

SUSTAINABLE BUSINESS DEVELOPMENT

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The Company is committed to good business practices, and recognizes the importance of Corporate Social Responsibility (CSR). It is a duty to which the Company is committed as it intends to be a leader in developing businesses that not only benefit the Company but also the community. The Company established clear CSR and environmental policies per the guidelines enacted by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Providing returns to our shareholders is one part of our mission. Our responsibilities are not complete until we can give back to the community that has always supported us. The Company started the CSR-in-Process and CSR-after-Process to emphasize awareness, responsibility and support from management and employees on all levels for participation to accomplish our CSR goals. Our areas of emphasis are:

1. Fair Business Operations
2. Anti-corruption
3. Respecting Human Rights
4. Fair Labor Practices
5. Responsibility Towards Consumers
6. Community and Social Development
7. Environmental Management
8. Innovation and Promulgation of Innovation Derived from CSR Operations

STAKEHOLDERS

In determining CSR policies, the Company recognizes the importance of all stakeholders. The Company established policies to interact with all stakeholders, with their interest a priority, as well as abiding by all laws or agreements with individual stakeholders. The Company is committed to conducting business in such a manner as will not violate any stakeholder rights.

The Company is determined to operating with great accountability to stakeholders. We consider mutual growth and benefits for all parties, and want to ensure all stakeholders are aware of their legal rights because it will ultimately result in a sustainable business model for our business. This is stated in the Company's Code of Conduct to ensure that these policies are practiced. The level of commitment and collaboration are factors that will elevate the Company to be admired in the community.

The Company has clear communication channels for stakeholders to contact the Company for suggestions or comments through the Company's Secretary or the Company website.

The Company has clearly stated guidelines for interacting with each stakeholder, including shareholders, clients, employees, competitors, lenders, the community, the environment and the government in the section: Report on Good Corporate Governance Practices — Role of Stakeholders.

FAIR BUSINESS OPERATIONS

The Company recognizes the importance of good corporate governance and therefore operates our business with fairness, accountability, and honesty to ensure operational effectiveness and sustainable growth. The Company established operational guidelines derived from a sufficiency economy business model to increase the Company's value and business operations under well-formed strategies, honesty, ethics, transparency and fairness to all stakeholders. The Company's operational guidelines follow the rules and regulations as enacted by the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC).

The Company is committed to operating under good corporate governance policies. The details can be found in the section: Report on Good Corporate Governance Practices.

ANTI-CORRUPTION

The Company entered into an agreement with the Collective Action Coalition or (CAC) on September 12, 2014, and understands the importance in taking a leadership role on anti-corruption activities. The Company has set policies and emphasizes them by having the Audit Committee monitor the activities of the Company and our subsidiary company to make sure our actions are within the law. The company distributed the Code of Conduct manual, which all employees must sign to receive, to provide clear guidelines on ethics, responsibilities and penalties.



Furthermore, the Company has established a Whistleblower Policy that requires directors, managers, and all employees to report any suspicious activities regarding corruption, rule violations, unethical behavior, actions against Company rules or actions considered sensitive to the Company's reputation. If an employee becomes aware of any suspicious activity as mentioned above, he/she can report it to the Head of the Audit Committee through the Internal Audit department.

The Company established clear policies, the details of which can be found in the section: Report on Good Corporate Governance Practices — Anti-corruption.

RESPECTING HUMAN RIGHTS

The Company conducts its business operations with respect for basic human rights towards all employees and stakeholders. The Company takes into account civic rights and political rights, including rights to life and liberty, equality under the law, freedom of speech, fair practice, and respect for human life and dignity.

The details for the report of operations under good governance and details regarding human rights policies for employees can be found in section: the Management Structure — Respect for Human rights.

FAIR LABOR PRACTICES

Our employees are the Company's most important asset. To achieve sustainable growth, the Company established policies to fairly treat each employee, starting from strictly following the Labor Laws Act of May 1998 when hiring. The Company

established search and recruiting processes that are fair, transparent, and accountable. The Company annually evaluates employee wages, salaries, and benefits per industry standards. The Company also established a performance evaluation system that is fair, transparent and accountable. The Company continually fosters employee skills development over multiple training platforms through various educational resources such as the intranet, and tracks employee development. The Company takes a proactive approach and has established a clear succession plan. Furthermore, the Company established a committee for employee benefits that takes part in the decision-making process regarding employee benefits. The goal is to improve the working environment by furthering education programs, modernizing the office space and improving the work environment, designing uniforms, holding annual events and participating in the proposals and management of CSR activities.

The Company established a direct communication channel between employees and management for any comments or suggestions to allow employees with ideas to contribute in developing the Company to become a fair, ethical and transparent organization.

Details that support clarity in the policies and fair labor practices can be found in the section: Management Structure – Employee Management Policy.

RESPONSIBILITY TOWARDS CONSUMERS

Sri Ayudhya Capital Public Company Limited is an investment holding company with a subsidiary company named Sri Ayudhya General Insurance Public Company Limited. Our subsidiary company provides general insurance and advises our customers on risk management and impact on financials. The Company has provided policy guidelines for the subsidiary company to develop and maintain efficient operational standards, including financial and administrative processes to create consumer confidence and satisfaction in case assistance is required by customers encountering accidents. The Company is well-prepared in the areas of financial, technology and staff to provide a 24-hour service through a hotline called “All Incidents, One Number”. This is a one-stop call center that customers can call for assistance. They can also contact the Company through the responsive website and mobile website. These are efforts to provide the most prompt assistance and crucial information in the case of any emergency.

Consumer Rights

- 1. Right to receive accurate information:** The subsidiary company created supplemental brochures to provide information on insurance with details, conditions of coverage and benefits per the laws enacted by the Office of Insurance Commission (OIC).
- 2. Right to confidentiality:** The Company keeps customer information confidential and will not distribute and/or exchange information for other benefits, except in cases dictated by law.
- 3. Right to complain:** The subsidiary company established convenient communication channels for customers to make complaints regarding employee service and how services were rendered, with a monitoring system for corrective actions and feedback to customers. As for shareholders of the Company, their basic rights can be found in the section: Report on Good Corporate Governance Practices - Shareholder Rights

COMMUNITY AND SOCIAL DEVELOPMENT

“Developing Thailand’s Society, Community and Environment alongside Business Development in a Sustainable Way” Sri Ayudhya Capital Public Company Limited (AYUD) recognizes the importance of “CSR-After-Process” and considers its mission as a part of Thai society to set a good example through the development of programs, and activities that benefits the overall society.

Generating returns for shareholders is only one aspect of our overall mission. The Company's goals are only complete once it can give back to the community that always supports us. Currently, the Company is involved in multiple social and environmental CSR projects, and encourages employees to initiate potential future projects. The Company emphasizes engagement and responsibility resulting from collaborative efforts from all parties to ensure the activities we created are meaningful to all involved parties.

At the heart of our CSR work is to play a role and contribute to the development of the society and environment. The Company provides the rights and opportunities for employees to volunteer their time to taking part in these CSR activities. They can also propose a project for funding by the Company. Criteria for new projects will be considered with regards to suitability, objectives, and real needs to ensure the Company operates in alignment with the set objectives on CSR. Every employee is provided with a manual that states the Company's commitment and guidelines for CSR practices.

Activity Processes

Insight

The Company emphasizes every employee who is a volunteer to gain insight into the necessity and suitability of each project.

Localization

The proposed activity or project should be beneficial and respond to the needs of the community, society and/or environment.

Involvement

Employee involvement is the most important aspect for the success of each project.

Sustainable Transformation

Sustainable transformation is the ultimate goal each project aims to achieve.

Social Aspect

◆ Project for the Visually Impaired and the Blind: "12 Ideas to Make Someone Happy"

Through donations to The Educational Technology Center for the Blind, The Foundation for the Blind in Thailand under The Royal Patronage of HM The Queen, in Nonthaburi and Thailand Association of the Blind, the Company learned about other needs of these foundations which were beyond monetary donations. As a result, the Company reached out to help create awareness and interest among the general public by featuring ideas/ways to offer help through the Company's 2014 calendar and the 2014 New Year greeting cards under the concept 'Lending a Hand'. The concept shows 12 activities volunteers can do to help the visually impaired such as voice-recording books, converting printed materials into braille, preparing and binding books, spending time singing with the visually impaired, taking a stroll, planting trees, conversing, teaching the visually impaired to use the internet through specially designed applications, etc. All this is meant to show that there are many ways to assist the visually impaired to enhance their lives by giving time to do activities together.

After 17,000 calendars, at the cost of Baht 459,000 were distributed, both foundations reported major increases - more than doubling in the amount of aid received compared to previous years.

"The usually quiet Center became filled with volunteers from many companies and the general public that came in large groups every day. It was so much at times we could not handle all the help, which is a very good thing" said Prof. Chanidapa Petcharaksa, Director of Education, at the Educational Technology for the Blind Center.

"Now when people call us, they specify which activity they would like to volunteer for, which is different from the past," said Mr. Kittipong Sutthi, Director at Thailand Association of the Blind.



Environmental Activities

◆ Mangroves Replanting Project, Year 5 at Klong Kone, Samut Songkhram

This is the 5th year the Company held an environmental preservation program through its mangrove replanting project at the Mangrove Forest Conservation Center in Samut Songkhram. The difference for this year's project was the increase in the number of volunteers, consisting of youth volunteers from the Christian Prison Ministry Foundation and over 120 insurance agents, who all collaborated to plant mangroves to help increase green areas and preserve the environment. This year, the Company and volunteers planted 1,000 trees.



◆ Preserving the Ocean Project, Sattahip, Chonburi

Continuing with CSR activities concerning environmental preservation, the Company's staff participated in "Preserving the Ocean" project which consisted of replanting coral reef and releasing marine life back into the ocean at the Royal Thai Marine Corps, Toey Ngam beach, Marine Corps Bay, Sattahip, Chonburi.



Education

◆ School Awning Project at Chanthaburi Provincial Special Education Center

This Center provides initial education for handicappeds. Services includes programs such as seminars for volunteers and the local community to further improve comprehensive education. The building which houses the classrooms lacked any awning that provided shade from the hot sun, making them unbearably hot. As a result, “The Awning for Students” project was created with the collaboration of the Company’s staff from three Eastern region volunteer teams in Rayong, Chonburi, and Pattaya. They jointly built the awnings for the center, shielding the classrooms from direct sunlight. With protection from the hot sun, the classrooms are now filled with happier students. This project also extended scholarships to underprivileged students.



◆ Education Development Projects

In 2014, the Company donated 45 computers and other technological equipment for educational purposes. These donations were aimed at providing better equipment for schools and educational centers.

1. The donation helped establish an electronic library at the Second Battalion and the 29th Battalion at Surasee Base, Kanchanaburi.
2. The donation of computers to the Army Air Defense Command (AADC) 551 Bangkok was for the purpose of establishing a learning center to improve the quality of education for the AADC.
3. The donation of computers to Wat Talad Kriap School in Phra Nakhon Si Ayutthaya.
4. The donation of computers to the library at Wat Sitharam School in Ang Thong.



◆ **Activities on Children’s Day and Sports Day**

The Company donated 50 teddy bears on Children’s Day to Wat In School in Nonthaburi as a part of the Children’s Day sports activities between parents and children.



ENVIRONMENTAL MANAGEMENT

The Company recognizes the importance of the environment and how business operations may affect it. The Company has put into effect several measures to mitigate such impact to the environment as follows:

1. The Company instructed employees to limit paper usage to “as needed” basis, to reduce the impact on the environment, and save paper for other purposes. The Company now stores documents in servers and strives to minimize paper usage through other means such as using CDs instead of printing reports in an effort to becoming a true paperless office.
2. The Company makes an effort to prevent global warming by turning off the electricity every day at noon for 1 hour.

INNOVATION AND PROMULGATION OF INNOVATION DERIVED FROM CSR OPERATIONS

The Company values the importance of creating business innovations that will benefit both the business and societal sides, and extend into CSR. Innovations the Company and its subsidiary companies created in 2014 were:

- ◆ A joint development of an OPD debit card with Krungsri Bank: This all-in-one debit card provides cash and insurance for people who are freelance workers. This innovative idea of putting the debit card and OPD insurance together, saves time and provides convenience to customers by reducing the amount of time needed to apply for insurance. At the same time, for the Company, it reduces the internal administrative processes required, resulting in improved efficiency.
- ◆ The creation of E-claims in collaboration with the Office of Insurance Commission (OIC) that allows consumers to make claims directly on the internet for speedy processing, saving time while consumers do not need to make an advance payment for medical expenses.
- ◆ The Company created “All Incidents, One Number”, a one-stop call center customers can call for assistance 24 hours a day for quick and easy access to services.
- ◆ The Company developed a responsive website and a mobile website to provide the most prompt assistance and crucial information in the case of an emergency.
- ◆ The Company developed a new innovative IT system called CIA System - Core Insurance linking all work processes together resulting in reduction of costs, increase of efficiency, speed of delivery, and customer satisfaction.

