

Internal Control and Risk Management

I.C.C. International Plc. adheres to teamwork spirit, based on transparency and good corporate governance, which have been the company's management philosophy for many years. This has proven to be one of the key factors in maintaining effective internal control systems.

The Audit Committee attended and reported the audit result to the Company Board of Directors at the 10/2559 Board of Directors Meeting on 24 February 2017, whereby the Board assessed the corporate internal control system on the basis of information from corporate management and the auditors' report. A summary of the findings concluded that in the assessment of the corporate internal control system which consists of the five elements: control environment, risk management, control measures, information technology and communication and monitoring, the board concurred with the opinion of the Audit Committee that the corporate internal control system is adequate and appropriate.

Since 2004, the company has appointed an outside party, Dharmniti Internal Audit Co., Ltd. as consultant to oversee the quality of internal auditing and control, in the interests of self-improvement and in response to the ever-changing internal and external environment. The Audit Committee, for its part, has appointed Mr. Khamnueng Sarisra, a Partner in Dharmniti Internal Auditing Co., Ltd., as an internal auditor.

The Audit Committee has scrutinized the qualifications of Dharmniti Internal Audit Co., Ltd. and Mr. Khamnueng Sarisra and found that they are suitably qualified for this task because of their independent standing and 10 years of experience in internal auditing of businesses with the same nature as the company's.

Resume

Name :

Khamnueng Sarisra

Current Position :

Partner of Dharmniti Internal Audit Co., Ltd.

Education :

Bachelor Degree from the Faculty of Business Administration, Ramkhamhaeng University
Mini MBA from Thammasat University

Summary of Training :

1. Course in Preparation for Corporate Registration in the Stock Exchange of Thailand
2. Course for Internal Auditors, Classes 1-2
3. Course in Operation Audit
4. Course in Risk Management

5. CPIAT Diploma for International Auditors

Work Experience :

1. 13 years of internal auditing
2. 15 years of account auditing and system designing

For better efficiency in auditing, the company has mandated that the internal auditor coordinate with the Secretary of the Audit Committee who is responsible for the Internal Audit Unit, reporting directly to the Audit Committee on a monthly basis.

Dharmniti Internal Audit Co.,Ltd. has coordinated closely with the company's Internal Audit Unit to submit and discuss the audit results with the President before reporting in writing to the Audit Committee every month. This is aimed at exchanging views and opinions for further internal audit works especially the issues regarding the control of sales management to ensure consistency and promotion of the company's business which has become more diversified and complicated.Emphasis continued to be placed on development of information technology in support of internal auditing process in line with the company's business development plan. For operations in 2016, Dharmniti Internal Audit Co., Ltd., as the company's internal audit consultant, reported that I.C.C. International Plc. had adequate and appropriately effective Internal Control Systems.

Organization and Environment

The company's organizational nature and environment enable management to implement actions efficiently and effectively, with clear set objectives in business operations, whereby performance can be clearly followed up and evaluated and managed on the basis of good corporate governance and fairness, mainly taking into consideration fairness to customers.

Risk Management

The Risk Management Committee, comprising

- Mr. Amorn Asvanunt as Chairman
 - Mr. Thamarat Chokwatana as members
 - Mr. Pairoj Hirunwongsawang as members
 - Ms. Munchusa Terapongpipat as members
 - Mr. Nattaphat Petchratanaporn as members
 - Mrs. Pitacha Poesunthornsri as members
 - Mrs. Duangrudee Milintanggul as member and secretary
- reported progress in risk management for the Year 2016 to the Audit Committee.

In 2016, the "Corporate System Development" Department has cooperated with Working Committee to improve Core Operation Systems as advised by experts of KPMG Phoomchai Business Advisory Ltd.and have adjusted and improved Work

Process for each work system under the Risk Assessment Guideline in collaboration with the Corporate System Development unit, in order to improve efficiency and effectiveness of the company's work processes, core operation systems under the risk management evaluation, which covered strategic, operational, as well as fraud and corruption risks in order to enhance the company's preparedness in the face of changing internal and external situations and to bolster sustainability of its business.

Control of Administrative Operations

I.C.C. International Plc. provides a clear and written delegation of authority and financial approval limit for each level of the management. In conducting transactions with major shareowners, directors, management executives or other related parties, the company has adhered strictly to the official procedures and regulations.

For clarity of personnel's legal obligations, the company has issued sets of regulations for strict adherence by employees in accordance with the corporate rules and related laws concerning the corporate governance policies, business ethics and employee ethics.

The Audit Committee, together with the Vice President of Accounting and Finance, have carefully scrutinized on the basis of transparency seventeen inter-related transactions, including the anticipated benefits in line with market situation and conflicts of interests of related parties, prior to proposing them to the Board of Directors for approval.

During the year, the Board of Directors developed the policy that management report periodically through executive summaries on significant and binding transactions that were carried out by authorized staff, with a view to fostering good corporate governance and providing better risk management.

The company has signed and announced its intention to become a member of the Private Sector Collective Action Coalition against Corruption: CAC. In 2016, the company filed for certification of anti-corruption standard from the Institute of Thai Directors. The Management and Working Committee of the company have abided by the set procedure as well as submitted evidences of documents for the Certification Process. Nevertheless, the Corporate Governance Committee conducted self-evaluation based on the 71 Business Principles for Countering Bribery as well as providing Risk Assessment and Internal Control Guidelines of the company. The Audit Committee has audited its own Internal Control System based on self-assessment format guideline in relation to the 71

Business Principles for Countering Bribery. On 14 October 2016, the company has been accepted and certified as a member of Thailand's Private Sector Collective Action Coalition against Corruption.

Furthermore, the Board of Directors and the management team have motivated and enforced the operational discipline of employees in compliance with legal and regulatory procedures, as well as the principles of good corporate governance as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

Information Technology and Data Communication Systems

The company always provides sufficient and comprehensive information to the Board of Directors to consider in the meetings and sets meeting dates well in advance.

Monitoring

The company has set clear objectives in writing for business operations, with systematic monitoring and solution directions, in case operations deviate from targets.

Accountant Profile

According to Accounting Act, B.E. 2543, the Company's accountant is Mr. Nuttaphat Petchratanaporn, Vice President, Accounting & Finance Division. He is responsible for providing accurate and sufficient company financial statements. His qualification as an accountant is as followed :

Profile

Name :

Nattapat Petchratanaporn

Current Position :

Executive Director, Vice President to Accounting & Finance Division

Education :

Bachelor's Degree in Accounting, Bangkok University

Professional Experience :

1. Accounting Experience 33 years
2. Financial Experience 5 years

Training Records :

1. Accountant Course
2. Corporate Tax Course
3. Annual Accounting Standards Course
4. Director Certification Program (DCP 139)
5. CFO Current Issue