



AUDIT COMMITTEE FORUM VOLUME 2


Top 10 Governance Priorities

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KPMG in Thailand

Changing business and economic conditions provide an opportunity to reassess board priorities and re-focus the agenda

Needs and issues of individual organizations vary/recommendations should be treated as a starting point in reviewing board agenda and workload



Keep in mind: Individual boards will find it valuable to set aside time to reassess and reflect on their own priorities taking into account their unique circumstances and needs

1. Ensure Board skills and capabilities properly reflect the changing internal and external business environment

- **Strategic change in response to changed economic conditions**
- **Strategic advisor \Leftrightarrow composition**
- **Current capabilities/experience match the new strategy**
- **Selection/recruitment process should be reviewed**

2. Tighten risk management oversight

- **Regular review of approach to risk management**
- **Appropriate systems exist to identify major risks and that risks are adequately managed**

3. Keep ahead of the strategic agenda

- **Encourage and engage strategic thinking and debate**
- **May participate in Board and Management strategic meeting/discussion**

4. Extract the most from Board committees

- **Effective Committee enhances board decision/workload**
- **Good Board committee possess a clear sense of responsibilities/drive own agenda**

5. Review the flow of information from Management to the Board

- **Typical Board receives more information than absorb it**
- **Huge Board packs indicate an unclear distinction between roles of the Board and Management**
- **Information for matters directly responsible by the Board should be concise and consistent**
- **Right information from Management is crucial/**
“The good news fast, the bad news faster”

6. Enhance the management of Board time

- **Time management/Board and Committees**
- **Focus truly important matters**
- **Informal channels of inter changing of information/data can help**

7. Create and sustain an ethical organization

- **Ethical tone/behavior**
- **Tone at the TOP**
- **Shaping the culture**
- **Ethical policies/processes i.e. codes of conducts, whistle – blowing procedures etc.**

8. Recruit, develop and retain talented managers

- Monitoring performance of CEO and key management**
- Ensure management team capability supports strategic directions**
- Strategic approach to workforce planning and employment value proposition**

9. Increase the transparency of executive remuneration

- Ensure that remuneration policies/practices are clear and transparent**
- Sufficient explanations on the linkage between individual**

10. Strengthen board governance and organizational policies

- **Board's governance policies should be relevant/are regularly reviewed/revised/visible**
- **Concerns cover remunerations, share trading/holdings**

QUESTION & ANSWERS

THANK YOU!