

Corporate Governance and Internal Processes

Corporate Governance policy

The Board of Directors of Thaire Life Public Company Limited is aware of its role and responsibility as leader of the organization and remains steadfast in conducting business under the corporate governance principles. The Company itself encourages the creation of innovation that can add value for shareholders, employees, customers, business partners and all groups of stakeholders. This is for the stakeholders to rest assured that the Company has the ability to compete and adapt to changes, while taking account of code of ethics and long-term social and environmental impacts to ultimately create sustainable value for the organization.

The Board of Directors has established the corporate governance policy for the directors, executives and employees to adhere to in performing their duties, as follows:

1. The Board of Directors plays a crucial role in defining objectives which could lead to sustainable value creation including business, customer, stakeholders, and sustainable society by setting the Company strategy and policies to attain the objectives and goals as well as monitoring, evaluating, and reporting on performance.
2. The Board of Directors perform dedicated and responsibility, independent and clearly define the roles and responsibilities of chairman and chief executive officer and monitor management's proper performance of its duties.
3. The Board of Directors, executives and employees must perform duties with commitment, responsibility and integrity by upholding the corporate governance principles and the code of ethics and conduct along with company regulations in their work.
4. The Board of Directors must put in place a nomination process to ensure that qualifications of nominated directors ,executives and employees are sufficient to drive the organization forward towards goals, as well as set an effective compensation structure and performance evaluation and provide skill and knowledge development for every departments in the company on a regular basis.
5. The Board of Directors should ensure that the company has risk management and internal control system and monitor conflicts of interest that might occur between the company and stakeholders. The board should also prevent the inappropriate use of corporate assets, information and opportunities.

6. The Board of Directors must ensure the integrity of the company's financial reporting process to be timely, accurate disclosure and trustworthy information regarding to regulatory requirements, accounting standard and the company procedure.
7. The Board of Director must encourage shareholders' participation, ensure equitable treatment of shareholders and shareholders' rights to access information with appropriate channels of communication with the Company by providing the investor relations services to facilitate proper, equal and timely communication with shareholders and other stakeholders.
8. The Board of Directors, executives and employees must adhere to the anti-corruption policy. The Company has communicated this policy within the organization and the outsiders to ensure it is translated into practice.
9. The Board of Directors must encourage create a corporate innovation culture that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in order to support sustainable growth of the company.

Compliance with THREL's corporate governance policy is key indicator to measure the business management performance of the Board of Directors and executives and to evaluate the performance of all employees.

Internal Control Processes

Since the Life Reinsurance business is to transfer risks from life insurance companies so the responsibility of such company is paying claims rates depending on each contract. So the company issues the internal control policy in accordance with enterprise risk management policies by applying good corporate governance, and closing fraud gaps in order to prevent risks significantly. The internal control processes cover all the payment processes and compliance under the company agreed risk appetite.

The link between internal control and enterprise risk management

The Life Reinsurance Company has internal control and good corporate governance under enterprise risk management policies. Moreover, the company set risks appetite for total risks and top risks. Also, the risk appetite are applied appropriately for business's strategies, abilities to control risk and effectiveness to manage capital fund of company. Board of Directors define risk appetite of the company and top management specify top risks based on risk appetite in order to generate operating sections and enterprise risk management. The company also cover financial section and core business process which are product development, product pricing, Premium

Collection, underwriting, claim handing and management, reinsurance, Investment in other businesses, valuation of assets and liabilities and payment process.

The company has strongly corporate governance to set check and balance system and to ensure assurance of internal control and enterprise risk management effectively and efficiently. Additionally, the company acculturates adequacy internal control and enterprise risk management to create awareness of all employees suitably.

Reporting Monitoring and Evaluation

THREL usually monitors and evaluates internal control processes in order to maintain standard of internal control on each department of the company. Internal auditors set up the annual audit plan which get approval by audit committee then follow-up report quarterly. Audit committee report directly board of director.

Furthermore, the company responses and take action to the findings reported by external auditors, internal auditors, audit committee and OIC. Within 1 year after finding, internal audit is responsible to review and follow up the progresses and evaluate residual risks (if any) to ensure efficiency of internal control processes regularly.

In case of the audit committee have found frauds and corruptions that significantly affected to company's finance and performance, the audit committee have to report to board of director and solve them in appropriate time.