

*(ENGLISH TRANSLATION)*

## **ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED**

### **Corporate Governance Policy**

Advanced Info Service Public Company Limited has full confidence that a good corporate governance system, which consists of competent management, qualified and accountable directors, a mechanism of checks and balances for transparent and auditable operations, respect for the rights of all shareholders, and equitable treatment for all stakeholders is the key factor in maximizing the economic value of the company and sustaining business in long term.

The Company introduced the following corporate governance policy and became effective on 14 November 2002 and has annually reviewed it, lastly updated on 14 December 2021. This review is aimed at raising the level of corporate governance to align it with good practices and the guidelines recommended by the regulatory bodies. In addition, the Company ensures that this corporate governance policy has been effectively communicated and being complied by directors, executives and employees.

The policy is divided into the following five sections:

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

This latest policy became effective on 15 December 2021.

-Signature-

(Mr. Kan Trakulhoon)

Chairman of the Board of Directors

Advanced Info Service Public Company Limited

**Section 1**  
**Board of Directors**

**1. Leadership and Vision**

The Board of Directors (the “**Board**”) is determined that Advanced Info Service Public Company Limited and its subsidiaries (“**Company**”) will become the most-admired Digital Life Service Provider in Thailand.

The Board must have leadership skills and clear vision, and demonstrate responsibility, accountability and independence in decision making in order to govern the Company for the greatest benefit of all shareholders.

The Board shall have duties and responsibilities towards the shareholders in monitoring the executives’ performance. Segregation of duties between the Board and the executives shall be clearly defined.

**2. Composition of the Board, Appointments and Independence**

2.1 The Board shall be composed of experts with a wide range of experience in various fields. There shall be sufficient directors to govern and supervise the Company: not less than five (5) directors (as required by law) and not more than twelve (12) directors (based on the best practice) shall sit on the Board. At least one director shall be experienced in the area of telecommunications, and at least one director shall be experienced in the area of finance and accounting.

2.2 The Board shall promote board diversity in terms of gender, race, ethnicity, country of origin and nationality which can broaden its perceptive and enable it to discharge duties and responsibilities effectively as well as strengthen the decision making process.

2.3 The Board shall be representative of all shareholders, not of a particular group of shareholders.

2.4 At least one-third of the Board and not less than four (4) persons must be independent directors. More than one-half of the Board must be non-executive directors in order to ensure a good balance between executive and non-executive members.

2.5 The Board has a policy whereby the controlling shareholders of the Company are proportionally represented.

2.6 The appointment of members of the Board shall comply with the Company’s articles of association and all relevant laws in Thailand. Selection of the directors shall be transparent and clear, and processed through the Nomination and Compensation Committee.

2.7 The Nomination and Compensation Committee is responsible for identifying and selecting qualified candidates to be proposed through the Board for election at the shareholders’ meetings or appointed by the Board according to the Company’s articles of association. The Nomination and Compensation Committee shall review, on an annual basis, the skill matrix and composition of directors and make recommendations accordingly.

With respect to the nomination of independent directors, the Nomination and Compensation Committee shall take female candidate into its consideration. In determining whether to recommend a director for re-election, the Nomination and Compensation Committee. will consider the director’s performance and contribution to the Board.

2.8 To identify director candidates, the Nomination and Compensation Committee. may use the following sources:

- Recommendations from current board members
- Professional search firm
- Thai Institute of Directors' director pool.

2.9 A director's term of office is defined in the Company's articles of association. A retired director can be re-elected. However, the Board has adopted a general policy that as regards independent directors who have completed a total of nine (9) years or three (3) consecutive terms, the Board shall review their respective independent qualification each year.

### **3. Chairman of the Board, Chairman of the Executive Committee and Chief Executive Officer**

The Chairman of the Board, the Chairman of the Executive Committee and Chief Executive Officer must be competent and have the appropriate experience and qualifications for their positions. In order to maintain a balance between the supervisory and management functions of the Company, one person cannot hold these positions simultaneously.

The Chairman of the Board is a non-executive director, the leader of the Board, and has duties as the chairman of both Board and shareholders' meetings.

The Chairman of the Executive Committee shall be the head and leader of the Company's executives and be responsible to the Board for managing the Company in order to achieve all planned objectives.

Chief Executive Officer reporting to the Executive Committee and the Board shall implement the business strategy approved by the Board and conduct day-to-day business operation of the Company.

### **4. Qualifications and Requirements for the Board**

4.1 A director must be capable and honest, display the utmost integrity, conduct the business ethically, and devote sufficient time to the Company in order to perform his or her duties professionally.

4.2 A director must possess the necessary qualifications for his or her position, and not be disqualified in any way according to the *Public Company Act B.E. 2535* (as amended) or other related laws.

4.3 All directors shall allocate sufficient time to prepare for and attend Board and sub-committee meetings. An individual director shall not serve on more than four (4) other boards of publicly listed companies unless the Board grants specific approval.

All independent and non-executive directors shall consult the Chairman of the Board and Chairman of the Nomination and Compensation Committee. before he/she accepts outside board membership.

4.4 Independent directors shall meet all the qualifications stipulated by the regulatory bodies. Independent directors have a duty to protect the interests of every shareholder in a fair and impartial manner in order to avoid any conflicts of interest that may arise. They shall also attend the Board meetings and express their comments and opinions from an independent viewpoint.

**Independent directors must also meet the following requirements:**

4.4.1 Holding shares *not* exceeding 0.5 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director.

4.4.2 *Neither* being *nor* having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiaries, affiliates, same-level subsidiaries or juristic persons which may have any conflict of interest. Any audit and risk committee member, who may be appointed on or after 1 July 2010, shall have ended the foregoing relationship *not* less than two years prior to the date of appointment.

4.4.3 Not having any business relationship with the Company, its parent company, subsidiaries, affiliates or juristic persons, which may have any conflict of interest, in any manner that may interfere with his or her independent judgment, and not be, or used to be, a substantial shareholder or controlling person in its parent company, subsidiaries, affiliates or juristic persons, that may create any conflict of interest. Any audit and risk Committee member, who may be appointed on or after 1 July 2010, shall have ended the foregoing relationship not less than two years prior to the date of appointment.

The term '**Business Relationship**' aforementioned under paragraph one, includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions *mutatis mutandis*. The consideration of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

4.4.4 Not being a person related by blood or registration under laws, such as in the manner of father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.

4.4.5 Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.

4.4.6 *Neither* being *nor* having been an auditor of the Company, its parent company, subsidiaries, affiliates or juristic persons which may have any conflict of interest and not having been a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiaries, affiliates or juristic persons which may have any conflict of interest. Any audit and risk Committee member, who may be appointed on or after 1 July 2010, shall have ended the foregoing relationship not less than two years prior to the date of appointment.

4.4.7 *Neither* being *nor* having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiaries, affiliates or juristic persons which may have any conflict of interest, and not having been a substantial shareholder, controlling person or partner of the professional advisor. Any audit and risk Committee member who may be appointed on or after 1 July 2010, shall have ended the foregoing relationship not less than two years prior to the date of appointment.

4.4.8 Not conducting any business of the same nature as the Company's or its subsidiaries' businesses and is in competition with them in any material respect, nor being a substantial partner, shareholder holding more than one (1) percent of the voting shares, director (having management role), employee, officer or advisor (obtaining a regular salary) of any company whose business is of the same nature as the Company's or its subsidiaries' businesses, and is in competition with them in any material respect.

4.4.9 Not having any other manners, which may render him or her incapable of expressing independent opinions with regard to the Company's business affairs.

4.5 After having been appointed as an independent director with qualifications complying with the criteria under 4.4.1 to 4.4.9, the independent director may be assigned by the Board to take part in the business decisions of the Company, its parent company, subsidiaries, affiliates, same – level subsidiaries or juristic persons which may have any conflict of interest, on condition that these decisions must be collective ones. \*

4.6 The Company may appoint a person who has a business relationship or provides a professional service described in Item Nos. 4.4.3 or 4.4.7 above if the Board carefully considers the business relationship of service provided and concludes that the appointment will not interfere with the exercise of independent judgment in the independent director's responsibilities. The Company must disclose the following information in the item regarding the appointment of independent directors on the agenda of the shareholders' meeting.

4.6.1 The nature of the business relationship or professional service that excludes the nominated independent director from the standard requirements;

4.6.2 The reason or need to retain or appoint this person as an independent director;

4.6.3 The Board's opinion on proposing the appointment of this person as an independent director. \*

## **5. Major Responsibilities and Scope of Duties of the Board**

5.1 Perform its duties with honesty, integrity and prudence in accordance with the law and the Company's objectives and articles of association including the resolutions of shareholders' meetings, and carefully protect the Company's interests.

5.2 Set out the vision, policy and direction of the Company's operations and supervise the management team to act in accordance with plans which are set out efficiently and effectively and thereby maximize the economic value and wealth of the Company and its shareholders.

5.3 Consider and approve major issues such as large investments, policy, management authority, and any transactions as prescribed by law.

5.4 Approve or agree to all major related transactions between the Company and its subsidiaries in compliance with the relevant notifications, regulations and guidelines of the Stock Exchange of Thailand (the "SET").

5.5 Assess the performance of the Chief Executive Officer and the executive directors, and fix appropriate remuneration on a regular basis.

5.6 Be responsible for overseeing operational results and the management team's performance to ensure due attentiveness and care.

5.7 Arrange appropriate accounting systems, including the production of financial reports and a reliable auditing system; oversee and monitor the effectiveness and efficiency of the internal control, internal audit and risk management systems.

5.8 Ensure avoidance of any conflict of interest amongst the Company's stakeholders.

5.9 Supervise business operations to enforce ethical work standards.

5.10 Annually review the Company's corporate governance policy and assess due compliance.

5.11 Report on the execution of the Board's responsibility to prepare financial reports, along with the external auditor's report in the annual report covering key issues according to the Company's policy statement and the Stock Exchange of Thailand's Code of Best Practices for Directors of a Listed Company.

## **6. Sub-Committees**

The following sub-committees shall be set up to relieve the workload of the Board:

### **6.1 Audit and Risk Committee**

The Audit and Risk Committee shall be a part of the Board and be appointed by the Board. The Audit and Risk Committee shall be composed of at least three (3) independent directors with at least one (1) person having knowledge of accounting or finance and at least one (1) person having knowledge and experience of risk management so as to review the reliability of financial statements and the risk profile, appetite and tolerance. All members of the Audit and Risk Committee shall meet all the qualifications stipulated by the regulatory bodies. The authority of the Audit and Risk Committee and its scope of duties are as follows:

6.1.1 To review the Company's financial reports for accuracy and adequate disclosure in accordance with applicable accounting standards and financial reporting standards;

6.1.2 To review the qualification, independence and overall performance of the external auditors including rotation of the external auditors and to recommend to the Board on the proposal to shareholders on the appointment, reappointment or removal of the external auditors as well as the auditor's remuneration and to make a decision in the case where the management and the external auditors cannot agree on financial reports or audit engagement limitations;

6.1.3 To hold a meeting with the external auditor without management in attendance at least once a year;

6.1.4 To review the policy on the engagement of the external audit firm to provide non-audit services to the Company;

6.1.5 To review the Company's internal control system and internal audit system to ensure that they are suitable and effective, to determine the independence of the Office of Internal Audit, as well as to approve the appointment, transfer, dismissal, performance appraisal and remuneration of the Head of Internal Audit, and to hold a meeting with the Head of Internal Audit without management in attendance to review the limitations of internal audit engagements that might impair independence;

6.1.6 To review and approve the Internal Audit Charter, annual internal audit plan including budget and audit resources and internal audit activities as well as the Office of Internal Audit's collaboration and coordination with the external auditor;

6.1.7 To ensure that the quality of the internal audit is independently assessed every 5 years by an external assessor;

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

- (a) to consider risk framework which comprises risk appetite, risk capacity and risk tolerance as well as enterprise risk management, and to review adequacy of the risk management and policy prescribed by Risk Management Committee prior to propose to the Board of Directors;
- (b) to independently consider and recommend to the Board of Directors the enterprise risk oversight to ensure appropriate risk assessment, monitoring, reporting and control activities;
- (c) to assess adequacy and appropriateness of strategic risk management for the business sustainability by overseeing and balancing performance and risk taking, as well as to consider risks impacting all concerned stakeholders and persons;

6.1.9 To review that the Company complies with the requirements of The Securities and Exchange Commission, SET and all laws relating to its business;

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

6.1.11 To review the Company's compliance with Reporting and Investigation of Misconduct and or Fraud and Whistle blower Protection Policy, and consider all concerns of misconduct or fraud and the final investigation report quarterly, and be one channel to receive complaints according to such policy and to review the preparation and revision of Fraud and/or Misconduct Reporting and Whistleblower Protection Guideline prior to concurrence;

6.1.12 To oversee Anti-Bribery and Corruption Policy and its programme to ensure compliance with legal and ethical obligations as well as to review the self-evaluation form for anti-corruption system development for voluntary Thai Private Sector Collective Action Against Corruption (CAC) certification;

6.1.13 To prepare, and to disclose in the Company's annual report, an audit and risk committee's report which must be signed by the Committee's Chairman and consist of at least the following information:

- (a) an opinion on the accuracy, completeness and credibility of the Company's financial report;
- (b) an opinion on the adequacy of the Company's internal control system and the effectiveness of risk management;
- (c) an opinion on the compliance with the law on securities and exchange, SET's regulations, or the laws relating to the Company's business;
- (d) an opinion on the suitability of an auditor;
- (e) an opinion on the transactions that may lead to conflicts of interests;
- (f) the number of the Committee meetings, and the attendance of such meetings by each committee member;
- (g) an opinion or overview comment received by the Committee from its performance of duties in accordance with the charter; and
- (h) other transactions which, according to the Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors;

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

6.1.15 To report the discussion and/or decision of the Audit and Risk Committee at its meetings and make recommendation as necessary to the Board of Directors at least four times a year. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts, which may materially affect the Company's financial condition and operating results, the Audit and Risk Committee shall report it to the Board of Directors for rectification within the period of time that the Audit and Risk Committee thinks fit:

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

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

6.1.16 To have the authority to invite concerned executives, management and officers of the Company to express opinions, attend meetings or deliver documents as deemed necessary;

6.1.17 In performing their duties and responsibilities assigned, the Audit and Risk Committee may engage consultants or experts to provide opinions, advice or work, if necessary;

6.1.18 To conduct the Audit and Risk Committee's individual and group self-performance assessment annually;

6.1.19 To review its charter annually and propose to the Board of Directors for approval if changes are needed;

6.1.20 To perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit and Risk Committee.

## **6.2 Nomination and Compensation Committee.**

The Nomination and Compensation Committee shall be composed of at least three (3) directors and at least one-half of the committee must be *independent* directors. The authority of the committee and its scope of duties are as follows:

6.2.1 Fix appropriate annual remuneration in monetary and/or non-monetary form for the Board members, committee members and high level executives for the benefit of shareholders as a whole;

6.2.2 Prepare policy and guidelines to designate appropriate remuneration of the Board and high level executives to be proposed to the Board and/or the shareholders' meetings for approval.

6.2.3 Review and approve the Company's performance in order to determine the annual KPI bonus and merit-based salary increase across the company.

6.2.4 Consider and approve the Long Term Incentive Plan and all related practices.

6.2.5 Consider and approve the performance evaluation of the Company's Chief Executive Officer ("CEO") and those high level executives who report directly to CEO in order to determine their annual bonus, merit-based salary increase and long term incentive.



- 6.2.6 Consider and approve the annual bonus allocation of the Board.
- 6.2.7 Disclose policies governing the directors' remuneration in the annual report.
- 6.2.8 In consultation with the Company's CEO, identify and evaluate potential successors for the Company's CEO positions and those high level executives who report directly to CEO, and report annually to the Board on executive succession planning.
- 6.2.9 In consultation with the Company's CEO, prepare succession planning policies for the Company's CEO positions and those high level executives who report directly to CEO.
- 6.2.10 Oversee the processes by which the CEO and high level executive are evaluated.
- 6.2.11 Draw up criteria and policy with respect to nomination of Board members and committees members of the Company;
- 6.2.12 Supervise implementation of the policy on good corporate governance of the Company, annually review such policy including recommendation of any revision thereof for further consideration by the Board;
- 6.2.13 Consider and nominate appropriate persons to become Board members and/or committees members to be proposed to and approved by the Board and/or shareholders' meeting, as the case may be;
- 6.2.14 Perform other tasks as designated by the Board

### **6.3 Executive Committee**

The Executive Committee shall be composed of the Chairman of the Executive Committee and directors or any other persons with appropriate qualifications as approved by the Board.

The Board shall delegate the following authority and scope of duties to the Executive Committee:

- 6.3.1 Formulate the Company's strategic direction, management structure, and annual business plan and budget for the Board's approval;
- 6.3.2 Manage the Company's business operations in order to achieve the planned objectives and targets;
- 6.3.3 Monitor the Company's financial and operating results, and keep the Board members informed by monthly report;
- 6.3.4 Identify and evaluate new business opportunities;
- 6.3.5 Review and make recommendations to the Board regarding the Company's dividend policy;
- 6.3.6 Review and approve all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration and any other transaction related to the Company's business within the limits of authorization granted by the Board;
- 6.3.7 Review matters that require the Board's approval and make appropriate recommendations with the exception of activities that have been delegated to other board committees;
- 6.3.8 The Committee may delegate its authority to any member of the management or staff as it deems appropriate. However, such authority does not permit the Committee or appointed persons to approve any transaction between them or related persons having mutual benefits or conflicts of interest (as prescribed in the Company's

articles of association and Notifications of the Securities Exchange Commission). The approval for transactions shall be in accordance with the policies and principles already determined by the Board and regulatory bodies;

6.3.9 Report to the Board on a quarterly basis regarding the material actions taken by the Committee under the Chairman of the Executive Committee Report agenda;

6.3.10 Annually review its own performance and assess the adequacy of its charter, which may be done in conjunction with the annual evaluation of the Board and its other committees, conducted under the oversight of the Nomination and Compensation Committee.; and

6.3.11 Take any other action or assume any other powers and responsibilities that may from time to time be assigned or delegated to the Committee by the Board.

#### **6.4 Sustainability Development Committee**

The Sustainability Development Committee shall be composed of at least three (3) directors and more than one-half of the Sustainability Development Committee must be non-executive directors.

The authority of the Sustainability Development Committee and its scope of duties are as follows:

6.4.1 Define policy, strategy, operating target, and sufficient budget including any other relevant action in connection with sustainability development and propose to the Board for approval.

6.4.2 Propose any material issue of the Company in connection with sustainability development to the Board for consideration.

6.4.3 Ensure that the implementation of sustainability development policy and strategy meets the target.

6.4.4 Advise and assist CEO concerning the sustainability development operation.

6.4.5 Report the sustainability development performance to the Board.

6.4.6 Review the sustainability development report and propose to the Board for approval.

6.4.7 To perform other duties as assigned by the Board.

### **7 Board Meetings**

The Board shall meet at least six (6) times a year according to the prearranged annual schedule. Extraordinary meetings are allowed if they are required. In preparation for a meeting, the Chairman of the Board or the Vice-Chairman of the Board shall peruse and agree to all the items on the meeting's agenda. The Chairman of the Board shall be responsible for delivering the relevant documents and notification of each meeting to Board members not less than seven (7) days before the meeting is scheduled, in order to allow adequate time for Board members to prepare.

The Board expects each director to make a reasonable effort to attend all meetings of the Board and sub-committees on which they serve. Although the Board recognizes that, on occasion, circumstances may prevent directors from attending meetings, they are expected to ensure that other commitments do not materially interfere with the performance of their duties. All directors are expected to attend a minimum of 75% of regularly scheduled board and committee meeting either physically or via video/telephone conference.

The Chairman of the Board shall preside over the meetings, be responsible for monitoring the proceedings, and allocate sufficient time to each item on the agenda for the directors

to discuss, express their opinions independently, and represent all the shareholders and interested persons equally. The relevant members of the management team are also required to provide the necessary information for consideration of important matters.

Company Secretary is responsible for supporting the Board of Directors, coordinating between the Board and the management, publishing and circulating of Board minutes within fourteen (14) days after each meeting. He/she is responsible for filing the minutes and directors' personal information. In addition, he/she is also responsible for assisting the Board to perform their duties as required by law, the Company's articles of association, and the resolutions of shareholders' meetings, promoting the good corporate governance and being a contact center for investor, as well as performing other tasks as stipulated by laws.

## **8 Non-Executive Directors Sessions**

The non-executive directors shall conduct meetings without the presence of executive directors at least once a year. This is to give an opportunity to discuss any subjects of interest related to the business operations of the Company.

The Chairman of the Board shall preside over these non-executive director sessions. If the Chairman of the Board is unable to attend, the directors who are present shall select and appoint one of their members to chair the meeting. The Company shall arrange for a secretary of the meeting.

## **9 Succession Plan**

A succession plan for the Company's Chief Executive Officer and senior executives shall be developed in order to maintain the confidence of shareholders and stakeholders and allow business operations to continue without interruption when these positions become vacant.

The Board has authorized the Nomination and Compensation Committee. to set up succession planning criteria for senior executives and nominate the new Chief Executive Officer whenever this position becomes vacant. The succession plan shall be reviewed annually and the Chairman of the Nomination and Compensation Committee. shall update the Board on a regularly basis.

## **10 Communication with Management**

The directors shall be allowed to access and communicate directly with the management team, the Secretary to the Board and the Company Secretary. However, this access and communication should not interfere with or interrupt the Company's normal business operations.

## **11 Remuneration**

The remuneration for the Company's directors and executives shall be in line with their duties, responsibilities and contribution, and be comparable to industry standards in order to retain and motivate qualified people. The Nomination and Compensation Committee. shall consider and propose adequate and appropriate remuneration to the Board and/or shareholders on an annual basis for their approval.

## **12 Training and Development**

A newly-appointed director shall be provided with all necessary details about the Company, applicable laws and regulations, and information on the current business environment in order to facilitate his or her duties. A continual training and development program will also be provided to equip each new director with all the necessary skills required to discharge his or her duties and govern the Company efficiently.

## **13 Board Assessment**

A formal performance evaluation of the Board as a whole, its sub-committees and the individual directors shall be conducted annually. The results shall be used as a basis for strengthening the effectiveness of the Board and developing its members. The Board shall engage an external consultant to conduct an independent evaluation of itself at least once every three (3) years.

**Section 2**  
**Rights and Equitable Treatment of Shareholders, and**  
**The Role to Stakeholders**

**1. Shareholders' Rights and Equitable Treatment**

The Board respects the shareholders' rights and has a duty to protect the benefits of every shareholder equitably, regardless of whether they are institutional, retail, local, or foreign. Every shareholder is entitled to the rights and equitable treatment detailed below:

- 1) The right to receive share certificates and share transfers, and to be sufficiently informed of operating results and management policies on a timely basis.
- 2) The right to an equitable dividend.
- 3) The right to participate in meeting, to vote, and to make recommendations on decisions concerning major corporate actions.
- 4) The right to elect directors.

In addition to the above rights, every shareholder is entitled to the rights and equitable treatment stipulated in the Company's articles of association and all relevant laws.

**2. Shareholders' Meetings**

The Company has a policy to conduct shareholders' meetings according to the laws and guidelines prescribed by the regulatory bodies.

In each shareholder's meeting, every shareholder has the right to give his or her opinion and query any of the information presented which is relevant to the agenda and the issues being discussed. The chairman of the meeting shall allocate an appropriate period of time for each item on the agenda and encourage all attendees to participate in the discussion and express their opinions.

The Company invites shareholders to propose agenda item in advance and to nominate the qualified person as the Company's director on its Annual General Meeting of Shareholders. The Company will announce the criteria for shareholder to propose agenda, channel for submitting proposals and consideration procedures to the Stock Exchange of Thailand and on the Company's website, in accordance with the principle of good corporate policy relating to the promoting of shareholders' right.

At each shareholder's meeting, the Company shall serve a notice, once completely prepared, or posed visibly on the Company website at <http://investor.ais.co.th> not less than fourteen (14) days in advance, so the shareholders shall have access to information prior to the meeting. Each agenda shall contain opinion by the Board of Directors and the minutes of the meeting shall be accurately recorded for review by shareholders.

The notice contains detail informing shareholders to bring all necessary documents to each meeting so as to preserve their voting rights. On the day of the meeting, shareholders can register their right 2 hours before the meeting commences.

In each meeting, at least one independent director shall be appointed as a proxy for shareholders who cannot attend the meeting, and every party shall be informed beforehand in the notification of the meeting. Every shareholder shall have the right to vote separately for each item on the agenda. The Board shall not aggregate irrelevant matters and request approval in one resolution.

It is the duty of all directors to attend every shareholder's meeting in order to answer any queries the shareholders might have.

### **3. Communication with Stakeholders**

The Company is aware of the rights of stakeholders who may wish to offer in writing any suggestions, report unfair treatment, illegal acts, or any activity that infringes the Company's Business Ethics, to the Company Secretary at the following address:

Advanced Info Service Public Company Limited  
Company Secretary Office  
414, 28<sup>th</sup> Floor, AIS Tower 1,  
Phaholyothin Road, Samsen Nai,  
Phayathai, Bangkok 10400  
or email at [companysecretary@ais.co.th](mailto:companysecretary@ais.co.th)

All suggestions, complaints or reports shall be forwarded to the related parties and all actions taken reported to the Board of Directors.

### **4. Role to Stakeholders**

The Company is aware of the rights of stakeholders and has a policy to ensure the importance of these rights by the appropriate prioritization of all stakeholders as follows: shareholders, employees, executives, customers, partners, creditors, and society. Cooperation between stakeholders shall be established according to their roles and responsibilities so that the Company can run its operations smoothly and effectively in order to benefit all groups of stakeholders fairly.

### **Section 3**

#### **Disclosure of Information and Transparency**

##### **Roles and Duties of the Board regarding Information Disclosure and Transparency**

1. It is the duty of the Board to disclose financial information, operating performance, and other relevant information accurately, completely, thoroughly and in a timely manner to all shareholders and stakeholders in the Company.
2. There shall be an investor relations unit to represent the Company and communicate useful information to shareholders, investors, securities analysts, and other concerned parties.
3. The Company has a policy to disclose the following information to the public:
  - 3.1 The Company's objectives;
  - 3.2 The Company's financial status and operating performance, shareholding structure, and voting rights;
  - 3.3 Name lists of directors and sub-committee members, Chairman of Executive Committee, Chief Executive Officer and directors' remunerations;
  - 3.4 Risk factors and risk management policies on material and foreseeable risks, both operational and financial;
  - 3.5 Corporate governance structures and policies including the responsibility of the Board regarding financial reports, the reports of the Chairman of the Audit and Risk Committee, and all other related reports;
  - 3.6 The total attendance of each director and/or each sub-committee member at their respective meetings shall be compared with the total number of meetings of the Board and/or the sub-committees in each year and shall be disclosed in the annual report.

In addition, the Company is under obligation to disclose any information that is required by law or related regulations.

## **Section 4**

### **Internal Control and Risk Management Systems**

#### **1. Internal Control**

The Board shall arrange and maintain the Company's internal control system in order to safeguard the shareholders' investment capital and the Company's assets.

It is the Board's duty to review the efficiency of the internal control system at least once a year and report its performance to the shareholders. The review shall cover all matters pertaining to financial controls, operational controls, compliance controls and risk management.

#### **2. Internal Audit**

There shall be an internal audit unit, reporting functionally and directly to the Audit and Risk Committee, and administratively to the highest level of management. The internal audit unit's responsibilities are to cover consulting services, and to audit and evaluate the internal control system, the risk management system and the corporate governance system.

#### **3. Risk Management**

There shall be a policy to manage both internal and external risk factors affecting the Company at an appropriate and acceptable level. There shall be an audit and risk committee, consisting only of independent directors. The duties of the Audit and Risk Committee are to evaluate and review the results of risk assessment in each department and review the risk management plan and policy for the Board's approval at least once a year.

Risk management is a part of the Company's annual business plan process and is aligned with its objectives, goals, and strategic plan of the Company. As the risk owners, management and all staff members shall be responsible for assessing the risks related to their respective departments and business processes, so as to evaluate the effectiveness of existing controls, and propose action plans for mitigating the risks as well as reporting them to the Audit and Risk Committee and the Board.



## **Section 5**

### **Code of Business Ethics**

The Company expects its joint venture companies to comply with the Code of Business Ethics in all material respects in the same manner as its subsidiaries.

#### **1. Stakeholder Recognition**

The Company recognizes the rights and equality of all stakeholders then sets out our practice guidelines in connection with the stakeholders according to the law and sustainability coexistence as follows:

##### **1.1. Responsibility to Shareholders**

The Company acts as a representative to its shareholders in carrying out the business in order to maximize shareholder satisfaction with regards to sustainable growth of the Company's value in the long term future, and the disclosure of transparent and reliable information to its shareholders.

##### **1.2. Responsibility to Customers**

Customer satisfaction and consumer confidence are very important to the Company, which aims to provide high quality goods and services at reasonable prices, and maintain a good relationship with its customers. The Company has thus determined the following guidelines:

- The Company shall provide high quality products and services, and continuously strive to improve these. The Company shall also provide complete and accurate disclosure of all information pertaining to its products and services without any misrepresentation.
- Directors, management, and staff members at all levels shall not disclose any information on customers without prior permission from those customers or authorized personnel of the Company. The only exception to this is information requested by law enforcement officers acting in accordance with the law.

##### **1.3. Responsibility to Business Partners and Creditors**

The Company's dealings with any business partner shall be conducted in a manner that upholds its reputation and all relevant laws. All Company personnel must be aware of the common interests of the Company's business partners and treat them equitably. The selection of business partners shall be fair. The Company shall also consider its business partners to be the key factor in jointly creating a value chain for customers.

The Company shall keep all its promises and perform in accordance with the terms and conditions agreed with its creditors for the repayment of principal and interest, as well as safeguarding all guaranteed assets.

##### **1.4. Responsibility to Staff**

All members of staff are valuable assets and a critical success factor, so the Company must place emphasis on developing and promoting a good culture and working atmosphere, teamwork, courtesy, and respect for individuality. The employment, promotion and transfer of all staff members shall be conducted in a fair manner based on ethical standards whilst maximizing human resource utilization.

The Company is responsible for implementing and maintaining a safe working environment to protect the lives and property of its employees. The Company must also adhere strictly to the labor law.

The Company respects the privacy of all its staff members and will not disclose any personal information such as salaries, medical records or family data to anyone who does not have the right to that information unless it is required to do so by law.

### **1.5. Business Competition**

The Company has a policy of free and fair competition, and will not acquire information about its competitors by any illegal or unethical methods.

### **1.6. Responsibility to Society and Environment**

The Company is aware that it is a Thai company and has a responsibility to Thailand and Thai society. The Company is committed to making a contribution to society by supporting activities of public interest and cooperating with the communities in which those activities are located.

The Company has a policy to produce goods and render services that are environmentally friendly and comply with all related environmental laws.

The Company supports activities that protect the environment and save energy. In addition, the Company has a policy to purchase and promote the use of products that are environmentally friendly.

## **2. Conflict of Interests**

Directors, management, and staff members at all levels involved in any outside interest or additional source of remuneration which may impair their independence towards performing their duties, or may affect the interests of the Company or their customers, shall adhere to the following regulations:

### **2.1 Receiving money or other remuneration**

Directors, management, and staff members at all levels shall not personally receive any money or benefits whether directly or indirectly from the Company's customers or business partners, or from any other persons when working on behalf of the Company.

Directors, management, and staff members at all levels shall not borrow or raise funds from, or lend money to, the Company's customers or business partners, unless they are independent customers of banks or financial institutions which are connected to the Company.

### **2.2 Engaging in other business outside the Company**

Directors, management, and staff members at all levels shall not engage in any other business that affects their performance, duties and working hours in the Company. Every member of the Company is prohibited from participating in any other business which is in competition with the Company, regardless of whether the management or the staff directly or indirectly benefit from that business.

### **2.3 Engaging in business with the Company**

Every director, manager and staff member shall disclose his or her relationship including those of their families' members namely: parents, spouses, unmarried life partners, siblings, off springs and their spouses and adopted children with any other business entity the Company may be dealing with, according to the Company's disclosure criteria

No director, manager or staff member may approve a business transaction on behalf of the Company if he or she has a conflict of interests related to that transaction.

Prior to entering into any business transaction, the person executing business transaction on behalf of the Company has a duty to examine whether there is any relationship between business partners and the Company's directors, managers and staff members who are conducting business with those partners so as to prevent any potential conflict of interest that may arise. In this regard, based on the Office of Securities and Exchange

Commission's regulations concerning connected transactions, the following business partners are presumably having relationship with the directors, executives and staff members:

- (a) *Business Partners as Individuals*: Business partners are those who used to be the Company's directors, executives or staff members not over a year ago or being parents, spouses, domestic partners, siblings, children including their spouses and adopted children of the Company's directors, executives or staff members (including those of the persons who used to be the Company's directors, executives or staff members not over a year ago); and
- (b) *Business Partners as Juristic Persons*: Business partners which the Company's directors, executives or staff members (including those who used to be the Company's directors, executives or staff members not over a year ago) or the parents, spouses, domestic partner, siblings, children including their spouses and adopted children of the persons specified in this clause (b) are the directors, executives, consultants or shareholders either directly or indirectly holding shares more than ten (10) per cent of the total outstanding shares of such business partner in aggregate.

In case that any business partner appoints a representative, sub-contractor or any other person to co-perform their works as assigned by the Company and such persons having the same characteristics as described in paragraph (a) and (b) above, then those persons including the business partners themselves are presumably considered having relationship with the Company's directors, executives and staff members.

**2.4 Outside directorships or profit organization outside the Company**

The Company has no policy to nominate members of its management team as board members of a company or profit organization outside the Company. In the event that a member of the management team with a job grade of 13 or above is invited to serve on the board of a company or profit organization outside the Company, approval is required as outlined below, unless the invitation is for a non-profit organization, which a written notification in relation thereto has been made as outlined below.

Authority for approval or notification is as follows:

Title	Approved by:
Manager with job grade 13-15	The Chairman of Executive Committee
Manager with job grade(UC Level)	The Executive Committee
Executive Director	The Board of Directors

In this regard, the invitation as aforesaid does not infringe any related laws or regulations governing the Company's business. Furthermore, the person involved shall not use his or her position in the Company to promote the business of the outside company.

**2.5 Receiving gifts and entertainment**

Every director, manager and staff member should refrain from accepting monetary or non-monetary gifts either things, services or otherwise from the Company's business partners, suppliers, customers, creditors or any other person they are dealing with on

behalf of the Company for personal gain whether directly or indirectly, except the circumstances specifically stipulated in the Company's internal regulations.

Every director, manager and staff member can accept normal business entertainment provided by business partners, suppliers, customers, creditors or any other person they are dealing with on behalf of the Company. However, any member of the Company should avoid accepting entertainment which is beyond normal relationship or improper manner from other persons in connection with the Company or those who might be partners with the Company in future.

### **2.6 Accepting invitations to seminars, business events and company visits**

Every director, manager and staff member cannot accept invitations to seminars, business events and company visits where the traveling and accommodation expenses are sponsored by suppliers, customers, creditors or any other person they are dealing with on behalf of the Company except those circumstances stipulated specifically in the Company's internal regulations. No director, manager or staff member may accept money or other benefits provided by suppliers, customers, creditors or any other person who they are dealing with on behalf of the Company for these events when they travel to seminars, business events and company visits.

### **3. Giving Gifts, Entertainment and Gratuities**

The Company has no policy to give money, incentives or other special benefits to its suppliers, customers, creditors or any other person in order to influence, or in exchange for, business deals, with the exception of providing normal business entertainment, trade discounts or promotional campaigns.

### **4. Human Right**

The violation of human rights is a serious issue that has far-reaching implications across Thai society as a whole. As a corporate citizen, the Company is committed to treat all of our stakeholders with respect and equality under Universal Declaration of Human Rights.

### **5. Participation in Political Activities**

The Company has a policy of political neutrality and does not make donations to any political party. The Company also avoids activities that may favor any particular political party.

Directors, management, and staff members at all levels are able to participate in political activities under the terms of the Constitution of Thailand. However, no member of the Company shall claim the status of being a Company employee or use any of the Company's property or equipment for the purpose of political activities.

Any director, manager or staff member who accepts a politically related position or stands for any local or national elections in any constituency in Thailand must resign from the Company forthwith.

### **6. Safeguarding the Company's Assets**

Directors, management, and staff members at all levels are responsible for looking after, maintaining and maximizing the use of property and fixed assets belonging to the Company, and shall not use any of these for their own or others' benefit.

The Company has a policy to prepare all business documents and financial reports, and record all accounting and financial data on an honest and timely basis, in compliance with generally accepted accounting standards and related laws.

No director, manager or staff member may disclose material inside information to any party that has no right to access that information. It is the duty of every member of the Company to secure and protect confidential information, data and documents.

In this regard, the rules and practical guideline in relation to confidential personal data management shall be in accordance with the data privacy policy of the Company

## **7. Use of Inside Information and Trading of the Company's Securities**

Directors, management, and staff members at all levels shall not use any significant inside information about the Company which has not been disclosed to the public, for their own or others' benefit.

Directors, management, and staff members at all levels shall have the right and freedom to invest and trade in the securities of the Company and Intouch Holdings Public Company Limited (collectively hereinafter referred to as "Group Securities"). However, in order to prevent conflict of interests, for a period of thirty (30) days prior to the disclosure of either quarterly or annually financial statements to the public

- (a) Directors, executives and designated persons shall not trade the Group Securities;
- (b) Other staff members not mention in paragraph (a) above should avoid or suspend trading of the Group Securities.

In this regard, the rules and practical guidelines in relation to the trading of Group Securities shall be in accordance with the Securities Trading Policy of Directors, Executives and Employees.

## **8. Distribution of Information and Interviews with the Press or Public**

The distribution of information about the Company shall be conducted in a factual, accurate and careful manner.

A Company employee who is not authorized or assigned to speak to the press shall not give any interview with the media or the general public, nor disclose any information about the Company which may adversely affect their reputation or business operations.

## **9. Related Transactions within the Company**

In the case of related transactions amongst the Group Company, the Company shall conform to the rules and procedures of granting approval by upholding its best interests as if the Company were dealing with outside parties on an arm's length basis.

## **10. Anti-Money Laundering**

The Company will not accept, transfer, or convert of assets or support any actions insofar as such assets are related to illegal activities with a view to preventing anyone utilizing the Company as the channel for transferring, concealing or hiding the origin of illegal assets which would damage the reputation of the Company and/or stakeholders.

## **11. Intellectual Property**

The intellectual property (i.e. copyrights, patents, trademarks and trade secrets), either belong to the Company or otherwise, is essential for maintaining the competitive advantage in business. Directors, executives and staff members shall uphold and protect the Company's intellectual property rights and utilize them responsibly including respecting other intellectual property rights as well.

## **12. Compliance with Laws, Rules and Regulations**

Directors, management and staff members at all levels shall abide by the laws and all related rules and regulations pertaining to their position. No member of the Company shall commit or support illegal acts.

### **13. Supervision and Administration**

13.1 Every director, manager and staff member shall acknowledge, understand, and strictly adhere to the Company's Code of Business Ethics (the "Code") in the performance of his or her duties. If any unethical conduct is discovered, the Company shall consider and take reasonable actions against wrongdoer by issuing warning either verbally or in writing; and if such non-compliance act is against the Company's general regulations or working regulations, he/she should be punished appropriately under the process specified in the Working Regulation of the Company.

Directors, executives and employees shall communicate to their family members (i.e. parent, spouse, unmarried life partner, sibling, offspring and his/her spouse, including adopted children) regarding the principles of Code of Business Ethics and Anti-Bribery and Corruption Policy.

13.2 It is the duty of every director, manager and staff member to acknowledge the Code in writing when they first join the company and further acknowledge and understand all amendments that are made and communicated.

13.3 Directors, executives and staff members shall not conduct any act with the intention to avoid complying with the Code or take parts in any action of their family members, relatives, acquaintance so as to get around the principles thereunder for any indirect personal gain.

13.4 All executives and supervisors should behave as role models in compliance with this Code for the staff, promote the Code among their subordinates and encourage all of them to comply with its conditions.

13.5 A Business Ethics Committee shall be established, comprising of the Company's Chief Executive Officer, acting as the chairperson, and other department heads including Internal Audit, Human Resources, Company Secretary and Legal. The roles and responsibilities of the Committee are as follows:

- Periodically review and update the Code;
- Receive and investigate any complaints regarding non-compliance with the Code;
- Answer any questions that may arise and provide an interpretation of the Code if a situation is unclear;
- Annually report the committee's activities to the Audit and Risk Committee, Executive Committee and the Board;
- Create awareness and promote the Code within the Company and provide training for the staff in order to encourage every employee to behave in accordance with the Code; and
- Appoint other working sub-committees to perform tasks as delegated by the Committee.

13.6 Any waivers to the Code for executives and directors must be approved by the Board.

### **14. Reporting of Non-Compliance and Whistle Blower Protection**

Every director, executive and staff member has a duty to report any activity that infringes the Code or situation where they were forced to perform a task that conflicts with the Code, to their supervisor or the Business Ethics Committee, as the case may be promptly.

The Company has a policy to protect the identity of anyone who reports non-compliance with the Code. All information received will be treated in the strictest confidence.