



ศรีอยุธยาประกันภัย
THE AYUDHYA INSURANCE

Corporate Governance

The Ayudhya Insurance PCL strictly complies with the principles of good corporate governance and encourages the exercise of shareholders' rights as well as promotes the protection of these rights. Details are listed as follows:

1. Shareholders' rights

The Company's Board of Directors recognizes the importance of equitable treatment and rights of shareholders which includes being able to purchase, sell, and/or transfer shares; receiving accurate and relevant information of the Company on a timely and regular basis; participating and voting in general Shareholders' Meetings; electing and removing Members of the Board; approving Directors' remunerations, appointing external auditors and determining the audit fee, and having the rights to participate in, and to be sufficiently informed on, decisions concerning fundamentals of the Company changes.

2. Shareholders' Meeting

Shareholders have the opportunity to participate and vote in the Shareholders' Meeting. The Company respects the equal rights of all shareholders in accessing necessary information or participating in General Shareholder Meeting. As such, the Company sends Shareholders' Meeting notice with sufficient and timely information regarding the agenda to be decided at the Meeting seven days in advance.

3. Rights and Equality for Shareholders

The Company treats each and every shareholder fairly and equally with regards to shareholders' rights irrespective of whether they are private or institutional, domestic or foreign investors.

4. Rights of Stakeholders

The Company recognizes the rights of various groups of stakeholders as related to the company's operations such as customers, business partners, employees, competitors, and shareholders. The responsibility of the Company to the stakeholders is as follows:

- **Customers:** The Company shall put in place efficient operation and service systems to serve and satisfy customers in accordance to the Company Policy.
- **Business Partners:** The Company has a policy to fairly treat its business partners and take mutual benefits into consideration, foster and develop long-standing relationship with business partners, and adhere to agreements made.
- **Employees:** The Company has a policy to treat all employees with fairness. The Company has in place the Company's Policy and Procedures issued in accordance with Thailand's Labor Law.
- **Competitors:** The Company conducts its business within a fair competition framework.
- **Shareholders:** The Company seeks to satisfy our shareholders by driving growth for long term benefits of shareholders; give respect to equal rights for all shareholders in accessing necessary information; disclose relevant and accurate information; and conduct business honestly, transparently and fairly.
- **Society:** The Company operates strictly in compliance with the laws, rules and regulations and collaborates with the authorities at all time. The Company regularly contributes to public activities with the objectives of improving quality of life, and the environment.



5. Disclosure and Transparency

The Board of Directors places high importance to disclosing financial and non-financial information in an accurate, timely, and complete manner, including related information such as role and scope of responsibility of Board of Directors, and performance of both Board of Directors and members of sub-committees. The significant disclosures are in compliance with the rules and regulations of the Office of Insurance Commission (OIC), the Securities & Exchange Commission (SEC) and Stock Exchange of Thailand (SET).

The Company has in place a regulation to conduct its business with honesty, transparency and fairness. Directors, management, and employees must not undertake any activities and/or transactions that that may conflict with the Company's interests.

The Company's financial statement is audited by independent and qualified external auditor to ensure its accuracy. The Board of Directors is responsible for the financial statement of the Company. Furthermore, the financial statement is completed in accordance with generally accepted accounting standards. All relevant information is disclosed and reported consistently to relevant institutions, including The Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET). In addition, the Board of Directors has appointed the Audit Committee to oversee the accuracy of the financial statement and internal control systems.

6. The responsibilities of the Board of Directors

- a. Adhere to the laws and regulations, the Company objectives, and the resolutions of shareholders' meetings with duty of loyalty, duty of care and be consistently accountable to the shareholders.
- b. Define and ensure that the Company's vision, mission, policies, strategies, and business directions are effectively executed by the management team.
- c. Disclose information to shareholders, investors, and all stakeholders accurately, and in timely manner.
- d. Ensure efficiency of internal control and audit.
- e. Ensure regular monitoring and efficiency of risk management.
- f. Ensure good corporate governance practices, supervision and follow up.
- g. Arrange for a Company secretary to assist the Board in its various activities and help the Board and the Company run the business in line with the related laws and regulations.
- h. The sub-committees: The Board of Directors shall appoint sub-committees to take charge of, inspect, and provide reports for the acknowledgement on a regular basis. The sub-committees are as follows:
 - i. Audit Committee:

The Audit Committee is appointed by the Board of Directors. The Committee shall consist of independent directors who shall have knowledge and expertise in reviewing the accuracy of financial statements. It is the duty of the Audit Committee to review and ensure that the Company's financial statements are correct, and completed on time. Determine transactions or items with potential conflicts of interest. The Committee is also responsible for correct and complete information disclosure, review the appropriateness and effectiveness of the company's internal control systems and internal audit functions in compliance with rules, regulations, and other relevant laws, in addition to encouraging and giving support to the company to have a good corporate governance process and an effective risk management system in place.



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ii. The Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be appointed by the Board, and must consist of independent Directors, including the Chairman, who must be non-dependent director, and majority of the committee must consist of independent directors. The duties of the nomination and remuneration committee are as follows:

1. Duties regarding nomination: Consider a policy on the recruitment of Directors and management, nominate selected candidates with knowledge, ethics, and other qualifications as Director and/or management. Review the performance evaluation system for Directors and management and ensure the preparation of a succession plan for Executive Management.
2. Duties regarding compensation: Consider a policy of compensation, in cash or in kind, for Directors and management, propose a compensation plan, consider, review and keep the compensation method and compensation rate in line with market conditions and the Company's business performance to retain effective staff and to motivate all Committees and management to pursue the objectives as set by the Company.

iii. Risk Management Committee:

The Risk Management Committee comprises management from many divisions. The Committee must make suggestions and give support to the Board in formulating the risk management policy, and ensuring continued implementation of risk management practices.

7. Succession Plan

The Board of Directors is responsible for preparing the succession plan in order to ensure that the Company's objectives are reached.