Acknowledgement and Commitment

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I have read the Corporate Governance Policy of IFS Capital (Thailand) PCL and agree to abide by its rules herein.

I understand and accept this policy and ready to adopt this Corporate Governance Policy completely into practice.

Signature……………………………………………….

(…………………………………………….)

Date……………/……………………./………………

IFS Capital (Thailand) Public Company Limited

GOOD CORPORATE GOVERNANCE

I. RIGHTS OF SHAREHOLDERS

Principles

Shareholders are the owners of the company. They control the company by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any of significant corporate changes. Therefore, the company should encourage shareholders to exercise their rights.

Basic shareholder rights are right to 1) buy, sell, or transfer shares 2) share in the profit of the company 3) obtain relevant and adequate information on the company in a timely manner and on a regular basis 4) participate and vote in the shareholder meetings to elect or remove members of the board, appoint the external auditor, and make decisions on any transactions that affect the company such as dividends payment, amendments to the company's articles of association or the company' s bylaws, capital increases or decreases, and the approval of extraordinary transactions, etc.

Shareholders should be fully informed of the criteria and procedures governing shareholders meetings. Sufficient information regarding the issues to be decided in each agenda item should be provided in advance of the meeting. Shareholders should be able to query directors both in the meeting and by sending their questions in advance. They should also be allowed to propose an agenda item and vote by proxy.

The board of directors must recognize shareholders rights and avoid any actions that violate those rights.

Recommended Best Practices

1). The board of directors should include in the corporate governance policy of the company, at a minimum but are not limited to, all the statutory rights of shareholders.

2). The board of directors has the duty to make sure that the company provides shareholders, in advance of meetings, with the information on the date, time, venue, and all agenda items with complete support data. The board should also inform shareholders of the criteria and procedures governing the company's shareholders meeting, including the voting procedure. All information regarding shareholders meetings should be posted on the company's web site before sending out the notice of the meeting so that shareholders can study all information prior to receiving the notice.

3). Any action that can be considered in violation of the shareholders' right to study the company's information should be prohibited.

4). The board of directors should facilitate shareholders' participation and voting in meetings. Any action that can be considered in violation of their right to attend the meeting should be prohibited. For example, procedures to attend and vote in the meeting should not be complicated or costly for shareholders.

5). The Chairman of the meeting should allocate appropriate time for discussion and encourage shareholders to express their opinions and ask questions related to the company's operation. Shareholders should also be able to send their questions to the company prior to the meeting date.

6). All directors should attend shareholders meetings. Shareholders can ask relevant questions directly to the chairpersons of the committees responsible for any specific issues.

II. EQUITABLE TREATMENT OF SHAREHOLDERS

Principles

All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated in an equal way. Minority shareholders whose right have been violated should be redressed.

An important factor of shareholders who invest in a company is that they can trust that the company's board of directors and management use their money appropriately. The board of directors should ensure that all shareholders rights are protected and that they all get fair treatment.

The board of directors should ensure that all processes and procedures for shareholders meetings allow equitable treatment of all shareholders. There should be a clear procedure to allow minority shareholders to nominate candidates for director positions. Shareholders who cannot vote in person should be allowed to vote by proxy.

The board should set procedures to prevent the use of inside information for abusive self-dealing such as insider trading or related party transactions.

All directors and executives should be requested to disclose to the board whether they and their related parties have any interest in any transaction or matter directly affecting the company. Directors and executives who have such interests should not participate in the decision making process on such issues.

Recommended Best Practices

1). The board of directors should facilitate minority shareholders to propose, in advance of the meeting dates, any issues for consideration in shareholders meetings.

2). The board of directors should have a pre-determined criteria on screening the issues proposed by minority shareholders.

3). Shareholders with management positions should not add any agenda items without notifying other shareholders in advance, especially if it is an issue that will require shareholders to spend a good deal of time to study relevant information before making their decisions.

4). The board of directors should establish procedures for the nomination of candidates by minority shareholders. One alternative is to nominate via the company's nomination committee during a period 3-4 months prior to the meeting date. Support information, candidates' qualifications and their consent, should be provided by minority shareholders who nominate the candidates.

5). The board of directors should encourage the use of proxy forms on which shareholders are able to specify their votes. The board should provide an option to shareholders whereby they may appoint an independent director as their proxy.

6). For the stake of transparency and future reference, the board of directors should encourage the use of voting cards for important agenda items such as related party transactions, acquisitions or disposal of significant assets, etc.

7). Directors election should utilize a process in which shareholders are able to vote on individual nominees.

8). There should be written procedures concerning the use and protection of inside information. The board of directors should establish the above-mentioned procedures and communicate them to everyone in the company. Every director and executive should regularly submit to the board a report on their ownership of the company's shares.

III. Role of Stakeholders

Principles

Stakeholders of a company should be treated fairly in accordance with their legal rights as specified in relevant laws. The board of directors should provide a mechanism to promote cooperation between the company and its stakeholders in order to create wealth, financial stability and sustainability of the firm.

Stakeholders in corporate governance include, but are not limited to, customers, employees, suppliers, shareholders, investors, creditors, the community the company operates in, society, the government, competitors, external auditors, etc.

The board of directors should set a clear policy on fair treatment for each and every stakeholder. The rights of stakeholders that are established by law or through mutual agreements are to be respected. Any actions that can be considered in violation of stakeholders' legal rights should be prohibited. Any violation should be effectively redressed.

The board of directors should provide a mechanism that stakeholders can involve in improving the company performance to ensure the firm's sustainability. In order for stakeholders to participate effectively, all relevant information should be disclosed to them.

There should be an effective way for stakeholders to communicate to the board any concerns about illegal or unethical practices, incorrect financial reporting, insufficient internal control, etc. The rights of any person who communicates such concerns should be protected.

The board of directors should set clear policies on environmental and social issues.

Recommended Best Practices

1). The board of directors should identify each group of stakeholders as well as their legal rights.

2). The board of directors should have clear procedures regarding the communication of any concerns from stakeholders to the board. One channel is via independent directors or the audit committee who should arrange an investigation and report to the board.

3). To set the policies on environmental and social issues to ensure that company contributes to sustainable development, the board of directors should consider all the issues that directly affecting the operation.

IV. DISCLOSURE AND TRANSPARENCY

Principles

The board of directors should ensure that all important information relevant to the company, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy.

Important company information includes financial reports and non-financial information specified in the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as well as any other relevant information such as the summary of the tasks of the board of directors and its committees during the year, corporate governance policy, environmental and social policies and the company's compliance with the above-mentioned policies, etc.

The quality of a company's financial reports is vital for shareholders and outsiders to make investment decisions. The board of directors should be confident that all information presented in the financial reports is correct. In accordance with generally accepted accounting principles and standards, and has been audited by an independent external auditor.

The chairman of board and the managing director (MD or CEO) are in the best position to be spokespeople for the company. Nonetheless, the board of directors may appoint another director or executive to act as spokesperson. That person should perform the duty with due care. In addition, the board of directors should designate a person or a department to perform the "investor relations" function to communicate with outsiders such as shareholders, institutional investors, individual investors, analysts, the related government agencies, etc.

Recommended Best Practices

1). In addition to disclosing information as specified in relevant regulations through the channel of the SET, annual statements (Form 56-1), and annual reports, the board of directors should disclose information, both in Thai and English, via other channels such as the company's web site. All disclosed information should be up-to-date.

2). The board of directors should provide a summary of the corporate governance policy approved by the board together with the implementation of the policy through various channels such as the company's annual reports and web site. If the board has approved policies on environmental and social issues, these policies should also be disclosed together with the implementation.

3). The board of directors should provide a statement of its responsibilities concerning the company's financial reports. The statement should be presented alongside the auditor report in the company's annual report.

4). The board of directors should ensure that its roles and responsibilities together with those of its committee are disclosed. The number of meetings and attendance of each director as well as the results of tasks performed during the year should also be reported to shareholders.

5). The board of directors, in addition to the disclosure of its remunerations according to related regulations, should also disclose the directors’ and executives’ remuneration policies that correspond to the contributions and responsibilities of each person. Also the board should disclose the form and the amount of payment. If any director of the company is also a director of its subsidiaries, the amount representing the directors’ fee paid by the subsidiaries should be disclosed as well.

V. RESPONSIBILITIES OF THE BOARD

Principles

The board of directors plays an important role in corporate governance for the best interest of the company. The board is accountable to shareholder and independent of management.

The board of directors should have leadership, vision, and independence in making decisions for the best interest of the company and all shareholders. The board should clearly separate its roles and responsibilities from those of management and monitor the company’s operations to ensure all activities are conducted in accordance with relevant laws and ethical standards.

The structure of the board should consist of directors with various qualifications, which are skills, experience, and expertise that are useful to the company. Directors should commit to their responsibilities and put all efforts to create a strong board of directors.

The directors nomination process should be transparent, without any influence of controlling shareholders or management, and be credible outsiders.

For efficiency and effectiveness, the board of directors should set committees to study and screen special tasks on behalf of the board, especially issues that need unbiased opinions. Committees should have a clear scope of their work, roles and responsibilities as well as the working procedure such as meetings and reporting to the board.

All directors should understand their roles and responsibilities and the nature of the company’s business. They should be ready to express their ideas independently and always update themselves. Directors should perform their duties in good faith, with due diligence and care, in the best interest of the company and all shareholders. In order for directors to perform their duties, they should receive correct and complete information. They should also commit themselves to their responsibilities and attend all board meetings, except for reasonable excuse.

The board of directors should not approve its own remuneration. The process of setting their remuneration should be transparent. Shareholders should approve directors’ remuneration. The level and composition of remuneration should be appropriate and high enough to keep qualified directors but not overpaid.

Recommended Best Practices

1. Board Structure

1.1). The board of directors, with approval from shareholder meeting, should set an appropriate number of its members and composition. There should be a number of independent directors equivalent to at least one-third of the board size, but not less than 3. The remaining directors on the board should be representatives of each group of shareholders; the number of directors should be proportionate to the ownership of each group.

1.2). Term of service of directors should be clearly stated in the company's corporate governance policy.

1.3). The company's definition of independent directors should be carefully considered by the board of directors whether or not the minimum qualification specified by the SEC and the SET is appropriate for the company. The board may use stricter definition or independent directors than the minimum requirement.

1.4). Directors of a company who serve on too many boards may not be able to perform their duties effectively. The board of directors may review the effectiveness of directors with multiple board memberships or limit the number of board positions that a director can hold. The company should disclose the information about board membership positions of individual directors to shareholders.

1.5). The board of directors should clearly state the policies and procedures regarding board positions in other firms held by the company's managing director and top executives, both in term of director type (i.e. executive, outside, or independent) and the number of board positions that can be held. For example, the board may state that any board position held in other firms by the company's managing director must be approved by the board.

1.6). The roles and responsibilities of the chairman of the board are different from those of the managing directors. The board should separate the roles and responsibilities of both positions. In order to achieve a balance of power, the two positions should be held by different individuals.

1.7). The chairman of the board should be an independent director.

1.8). The function of the company secretary should be in place to serve the board of directors in areas of providing legal advice, taking care of the board's activities, and monitoring compliance to the board's resolutions.

2. Committees

2.1). Audit committee is required by the SET listing rules. There are two other recommended committees namely the remuneration and nomination committees.

Remuneration committee is responsible for setting the criteria and the form of payment to directors and top executives and presenting the results to the board. Whilst the board approves executives' remuneration, the shareholders approve that of directors.

Nomination committee is responsible for setting the criteria and process of nominating board members and top executives, selecting qualified candidates according to the pre-determined criteria and process, and presenting the result to the board. Then, the board will present the results at the shareholders' meeting for election.

2.2). For the committees to perform their duties transparently and independently, the majority of the committee members should be independent directors. The chairman of each committee should be an independent director.

2.3). The chairman of the board should not be either a chairman or a member of any committee to ensure independence of the committees.

3. Roles and Responsibilities of the Board

3.1). The board of directors should review and approve key business matters such as the vision and mission of the company, strategy, financial targets, risks, major plans of action and budget. The board should also monitor implementation by management to ensure efficiency and effectiveness.

3.2). The board of directors should set and approve a written corporate governance policy for the company and review the policy and compliance to the policy regularly, at least annually.

3.3). The board of directors should ensure that a written code of business conduct be in place so that all directors, executives and employees understand business ethical standards of the company. Compliance to the code should be closely monitored by the board.

3.4). The board of directors should consider any conflict of interests thoroughly. There should be a clear guideline on the approval of transactions with conflict of interests so that the transactions are conducted for the best interest of the company and all shareholders. The person who has interest in the transaction should not participate in decision making process. The board should also monitor compliance to the regulations regarding criteria, procedures and disclosure of transactions with conflict of interests.

3.5). The board of directors should ensure that internal control system is in place, including financial, compliance, and policy control, and review the system at least annually. The board should also assign a person or a department to independently audit and report on the system.

3.6). The board of directors should establish a risk management policy to cover all activities of the company, assign management to implement the policy and request a report from management regularly. The board should review the risk management system or annually and whenever there is a change in risk level. The board should also focus on early warning signs and unusual transactions.

4. Board Meetings

4.1). The board of directors should set its meeting schedule in advance and notify each director of the schedule so that each member of the board can manage time to attend the meetings.

4.2). The number of board meetings should be appropriate to the obligations and responsibilities of the board and nature of the company. If the meetings are not monthly, the board should receive a monthly report on the company's performance so that it can monitor management performance continuously and promptly.

4.3). The chairman of the board and the managing director should set the board meeting agenda together and ensure that all important issues are already included. Each member of the board should be free to propose an issue for a meeting agenda.

4.4). Meeting documents should be sent to each director in advance of the meeting date. The document should be concise, with all relevant information. Any confidential issues should be brought to discuss during the meeting.

4.5). The chairman of the board should appropriately allocate the meeting time for complete management's presentation and comprehensive directors' discussion. The chairman should encourage careful consideration in the meeting. Every director should pay attention to each issue presented in the meeting, including issues concerning governance of the company.

4.6). Top executives of the Company, other than the managing director, should be able to attend the board meeting to present details on the issues that they are directly responsible for. The board will have a chance to know more about top executives and be able to prepare a succession plan.

4.7). The board should have access to additional information, under a prearranged condition, via the managing director, the company secretary or the executive designated as a contact person.

4.8). Non-executive directors should be able to meet, as necessary, among themselves without management team in order for them to debate their concerns. The meeting outcome should be notified by them to the managing director.

5. Board Self Assessment

5.1). Board self assessment should be conducted regularly to allow all members of the board to consider the board's performance and solve any problems they may have. A benchmark of the board's performance should be systematically set in advance.

5.2). Members of the board should assess the performance of the board as a whole or specifically to the issues, not to any director. The board should be careful if board self assessment is on individual basis. Though possible, it is a sensitive issue.

6. Remuneration

6.1). Board remuneration should be comparable to the industry level in which the company operates, reflect experience, obligations, scope of work, accountability and responsibilities and contributions of each director. Members of the board who are assigned to more tasks, such as committees, should be paid more.

6.2). Remuneration of the managing director and top executives should be in accordance with the policy of the board, within the limit approved by shareholders. For the best interest of the company, executives' salaries, bonuses, and other long-term compensation should correspond to the company's performance and that of each executive.

6.3). All non-executive directors or the remuneration committee should appraise the performance of the managing director annually to set his/her compensation. The basis of the appraisal should be agreed upon by the managing director ahead of the evaluation. The criteria should be objective, including financial performance, long-term strategic performance, career development plan, etc. The results of appraisal should be presented to the board for approval. The chairman of the board or a senior director should communicate the evaluation results to the managing director.

7. Board and Management Training

7.1). The board should encourage and facilitate training for all internal parties related to corporate governance such as directors, members of the audit committee, executives, company secretary, etc. Training will enable them to continuously improve their performance. It can be either internal or external training.

7.2). New directors should be provided with all documents and information useful to perform their duties. Introduction to the nature of the business and the operations of the company is necessary.

7.3). The board should request the managing director to present them the succession plan on a regular basis. The managing director and top executives should assign successors in case they cannot perform their duties.

7.4). The board should establish a development program for executives. The managing director should report to the board annually about the program. The board should take into account the executive development when considering the succession plan.

The Board of Directors, management and employees must understand and follow this policy in order to achieve the Company's goals and objectives which effective since 7th November 2008 onwards.

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(Mr. Tan Ley Yen)
Director and CEO