

Financial Institution Directors' Handbook

With the goal of promoting corporate governance in financial institutions, the Bank of Thailand, together with the support of the Thai Bankers' Association, Foreign Banks' Association, Association of Finance Companies, eminent representatives in the field of finance and law, and the World Bank, has initiated the Financial Institution Directors' Handbook Project. The handbook is designed to emphasize the integral leadership roles that directors play in risk management, while also enhancing understanding among directors of their obligations and duties toward the financial institutions and its stakeholders, in particular the shareholders, and more importantly fiduciary responsibility toward society.

The handbook highlights the responsibility and limits to the authority that come with the directorship position. The comprehensive nature of the handbook covers directors' legal accountability and role in selecting and overseeing a competent management team. This includes guidelines for fostering competitive internal risk management culture and codes of conduct rooted within resilient business ethics. An example of the latter part refers to the emphasis on transparency in terms of information disclosure. Moreover, the handbook also illustrates the supervisory role of the Bank of Thailand, in particular the working relationship between the Bank of Thailand and financial institutions. Lastly, the handbook has already been scrutinised in public hearings, thereby ensuring that related parties will have the opportunity to influence the final outcome of this project.

The handbook will be sold at 250 baht each, with an English version to be available in May.

Financial Institutions Policy Group

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