

SUSTAINABILITY REPORT

SUSTAINABLE BUSINESS DEVELOPMENT

The Company recognizes the importance of conducting the business with good corporate governance while ensuring sustainability and being responsible for social and environmental development. Being a part of Thai society, it is our responsibility to lead by example and drive the development of the business for the overall benefits of society. Providing returns to our shareholders is one part of our overall mission which can only be complete when we can create good things for the society that always supports us.

For these reasons, the Company set clear business sustainability, social, and environmental policies per the guidelines enacted by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

On CSR development, the Company followed the CSR-in-Process and CSR-after-Process and placed emphasis on developing the conscience which leads to responsibility in order to gain support from the management and employees at all levels for participation to accomplish our CSR goals. Our areas of emphasis are:

STAKEHOLDERS

In determining sustainability and CSR policies, the Company recognizes the importance of all stakeholders and has established policies to cover all stakeholders, with due respect to their rights as well as abiding by all laws or agreements with individual stakeholders; and will not do anything to violate their rights.



The Company is determined to operate the business with accountability to stakeholders with consideration mutual growth and benefits which will lead to sustainable development for all. Additionally, stakeholders are made aware of their rights via the Company's Code of Ethics and Conduct which specifies equal treatment and protection. The Company has set clear communication channels for stakeholders to contact the Company for suggestions, comments, or complaints to the Board of Directors and/or the Audit Committee via the Company's Secretary, tel 02-657-2970 or via email: jiratcha@ayud.co.th.

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

FAIR BUSINESS AND GOOD CORPORATE GOVERNANCE

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 whilst building the economic value with consideration to stakeholders. The Company's foundation is built on the sufficiency economy business model with well-formed strategies, honesty, ethics, transparency and fairness to all stakeholders and consistent with good corporate governance guidelines as enacted by the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC) and policies are detailed in the Code of Ethics and conduct.

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

ANTI-CORRUPTION

As a result of the Executive Committee Meeting No. 1/2015 dated January 16, 2015, the Committee appointed a working committee to self-assess the Company using the self-evaluation tool provided by Thailand's Private Sector Collective Action Coalition or CAC. The self-evaluation was conducted during May 16 to October 31, 2015 and the results were submitted to the CAC for consideration. It is with honour to announce that the Company has received the Certification from the CAC on January 22, 2016. The Certification has a three-year period from the date of certification.

The Company realizes the importance in combating corruption and has set policies and tasks the Audit Committee to monitor business activities of the Company and subsidiary making sure that they abide by the laws and regulations. Each employee (including directors, and senior management) also receives a copy of the Code of Ethics and Conduct handbook with each signing acknowledgement. To help with the understanding and compliance, the Company organizes two training sessions and tests per year to stress the importance of compliance providing clear guidelines on ethics, responsibilities and penalties for non-compliance.

The Code of Ethics and Conduct handbook includes Fraud Prevention Guidelines to ensure understanding of the importance of proper conduct which in turns helps the stability of the Company and acceptance from all.

Furthermore, the Whistle Blower Policy, as explained in the Handbook 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, the person can report it to Chairman of the Audit Committee via the Internal Audit department.

Full Anti-Corruption Policies including Fraud Prevention Guidelines and Whistle Blower Policy are laid out in the Code of Ethics and Conduct Handbook which may be found on the Company's website, under Corporate Governance section.

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.

Details of Human Rights may be found in these sections : The Report on Good Corporate Governance Practices and Management Structure — Respect for Human Rights.

FAIR LABOR PRACTICES

Our employees are the Company's most important asset. To achieve sustainable growth, the Company has established policies to treat each employee with fairness starting from hiring practices, and by strictly adhering to the Labor Laws Act of May 1998. The search and recruiting processes are fair, transparent, and verifiable. Annual performance evaluations of employees covering wages, salaries, and benefits are aligned with industry standards and market conditions; and are fair, transparent and verifiable. Work safety standards are monitored to reduce risks. Annual health checks are offered to employees with regular health care recommendations via the Company's intranet. The Company regularly builds employee skills development over multiple training platforms through various educational resources such as the intranet, and tracks employee development with a succession plan in place. Furthermore, several employment benefits committees are active with employees involved in the decision-making process, with the objective of increasing skills and education, modernizing the office and work environment, designing uniforms, organizing annual events, and participating in the organization of CSR activities.

Various direct line of communications between employees and management are available for comments, complaints or suggestions to promote initiative on being a part of the Company development.

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

RESPONSIBILITY TOWARDS CONSUMERS

Sri Ayudhya Capital Public Company Limited is an investment holding company with a subsidiary, Sri Ayudhya General Insurance Public Company Limited, providing general insurance products and services, and advising our customers on risk management and impact on financials should unforeseen events occur. 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 financials, technology and staff to provide a 24-hour service through a hotline called "One Number Call Center", a one-stop call center that customers can call for assistance. They can also contact the Company through the responsive and mobile websites for prompt assistance and crucial information in the case of any emergency.

CONSUMER RIGHTS

1. Right to receive accurate information: The subsidiary company creates supplemental brochures to provide detailed information on insurance products, 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: Convenient communication channels are provided for customers to make complaints regarding customer service at tel. 02-657-2999, which is a 24-hour service line; or email to Customer Service at info@sagi.co.th. A tracking system is in place to monitor corrective actions and feedback to customers.

COMMUNITY AND SOCIAL DEVELOPMENT

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.

MANAGEMENT OF ENVIRONMENT IN BUSINESS OPERATIONS

The Company places importance in managing the environment in business operations and understands the impact of our business on the environment and as a result, several initiatives have commenced:

◆ Paperless Office

The policy is set for the Company and subsidiary to go paperless while maintaining the level of efficiency in operation. Documents and records are electronically kept with fast processing capabilities, lessening the impact on the environment as well as saving storage space and reducing the amount of waste.

◆ Energy Savings

To help reduce the effects of global warming, the following efforts are:

- Turn off the office lights at noon, every day.
- Reduce elevator use, and employees are encouraged to use the staircase for one flight of stairs
- Promote public transportation such as BTS to reduce environmental impact and energy by servicing via electronic means.

CSR ACTIVITY PROCESSES

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 create 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.

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.

In 2015, the Company developed a CSR framework named “Stability in Life” to guide our actions, emphasizing the balance in life and the quality of life for the business, employees, stakeholders, society, people and environment so that all can grow in parallel with sustainability.

CSR | Framework



▶ Employee, People

WELL-BEING | HUMAN RIGHTS | HAPPINESS



Well-being

- ◆ Offer a wellness program for maintaining good health
- ◆ Add in prolonged illness leave policy
- ◆ Offer ex-gratia payment for critical illnesses
- ◆ Contribute to disabled, poverty stricken, and minority groups

Human Rights

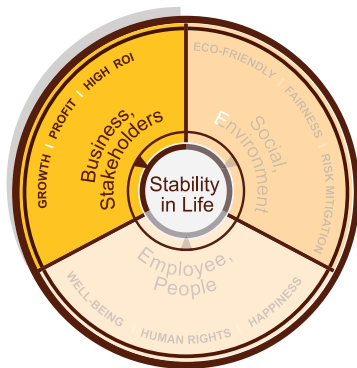
- ◆ Comply with labor practice standards
- ◆ Maintain a culture of accountability and integrity
- ◆ Enforce anti-corruption policy

Happiness

- ◆ Implement the employee engagement model

▶ Business, Stakeholders

GROWTH | PROFIT | HIGH ROI



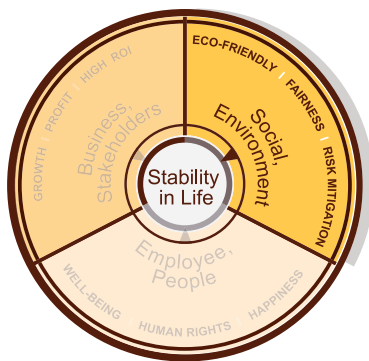
Company Strategy

Build value for our group of companies by delivering attractive return to shareholders through:

- ◆ Approaching the market with a long term view on investment, returns and dividend growth
- ◆ Acquiring holdings in companies with strong brands and/or companies with valuable assets that match with the Company's criteria on investment/risk assessments

▶ Social, Environment

ECO-FRIENDLY | FAIRNESS | RISK MITIGATION



Eco-friendly

- ◆ All processes are paperless and use online system
- ◆ A Survey is underway in preparation for a new product development that complements environment conservation

Fairness

- ◆ Offer products with fair coverage and claims

Risk Mitigation

- ◆ All policies are focused on risk mitigation for customers

Social Aspect

◆ **Christian Prison Ministry Foundation or Baan Praporn: ‘Life Renewed’ Project**

One of the CSR projects was led by our employee, Khun Ratta Rattanapimpaporn, who proposed reaching out to children and young adults at the Christian Prison Ministry Foundation. The Foundation cares for children and young adults with past offences and/or drug problems. Through rehabilitation programs, education, counselling, and love, they are able to rebuild their hopes and dreams. The assistance provided to the Foundation included health checks for all of the children, and food supplies in the amount of Baht 62,400. In addition, to build awareness and promote the Foundation, the Company spent approximately Baht 600,000 to produce 2015 Calendars showcasing the Foundation’s young adults and their heartfelt stories.



Environmental Projects

◆ **Year 6: Mangroves Replanting Project, Klong Kone, Samut Songkhram**

As a part of the Company’s ongoing initiative to help preserve the environment and reduce global warming, Mr. Rowan D’Arcy, President & CEO of Sri Ayudhya Capital PCL, volunteers from the subsidiary company - Sri Ayudhya General Insurance PCL and young volunteers from the Christian Prison Ministry Foundation, jointly took part in the replanting of mangroves, at the Mangrove Forest Conservation Center in Samut Songkhram. Mangrove forests support all kinds of lives, and acts as a food source and habitat to many life forms as well as providing protection and a natural wall to reduce the impact of strong wind and waves. These forests can also help to reduce the erosion along the coastlines.



◆ **Year 5: Preserving the Ocean and Sea Turtles Project, Sattahip, Chonburi**

Continuing with CSR activities concerning environmental preservation, the Company's staff participated in "Preserving the Ocean and Sea Turtles" project which consisted of a donation to help support the program, as well as participating in the replanting of the coral reefs and releasing sea turtles back into the ocean at the Royal Thai Marine Corps, Toey Ngam beach, Marine Corps Bay, Sattahip, Chonburi. Along with the activity was the education provided by the Royal Thai Marine staff on how to preserve the environment better.



SOCIAL CONTRIBUTION PROJECTS

◆ **For the Visually Impaired**

The Company donated Baht 20,000.00 to the Educational Technology Center for the Blind, Skills Development Center for the Blind Nonthaburi and the Foundation for the blind in Thailand, under the Royal Patronage of H.M. the Queen, and Thailand Association of the Blind, after having met with success of the previous calendar project which helped to promote the awareness of the associations. For the project, over Baht 500,000.00 was spent on producing 20,000 calendars. Ms. Chanidapa Petchraksa, Director of Education, Ms. Plengsri Kamolthip, Finance Manager of the Education Technology Center for the Blind and Mr. Kittipong Suthi, Director at the Thailand Association of the Blind were present to accept the donations.



◆ **Year 2: Love in Waiting Project**

A scholarship of Baht 62,400.00 was presented to 11 children at the Christian Prison Ministry Foundation or Baan Praporn, Rama 9 Community, Klong Ladprao. An additional donation of Baht 110,000.00 was given for daily necessities. All children were also treated to a lunch.



- ◆ **Year 12: Insurance Family and Friends for the Society**
Employees volunteered to participate in a joint community program at Baan Takolang School, Suanpueng, Ratchaburi giving lunch and donated 20 sacks of rice for students boarding at school.



Education Development Projects

- ◆ **Books for Better Future**

Led by Mr. Sakrapee Sungkhapan, Senior Vice President of Branch Operations together with Mr. Vorapon Maneerat, Assistant Vice President, the Company presented educational books, totaled Baht 70,000.00 to Mr. Rangsan Kamchai, Director of Baanna Mafeung School, Muang District, Nong Bua Lam Phu.



- ◆ **Computer Room Renovations**

The Company donated Baht 100,000.00 to Baan Wangmee School, Nakhon Ratchasima to renovate and repair the school's damaged computer room and network so that students can get back to learning and developing their skills again. School supplies were also provided to students and teachers.

- ◆ **School Supplies and Materials**

Mr. Jackkrawut Srikajang, Assistant Vice President of Sri Ayudhya General Insurance PCL, and employee volunteers joined hands with General Insurance Club of Surat Thani to donate school supplies and materials to the Border Patrol Police Learning Center at Baan Huaytong Surat Thani.





◆ **Year 2: Bicycles for Children Project**

Over 30 employee volunteers joined this program to provide children with bicycles so that they can travel to-and-from school. This year, Mr. Rowan D’Arcy, President & CEO presented these bicycles to students at Baan Klong Krok School, Pawa, Keng Hang Maew, Chanthaburi.

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. In 2015, these innovations included:

◆ **May 6, 2015**

Claim Di is a system that the subsidiary, Sri Ayudhya General Insurance PCL, employs for car inspection, thus saving time for customers who are interested in getting our auto insurance. The full system is planned for implementation by 2016 which will cover non-accident claims. Policyholders may take pictures of the damage to the vehicle and send it to the Company for immediate claim approval. Similarly for Knock-for-Knock, policyholders with same insurance companies and/or pacts with the Company can go through the same process.

◆ **July 29, 2015**

The Company invested in the Salesforce CRM applications to link all sales, marketing, and customer service to the backend database resulting in improved relational data, faster response time for recalling, processing, and analyzing information with improved accuracy for our customers.

◆ **September 9, 2015**

The Company started using EDRMS (Electronic Document and Records Management System), Alfresco system to help organize and consolidate workflow to control the process of work flow, from processing, tracking, reporting status, recalling information, and assessing information in real time.

◆ **October — December 2015**

Branch Speed Improvement — MPLS (Multi-Protocol Label Switching) Program was implemented to increase speed, security, and stability of packet information routing, resulting in more intelligence and savings on the overall system.

◆ **November 24, 2015**

Anywhere to Claim allows Sri Ayudhya General Insurance PCL to increase its response speed to assist policyholders involved in accidents. After reporting the accident with another party, the claim can be set up immediately.