and internal auditors. 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 as of December 31, 2019. The financial statement is 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 adequate internal control system that is appropriate for 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, Board Directors, the Management; 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 2019 AGM, that PricewaterhouseCoopers ABAS Co. Ltd. be appointed as the authorized external Auditor for IOD for 2019 - 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 2019, 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 2019 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.

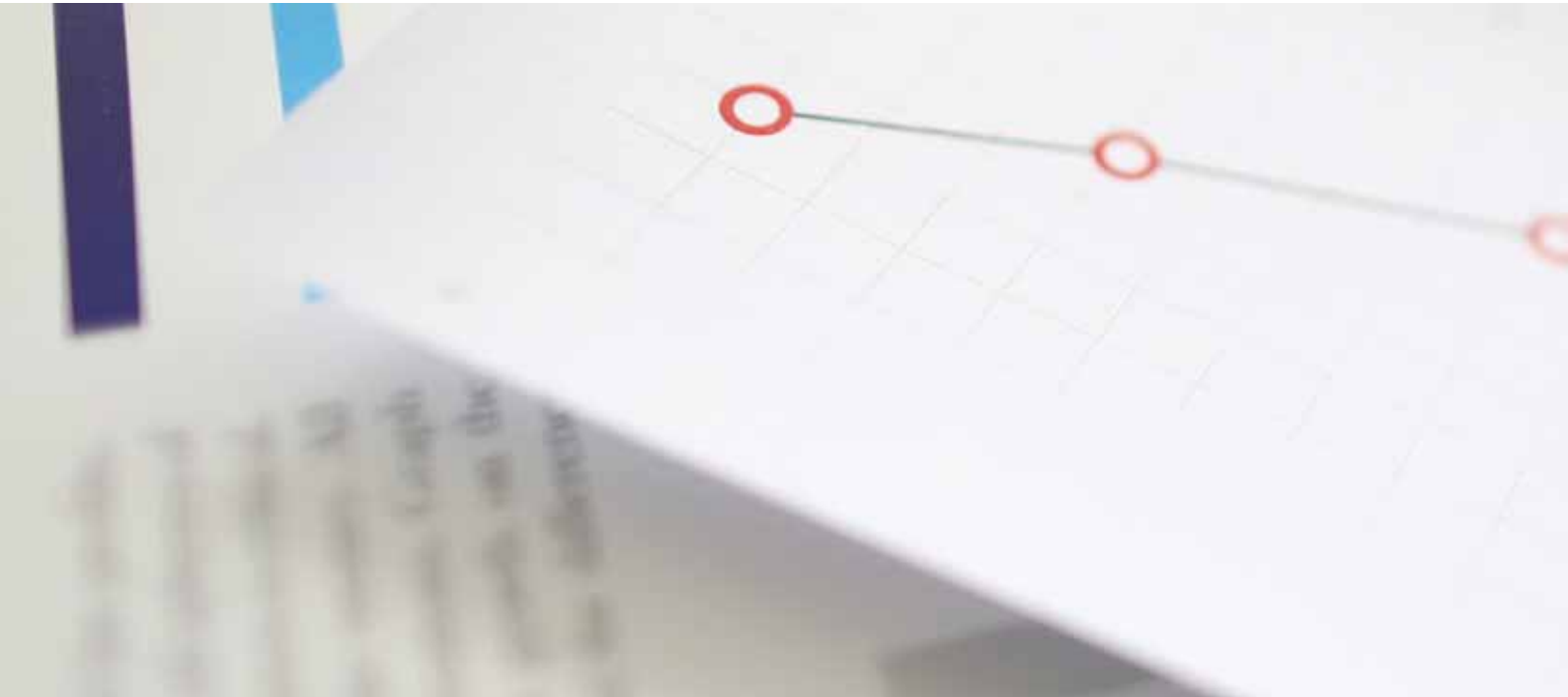
*Potjane Thanavaranit*

**Miss Potjane Thanavaranit**

Chairperson of the Audit Committee



## 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 2019, 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 2019;
- the statement of revenues and expenses 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.

My opinion on the financial statements does not cover the other information and I do 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 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### 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.

**Pongthavee Ratanakoses**  
Certified Public Accountant (Thailand) No. 7795  
Bangkok  
11 May 2020



**Thai Institute of Directors Association**  
**Statement of Financial Position**  
**As at 31 December 2019**

	<u>Notes</u>	<u>2019</u> <u>Baht</u>	<u>2018</u> <u>Baht</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	19,347,114	34,759,762
Short-term investments	5	132,303,848	90,248,584
Long-term investments due within 1 year	5	20,000,000	6,000,000
Trade and other receivables	6	10,937,895	14,775,300
Other current assets		297,004	115,166
<b>Total current assets</b>		<u>182,885,861</u>	<u>145,898,812</u>
<b>Non-current assets</b>			
Long-term investments	5	53,500,000	69,000,000
Equipment, net	7	6,558,306	8,657,229
Intangible assets, net	8	1,724,437	4,841,677
Other non-current assets		1,539,861	1,582,361
<b>Total non-current assets</b>		<u>63,322,604</u>	<u>84,081,267</u>
<b>Total assets</b>		<u><u>246,208,465</u></u>	<u><u>229,980,079</u></u>





**Thai Institute of Directors Association**  
**Statement of Financial Position (Cont'd)**  
**As at 31 December 2019**

	Notes	2019 Baht	2018 Baht
<b>Liabilities and fund balance</b>			
<b>Current liabilities</b>			
Trade and other payables	9	19,174,623	16,546,814
Current portion of membership fee received in advance		5,923,934	5,839,310
Accrued income tax		2,558,137	2,676,017
Other current liabilities		1,985,977	2,597,474
<b>Total current liabilities</b>		<u>29,642,671</u>	<u>27,659,615</u>
<b>Non-current liabilities</b>			
Membership fee received in advance		3,803,243	3,980,677
Employee benefit obligations	10	10,361,932	6,653,290
<b>Total non-current liabilities</b>		<u>14,165,175</u>	<u>10,633,967</u>
<b>Total liabilities</b>		<u>43,807,846</u>	<u>38,293,582</u>
<b>Fund balance</b>			
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	5	274,388	-
Accumulated excess of revenues over expenses		170,507,777	160,068,043
<b>Total fund balance</b>		<u>202,400,619</u>	<u>191,686,497</u>
<b>Total liabilities and fund balance</b>		<u><u>246,208,465</u></u>	<u><u>229,980,079</u></u>



**Thai Institute of Directors Association**  
**Statement of Revenues and Expenses**  
**For the year ended 31 December 2019**

	<u>Notes</u>	<u>2019 Baht</u>	<u>2018 Baht</u>
<b>Revenues</b>			
Revenue from training and seminar		111,263,653	113,823,960
Membership fees		10,999,587	10,549,824
Revenue from donations and sponsorships		20,479,863	26,876,170
Other income	11	10,990,393	13,092,941
<b>Total revenues</b>		<u>153,733,496</u>	<u>164,342,895</u>
<b>Expenses</b>			
Training and seminar expenses		76,998,480	90,521,247
Membership expenses		18,224,022	14,574,629
Administrative expenses		44,925,550	32,368,816
Income tax	13	3,145,710	3,279,659
<b>Total expenses</b>		<u>143,293,762</u>	<u>140,744,351</u>
<b>Revenues over expenses for the year</b>		<u>10,439,734</u>	<u>23,598,544</u>



**Thai Institute of Directors Association**  
**Statement of Changes in Fund Balances**  
**For the year ended 31 December 2019**

	<b>2019</b>	<b>2018</b>
	<b>Baht</b>	<b>Baht</b>
<b>Fund balance</b>		
Beginning balance	31,618,454	31,618,454
<b>Ending balance</b>	31,618,454	31,618,454
<b>Accumulated excess of revenues over expenses</b>		
Beginning balance	160,068,043	136,469,499
Increase during the year	10,439,734	23,598,544
<b>Ending balance</b>	170,507,777	160,068,043
<b>Gain on measurement of available for sale investments</b>		
Beginning balance	-	447,613
Increase (decrease) during the year	274,388	(447,613)
<b>Ending balance</b>	274,388	-
<b>Total</b>	<b>202,400,619</b>	<b>191,686,497</b>



**Thai Institute of Directors Association**  
**Statement of Cash Flows**  
**For the year ended 31 December 2019**

	Notes	2019 Baht	2018 Baht
<b>Cash flows from operating activities</b>			
Excess of revenues over expenses before income tax		13,585,444	26,878,203
Adjustment for:			
Depreciation charge	7	2,977,793	3,239,351
Amortisation charge	8	51,999	9,705
Interest income	11	(4,528,464)	(3,782,686)
Employee benefit obligations	10	3,708,642	1,545,616
Gain on disposal of equipment		-	(2,999)
Gain on disposal of available for sale investments		(103,563)	(537,074)
Loss from write-off of intangible assets		4,841,541	-
Changes in operating assets and liabilities			
- Trade and other receivables		3,973,892	(74,169)
- Other current assets		(181,838)	88,083
- Other assets		42,500	(536,861)
- Trade and other payables		2,627,809	(7,171,994)
- Membership fee received in advance		(92,810)	1,162,093
- Other current liabilities		(525,897)	(534,669)
- Employee benefits paid		-	(5,036,640)
Net cash received from operating activities		26,377,048	15,245,959
Interest received		4,391,977	3,852,960
Income tax paid		(3,263,590)	(3,471,947)
Net cash generated from operating activities		27,505,435	15,626,972



**Thai Institute of Directors Association**  
**Statement of Cash Flows**  
**For the year ended 31 December 2019**

	<b>Notes</b>	<b>2019 Baht</b>	<b>2018 Baht</b>
<b>Cash flows from investing activities</b>			
Cash paid for purchases of equipment		(964,470)	(4,820,968)
Cash received from sales of equipment		-	3,000
Cash paid for purchases of intangible assets	8	(1,776,300)	(4,841,541)
Cash paid for investment in bond	5	(4,500,000)	(35,000,000)
Proceed from investment in bond	5	6,000,000	8,000,000
Cash paid for investment in fixed deposits	5	(80,341,024)	(90,248,584)
Proceed from investment in fixed deposits	5	135,997,324	92,239,138
Cash paid for investment in available for sales investments	5	(201,979,791)	-
Proceed from investment in available for sale investments		104,646,178	20,536,979
Net cash used in investing activities		(42,918,083)	(14,131,976)
<b>Net increase (decrease) in cash and cash equivalents</b>			
Cash and cash equivalents, beginning balance		34,759,762	33,264,766
<b>Cash and cash equivalents, ending balance</b>	<b>4</b>	<b>19,347,114</b>	<b>34,759,762</b>
<b>Non-cash transactions:</b>			
Payable for purchases of equipment		-	85,600



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

---

## 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 11 May 2020.

## 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. Additional disclosure is made following the principle concept of Thai Financial Reporting Standards;

- Statement 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.



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

---

## **2 Significant accounting policies (Cont'd)**

### **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 revenues and expenses

### **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.



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

---

## **2 Significant accounting policies (Cont'd)**

### **2.4 Investments**

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading investments and available for sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in statement of revenues and expenses. The unrealised gains and losses of available for sale investments are recognised in fund balance and subsequently reclassified to statement of revenues and expenses when the investment is disposed.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment.

General investments are carried at cost less impairment.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount, including cumulative changes in fair value recognised in fund balance is recognised to the statement of revenues and expenses. When the Association disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

The Association will test for impairment 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 from impairment is charged to the statement of revenues and expenses.





**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

## 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 revenues and expenses 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 and 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 revenues and expenses 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.



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

---

## **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 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**

Incomes and expenses are recognised on an accrual basis.

### **2.10 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Association's board of directors who makes strategic decisions.



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

### 3 Segment information

Segment information is presented in respect of the Association operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The operating segments of the Association are as follows:

For the year ended 31 December 2019	Financial statements		
	IOD Project Baht	CAC Project Baht	Total Baht
Revenues			
Revenue from training and seminar	108,999,761	2,263,892	111,263,653
Membership fees	10,999,587	-	10,999,587
Revenue from donations and sponsorships	15,644,523	4,835,340	20,479,863
Other income	9,140,501	1,849,892	10,990,393
Total revenues	144,784,372	8,949,124	153,733,496
Expenses			
Training and seminar expenses	67,207,059	9,791,421	76,998,480
Membership expenses	18,224,022	-	18,224,022
Administrative expenses	44,925,550	-	44,925,550
Income tax	3,031,898	113,812	3,145,710
Total expenses	133,388,529	9,905,233	143,293,762
Excess of revenues over (under) expenses for the year	11,395,843	(956,109)	10,439,734



Thai Institute of Directors Association  
Notes to the Financial Statements  
For the year ended 31 December 2019

### 3 Segment information (Cont'd)

For the year ended 31 December 2018	Financial statements		
	IOD Project Baht	CAC Project Baht	Total Baht
<b>Revenues</b>			
Revenue from training and seminar	111,642,776	2,181,184	113,823,960
Membership fees	10,549,824	-	10,549,824
Revenue from donations and sponsorships	17,624,958	9,251,212	26,876,170
Other income	11,315,575	1,777,366	13,092,941
<b>Total revenues</b>	<b>151,133,133</b>	<b>13,209,762</b>	<b>164,342,895</b>
<b>Expenses</b>			
Training and seminar expenses	77,875,612	12,645,635	90,521,247
Membership expenses	14,574,629	-	14,574,629
Administrative expenses	32,368,816	-	32,368,816
Income tax	3,148,443	131,216	3,279,659
<b>Total expenses</b>	<b>127,967,500</b>	<b>12,776,851</b>	<b>140,774,351</b>
<b>Excess of revenues over expenses for the year</b>	<b>23,165,633</b>	<b>432,911</b>	<b>23,598,544</b>



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

#### 4 Cash and cash equivalents

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

	2019 Baht	2018 Baht
Cash on hand	31,248	35,533
Deposits held at call with financial institutions	19,315,866	34,724,229
	<u>19,347,114</u>	<u>34,759,762</u>

#### 5 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
<b>As at 31 December 2018</b>				
<b>equity instrument</b>				
Opening balance	20,447,518	48,000,000	92,239,138	160,686,656
Additions	-	35,000,000	90,248,584	125,248,584
Redemptions	(20,536,979)	(8,000,000)	(92,239,138)	(120,776,117)
Gains on measurement during the year	89,461	-	-	89,461
Closing balance	<u>-</u>	<u>75,000,000</u>	<u>90,248,584</u>	<u>165,248,584</u>
<b>As at 31 December 2018</b>				
<b>Debt instruments</b>				
Cost	-	75,000,000	90,248,584	165,248,584
Total	-	75,000,000	90,248,584	165,248,584
<u>Less</u> Classify as current assets	<u>-</u>	<u>6,000,000</u>	<u>90,248,584</u>	<u>96,248,584</u>
Classify as non-current assets	<u>-</u>	<u>69,000,000</u>	<u>-</u>	<u>69,000,000</u>

As at 31 December 2018, 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 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. The deposits bear interest at the rates ranging between 1.30% - 1.55% per annum.



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

## 5 Investments (Cont'd)

Long-term investments comprise held-to-maturity investments in bonds issued by Ministry of Finance with an interest rate of 2.15% to 4.00% per annum and due for redemption in May 2023 to May 2028. Long-term investments also include debentures issued by Krungthai card Public Company Limited, Siam Cement Public Company Limited and Berli Jucker Public Company Limited. These debentures become due for redemption in March 2020 to June 2022 and bear interest at the rates ranging from 3.00% to 4.75% per annum. A portion of hold-to-maturity investments amounting Baht 6 million, due for redemption in August 2018, is presented as current assets.

	Available for sale investments Baht	Hold-to- maturity investments Baht	Fixed deposits Baht	Total Baht
<b>As at 31 December 2019</b>				
<b>equity instrument</b>				
Opening balance	-	75,000,000	90,248,584	165,248,584
Additions	201,979,791	4,500,000	80,341,024	286,820,815
Redemptions	(104,542,615)	(6,000,000)	(135,997,324)	(246,539,939)
Gains on measurement during the year	274,388	-	-	274,388
Closing balance	<u>97,711,564</u>	<u>73,500,000</u>	<u>34,592,284</u>	<u>205,803,848</u>
<b>As at 31 December 2019</b>				
<b>Debt instruments</b>				
Cost	<u>97,437,176</u>	<u>73,500,000</u>	<u>34,592,284</u>	<u>205,529,460</u>
Total	97,437,176	73,500,000	34,592,284	205,529,460
<u>Less</u> Classify as current assets	<u>97,711,564</u>	<u>20,000,000</u>	<u>34,592,284</u>	<u>152,303,848</u>
Classify as non-current assets	<u>-</u>	<u>53,500,000</u>	<u>-</u>	<u>53,500,000</u>



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

## 5 Investments (Cont'd)

On 26 August 2019, the Association entered into Private Fund Management Agreement with Kasikorn Asset Management Company Limited to appoint Kasikorn Asset Management Company Limited to manage the private fund.

As at 31 December 2019, 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, debentures issued by companies registered in Thailand and 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. The deposits bear interest at the rates ranging between 1.30% - 1.90% per annum.

Long-term investments comprise held-to-maturity investments in bonds issued by Ministry of Finance with an interest rate of 2.15% to 4.00% per annum and due for redemption in May 2023 to May 2028. Long-term investments also include debentures issued by Krungthai card Public Company Limited, Siam Cement Public Company Limited and Berli Jucker Public Company Limited. These debentures become due for redemption in April 2021 to March 2023 and bear interest at the rates ranging from 3.00% to 3.25% per annum. A portion of hold-to-maturity investments amounting Baht 20 million, due for redemption in November 2020, is presented as current assets.

## 6 Trade and other receivables

	<b>2019</b>	<b>2018</b>
	<b>Baht</b>	<b>Baht</b>
Accrued income	9,455,007	13,548,992
Prepaid expenses	535,138	415,046
Other receivables	947,750	811,262
	<u>10,937,895</u>	<u>14,775,300</u>



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

**7 Equipment, net**

	Office renovation Baht	Office equipment Baht	Furniture and fixture Baht	Total Baht
<b>As at 31 December 2018</b>				
Cost	21,463,670	14,235,589	2,873,592	38,572,851
<u>Less</u> Accumulated depreciation	(15,139,677)	(12,140,275)	(2,635,670)	(29,915,622)
Net book amount	<u>6,323,993</u>	<u>2,095,314</u>	<u>237,922</u>	<u>8,657,229</u>
<b>For the year ended 31 December 2019</b>				
Opening net book amount, net	6,323,993	2,095,314	237,922	8,657,229
Additions	261,394	589,438	28,038	878,870
Depreciation charge	(1,911,010)	(973,938)	(92,845)	(2,977,793)
Closing net book amount, net	<u>4,674,377</u>	<u>1,710,814</u>	<u>173,115</u>	<u>6,558,306</u>
<b>As at 31 December 2019</b>				
Cost	21,725,064	14,825,027	2,901,630	39,451,721
<u>Less</u> Accumulated depreciation	(17,050,687)	(13,114,213)	(2,728,515)	(32,893,415)
Net book amount	<u>4,674,377</u>	<u>1,710,814</u>	<u>173,115</u>	<u>6,558,306</u>





**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

**8 Intangible assets, net**

	Computer software Baht	Software under installation Baht	Total Baht
<b>As at 31 December 2018</b>			
Cost	2,073,776	4,841,541	6,915,317
<u>Less</u> Accumulated amortisation	(2,073,640)	-	(2,073,640)
Net book amount	136	4,841,541	4,841,677
<b>For the year ended 31 December 2019</b>			
Opening net book amount, net	136	4,841,541	4,841,677
Additional	240,000	1,536,300	1,776,300
Write-off, net	-	(4,841,541)	(4,841,541)
Amortisation charge	(51,999)	-	(51,999)
Closing net book amount, net	188,137	1,536,300	1,724,437
<b>As at 31 December 2019</b>			
Cost	2,313,776	1,536,300	3,850,076
<u>Less</u> Accumulated amortisation	(2,125,639)	-	(2,125,639)
Net book amount	188,137	1,536,300	1,724,437



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

## 9 Trade and other payables

	2019 Baht	2018 Baht
Other payables	3,639,025	1,611,936
Accrued expenses	9,426,289	5,718,167
Deferred revenue from training and seminars	5,712,450	8,980,616
Other deferred revenue	396,859	236,095
	<u>19,174,623</u>	<u>16,546,814</u>

## 10 Employee benefit obligations

	2019 Baht	2018 Baht
Opening balance	6,653,290	10,144,314
Provision charge for the year	3,708,642	1,545,616
Paid during the year	-	(5,036,640)
	<u>10,361,932</u>	<u>6,653,290</u>

## 11 Other incomes

	2019 Baht	2018 Baht
Individual Corporate Governance report income	1,924,000	2,275,561
Interest income	4,528,464	3,782,686
Advertising income	1,823,000	3,079,000
CAC Certification fee	1,200,000	984,000
Corporate Governance assessment and advisory fee	-	630,000
Others	1,514,929	2,341,694
	<u>10,990,393</u>	<u>13,092,941</u>



**Thai Institute of Directors Association**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2019**

## 12 Commitments

### Operating lease commitments

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

	2019 Baht	2018 Baht
Not later than 1 year	6,883,001	5,381,001
Later than 1 year and not later than 5 years	7,701,787	2,185,731
	<u>14,584,788</u>	<u>7,566,732</u>

### Capital commitments

The Association has capital commitments at the statements of financial position date but not recognised in the financial statements as follows:

	2019 Baht	2018 Baht
Not later than 1 year	763,700	6,533,220
	<u>763,700</u>	<u>6,533,220</u>

## 13 Income tax

The Association pays income tax at the rate of 2% on revenue from services and sponsorships with the exemption of revenue from membership fees and donations. Interest income is subject to tax at the rate of 10%.



## General Information

<b>Name</b>	Thai Institute of Directors Association
<b>Type</b>	Non-Profit Organisation
<b>Association of Registration</b>	Certification of Registered Association Number Jor 3904/2542 issued on December 28, 1999
<b>Registrar</b>	Bangkok Registrar, Ministry of Interior
<b>Founding Capital</b>	17 Million Baht
<b>Office Location</b>	CMA. Building2, 2/9 Moo 4 Northpark Project Vibhavadi-Rangsit Road, Thung SongHong, LaksiBangkok 10210, Thailand Telephone: (66) 2 955 1155 Fax: (66) 2955 1156, (66) 2955 1157
<b>Website</b>	<a href="http://www.thai-iod.com">www.thai-iod.com</a>
<b>Taxpayer Identification Number</b>	0993000130634
<b>Accounting Period</b>	January 1- December 31
<b>Auditor</b>	Pongthavee Ratanakoses, Certified Public Accountant (Thailand) no. 7795
<b>Office</b>	PricewaterhouseCoopers ABAS Ltd. 15 th Floor, Bangkok City Tower, 179 /74 - 80 South Sathorn Road, Thung Maha Mek, Sathorn, Bangkok 10120  Telephone: (66) 2286 9999, (66) 2344 1000  Fax: (66) 2286 5050
<b>Audit fee</b>	240,000 Baht
<b>Other fees</b>	N/A







---

## THAI INSTITUTE OF DIRECTORS ASSOCIATION

CMA. Building2, 2/9 Moo 4 Northpark Project

Vibhavadi-Rangsit Road, Thung SongHong,

LaksiBangkok 10210, Thailand

Telephone: (66) 2 955 1155

Fax: (66) 2955 1156, (66) 2955 1157

[www.thai-iod.com](http://www.thai-iod.com)