

Market Conduct Policy

Muang Thai Insurance Public Company Limited



ยึดได้ เมื่อภัยมา

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Market Conduct Policy

Muang Thai Insurance Public Company Limited

Muang Thai Insurance Public Company Limited has established the market conduct policy in order to comply with the notification of the Office of Insurance Commission (OIC) regarding the rules on methods for issuing and offering of non-life insurance policy for sale and the performing of duty of non-life insurance agent and broker and bank B.E. 2563 (2020) and the guidelines according to the OIC on the rules on methods for issuing and offering of non-life insurance policy for sale and the performing of duty of non-life insurance agent and broker and bank B.E. 2563 (2020) and B.E. 2565 (2022). Also, the Company has recognized the importance of fair treatment of customers in order to provide good and quality services to the customers, by having an effective work system to control the quality of insurance policy sales and providing every service based on fairness starting from product development and policy issuance, including the management, supervision, control, monitoring and evaluation in the offering of insurance policies according to the rules, methods and conditions specified. The system must be approved by the Board of Directors.

Definition

"Company" means Muang Thai Insurance Public Company Limited

"Customer" means a natural person or juristic person that is the existing user of products or services. This shall include those who inquire about product and service information, is informed of product and service details through any media, and who is invited or offered by the Company to purchase the products and services.

"Offering of insurance policy" In case where it is conducted by the Company, this means inviting the customer to enter into an insurance contract with the Company. In case where it is conducted by a non-life insurance agent, this means persuading the customer to enter into an insurance contract with the Company. In case where it is conducted by a non-life insurance broker or bank, this means suggesting or arranging for the customer to enter into an insurance contract with the Company.

The market conduct consists of:

1. Corporate culture and roles and responsibilities of Board of Directors and senior management
 - 1.1 Establish the policy, business plan and strategy that emphasize on the creation and transfer of a culture of fair treatment to all functions and employees involved in customer service, including a person offering the Company's insurance policies in all channels.
 - 1.2 Designate a responsible person or function to be responsible for work operation or coordination related

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to the management of market conduct in a systematic manner.

1.3 Ensure sufficient number and quality of employees to be in line with the business volume and effective performance, including having person(s) in charge of supervising, monitoring the performance and improving the knowledge and ability of people on a continuous and timely basis.

2. Product development and customer segmentation

2.1 There is a process for developing or selecting products by taking into account the best interests of the customer.

2.2 There are measures for preventing the provision of services or offering of products that are contrary to relevant laws, or the conduct of a business that might be a risk or conflict of interest.

2.3 There is a fair approach to take care of, correct, compensate for, or remedy damage of the customer caused by the use of product.

3. Remuneration scheme

3.1 The remuneration structure is determined according to the rate specified by the Office of Insurance Commission (OIC). Also, there are measures of warning and punishment for employees in every area concerning the market conduct.

3.2 There is a risk assessment by taking into account the issue the customers have encountered when using the service from various sources.

4. Sales process

4.1 Preparing for sales and service

- 1) Define processes and practices that are appropriate to the type of product and sales channel, as well as offering methods that are appropriate to the characteristics of each type of customer.
- 2) There are systems, tools and processes to ensure that the offering of insurance does not disturb the privacy of customer. Receiving the customer information is legal and in accordance with the Company's internal policies regarding face-to-face sales, electronic means and telephone sales.
- 3) The information used to contact new customers must be obtained legally and in accordance with the Company's policies. In case where the customer inquires the source of information, the service provider must clearly and quickly clarify the source of information which the customer has given the consent.
- 4) In case of offering to sell that the Company contacts the customers, such as tele-sales, email or SMS, the Company must clearly inform the customer every time that the customer has the right to opt out of hearing from the Company again and must inform the customer of the means to cancel the contact.

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- 5) In case where the service provider contacts a customer for an offering via telephone. It must be a system that can verify the name of employee who contacted the customer, contact phone number, and the name of customer contacted in order to verify that the customer information used to contact them is legally received.

4.2 Selection of employees

- 1) The sales person must have knowledge and understanding of the insurance product to be offered and be able to describe the insurance product to be offered.
- 2) The sales person must pass the internal trainings about rules and regulations of offering and other applicable laws in order to meet customer expectations.

4.3 Providing tools to help describe the characteristics of insurance products

- 1) There are the tools that allow the sales person to explain the product details to the customers, making it easier for them to understand. Such tools must show the complete information of the product offered, both the conditions, benefits and precautions which are sufficient to make a purchase decision.

4.4 Provision of information during post-sales

- 1) The customer must be informed every time about the period for collecting the premium and there is enough time for the customer to review and dispute about it.
- 2) The Company must always provide proof of payment and other relevant documents to the customer.
- 3) When there are changes to the product or service conditions that affect the customer's use of the service, the material changes must be communicated or informed to the customer in sufficient time in advance.
- 4) There are the operating systems and practices that meet the guidelines related to offering, selling, and servicing the customers.

5. Communication and Training

5.1 Communication with the employees

- 1) The communication channel is designated in order to communicate and educate the employees to acknowledge this policy, such as:
 - Website and/or intranet of the Company
 - Appropriate internal communication format such as email or Line.

5.2 Training for the sales person(s)

- 1) Provide training to the sales person(s) about new products especially products with higher risk or more complex.

- 2) Practice the sales person about selling procedure by providing information that will be easy for the customer to understand and prepare script for explaining the difficult things, especially explaining the riskier or more complex policies than the usual ones.

6. Receiving, keeping and protecting the customer information

6.1 Maintaining the security of customer information

- 1) Establish the policies, practices, and systems for the security of customer information in line with business plans and support the future changes in information technology and business.
- 2) Require employees at all levels to understand and be aware of the importance of maintaining the security of customer information.

6.2 Disclosure of customers' information to other parties

- 1) There is a process that ensures that the recipients of the information, including the business partners who jointly launch the product are able to ensure the security of customer information with caution, keep the customer information as necessary, and use the data for the purposes informed to the customer.
- 2) Disclosure of customer information to other parties for marketing purposes should be under following procedures:
 - Disclose information for promotion or publicity of insurance policies, where the customer has the right to consent or not.
 - Obtain consent to the disclosure of information for marketing purposes from customers by giving them the right to explicitly disclose the information themselves, while informing them of convenient ways to inquire about the list of recipients and disconnect from all recipients.

6.3 Disclosure of customer information to other parties for non-marketing purposes should be under following procedures:

- 1) Disclosure of information in the event that the customer does not give their consent will significantly affect the operation of service provider or will not be able to provide the service fairly and continuously, such as disclosing information to a third party service provider (Outsource) to support the service provider's service, disclosing information to government agencies in accordance with the law, including in the case of disclosing information to partner companies.
- 2) The Company can require the disclosure of such information as part of the conditions for requesting the services, by providing the examples of purpose of information disclosure to the customers.

7. After-sales service

7.1 Handling issues and complaints regarding the service

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- 1) There are units and employees that handle the matters via different options of contact channels, by which customers can conveniently directly and contact them.
- 2) There is a standardized process for receiving and processing service issues and complaints.
- 3) Fairly resolve service issues and complaints
- 4) There is a system in place to track progress status on service issues and complaints.
- 5) Investigate the root cause of problem and extend the investigation immediately to stop the damage.

7.2 Resolving the customer problems

- 1) There are the measures to resolve, remedy or compensate the customers and set standards for similar issues.
- 2) The period of time is set at each stage to ensure proper management without delay and to keep the customers informed of the progress periodically.
- 3) Determine the period and factors for considering, correcting, remedying or compensating with fairness, especially if it is a mistake caused by the work system or employees of the Company. The issues of the same nature will be treated equally and fairly.

7.3 Preventing the recurrence of problems or complaints

- 1) Record all service issues and complaints the Company received from various channels.
- 2) Determine the responsible person for analyzing the cause of the service problem or complaint and bring the results for further analysis.
- 3) Report actions taken on service issues and complaints to senior management to be able to assess the risks and improve the relevant corrective actions to prevent a recurrence of the problem.

8. Use of electronic means

The offering of insurance policies through electronic means, use of electronic means to accompany the offering of insurance policies, issuing insurance policies and indemnifying or compensating under the insurance contract using electronic means in whole or in part must comply with the announcement of the Office of Insurance Commission regarding the rules and methods for insurance policy issuance, insurance policy offerings, and indemnity or compensation under the insurance contract using electronic means B.E. 2560 (2017) and Electronic Transactions Act, and does not conflict with or contradict with the Anti-Money Laundering Law and other relevant laws.

9. Monitoring, audit and internal control

9.1 Control, supervision and audit

- 1) Monitor and audit the performance regarding the service provision based on the fairness covering every level of employee.

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- 2) Assess operating processes to identify or determine potential risks and monitor and control to prevent potential risks.
- 3) Develop the audit action plan focusing on the risks defined, by auditing the operating performance whether it is in line with established methods, procedures and guidelines.
- 4) Report the audit report to the Board of Directors and senior management.

9.2 Prevention and management of conflicts of interest

- 1) Identify activities that present a risk that may cause a conflict of interest.
- 2) Set clear tools and methods for managing conflicts of interest in each subject area.
- 3) Monitor the compliance with the prescribed measures and take action if they are not complied with.

10. Operations and business continuity plan

10.1 Operating system

- 1) There are tools that ensure that those involved in the work operation are performing correctly, such as a check list.
- 2) In case of using information technology systems for the work operation. The following risks should be taken into account:
 - Stability of the system: If the operating procedures are defined and important information is stored using a computer system.
 - Information Security

10.2 Emergency prevention and response plan

- 1) Establish a backup plan for emergency which should cover the key operating processes in order to ensure the continuation of business without affecting the customer's transactions.
- 2) Test the plan to ensure it is practical, able control the impact and damage, and restore the key operating systems in a timely manner. Also, review and update the plan to be up to date.

This policy shall come into effect from April 25, 2022 onwards.



(Mrs. Nualphan Lamsam)

President and Chief Executive Officer