

Charan Insurance Public Company Limited

The Definition of Company's Independent Director

The Company's Article of Association stipulate that at least one-third of Board membership shall be independent and the Board shall comprise a minimum of three independent directors, and that independent directors are appointed to the Board by the Board of Directors or the general meeting (as are may be).

Based on the company director selection standards, the criteria for selecting an independent director shall take into account the qualifications of directors prescribe by the Public Limited Companies Act, securities and exchange laws and other applicable regulation. An independent director is a director who: is professionally qualified, specialized and experienced; and can exercise independent judgment on the direction of business operations ensuring the organization's good governance and improve management practices. Any nominated person who meets all such requirements shall be proposed to the shareholders' meeting for appointment as company director. If an independent director stops being a director before completing the term of appointment, the Board of Directors may appoint a replacement member who meets the above requirements to fill the vacancy. A director who is appointed in this way shall serve the remaining term of office of the vacant directorship.

The Board of Directors has established the qualifications for an independent director as are follows.

1. Not holding more than 1.0% of the total number of voting shares of the Company or any of its major shareholders or controlling parties. The number of shares held shall include those owned by any person related to such independent director.

2. Not being an executive director, employee, staff member or advisor receiving regular compensation from, or a controlling person of the Company or its major shareholder(s) or controlling party(ies), either currently or within at least two years prior to appointment as independent director.

3. Not being a relation, either by blood or by law, of any director, executive, major shareholder, controlling party, person being nominated as director, executive or controlling party of the Company. A relation shall include father, mother, spouse, sibling and child including son or daughter in law.

4. Not having any business relationship with the company or any of its major shareholders or controlling parties in such a way that may interfere with the exercise of his/her judgment, and not being a substantial shareholder or controlling person of any person/party that has business relationship with the Company or any of its major shareholders or controlling parties, either currently or within at least two years prior to appointment as independent director.

5. Not being an auditor of the Company or any of its major shareholders or controlling parties, and not being a substantial shareholder (owning more than 10% of the total number of voting share, including those owned by any related person), a controlling party or a partner of an audit firm which is the affiliation of any of the Company's auditors, major shareholders or controlling parties, either currently or within at least two years prior to appointment as independent director.

6. Not being a provider of any professional services, including legal or financial advice which receive payments exceeding two million baht per year from the Company or from any of its major shareholders or controlling parties, and not being a substantial shareholder, a controlling party or a partner of such professional service provider, either currently or within at least two years prior to appointment as independent director.

7. Not being a director who has been appointed to represent any director of the Company or any of its major shareholders or any shareholder related to the major shareholder of the Company.

8. Not engaging in any business of the same nature as or in significant competition with the business of the Company, nor being a substantial partner executive director, employee, staff member, advisor/consultant who receive regular compensation from or hold more than one percent of the voting shares of a company engaging in any business of the same nature as or in significant competition with that of the Company.

9. Not having any characteristics which could compromise the exercise of his/her independent judgment on the Company's operation.