



Corporate Governance Policy

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Message from the Chairman

The Board of Directors has a policy to develop and administrate the Company along with the Company's principle of Corporate Governance, the Corporate Governance principle for listed companies of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), the Office of Insurance Commission (OIC) as well as the suggestion of Thai Institute of Directors Association (IOD). The Corporate Governance Policy is communicated to all employees continuously for the best performance.

Corporate governance is considered as a structure and a basic internal process for business directions, overseeing the Company's performance to avoid damage, creating values and supporting stable business growth.

The Company determines to enhance the corporate governance to be the best practices with transparency and good ethics, increases confidence of all stakeholders and related persons with social and environmental responsibilities. The Company develops the corporate governance principles in accordance to that of the Organization for Economic Co-operation and Development (OECD) and Corporate Governance Code for Listed Companies 2017 of Securities and Exchange Commission. The Company' principles are reviewed and updated annually.

Suchin Wanglee

Chairman of the Board

Introduction

The Board of Directors, executives and all staffs persist in Corporate Governance principle along with the universal standards 6 categories as follows;

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|------------------------------------|--|
| 1. Accountability | Responsibility for own decisions and actions |
| 2. Responsibility | Responsibility for performing duties with due competence and adequate efficiency under the rules |
| 3. Equitability | Fair and equitable treatment for all stakeholders |
| 4. Transparency | Clarity of corporate operations and verifiable information disclosure |
| 5. Ethics | Existence of business ethics and Code of Conduct |
| 6. Corporate Social Responsibility | Social responsibility |

The Company's Corporate Governance Policy consists of 5 categories, namely: 1) Rights of shareholders 2) Equitable treatment of shareholders 3) Role of shareholders 4) Disclosure and transparency and 5) Responsibilities of the Board

Section 1 Rights of Shareholders

The Board oversees benefits and fundamental rights of shareholders provided by laws equally as the Company's owner e.g. the right to receive share certificate, the right to receive sufficient and appropriate information timely for decision-making, the right to receive dividend, the right to attend shareholders' meeting in order to make decision for changing policy or major fundamentals of the Company e.g. an election or removal of director, a remuneration of directors, a distribution or transfer the Company's business, a purchasing or taking over other company, an appropriation of annual profit, a capital increase or decrease and an approval of other special transaction. The Company supervises business with responsibility to shareholders and entrusts that the Company's operation will increase maximum benefits to shareholders. Corporate Governance principles are as follows:

1. The Company conducts the annual general shareholders meeting within 4 months from the last day of the accounting year to ensure that shareholders will acknowledge the Company's performance, consider and decide on important matters of the Company. The guidelines for meeting agenda according to the principles of Corporate Governance are as follows;

- 1) To consider and adopt the previous minutes of the shareholders' meeting.
- 2) To acknowledge the Company's performance of the previous year.
- 3) To consider and approve the statements of financial position and the statement of comprehensive income ended 31 December
- 4) To consider and approve the appropriation of annual profit
- 5) To consider and approve the directors' remuneration
- 6) To consider and elect directors in place of those retiring by rotation.
- 7) To consider and appoint the auditors and fix their remuneration
- 8) Other business; an opportunity for shareholders to ask questions, the Board answer the shareholders' questions, and/or the Board explain other matter to shareholders without resolution.

In this regard, the Board of Directors shall not add any agenda, that is not specified in advance, for consideration or change any significant information without prior notice to shareholders. The Company may arrange an additional extraordinary meeting of shareholders, if necessary.

2. The Company shall facilitate shareholders to fully exercise their rights to attend the meeting and vote. The meeting shall be held on business day in the center of Bangkok where there are convenient transportations, and/or organize an online meeting. Adequate personnel and technology for verifying the meeting registration are provided.

3. Shareholders have the rights to nominate candidates to be directors, propose any meeting agenda or submit questions about the Company before the meeting date during September and December according to the Company's regulations. More details are presented on the Company's website (www.navakij.co.th).

4. The important information that the Board announces to shareholders before starting the meeting are the number of shareholders who attend the meeting, the number of proxies, voting instruction, votes counting and ballots collecting.

5. The Company encourages the Board, the executives and the Company's auditors to attend the shareholders' meeting and answer shareholder's questions. A legal advisor also attends the meeting to provide legal opinion, inspect voting and vote counting in order to conduct the meeting with transparent.

6. The Company allocates the appropriate time for shareholders to express their opinions and ask for more information. Detail of each agenda is clarified by the Company before voting.

7. Shareholders are able to vote for individual director.

8. The Board assigns the Company Secretary to prepare the minutes of the meeting of which significant matters are correct, complete and clear before presenting on the Company's website within 14 days after the meeting.

Section 2 Equitable Treatment of Shareholders

The Board has a policy to protect the shareholders' rights to be treated equally and fairly. The Company also provides opportunities to shareholders for supervising the Company's business and operation.

1. The Company prepares an invitation letter for Annual General Meeting of Shareholders which informs the date, time and venue of the meeting, agenda, director's opinion and the voting principles of each agenda. Supporting documents with sufficient information for decision making are provided both in Thai and English version. The Company assigns Thailand Securities Depository Co., Ltd., the Company's registrar, to send the notice of the meeting at least 21 days in advance. The invitation letter and supporting documents are also published on the Company's website and in other media for 3 consecutive days at least 3 days prior to the meeting. Shareholders are offered an opportunity to submit questions at least 30 days prior to the meeting. The information relevant to shareholders' meeting are informed on the website of the Stock Exchange of Thailand

2. Shareholders, who are unable to attend the meeting, shall vote for each agenda by using form B proxy that the Company attaches with the notice of shareholders meeting. At least 3 independent directors and executive directors shall be nominated as proxies.

3. The Company uses computer system and barcode for registration and vote counting for convenience, speed, accuracy and reliability. The Company also uses ballots in every agenda that need approval.

4. Directors, executives and employees are prohibited to use material inside information for trading securities benefits or disclose related information to unrelated third parties before disclosing information to the public.

Section 3 Roles of Shareholders

The Board is aware of the importance of rights and fairness of stakeholders, by supporting cooperation between the Company and stakeholders in enhancing the Company's performance and focusing on the mutual benefits based on fairness. The Company take care of stakeholder according on their rights under relevant laws. The Company provides Stakeholders Policy to encourage the participation of stakeholders which are as follows:

1. Treatment of Stakeholders

The Company provides the Stakeholders Treatment Policy to be good guidelines for directors, executive and employees. The punishment for those who do not comply with the Policy are described in the employee handbook as follows:

1) Shareholders: The Company is strongly committed to provide values and maintain business growth to preserve the greatest interest of the shareholders, including disclose information to shareholders correctly, completely, and transparently.

2) Employee: The Company treats employees fairly and determines to build confidence in the organization. The Company provides the appropriate compensation and welfare with higher standard than that required by law e.g. provident fund, health and accident insurance, annual health check-up, safe and sanitary workplace environment, employee activities encouragement as well as encouraging employees to continually develop in their career paths by providing both local and overseas scholarships. Moreover, training courses for each level of employees are prepared in advance throughout the year.

The Company concerns the safety of employees. Therefore, policy and guidelines regarding safety and hygiene are established.

3) Customers: The Company focuses on customer's satisfaction to maintain strong relationships with customers. Standardized products with appropriate and adequate coverage are offered to customers at a fair price. Claims transactions are conducted with fairness. The accurate information and knowledge are disclosed to customers. Customer Service Center is provided to receive customers' suggestion and complaints according to the Fair Treatment of Customers Policy.

4) Business partners/Parties: The Company determines criteria to select business partners/parties with transparency. They are able to express their opinions on business operations. The Company treats all business partner/parties equally by providing the same information and won't disclose their confidential trade.

5) Competitors: The Company operates business within a competitive context by being fair and strictly following the law, never defaming others insurance companies and harnessing others intellectual properties. The Company emphasizes the quality and efficiency of services, stressing the greatest benefit to the customers.

6) Creditors: The Company has a policy to efficiently operate the business and extremely maintain the capability of repayment to protect the reputation and creditability of the Company. The Company intends on fair basis, do not violate the rights of the creditors, operates the business effectively and concerns in guarantee transactions. The Company also complies with agreement and shall discuss with the creditors to find suitable and quick solutions in case that the Company is unable to comply with that agreement.

7) Community, Society and Environment: The Company realizes responsibilities to community, society and environment which is the main factor for sustainable development. The Company promotes awareness of social responsibility and supports many public benefit activities, such as granting scholarships to poor students who have good school record, supporting a fund for the rehabilitation of academy and providing help for disaster victims. Furthermore, the Company builds awareness of environmental conservation and promotes efficient use of resources. Training program on environment knowledge and various activities are organized for executives and employees to participate and realize their action for the benefit of the society.

2. Whistleblowing and Complaints

The Company provides the Whistleblowing Policy for stakeholders to participate in expressing opinions or notify clues of suspected fraud, violations of regulations, irregular financial reporting and any other actions that might affect the reputation and cause damage to the Company. Stakeholders shall notify any matter via the following channels:

- Vice president of Organization Development Department
Tel: 0 2664 7712 Email: phatarawipha_w@navakij.co.th
- Vice president of Office of Compliance
Tel: 0 2664 7719 Email: charuwan_c@navakij.co.th
- The Chief Executive Officer
Tel: 0 2664 7738 Email: pitiphong@navakij.co.th

- Chairman of the Audit Committee via Secretary of the Committee

Tel: 0 2664 7778

Email: phisit_p@navakij.co.th

Another way is sending a post mail to the Navakij Insurance Public Company Limited, No. 100/47-55, 93/3-6, North Sathorn Road, Silom, Bangrak, Bangkok 10500.

The Company has a process to investigate facts and measures to protect complainants or whistleblowers. The information will be kept confidential only to those involved in the investigation.

Section 4 Information Disclosure and Transparency

The Company recognizes the importance of both financial and non-financial information disclosure. Significant information shall be disclosed regularly, accurately completely, reliably, timely, and clearly. The information will be updated immediately and able to examine.

1. Disclosure of Information

1) Shareholder Relations Division will facilitate shareholders, investors and relevant parties. The contact channels are telephone number: 0 2664 7777 Ext. 1905, 1906 or 7719, e-mail address: office_president@navakij.co.th and the Company's website: www.navakij.co.th.

2) Material information disclosed are financial statements, the Company's general information, type of business, business property, risk management, capital structure, organization structure and management, internal control, related party transaction, Corporate Governance Policy and Code of Conduct, sustainability management, press releases and stock information, etc.

3) Various channel to communicate with shareholders, investors and other interested parties are provided to access the Company's information, such as 56-1 One Report, the website of the Stock Exchange of Thailand (SET), the website of Office of Insurance Commission (OIC) and the Company's website in the section of "investor relations" which Information will always be updated. The Company organizes the interviewing and press conference regarding material events or new products of the Company to the public.

4) Chairman of the Board, Advisor to Chairman of the Board, Chief Executive Officer and President are authorized to disclose information to the public or press conference in case of rumors.

5) Contact persons to coordinate with SET are as follows:

- Finance Department is responsible for disclosure of periodic reports e.g. yearly and quarterly financial statements.

- Office of Company Secretary or Shareholder Relations Division is responsible for disclosure of periodic reports e.g. Form 56-1 One Report and non-periodic reports e.g. acquisition or

disposals of assets, connected transactions, the change of director/executives/auditor, schedule, resolutions and minutes of meeting of shareholders, registered capital increase or decrease, etc.

6) The Board shall report the Company's compliance with Corporate Governance Policy in 56-1 One Report of the Company

2. Quality of Financial Reports

1) The Company's financial statements are audited by an expert and independent external auditor who possesses the qualifications as specified by SEC. The practice of periodically rotating the external auditor is periodically every seven years to ensure independence.

2) The Board is responsible for the Company's financial reports which are prepared according to generally accepted accounting principles. The Audit Committee is assigned to independently review financial reports for reliability. Report of the Board of Directors' Responsibilities for the financial statements is disclosed with the auditor's report in 56-1 one report of the Company.

Section 5 Responsibilities of the Board

The Board, as the shareholders representative, has a significant role in establishing the Company's policies and business direction. The Board shall supervise the Management to reach the goals and preserve the greatest interests of the Company and shareholders, as well as in compliance with the Corporate Governance principle. The Board has accountability on their duties and responsibilities to raise confidence to shareholders, investors and stakeholders while creating values.

Board Structure

1. Board Composition

- 1) The Board shall perform and make decisions independently from the Management.
- 2) The Board shall comprise no fewer than 9 members that would be appointed and removed by shareholders' meeting. Not less than half of the total number of directors shall have residence in Thailand.
- 3) The Board shall comprise independent directors of at least one-third of the entire Board, but no fewer than three persons. Non-executive directors shall not be more than one-third of the whole Board in order to maintain a balance of authority between non-executive directors and executive directors.
- 4) The Board shall select one of members to be the Chairman. The Chairman shall be an independent director or a non-executive director unless getting approval from Office of Insurance Commission (OIC) to solve the problem within the term period.
- 5) The Chairman of the Board shall not be the Chief Executive Officer or the President in order to balance the authority. The responsibilities of corporate governance and management are separated.

6) The appointment of the Board members shall be in accordance with the Company's Articles of Association, the regulations of related laws and in line with the criteria and procedures of the Remuneration, Nomination and Sustainability Development Committee.

2. Quality of the Director and Independent Director

1) Quality of the Director

- Directors should be competent with skills and extensive experiences to benefit the Company's operations, with various skills and integrity. At least one director should be experienced or competent in the non-life insurance industry. At least one should be experienced or competent in accounting and finance, and at least one should be experienced and competent in information technology.

- Directors shall possess qualifications and shall not possess prohibited characteristics according to the Public Limited Company Act, Non-life Insurance Act, and other related laws.

- Directors should have the ability to discretize and have independent judgments, free from any conflict of interests from the management and other stakeholders.

- Directors should dedicate appropriate time, knowledge and capabilities to the Company.

2) Quality of Independent Director

The Company defines qualifications of independent director as SEC and OIC, the qualifications are as follows:

- Shall not hold shares exceeding 1% of the total number of voting share of the Company, its parent company, subsidiaries, associates, major shareholders, or the Company controller, including shares held by related persons of independent directors.

- Shall neither be nor have ever been a director with management authority, employee staff member, advisor who receives a salary or is a controlling person of the Company, its parent company, subsidiary, associate, same-tier subsidiary company, major shareholder or controlling person unless the foregoing status has ended not less than 2 years prior to the date of becoming a director.

- Shall not be a person related by blood relation or legal registration as father, mother, spouse, sibling, or child, including spouse of child, of an executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary.

- Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person. The term of business relationship being subject to indebtedness payable to the other party in amount of 3% or more of the net tangible assets of the Company or 20 million Baht or more, whichever is lower, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director.

- Shall not be nor have ever been an auditor of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder,

controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director.

- Shall not be nor have ever been a provider of any professional services including legal advisor or financial advisor who receives service fees exceeding 2 million Baht per year from the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director.

- Shall not be a director appointed as representative of the Board, major shareholder or shareholder who is related to a major shareholder of the Company.

- Shall not undertake any business in the same nature and in competition with the business of the Company or its subsidiary, nor be a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or hold shares exceeding 1% of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.

- Shall not have any other characteristic that limits his/her ability to express independent opinions regarding the Company's operations.

The Business Relationship of Independent Directors

The Board approved the rules to waive the prohibitive business relationship of independent directors. The value size is not more than 3% of the value of net tangible assets (NTA) of the Company and the business relationships must be an ordinary business and must support the Company's operations in the general condition the company should treat contract parties in the same situation. Furthermore, the business relationship is not going to provide the benefit and the effect with independent opinions that may lead to conflict of interest. The steps of supervision are as follows:

- To review and report the business relationship of independent directors of which size are more than 3% of the value of NTA of the Company to the Board to review the independence.
- To illustrate the business relationship of independent directors during the Board and the shareholders' meeting to nominate independent directors.
- To disclose the business relationship of the independent directors in the annual report and Form 56-1 One Report or according to the criteria specified in the notification.

In case of the independent director, who is appointed by the Company, is a person who has nor has ever had a business relationship with the company or have ever been a provider of any professional services, the Board of Directors' opinion must be represented to confirm that the person is capable of

expressing opinions independently and does not affect the obligation of director. The Company must disclose relevant information in the invitation letter for the Annual General Meeting of Shareholders.

Authority of the Board

1. Appointment, removal or delegation of authority to the subcommittees, chief executive officer and the president
2. Appointment and removal of Company secretary
3. Approval of objectives and strategies of the Company
4. Approval of important business policies of the Company
5. Approval of a credit transaction where the aggregate value of the transaction beyond the approval limit of the executive board
6. Approval of disposal of investment in equity instruments and/or debt securities where the transaction value beyond the approval limit of the investment committee
7. Approval of procurement and investment in fixed assets where the aggregate value of the transaction beyond the approval limit of the executive board
8. Approval of adjustment, disposal, and write-off for fixed assets, and/or intangible assets where the transaction value beyond the approval limit of the executive board
9. Approval of reconciliation, dispute resolution by arbitration, petition, lawsuit, and/or court proceedings on behalf of the Company where the transaction value beyond the approval limit of the executive board
10. Approval of remuneration for the executive board advisor, chief executive officer and the president
11. Delegation of authority to the management, the Company's executives or any other persons to act on their behalf
12. Request explanations from the Company' executives and staff on matters related to the Board's function, if necessary

Roles and Responsibilities

1. Roles and Responsibilities of the Board

The Board has authority to make decision and oversee the Company's operations to comply with related laws, the objectives and the articles of association of the Company as follows:

- 1) To oversee that the Company's operations are operated in accordance with the objectives, the articles of association of the Company, and the resolutions of the shareholders' meeting, as well as the

regulations specified by related laws in good faith and with due care to preserve the greatest interests of the Company.

2) To consider and approve vision, mission, strategies, business direction and goals, including important business policies, as well as supervise the management to be in line with the vision or framework with effectiveness and efficiency.

3) To approve the corporate governance framework, code of ethics and the Code of Conduct of the Company, as well as regularly review the policies and evaluate performance at least once a year.

4) To approve the organizational structure that maintain a balance of authority between supervisory and management functions.

5) To oversee that the Company has a control system for risk management, internal control and compliance with regulatory, as well as providing departments or personnel with independent duties to audit such operation in order to ensure the efficient and transparent management.

6) To supervise that the Company sets up an accounting system, financial reports and reliable audit.

7) To appoint the subcommittees to be adequate and appropriate of its duties to support the Board as well as to consider the composition of the subcommittees and any significantly changes that may affect their performance.

8) To oversee the disclosure of corporate governance information, financial reports and important matters to the public accurately, completely and timely in accordance with the rules and regulations of relevant regulators, standard and best practices.

9) To oversee directors nomination and prepare the efficient succession plan of the senior executives.

10) To appoint or authorize to any other person(s) to conduct the Company's business under supervision and time setting by the Board.

11) To oversee the performance evaluation of the Board and subcommittees annually.

12) To approve related parties transactions and any transactions in compliance with the laws and regulations specified by all regulators such as OIC, SEC etc., to prevent transactions that may have a conflict of interest.

13) To approve the acquisition and disposition of assets and any transactions in compliance with the laws and regulations specified by all regulator such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.

14) To approve a significant matter submitted by the management such as business plan, budget or any project of which the transaction value exceeds the authority of the management.

15) To approve the criteria for annual incentive bonus payment for the employees.

16) To appoint the Company Secretary to support the Board and the Company in performing their duties in compliance with relevant laws, rules and regulations.

2. Roles and Responsibilities of the Chairman of the Board

- 1) To preside over the Board of Directors meeting.
- 2) To cast vote at the Board meetings in the case of equality of votes.
- 3) To call meetings of the Board and the shareholders.
- 4) To preside over the shareholders meeting.

3. Roles and Responsibilities of the Chief Executive Officer

- 1) To monitor and provide advises to the President and executives in managing the Company to achieve vision and objectives, by encouraging all departments to achieve responsible objectives.
- 2) To motivate and/or supervise the coordination of employees for the Company's directions and goals.
- 3) To establish the understanding of roles and duties of the Management and the Board of Directors towards the same direction.
- 4) To provide recommendations to the management regarding projects review, management direction business strategies and normal business operations before presenting to the Board.
- 5) To oversee the strategies adequacy, annual budget and operation plans in accordance with the Board's policy.
- 6) To oversee the development of good culture and environment in workplace for employees taking into consideration of their pride and respect for human dignity including code of moral and equal treatment.
- 7) To consider and evaluate the President's performance and report directly to the Board and/or the assigned subcommittees.
- 8) To cooperate with the President to consider and evaluate performance of executives to ensure fairness.

4. Roles and Responsibilities of the President

- 1) To establish policies, strategic direction. business plan and annual budget of the Company and propose to the Board for approval as well as proceed to comply with the resolutions.
- 2) To report monthly and quarterly operating performance comparing with the Company's business plan and budget with any suggestions to the Board.
- 3) To approve the Company's expenses that the amount is not over one million Baht. The transaction being worth more than one million shall be reported to Chief Executive Officer.

- 4) Other matters assigned by the Board.

Subcommittees

The subcommittees are appointed by the Board to consider and supervise the specific task and shall report their performance to the Board on a regular basis.

Subcommittees shall perform their duties as assigned by the Board. They have authority to invite the Management to attend the meeting, clarify or prepare a report on matters related to the subcommittees' function as deems appropriate.

There are five subcommittees, namely; (1) the Audit Committee (2) the Remuneration, Nomination and Sustainability Development Committee (3) the Risk Management Committee (4) the Investment Committee and (5) the Executive Board

1. Audit Committee

The Committee consists of at least 3 independent directors. At least one director has knowledge and understanding of accounting or finance with sufficient experience to review the creditability of financial reports. The Audit Committee is responsible for reviewing financial reports to ensure accuracy, adequacy and fully important information disclosed in accordance with financial reporting standards. The Audit Committee also reviews an internal control system and an internal audit system to be sufficient and effective as well as reviews the compliance with related laws. The Audit Committee considers the selection, nomination, employment termination and the Company's auditors' remuneration. The Audit Committee considers related parties transactions or transactions that may have conflicts of interest in accordance with the law, and regulations for the best interests of the Company. The Audit Committee reviews a risk management system to be appropriate, modern and efficient.

2. Remuneration, Nomination and Sustainability Development Committee

The Committee consists of at least three members. The Chairman of the Committee and at least two of three of the Committee must be independent directors. The responsibilities of the Committee shall include:

- 1) Remuneration: to consider a remuneration plan and benefits for the Board, the committees and the top executives and review remuneration structure if it is appropriate as their duties and in compliance with the Company's operating results. The Committee shall consider and review the Committee's authority to comply with the change of relevant laws and regulations prior to proposing to the Board.

- 2) Nomination: to consider the directors and the top executives nomination policy and propose a qualify person to be nominated as the director and/or the top executive of the Company. The Committee also supervises the Board's structure and composition to ensure suitability as well as consider and review the Committee's authority if it complies with the change of relevant laws and regulations prior to proposing to the Board.

3) Sustainable Development: to consider and review the policy and guidelines regarding sustainable development to be appropriate for the business operation. The Committee also monitors and evaluates compliance with the Sustainable Development Policy, Corporate Governance Policy, Code of Conduct and other relevant policies as well as encourages employees to comply with such policies.

3. Risk Management Committee

The Committee consists of at least five members who are the Company's directors, executives or experts in risk management. The Committee shall review and propose Risk Management Policy and risk appetite to the Board, the risk management implementation, and reports to ensure that the risk management is adequate and appropriate to maintain all risks in risk appetite. The Committee shall also propose the Board the report regarding risks and ensure that the internal audit system is appropriate to manage major risks and give advice to Office of Risk Management to support in developing risk management system.

4. Investment Committee

The Committee consists of not less than 3 directors or executives who expertise and experience in investment, risk management or securities analysis. The Committee shall prepare and review investment policy and plans to comply with the policies of the Board and investment change. The Committee shall also review and monitor the performance of investment, prepare and adjust investment procedures for the Company, consider and define guidelines for investment risk management strategy. Other duties are considering the investment in securities, general loan and disposition of property.

5. Executive Board

The Executive Board consists of at least 3 members who are the Company's executives and/or the executive directors of the Company. The Committee is responsible for preparing a policy, a budget and a business strategy and other responsibilities as follows (1) supervising the performance of Management to comply with the Company's operation. (2) controlling and supervising the Company's operation to comply with relevant laws, regulations and/or notifications. (3) controlling and supervising the Company to follow generally accepted accounting standards and prepare financial statements that show accurate financial position and operating results of the Company. (4) providing risk assessment and business impact analysis as well as defining appropriate risk mitigation measures that shall be approve by the Board.

Term of Directorship of the Board and subcommittees

1. Term of Directorship

1) Director shall have a term of three years and any director vacating on due term may be re-elected.

2) Independent directors shall serve on the directorship for a maximum of three consecutive terms, or no longer than nine years. However, for the benefit of the Company, the Board may review to extend the independent director's term by proposing to the shareholders' meeting for approval.

3) At every Annual General Meeting of shareholders, one-third directors shall be vacated. If the number of directors cannot be divided into a multiple of three, the number of directors nearest to one-third shall be vacated.

4) The director shall be vacated in the following cases;

- Deceased
- Resignation
- Lack of qualifications according to the Company's Articles of Association or having characteristics prohibited by law
- Being removed by a resolution passed by the shareholders' meeting
- Being removed by the court

5) In case that the director position becomes vacant from any causes other than due term, the Board shall select any legally qualified person to be a director at the next meeting of the Board. However, if the remaining term of the office of director is less than two months, the term of the new director shall remain in office only for the remaining term of office of the director he replaces.

The Board resolution above shall receive not less three-fourth of votes of the remaining directors.

2. Term of office of the subcommittees:

1) The Audit Committee has the term of term of three years for a maximum of three consecutive terms, or no longer than nine years, unless the Board agrees to extend his term.

2) The Remuneration, Nomination and Sustainability Development Committee has a term of three years for a maximum of three consecutive terms, or no longer than nine years, unless the Board agrees to extend his term.

3) The Risk Management Committee has a term of three years.

4) The Investment Committee has a term of 3 years

5) The Executive Committee has a term as the status of being an executive until termination.

Limit of Board Seats in Publicly Listed Companies

1) Director is able to hold the directorship in not more than 5 listed companies provided that it does not hinder the performance of the Company directorship. If any director holds a directorship exceeding that stipulated in the policy or being a director in other rival company, he/she is required to submit a written

report to the Chairman or the Board within one month upon being appointed. The Company shall inform shareholders' meeting to consider appointment.

2) The Chief Executive Officer and the President are able to hold directorship in not more than 2 listed companies subject to the approval of the Board of Directors. They are unable to hold a directorship or the executive positions in other rival company unless approved by the board.

Director Nomination & Election

The Remuneration, Nomination and Sustainability Development Committee are in charge of recruiting the qualified person with good work experience to be nominated as the Company's director and propose to the Board and the shareholders meeting. Nonetheless, the Company also provides the shareholders an opportunity to propose the qualified candidates to be nominated as the director of the Company prior to the date of the shareholders' meeting as the criteria required by the Company.

Board of Directors' Meetings

1) The Board holds at least 7 meetings a year which consist of a no executive directors meeting. All meetings shall be scheduled at the beginning of the year. Extraordinary meetings are allowed if required.

2) The Chairman of the Board and the senior executive of the Management shall consider the meeting agenda. In case the Chairman is not an independent director, 1 independent director will be appointed to consider the meeting agenda. Directors and Management are able to propose the meeting agenda.

3) The Chairman of the Board or the assigned director shall call the meeting.

4) The Company Secretary is responsible for the agenda and supporting documents that shall send to all members not less than 7 days before the date of meeting, except in the case of emergency.

5) At the meeting of the Board, there shall be not less than one-half of the total number of directors to constitute a quorum.

6) In the case the Chairman is unable to perform the duty, the directors attending the meeting shall elect a director to preside over the meeting.

7) Resolutions are passed with a majority vote. The protestation shall be recorded in the minutes of the meeting if there is any director vote against a resolution of the meeting.

8) The director, who has significant interests in some agenda, shall be abstain from voting in that agenda.

9) The Company Secretary is responsible for recording the minutes of the meeting within 7 days after the meeting and informing the meeting resolutions to relevant parties for acknowledgment in order to proceed according to the resolutions of the meeting.

Report of the Board

The Board is responsible for the Company's financial reports both separate financial statements and financial statements in which the equity method is applied ended on the accounting year in the annual report. The financial reports shall be prepared based on current accounting standards and in line with the regulations of Office of Insurance Commission (OIC). In addition, the Board shall present report of the Board of Directors' Responsibilities for the Financial Statement with the auditor's report in 56-1 One report of the Company.

The Board assigned the Audit Committee to supervise the quality of the Company's financial reports and express their opinion to the Board in order that financial reports are prepared in compliance with the regulations of the SEC, SET, OIC and other relevant laws.

Performance Evaluation of the Board and the Senior Executive

1. Performance Evaluation of the Board

The Board and the subcommittees are required to evaluate the performance annually. The performance evaluation consists of individual self-assessment, whole self-assessment and the subcommittees assessment. Each director shall express his/her view on the performance and the assessment result would be discussed and reviewed at the Board meeting to strengthen the performance.

The performance evaluation of the whole Board contains six major topics which are structure and qualifications, roles, duties and responsibilities of the Board, Board of Directors' meeting, duties of director, a relationship with Management and self-improvement of directors and executives. The individual self-assessment contains three major topics which are qualifications of the director, roles, duties and responsibilities of the director and Board of directors' meetings. There are 4 levels of evaluation scores of which 0 means strongly disagree or there is no action on that matter, 1 means disagree or there is little action on that matter, 2 means agree or there is some action on that matter, 3 means agree quite a lot or there is a good action on that matter and 4 strongly agree or there is action on that matter excellently.

The Board of Directors assigned the Company Secretary to send self-assessment forms to the Board and sub-committees, collect the results and report to the Board of Directors for acknowledgment. The Board of Directors will use the evaluation results and additional opinions from the results to improve efficiency by assigning the Company Secretary to proceed according to the plan. The Company discloses the results of the evaluation in the Company's annual report.

2. Assessment of Performance of the Senior Executive

The Remuneration, Nomination and Sustainability Development Committee shall annually consider and prepare the performance evaluation criteria of the senior executive in the position of the Chief Executive Officer and the President. The criteria is in line with the Company's goal. Therefore, the performance

evaluation of the President shall be approved by the Chief Executive Officer before proposing to the Board for approval.

The Board of Directors assigned non-executive directors to assess the performance of the senior executive annually by considering the stipulated criteria together with the operating performance of the Company. The Company established a standard method for assessments, so that the Board could compare the assessment results in each topic or compare the assessment results of each year.

Remuneration of the Board and the Senior Executive

1. Remuneration of Directors

The Remuneration, Nomination and Sustainability Development Committee shall consider the remuneration of directors to be in line with the Company's goals and strategies, taking into consideration experience, duties, accountability and responsibility including the benefits expected from each director including being comparable to the industry. Directors who serve as members of the sub-committees shall receive additional remuneration as the meeting allowance.

The Company paid only monetary remuneration to directors and sub-committees. The Board of Directors will receive meeting allowance for attending each meeting and an director bonus. Sub-committees will only receive meeting allowance.

2. Remuneration of the Senior Executive

The Remuneration, Nomination and Sustainable Development Committee is responsible for considering the remuneration of the senior executives in the position of the Chief Executive Officer and the President by considering roles, duties, responsibilities, performance, and the Company's performance. The remuneration is salary, incentive bonus, and welfare which is in accordance with the performance of each executive, the Company's performance, the Company's remuneration structure and creates encouragement to perform duties and generate good long-term profits.

Development of Directors and the Senior Executive

The Company encourages all members of the Board to attend various training and seminar courses organized by Thai Institute of Directors and other various institutions, beneficial to their responsibilities.

The Company organizes the orientation for a new director, to build an understanding of duties and responsibilities as well as the Company's business. Office of Company Secretary shall be responsible for preparing the Company's information and sending to the new director on the next day of the appointment, such as Directors' Handbook, Corporate Governance Policy and Code of Conduct of the Company, the Company's Articles of Association, the Company's Annual Report, business goals and overall business characteristic etc.

The Company established a development program for the Company's senior executives and head of department as well as provided training courses both in-house and public training courses with separately by specific and general courses. Training courses are organized by various institutions such as Thailand Insurance Institution and insurance institutions abroad. In addition, the Company also provided business program for the executives to visit abroad insurance companies.

Succession Plan

The Board assigned the Remuneration, Nomination and Sustainability Development Committee to select qualified persons to be the Chairman of the Board, the Chief Executive Officer and the President of the Company. Nominated persons shall be either the Company's personnel or other person who are qualified.

Organization Development Department is responsible for preparing development programs for the Company's executives who taking the position under the President, as assigned by the Executive Board in preparing training courses to develop their knowledge, skills and career path.

Company Secretary

The Company Secretary is appointed by the Board to be responsible for organizing the meetings of shareholders and the Board as stipulated by law, the Company's articles of association and other related guidelines. The Company Secretary shall record and file the minutes of shareholders and the Board's meetings, also ensure disclosure of the Company's operations and the Board activities to comply with the rules and regulations of SET and SEC as well as other relevant regulations. The Company Secretary shall provide appropriate advice to the Board regarding related laws, the Company's rules and regulations as well as monitoring the performance to be accurate and communicate to the Company's shareholders to acknowledge the Company's news and general information.

Report on Interest

1. The Company requires directors and executives to disclose information about the stake and related persons annually. Directors and executives, who have interests in transactions with the Company, shall not participate in the decision making of transactions and shall proceed in accordance with the Company's procedures or measures for approval of transactions of the Company.

2. The Board establishes the Inside Information Policy which specifies the Company's securities trading and reporting methods for directors, executives and employees to use as a guideline and requiring directors and executives to report securities holdings in accordance with the SEC's regulations.

Conflict of Interest and Related Transactions

Directors, executives, individual, juristic persons and related persons can conduct related transactions that are normal transactions or transactions supporting normal business. The Board authorizes

the Management and/or the authorized person to conduct any transaction and operation in accordance with the policy and guidelines on conflicts of interest. The Company requires all directors, executives and employees to avoid engaging in business that competes with the Company and making transactions related to themselves, person or related juristic persons.

Supervision on the use of Inside Information

The Company is aware of the misuse of inside information. Therefore, the Company stipulates the Inside Information Policy and guidelines in the Code of Conduct to prevent directors, executives and employees from using the Company's internal information without permission. The violator will be punished. The maximum punishment is dismissal without compensation.

Internal Control

1. The Board assigns the Audit Committee to review the appropriateness and efficiency of the internal audit and internal control system as well as to oversee the compliance with applicable laws and the Company's regulations. The Audit Committee also reviews the information disclosure which should be accurate, transparent, complete and timely in accordance with the requirement for listed companies. Moreover, the Committee shall consider the appropriateness of the related parties transaction or transaction that may have conflicts of interest before proposing to the Board of Directors for consideration.

2. Office of Internal Audit, who reports directly to the Audit Committee and President, is responsible for auditing financial transactions and operations of all departments as well as to provide Internal Control System Sufficiency Evaluation form that would be reviewed by the Audit Committee and the Board once a year. The Office of Compliance is responsible for overseeing the Company's operation in order to comply with the rules and regulations of relevant regulators such as SET, SEC, OIC, etc.

3. The Company clearly defines an operational authority of the Board of Directors, Executives and staffs and the amount that is authorized to approve in writing for flexible and efficient operation. The computer system is provided to authenticate users and prevent unauthorized access.

4. The Board appointed the external auditor who possessed the qualifications as specified by SEC, to evaluate the Company's internal control and investment procedures including other relevant transactions as well as report the assessment result to the Executive Board and OIC within March annually.

Risk Management Policy

1. The Board of Directors establishes a systematic risk management. The Risk Management Committee is appointed by the Board to perform the risk assessment and management. Directors and the Company's executives are members of the Committee in order to support the efficient risk management. The Office of Risk Management is responsible for monitoring a risk assessment of all departments annually and

the assessment result shall report to the Risk Management Committee and the Audit Committee. The Audit Committee shall review the adequacy of the risk management process before proposing to the Board for acknowledgment.

2. The Office of Compliance is responsible for monitoring the Company's operation to be consistent with relevant laws and regulations. New laws and regulations are communicated to all employees who are required to strictly comply.

3. The Company determines and revises the policies and procedures as well as the authority in writing to comply with the operation.

4. The Company establishes the Business Continuity Plan (BCP) and test the BCP plan at the disaster recovery site annually.

5. The Company provides a Risk Management Policy, risk management framework and a three-year business plan in compliance with the criteria, procedures and condition of OIC.

Supervision of Subsidiaries and Associated Companies

The Company supervises the business operations of subsidiaries and associated companies by assigning a representative of the Company to be a director or an executive to formulate strategies, business plans, budgets and key policies. The representative shall report the financial status and operating results of the subsidiaries and associated companies to the Company for acknowledgment.

Policy Compliance and Revision

The Board shall supervise directors, executives and staffs to strictly follow the best practice of the Corporate Governance Policy in order to enhance and develop the quality of the Company's corporate governance continually and build up stability and sustainable growth for the Company, shareholders, and all stakeholders. The Board reviews Corporate Governance policy annually.