

Internal Control Policy



1. General Requirements

1.1 Objectives

The establishment of an internal control policy will be used for the Company to set up an organizational structure and measures in relation to internal control that are suitable for the financial activities and core activities to supervise the operation to be in accordance with the goals, objectives, relevant laws and regulations efficiently and enable to protect assets from fraud and damage, together with accounting system for accurate and reliable financial reports preparation.

1.2 Scope of the policy

The internal control system for the financial activities and core activities of all business units which consist of at least the following activities: product development, premium rating, underwriting, claims management, reinsurance, investment in other business, receipt of money, and payment of money. And the internal control systems for the system of receipt of money and payment of money, the information technology system, accounting system, financial reports and other reports submitted to the regulators.

All directors, senior management and employees must adhere to this policy.

1.3 Relevant Regulations or Law

- Notification of the Insurance Commission Re: Rules, Procedures and Conditions for Receipt and Payment of Monies, Audit and Internal Control of Life Insurance Companies B.E. 2557 (2014) and Revision No. 2 B.E. 2563 (2020), Chapter 5 : Internal control
- Gor Lor Tor. Gor. (Wor) 8/2552 Re: The number of Independent Director and the importance of internal control system
- Notification of the Capital Market Supervisory Board, Tor. Jor. 55/2563 Re: Rules, Conditions and Procedures for Disclosure of Financial Position and performance of the Issuer Company (No. 20)
- Risk Management Policy

1.4 Policy Review and Revision

The Audit Committee shall review the Internal Control Policy at least once a year and recommend amendments as deemed appropriate to the Board of Directors for approval.

2. General Principles

To establish an appropriate and sufficient internal control system, the Company has therefore determined the components of internal control by using the internal control framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) which consists of 5 components e.g., Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities.



The internal control framework of COSO covers and complies with the components of internal control according to the requirements or guidelines of the Office of Insurance Commission (OIC) and the Securities and Exchange Commission (S.E.C.) including risk management policies as a guideline to achieve the objectives of the internal control system and comply with relevant laws, regulations and policies.

3. Roles Duties and Responsibilities

Board of Directors and Senior Management

Board of Directors and Senior Management shall establish the tone at the top regarding the importance of internal control including expected standard of conduct and carry out their governance oversight responsibilities.

Functional Group / Department / Employees

All employees shall be part of applying the internal control framework to the company and ensure system of internal control is present and functioning.

Internal Audit

The Internal Audit shall bring a systematic, disciplined approach to evaluate and improve the effectiveness of internal control system as well as provide consulting service relating to internal control system.

4. Internal Control Framework

The Company has established an organizational structure and measures related to internal control in accordance with the internal control framework of COSO as follows:

4.1 Control Environment

- The Company shall operate all activities with a commitment to integrity and ethical values.
- The board of directors shall demonstrate independence from management and exercise oversight of the development and performance of internal control.
- Management shall establish, with board oversight, structure, reporting lines, and appropriate authorities in the pursuit of objectives including clear segregation of duties and responsibility with respect to governance, assurance, and operations of each business unit.
- The Company shall demonstrate a commitment to attract, develop, and retain competent individuals in alignment with objectives.
- The Company shall hold individuals accountable for their internal control responsibilities in the pursuit of objectives.



4.2 Risk Assessment

- The Company and business units shall specify objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives and also encourage the connection between internal control and the risk management system that is efficient, covers significant risks and is consistent with business operation strategies to support the determination of important business policies and decision making.
- The Company shall identify risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.
- The process of risk assessment to achieve The Company's objectives, shall consider the potential for fraud as well as identify and assess changes that could significantly impact the system of internal control.

4.3 Control Activities

- The Company shall select and develop control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels. These include the written performance manual, authorities, roles and responsibilities, goals and objectives of operations as well as the determination of authorized limits of funds, and appropriate relevant control systems with control in different levels that are efficient and in line with the same guidelines, including transaction level, business level, company level and group level.
- The Company shall select and develop general control activates over technology to support the achievement of objective.
- The Company shall deploy control activities through policies that establish what is expected and procedures that put policies into action. The Company shall have written operation manuals and communicate and train for employees to acknowledge and understand the Company's internal control policy.

4.4 Information & Communication

- The Company shall obtain or generate and use relevant, quality information to support the functioning of internal control.
- The Company shall internally communicate information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.
- The Company shall communicate with external parties regarding matters affecting the functioning of internal control.



4.5 Monitoring Activities

- The company shall select, develop, and perform ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.
- The Company shall evaluate and communicate internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate. If a deficiency is found or if there is an observation specified by the auditor, internal auditor, audit committee or the Office of the Insurance Commission in the audit report, The company must take rectification action.

5. The Assessment of the adequacy of the internal control system

The Company shall monitor and assess the results of internal control and review of the efficiency of internal control systems of its business units periodically at least once a year. The Internal Control Sufficiency Evaluation Form which covers the risk management, provided by the S.E.C., should be used to evaluate the Company's internal control adequacy and the Company shall provide the report of the result of the general assessment of the Company's internal control to the board of directors. The audit committee shall opine about the overall assessment of the Company's internal control, reported to the Board of Directors. The summary of the opinion of the board of directors regarding the Company's internal control system shall be disclosed in the Annual Registration Statement / Annual Report.

(The policy shall be effective as of 11 August 2023 onwards.)