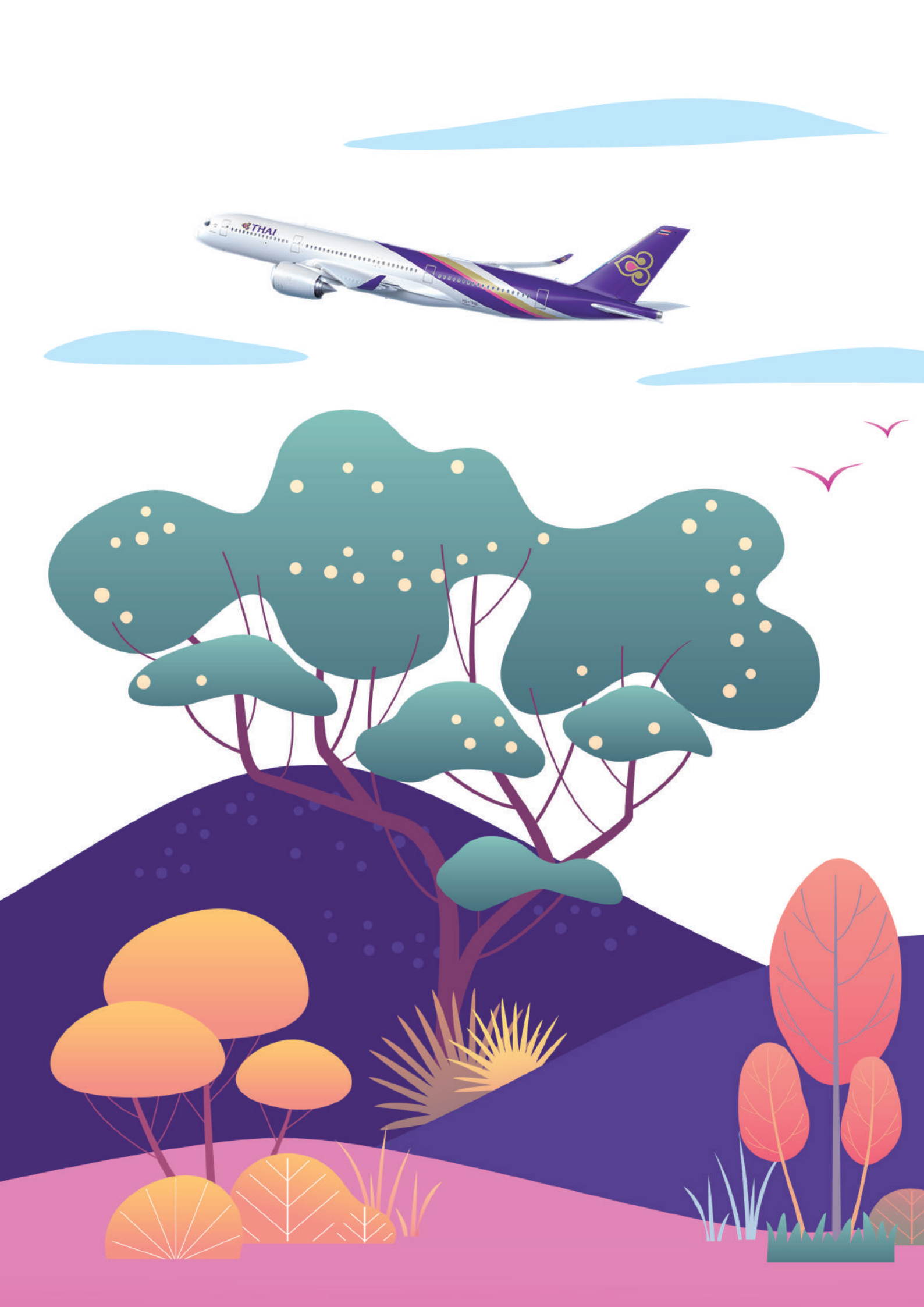


SUSTAINABLE DEVELOPMENT REPORT 2018

Thai Airways International Public Company Limited





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Message from Chairman

(102-14)

In my capacity as the Chairman of Thai Airways International Public Company Limited (THAI) I am dedicated to make all possible efforts to provide support in moving THAI forward and to ensure the Company's sustainable growth and expansion into the future. I am determined to reposition THAI among the world's top five airlines and maintain its status as national premium airline operating in accordance with the Environmental, Social and Governance (ESG).

Among all the key issues, Good governance is one of the fundamental elements in the work performance of the members of the Board of Directors and every staff member. To create greater understanding and awareness of this matter, a revised "good corporate governance" manual was distributed to employees to be used as a guideline on work performance in accordance with the internationally recognized good corporate governance standards. A joint declaration of intent was signed by the Board of Directors, executives, and employees in the addendum to the manual, signifying their sincere commitment to carrying out their duties with integrity, honesty, transparency, and

accountability. This will pave the way for THAI to transform into a "virtuous organization" in a concrete manner, promoting integrity in its operation with strong good governance principles in accordance with national strategies for prevention and suppression of corruption as well as respect for human rights and fair labour treatment. It will also help enhance trust among stakeholders and enable THAI to ensure sustainable business operations at both domestic and international levels.

As for the environmental conservation, THAI is fully aware of the impacts as a result of Climate Change and prepared to accommodate the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to compensate and reduce carbon emission for international flight operations. THAI has also placed equal emphasis on improved efficiency of its flight operation in order to reduce fuel consumption through a number of projects including Fuel Management, Route Optimization, New Potable Water Uplift and Performance Based Flight Planning.

A number of social contribution projects and activities were organized as part of the company's efforts for the society and communities. These included air ticket support for international rescue teams to assist youth trapped in The Tham Luang Khun Nam Nang Non cave in Chiang Rai province, northern Thailand, provide donations and assistance in transporting donated items from the public and other organizations in aid of natural disaster victims both within and outside Thailand as well as purchasing of agricultural products from the local communities.

On behalf of the Company's Board of Directors, I am delighted to be part of the effort to promote and support the Company's environmental, social and governance operations. I am also very proud to encourage all employees to take part in these operations that bring greater awareness of the shared interests of the Company and society as a whole, in order to bring about sustainable development for the future.



Mr. Ekniti Nitithanprapas
Chairman of the Board



Message from Chairman of Corporate Governance and Social Responsibility Committee ⁽¹⁰²⁻¹⁴⁾

As Thailand's flag carrier, Thai Airways International Public Company Limited (THAI) has always been committed to and aware of its role in sustainable development through its corporate social responsibility operations under the Sustainable Development Goals (SDGs) and Environmental Social and Governance (ESG) frameworks. Operational highlights for 2018 include improvements of Good Governance manual implemented in September 2018, and the assessment of good governance policy and others related. This will ensure that THAI's business operations follow the good governance assessment guidelines established by the Thai Institute of Directors (IOD). Activities were also organized to mark the annual Corporate Governance Day or CG Day 2018 in support of the anti-corruption policy, creating good corporate culture throughout the organization and bringing the highest benefit to THAI and the nation. Plans are in place to move forward with the THAI ethics project to enhance corporate ethics leading to greater work efficiency and productivity. A special working group has been established to announce the company's intention in being part of the Collective Action Coalition Against Corruption (CAC)

We are fully aware of the environmental impact as a result of the business operations. Keeping that in mind, I am pleased to announce that THAI's operations have been streamlined and enhance to be even more environmentally friendly. Our actions include improvements of flight efficiency, participation in the carbon footprint projects, and voluntary greenhouse gas reduction

activities in accordance with Thailand's the T-VER standard. THAI is also active in the area of waste management in order to reduce waste from its operations. Social responsibility and contribution is equally important. Activities were organized in aid of those affected by the natural disasters both within and outside Thailand. THAI provided air transportation for rescue teams to help youth trapped in The Tham Luang Khun Nam Nang Non cave, in Chiang Rai province. Educational scholarships were also given to underprivileged children in the remote areas of the country while the "Miles for Happiness" project to raise fund for the medical equipment at Siriraj Hospital.

On behalf of the Company's Corporate Governance and Social Responsibility Committee, I would like to convey my appreciation to all THAI employees and each of those involved for their long-standing support and dedication in being at helm of THAI's success in achieving the company's Sustainable Development Goals.

Air Chief Marshal



Treetod Sonjance

Chairman of Corporate Governance and
Social Responsibility Committee



Message from President

(102-14)

Operating under the vision of “National Premium Airline with Touches of Thai and Effective Management for Sustainable Profitability”, Thai Airways International Public Company (THAI) has remained committed to developing and enhancing its service capability in order to remain competitive in a challenging business environment.

Strategic reform plans have been exercised in order to increase its competitive edge in five areas: 1) aggressive profit 2) business portfolio 3) customer experience 4) digital technology and 5) effective human capital management. THAI is also working in close cooperation with other state enterprise partners with the aim of reposition itself among the world’s top five airlines and international premium airline.

THAI has continued to prioritize the management of its business operations in alignment with the Sustainable Development Goals (SDGs) which have been integrated into all of the key business processes. These undertakings were built on its attention to “CSR in Process”, which the Company has continuously been strictly followed and implemented. We recognize that concerted efforts and commitment from all THAI employees are critical in accomplishing the company’s strategic reform plans within the anticipated timeframe. This will help ensure successful operations and future development of THAI as well as solicit positive response and satisfaction from its stakeholders.



A handwritten signature in black ink, which appears to read "S. Damrongchaitham".

Mr. Sumeth Damrongchaitham
President



About THAI

Vision (102-16)

“National Premium Airline with Touches of Thai and Effective Management for Sustainable Profitability”

Thai Airways International Public Company Limited (THAI), as the national premium airline providing air transportation services for both passengers, cargo and mail, is determined to be a source of Thai people’s pride. By providing world-class service with touches of Thai in line with international standards, THAI maximizes customers’ satisfaction through effective management for sustainable profitability.



Mission

THAI's key mission focuses mainly on customers, shareholders, employees and society as follows:

- Provide both domestic and international air transportation services with special emphasis on maintaining the highest standard of safety and travel comfort through integration of unique Thai identity to deliver value products as well as promote good **customer** experience and relations
- Promote good governance in business operations in accordance with international requirements to create sustainable growth for the organization and good return on investment for **shareholders**
- To become a Knowledge Organization and create **employees'** strength, giving them the opportunity to work to their full capacity while recognizing the importance of customers, enhancing their skills and responsibility as well as organizational commitment
- Promote corporate social and environmental responsibility as the national premium airline

THAI is dedicated to carry out its business operations following the **Good Governance Principle**

Core Values

(102-16)

To ensure sustainable development and expansion of THAI, enabling the company to compete in a fast-changing business environment, THAI follows three core business values as follows:

- 1 Focusing on creating customer satisfaction
- 2 Providing world-class services
- 3 Promote value creation for every business dimension



Four Key CSR

Operational Frameworks

- 1 To show dedication and commitment in managing the environment combined with green innovation and concepts
- 2 To establish social and environmental projects in line with "Travel Green" concept
- 3 To organize activities to create greater awareness of social and environmental responsibility for every level of employee
- 4 To organize THAI's own communication and public relations activities for social and environmental awareness as well as publication of a CSR report



Nature of Business

(102-2)

THAI is a state-owned enterprise under the supervision of the Ministry of Transport. It operates commercial flights to both domestic and international destinations, and provides comprehensive air transportation services. Its business management can be divided into three areas: Core Business, Business Unit, and Other businesses.



Core Business

- Passengers transportation services
- Cargo and mail transportation services

Business Unit

- Cargo warehouse services
- Ground customer services
- Ground support equipment services
- Catering



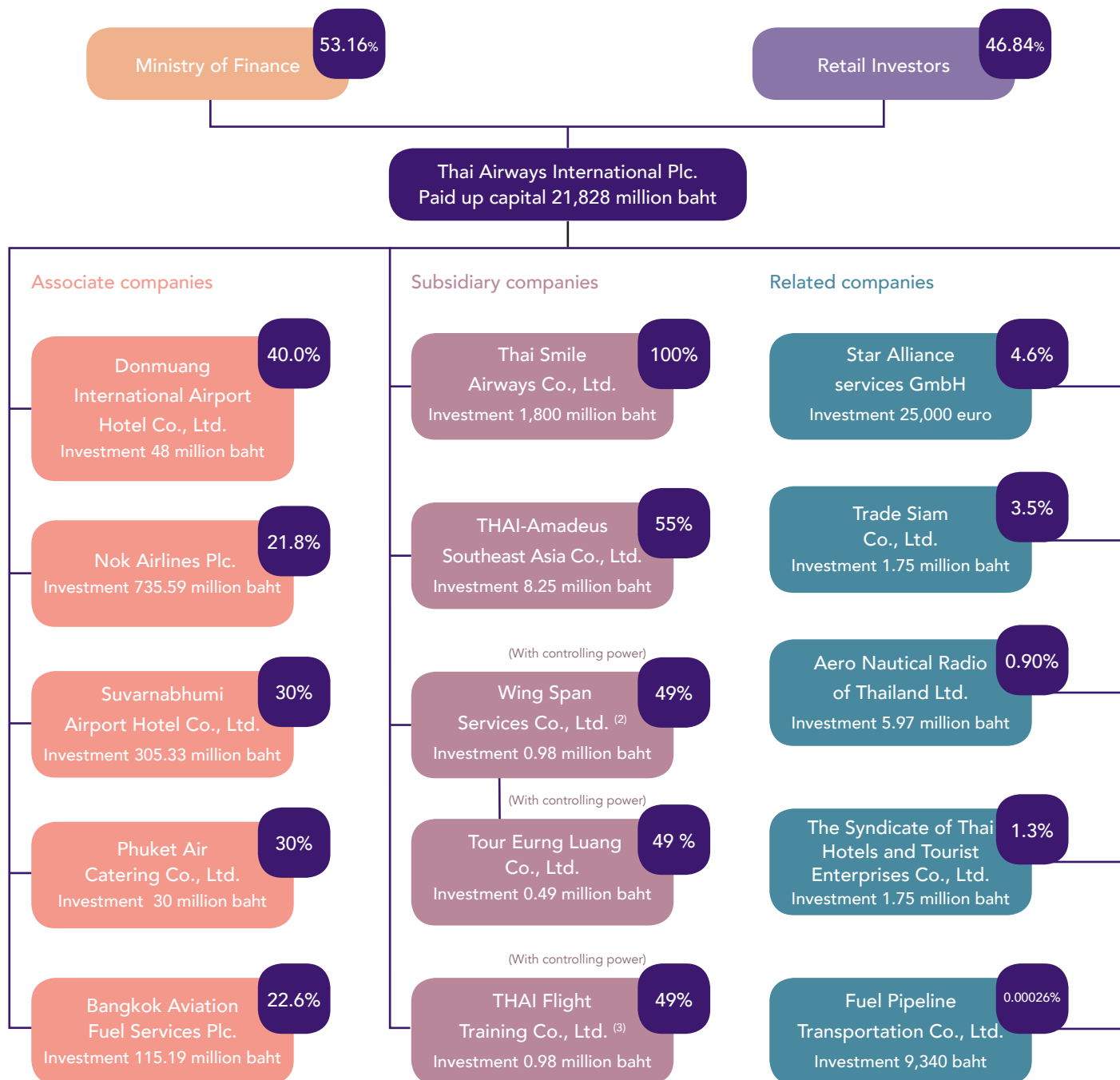
Other businesses

- Aircraft maintenance services
- Flight operations services
- Duty-free goods sale
- Souvenir sale
- Flight simulator training



THAI's Shareholder Structure

(102-5)



Note (1) Including 2.13% shares held by the Government Savings Bank
 (2) 51% preferred shares held by Phuket Air Catering Co., Ltd.
 (3) 51% preferred shares held by Wing Span Services Co., Ltd.



Scope of Domestic

and International Destinations (102-4, 102-6, 102-7, 102-45)



Domestic destinations

108 Flights/Week

Domestic destinations

226 Flights/Week

North

North Bangkok-Chiang Mai

South

Bangkok-Phuket, Krabi

North

Bangkok-Chiang Mai, Chiang Rai

South

Bangkok-Phuket, Krabi, Surat Thani, Hat Yai

Northeast

Bangkok- Khon Kaen, Udon Thani, Ubon Ratchathani

Others

Chiang Mai-Phuket, Bangkok-Narathiwat

International destinations

763 Flights/Week

International destinations

126 Flights/Week

Asia Pacific Routes

620 Flights/Week to 52 destinations in 18 countries including Bangkok-Hong Kong, Tokyo (Narita and Haneda), Osaka, Nagoya, Fukuoka, Sapporo, Taipei, Seoul, Manila, Beijing, Busan, Shanghai, Guangzhou, Kunming, Xiamen, Cheng-Du, Singapore, Kuala Lumpur, Denpasar, Jakarta, Delhi, Mumbai, Kolkata, Hyderabad, Bangalore, Dhaka, Colombo, Kathmandu, Yangon, Chennai, Karachi, Islamabad, Lahore, Dubai, Muscat, Vientiane, Phnom Penh, Hanoi, Ho Chi Minh

European Routes

97 Flights/Week to 13 destinations in 11 countries including Bangkok-London, Frankfurt, Paris, Rome, Copenhagen, Stockholm, Zurich, Munich, Brussels, Milan, Oslo

Australia and New Zealand Routes

46 Flights/Week to 5 destinations in 2 countries including Sydney, Melbourne, Brisbane, Perth, and Auckland

Asia Pacific Routes

137 Flights/ Week to 28 destinations in 6 countries including Bangkok-Changsha, Chongqing, Zhengzhou, Kaohsiung, Guangzhou, Penang, Kuala Lumpur, Mandalay, Yangon, Gaya, Varanasi, Jaipur, Lucknow, Mumbai, Siem Reap, Vientiane, Phnom Penh, Luang Prabang

Other route

7 Flights/ Week including Phuket-Hong Kong



International Membership

(102-13)

A STAR ALLIANCE MEMBER

THAI is one of the five founding members of Star Alliance since 1997, now established for over 20 years. Through its strong network of 28 members carriers which operate to some 193 destinations worldwide, Star Alliance has connected millions of people of different races and cultures.



As a member of the International Air Transport Association (IATA), which has played a key role in determining numerous air transport regulations and measures, THAI has adopted and implemented IATA principles and regulations in its operations.



THAI, under the supervision of the Civil Aviation Authority of Thailand (CAAT), has long been a member of the International Civil Aviation Organization (ICAO), which determines and establishes international regulations and measures to maintain safety, security and efficiency of air transport as well as to protect the environment which may be affected by aviation. THAI has strictly followed ICAO principles to ensure its services standards are internationally recognized.



THAI's Head Office (102-3) is located at 89 Vibhavadi Rangsit Road, Jompol, Chatuchak, Bangkok 10900 Tel: 66 (0) 2545-1000, THAI Contact Center at Tel: 66 (0) 2356-1111, Website: www.thaiairways.com



Corporate Value Chain

(102-9)



THAI has placed special emphasis on providing total services at every customer touch point from the start to the final destination of the passenger's journey. This is done through the use of associated mechanism for smooth coordination at each service point to respond appropriately to customer demand in this digital era. In addition, there is a coordination mechanism to help provide answers to any queries and correctly solve problems for passengers.

Sustainable

Development Goals and THAI

THAI has long recognized the importance of aligning airline business operations with the Sustainable Development Goals (SDGs). It has consistently implemented Corporate Social Responsibility activities, and furthermore views its operations as an important part toward achieving the SDGs. In 2018, THAI has undertaken the following sustainable development-related implementation, in line with the SDGs:





Stakeholder

Engagement (102-40, 102-42)

Thai Airways International Public Company Limited (THAI) is committed to gaining recognition from its important stakeholders in order to become the national airline with sustainable growth and to bring about security for society/to help build a stronger Thai society. Therefore, THAI has continued to place special attention to the process of building/enhancing stakeholder engagement. There are six groups of important stakeholders: customers, trade partners/creditors, debtors, trade competitors, nation, shareholders, subordinates/employees, and society and communities. This process enables THAI to be well informed of the positive and negative impacts of its business operations, and of the concerns and opinions of existing stakeholders, leading to the identification of guidelines for alleviating those impacts that could respond to the needs of each group of stakeholders in an appropriate fashion.



Table 1

Stakeholders and Company's Responses

Stakeholders (102-40)	Channels and Frequencies of Communication (102-43)	Stakeholders' Expectations (102-44)	Responses to Stakeholders (102-44)
Customers	<ul style="list-style-type: none"> • Conduct the focus group 2018 • Personal contact numbers for Royal Silk Class and Royal First- Class passengers. • THAI Customer Satisfaction Surveys. • e-TCSS – Electronic THAI Customer Satisfaction Surveys. • IATA-Airs@t – International Air Transport Association – Airline Satisfaction Surveys. • Star OCSS – Star Alliance Online Customer Satisfaction Surveys. • CFMS - Customer Feedback Management System. • Customer needs analysis by group. • Online channels of communication such as Facebook, LINE Official, Instagram, WEChat. 	<ul style="list-style-type: none"> • Greater efficiency and real- time information and communication management systems. • Increase efficiency in Network Optimization. • Provide digital channels for purchasing plane tickets and self-service. • Provide service safety and convenience. 	<ul style="list-style-type: none"> • Develop services that directly/ appropriately respond to customer needs. • Develop modern innovations in tickeing systems and enhance convenience for customers. • Develop safer aviation innovations.
Subordinates / Employees	<ul style="list-style-type: none"> • Intranet (THAI Sphere)/ Web board/ e-mail • Line Group – TG Internal Network • Group meetings (once every four months). • DD Command Center 	<ul style="list-style-type: none"> • Develop personnel's potential in both hard and soft skills in order to create opportunities for career advancement. • Promote a culture of operational safety: remaining vigilant and running tests for safety reasons; and preventing and controlling accidents and workplace hazards. • Receive benefits and appropriate compensation. 	<ul style="list-style-type: none"> • Continuously develop the body of knowledge for employees at all levels in order to provide them opportunities for career advancement. • Pay attention to "employees" at all levels from recruitment to selection processes with transparency and fairness. • Create a work environment conducive to occupational health and safety. • Create the body of knowledge related to occupational safety for employees. • Determine benefits and fair complementation commensurate with operational performance.

Stakeholders
(102-40)

Channels and Frequencies
of Communication (102-43)

Stakeholders' Expectations
(102-44)

Responses to Stakeholders
(102-44)

Trading Partners / Creditors, Debtors and Trade Competitors

- Joint meetings.
- E-mail.
- Information Technology systems used by group members
- Website

- Transparent, fair and accountable procurement systems.
- Adhere to equal and fair treatment on the foundation of business relationships.
- Generate fair investment returns for both parties.
- Avoid situations that may cause conflicts of interest.

- Strictly comply with contracts and conditions agreed upon with contractual partners and have responsibility.
- Avoid disclosing information or facts that may cause damage to creditors.
- Report the Company's financial status to creditors on a regular and timely basis.
- Find joint solutions by holding onto stakeholder engagement principles.
- Identify policies for treating trade competitors in alignment with international standards within the perimeters of relevant laws.
- Adhere to transparency in trade competition and refrain from violating trade competitors' confidentiality. Identify guidelines and conduct affairs under the fair competition code. Refrain from tarnishing the reputation of trade competitors and from accessing their confidential information by using fraudulent and inappropriate methods.

Social

- Social Media
- Website

- Develop business operations processes by taking into account natural resources, environment, shared benefits and ingraining a sense of responsibility to "society and community at large" throughout the supply chain.

- Join forces in developing communities and society through CSR projects.
- Instilling in personnel at all levels a sense of responsibility to society.
- Strictly pledge neutrality in politics.

Nation

- Social Media

- Raise the level of competition in the national airline industry.
- Create added value for the organization in the long run.
- Operate business with transparency and accountability.
- Abstain from any acts that adversely impact the nation.

- Develop business operations in line with changing situations and develop modern and safe innovations in aviation in order to raise the national airline industry and move in the direction of international standards.

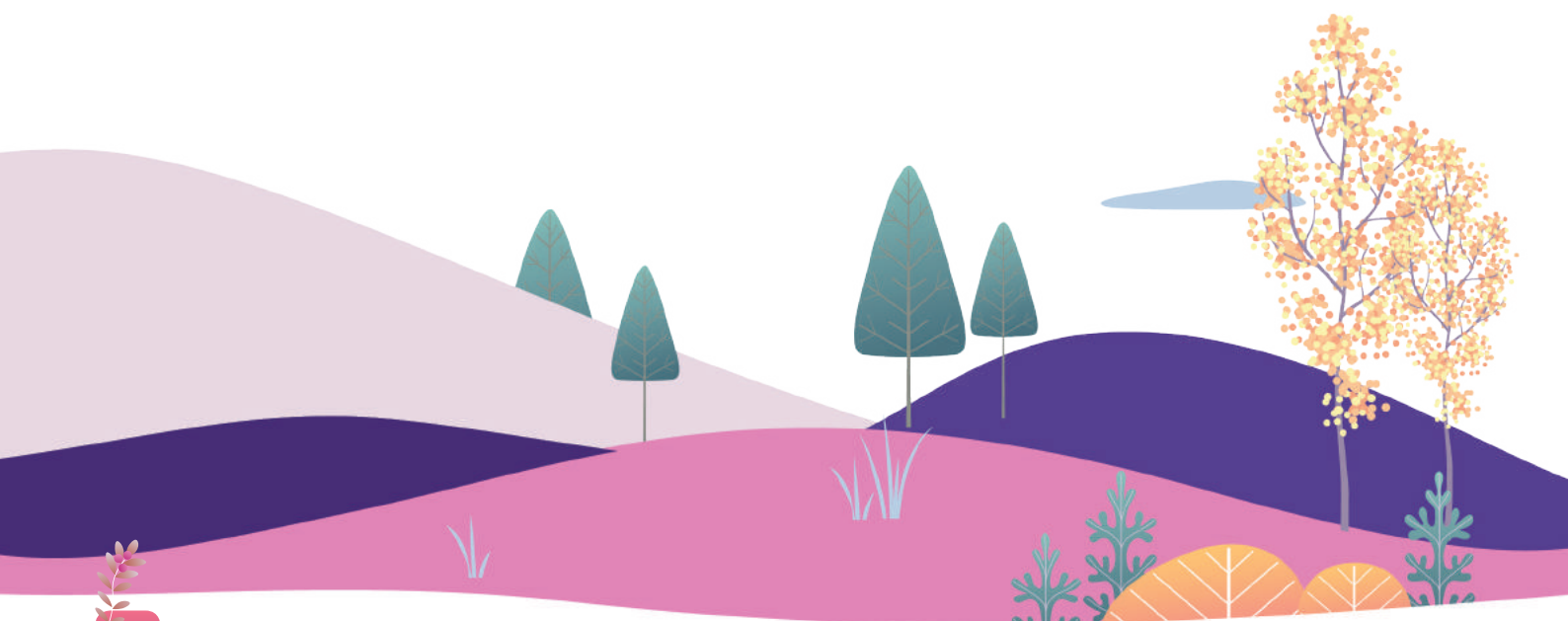


Shareholders

- Quality assessment of the Annual General Meeting (AGM) Checklist.
- Dissemination of information through State Enterprise Policy Office's Government Financial Management Information System (GFMIS).
- Domestic roadshows (4 times per year)
- International roadshows (4 times per year).
- Meetings/Teleconference meetings (10 times per year).
- Meet-and-Greets between senior-level executives, institutional investors, securities analyst (on a quarterly basis).
- Answering queries and providing information via phone and email (192 times per year).
- Reporting information on a quarterly basis (4 times per year).
- Arranging for stakeholders to visit THAI (5 times per year).

- Develop technologies and modern innovations with quality international standards.
- Promote other relevant aviation industries in alignment with the government's policy.
- Increase efficiency in income management.
- Abide by stipulations relevant to air transport such as International Air Transport Association (IATA), the Civil Aviation Authority of Thailand: (CAAT), and International Civil Aviation Organization (ICAO).
- Have rights and equality in voting and obtaining necessary information.

- Comply with corporate governance and integrity in a strict manner.
- Treat all shareholders equally and fairly with adherence to legal provisions.
- Determine follow-up and audit processes and assess corruption risks efficiently.
- Conduct business in an attempt to generate good investment returns continuously and sustainably.
- Adhere to provisions and laws relevant to air transport in a strict manner.





About This Report

Reporting Practices ^(102-50,102-52)

In 2018, Thai Airways International Public Company Limited (THAI) published the sustainability report for the eighth consecutive year to disclose the performance of its economic, social, and environmental operations to its stakeholders. The information in this report covers the operations executed from January 1 – December 31, 2018, in accordance with the Global Reporting Initiatives (GRI) or GRI standards.

“This report has been prepared in accordance with the GRI Standards: Core option.” ⁽¹⁰²⁻⁵⁴⁾

THAI also linked its operational performance to the United Nations Sustainable Development Goals: SDGs.

Reporting Boundaries

(102-45, 102-46)

This report presents information only on THAI's operational performance in 2018. In order to disclose information and boundaries in accordance with reporting standards, THAI will make its data collection process more efficient, which will lead to the quality reporting of its sustainability performance in compliance with the GRI standards.

Report Validation

(102-46)

The accuracy of this report was validated by the issuing agencies and the Sustainability Report Committee. In addition, the information disclosed in this report has been reviewed and approved by the management of respective departments. However, THAI's Sustainability Report has not been assured by expert third-party agencies.

Defining Report

Content

The assessment of material topics has been conducted by using the GRI's report content principles with the engagement of senior-level executives and employees. Concerns and expectations of stakeholders in an attempt to respond to and communicate with the organization's external and internal stakeholders were also taken into account. The process is as follows



Step 1 (Identification)

The annual sustainability report committee considered each of the material topics in alignment with the sustainability context principle, global sustainability development trends, suggestions collected from surveys about the report, stakeholders' expectations, covering the economic, social, and environmental dimensions and to identify the boundaries of each sustainability topic under the value chain.



Step 2 (Prioritization)

The annual report committee discussed with relevant senior executives to prioritize material topics by means of the Materiality Test that took into account the significance of each topic on two levels: the impacts of THAI's business operations and the material topics that stakeholders are interested in, covering economic, environmental, and social dimensions. There were 17 material topics key elements found.



Step 3 (Validation)

The annual report committee has reviewed the accuracy and completion of each of the material aspects in accordance with the required standards in order to ensure relevant coverage of the organization's economic, social, and environmental dimensions, as well as stakeholders' expectations.



Step 4 (Review)

THAI set up channels of communication for stakeholders to provide opinions and suggestions about the report through online surveys, so as to clearly reflect THAI's sustainability operations. THAI will then use their suggestions and opinions to improve its sustainability report in the following year.



Assessment of Material Topics and Reporting Boundaries

	Topics of Sustainability (102-47)	Topic Boundary within Organization (102-46)	Topic Boundary outside Organization (102-46)
Economic	<ul style="list-style-type: none"> Economic Performance 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited THAI-Amadeus Southeast Asia Co.,Ltd Wing Span Services Co.,Ltd Thai Smile Airways 	
	<ul style="list-style-type: none"> Indirect Economic Impacts 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	
Human Resources	<ul style="list-style-type: none"> Employment 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited WingSpan Services Co.,Ltd Thai Smile Airways 	
	<ul style="list-style-type: none"> Labor Management Relations 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	
	<ul style="list-style-type: none"> Training and Education 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	
	<ul style="list-style-type: none"> Diversity and Equal Thai Airways 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	
Safety	<ul style="list-style-type: none"> Occupational Health and Safety 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	
	<ul style="list-style-type: none"> Customer Health and Safety 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited Thai Smile Airways 	<ul style="list-style-type: none"> Airport of Thailand Public Company Limited Codeshare Agent Interline Caring Agents Outsourced Employees Airline Partners
Customer Responsibility	<ul style="list-style-type: none"> Customer Satisfaction 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Agent Suppliers European Union Tour Agents Handling Agents
	<ul style="list-style-type: none"> Marketing Communications 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Agent Public Media



	Topics of Sustainability (102-47)	Topic Boundary within Organization (102-46)	Topic Boundary outside Organization (102-46)
	<ul style="list-style-type: none"> Customer Privacy 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Outsourced Employee Ground Service Agents Partner Airlines Tour Companies
Environmental	<ul style="list-style-type: none"> Energy 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited Bangkok Aviation Fuel Services Public Company Limited Airport of Thailand Public Company Limited Metropolitan Electricity Authority Department of Alternative Energy Development and Efficiency
	<ul style="list-style-type: none"> Emissions 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited Communities Surrounding Airport
	<ul style="list-style-type: none"> Water 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Airport of Thailand Public Company Limited Metropolitan Waterworks Authority Provincial Waterworks Authority
	<ul style="list-style-type: none"> Effluents and Waste 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Airport of Thailand Public Company Limited Communities Surrounding Airport Department of Industrial Works District Office/Sub - District Administrative Organization
Social	<ul style="list-style-type: none"> Anti-Corruption 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Agents Suppliers
	<ul style="list-style-type: none"> Compliance 	<ul style="list-style-type: none"> Thai Airways International Public Company Limited 	<ul style="list-style-type: none"> Office of Consumer Protection Securities and Exchange Commission Thailand Stock Exchange of Thailand Department of Civil Aviation International Civil Aviation Organization Office of the Public Sector Development Commission Association of Thai Travel Agents

Contact Point (102-53)

THAI's Corporate Social Responsibility and Environmental Department at 89 Vibhavadi Rangsit Road, Jompol, Chatuchak, Bangkok 10900.
 Tel. 66 (0) 2545-3754
 Email: tgcsr@thaiairways.com Website: www.thaiairways.com





Good Corporate Governance

THAI has strictly complied with the principles of honesty and transparency in its business operations, all of which are at the heart of “good corporate governance” practices. Such practices are the international governance standards of the Stock Exchange of Thailand and the ASEAN CG Scorecard. They contribute to the advancement of an effective, transparent, and accountable management system using the principle of integrity in its business operations as follows :

- Adhere to democracy and support a democratic system in which the monarch is the head of state.
- Adhere to the Company’s interests and carry out duties for the highest benefit of the Company without seeking for any benefit for yourself or others and without being involved in a conflict of interest.
- Adhere to the principle of honesty and prevent corruption from happening in any work for which you are responsible.
- Adhere to the principle of integrity and prevent any illegal acts from taking place in any work for which you are responsible.
- Adhere to the principle of transparency and avoid distorting facts in any way or form when it comes to providing information to colleagues, citizens, shareholders, or other stakeholders.



Guidelines for Management and Operational Performance

The directions of THAI's business operations have been clearly established with special emphasis on fairness while generating the maximum benefit for all groups of stakeholders. Such directions include the following



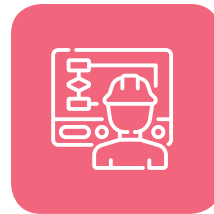
Creation of Long-Term Value



Transparency



Responsibility



Accountability



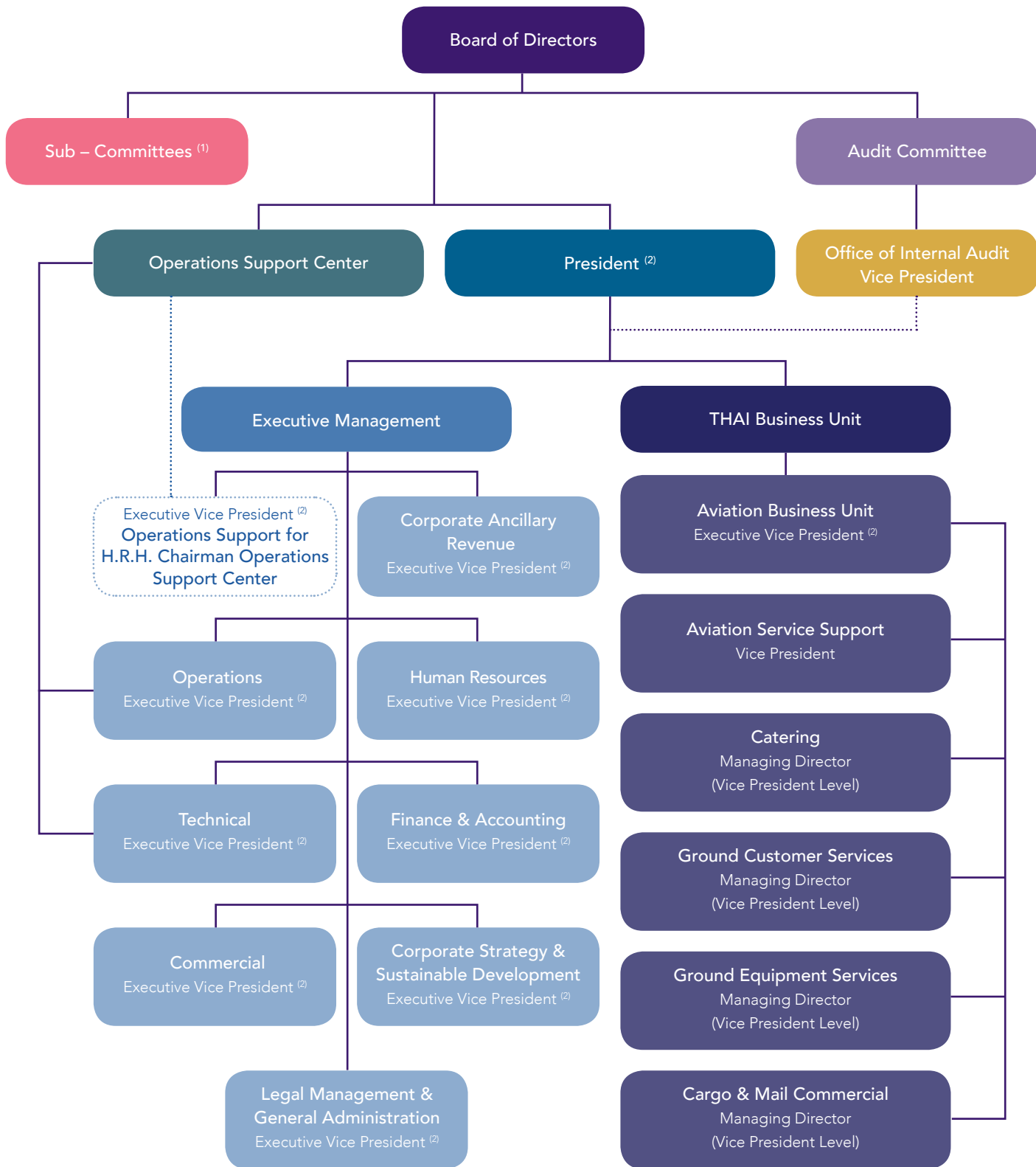
Fairness



Organizational Structure

(102-18)

As of 31 December 2018, THAI's organizational structure consists of the board of directors, subcommittees, and executives. The organizational structure is as follows :



Remarks: (1) The subcommittees consist of Executive Committee, Risk Management Committee, Recruitment and Compensation Committee, Governance and Corporate Social Responsibility Committee, Thai Airways International Strategy and Reform Oversight Committee, and other committees as designated by the Company.
(2) Refers to "Executive", according to the definition of the Securities and Exchange Commission (SEC).

The Role and Responsibilities

The role and responsibilities in driving THAI's sustainable development rest with the following committees



- Board of Directors
- Risk Management Committee
- Recruitment and Compensation Committee
- Governance and Corporate Social Responsibility Committee
- THAI's Strategy and Reform Oversight Committee
- Internal Audit

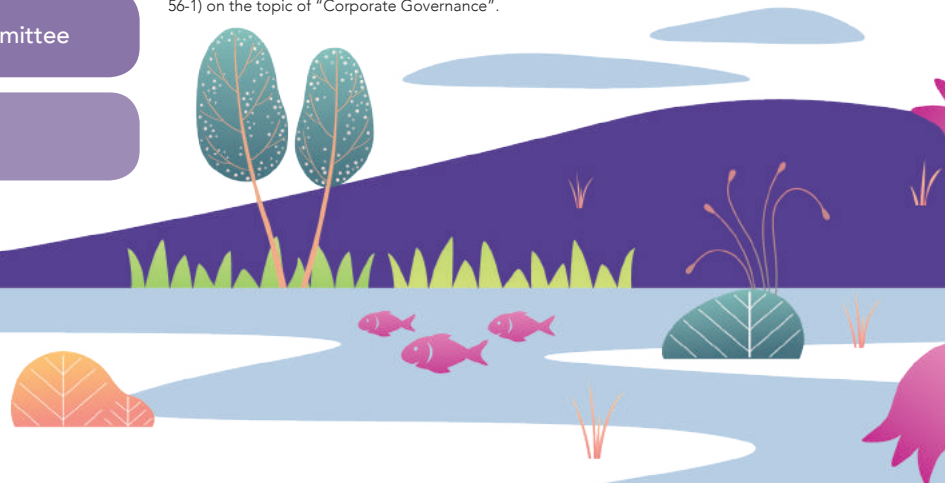
Good Corporate Governance Manual

THAI produced the revised edition of a Good Corporate Governance Manual, which was put into effect in 2018. It provides good corporate governance practices that can be used as an operational guideline for the Company's Board of Directors in addition to the rules and regulations stipulated by respective departments. These guidelines are aligned with the international good corporate governance standards and the principles of good governance set forth by the Board of Directors as follows

- Recognize the role and responsibilities of the board of directors as the organization's leader tasked with creating value for businesses in a sustainable manner.
- Determine the main objectives and goals of businesses for the sake of sustainability.
- Build a group of efficient committees.
- Recruit and develop high-level executives and improve human resources management.
- Promote innovations and responsible business operations/ conduct businesses responsibly.
- Monitor risk management and internal control systems in an appropriate manner.
- Maintain the company's credibility of financial and information disclosure credibility.
- Support the engagement and communication with shareholders.

THAI asked concerned individuals to sign the joint declaration of intent in the addendum of the good corporate governance manual. Those individuals include THAI's Chairman of the board of directors, THAI's Chairman of Corporate Governance and Social Responsibility Committee, THAI's President, executives, and employees at all levels. Signing the declaration signifies their pledge to adhere to the principles of honesty and transparency in management and business operations.

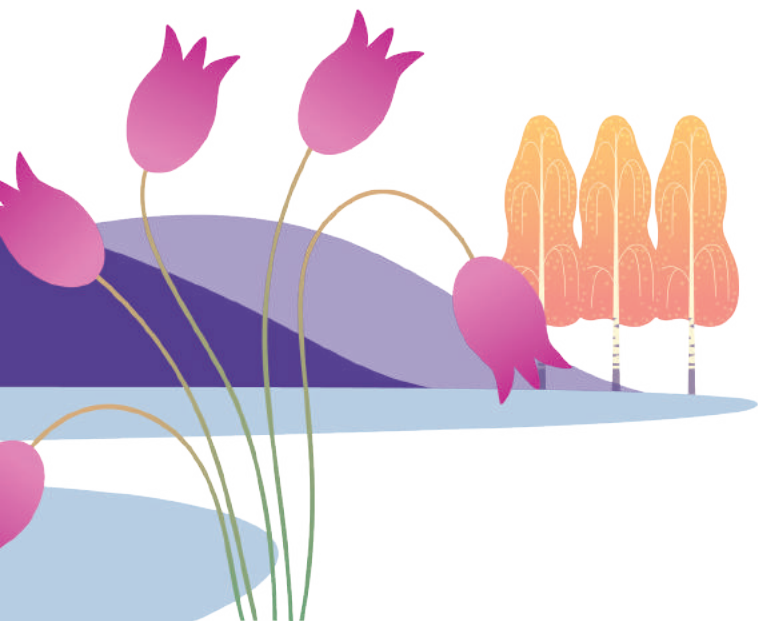
With respect to the operational practices and guidelines intended for the Company's board of directors, please look for additional information from the annual 2018 registration statement (Form 56-1) on the topic of "Corporate Governance".



Promotion of Good Governance Corporate Culture



The understanding, awareness, and engagement of personnel at all levels is fundamental for establishing and strengthening corporate culture of good governance. In 2018, THAI organized the “CG DAY 2018” event driving clear policies and guidelines for promoting corporate governance and integrity. THAI also launched a motto contest where entries about corporate governance were submitted. The motto that won the first prize was “Create services with hearts, create THAI with corporate governance”. This motto clearly demonstrates the spirits of the personnel committed to providing services with hearts, as well as to strengthening the organization in a sustainable manner with transparent and fair practices.



Risk Management

THAI recognizes that effective risk management for all of its main operational processes will help further strengthen and support the development of aviation/airline business. The Company’s board of directors designated the Risk Management Committee to determine and revise policies and risk management frameworks in a variety of areas consistently. Furthermore, committee members were tasked with monitoring and following up on the effectiveness of managing those risks. They also made sure both executives and employees were able identify, assess, and prioritize risks for purposes of putting in place preventive measures, solving, controlling, and managing risk factors within the organization and within the departments under its supervision. These actions were carried out in alignment with the standards of the Committee of Sponsoring Organization of the Treadway Commission (COSO).

From past to present, the Company has integrated corporate risk management into its business reform plans. The causes of risks and the causal relationships of those risks were analyzed by identifying key risk indicators and optimizing the efficiency of the Enterprise-wide Risk Management System in hopes of bringing modernity and efficiency to the system. In addition, doing so will prove conducive to the interconnectedness of making reports about the Company’s internal controls and other management systems.

With respect to the management of material risk factors, please look for additional information from the annual 2018 registration statement (Form 56-1) on the topic of “Risk Factors”.



Anti-Corruption

(103-1, 103-2, 103-3)

THAI recognizes the problems caused by corruption and inappropriate activities, both of which have significant impact on employees, the organization, and the nation. From past until now THAI brought into play the “whistleblower” policy to campaign for the prevention of corruption and inappropriate activities. The policy serves as a channel through which information on any possible illegal or incorrect activities within the organization can be reported clues or suspicions about corrupt or inappropriate activities can be communicated. Measures are also in place to protect whistleblowers., THAI has been active in promoting and supporting the prevention of corruption and inappropriate activities, the details of which are as follows :



Operational Details

Plan-making

- Made operational plans in accordance with THAI's anti-corruption strategy in the fiscal year of B.E. 2560-2564, and made operational plans in line with THAI's annual 2018 anti-corruption strategy.

Workshop

- Organized the “Prevention of Corruption and Inappropriate Activities” workshop for employees from the level of division manager and above by incorporating these elements into THAI's standard curriculum.
- Organized the “Prevention of Corruption and Inappropriate Activities” for various agencies.

Communication

- Distributed bulletins that address the prevention of corruption and inappropriate activities to employees.
- Distributed information about the prevention of corruption and inappropriate activities on the homepage of the internal Website and www.thairways.com.

Other

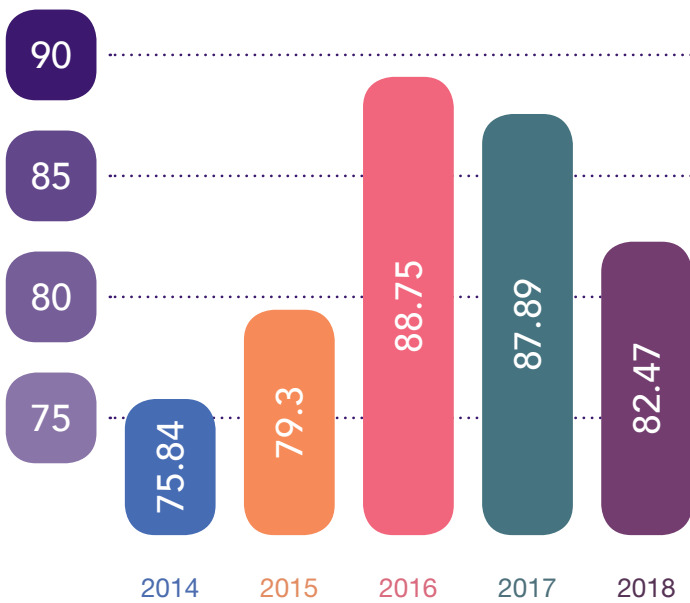
- Organized the TG network in which members joined forces to prevent corruption threats. There are currently 1,279 members, all of whom help each other to look out for corrupt and inappropriate activities and to strengthen THAI.
- Attended anti-corruption activities hosted by both the public agency (NACC) and the private agency (Anti-corruption Organization of Thailand).



Integrity and Transparency Assessment

THAI participated in the annual National Anti-corruption Commission's Integrity and Transparency Assessment intended for public agencies. The ITA functions as a proactive anti-corruption measure that must be adopted by public agencies nationwide. The information and scores gained to make the operations of each agency more efficient, as well as to raise the level of Thailand's Corruption Perception Index (CPI).

THAI's Integrity & Transparency Assessment (ITA) Scores



In 2018, THAI received an ITA score of 82.47 out of 100, which is in an extremely high range. THAI also received a full score of 100 on the Evidence-Based Integrity and Transparency Assessment (EBIT).

Contact Point for Complaints in Cases of Corruption

- Submit complaints in the form of e-mail to the following addresses: tgchairman@thaiairways.com, tgpresident@thaiairways.com, good.gov@thaiairways.com
- Submit complaints in the form of letters to the Company's Chairman/Board of Directors/President/Corporate Secretariat at postal address Thai Airways Public Company Limited, 89 Vibhavadi Rangsit Road, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900.

Various measures adopted and abided by THAI (102-11, 102-12)



With respect to the specifics of each case, please look for additional information from the annual 2018 registration statement (Form 56-1).

Legal Compliance

Compliance with relevant laws, rules and regulations, and requirements (legal criteria) both domestically and internationally is an issue of significance to THAI when it comes to its sustainable business operations and its prevention of risks brought on by the actions of the board of directors, executives, and employees, or non-compliance. Such actions caused THAI to lose trust and credibility from shareholders and stakeholders.

In 2018, THAI was involved in legal disputes as a defendant in a series of court cases (information as of December 31, 2019). The details are as follows

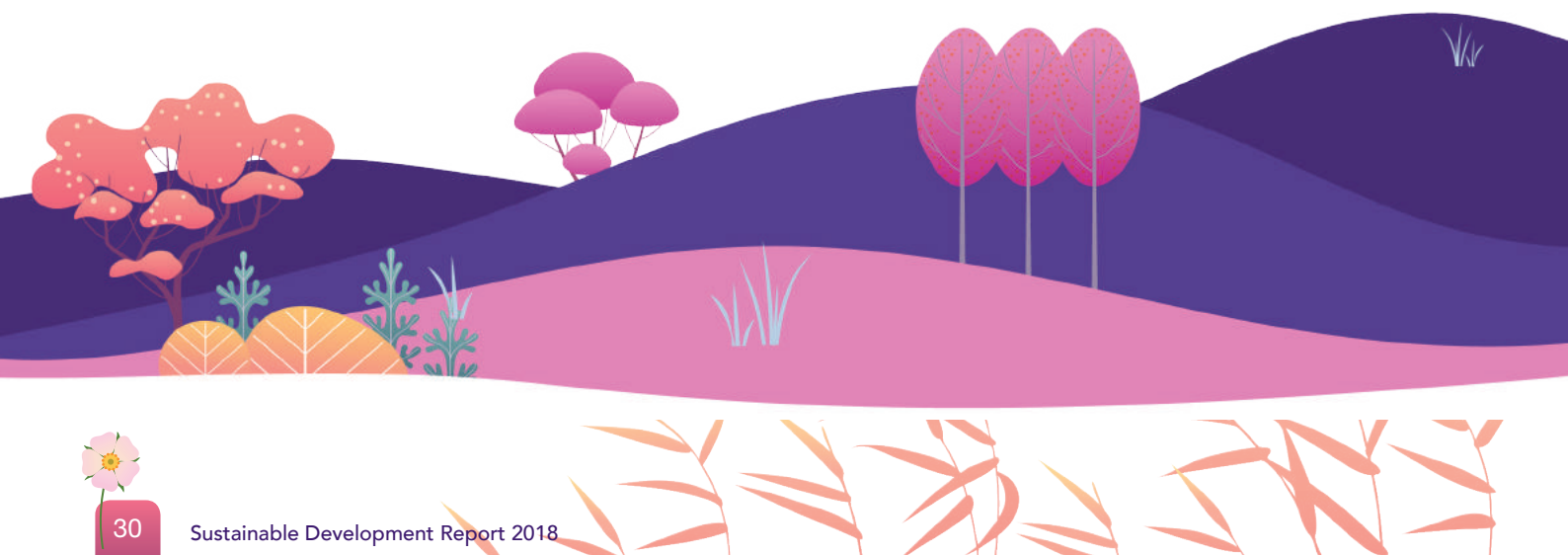
Case type	Number (Case)	Total assets (Million Baht)	Financial status
Labour dispute case	14	91.82	Pending court decisions
Restitution case	49	292.69	Pending court decisions

* Please look for information on these cases from the annual 2018 registration statement (Form 56-1) on the topic of "Legal Disputes"

2018 Operational Performance

A score of 92 on the Corporate Governance Report of Thai Listed Companies 2018, which is in the excellent CG scoring. THAI also received a five-star symbol from the National Corporate Governance Committee.

A score of 82.47 on the Integrity and Transparency Assessment (ITA) from the National Anti-corruption Commission (NACC).





Economic Operations

THAI has determined its long-term strategy framework, and its five-year state-owned enterprise plan (2017-2021) in line with government policies. THAI's three-phase reform plan was completed in 2017 to ensure the organization's ability to continuously operate and achieve the identified goals within the frameworks of its previous strategy.

1

Strategy for aggressive profit-making using proactive marketing and competitive costs

2

Strategy for development of business portfolio and opportunity

3

Strategy for creating customer service excellence

4

Strategy for operating with innovation and digital technology

5

Strategy for Effective Human Capital Management

In 2018, THAI still emphasizes conducting its operations in line with organizational strategies in an effort to reach the set goals. Nonetheless, judging from both internal and external changing environments and intense competition, THAI needs to develop its operations in various areas: generating capital and asset management efficiency, preparing for changes to accounting standards in accordance with an International Financial Reporting Standard 9 - Financial Instruments (IFRS9), elevating the level of service provision to bring about consistency and cover all customer groups, and expanding services in digital technology to respond to customer behavior that demands convenience and speediness.

Long-Term Strategic Framework

THAI has since reviewed its long-term strategic framework to cobble together the 2018 transformation plan, aiming to ensure continuous and sustainable operational results and to improve the efficiency and quality of service to be comparable to global standards. Thus, THAI reviewed its vision, goals, and operational procedures and shifted to a new business model with the following four-phase plan

2018
2019

- Generate profit
- Increase quality of customer service for improved Customer Satisfaction Index (CSI)

2022

- Become the world's top 5 airlines for customer satisfaction
- Resolve deficit issue by 2022

2027

- Generate profit sustainably
- Become a leader among Asian aviation companies in passenger transportation, maintenance and cargo services by 2027

Consistently comply with international safety standards



THAI's Goal for 2018

THAI's goal for 2018 was to operate with profitability and provide better customer service quality to improve Customer Satisfaction Index (CSI), while maintaining strict compliance with international safety standards. To this end, THAI has planned and followed five key business strategies as outlined below.



Acceleration of profit generation with proactive marketing with competitive cost

Strategy 1

- Increasing income from passenger transportation using Revenue Management System (RMS)
- Generating income through digitalization such as using mobile or web
- Other income-generating initiatives such as ancillary revenue, foreign exchange guarantee for online ticketing system (Non-Passenger Transportation Units)
- Expanding revenue base for business units by servicing external customers (Non-Core Units)
- Undertaking organization-wide reprocessing initiative to review and improve all core processes, and to adapt features of the Low-Cost Carrier (LCC) Model for application
- Aligning aircraft procurement with Route Strategy, creating a Common Fleet to ensure competitive costs



Transform Business Units into Profit Centers which continue to expand, seek business opportunities and greater efficiency in managing assets (Asset Lite).

Strategy 2

- Managing Non-Core Units to increase business agility
- Optimizing the efficiency of THAI Smile Airways operations
- Fostering partnerships with aviation organizations
- Aircraft Maintenance, Repair and Overhaul Center at U-Tapao (TG MRO Campus)
- Phase 1 of Cargo Building at U-Tapao International Airport
- Managing discharged aircrafts and impaired assets
- Managing shares of associated and subsidiary companies (Non-Core Assets)
- Managing unutilized land and buildings, including efficiently utilizing buildings in Thailand and abroad



Strategy 3

Improving total service offer (Engage, Preflight – Inflight – Post flight) to sufficiently cater to the demands of various target customer groups

- Enhancing premium services to world-class standards
- Creating Customer Service Excellence (Service Ring)
- Customer Engagement with various target groups



Strategy 4

Digital Application to enhance efficiency and competitive capacity

- Customer Big Data initiative
- Operations Control Center management initiative
- Sales and distribution capacity development through digitalization
- Improving operations report based on Route Calculation system



Strategy 5

Enhance Human Resources Management by emphasizing organizational structure, organizational culture, leadership, and capacity development for employees

- Improving organizational structure
- Improving work culture (Proactive & Trust)
- EDP-Great Leader Program for Executive levels 11-13
- High capacity staff development for Executive levels 10-13

Management Approach and Operational Performance

The implementation of THAI's Transformation Plan is overseen by the Strategy and Reform Committee. There were nine initiatives in 2018, six of which were part of the operational rehabilitation plan. THAI reports the progress of 25 such plans mentioned to the State Enterprise Policy Office and State Enterprise Problem-Solving Analysis Subcommittee on a monthly basis.

Action Plan for Test Cell Capacity Enhancement in Development Testing

The Engine Test Cell development and testing capacity enhancement initiative aims to support THAI's Technical Department in testing aircraft engines' performance. Currently, trained personnel are able to conduct engine tests for the Trent XWB engine or Trent XWB Development Testing. Going forward, THAI also plans to extend its services for other commercial airlines.

Corporate E-Learning

Procure and install Learning Management System (LMS) to replace the old system, increase pilot training efficiency, as well as help generate income from providing training for pilots from other commercial airlines.

Temperature Control Product (TGT)

THAI plans to procure logistical Temperature Control Product to provide temperature-controlled goods transport services such as medical supplies, fresh food, etc. to cater to customers' demands and increase the company's revenue.



Economic

Performance in 2018 ⁽²⁰¹⁻¹⁾

Economic Details

Amount (baht)

Direct Economic Value Generated

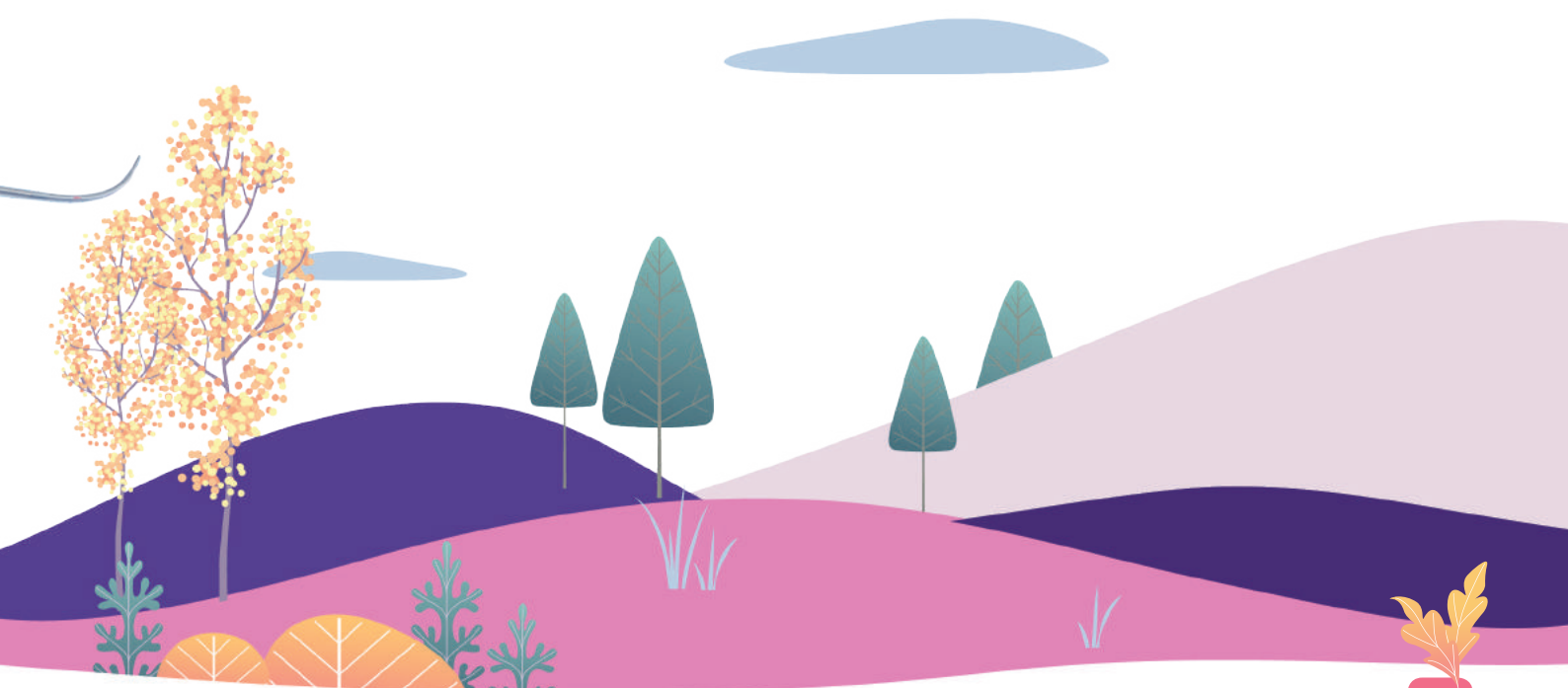
- Revenues 192,060,764,768.14

Direct Economic Value Distributed

- Operating Costs 162,596,217,242.19
- Employee Wages and Benefits 29,958,199,105.16
- Payments to Providers of Capital 4,914,519,374.74
- Payments to Government 127,093,391.73
- Community Investment 10,208,186.00

Economic Value Retained

5,545,472,531.68



Significance of THAI's

Macroeconomic Impact

For over five decades, THAI has played an important role in contributing and driving Thailand's economic growth, particularly in the aviation and tourism sectors. THAI has also invested in mega projects including the Aircraft Maintenance, Repair and Overhaul center and the Air Cargo center at the U-Tapao airport and the Eastern Airport City which aim to support economic expansion along the Eastern Economic Corridor (EEC). In addition, THAI also works in close cooperation with strategic partners who play a critical role in the expansion and development of Thailand's economy as follows :

- The first Trent XWB engine Research and Development project in partnership with Rolls Royce Co., Ltd. to share cutting-edge aviation technology with Thailand
- An initiative to support Thai farmers by purchasing agriproducts and processed agricultural products from various parts of Thailand to serve on flights. For instance, THAI sources cold-climate fruits from royal projects, agriproducts from farmers in Chachoengsao, processed agricultural products from Doikham, and seabass from Thai Marine Finfish Farmers Association
- An initiative to facilitate the in-flight sale of One Tambon One Product (OTOP) products, as well as to provide them as light refreshments at the lounge at Suvarnabhumi airport.
- Partnership with the Royal Projects Foundation with the THAI Catering department, which includes enhancing the product standards and utilizing ingredients from the royal projects for all-in-flight meals.
- Cooperation in the Pracharath Amazing Thai Taste initiative to promote Thai food, Thai rice and Thai fruits to tourists. This initiative aims to create value added for Thai products and distribute income to the agricultural sector and local communities.

- Cooperation between Thai Airways International PCL., Tourism Authority of Thailand (TAT), Thai Smile Airways Co., Ltd. and Krung Thai Bank PCL under the project "Amazing Thailand Go Local" to stimulate tourism in over 55 secondary cities. To this end, THAI, through Eurng Luang Tour had marketed packages for 10 destinations to 20 secondary cities in the North, Northeast and South of Thailand

2018 Operational Performance

THAI achieved 5,545,472,531.68 baht Economic Value Retained.

THAI reviewed its long-term strategy framework to develop its 2018 rehabilitation plan, to continuously and sustainably generate profits as well as to achieve the efficacy and quality of services comparable to global standards



Human Resources Operations (103-1, 103-3)

THAI is a state-owned enterprise which is listed in The Stock Exchange of Thailand, which takes charge of a competitive business at the international level. Today, airline business has become even more competitive and challenging than ever before. It requires large investments and highly susceptible to a wide range of uncontrollable factors including oil prices, fluctuations of exchange rate, terrorism, and natural disasters.

Employees working with full service airlines such as THAI therefore need to be equipped with diverse sets of skills. Whether they are pilots, flight attendants, engineers, aircraft engineers and technicians, ground staff, and managers, all of whom need to attend regular capacity building programs to strengthen their ability which in turn will help maximize the organization's competitiveness.



Human Resources Operations

Management Guideline and Operational Performance ⁽¹⁰³⁻²⁾



Recruitment

THAI business operations comprise a wide range of activities, for example transportation of passengers, cargo and mail, warehouse services, ground customers service, ground support equipment services, as well as catering. Thus, it is important for THAI to carefully select responsible personnel by considering their knowledge, ability, and experience in accordance with the job qualification, functional competency, managerial competency, core competency, THAI core value, THAI spirit, and TG Characteristics. THAI's recruitment process seeks to ensure its "Suitable Manpower Alignment with Business Strategy", and safeguards transparency, fairness, and equality according to human rights principles. It guarantees non-discrimination regardless of race, religion, age, gender, education, culture, origin and disability. In 2018, THAI has a total of 22,068 employees who are the driving force of the organization.

THAI has worked to continuously improve its operations by decreasing, streamlining, or changing work procedures in different units so that suitable allocation of staff before considering additional recruitment can be made. THAI employees are encouraged to enhance their capacity, productivity and organizational commitment through various human resource development schemes. They include Organization Development, Reprocessing and Manpower Alignment with Business Strategy, Performance Management Improvement, Talent Management and Succession Planning programs to help build employee capacity for both soft and hard skills. THAI corporate culture and core values are reinforced among employee, driving THAI to become a Knowledge Organization.



Male employees

New male employees

Departing male employees

249 Men

391 Men

Percentage of overall employee 1.13

Percentage of overall employee 1.77

Female employees

New female employees

Departing female employees

95 Women

237 Women

Percentage of overall employee 0.43

Percentage of overall employee 1.07

Staff age <30 Years

New staff

Departing staff

228 people

28 people

Percentage of overall employee 1.03

Percentage of overall employee 0.13

Staff age 30-50 Years

New staff

Departing staff

94 people

217 people

Percentage of overall employee 0.43

Percentage of overall employee 0.98

Staff age >50 Years

New staff

Departing staff

22 people

383 people

Percentage of overall employee 0.10

Percentage of overall employee 1.74



Demographic Ratio

(405-1)

Demographic ratio of board members and employees can be categorized as the following ⁽⁴⁰⁵⁻¹⁾ * The percentage is based on the total number of staff in each category as of 29 November 2018

Category	Board members		Executive levels 11 and above		Executive levels 8-10		Operational level	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Male	11	0.049	27	72.97	864	51.40	12,322	60.55
Female	2	0.009	10	27.03	817	48.60	8,028	39.45
Under 30 years	-	0.00	-	0.00	-	0.00	1,637	8.04
30-50 years	1	0.004	1	2.70	445	26.47	11,875	58.35
Over 50 years	12	0.054	36	97.30	1,236	73.53	6,838	33.60

Number of new employees by areas			Number of departing employees by areas		
Details	Number of employees (Person)	Percentage	Details	Number of employees (Person)	Percentage
Center	264	1.18	Center	573	2.56
Regional	21	0.09	Regional	24	0.11
International	59	0.26	International	31	0.14



Promoting Organizational Culture among Employees

Staff Development

(103-1, 103-2, 103-3)

THAI operates according to its Transformation Plan, which seeks to enhance the organization's efficiency in several aspects and improve work processes in all units. To achieve the Transformation Plan and strengthen its human resources by means of skills and capacity development in line with employees' respective roles and responsibilities. Thus, THAI promotes the "THAI Spirit" organizational culture and inculcates it as a part of staff's consciousness. The details are as follows



Trust

Determination to improve and maintain service standards to gain customer's trust and confidence from



Hospitality

Service mind to deliver warm and satisfactory service with care and attention to detail, leveraging the Thai identity as a strength



Accountability

Responsibility for the results to ensure customer satisfaction and trust, in addition to helping the Company achieve its business goals



Integrity

Fostering work culture of integrity, honesty, fairness and morals, all of which are integral to Corporate Governance

THAI has a policy to develop its human resources at all levels by training its employees to reach quality standards and to be equipped with adequate capacities and skills for their positions. THAI also works to develop other aspects of human resource management to plan and make employees prepared, for example undertaking Talent Management to select and support the development of employees with high potential.

Further, THAI also designs Learning Development Roadmap to train its employees in Core Competency, Managerial Competency, and Functional Competency as appropriate for staff, entry-level, middle or senior management, as well as those with talents. It utilizes various tools, whether through training or/ non-training modules, for example learning from mentoring, on-the-job training, etc.



Soft Skills Development

This is a Competency-Based Training, focusing on Core Competency and Managerial Competency, which extends to the Executive Development Program (EDP). It includes training on laws and various standards that apply to different levels of employees to ensure that they have the qualities, knowledge, skills, capacity and the mindset appropriate to their positions. This is necessary in order for THAI to adapt to the fast-changing international business environment. In total 3,644 employees have successfully completed this training.

Hard Skills Development

This training aims to enhance and promote employees' capacity for their respective jobs by focusing on specific Functional Competency. The course is in compliance with legal standards and international regulations, where by employees are legally required to have Personnel Licensing such as pilots, aircraft maintenance technicians, and ground staff.

In 2018, THAI strived towards lifting its standards for operational safety and the environment. To this end, trainings were organized to equip the employees with necessary skills and knowledge. It provided a total of 246 trainings, building the capacities of 18,347 employees who completed different courses for example on quality, safety, and environment as follows :

On quality

- Internal quality audit ISO9001:2015
- Changing Quality Management System (QMS) to ISO9001:2015

On safety

- FAMILY ASSISTANCE & SUPPORT TEAM (FAST)
- HUMAN FACTORS
- HUMAN FACTORS (TRAIN THE TRAINER)
- Security officers working at the management and supervisory levels
- Scaffolding installation and quality test for workers and supervisors
- Basic fire suppression
- First aid and Cardiopulmonary Resuscitation (CPR)
- Committee on occupational safety, health and workplace environment
- Occupational safety
- Occupational safety when working with electricity
- Occupational safety when working with cranes
- Occupational safety when working in poorly ventilated areas
- Occupational safety when working with Lock Out system
- Basic occupational safety when working at height
- Safety management system
- Principles of danger identification and occupational health risk evaluation

On environment

- Environmental Management System awareness course based on ISO14001:2004

In addition, the Corporate e-Learning or THAILearn on Cloud system (THAI Corporate e-Learning on Cloud) web application was utilized to replace its older Learning module. The current system now utilizes Cloud Platform to facilitate virtual learning to develop the capacities and knowledge of employees by making it available anytime and anywhere. Currently, there are five Training Centers as follows :



5 Training Center

Average Hours of Training

Per Person Per Year ⁽⁴⁰⁴⁻¹⁾



Pilot
Training Center



Crew
Training Center



HRD
Training Center



IT
Training Center



Technical
Training Center

Information on employee training

Year 2018

Average hours of training (hours/person/year)	117.54
Gender	N/A
<ul style="list-style-type: none"> • Male • Female 	N/A
Position levels	N/A
<ul style="list-style-type: none"> • Board members • Executive levels 11 and above • Executive levels 8-10 • Operational level 	N/A

Performance Evaluation

(404-3)

Year 2018

Staff performance evaluation results

Staff receiving performance evaluation results (percent)	100
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Return to work and Retention rates after parental leave

(401-3)

Reason for taking leave	Male	Female
Total number of employees that were entitled to parental leave	-	8,869
Total number of employees that took parental leave	-	121
Total number of employees who returned to work after parental leave ended	-	113
Return to work and retention rates of employees who took parental leave	-	93.38

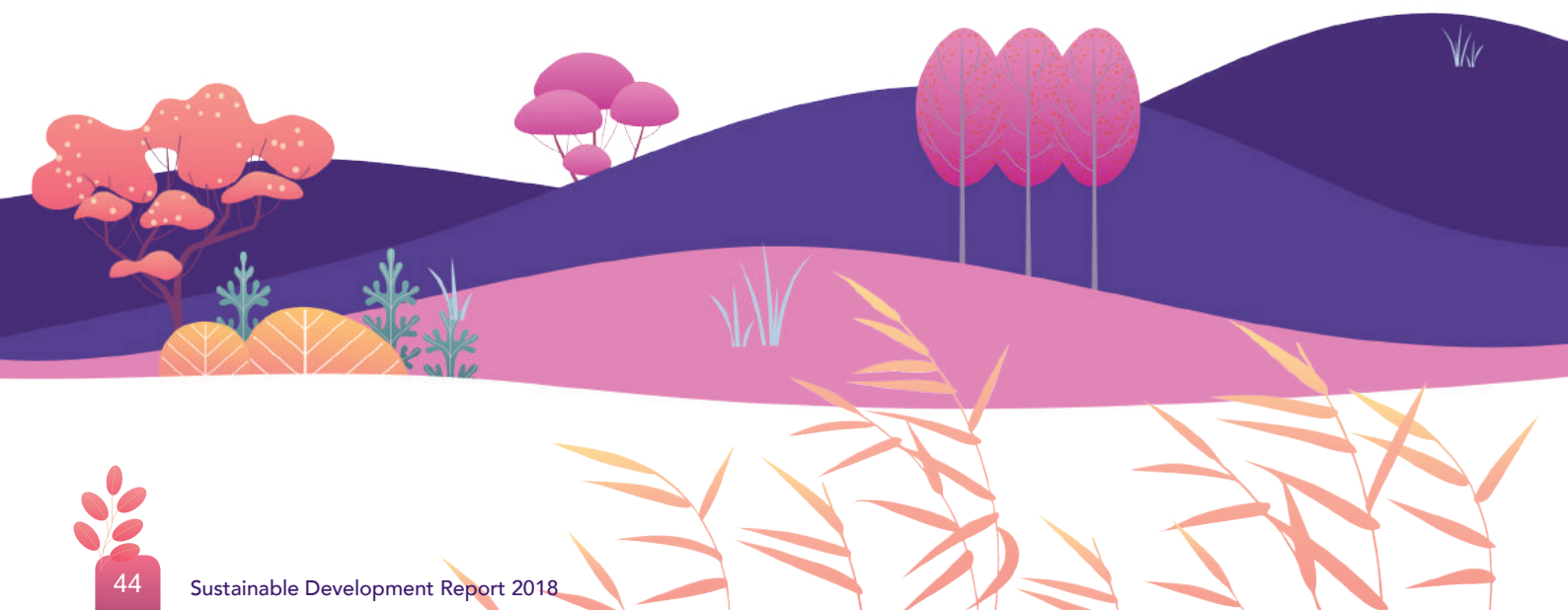
2018 Operational Performance

THAI has a total of 22,068 employees who are the driving force of the organization.

Average training provided: 117.54 hours/person/year

Using Corporate e-Learning or THAI Learn on Cloud system (THAI Corporate e-Learning on Cloud) via Web Application

93.38 percent return to work and retention rates of employees who took parental leave





Safety Operations

(103-1,103-3)

“ Safety ” is always at the heart of THAI’s operations especially when it involves traveling passengers who are the essential element of airline business operations. THAI has placed strong emphasis on compliance with the aviation safety and security standards of the Civil Aviation Authority of Thailand (CAAT), the International Civil Aviation Organization (ICAO), the European Aviation Safety Agency (EASA), the International Air Transport Association (IATA), aviation safety regulatory agencies, and other civil aviation authorities in other countries worldwide.

As the national flag carrier, THAI is readily prepared for future improvements as well as to provide support, and work closely with the Civil Aviation Authority of Thailand to enable Thailand to handle its aviation operations in line with international standards. To this end, THAI is prepared to share news and information on Thailand’s operational performance assessed in accordance with the Global Aviation Safety Plan (GASP) and The Global Air Navigation Plan (GANP) of the International Civil Aviation Organization (ICAO).



Guidelines for Management and Operational Performance ⁽¹⁰³⁻²⁾

Flight Safety Development

Four Information and Communications Technology (ICT) systems have been employed to assist THAI in enhancing safety management and risk minimization as part of its safety controls and analyses as follows :



SAFETY REPORTING & INFORMATION SYSTEM

records safety reports and allows employees to take part in the reporting process, with the information subsequently relayed to the information center through the Internet. The processed data will appear on the dashboard, which is then shared directly with the management.



FLIGHT DATA MONITORING & ANIMATION PROGRAM

is used to observe, monitor, and record flight operations in order to assess operational risks at different airports.



FLIGHT SIMULATOR SYSTEM

is a simulation of plane settings that will allow pilots to experience hypothetical scenarios and sharpen their skills in responding to real situations.



BIG DATA SYSTEM

consists of data collection from various interconnected systems including information on flight routes, plane operating systems, passengers, and weather conditions to feed into Data Intelligence for the purpose of utilizing these data for risk analysis and efficient decision making related to safety.



Aviation Personnel Development

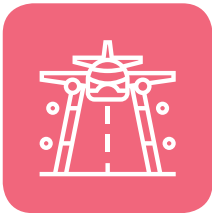
THAI has continued to build the capacity of its aviation personnel, equipping them with knowledge and skills on par with international standards, as well as reinforcing the highest level of safety awareness starting from the recruitment process. It provides comprehensive tests on their physical and mental fitness, knowledge, skills, and behavior. Those tests are outlined below.



Aptitude test for commercial pilots from Scandinavian Institute of Aviation Psychology (SIAP) in Sweden



Aviation Psychology Test From Air Force Institute of Aviation



Pilot Check Ride



English ICAO Proficiency



THAI organized training courses on Enhanced Safety Management System for its aviation personnel and relevant employees, ensuring that every aviation personnel has the capacity and readiness necessary for safe flight operations in line with ICAO requirements. Engagement training programs are also provided to foster aviation personnel's organizational commitment, encourage them to carry out their duties to the best of their abilities, with the goal of generating safety with the highest efficiency, as well as employing e-Learning and Knowledge Management to promote exchange of knowledge and know-how among groups of operators.

In 2018, THAI participated in the IATA Cabin Operations Safety Conference 2018 (COSC 2018) organized by IATA. The conference centered on cabin operations safety and functioned as an international platform facilitating the exchange of knowledge and expertise among cabin safety experts, with the goal of finding best practices in flight operations.



Occupational Health and Safety in The Workplace ⁽⁴⁰³⁻³⁾

THAI is well aware of the fact that its personnel’s occupational health and safety, including danger prevention and promotion of health and sanitation, is highly crucial and must be incorporated into its business operations. Therefore, THAI has a policy on occupational health and safety in the workplace, executed on humanitarian grounds with special focus on employees’ interests. To this end, THAI comprehensively worked on health and sanitation promotion, safety monitoring and evaluation, prevention and control of accidents and dangerous working environment, health watch and occupational illness prevention, first aid, and post-injury physical recuperation.

THAI established the Occupational Health and Safety Committee (OHSC), whose role is to oversee 100 percent of employees’ occupational health and safety, while there are also representatives from relevant departments serving on the Board. The Committee plans and determines policies and processes in an effort to systematize operational guidelines in line with relevant laws and regulations. Meetings were held to monitor THAI’s overall operations in regards to occupational health, safety and environment to ensure maximum efficiency.

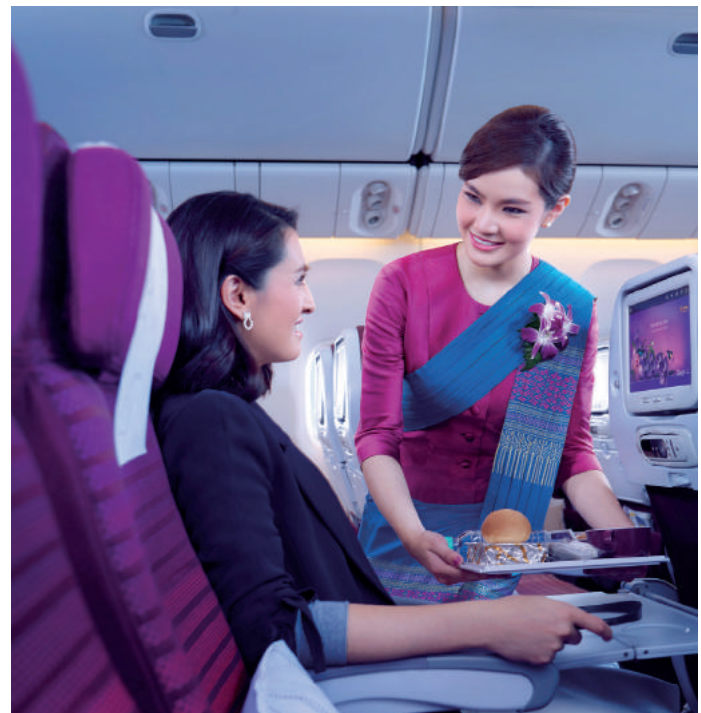
Annual health examinations for THAI’s full-time employees can be divided into two categories :

- 1 General health examinations for employees whose daily work routines are not exposed to risk situations, especially those generally related to occupational health.
- 2 Health examinations for employees with various occupational risks, taking into consideration the nature of their works and risks related to occupational health conducted by Doctors of Medicine with license to practice or training in Occupational Medicine.

The Occupational Health and Safety Department must inspect the workplace and assess the risk factors present in the workplace and operations. In case of issues found related to workplace environment, which may be caused as a result of pollution or contamination, an investigation must be undertaken to identify the level of pollutants in that area and determine whether they are within the legally permitted range. A remedial strategy should also be devised to resolve the situation.

Protecting Health and Safety of Customers

THAI has remained committed to improving its products and services by considering the health and safety of customers as a priority to ensure pleasant traveling experience for customers in each of the target groups as well as strengthen their confidence in air travel. THAI has also incorporated the unique Thai identity into its products and services under the “Service from the Heart” policy to give customers and passengers greater traveling comfort and convenience. In addition, they can experience the uniqueness of air travel that has incorporated the Thai identity into all processes executed under the concept and image of the “Service from the Heart” policy.



THAI has designated processes for providing services and made the Service Level Agreement (SLA) in all of its main service points starting from flight bookings until arriving at destination airports. Regular inspections of customer touch points are carried out in order to maximize customer satisfaction throughout their travel. A post-travel inspection is conducted on the product and service quality, in accordance with the Service Operation Procedure, using mystery shopping for a comparative assessment of its products and services through third-party surveys.

Resilience Engineering for Safety Leadership

In 2018, THAI adopted the concept of “Resilience Engineering” to raise its safety standards to the highest level in the world’s aviation industry to promote sustainability. Its operations are as follows :

Phase 1
Operational Period : 2018
To launch projects and activities to create a culture of organizational safety through interviews and evaluations.

Phase 2
Operational Period : 2019
To use evaluation results to make and develop “Safety Culture Dimensions” comprised of the following:

- Commitment to safety
- Justness
- Safety Information
- Safety Awareness
- Adaptability to dangerous conditions
- Build greater Create safety behavior among personnel through shared knowledge and expertise from external safety culture experts.

Phase 3
Operational Period : 2020
To design curriculums on new safety innovations, namely resilience safety, for employees. The overall content will focus on the following elements:

- Create an understanding of the new view of safety
- Differentiate work-as-imagined from work-as done
- Close the gap between work- as-imagined
- Countering Drift

Phase 4
Operational Period : 2021
To design curriculums on new safety innovations, namely resilience safety, for employees. The overall content will focus on the following elements:

- Achieving Safety Leadership
- What if things go wrong?
- Implementation of incident investigation as a guide to develop training materials.
- Safety Heroes

THAI also hosted the Aviation Security Exercise 2018 in order to promote effective preparations and responsive actions among safety agencies when experience threats in an effort to allow all agencies to efficiently respond to and prepare for threats. The exercise was instrumental in creating processes needed to prevent accidents and resolve issues in all crisis events in an instantaneous and inclusive manner.

THAI has plans to have a total of seven automated external defibrillators (AED) installed in its service areas, as well as to organize basic CPR-AED workshops for its all internal employees and outsourced employees, so that they can use AEDs in the event of an emergency. For other safety information, THAI created user-friendly infographics as follows :



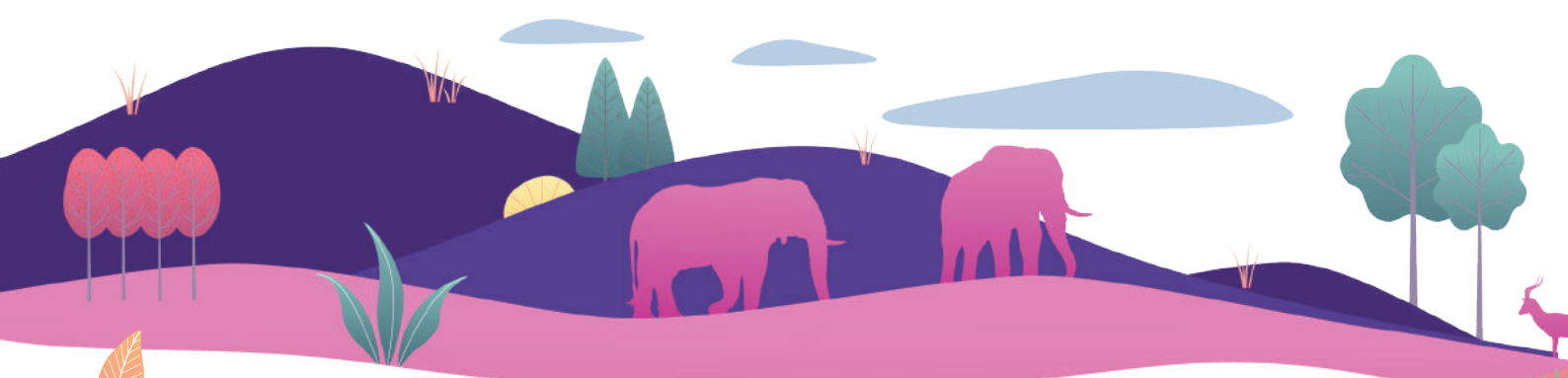
Aviation Risk Assessment

THAI is a member of the Aviation Security Network, both at the national and regional level. The objective is to share news and information, and to regularly monitor security situation at all airports and eight operation areas. The information is analyzed and risks are assessed to identify the likelihood of dangerous incidents which may affect the Company's operations while assisting the management in their making decision process on whether to increase or decrease the level of Special Security Arrangement (SSA) in order to be responsive to the situation, in both normal circumstances and emergencies.

THAI conducts its operations in compliance with the Aviation Security standards and regulations, as determined by the following relevant organizations and agencies, both at the national and international level. They include the following:

- International Civil Aviation Organization (ICAO)
- Civil Aviation Authority of Thailand (CAAT)
- Office of Transport Security (OTS)
- European Union Regulations (EU Regulations)
- German Civil Aviation Authority (LBA)
- Department for Transport (DfT)
- Federal Office of Civil Aviation (FOCA)
- Japan Civil Aviation Bureau (JCAB)
- IATA Operational Safety Audit (IOSA)

This also extends to rules, regulations and requirements of all the countries to which THAI operates. Furthermore, THAI also has an effective Security Management System (SeMS) integrated into all parts of its organization to ensure operations related to aviation security are in line with or beyond the international requirements



Crisis Management

THAI strictly values the importance of emergency and crisis Response management, especially when it comes to the provision of humanitarian assistance to those affected by air disasters, including passengers, flight crew, and their families. It also expands its efforts to partner and other airlines that have existing agreements in the event of an air disaster. Those agreements are aligned with the international standards and regulations of ICAO and agreements between alliance partners.

Efficiency and readiness of THAI Crisis response team is developed on a regular basis through organized “Team Spirit for FAST Seminar & Workshop 2018”, with the goal of preparing the team to carry out their duties effectively and carefully in any crisis situations. This also represents the “THAI Spirit” organizational culture encouraged and reinforced among in all THAI employees. THAI currently has over 600 volunteered staff joining the FAST team.



THAI also took part in the full-scale 2018 Emergency Plan Exercise: Suvarnabhumi Airport Emergency Exercise (SEMEX 18), Don Muang Airport Emergency Exercise (DEMEX-18), and other exercises on illegal property seizure, hostage-takings, bomb threats against passenger terminal buildings, blasts – all of which were organized to enable them to prepare for and respond to any possible emergency situations. Therefore, THAI’s Crisis Management & Operations Center (CMOC) was set up to conduct 24 Hours monitoring for any potential threats to THAI’s operations. In addition, workshops and seminars were held to support members of the Family Assistance & Support Team (FAST Center), in line with international standards and bilateral regulations. The Center offers support to all of THAI’s flights as well as those of THAI’s alliances or with existing agreements.

Due to the high standards and effective management, THAI was able to skillfully and timely manage situations in 2018. The Company’s strong commitment to provide the highest standard of products and services has enabled THAI to effectively handle and provide assistance in different situations. Examples include supporting public sectors and managing flights for passengers who flew to Saudi Arabia to perform the Haj pilgrimage. It also responded to natural disasters and pandemics such as the eruption of Mount Agung volcano in Bali, Republic of Indonesia, the eruption of Mount Mayon in the Philippines’s Luzon Island, Typhoon Maria, Typhoon Jami, Typhoon Jebi, Typhoon Jongdari, Typhoon Mangkhut, and the Nipah Virus outbreak in India. These efforts have built confidence in THAI’s safety standards with levels on par with international standards, and have ensured that THAI will be able to continuously maintain its business in all situations.



2018 Operational Performance

(416-1)

A total of 126 ramp inspections carried out by other countries' civil aviation authorities. No defects of significance were found. In cases where defects were found, they were remedied within the designated timeframe.

100% safety, according to an assessment of the health and safety of customers in relation to THAI's service provision and products. There were no reports of dangerous incidents that occur as a result of THAI service provision and products

THAI undergoes an audit once every two years – the latest of which occurred in May 2018. THAI has received the IATA's Safety Audit for Ground Operations (ISAGO) certification since 2017.

THAI's Security Management Systems (SeMS) underwent a total of 26 audits by all auditing agencies, with no defects of significance found.





Response to

Customer Satisfaction (103-2, 103-3)

THAI prioritizes its customers by creating a travel experience and providing services to meet their needs in order to ensure seamless travel and connections while providing high quality service standard with a touch of unique Thai identity and hospitality. This will enable THAI to provide suitable service for its customers in each of the target group that meet their expectations.

In 2018, THAI established strategic plans for all aviation business units to work together and link their data, so that they can be analyzed for service improvements and development that will genuinely respond to the needs of all groups of passengers.



Guidelines for Management and Operational Performance ⁽¹⁰³⁻²⁾ Marketing Communication Advertising, and Public Relations ^(103-1, 103-2, 103-3)

THAI is determined to continuously develop and improve the quality of its products and services at every customer touch point, with the goal of enabling customers in each of the target groups to enjoy our products and services that embraces the unique Thai identity throughout their journey. These elements are key service pillars encouraged and exercised by all THAI employees for the past five decades under the concept and image of the "Service from the Heart" policy.

Pre-flight Service

- THAI has introduced a new Thai Airways Mobile Apps online service for added convenience and speed for its customers. They can access booking information, flight details, flight schedules, self-check-in options, and 24-hour website live chats.

In-flight Service

- THAI carefully selects and supplies world-class in-flight devices considered to be the touch point of Touch of the 5-Star Airline Rating. They include headphones and comfort wear for First Class and Business Class passengers.
- THAI improves and creates menu items provided in First Class and Business Class by culinary specialists. They take into account the original flavor of each food item. In addition, OTOP products are sold on flights in order to respond to the government's policy that promotes these products.
- THAI is in the process to improving seats on three A330-300 aircraft for added comfort and convenience in an attempt to make them more sophisticated and convenient. Seats will offer 180-degree recline, with the addition of THAI Sky Connect (in-flight Wi-fi Internet service) available on 36 airplanes. Such internet access will allow passengers to communicate with those on the ground.

THAI has continued to place strong emphasis on responsible communications and advertising in order to establish clear understanding among customers through implementation of three important strategies Branding, Product&Service, and Network.

In 2018, THAI expanded its communication and advertising channels appropriate to each of the customer groups, as well as increased the frequency of communication through online platforms such as Facebook, Line Official, Instagram, and WeChat, in an effort to make it more efficient., THAI also focused on the development of branding, which is at the heart of the "Premium" strategy. THAI publicized its information in various formats through media outlets on the basis of reality avoiding exaggerated terms. All publicized items must be subjected to scrutiny and granted permission for distribution by the Film and Television Censorship Board.

According to its operational performance in 2018, there were no complaints alleging that its advertisements and public relations campaigns contained exaggerated claims.

Customer privacy ^(103-1, 103-2, 103-3)

THAI has appointed Data Protection Officers (DPO) and EU representatives in accordance with the General Data Protection Regulation (GDPR). In addition, THAI has registered and announced the appointment of these officers to the EU's data protection authorities with the hope of helping to mitigate the risks involved in the operations that might result in the leakage of customers' and employees' personal information. Hence, THAI sets up two emails as a channel of communication for customers to exercise their rights in line with the GDPR : privacy@thaiairways.com and eu.representative@thaiairways.com

GDPR is the data protection regulation passed by the European Union (EU). It extends the scope of the EU data protection law to organizations and agencies tasked with processing personal data. Those organizations and agencies must have offices located in the European Union and offer products and services that deal with the personal data of EU residents.

In 2018, THAI received no complaints concerning breaches of customer privacy or losses of customer data. ⁽⁴¹⁸⁻¹⁾

Assessment of Customer Satisfaction, Needs, and Expectations



THAI customer satisfaction survey was used as a tool to gauge customer satisfaction. Their feedback will be employed to develop its products and services and to continually maintain service quality standards.

THAI entrusted the Service Quality Standard Department with the responsibility of conducting its affairs by using a mystery shopping approach within its central authority and hiring expert institutions in order to raise the level of product and service that meets the service standards promised to customers, as well as to deliver services in a consistent manner as required by law. THAI has proceeded to develop, improve, and monitor the operations in line with the product and service development plan of all customer service contact points.

Channels of Monitoring

and assessing quality of all main service points ⁽¹⁰³⁻³⁾

✓ Electronic THAI Customer Satisfaction Survey

e-TCSS

✓ International Air Transport Association Airline Satisfaction

IATA-Airs@t

✓ Star Alliance Online Customer Satisfaction Survey

Star OCSS

✓ Customer Feedback Management System

CFMS

✓ Surveying Customer Needs in Individual Groups

Customer Needs

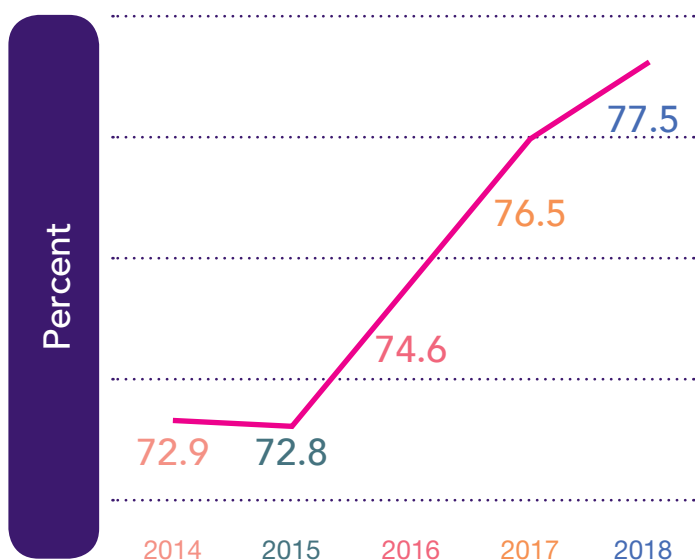


Customer Satisfaction

Rating on THAI's Services

THAI will synthesize The Customer Satisfaction Index (CSI) with its qualitative analysis and use them as a guideline to lay out development strategies for THAI's product and service in order to continue to impress its customers moving forward.

Customer Satisfaction Rating on THAI's Services



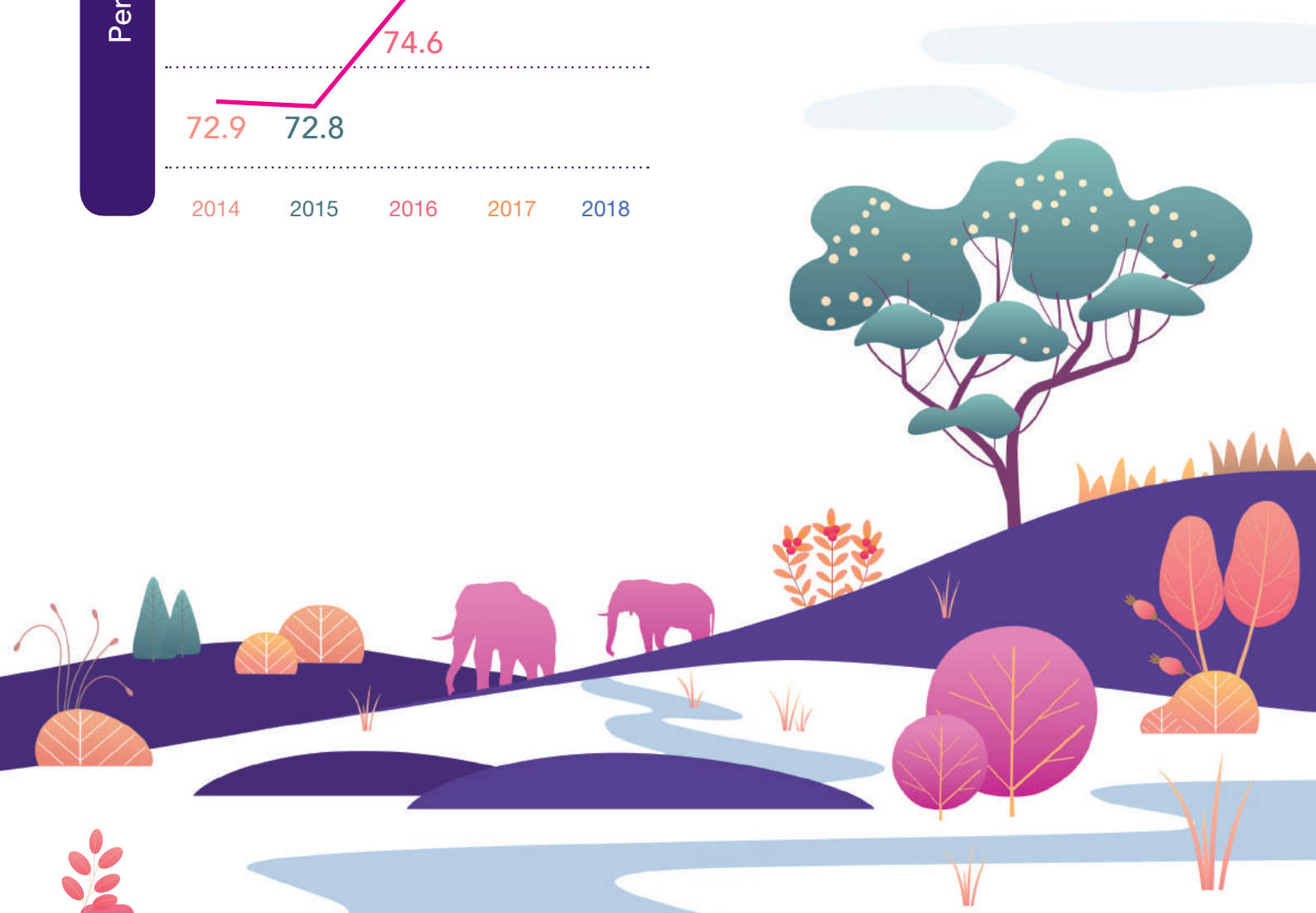
2018 Operational Performance

Developed systems for Thai Airways Mobile Apps

There were no complaints concerning exaggerated advertisements or public relations campaigns

There were no complaints concerning breaches of customer privacy or losses of customer data.

The Customer Satisfaction Rating on THAI's services stood at 77.5 percent.





Corporate Social

Responsibility Operations (102-1)

THAI has placed special emphasis on creating value in every dimension of its operations by recognizing the importance of sharing and developing living quality in a sustainable manner. Following its commitment to set off projects to further promote social developments by focusing on the economic, social and environmental aspects while enhancing living quality of the people in our society, THAI launched and supported various corporate social responsibility projects and activities in 2018 as follows :

Education



THAI supported educational scholarships for youth in Surat Thani province and organized the “Toastmaster Caravan” project aimed to encourage greater use of English language and leadership skills among students at THAI’s Border Patrol Police Academy in Sa Kaeo Province. THAI also partnered with the Airbus Foundation to organize the “THAI Shares the Love to Southern Border” project to deliver school bags and supplies to children in Narathiwat Province.

Religion and Cultural Promotion

THAI organized Paa Pah religious ceremony, offering robes to monks at Wat PrabatNampu temple in Lopburi Province together and gave donated supplies of necessities to patients at the temple. THAI also organized a robe-offering religious ceremony and to celebrate 10-year anniversary of “Phra BuddhaPatima Suvarnabhumi Sirichoke” buddha image and presented blankets, rice, and Dal (lentils) to novice monks at the Royal Thai Monastery Lumbini Federal Democratic Republic of Nepal. THAI presented Dharma books to the Special Task Force Unit of the Royal Thai Marine Force, which will be handed over to Buddhist monks in the three southernmost provinces.

Public Health



THAI provides support for the Thai Red Cross Society’s Organ Donation Center by transporting a team of surgeons and donated human organs to various provinces nationwide through THAI’s domestic network THAI also took part in the “Run for Life” charity event to raise funds for cancer patients, as well as organized the “Impart/transfer Knowledge from Aviation to Medicine” project for medical personnel at Phramongkutklao Hospital. THAI coordinated with Sirirat Hospital to organize the “Sharing Health and Happiness Miles”, encouraging THAI’s Royal Orchid Plus frequent flyer members to donate miles to assist in the purchase of medical equipment for Sirirat Hospital. THAI also helped promote the “Building Bridge of Merit to Connect Lives” project among THAI’s Royal Orchid Plus members and customers to help raise fund in support of the construction of a skywalk connecting to the second floor of Rama 9 Chalermprakit Building of the Police General Hospital.



Flood Victims Assistance



THAI Cargo assisted in facilitating the transportation of relief supplies to Attapeu Province in the Lao People's Democratic Republic. Funds were also raised and donated to help flood victims. THAI and THAI Smile also provided air travel support transporting rescue teams and equipment from the United Kingdom, Australia, and China to help 12 boys and one coach trapped inside the Tham Luang Khun Nam Nang Non cave in Chiang Rai province. As part of the Company's conservation efforts, THAI transported a team of mountain climbers on a mission to collect swallows' bird nests from Koh Libong, Trang Province, and return them to their original habitats after the mission was completed.

Thai Farmers Assistance

THAI purchased agricultural and processed products from all regions of Thailand for production of in-flight meals. These products include winter cold climate fruits and vegetables from the Royal Projects, agricultural products from groups of farmers in Chachoengsao province, "Doi Kham" agricultural processed products, and white seabass farmed by the Thai Marine Finfish Farmers Association. THAI also promotes OTOP products as part of its on board sales and on ground as light refreshments served in THAI's VIP lounges at Suvarnabhumi Airport.

Citizen's Welfare



THAI celebrated Children's Day in Thailand, presenting a range of school items, gifts and bicycles to students at THAI's Border Patrol Police Academy in Sakaeo Province. A total of 28 special flights were arranged taking 4,046 Hajj pilgrims to Saudi Arabia. THAI also supported and facilitated air travel for Thai Paralympic athletes and wheelchair-bound athletes to compete in para-triathlon races in Australia. Joining the auspicious occasion of the 66th royal birthday anniversary of His Majesty King Rama X, THAI Catering offered 1,000 snack boxes to citizens who attended the exhibition held in honor of His Majesty the King. The "Hand-Me-Down" project was launched to accept donation of used clothing items for "Baan NokKamin" foundation. THAI also initiated the "Out with Old Cellphones, in with New Lives" project where old mobile phones were recycle using pollution-free technology and then sold to raise fund for the construction of hospitals in remote areas nationwide. THAI also organized a visit to the Rangsit Geriatric Nursing Home for senior citizens and gave donations in both cash and kind to the Christian Foundation for the Blind in Thailand.

Environment



THAI launched the “Assessment of Organizational Carbon Footprint and Carbon Offsetting Activities” project at Suvarnabhumi Airport and Head Office in order to develop suitable measures to help reduce and manage the organization’s greenhouse gas emissions. For eight consecutive years, THAI organizes activities to raise greater awareness on environmental management, energy consumption and safety at workplace under the theme “THAI Uses Energy Wisely with Special Attention on the Environment and Safety” “THAI Revives Water Quality in Canals Along Vibhavadi Rangsit Road” was another activity that reflected the Company’s commitment and efforts in caring for the surrounding environment, maintaining good water quality and cleanliness in the canal at its headquarters along the Vibhavadi Rangsit Road. THAI also invited its Royal Orchid Plus frequent flyer members to join in the “Combined miles, Protect Forests, Recognition of Communities’ values” activity through where they had the opportunity to engage in travel green activities in support of tourism policies and income distribution to the Tiger Cave Homestay located in Phetchaburi Province. THAI also collaborated with Thai Wacoal Public Company Limited to accept old and unused bras weighing more than 200 kilograms for further process as renewable energy to help reduce global warming; some of the residual materials were processed into raw materials for future use to create jobs for underprivileged women. Our staff at Phuket Station joined force to help clean and landscape the areas starting from Phuket International Airport’s runway thresholds to the Sirinat National Park under the project “Phuket International Airport Protects Communities”.

Sustainability Promotion

Project through Collaboration with Business Partners



THAI and Rolls-Royce joined hands to conduct research and develop the world’s first Trent XWB engine in an attempt to transfer advanced technology in the aviation industry to Thailand. THAI arranged more than 20 Royal Orchid Urng Luang tour programs supporting tourism in secondary tourist destinations in hopes of developing the tourism industry under the “Amazing Thailand, Go Local” project.



Environmental

Operations (103-1,103-3)

At present, global environmental issues have multiplied in intensity, especially air pollution and natural disasters caused by sudden changes in weather conditions – all of which indirectly contribute to the obliteration of ecosystems and are considered to be problematic for many countries around the world including Thailand. As the national carrier of the Kingdom of Thailand and a leading state-owned enterprise, THAI is fully aware of these problems and realizes the need to be part of the global effort in mitigating environmental impacts by integrating environmental aspects into its organizational strategy under the “Travel Green” concept.

Travel Green

The "Travel Green" concept can be divided into 4 areas:



Climate Change



Sustainable Material Management



Sustainable Use of Resources



Biodiversity and Ecosystem Services

In addition, THAI established the environmental management policy in accordance with the Environmental Management ISO 14001:2015, or the "4P" policy which comprises environmental protection, measures to prevent pollution, legal compliance, and constant improvement. These elements are used as an operational guideline with consideration to environmental responsibility from product creation to environmentally friendly services. Examples include developing environmental management in line with international standards; requiring the reduction of activities that adversely impact the environment; raising an awareness; regular training for operational-level staff involved in environmental operations; establish joint efforts for environmental conservation and protection in support of society and other organizations; and disseminating information on THAI's environmental management. These undertakings will effectively help to mitigate environmental impacts as a result of work processes and main business operations.



Management Guideline and Operational Performance ⁽¹⁰³⁻²⁾



Climate Change

(103-1, 103-2, 103-3)

Impacts on the people and environment as a result of changes in weather conditions have become more frequent and disturbing. Therefore, it is important that we seek cooperation from public and private sectors, state enterprises, and other international efforts to find possible approaches to alleviate the situations. Such cooperation is bolstered through participation in the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change: Cop 21 in Paris, France. The Paris Agreement was ratified, with the goal of keeping the increase in global average temperature to well below 2 °C above pre-industrial levels and limiting the increase in global average temperature to 1.5 °C.

With regard to the aviation industry, a resolution was passed at the International Civil Aviation Organization's (ICAO) 39th Assembly to adopt the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) in order to offset and reduce carbon emissions.



In 2018, ICAO required that the civil aviation authorities of each member country take necessary action in accordance with its environmental work plan. In Thailand, the Civil Aviation Authority of Thailand (CAAT) held a conference in tandem with other pertinent airlines in order to provide instructions and prepare the relevant parties to operate strictly with adherence to the CORSIA mandate. In addition, airlines are asked to designate their delegates involved in submitting the emission monitoring plan to the Civil Aviation Authority of Thailand (CAAT)

In this regard, THAI reported on its CO₂ emissions and carbon credits in 2017 to the German Emissions Trading Authority (DEHSt) in Germany, which oversees these matters for THAI in March and April 2018 respectively. The report had been reviewed, according to the EU Emission Trading Scheme (EU ETS).



Carbon Footprint Project

(305-5)

THAI recognizes the impact that grows in intensity as a result of the changing weather conditions, which are mainly caused by an increasing amount of greenhouse gas accumulated in the atmosphere. Therefore, THAI has partnered with Thailand's Greenhouse Gas Management Organization (public organization) or TGO in the "5th Year of Voluntary Enhancement of Carbon Offsetting to Support the Carbon Market in Thailand" event in order to assess THAI's greenhouse gas emissions. The timeframe for the assessment is January 1, 2017 – December 31, 2017. All assessment-related operations were conducted within the premises of THAI's Head Office and at Suvarnabhumi airport, including Technical Department, Catering Department, Cargo Department, Ground Support Services Department, Ground Services Department, and Operations Center Buildings. The outcome of the assessment of greenhouse gas emissions is as follows :



Head Office Building

Produced

17,220.65

tons of CO₂e in greenhouse gas emissions

Suvarnabhumi Office Building

Produced

124,650.66

tons of CO₂e in greenhouse gas emissions



In this regard, it was also found that the main source of greenhouse gas emissions was through the consumption of electrical power. THAI therefore set up approaches to offsetting carbon emissions by sponsoring an environmentally friendly project certified by Thailand's Greenhouse Gas Management Organization (public organization), which is the renewable energy development project initiated by MitrPhol Bio-power (Dan Chang) in SuphanBuri Province.

THAI's Greenhouse Gas Emissions in 2018

Scope 1 greenhouse gas emissions ⁽³⁰⁵⁻¹⁾

Diesel consumption, Benzene consumption, LPG consumption, extinguishing agent consumption, R-134a refrigerant consumption, methane consumption, and SF6 consumption ⁽¹⁾

35,859.20

Greenhouse Gas Emissions
(ton CO₂e)

25

Ratio of 3 Types of Greenhouse Gas Emissions (percentage)

Scope 2 greenhouse gas emissions ⁽³⁰⁵⁻²⁾

Electricity consumption ⁽²⁾

71,766.88

Greenhouse Gas Emissions
(ton CO₂e)

51

Ratio of 3 Types of Greenhouse Gas Emissions (percentage)

Scope 3 greenhouse gas emissions ⁽³⁰⁵⁻³⁾

Paper consumption, tap water consumption, electric power consumption (rented spaces), effluent production (general)

30,861.71

Greenhouse Gas Emissions
(ton CO₂e)

22

Ratio of 3 Types of Greenhouse Gas Emissions (percentage)

Greenhouse gas emissions from the scope of additional operations reported separately

R-22 refrigerant consumption (for air conditioners)

3,383.52

Greenhouse Gas Emissions
(ton CO₂e)

2

Ratio of 3 Types of Greenhouse Gas Emissions (percentage)

Total

141,871.31

Greenhouse Gas Emissions
(ton CO₂e)

100

Ratio of 3 Types of Greenhouse Gas Emissions (percentage)

*Remark: THAI's greenhouse gas emissions and removals reporting was carried out specifically within the premises of the head office and the Suvarnabhumi office.

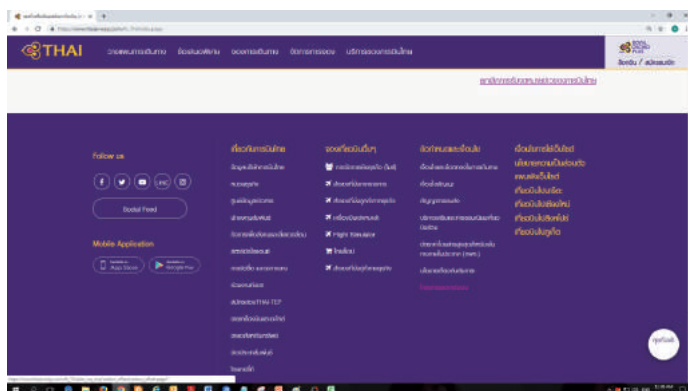
1. The scope of greenhouse gases considered include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbon (HFCs), perfluorocarbon (PFCs), sulfur hexafluoride (SF₆), nitrogen trifluoride (NF₃), R-22 refrigerant (FCFC-22)

2. Electricity consumption within buildings 1-13

Thai Voluntary Carbon Offset Scheme ⁽³⁰⁵⁻⁵⁾

THAI has continued its Thai Voluntary Carbon Office scheme for the fifth year. It relies on passengers' participation to raise awareness of the significance of rapid climate change, and to be a part of the efforts to mitigate its effects. Therefore, THAI partners with International Air Transport Association (IATA) to keep accounts of THAI's carbon dioxide emission offsetting. It is then reviewed for quality assurance by the UK's Carbon Offset Approval Scheme and communicated to passengers wishing to offset their travels' carbon footprint on a voluntary basis.

In 2018, THAI was able to offset 803 ton CO₂e equivalent to approximately 4,801 USD. The amount is then contributed to Kamphaeng Saen East Landfill Gas to Electricity hosted by Bangkok Greenpower Co., Ltd. a Clean Development Mechanism (CDM) projects Certified Emission Reductions (CERs).



Sustainable Material Management

Developing digital document management system for the organization

(E-Document)

E-Training

THAI Catering Department developed the online training module, "Food safety brush up" for its employees. This allows training access regardless of time and location, and more importantly helped save 30-50 reams of paper per year per course. Altogether, this saved 0.050-0.083 ton CO₂e of greenhouse gas emission

e-Survey

THAI developed an e-Survey system, a new information technology system to replace the old paper-based survey method. In 2018, 45 sets of e-Surveys out of which eight were sent to approximately 23,000 employees in total, while the remaining 37 sets were sent to specific groups of relevant employees. This is calculated as approximately 2,411 reams of paper saved, or 6.84 ton CO₂e



GREEN IT

Data Center

THAI has carried out its Green IT initiative at the Data Center, by encouraging employees to turn off appliances after using at the computer lab, selling disposed equipment, organizing cables under the raised floor, and collecting bits of disposed installation parts such as boxes, paper and containers to be sold per THAI regulations. The initiative also ensures effective ventilation in the Data Center and takes precautionary measures to minimize fire hazard risks.

Creating Added Value

by Waste Sorted

THAI sorts its effluent into three types: plastic, wood, and paper. These all typically come with transportation of goods, after delivering to recipients or representatives. The usable materials are then adapted or resized for reuse in exports. Nonetheless, there are still much unusable scraps which THAI decided to create added value by selling them to reuse/recycle businesses. With a total of 646 tons—429 tons were non-reusable plastic, 155 tons of wood and 62 tons of paper, THAI generated 7.3 million baht income without having to spend demolition or transportation costs.

Reused Plastic Sheet

THAI has continuously recycled plastic sheets. The Cargo and Mail Commercial Department has gathered, inspected, sorted and stored incoming plastic sheets used to cover cargo to prevent damages from humidity at the Suvarnabhumi airport. The sheets are then reused to cover goods on export pellets. This initiative's 2018 results are as follows :

Reduce Plastic

39.29 percent or approximately 118,341 sheets of the total amount needed. 165,677 kilograms saved in total.

Reduce Carbon emissions

Reduced 159,048 ton CO₂e in carbon emissions

Cost savings

Cost saving of 63.8 baht/sheet, or 7.6 million baht in total



Sustainable Use of Resources

THAI recognizes the value of resources management and is thus determined to utilize them with maximum efficiency while minimizing impact on society, communities and the environment with the goal of increasing aircraft fuel efficiency and decrease effects on the environment which continues to deteriorate such as air pollution from aircraft fuel combustion. Increased aircraft fuel efficiency will help reduce impact on the environment such as air pollution as a result of fuel combustion. Therefore, THAI has undertaken various initiatives namely Fuel Management, Route Optimization, New Portable Water Uplift, and efficient fleet planning to help decrease its energy consumption and move towards sustainable use of resources



Energy Efficiency in Flight Operations

THAI values fuel efficiency and minimizing pollution emission from aircraft to the lowest amount possible. To this end, THAI has determined a variety of measures and guidelines on the topic of energy conservation in the hope that relevant parties shall comply with its suggestions. In 2018, THAI proceeded to carry out tasks that generated energy efficiency in flight operations through a series of significant projects as follows :

Fuel Management

THAI has carried out the Fuel Management project since its inception in 2004, and has continuously implemented it for the last five years from 2014 to 2018. The project reduces a substantial amount of aircraft fuel consumption by 46,427 tons/liter, as well as reduces Co₂ emissions by 146,244 tons.

Route Optimization

THAI employs Route Optimization to reduce various operational costs including on fuel and Overfly Permit. The Thai Automatic Flight Planning System's (TAFS) Route Optimization is a tool used for the preparation of supporting flight documents to guide pilots in flying safely and with fuel efficiency. It is utilized by the Flight Coordination Department for planning, and through various processes, the safest and most fuel-efficient route can be calculated. This then guides Dispatchers' work in mapping the routes, which may be adjusted after taking into account the safety in flying over different countries' airspace and other factors such as the weather. This allows Dispatchers to work with efficiency, safety and credibility, fostering pilots' trust and reduce the need for extra fuel.

New Potable Water Uplift

Since 2015, THAI has implemented the New Potable Water Uplift project to help calculate the number of passengers, distance and the aircraft's take-off weight to reflect the amount of water needed on board. This gives THAI greater accuracy when calculating the amount of fuel necessary for each flight which in turn enhance overall fuel efficiency.

However, to determine how much fuel can be saved by reducing the amount of water onboard involves complicated and intricate calculations. Therefore, THAI developed a software to calculate, create a communication channel and design new ways of operating, including plans for ways in which risks of mishaps can be prevented and minimized. This has led to a more efficient aviation management, for instance by increasing the volume of cargo and baggage transportation, guaranteeing water hygiene by decreasing contamination risks since water carried on each flight is almost used up at the end of each flight.

Performance Based Flight Planning

The Flight Operations Support Department and the Research and Aviation Strategy Management Department together mapped out the flight planning process based on actual fuel usage. This helps strengthen confidence in flight plans, reduce purchase orders for extra fuel, which leads to more efficient use of fuels, less greenhouse gas emissions and contribution to global warming.

Furthermore, THAI was able to make more realistic budget plans for fuel costs, allowing it to provide a more accurate estimation of its profits. THAI has implemented this project since May 2018 with satisfactory results. The fuel usage data from the Aviation Resources Development Department demonstrates that the amount of actual fuel used is similar to what was anticipated in flight plans while extra fuel use is still being monitored.

Efficient Fleet Planning (302-5)

THAI implemented its fleet strategy to cut operational costs by reducing the number and types of aircraft in its fleet, as well as by enhancing its fleet's efficiency. In 2018, THAI took delivery of five Airbus A350-900XWB aircrafts equipped with Rolls-Royce Trent XWB engine. The model has high fuel efficiency and is made from durable, lightweight composite carbon fiber material which can withstand various types of possible in-flight impact. This led to a 25% decrease in carbon dioxide emission, and up to 25% fuel cost savings compared to aircrafts of the same size. The aircraft fuel consumption rate for one ton of planeload per one kilometer has decreased to 0.2406 when compared to 0.2496 in 2017. This helped THAI save on fuel costs in 2018, which is one of its main operational costs.

Developing innovative communication and airport resources management using Digital Trunked Radio (302-5)

THAI Operations Control Center (TOCC) involves Operations, Research and Aviation Strategy Management departments working in cooperation with Aeronautical Radio of Thailand Co., Ltd. to further innovate building on the Digital Trunked Radio on the TETRA (Terrestrial Trunked Radio) network. The objective is to enable work status reporting of support units on the ground and in passenger terminal buildings. Through the Walkie Talkie radio currently used, online real-time information of vehicles and resources can be reported to help manage On-time Performance. It also provides useful information for Airport Collaborative Decision Making (A-CDM).

The aforementioned cooperation will help Thai aviation industry to expand in the future, especially for Suvarnabhumi Airport's Passenger Terminal Building 2 and Taxiway 3, the opening of the U-Tapao International airport and international airport management in Thailand. This helps to replace some technological imports, reduce equipment procurement and waste, operational costs, and further strengthen the development of Thailand's aviation industry. The TOCC will start providing its services in 2019 onwards.



Mobile Device Management (MDM) ⁽³⁰²⁻⁵⁾

The Mobile Device Management (MDM) project aims to help manage flight documents more efficiently by storing them as e-documents. Documents can be updated at any given time, in line with international aviation standards and in support of the Paperless Concept of flight planning.

This effort significantly helped reduce printing costs and paper usage in 2017, THAI reduced 0.5 kilograms load per flight. The project was expanded in 2018 to further advance more areas of work for flight operations. It supplied new document management programs for pilots and crew such as FCOM, OM-A, CCM, PHM as well as using iPad as a tool. The project has a three-year workplan starting in 2018 and will be implemented following the Civil Aviation Authority of Thailand (CAAT)'s requirements for paperless flight operations, which helps promote greater efficiency in the use of existing resources, for example :

- Reducing planeload by 58.60 kilograms on average per aircraft, which indirectly helps reduce fuel burn by 542,000 kilograms per year which is equivalent to 15 million baht per year and 1,708 tons CO₂e in emissions
- Reducing the use of paper needed to produce flight manuals by 5,000 sheets per pilot on average and 2,600 sheets per crew member on average, amounting to 10.8 million sheets saved in the system. The number of sheets saved equals to approximately 1,650 trees, which can reduce/absorb 131.25 tons CO₂e per year.

Statistics of Effective Flight Operations 2016-2018

(302-3,302-5,305-4)



Statistics of Effective Flight Operations

	2016	2017	2018
Actual Fuel Consumption in T.Ltr	2,387,922	3,057,601	3,082,956
Energy consumption from actual fuel use (GJ)	82,860,893	106,098,755	106,978,573
Fuel consumption per passenger-kilometer(L/pax-km)	4.86	4.51	4.52
Energy consumption from actual fuel use per passenger-kilometer (GJ/pax-km)	168.64	156.50	156.84
Carbon Emissions (Tons CO ₂ e)	5,904,734	7,560,684	7,623,379
Carbon Emissions (Gramme)/RPM	120.13	111.51	111.84



Energy Conservation

(302-4)

Energy is a vital factor in driving the aviation industry. Energy consumption level thus fluctuates depending on economic growth, for instance increase in tourism and increased accessibility of air travel. This leads to higher energy consumption in the aviation industry which as a result produce higher environmental impact. Therefore, THAI as the premium national carrier and leader in Thailand's air travel business, is committed to conserving energy in its core business operations. THAI has integrated the energy management system into its strategy and issued THAI energy management policy according to the Energy Management Systems ISO 50001:2001 standard. This involves concrete steps for implementation such as determining the objectives, goals and action plan for energy conservation, designing and procuring tools and equipment that primarily prize energy efficiency, as well as raising staff and society's awareness of the importance of energy conservation.

To ensure effectiveness of energy conservation efforts, THAI has developed and improved its energy management system through the various projects below.

14 W LED lights Installation at Technical Department Building Suvarnabhumi Airport

THAI changed 3,500 36 W fluorescent bulbs which use up to 338,720 kWh/year to 14W LED bulbs which use only 118,552 kWh/year. This allowed THAI to reduce its energy consumption by 220,168 kWh/year calculated at 792,605 baht in electricity bills.



Aircraft Hangar Lighting Improvement at Technical Department Don Mueang Airport

- THAI allocated a budget of 98,001 baht to improve the lighting at in front of the Twin Hangar Air Side, Building 129, Don Mueang office. 19 MH 400 W Flood Lights were changed to LED which can help save 29,565 kWh/year calculated at 127,129.50 baht in electricity bills.
- THAI allocated a budget of 930,000 baht to improve the lighting in the Maintenance Hangar, Building 122, Don Mueang office. The 155 MH 400 W High BAY lights were changed to 200 W High BAY LED, which can help save 62,999 kWh/year calculated at 270,895.70 baht in electricity bills.



Energy Block Grant from Department of Alternative Energy Development and Efficiency, Ministry of Energy

- THAI allocated a budget of 29,887,750.39 baht for installing energy saving equipment at its Head Office by changing 29,141 fluorescent light bulbs to LEDs. This is estimated to save 1,600,475.41 kWh/year. The budget was also used for the upgrading and installation of two Oil Free Magnetic Bearing Chillers replacing the less efficient and aging chillers, which helped save 495,725.25 kWh/year. In total, such efforts helped THAI save up to 2,096,200.66 kWh/year.
- THAI allocated a budget of 3,102,533.48 baht for changing 12,900 low energy efficiency bulbs to LEDs, estimated to save 1,276,406.00k Wh/year at the Operations Center (OPC) at Suvarnabhumi Airport.

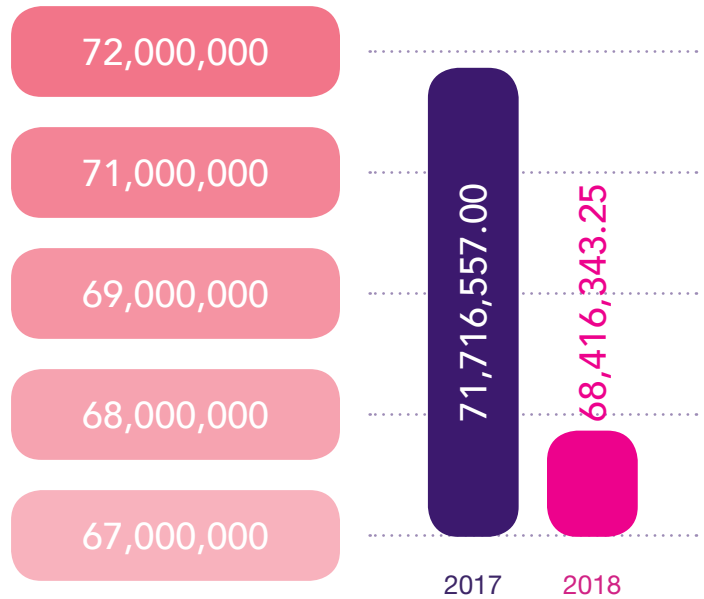


Improvement of Air Conditioning Systems and The Use of LED Lighting

THAI improved its central air conditioning system by opting for the highly efficient Oil Free Magnetic Bearing Chiller, and increased the energy efficiency of its lighting system by using LED bulbs at its Head Office. This reduced energy consumption by 2,096,200.66 kWh/year enabling THAI to cut down 7,609,208.40 baht in electricity bills. Following THAI's efforts to increase energy conservation efficiency in 2018, the energy consumption was reduced by 4.60 percent as illustrated below.

Information of overall electricity consumption 2017 - 2018 ⁽³⁰²⁻¹⁾

THAI's overall electricity consumption (kWh/year)



*Remark:THAI's overall energy consumption is calculated only from the consumption at Head Office, Laksi office, LarnLuang office, Silom office, Suvarnabhumi Operation Center, Don Muang office, Don Muang Technical Department, and the Aircraft Maintenance Center at U-Tapao airport.

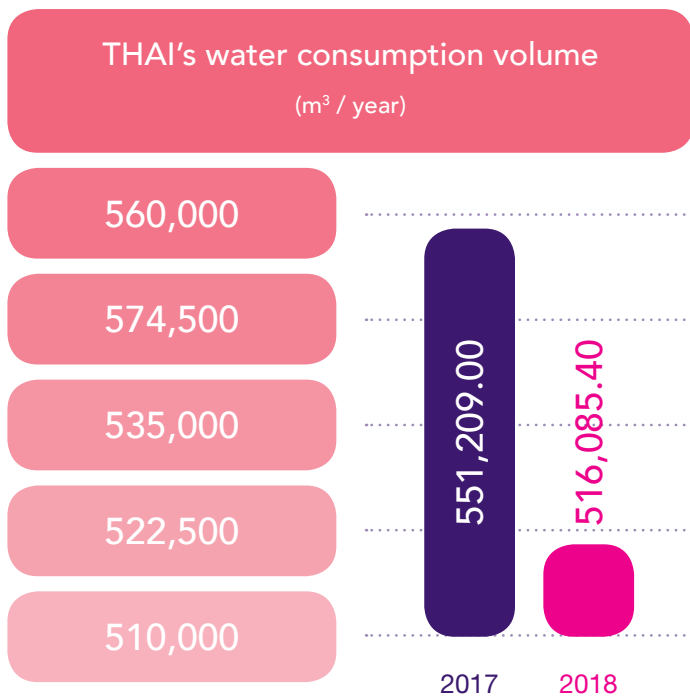
Water Resource

Management (103-2, 103-3)

THAI prioritizes water management, from tap water consumption to waste water management to encourage conscientious use of water resources and mitigate impact on communities, society and environment. A number of initiatives have been implemented to conserve water and treat waste water according to the Department of Industrial Works standards before sending to Airports of Thailand's central waste water treatment system per its agreement. Some of the waste water is also for watering plants and lawn areas in the vicinity of Technical Department and some of the treated waste water were directed to the Operations Buildings for watering for the same purpose. This helped the Technical Department and Operations Center at Suvarnabhumi Airport saved 8,000 m³ of water, a 19.40 percent increase in savings when compared to the 6,700 m³ saved in 2017. From these efforts, THAI saved its total water consumption by 6.37 percent. It was also able to treat 34 percent out of all the used water. THAI's overall water consumption efficiency is illustrated in the figures below.

Information of water consumption

2017-2018 (303-1, 303-3)



*Remark: THAI's water consumption is calculated only from the consumption at the Head Office, Laksi office, LarnLuang office, Silom office, Suvarnabhumi Operation Center, Don Muang office, Don Muang Technical Department, Suvarnabhumi Technical Department and the Aircraft Maintenance Center at U-Tapao airport.

Information of treated wastewater volume 2017-2018 (303-1, 303-3)



Remark: THAI's waste water treatment volume is calculated only from the treatment at the Head Office, Laksi office, Suvarnabhumi Operation Center, Don Muang office, Don Muang Technical Department, Suvarnabhumi Technical Department and the Aircraft Maintenance Center at U-Tapao airport.





Biodiversity and Ecosystem Services

Today, the on-going destruction and depletion of natural resources and ecosystems have caused an adverse impact on the biodiversity. These damages are caused by business operations and irresponsible lifestyles. THAI recognizes the importance of protecting the environment by minimizing both direct and indirect impact from business operations. THAI is working to ensure that its operations are in compliance with international standards regarding biological resources management, raising awareness and encouraging the participation of customers and employees at all levels to work together towards sustainable environmental conservation.

THAI Helps Prevent the smuggling of elephant ivory

THAI helps prevent the smuggling of elephant ivory through its Cargo & Mail Commercial department (FZ) by following measures and guidelines of The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) for the past five years, since 2014. All sales representatives worldwide are notified of THAI's policy prohibiting the transportation of elephant ivory and related products, shark fins, as well as hunting trophies.



Waste Management

(103-2, 103-3)

THAI established efficient management procedures for general waste and hazardous waste, based on the 3Rs principles (Reduce, Reuse and Recycle), and also involves waste processing and replenishing resources. As a result, it is easier for THAI to store or destroy wastes through appropriate means and methods. Waste is sorted into different types: general waste, recyclable waste and infectious waste. The process and storage are compliant with ISO 14001 environmental management system. Furthermore, THAI also contracted companies specializing in collecting and destroying general and hazardous wastes according to the licensed and legal procedures as determined by the Department of Industrial Works.

Amount of waste

from office buildings in 2018 ⁽³⁰⁶⁻²⁾

Type (Kilogram)	Recycle waste	178,098.50
	General waste	1,408,277.00
	Hazardous waste	1,225,704.80
	Infectious waste	161.38
	Waste oil	140,432.00

*Remark: The amount of THAI's general and hazardous waste is calculated only from waste collection and sorting at the Head Office, Laksi office, Larn Luang office, Suvarnabhumi Operation Center, Suvarnabhumi Technical Department, Don Muang Technical Department, and the Suvarnabhumi Catering department. The data on waste oil is collected from the amount of used vegetable oil at Don Muang and Suvarnabhumi Catering departments.

Management of Waste

from in-flight services ⁽¹⁰³⁻³⁾

THAI established its procedure to manage waste from in-flight services, requiring the service equipment depot department and in-flight service equipment storage management division to collect and process waste and unused items into different types such as newspapers, magazines, Sawasdee in flight magazines, paper, food menu, plastic, blankets, food containers, damaged containers, food leftovers, and tissue paper. Items in good condition are reused, while items damaged beyond repair are sold. Waste from services will then enter a process compliant with health and sanitation principles. In 2018, there was a total of 403,770.53 kilograms of damaged equipment, which generated 3,248,321.72 baht of income for THAI when sold.

Amount of waste from in-flight services in 2018 ⁽³⁰⁶⁻²⁾

Type of waste from in-flight services (kg.)

Plastic	3,050.04
Tissue paper	4,532.16
Menu	84,601.00
Cardboard box	19,182.31
Paper	21,832.14
Sawasdee Magazine	115,336.33
Magazine	68,490.08
Newspaper	86,746.47

2018 Operational Performance

THAI was able to offset 803 ton CO₂e in its carbon dioxide emissions, or approximately 4,801 USD through its Thai Voluntary Carbon Offset scheme which is implemented in response to climate change.

THAI was able to reduce 159,054.92 ton CO₂e in carbon dioxide emissions through its E-Document digital document management system, "Reused Plastic Sheet" CSR project, part of THAI's overall Sustainable Material Management efforts.

THAI was able to reduce fuel costs by 1,235,045 million baht through its Fuel Management initiative. It also reduced 1,839.25 tons in carbon dioxide emissions through the Mobile Device Management (MDM) project and saved 5,781,539.32 kWh/year in electricity through its energy efficiency initiative. All these initiatives are under THAI's efforts towards Sustainable Use of Resources.

THAI was able to reduce its water consumption by 8,000 m³ which is 19.40 percent better when compared to the figure in 2017, by reusing its waste water.

THAI has a 100% compliant waste management processes for both general and hazardous wastes according to relevant laws as well as ISO 14001 Environmental management standards which outlines how to dispose of general and hazardous wastes.



THAI's Pride

Awards and Recognition

The World's Best Airline Awards

Three Best Airline Awards from Skytrax

- 1 World's Best Economy Class
- 2 World's Best Airline Lounge Spa
- 3 Best Economy Class Onboard Catering



THAI's Pride Awards

Best Airline Awards



- World's Top 10 Airlines of 2018
- Best Southeast Asian Airline for the 11th consecutive year from TTG Travel Awards 2018
- Ranked among the top 11 airlines for Travelers' Choice Major Airline - Asia category on TripAdvisor
- Excellent operator award from Airports of Thailand Public Company Limited (AOT)
- DHL Outstanding Handling Service in Bangkok award from DHL Express International (Thailand) Co., Ltd.
- Agent Friendly Airline Award from Korea Association of Travel Agents (KATA)
- Traveport Best Performing Airlines Award 2017 at the Traveport Solutions Showcase and Awards Ceremony 2018 in Singapore
- Top Agent Award from Japan National Tourism Organization (JNTO) Bangkok Office
- 2017 Excellent Catering Service Award from EVA Air Thailand
- Runner-up award in Favorite In-Flight Food & Beverage and the Royal Orchid Plus frequent flyer program also received the runner-up award in the Favorite Airline Loyalty Program category from KAYAK Travel Awards Singapore 2018
- Thai SELECT Certification from Department of International Trade Promotion, Ministry of Commerce, at THAIFEX- World of Food Asia 2018 exhibition

Corporate Social Responsibility Award



- "Outstanding" Sustainability Report Award 2018 from the Thai Listed Companies Association

Environment and Safety Awards

- Outstanding Establishment Models on Occupational Safety, Health and Environment at National Level, 2018 (Diamond level) award from the Ministry of Labour for the Operations Center
- Carbon-offsetting and corporate carbon footprint certificates from Thailand Greenhouse Gas Management Organization (Public Organization)
- Honorable award in recognition of THAI's contribution towards trees conservation under 'The trees of Siam: treasures of the land under the Royal Benevolence of His Majesty the King' by the Department of Cultural Promotion, Ministry of Culture



Other Awards

- Runner-up awards for “Best Calendar” under the general category and “Best Notebook Calendar” under the Support for National Identity and National Culture category with the theme “A NEW THAI VISION” from the 38th Suriyasasithorn Award organized by Public Relations Association of Thailand
- Honorable Award from His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun for Mawlid al-Nabi Celebration 1439 AH
- THAI team won 8th place trophy out of 50 competing teams at the 23rd Thailand Masters Athletics Championship 2018 at Lampang province, northern Thailand



GRI Content Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report

GRI Standard	Disclosure	Page number (s) and/or URL (s) / Direct Answer	SDGs
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GRI 101: Foundation 2016

General Disclosures

GRI 101: Foundation 2016	GENERAL DISCLOSURES		
GRI 102: General disclosures 2016	102-1 Name of the organization	Cover Pages	
	102-2 Activities, brands, products, and services	9	
	102-3 Location of headquarters	12	
	102-4 Location of operations	11	
	102-5 Ownership and legal form	10	
	102-6 Markets served	11	
	102-7 Scale of organization	10, 35, 39-40	
	102-8 Information on employees and other workers	39-40	
	102-9 Supply chain	13	
	102-10 Significant changes to the organization and its supply chain	No Significant change	
	102-11 Precautionary principle or approach	29	
	102-12 External initiatives	29	
	102-13 Membership of associations	12	
	STRATEGY		
	102-14 Statement from senior decision-maker	4-6	
	ETHICS AND INTEGRITY		
	102-14 Values, principles, standards, and norms of behavior	4-6	
	GOVERNANCE		
	102-18 Governance structure	25	
	STAKEHOLDER ENGAGEMENT		
	102-40 List of stakeholder groups	15	
	102-41 Collective bargaining agreements	100 percent	
	102-42 Identifying and selecting stakeholders	15	
	102-43 Approach to stakeholder engagement	16-18	
	102-44 Key topics and concerns raised	16-18	

GRI Standard	Disclosure	Page number (s) and/or URL (s) / Direct Answer	SDGs
REPORTING PRACTICE			
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	11, 20	
	102-46 Defining report content and topic boundaries	20-22	
	102-47 List of material topics	21-22	
	102-48 Restatements of information	Transform G4 to GRI Standard	
	102-49 Changes in reporting	No Significant change	
	102-50 Reporting period	19	
	102-51 Date of most recent report	1 January – 31 December 2017	
	102-52 Reporting cycle	19	
	102-53 Contact point for questions regarding the report	22	
	102-54 Claims of reporting in accordance with the GRI Standards	19	
	102-55 GRI content index	78-82	
	102-56 External assurance	No External assurance	

GRI 200 Series: Economic Topics

ECONOMIC PERFORMANCE 2016			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	31-33	
	103-2 The management approach and its components	34	
	103-3 Evaluation of the management approach	31-33	
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	35	2,5,7,8,9
INDIRECT ECONOMIC IMPACTS 2016			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	36	
	103-2 The management approach and its components	N/A	
	103-3 Evaluation of the management approach	N/A	
GRI 203 Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	N/A	
	203-2 Significant indirect economic impacts	N/A	
ANTI-CORRUPTION 2016			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	28-29	
	103-2 The management approach and its components	28-29	
	103-3 Evaluation of the management approach	28-29	
GRI 205 Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	N/A	
	205-2 Communication and training about anti-corruption policies and procedures	N/A	
	205-3 Confirmed incidents of corruption and actions taken	N/A	

GRI 300 Series: Environmental Topics

ENERGY 2016

GRI 103: Management Approach 2016

GRI 302 Energy 2016

103-1	Explanation of the material topic and its boundary
103-2	The management approach and its components
103-3	Evaluation of the management approach
302-1	Energy consumption within the organization
302-3	Energy intensity
302-4	Reduction of energy consumption
302-5	Reductions in energy requirements of products and services

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WATER 2016

GRI 103aa Management Approach 2016

GRI 303 Water 2016

103-1	Explanation of the material topic and its boundary
103-2	The management approach and its components
103-3	Evaluation of the management approach
303-1	Water withdrawal by source
303-3	Water recycled and reused

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EMISSION 2016

GRI 103 Management Approach 2016

GRI 305 Emissions 2016

103-1	Explanation of the material topic and its boundary
103-2	The management approach and its components
103-3	Evaluation of the management approach
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions
305-4	GHG emissions intensity
305-5	Reduction of GHG emissions

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EFFLUENTS AND WASTE 2016

GRI 103 Management Approach 2016

GRI 306 Effluents and Waste 2016

103-1	Explanation of the material topic and its boundary
103-2	The management approach and its components
103-3	Evaluation of the management approach
306-1	Water discharge by quality and destination
306-2	Waste by type and disposal method

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GRI Standard	Disclosure	Page number (s) and/or URL (s) / Direct Answer	SDGs
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GRI 400 Series: Social Topics

EMPLOYMENT 2016

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	37	
	103-2 The management approach and its components	39	
	103-3 Evaluation of the management approach	37	
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	39	5,8
	401-3 Parental leave	44	5,8

OCCUPATIONAL HEALTH AND SAFETY 2016

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	45	
	103-2 The management approach and its components	46	
	103-3 Evaluation of the management approach	45	
GRI 403 Occupational Health and Safety 2016	403-3 Workers with high incidence or high risk of diseases related to their occupation	48	3,8

TRAINING AND EDUCATION 2016

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	41-43	
	103-2 The management approach and its components	41-43	
	103-3 Evaluation of the management approach	41-43	
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	43	4,5,8
	404-2 Programs for upgrading employee skills and transition assistance programs	42-43	8
	404-3 Percentage of employees receiving regular performance and career development reviews	43	5,8

DIVERSITY AND EQUAL OPPORTUNITY 2016

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	37	
	103-2 The management approach and its components	39	
	103-3 Evaluation of the management approach	37	
GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	40	5,8

CUSTOMER HEALTH AND SAFETY 2016

GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	45	
	103-2 The management approach and its components	46	
	103-3 Evaluation of the management approach	45	
GRI 416 Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	52	

GRI Standard	Disclosure	Page number (s) and/or URL (s) / Direct Answer	SDGs
MARKTING AND LABELING 2016			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	54	16
	103-2 The management approach and its components	54	
	103-3 Evaluation of the management approach	54	
GRI 417 Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	54-56	
	417-3 Incidents of non-compliance concerning marketing communications	54	
CUSTOMER PRIVACY 2016			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its boundary	54	16
	103-2 The management approach and its components	54	
	103-3 Evaluation of the management approach	54	
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	54	

Opinion Survey of the Sustainable Development Report Thai Airways International Public Company Limited (THAI) 2018

1. Please specify your status in relation to THAI

- Customers
- Trading Partners / Creditors, Debtors and Competitors
- Government Sector
- Shareholders / Investors
- Employees
- Society and Community
- Others

2. From which channel did you receive THAI Sustainable Development Report 2018

- THAI website
- Annual General Shareholders Meeting
- Seminar / Lecture
- Sent directly by THAI / Received from THAI
- QR Code
- Others

3. Which aspect do you think is critical for THAI's sustainable growth

- Economic (Please specify.....)
- Social (Please specify.....)
- Environment (Please specify.....)

4. Do you think the key aspects important to THAI's sustainable growth have been completely addressed and covered in this report

- Yes
- No (Please specify the issues that should have been included).....

5. The level of your satisfaction with this Sustainable Development Report 2018

- Completion of the content (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)
- Key issues included in the report (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)
- Quality information (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)
- Language used is easy to understand (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)
- Attractive Design (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)
- Overall satisfaction (Very satisfied, Fairly satisfied, Low satisfaction, Needs improvement)

6. Your suggestions for the improvement of next year's Sustainable Development Report

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Please send your views and suggestions by scanning the QR code or fill in the form and return to The Department of Corporate Social Responsibility and Environmental, Thai Airways International Plc. 89 Vibhavadi Rangsit Road, Jompol, Chatuchak Bangkok 10900. Your feedback will help THAI make future improvements of the sustainable development report. Thank you for your kind attention and cooperation.



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