

Vision

Bangkok Insurance aims to be the preferred non-life insurer in Thailand

We will strive for progress with

- Quality products and services that meet our customers' needs
- Fast and responsive service to maximize our customers' satisfaction
- Exceptional teams who are knowledgeable and innovative
- Tradition and culture of corporate integrity

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FINANCIAL HIGHLIGHTS

(Baht'000)

	2018	2017	Change %
For The Year			
Premium Written	17,326,215	15,940,907	8.7
Underwriting Income	2,551,762	2,386,593	6.9
Operating Expenses	1,080,794	986,582	9.5
Finance Costs	3,266	3,618	(9.7)
Net Profits from Underwriting	1,467,702	1,396,393	5.1
Net Investment Revenue	1,317,632	1,365,909	(3.5)
Profits before Income Tax Expenses	2,785,334	2,762,302	0.8
Income Tax Expenses	378,526	359,205	5.4
Net Profits	2,406,808	2,403,097	0.2
At Year - end			
Unearned Premium Reserve	8,275,770	7,340,161	12.7
Shareholders' Equity	34,875,364	35,145,442	(0.8)
Per Share			(Baht)
Basic Earnings Per Share	22.61	22.57	0.2
Ordinary Share (Shares)	106.47 Million	106.47 Million	-
Dividends	14.00	14.00	-
Book Value	327.56	330.10	(0.8)
Market Price (High-Low)	392-327	368-345	-
Market Price at Year-end	329	358	(8.1)

USD 1 = Baht 32.4498

GBP 1 = Baht 41.0667

EUR 1 = Baht 37.1252

JPY 100 = Baht 29.3089

PRIDE IN 2018



Through the vision emphasizing “the preferred non-life insurer in Thailand”, Bangkok Insurance Public Company Limited has made a ceaseless effort to continuously develop its services, whether insurance products, information technology, claims or management in various aspects, to provide convenience and quickness to its customers for their greatest benefit, causing the Company to receive quality awards from a number of leading organizations both inside and outside the country throughout, generating tremendous pride for the Company’s management and staff.

For 2018, the Company has still attached to its business transactions of international standard, ready to introduce modern innovations to enhancing services in more response to customers’ demand. The Company received the following awards.

Honorable Award

The Distinguished Awards for Product/Service Excellence from the announcement and presentation of royal awards, Thailand Corporate Excellence Award 2018, organized by Thailand Management Association (TMA) in cooperation with Sasin Graduate Institute of Business Administration of Chulalongkorn University. The award was presented to a company with excellent management, particularly in terms of its products and services, and was based on a selection from a survey on the opinions of senior executives of over 1,000 organizations inside the country. In this connection, Bangkok Insurance has given priority to the development of its insurance and service products for customers throughout, focusing on applying modern innovations to providing convenience in response to customers’ demand for their greatest benefits.

The Leading Insurance Providers 2018 - Thailand & SE Asia Excellence Awards for Insurance Solutions 2018 from Thai Business Excellence Awards 2018, organized by South East Asia News, a magazine renowned for presenting economic and technological news in Southeast Asian region. The magazine has done research and sent questionnaires to the general public to select companies, organizations or business appropriate for awards in various fields. In this regard, the Company is the first and only non-life insurance company in Thailand to receive the Leading Insurance Providers 2018 - Thailand & SE Asia Excellence Awards for Insurance Solutions 2018 due to the Company’s being a leading non-life insurance company having a system of efficient and modern management and operation, providing standard services, developing a variety of channels for service contacts, including having branches and service centers covering services in all regions of the country.

The Most Innovative Insurance Company 2018 - Thailand Award from FinTech Awards, organized by W&F (Wealth & Finance International), a world’s leading magazine presenting data on finance and investment of businesses across the world, and popular both in the form of copy magazine and online magazine. Bangkok Insurance is the first and only non-life insurance company in Thailand to receive such award due to the fact that it is a leading insurance company which has efficiently introduced modern technology and innovations to its operation and management, including constantly developing its information technology system in compliance with its business transactions and services, being able to respond to the needs of consumers in a digital era, such as the Company’s website at bangkokinsurance.com, BKI iCare application and BKI EsCard, the insured’s electronic card.



The P&C Insurer of the Year Award and the Digital Insurer of the Year Thailand Award from Insurance Asia News Awards for Excellence 2018, organized by Insurance Asia News. The awards were presented to the Company for its being a leading non-life insurance company having an efficient and modern system of management and operation, and a standard service through the development of a service contact channel, apart from having branches and service centers covering services in all regions of Thailand. In addition, the Company has also efficiently applied modern technology and innovations to its operation and management, including steadily developing technology in compliance with consumers' business and lifestyle in a digital era.

The Best Non-Life Insurance Company 2018 - Thailand Award from International Finance Awards 2018, organized by International Finance Magazine. The award was presented to the Company for its being a non-life insurance company in Asia having stable and robust financial status, as well as efficient and modern systems of management and operation. In addition, the Company also has standard services and attaches to its management based on the principle of good corporate governance and responsibility to society, providing support to its activities, including giving priority to sustainable society development with verifiable results.

Certificate of the White Factory Program organized by the Department of Labour Protection and Welfare, Ministry of Labour. The Company has been a business establishment exemplifying the management of drugs problems, and operating in accordance with the standard of prevention of and solution to drugs problems in business establishments, and the white factory program.

Certificate of Quality Persons of the Year 2018 in the Insurance Industry Sector, organized by the Foundation of Science and Technology Council of Thailand. Dr. Apisit Anantanatarat, the President, had been commended, as a quality person of the year 2018, for his achievement in conducting his life, both for personal life and working life in the non-life insurance industry, apart from constantly dedicating himself to activities benefiting society and the country in various respects.

Financial Strength Rating

Bangkok Insurance derived, on November 22, 2018, Financial Strength Rating of A- (Stable) from the Standard and Poor's Institution (S&P), a leading global credit rating organization, reflecting the Company's leadership in the non-life insurance industry having competitiveness, with sound operating results and stable funds and assets, apart from possessing a fund management at a satisfactory level.

Additionally, the A.M. Best Company, another leading global credit rating organization, had ranked, on May 24, 2018, the Company's Financial Strength Rating with the score of A- (Excellent), and Issuer Credit Rating with the score of a-, emphasizing its stable funds and financial stability, as well as its leadership in the non-life insurance industry in Thailand, having competitiveness and a sound management system.

Financial Strength Rating	
Standard & Poor's	November 22, 2018
Financial Strength Rating - Local Currency	A- (Strong)
Issuer Credit Rating - Local Currency	A- (Strong)
Outlook	Stable
A.M. Best	May 24, 2018
Financial Strength Rating	A- (Excellent)
Financial Strength Rating Outlook	Stable
Issuer Credit Rating	a- (Excellent)
Issuer Credit Rating Outlook	Stable

MESSAGE FROM THE CHAIRMAN



Mr. Chai Sophonpanich



The overall non-life insurance industry in 2018 experienced a significant growth, as continued from the year before. The Office of Insurance Commission (OIC) had projected a direct premium written growth of 6.0 percent, compared to 3.7 percent in 2017, due to such supporting positive factors as a better growth of the Thai economy, an advancement of the government sector's investment projects, and a 19.5 percent increase in total new car sales. Nonetheless, the risk factors influencing the non-life insurance industry included a slight slowdown of Thai exports incurred by the economic impact on Thailand's major trading partners, a problem of the Thai tourism image among Chinese tourists, etc.

Though business in the past year was still confronted with fierce competition, Bangkok Insurance Public Company Limited was able to generate further sustainable growth under the policy of developing and submitting sound insurance products and services to its customers, increasing business allies, business partners and distribution channels in order to access as many target customers as possible, giving priority to personnel development for higher staff quality, having a sound attitude and an ability to swiftly adapt themselves to changing business context, including continuously investing in a technological system with an aim to enhancing the Company's service efficiency, both in underwriting and claims.

As a consequence of the Company's attachment to services of international standard and ceaseless efforts to develop the organization towards excellence, the Company has been awarded numerous honorable awards, for instance, the Distinguished Awards for Excellence in Products and Services from the Thailand Corporate Excellence Awards 2018, the announcement and royal award presentation the Leading Insurance Providers 2018 - Thailand & SE Asia Excellence Awards for Insurance Solutions 2018 from Thai Business Excellence Awards 2018, and the Most Innovative Insurance Company 2018 Award from FinTech Awards. In this connection, the Company is the first and only non-life insurance company in Thailand to receive such awards due to the fact that it is a leading non-life insurance company which has efficiently applied technology and innovations to its management and has steadily developed its information technology system in compliance with its business transactions.

For the Company's performance in 2018, its total written premium rose by 8.7 percent to Baht 17,326.2 million, compared to the year before. Nevertheless, the Company's earnings before tax were Baht 2,785.3 million, comprising the net income from underwriting of Baht 1,467.7 million, as well as earnings from investment and other income of Baht 1,317.6 million, resulting in a net income of Baht 2,406.8 million, or earnings per share of Baht 22.61. The Company's Board of Directors' meeting on February 22, 2019, has approved a final dividend payment of Baht 5 per share for the year 2018. Therefore, in 2018, the Company had made total dividend payments of Baht 14 per share. In addition, the Company also possesses robust financial standing as well as stable fund and assets, as reflected by the Capital Adequacy Ratio (CAR) as at the end of September 2018 as high as 239.9 percent, higher than that defined by law, apart from the maintenance of high Financial Strength Rating of A-/Stable (ranked by the Standard and Poor's Institution (S&P) as at November 22, 2018) and A- (Excellent) Outlook Stable (ranked by the A.M. Best Company as at May 24, 2018)

Finally, on behalf of the Chairman of the Board of Directors, I would like to extend my sincere thanks to our customers, business partners, shareholders, business allies and stakeholders for their great trust and support of the Company throughout. I would also like to thank sincerely all the Company's management and employees for their excellent performance, helping to continue the Company's policy of "Your Care Is Our Care", emphasizing services which help relieve its customers' distress and suffering as much as possible, besides being a significant force driving the Company to sound performance, stability and sustainability.



REPORT OF THE COMPANY'S OPERATIONS

Summary of Operating Performance for the Year 2018

Operation and Financial Status of the Company

For 2018, the premium written income for all classes of insurance rose by 8.7 percent to Baht 17,326.2 million, compared to 2017. Motor insurance and miscellaneous insurance (excluding personal accident insurance) achieved the highest growth rates of 12.9 percent and 6.8 percent, respectively, compared to 2017.

In 2018, the net underwriting experienced a return of Baht 1,467.7 million, an increase of Baht 71.3 million, or 5.1 percent, over 2017, due mainly to the fact that in 2018 there was the underwriting loss ratio of 49.4 percent, a drop of 2.2 percent, compared to the year before. Similarly, there was a rise in expenses ratio of 1.8 percent, compared to 2017.

The net investment income and other income in 2018 was Baht 1,317.6 million, a decline of 3.5 percent, over 2017. When combined with a profit from underwriting, the Company's total income before income tax deduction was Baht 2,785.3 million, a rise of 0.8 percent. After income tax deduction, the net income totaled Baht 2,406.8 million, a growth of 0.2 percent, compared to 2017, or Baht 22.61 per share, compared to Baht 22.57 per share in 2017.

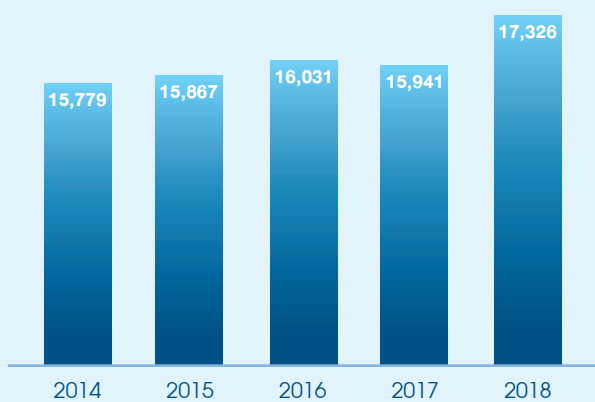
The Company has already made three interim dividend payments of Baht 3.00 per share for the year 2018. The total dividend payment was Baht 9.00 per share. The Board of Directors proposed to the shareholders to consider and approve for the final dividend payment for the year 2018 at Baht 5.00 per share so the annual dividend payment for the year 2018 shall be Baht 14.00 per share (same as the year 2017). The proposed final dividend payment is subjected to the approval of the 26th Annual General Meeting of Shareholders.

Based on the financial statements as at December 31, 2018, the total assets of the Company amounted to Baht 60,620.2 million, a rise of 0.9 percent from Baht 60,102.8 million in the previous year. This was accompanied by a significant alteration in assets, particularly an increase in available-for-sale investments, net reinsurance assets, and net premium receivables of Baht 2,286.0 million, 613.3 million and 303.3 million, respectively, and a drop in held-to-maturity investments of Baht 2,147.2 million.

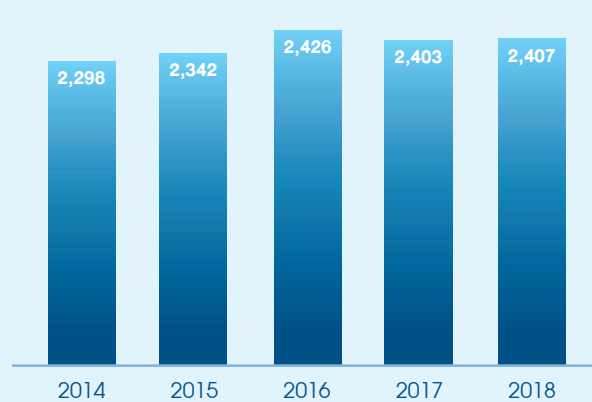
Liabilities at 2018 year-end totaled Baht 25,744.8 million, a growth of Baht 787.5 million, or 3.2 percent, over 2017. A significant change was a rise in insurance contract liabilities, due to reinsurers, income tax payable and commission payables of Baht 973.3 million, 127.4 million, 56.4 million and 33.6 million, respectively, and a drop in deferred tax liabilities and other liabilities of Baht 315.0 million and 118.1 million, respectively.

Owners' equity on December 31, 2018, equaled Baht 34,875.4 million, a decline from Baht 35,145.4 million, or 0.8 percent, in 2017. Significant components were a decrease of Baht 1,190.9 million, or 5.2 percent, in other components of owners' equity and a growth of Baht 920.9 million in unappropriated retained earnings.

Total Premium Written (Million Baht)



Net Profits after Income Tax (Million Baht)



Operating Performance by Classes of Business for the Year 2018

Fire Insurance

In 2018, the Company registered Baht 1,610.4 million in written fire insurance premium, a rise of 3.7 percent over 2017. The augmentation in premium written was due mainly to a growth in premium from Commercial Lines Business Unit.

The net premium written amounted to Baht 1,101.6 million, an increase of 2.2 percent, with the Company taking a retention of 68.4 percent, compared to 69.4 percent in 2017. The loss ratio in 2018 was 14.9 percent, a rise from 2017, which was 14.8 percent. As a result, the Company's fire underwriting returns in 2018 dropped by 5.2 percent to Baht 451.9 million, compared to 2017.

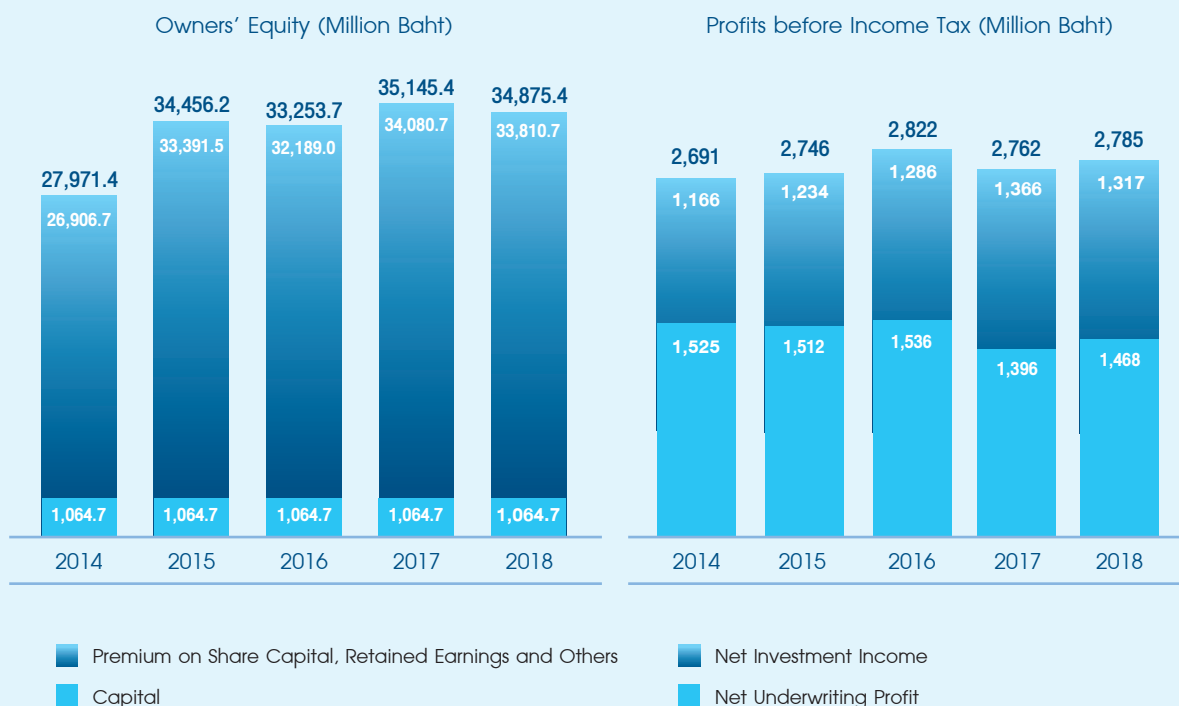
Marine Insurance

- **Hull** In 2018, the Company registered a total of Baht 38.7 million in written marine hull insurance premium, a decline of 7.2 percent over 2017. This was due mainly to a decrease in the premium from Broker Business Unit.

The net premium written amounted to Baht 5.2 million, an increase of 0.4 percent from 2017. This was thanks to the Company's retention of 13.4 percent in 2018, compared to 12.4 percent in the previous year. As a consequence of the Company's underwriting in 2018, the loss ratio was -134.7 percent, a drop from 73.4 percent over 2017, resulting in a return of Baht 26.0 million and a rise in underwriting profit of Baht 22.2 million from the previous year.

- **Cargo** In 2018, the Company registered Baht 397.4 million in written marine cargo insurance premium, a rise of 2.9 percent over the year before. This was due to an augmentation in the premium from Commercial Lines Business Unit, Branch Network and Ventures, and Agent Business Unit.

The net premium written totaled Baht 211.6 million, an increase of 6.5 percent, due to the Company's retention increase from 51.4 percent in 2017 to 53.2 percent in 2018. The loss ratio in 2018 rose to 28.0 percent, compared to 13.8 percent in 2017, resulting in the Company's underwriting profit of Baht 81.1 million in 2018, a reduction of 23.6 percent from the year before.



Motor Insurance

In 2018, the Company registered Baht 6,888.1 million in written motor insurance premium, a rise of 12.9 percent over 2017. This was due mainly to an expansion of its business through Broker Business Unit which had projects with some of its business partners, and Branch Network and Ventures which had business through a personal broker, apart from an extension of its personal lines business via Telemarketing work.

The net premium written amounted to Baht 6,704.1 million, an increase of 13.1 percent over 2017. In 2018, the Company's retention was 97.3 percent, a rise from 2017, which was 97.1 percent. The loss ratio dropped from 64.3 percent in 2017 to 63.4 percent in 2018, while the expenses ratio rose from 32.9 percent in 2017 to 35.8 percent in 2018, resulting in the Company's underwriting profit of Baht 49.8 million in 2018, a reduction of 71.7 percent from the previous year.

Miscellaneous Insurance

Miscellaneous insurance consists of five major categories: General Accident, Engineering, Personal Insurance, Aviation, and All Risks. In 2018, the Company registered Baht 8,391.6 million in written miscellaneous insurance premium, a rise from Baht 7,858.0 million, or 6.8 percent, in 2017. The growth in the direct premium written was due to all risks insurance via Broker Business Unit, and personal accident insurance through Personal Lines Business Unit.

The net premium written for all categories totaled Baht 3,915.7 million, an increase of 4.4 percent over 2017. The Company's retention was 46.7 percent in 2018, a decline from 2017, which was 47.7 percent. The overall loss ratio diminished from 42.9 percent in 2017 to 38.0 percent in 2018. Consequently, the Company's underwriting profit in 2018 grew by 35.5 percent to Baht 858.9 million, compared to 2017.

Underwriting Expenses

The Company's underwriting expenses totaled Baht 10,969.4 million, representing a rise of 2.4 percent over 2017. The claims and expenses on claims management incurred during 2018 dropped by 2.0 percent from the previous year, while other expenses increased by 3.9 percent and operating expenses rose by 9.5 percent over the year before.

In 2018, the Company's all classes of direct premium written amounted to Baht 16,728.7 million, a growth of 8.9 percent over 2017. The Company's market share in 2018 (data as at quarters 1-3) was 7.1 percent, a slight increase from 2017, which was 7.0 percent and could retain the third rank in market share as in the year before. The ratio of 48.0 percent from the miscellaneous insurance premium had a growth rate of 7.0 percent, resulting in 10.0 percent miscellaneous premium market share in 2018, an increase from 2017, which was 9.8 percent. Motor insurance's market share rose from 4.8 percent in 2017 to 4.9 percent in 2018, while fire insurance and marine insurance had market shares of 13.5 percent and 7.1 percent, respectively.

Future Projects

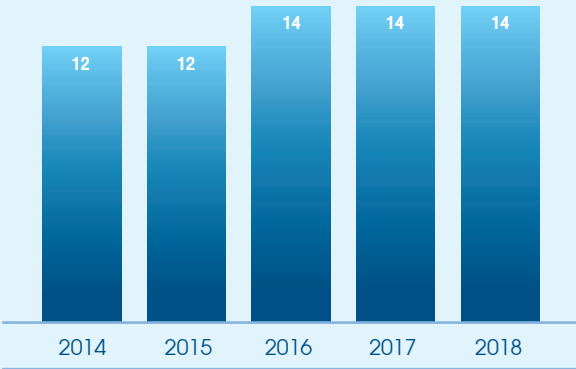
In 2018, the Company has developed an application "Journeys by BKI" to emphasize its Lifestyle Insurance, enhancing the variety aimed at accessing the new generation target group in a digital era in which special personal behavior varies. The application "Journeys by BKI" has applied AI technology to learn daily routine and behavior of user and find out what activity he or she does in each period of time, for instance, spending time in the workplace, doing exercise, taking care of health, interesting activities, traveling pattern, including safety assessment in driving, all aimed at individual lifestyle segmentation. Subsequently, the application will provide personalized content of data and information helping generate an adaptation of one's behavior in order to reduce risks and enhance the quality of life and safety, focusing on giving convenience to user as much as possible.

In addition, the application "Journeys by BKI" also has additional activities and benefits for user to enjoy himself/herself, for example, obtaining 24-hour Auto Assistant services with unlimited number of services such as the spare

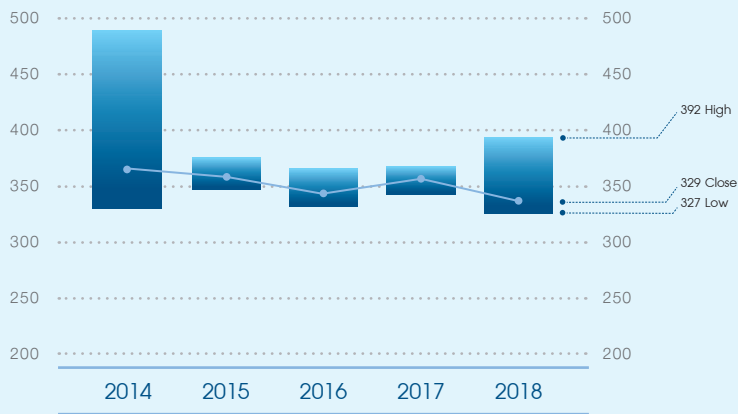
tyre change, battery charging, including giving basic medical advice like giving advice and first aid based on one's condition, and helping call an ambulance in case of an emergency illness. Besides, the application offers a challenges consisting of myriad patterns of activities for user to try, such as exercising by jogging for 10 minutes or driving vehicles safely to compile scores if the mission is achieved, including giving rewards and special benefits to be used as a discount in stores and services from the Company's leading partners, apart from the personalized insurance premium discount from Bangkok Insurance offered in parallel with an insurance plan appropriate for each user's lifestyle.

The Company has a work plan to invest in technology which will boost its insurance service standard and is studying an adjustment of the Company's core underwriting system through modern technology, as well as developing and designing universally to help supplement the work and information management, and enhance the efficiency of an insurance service system, apart from being able to meet the demand and generate greatest satisfaction to the insured. Furthermore, the Company also has a work plan to introduce digital technology to the insurance business, focusing on a study and arrangement of an establishment of a specific work unit on innovation and digital technology in order to find new technology for use in insurance, for example, technology relating to insurance distribution, and technology facilitating customers' claims report or payment, all aimed at enhancing the quality of services for customers or business partners.

Dividends (Baht)



Develepment of Share Prices



REPORT OF THE COMPANY'S OPERATIONS

(Million Baht)

Premium Written	2018	2017	Change %	2018 Distribution %
Types of Insurance				
Fire	1,610.4	1,553.3	3.7	9.29
Marine	436.1	427.8	1.9	2.52
Motor	6,888.1	6,101.8	12.9	39.76
Miscellaneous	8,391.6	7,858.0	6.8	48.43
Total	17,326.2	15,940.9	8.7	100.00
Underwriting Income				
Types of Insurance				
Fire	554.2	544.8	1.7	21.72
Marine	134.0	139.7	(4.1)	5.25
Motor	474.3	606.3	(21.8)	18.59
Miscellaneous	1,389.2	1,095.8	26.8	54.44
Total	2,551.7	2,386.6	6.9	100.00
Operating Expenses	1,080.8	986.6	9.5	42.35
Finance Costs	3.2	3.6	(11.1)	0.13
Net Profits from Underwriting	1,467.7	1,396.4	5.1	57.52

(Million Baht)

Net Investment Revenue	2018	2017	Change %
Interest	280.5	284.3	(1.3)
Dividends	863.6	855.1	1.0
Gain on Sales of Securities and Assets	107.4	138.2	(22.3)
Rental and Other Income	159.4	173.0	(7.9)
Share of profits from Investment in Associates Accounted for under the Equity Method	17.0	12.0	41.7
Gain (Loss) from Reversal Impairment of Investment	(21.8)	(7.0)	211.4
	1,406.1	1,455.6	(3.4)
Investment Expenses	88.5	89.7	(1.3)
Net Investment Revenue	1,317.6	1,365.9	(3.5)
Operating Results			
Net Profits from Underwriting	1,467.7	1,396.4	5.1
Net Investment Revenue	1,317.6	1,365.9	(3.5)
Profits before Income Tax Expenses	2,785.3	2,762.3	0.8
Income Tax Expenses	378.5	359.2	5.4
Net Profits	2,406.8	2,403.1	0.2
Basic Earnings Per Share (Baht)	22.61	22.57	0.2
Ordinary Share (Shares)	106.47 million	106.47 million	-
Par (Baht)	10.00	10.00	-

INVESTMENT INCOME

Net investment income in 2018 amounted to Baht 1,427.9 million, a decline of Baht 34.8 million, or 2.4 percent, over 2017. This comprised Baht 280.5 million from the interest, a drop of 1.3 percent; Baht 863.6 million from dividends, an increase of 1.0 percent; Baht 107.4 million profit from stocks and assets sale, a reduction of 22.3 percent; Baht 159.4 million from rents and others, a diminution of 7.9 percent; Baht 17.0 million of profit share from investments in associated companies, an increase of 41.4 percent. In 2018, the Company's investment expenses dropped by 1.4 percent to Baht 88.5 million and loss on impairment of investments of Baht 21.8 million, while its net investment incomes amounted to Baht 1,317.6 million. Thus, the Return on Investment (ROI) was 6.3 percent of the investment portfolio, or 2.9 percent of the market investment.

At 2018 year-end, the SET index closed at 1,563.88, a drop of 189.83, or 10.8 percent, from 2017, which closed at 1,753.71. In 2018, the Thai economy expanded soundly in the first half of the year, while in the second half there was a slowdown because the exports sector, which was the country's major income, was affected by the global economy and protectionism measure between the United States and China. The tourism sector also expanded well in the first half of the year but a capsized boat incident in Phuket had an impact on the Chinese tourists' confidence in the latter half of the year. Nevertheless, the Thai private sector's consumption experienced high growth, while the employment was better and was increasingly distributed to various economic sectors and income groups. Furthermore, the private sector had a better adjustment of investment due to higher consumption, coupled with an additional positive support from the government sector's measure, despite the government's delayed and unclear investment in mega projects, causing the economy to be unable to be fully pushed forward in 2018. As a consequence, the Company had a higher surplus on revaluation of share values in the SET, totaling Baht 27,012.7 million, a decline of Baht 1,412.9 million, or 5.0 percent, over 2017.

The Company's investment portfolio at 2018 year-end had increased by Baht 1,726.8 million, or 8.2 percent, to Baht 22,673.4 million. For the portfolio allocation, the Baht 14,154.1 million fixed income investment accounted for 62.4 percent of the total investment portfolio, while the remaining Baht 8,519.3 million, or 37.6 percent, was invested in both listed and unlisted common stocks and fund units.

Fixed income investments consisted of deposits at commercial banks and government bonds. Deposits with commercial banks dropped by Baht 2,157.2 million, or 25.9 percent, from the previous year to Baht 6,164.4 million, or 27.2 percent of the total investment portfolio. Government bonds and treasury notes increased by Baht 3,499.8 million, or 179.1 percent, from the year before to Baht 5,454.2 million, representing 24.0 percent of the total investment portfolio due to a higher adjustment of interest rates of government bonds and treasury notes. Debentures declined by Baht 219.0 million, or 16.7 percent, from the previous year to Baht 1,094.4 million, representing 4.8 percent of the total investment portfolio.

In addition, the Company also has mortgaged loans, another type of its fixed income capital, which rose by Baht 79.2 million, or 5.9 percent, to Baht 1,432.3 million, or 6.3 percent of the total investment portfolio.

For the investment in equity securities in 2018, the Company's investments in listed securities, both inside and outside the country, rose by Baht 204.9 million, or 4.2 percent, to Baht 5,082.8 million, or 22.4 percent of the total investment portfolio, compared to 2017. The Company focused on long-term investments, with an investment concept that in the long run the stocks' sound fundamentals will be the main factor contributing to the long-term growth of the Company's values, reflected through prices from the demand for those stocks. The concept of long-term investments will help prevent the fluctuation of stock prices and stock exchanges from significantly affecting the Company's long-term incomes and investment goals.

Investments in non-listed securities declined by Baht 0.8 million, or 0.1 percent, from the previous year to Baht 804.3 million, representing 3.6 percent of the total investment portfolio. The decrease was due to an investment in non-listed securities, which was an occupation of equity securities with an aim to make other business transactions by having shareholding in juristic persons obtaining a permit to do the insurance business, or make major business transactions by having shareholding in foreign insurance companies in member countries of the Association of Southeast Asian Nations (ASEAN), and sell part of these non-list securities. In fact, most non-listed securities were regarded as strategic investments in order to generate business relationships with others and support the Company's business transactions.

Investment capital in associated companies rose by Baht 12.8 million, or 6.0 percent, to Baht 227.7 million, representing 1.0 percent of the total investment portfolio, the increase stemming from the acknowledgement of income, deducted by the dividend share, from those associated companies. It was shareholding which ranged from 20.0 percent and over, and comprised overseas investments such as investments in companies of which the major business transactions were investments in insurance companies, as well as investments in insurance companies in Cambodia and Lao PDR, that enhanced the Company's opportunity to make business transactions with foreign companies. Those associated companies had growth potential in terms of business expansion and returns, as well as being able to pay a dividend to the Company.

Additionally, investments in funds investing in debt securities amounted to Baht 540.2 million, representing 2.4 percent of the total investment portfolio, unchanged from the year before. Similarly, investments in funds investing in non-marketable equity securities totaled Baht 347.5 million, or 1.5 percent of the total investment portfolio, an increase of Baht 50.1 million, or 16.8 percent, over the previous year, while investments in listed real estate funds, and trust funds for investments in real estate, including investments in listed infrastructure funds grew by 254.4 million, or 20.2 percent, to Baht 1,516.8 million, representing 6.7 percent of the total investment portfolio.

INVESTMENT

(Million Baht)

Composition of Investment Portfolio (At Cost)	Year end 2018	Year end 2017	Change %	Distribution % 2018
Fixed Interest Bearing Securities				
Deposits at Banks	6,164.4	8,321.6	(25.9)	27.2
Collateralised Loans	1,432.3	1,353.1	5.9	6.3
Bonds	5,454.2	1,954.4	179.1	24.0
Debentures and Other Loans	1,103.2	1,319.6	(16.4)	4.9
Total Fixed Interest Bearing Securities	14,154.1	12,948.7	9.3	62.4
Shares Listed on the SET	5,082.8	4,877.9	4.2	22.4
Unlisted Shares	804.3	805.1	(0.1)	3.6
Investment in Associated	227.7	214.9	6.0	1.0
Unit of Closed-end Fund Listed on the SET	1,623.3	1,318.8	23.1	7.2
Unit of Closed-end Fund	781.2	781.2	-	3.4
Total Investment Portfolio	22,673.4	20,946.6	8.2	100.0

(Million Baht)

Composition of Investment Portfolio At Cost and Market Value	Year end 2018			
	At Cost	Market Value	Surplus on Changes in Values of Investments	Allowance for Impairment / Allowance for doubtful account
Fixed Interest Bearing Securities				
Deposits at Banks	6,164.4	6,164.4	-	-
Collateralised Loans	1,432.3	1,431.6	-	(0.7)
Bonds	5,454.2	5,450.8	(3.4)	-
Debentures and Other Loans	1,103.2	1,110.3	7.1	-
Total Fixed Interest Bearing Securities	14,154.1	14,157.1	3.7	(0.7)
Shares Listed on the SET	5,082.8	32,095.5	27,012.7	-
Unlisted Shares	804.3	687.3	-	(117.0)
Investment in Associated	227.7	227.7	-	-
Unit of Closed-end Fund Listed on the SET	1,623.3	1,846.5	223.2	-
Unit of Closed-end Fund	781.2	865.4	84.2	-
Total Investment Portfolio	22,673.4	49,879.5	27,323.8	(117.7)

INVESTMENTS IN SECURITIES

Investments in Listed Securities as at December 31, 2018, consist of following:

Name of Company	Line of Business	Percentage of Holding (%)	Book Value		Market Value	
			Per Share (Baht)	Amount (Million Baht)	Per Share (Baht)	Amount (Million Baht)
Bangkok Bank	Banking	1.79	40.23	1,372	202.00	6,888
Bumrungrad Hospital	Health Care Services	14.65	9.61	1,025	187.00	19,964
Bangkok Life Assurance	Insurance	4.58	5.86	458	26.25	2,051
Thai Reinsurance	Insurance	2.02	2.38	202	0.86	73
Charoong Thai Wire & Cable	Industrial Material and Machinery	7.01	6.74	188	8.00	223
Thaire Life Assurance	Insurance	1.78	12.57	134	6.45	69
Furukawa Metal (Thailand)	Industrial Material and Machinery	9.51	24.02	110	25.25	115
TQM Corporation	Insurance	1.42	23.00	98	22.80	97
MK Restaurant Group	Food & Beverage	0.08	83.00	62	74.00	56
Sri Ayudhya Capital	Insurance	0.66	33.48	55	40.00	66
Intouch Holdings	Information & Communication Technology	0.02	70.13	48	47.50	33
CH. Karnchang	Construction Services	0.09	28.29	43	25.00	38
TRC Construction	Construction Services	0.54	1.35	42	0.40	13
Ticon Industrial Connection	Property Development	0.32	7.26	42	13.60	79
The Siam Cement	Construction Materials	0.01	475.39	41	434.00	37
BG Container Glass	Packaging	0.58	10.20	41	10.20	41
Bangkok Expressway and Metro	Transportation & Logistics	0.07	4.01	41	9.70	98
Dhipaya Insurance	Insurance	0.58	23.33	40	22.60	39
Bangkok Aviation Fuel Services	Energy and Utilities	1.16	5.30	39	32.75	243
Chumporn Palm Oil Industry	Food & Beverage	5.28	1.13	38	1.48	50
Nonthavej Hospital	Health Care Services	3.19	7.24	37	55.00	281
Syntec Construction	Construction Services	0.38	5.79	35	2.70	16
Asia Sermkij Leasing	Finance and Securities	0.99	9.17	32	23.20	81
B.Grimm Power	Energy and Utilities	0.08	16.00	32	26.50	53
Sino-Thai Engineering and Construction	Construction Services	0.10	25.69	32	20.40	25
Major Cineplex Group	Media and Publishing	0.24	13.71	29	20.60	43
Samart Corporation	Information & Communication Technology	0.14	20.36	29	6.30	9
Union Plastic	Petrochemicals & Chemicals	8.37	13.31	28	24.50	51
Gulf Energy Development	Energy and Utilities	0.02	51.05	27	81.50	43
Electricity Generating	Energy and Utilities	0.03	150.80	25	248.00	41
Total 30 Listed Companies				4,425		30,916
Other 70 Listed Companies				642		1,160
Unit trust				2,404		2,712
Warrant				-		3
Total				7,471		34,791

SHAREHOLDING IN OTHER COMPANIES

Investment in Companies at 10% or more of Paid-up capital as at December 31, 2018

No.	Company / Address	Line of Business	Type of Shares	No. of Shares Held	% of Company's Paid-up Capital
1	Asian Insurance International (Holding) Ltd. Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Insurance	Ordinary	23,936	41.70
2	Bangkok Insurance (Lao) Co.,Ltd. 321/1-2 Unit 18, Phonsavan Neua Village, Sisattanak, Vientiane Capital, Lao PDR	Insurance	Ordinary	380,000	38.00
3	Asia Insurance (Cambodia) Plc. No. 5, Street 13, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia	Insurance	Ordinary	1,604,470	22.92
4	Asia Insurance (Investments) Ltd. 16/F, Worldwide House, 19 Des Voeux Road Central, HongKong	Insurance	Ordinary	15,210,000	19.50
5	PT. Asian International Investindo Ltd. Wisma Asia Lt. 12A, Jl. Letjen S. Parman Kav. 79, Slipi - Jakarta Barat.	Insurance	Ordinary	6,080,000	19.00
6	Sorachai Vivatn Co.,Ltd. 23 Soi Sukhumvit 63 , Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110	Property Development	Ordinary	405,000	15.00
7	Bangkok Life Assurance (Cambodia) Plc. * The Emerald, 3rd Floor, 64, Preah Norodom Boulevard, Corner Street 178, Sangkat Chey Chumneah, Khan Daun Penh, Phnom Penh, Cambodia 12206	Life Assurance	Ordinary	42,000	15.00
8	Union Sime Darby (Thailand) Limited 62 The Millennia Tower 17 th Floor, Unit 1704-5, Langsuan Road, Lumpini, Pathumwan, Bangkok 10330	Insurance Broker	Ordinary	6,000	15.00
9	Bumrungrad Hospital Public Company Limited 33 Sukhumvit Soi 3 (Nana Nua), Klongtoey Nua, Wattana Bangkok 10110	Health Care Services	Ordinary	106,760,417	14.62
10	Bangkok Mitsubishi UFJ Lease Co.,Ltd. 173/35, Asia Centre Tower 26 th Fl., South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120	Leasing	Ordinary	60,000	10.00
11	Bangkok Chayorath Co.,Ltd. 25 Bangkok Insurance/Y.W.C.A. Building, 10 th Fl. Sathon Tai Road, Tungmahamek, Sathon, Bangkok 10120	Insurance Broker	Ordinary	10,000	10.00

Remark: * Leaving of the investment in BLAC in accordance with the resolution of shareholders' meeting of BLAC.
The license will be returned to Ministry of Economy and Finance (MEF), Cambodia

REVENUE STRUCTURE

(Million Baht)

Premium Written	2018	Distribution %	2017	Distribution %	2016	Distribution %
Types of Insurance						
Fire	1,610.4	9.29	1,553.3	9.74	1,604.6	10.01
Marine	436.1	2.52	427.8	2.68	379.6	2.37
Motor	6,888.1	39.76	6,101.8	38.28	6,607.6	41.22
Miscellaneous	8,391.6	48.43	7,858.0	49.30	7,439.5	46.40
Total	17,326.2	100.00	15,940.9	100.00	16,031.3	100.00
Underwriting Income						
Types of Insurance						
Fire	554.2	21.72	544.8	22.83	548.2	21.47
Marine	134.0	5.25	139.6	5.85	127.2	4.98
Motor	474.3	18.59	606.3	25.40	758.0	29.69
Miscellaneous	1,389.2	54.44	1,095.9	45.92	1,119.8	43.86
Total	2,551.7	100.00	2,386.6	100.00	2,553.2	100.00
Operating Expenses	1,080.8	42.35	986.6	41.34	1,012.9	39.67
Finance Costs	3.2	0.13	3.6	0.15	3.8	0.15
Net Profits from Underwriting	1,467.7	57.52	1,396.4	58.51	1,536.5	60.18
Net Investment Revenue						
Interest	280.5	19.95	284.3	19.53	332.5	24.22
Dividends	863.6	61.42	855.1	58.75	793.4	57.80
Gain on Sales of Securities and Assets	107.4	7.64	138.2	9.49	55.5	4.04
Rental and Other Income	159.4	11.33	173.0	11.89	165.1	12.03
Share of profits from Investment in Associates Accounted for under the Equity Method	17.0	1.21	12.0	0.82	8.7	0.63
Gain (Loss) from Reversal Impairment of Investment	(21.8)	(1.55)	(7.0)	(0.48)	17.5	1.28
	1,406.1	100.00	1,455.6	100.00	1,372.7	100.00
Investment Expenses	88.5	6.29	89.7	6.16	87.3	6.36
Net Investment Revenue	1,317.6	93.71	1,365.9	93.84	1,285.4	93.64

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(Baht'000)

Quarterly Results of Operations	2018				2017			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Premium Written	4,272,166	3,878,619	4,298,374	4,877,056	4,208,713	3,769,343	3,605,295	4,357,556
Underwriting Income	641,014	580,019	707,138	623,591	551,847	638,355	619,721	576,670
Operating Expenses	253,551	251,374	257,078	318,791	264,063	207,768	293,626	221,125
Finance Costs	876	824	796	770	923	885	898	912
Net Profits from Underwriting	386,587	327,821	449,264	304,030	286,861	429,702	325,197	354,633
Net Investment Revenue	369,001	344,251	370,322	126,634	319,689	395,951	361,979	150,039
Gain on Sales of Securities and Assets	2,189	66,262	21,707	17,266	27,011	255	56,251	54,734
Profits before Income Tax Expenses	757,777	738,334	841,293	447,930	633,561	825,908	743,427	559,406
Income Tax Expenses	98,623	95,358	102,307	82,238	83,249	89,198	85,744	101,014
Net Profits	659,154	642,976	738,986	365,692	550,312	736,710	657,683	458,392
Per Share					(Baht)			
Basic Earnings Per Share	6.19	6.04	6.94	3.44	5.17	6.92	6.18	4.30
Ordinary Share (Shares)	106.47 million	106.47 million	106.47 million	106.47 million	106.47 million	106.47 million	106.47 million	106.47 million
Dividends	3.00	3.00	3.00	5.00	3.00	3.00	3.00	5.00
Market Price								
High	392	365	352	352	368	363	353	367
Low	353	348	346	327	345	352	345	350
Par Value	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

FIVE YEARS REVIEW

(Baht'000)

For the Year	2018	2017	2016	2015 (Restated)	2014 (Restated)
Premium Written	17,326,215	15,940,907	16,031,324	15,867,370	15,778,825
Underwriting Income	2,551,762	2,386,593	2,553,177	2,477,660	2,340,595
Operating Expenses	1,080,794	986,582	1,012,932	961,248	812,429
Finance Costs	3,266	3,618	3,768	4,031	3,744
Net Profits from Underwriting	1,467,702	1,396,393	1,536,477	1,512,381	1,524,422
Net Investment Revenue	1,210,208	1,227,658	1,229,910	1,189,169	1,154,806
Gain on Sales of Securities and Assets	107,424	138,251	55,508	44,348	11,495
Profits before Income Tax Expenses	2,785,334	2,762,302	2,821,895	2,745,898	2,690,723
Income Tax Expenses	378,526	359,205	396,107	403,572	392,932
Net Profits	2,406,808	2,403,097	2,425,788	2,342,326	2,297,791
At Year - end					
Unearned Premium Reserve	8,275,770	7,340,161	7,399,141	7,271,856	7,333,611
Shareholders' Equity	34,875,364	35,145,442	33,253,729	34,456,170	27,971,353
Per Share					(Baht)
Basic Earnings Per Share	22.61	22.57	22.78	22.00	21.58
Ordinary Share (Shares)	106.47 million	106.47 million	106.47 million	106.47 million	106.47 million
Dividends	14.00	14.00	14.00	12.00	12.00
Book Value	327.56	330.10	312.33	323.62	262.72
Market Price					
High	392.00	368.00	366.00	375.00	490.00
Low	327.00	345.00	335.00	349.00	337.00
Market Price at Year-end	329.00	358.00	344.00	359.00	366.00
Par Value	10.00	10.00	10.00	10.00	10.00
Number of Employees	1,498	1,495	1,507	1,507	1,446



กรุงเทพประกันภัย
Bangkok Insurance

Most Innovative Insurance Company 2018 - Thailand



POLICY ON AND THE OVERALL BUSINESS TRANSACTION

Bangkok Insurance Public Company Limited has been engaged in all categories of the non-life insurance business, for instance, fire insurance, marine insurance, motor insurance, miscellaneous insurance, including taking reinsurance. The Company has carried out its business since 1947 and was subsequently listed on the Stock Exchange of Thailand (SET) in 1978, and was transformed into a public company in 1993. Currently, the Company has steadily carried out its business transactions to the 72nd year and possesses the paid-up capital of Baht 1,064.7 million, consisting of stocks of 106.47 million shares valued at Baht 10 per share.

Vision

The Company's vision is "Bangkok Insurance aims to be the preferred non-life insurer in Thailand". The Company will strive to progress with quality products and services that meet all customers' needs, fast and responsive to maximize our customers' satisfaction through various innovations, and honour a tradition and culture of corporate integrity. The Company has carried out its business with great responsibility to its shareholders, customers and business partners, employees and regulator, including society as a whole and the environment.

A guideline for the Company's performance to fulfill the vision established includes the following.

Shareholders, Customers and Business Partners

The Company is strongly determined to continuously developed its insurance products and customer service patterns, focusing on an application of advanced innovations to providing convenience and responding to customers' demand as much as possible, apart from developing the Company's branches, service centers and other service channels so that they are varied and cover all areas of the country, being in accordance with the current pattern of consumers' daily living. In this regard, the Company's service and management quality is recognized both at national and international level for its high standard, reflected in the Company being awarded 5 honorable awards in 2018. These are the "Distinguished Award for Product/Service Excellence" from Thailand Corporate Excellence Awards 2018, organized by Thailand Management Association (TMA) in cooperation with Sasin Graduate Institute of Business Administration of Chulalongkorn University; the "Leading Insurance Providers 2018 - Thailand & SE Asia Excellence Awards for Insurance Solutions 2018" organized by South East Asia News; the "Most Innovative Insurance Company 2018 - Thailand Award" organized by Wealth & Finance International; the "P&C Insurer of the Year" and the "Digital Insurer of the Year Thailand" from Insurance Asia News Award for Excellence 2018, organized by Insurance Asia News.

The Company is the first insurance company in Thailand and the Asian region to receive the ISO 9002, in respect of motor insurance services, from the Bureau Veritas Quality International (BVQI), a quality certification institution, in 1997. In addition, the Company had been certified for the quality of all work systems of its headquarters and branches, as well as Bangkok and peripheral offices in 2000. Furthermore, the Company was certified with the quality work management ISO 9001:2000, for all work systems of the organization, in 2002, apart from receiving the ISO 9001:2008, for all work systems of the organization, from BVQI in 2009 and the British Standards Institution (BSI) in 2015. Most recently, the Company was certified with the ISO 9001:2015, for all work systems of the organization, on September 10, 2017 from BSI, reflecting its strong determination to constantly preserve the standard of a quality work management system and work procedure in compliance with international standards.

Due to the fact that cyber attacks have become a significant risk and have caused damage to numerous businesses, particularly the insurance industry, which has become a major target of such attacks since it has stored a considerable amount of customers' personal data, the Company gives priority to protecting its customers' personal data through an arrangement of the Information Security Management system of international standards, enhancing security for the Company's data and information. The Company was certified with its Information Security Management system from various organizations, for instance, the quality standards ISO/IEC 27001:2005 from AJA Registras Company in 2014, and ISO/IEC 27001:2013 from SGS Company (Thailand) in 2016. Most recently, the Company was also certified with the Payment Card Data Industry Data Security, in compliance with VISA requirements, in 2018.

Employees

The Company is determined to select quality staff, beginning with the creation of the Company's outstanding image known to students in leading institutions of higher education in order to attract those with high capability and

potential to work for the Company after graduation. In this connection, the Company has implemented such activities as presenting scholarships, supplies and budgets in support of students' activities, opening an opportunity for a visit to or study tour of the Company's affairs and providing lectures on insurance knowledge at educational institutions. And once they become the Company's employees, they will be provided with training and development for a steady rise in their knowledge and competency, via both in-house training courses and training with external institutions both inside and outside the country. Furthermore, the Company has also given support on scholarships for a master's degree to staff studying in the field in which it is deficient, aimed at creating and developing staff's potential for their comprehensive knowledge of business and products, and determination for excellence in service provision.

The Company has focused on encouraging its staff to have character, personality and behavior in conformity with its vision, called BKI Spirit, comprising the characteristic "Cool" as to be smart and trendy, intellectual, creative, the characteristic "Agile" as to be proactive, adaptable, flexible and the characteristic "Friendly" as to be care and fair, simple, trustworthy, apart from urging the Company's staff to have righteousness and ethics, besides having knowledge and professionalism, in line with the Company's vision emphasizing its being a corporate integrity. The Company has driven all its departments to formulate an annual plan on sound integrity development and make a serious evaluation of an implementation in compliance with the plan.

Furthermore, the Company has also encouraged its employees' participation in expressing their opinions for the organization development through myriad projects and activities, besides providing for a talk transferring knowledge, skills and experiences from employees having capabilities in various fields to others, both at the Company's headquarters and branches, via the equipment connecting live-broadcast signals to its branches across the country.

To maintain quality staff, apart from the motivating remuneration and welfare in various aspects, the Company also has an individual development plan appropriate for its employees' potential and position, and a succession plan for its management, aimed at employees' realization of an obvious opportunity for career advancement in the organization, besides focusing on the development of the Company's staff's performance evaluation system which is fair, transparent and in conformity with the annual goals of the organization.

Regulators

The Company has practices in complete conformity with rules, regulations and orders which the Office of Insurance Commission (OIC) has defined, over both the Company's financial standing and maintenance of fund higher than that defined in the criteria, including its financial statements and accounting system which is straightforward and transparent. Moreover, the Company has given cooperation in its practices in compliance with the laws, rules and regulations relating to anti-money laundering, prevention of terrorism and safeguarding customers' information security, apart from seriously attaching to an anti-corruption policy from which the Company has become a CAC Council member since 2015.

Society and the Environment

The Company has had a policy of supporting and assisting society and communities throughout, whether education, public health, relief of public disasters, making a living, the environment, or preservation of religion, arts and culture, all of which have been carried out by the Company itself through the Bangkok Insurance Foundation, or in collaboration with its allies such as Bumrungrad International Hospital and Bangkok Life Assurance. In 2018, the Company still donated medical equipment such as ventilators and cataract operation equipment to hospitals throughout the country, as continued from the previous year in which 44 ventilators were presented to hospitals across the country on the occasion of the Company's 70th year of business transactions.

In this regard, the Company's assistance to society and communities is not limited only to Thai territory but extended to all countries where the Company has carried out its business transactions. In 2018, the Company made a contribution, via the Thai embassy in Vientiane, of over Baht 400,000 to help people suffering from flooding caused by a broken dam in Laos PDR.

As a consequence of its progressive and stable business transactions, including responsibilities to society throughout, the Company was bestowed the Royal Garuda Emblem on April 26, 2004, which has been regarded as the greatest auspices and honour for the Company, the management and all employees to be royally protected. The Royal Garuda Emblem is tantamount to a document certifying that a company upon which it is bestowed has made an honest, moral and established business transaction reliable to the public, which is a significant moral support to those doing business, resulting in the promotion of the country's business for its everlasting prosperity and stability.

In 2018, the Company had targeted its total written premium of Baht 16,800 million, a growth of 5.0 percent, through its principal operating strategy of still defining premium based on true risk, not emphasizing premium reduction for competition till the Company couldn't make a profit from underwriting. Nonetheless, the Company would classify its target group into different segments based on the characteristics of needs and risks, and specifically design the type of policy having appropriate coverage and premium rates for competition. This strategy is favorable to the Company's price competition in a segment with low risk.

Besides, the Company has also given importance to a market extension via a digital channel, through development of both the online product distribution and service provision, including online activities generating the relationship with customers and target groups so as to be in line with the demand and lifestyle of consumers in a new era who prefer to purchase goods and receive information via a digital channel, apart from seeking a niche market to avoid price completion.

Significant Change and Development

- A Change of Authority in Controlling the Company

Over the past year, the Company has a change of its authority in controlling the Company as the following:

1. Mr. Voravit Rojrapitada resigned from the position of Bangkok Insurance Public Company Limited's Board Director, which became effective from June 25, 2018. The Company's Board has appointed Mr. Chai Sophonpanich as a Board Director replacing Mr. Voravit Rojrapitada and having a term equal to the remaining term of the latter, or until April 2021.

2. Appoint Mr. Chai Sophonpanich as the Board Chairman replacing VDC Col Plengsakdi Prakaspesat, who resigned from the position of the Board Chairman, which became effective from November 9, 2018. VDC Col Plengsakdi Prakaspesat is still holding the positions of Independent Director and Chairman of the Audit Committee.

3. Mr. Panus Thiravanitkul, Director and Chief Executive Officer, was due to retire, which became effective on January 1, 2019. Mr. Panus Thiravanitkul is still holding the positions of Board Director and Director of the Corporate Governance Committee.

4. Dr. Apisit Anantanatarat, President, was appointed as a Board Director and Chief Executive Officer, which became effective from January 1, 2019. Dr. Apisit Anantanatarat is still simultaneously holding the position of President.

Type of Business over the Previous Year

The Fiscal Policy Office (FPO) had estimated a continuous expansion of 4.1 percent of the Thai economy in 2018, a rise from 2017, which was 3.9 percent. This was regarded the highest growth rate since 2012, which experienced 6.4 percent growth, due to a number of positive factors, for instance, a steady growth rate of the global economy and the economy of the United States, which is Thailand's significant trading partner, causing the exports amount, a major driving force of the Thai economy, to achieve a sound growth, also a continuously increasing number of tourists, and including the government sector's spending in investment in communications infrastructure, causing the Thai economy to grow at a satisfactory level. However, it is affected by an adjustment of a higher oil price due to diminishing global oil supplies incurred by the United States' economic sanction measure against Iran and economic crises in Venezuela, resulting in a higher inflation rate, a continuous decline in the price of many agricultural products and consumers' behavior changing to a digital era or an online market, resulting in the small and medium entrepreneurs who cannot timely adapt themselves being significantly impacted, tremendously influencing the employment and purchasing power of people in these businesses.

For the non-life insurance industry, it has a growth rate going in the same direction as the growing Thai economy and achieved the direct premium written growth rate of 6.8 percent between January and November 2018, representing a premium amount of Baht 211,091 million (source: the Insurance Premium Rating Bureau), which has been the highest growth rate since 2013, which experienced 13.1 percent growth.

When classified by the insurance class between January and November 2018, the motor premium could achieve a growth rate of 8.1 percent, compared to only 4.0 percent in 2017, owing to a positive factor from the total sales of new cars, which experienced 19.5 percent growth (source: Toyota Motor Corporation), compared to 13.4 percent in the year before, which was a continuous positive growth rate for two consecutive years, significantly affecting motor

insurance, which had the highest proportion of premium in the non-life insurance industry. Similarly, the marine premium experienced 8.4 percent growth, compared to 1.6 percent in the previous year, in line with a steadily increasing amount of exports and imports, besides the growth of an online business or e-Commerce, resulting in a tremendous expansion of the country's logistics and warehouse businesses.

In respect of fire insurance, it is able to return to a 2.3 percent growth rate, following the past year which was impacted by an adjustment of a lower fire premium rate of 10-15 percent on the average, apart from having to transfer a portion of the fire insurance policy to industrial all risks insurance policy instead, causing the fire premium to experience a - 2.2 percent growth rate in 2018.

Nevertheless, miscellaneous insurance could achieve a growth rate of 5.1 percent, compared to 4.1 percent in the year before. Though a property reinsurance premium in the global market experienced an extension due to the global insurance business's having to pay an enormous amount of claims stemming from a number of immense hurricanes on the America in the previous year, but owing to the fact that a large number of the government sector's infrastructure communication projects were unable to open a bidding and start construction within 2018, as targeted, the amount of miscellaneous premium coming into the non-life insurance system was less than expected, though health insurance and personal accident insurance, regarded as part of miscellaneous insurance, attained a growth rate of 11.3 percent and 5.3 percent, respectively. All this still receives a positive factor from a constantly rising proportion of the elderly and single people in Thailand, coupled with an adjustment of a higher rate of medical treatment every year, creating an awareness of expense burden to be incurred if there is no insurance coverage.

In 2018, the Company was able to achieve an operating result prominently higher than that of 2017, with the total written premium rising by 8.7 percent to Baht 17,326.2 million. Nevertheless, in 2018, the Company's net underwriting profit was Baht 1,467.7 million. When combined with the net investment income and other income of Baht 1,317.6 million, the Company's earnings before tax were Baht 2,785.3 million, while its net income was Baht 2,406.8 million, an increase of 0.2 percent, or earnings per share of Baht 22.61. The Company's Board of Directors has approved, on February 22, 2019, a final dividend payment of Baht 5 per share. In 2018, the total dividend payment was Baht 14 per share.

With its robust financial standing, the Company's Capital Adequacy Ratio (CAR), as at the end of September 2018, was 239.9 percent (standard criteria: not less than 140 percent). Moreover, two of the world's leading rating institutions, namely, the Standard and Poor's Institution (S&P) and the rating institution A.M. Best Company, have ranked the Company's financial strength rating as robust as that of the previous year, which is A-/Stable/-- and A- (Excellent) with Outlook Stable, respectively, reflecting the Company's ability to generate sound operating results and constantly maintain robust financial status.

The Corporation's Shareholdings Structure

Bangkok Insurance Public Company Limited has invested in 3 associated companies, namely,

1. Asia Insurance (Cambodia) Plc., with the investment capital ratio of 22.92 percent. The Company has appointed its Board's directors and executives to be directors of the company to take part in defining the latter's policy as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.
2. Asia Insurance International (Holding) Limited, with the investment capital ratio of 41.7 percent. The company has invested in insurance companies in the region, such as Asia Insurance (Philippines) Corporation and Cambodian Reinsurance Company. Some of the Company's Board directors are directors of the company.
3. Bangkok Insurance (Lao) Company Limited, with the investment capital ratio of 38.0 percent. The Company has appointed its directors and executives to be directors of the company to take part in defining the latter's policy as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.

TYPE OF BUSINESS TRANSACTIONS

Marketing and Competition

1. Major Policy on Marketing of Products and Services

1. Overall Competition in the Non-life Insurance Industry

In 2018, insurance companies had principally focused on an extension of personal lines business work, for instance, motor insurance, personal accident insurance, health insurance, travel insurance, etc., since the property insurance premium rate was still at a low level. This had a slight adjustment of a higher premium over the past year due to a large amount of fund of reinsurance business in the global market, expected to have a big adjustment due to the fact that the global reinsurance business had to pay a huge amount of claims incurred by a number of incidents of hurricane damage on the America in the previous year. Furthermore, the government sector's communication infrastructure projects, totaling 21 projects with a combined budget of Baht 1.1 trillion, for which the Ministry of Transport had targeted bidding to start in 2018, could not be completely implemented as targeted, resulting in an inability to put the amount of insurance premium into the non-life insurance system as expected.

The competition in the non-life insurance industry had, therefore, to concentrate on a personal lines business target group, particularly motor insurance, which had the highest proportion of premium in the non-life insurance market, and total sales of new cars, which experienced a continuous growth rate for two consecutive years, with a growth rate of 19.5 percent, compared to 13.4 percent in the previous year. Insurance companies still faced fierce price competition, particularly in the first half of the year, in expanding their motor insurance customer base as much as possible. Nevertheless, fierce price competition since the past year had caused an adjustment of a higher claims rate of the whole system, resulting in many companies starting to make an adjustment of a higher premium rate, reduce their motor undertaking proportion, or even cancel motor undertaking, all in the latter half of the year.

Apart from motor insurance, personal accident insurance and health insurance are still the types of business which insurance companies have emphasized in an extension of their work on a personal lines business group due to a steady rise in the proportion of elderly and single people in Thai society. Similarly, travel insurance has grown significantly in response to a constant increase in the number of Thai people's foreign trips in accordance with an expansion of low-cost airlines. Likewise, the above-mentioned insurances are also the insurance types that have a rather low claims rate, compared to motor insurance.

To access customer groups, besides via such original distribution channels as agents, brokers and commercial banks, an online distribution channel is another channel through which insurance companies have consistently given priority in an extension of their work, whether the development of a distribution platform of a company itself, such as an exclusive webpage for online insurance distribution, as separate from the company's main website, the issuance of special policies and promotion only for an online distribution channel, or the cooperation to become an ally with business competitors who are online entrepreneurs so as to find a guideline for policy development and sales promotion appropriate for those allies' customer base, apart from the cooperation to become an ally with brokers concentrating on a distribution via a specific online channel.

In addition to an insurance distribution via an online channel, the development of Insurtech to enhance the capability in underwriting and customer services is still a guideline to which a number of insurance companies have given importance, particularly using it to enhance the efficiency of a calculation of insurance premiums based on each person's risk, for instance, an application recoding the distance of the insured's driving, through which the less they drive, the more premium discount they get. Or an application counting the insured's pace, through which the more they walk, the more premium discount they obtain from health insurance. Besides, Smart Wearable is also developed for customers to wear in order to measure their health behavior and receive a health premium discount.

To gain access to personal lines business groups, apart from an implementation through marketing strategies and technological development, a merger and acquisition (M&A) was still a guideline popular among large foreign

insurance company groups in 2018 in order for them to access their customer base different from an existing customer base, such as a provincial personal lines business base, and to increase the economy of scale as well.

Bangkok Insurance Public Company Limited's competition strategy still uses the same guideline as it had been continuously implemented in the previous year since it is a strategy which has been scrutinized carefully so that is appropriate for the current competitive condition, and which will enable the Company to grow sustainably and generate a return. Such competition strategy is improved for its completeness in more response to customers' and business partners' demand, which includes the following.

- Defining different premiums based on each segment's risk. Due to grave competition in the insurance market, price competition is inevitable. However, the Company will engage in price competition only in the segments it has analyzed as still yielding sound remuneration by improving products used to extend its work on target groups in each segment in the past year so that the premium rate and coverage condition increasingly meet the demand of those target groups, for example, a comprehensive motor insurance package, with different premiums based on risk in each region of Thailand (Motor Pricing by Region), or 2 Plus motor insurance.
- An extension of work on the target group with high potential and low price competition since gaining access to these target groups is still hard to do and requires personnel with specific expertise, for instance, personal accident insurance for entrepreneur and executive groups, trade credit insurance directors and officers liability insurance (D&O), including insurance for large trucks and special freight trucks such as gas trucks, oil trucks and cement trucks.
- Constant development of insurance products and provision of services through a digital channel listed below.
 - Development of a Journeys by BKI which is an application different from those which other insurance companies have currently developed. For Journeys by BKI, the general public can download the application for use, not limited to the Company's customers only. The objective of this application is to create consumers' engagement with Bangkok Insurance brand through benefits which those downloading the application will receive throughout the time they use it, for instance, health advice, reduction of risk behavior, including a discount to be received from purchasing products and services cooperating to become an ally with the Company, apart from a premium discount for those wishing to buy policies from the latter.
 - Motor Claims notifying via a Line application named @bkimotorclaims, through which customers can contact claims officer immediately, including being able to send photos of a damaged car and report on the location of an accident scene conveniently and easily.
 - Creating a QR Code for paying a premium through mobile banking at all commercial banks. Customers can use a smart phone to scan the code from an invoice delivered to them.
- Focusing on making a payment of claims swiftly based on the "Your Caring Partner" concept, which concentrates on customers' convenience and swiftness in obtaining claims, aimed at relieving their suffering from a disaster rather than a delay of payment by citing the accuracy and completeness of documents or procedures. This has, of course, made a tremendous impression on the Company's customers and business partners and the general public, particularly in the case of a great catastrophe attracting society's attention, for instance, the case of a boat carrying Chinese tourists capsizing in Phuket, for which the Company made a rapid claims payment to the casualties' descendants. This created a good image of the Company and lead to a great number of people, impressed by this quick claims payment, contacting the Company to buy insurance.

2. Type of Customers

Personal customers are general individual customers, who apply for fire insurance for their residence, motor insurance, personal accident and health insurance, etc.

Corporate customers comprise businesses ranging from small, medium to large, including government agencies. The Company has provided all types of non-life insurance services, such as fire insurance, motor insurance, marine insurance, and industrial all risks insurance, which are appropriate for groups of offices, housing, condominiums,

department stores and industrial factories. For customers whose business transactions are construction, including mega projects, for instance, the expressway, electric train and airport, a contractor of all risks has been provided. In addition, the Company has also provided passenger plane insurance.

Other customers include groups of subsidiary companies and customers of subsidiary companies, to which the Company has also provided all classes of insurance services.

Percentage of total sales of first 10 major customers

	2018 (%)	2017 (%)	2016 (%)
Ratio of First 10 Major Customers	7.8	8.0	8.9

3. Target Customer Group

Target customers are from numerous sources, for example, general customers, the private sector, the state enterprise sector, subsidiary companies, and groups of ally companies' customers, such as groups of Bangkok Bank's loan customers.

4. Distribution Channel

The Company's distribution channels are divided into 4 channels as follows:

4.1 Agents

The Company had, at 2018 year-end, agents totaling 1,961 people scattered in all regions of the country. The Company has a policy on creating quality agents rather than have them in large number and has strictly defined the qualifications of the Company's prospective agents, focusing on creating agents from people of potential from the very beginning rather than motivate, through high remuneration, those who used to submit their work to other insurance companies, including constantly developing agents' knowledge and capabilities, besides giving support to their convenient and rapid performance, particularly in respect of contacting the Company's officers. Agents can contact the Company's officers through a wide variety of channels, apart from a contact by phone, such as an email, a Line application and the BKL Web Partner system. In addition, the Company also has an offensive service by occasionally informing its agents of essential information and data in order to reduce their burden of contact and inquiry.

The Company also gives priority to retaining sound relationship with its agents. In this connection, the Company's management will make periodic visits and closely listen to its agents' problems and opinions, causing their problems to be considered and solved promptly, generating ties between agents and the Company, resulting in the latter's ability to maintain an existing amount of its insurance work and motivate agents of potential to consider raising the proportion of their submission of insurance work to the Company.

4.2 Brokers

The Company had, at 2018 year-end, a total of 319 juristic persons, both in the country and those of multinational companies having a customer base of large businesses with great complexity of insurance, for instance, petrochemical factories and airplane companies. Besides, the Company also had juristic persons emphasizing, in particular, a policy distribution via an online channel, with an increasing number becoming the Company's allies. In this connection, brokers will provide an all-inclusive service to customers, ranging from an introduction of the type of insurance, being a representative of the insured in a request for claims, to a premium collection on behalf of the Company, which has a guideline for supporting its performance and activities retaining a close relationship with brokers, like those for agents.

4.3 Financial Institutions

The Company has sold insurance policies to personal lines business and Bangkok Bank's credit customers, including car dealers and leasing companies. The distribution of insurance policies via Bangkok Bank's Bancassurance has steadily attained a growth rate and is a significant channel the Company uses to extend its regional personal lines business base. The Company has developed its policies to be appropriate to target groups, having the coverage and premium rate which are not complicated but easy for bank officers to sell, besides providing training in insurance knowledge to bank officers so that they are able to accurately present policies to customers.

4.4 Direct Customers

These are customers who directly contact the Company to buy insurance and the Company directly provides services to and takes care of them. The Company has developed various distribution channels so as to gain access to as many direct target groups as possible, for example, BKL care stations in leading department stores across the country, a continuous extension of provincial branches to numerous provinces in all regions of the country, including development of policy distribution via a digital channel, such as the Company's website and an application in a smart phone.

For its large-scale customers who are organizations and institutions, the Company has had a corporate customer work unit for an extension of the market and provision of services to this customer group in particular. In 2018, the Company had a modification of structure of this work unit for its flexibility, having an ability to provide better services to customers, apart from an application of technology for customer relation maintenance (CRM) in support of the Company's employees in formulating a plan on a visit and an activity retaining sound relation with its customers.

Distribution Channels Classified by Written Premium Ratio

	Amount	Direct Premium Written Ratio (%)
Agents	1,961	20.1
Brokers	319	33.6
Financial Institutions	33	25.5
Direct Customers	-	20.8

Competition in 2018

1. Nature of Competition in the Industry

In 2018, the non-life insurance industry had a total of 59 companies, most of which were medium and small. The insurance companies, with the first 10 highest-ranking premiums, had direct premium written ratio of 61.8 percent of the non-life insurance industry's total premium.

The Company's Direct Premium Growth Rate Compared to the Market over the Past 3 Years

	2018 (Preliminary) (Before Restated)	2017	2016
Bangkok Insurance Public Company Limited			
Premium written (Million Baht)	16,728.7	15,366.5	15,479.4
Growth rate (%)	8.9	-0.7	1.2
Non-life insurance market	Jan - Nov		
Premium written (Million Baht)	211,091.0	219,581.5	211,813.4
Growth rate (%)	6.8	3.7	1.2

The Company's Market Share over the Past 3 Years

Types of Insurance	Rank	2018 (Preliminary) (Before Restated)	Rank	2017	Rank	2016
Fire	2	14.3	2	13.8	2	14.2
Marine	5	7.4	4	7.5	4	6.7
Motor	6	5.0	7	4.8	5	5.4
Miscellaneous	2	9.8	2	9.7	2	9.6
Total	3	7.1	3	7.0	3	7.3

Source : OIC, data as at January - November 2018

2. Status of and Potential for Competition

Bangkok Insurance Public Company Limited has been able to retain its being an insurance company having the third highest direct premium written over the past several years though it has concentrated on a policy of cautious business transaction, not engaging in price competition more than necessary, and focused on a return from underwriting rather than the amount of premiums. Meanwhile, the non-life insurance industry experiences fierce competition due to a large number of insurance companies, causing many companies to encounter financial problems or be unworthy of insurance business transactions, apart from merging with others or being ordered to quit their business transaction each year. The Company is still able to continuously maintain its status of being a leading insurance company over a long period of time since the Company has outstanding qualifications as the following:

1. Financial Stability

The Standard and Poor's Institution (S&P) and A.M. Best Company have ranked the Company's financial strength rating with the scores of A-/Stable/-- and A- (Excellent) with outlook stable, respectively. Additionally, the Company's debt to equity ratio is only 0.7 times, reflecting its stability and trustworthiness in an ability to quickly and completely pay claims to customers, as well as any expenses to business partners.

2. Having Robust Business Allies

The Company is a business ally of Bangkok Bank Public Company Limited, which is the country's largest bank in terms of the magnitude of its properties, with over 1,100 branches nationwide and a customer base of over 17 million accounts, which are regarded as tremendously significant channels for an insurance business expansion, both for a premium for the insurance of large-scale assets from customers who are companies and industrial plants, and for a

premium from personal lines business via Bangkok Bank. Furthermore, Bangkok Bank also has 17 branches in 8 countries in ASEAN which helps generate an opportunity for the Company's business extension to those countries, many of which have a high economic growth rate and rapidly expanding non-life insurance business.

3. Robustness of Bangkok Insurance Brand

Based on its financial strength, making a quick and fair claims payment to customers and business partners, such as garages and hospitals, besides being a close ally of Bangkok Bank Public Company Limited, which is a leading bank of the country, the Company has had a sound and apparent image in terms of stability, reliability and trustworthiness throughout from customers and business partners obtaining its services, creating a high level of their brand engagement and word-of-mouth recommendation, reflected from a policy renewal rate of over 80 percent which has continued every year, and net promoter score (NPS), which is an index measuring the level of bond with a brand, popularly used as a reference standard worldwide. It has been found that the Company has a very high level of NPS value, compared to an average value of the non-life insurance industry in countries worldwide.

In addition, the Company has endeavoured to create an image and recognition of Bangkok Insurance brand among more comprehensive target groups, not only for those who have used the Company's services, via a wide variety of marketing communication activities which have been adjusted in compliance with consumers' constantly changing media-receiving behavior, for example, an increase in communication activities via social media, or an advertisement in online media. At the current time when negative information can be easily and swiftly disseminated through various social media, the Company has closely followed up data and opinions relating to the Company in myriad social media. When negative data concerning the Company has been found to start being disseminated in social media, it will hurry to find the cause of that negative opinion in order to quickly correct it and explain to the public.

4. Employees of High Competency

The Company has a robust organization culture based on the "Your Caring Partner" concept, which focuses on customer centricity and take into account customers' maximum benefit as the most important, with which all levels of employees have been steadily instilled and attached to as a guideline for their performance. Similarly, the Company regards its employees as its most valuable resource and thus gives importance to the consistent development of employees' knowledge and skills, as well as retains competent employees with the organization. The Company has a low turnover rate, compared to the industry's average, contributing to the Company's majority of employees' long working experience and ability to constantly transfer knowledge and experience from generation to generation, resulting in efficient customer services.

Based on the swiftly changing competitive circumstances at the current time, the Company's employees have been constantly instilled to be aware of the significance of keeping pace with changing circumstances, particularly technological change which occurs rapidly and continuously, significantly influencing consumers' behavior and competitors' competitive strategy.

5. Advanced Information Technology System

Due to the Company's giving priority to keeping pace with technological change and consumers' behavior, it has constantly invested in its information technology to raise the quality of quicker and more outstanding services, compared to its competitors, to customers and business partners, besides reducing the Company's operating costs. Furthermore, the Company has also given importance to the analysis and management of the existing database in order to get information that is able to support the Company's executives' decision-making which is accurate, swift and timely and generates its competitiveness.

The Company has also given priority to the protection of customers' personal data through the development of a technological system to safeguard customers' personal data and financial data from a cyber attack. Moreover, the Company has also invested in a system of data storage and spare operation base, aimed at creating its business continuity in case of a crisis, generating confidence among customers and business partners no matter when an unexpected event occurs, to ensure the Company's retained potential of continuous business transactions and services.

6. Variety of Distribution Channels and Customer Bases

Based on its long experiences in the non-life insurance industry, robust level of fund and staff of profound knowledge and competency, the Company has been able to sell a wide variety of its insurance products in response to the demand of myriad customer groups, which is beneficial to the Company, which can extend its work to both the mass market and niche market which requires specific knowledge and expertise and a strong reinsurance network.

The Company's direct premium written has come from various distribution channels, not focusing on a particular channel, which will have a tremendous impact if an obstacle arises to that channel, the same as a constantly increasing premium ratio from personal lines business, aimed at reducing risk incurred by dependence on large-scale commercial lines business which will significantly affect the Company if it is to lose either one of them. In this connection, the Company also has a strategy of a continuous expansion of its personal lines business market, particularly via an online channel, in compliance with customers' current behavior which likes to compare prices and purchase products through an online channel.

Similarly, the Company has a steadily increasing ratio of its provincial premium owing to an extension of provincial customer bases via opening new branches and extending work through Bangkok Bank, which has been consistently implemented over the past several years, as compared to a premium previously derived principally from the Bangkok region and periphery areas.

Important Factors Affecting Opportunities or Limitations of Business Transactions in 2018

1. An approval of construction and tender of communications infrastructure construction projects has been delayed later than the defined plan, resulting in the premium from the infrastructure construction underwriting being less than anticipated.

2. The overall price of agricultural produce has fallen from the year before though there is an adjustment of higher prices of some significant agricultural produce such as rice, maize for animals and tapioca, coupled with fishing vessel business being significantly affected by the government sector's rigid control so as to be in compliance with the measure issued by the European Union on the IUU (Illegal, Unreported and Unregulated Fishing), influencing the purchasing power in the region which principally relies on the agricultural sector.

3. The constantly diminishing number of bank branches due to an alteration in consumers' behavior from conducting business transactions at a bank counter to conducting it more via a smart phone or digital banking, coupled with a cancellation of a transfer fee either over a bank or zone, or for bill payment and money adding via digital banking of all commercial banks, all of which increasingly motivates consumers to diminish their service use through a bank, directly impacting the Company's distribution of its policies via Bancassurance.

4. An adjustment of a motor underwriting policy of many insurance companies, whether a rise in premiums, a reduction in the amount of motor underwriting, or even a cancellation of motor underwriting, incurred by a high rise in claims rates due to grave price competition over the past few years, causing insurance companies not having a policy on price competition, which used to lose any opportunity to extend their market earlier, can increasingly expand work on motor insurance.

5. A growth of online-distribution business or e-Commerce, including numerous online media, affecting medium- and small-scale business, besides business in some sectors, such as print media and mass media that cannot adapt themselves to rapidly changing technology and consumers' behavior, influencing the employment and purchasing power of workers in these business groups. Meanwhile, business in other sectors expands significantly, for instance, businesses on logistics, warehouse and parcel delivery.

6. The average property premium rate has risen for the first time since 2012 because there is an adjustment of higher reinsurance premium rates in the global reinsurance market to compensate for an enormous amount of claims from many immense hurricanes on the America.

7. An increase in underwriting maize for animals, apart from rice field underwriting based on the government's crop insurance project, resulting in more premiums coming into the non-life insurance industry.

8. The Bank of Thailand's penalty measure for commercial banks with respect to the latter's approach of insurance distribution to customers, resulting in more limitation in insurance work extension to banks' customers, both credit customers and customers making a business transaction via banks' counter.

Ability to Maintain Ratios Based on Business Type

In 2018, the Company had a total written premium of Baht 17,326.2 million, with premium growth in nearly all classes of insurance except marine hull insurance, which experienced a slight negative growth. The miscellaneous premium had a ratio of 48.4 percent of the total written premium, a rise of 6.8 percent over the previous year, due to the growth of premium from Broker Business Unit and work extension via Financial Institution Business Unit. The motor insurance had a ratio of 39.8 percent of the total written premium, an increase from the year before, which achieved a 12.9 percent growth rate. Meanwhile, a total written premium for other classes of insurance, except motor insurance and miscellaneous insurance, accounted for 11.8 percent, a slight fall compared to the year before.

Written Premium Classified by Types of Insurance

(Million Baht)

Type	2018	Distribution %	2017	Distribution %	2016	Distribution %
Fire	1,610.4	9.3	1,553.3	9.7	1,604.6	10.0
Hull	38.7	0.2	41.7	0.3	38.1	0.3
Cargo	397.4	2.3	386.1	2.4	341.5	2.1
Motor	6,888.1	39.8	6,101.8	38.3	6,607.6	41.2
Miscellaneous	8,391.6	48.4	7,858.0	49.3	7,439.5	46.4
Total	17,326.2	100.0	15,940.9	100.0	16,031.3	100.0

Concerning the Company's loss ratio in 2018, it was 49.4 percent, lower than that in 2017, which was 51.6 percent. The abating loss ratio was a consequence of diminishing claims of 2.0 percent, compared to the previous year, while the net written premium and earned premium rose by 8.9 percent and 2.3 percent, respectively, over the year before.

Loss Ratio on Underwriting

(Million Baht)

Type	2018			2017			2016		
	Earned Premium	Claims	Loss Ratio (%)	Earned Premium	Claims	Loss Ratio (%)	Earned Premium	Claims	Loss Ratio (%)
Fire	1,089.1	162.4	14.9	1,093.2	161.5	14.8	1,068.3	60.6	5.7
Hull	4.9	(6.6)	(134.7)	4.9	3.6	73.4	8.0	3.2	39.8
Cargo	202.1	56.6	28.0	195.4	27.0	13.8	189.4	30.0	15.9
Motor	6,177.5	3,918.1	63.4	6,183.6	3,975.3	64.3	6,484.8	4,137.8	63.8
Miscellaneous	3,826.7	1,454.6	38.0	3,564.2	1,530.5	42.9	3,311.1	1,331.7	40.2
Total	11,300.3	5,585.1	49.4	11,041.3	5,697.9	51.6	11,061.6	5,563.3	50.3

RISK FACTORS

The Company has fully realized the significance of risk management, which will enable its business to push sustainably forward and prosper in the long run, and has appointed the Risk Management Committee to take charge of risk management and make a close scrutiny of the risks so that they remain at an acceptable level, including supporting the Company's Board of Directors' performance based on the principle of good corporate governance, having a sound risk management framework. In addition, there is constant development and improvement of the efficiency of the Company's risk management system so that it parallels international standards. Nevertheless, the Company still encounters risks which may have a direct impact on its operating performance and financial standing as the following:

1. Insurance Industry Risk

1.1 Insurance Risk

Insurance risk is a risk incurred by the design and development of insurance products or when the Company does not define its premium rates in accordance with the damage occurred, as well as the consideration of underwriting of high risks and inadequate or inefficient reinsurance, resulting in the damage caused being far greater than expected, including insufficient legal reserve management and inefficient claims management.

The Company has a guideline for managing the above risk by annually reviewing its underwriting policy and reinsurance management strategies, having an operating plan which can be adjusted in compliance with the insurance market situation both inside and outside the country, including reviewing the insurance premium rate and underwriting criteria appropriate for the competition condition in the market, and arranging for a systematic reinsurance to enhance the potential of underwriting and properly disperse risks. Besides, the Company also has the Excess of Loss Reinsurance in response to loss stemming from a tremendous catastrophe.

As to claims management, the Company has appointed the Underwriting and Claims Committee to take charge of defining and reviewing the policy on claims management appropriate for and flexible to changing circumstances, determining the scope of claims authority as well as supervising and following up the status of a claims request, such as defining the policy and quick steps of claims payments, while cautiously and completely considering those claims in order to generate fairness for customers, including overseeing to ensure that the Company has sufficiently established the claims reserve, apart from resolving various problems and obstacles so that the quality of the claims payment service is satisfactory to the Company's customers and business partners.

1.2 Concentration Risk from Insurance Business

Concentration risk is a risk incurred by underwriting and reinsurance which may be caused by the concentration of risks underwritten and the concentration in transferring those risks to certain reinsurance companies.

The company has a guideline for managing risk by establishing a proper risk-control system when there is a concentration of underwriting, and a warning system if the risk is accumulated beyond an amount defined. For the concentration of reinsurance, there is an annual selection and evaluation of reinsurance companies in order to acquire ones with robust and trustworthy financial standing, apart from an appropriate dispersion of risk to reinsurers.

1.3 Credit Risk from Insurance Business

- Reinsurance Risk

These refer to risk when the Company may not be paid debts, in accordance with an agreement, from reinsurance companies as they are obliged to due to their lack of liquidity or insecure financial standing, causing the Company to bear the burden of making claims payments itself. Besides, there are also risks stemming from a certain number of reinsurance companies likely to take reinsurance with a less amount of coverage, owing to their degraded credit rating, or by reinsurers' desire not to conduct underwriting, or do it but only in a limited amount.

To manage the risk, the Company has defined the amount of money possessed and the reinsurance collateral, with a guideline for collecting the unearned premium reserve under all major contracts. The Company has also considered the financial status and stability of all reinsurance companies based on their credit rating, and a guideline for premium recollection, and purchased reinsurance policies from many trustworthy companies that are capable of

reinsurance, which helps distribute the risk. In addition, it has cautiously scrutinized the reinsurance conditions through its department that is well versed in the reinsurance business, including having its legal department consider legal issues, in order to minimize such risk.

- Difficulties in Premium Collection

Premium collection risk is a risk when the insured may not be able to pay their premium, or the agent and broker have collected premiums from clients but do not pay those premiums within the time defined, causing the Company to risk being unable to collect outstanding premiums, which may become bad debts.

To minimize the risk, the Company possesses an efficient process of closely following up its outstanding premiums from the insured, agent and broker, apart from defining the criteria for a selection of the agent and broker, and for putting up collateral within the specified credit limit allowed by the Company.

2. Investment Risk

In 2018, the Thai economy expanded from the year before but the money and capital market experienced a fluctuation due to such external factors as an adjustment of a higher U.S. Fed Fund rate, causing an adjustment of a higher return rate in the U.S. bond market, resulting in the Thai debt securities market's adjustment of a higher return rate as well. Similarly, the trade war between the United States and China, including an adjustment of a lower oil price in the global market in the final quarter of the year resulted in a fluctuation of the capital market. The Company had continuously managed risk incurred, aimed at stable investment returns as well as generating wealth for its shareholders and confidence among related parties. The risk could be listed below.

2.1 Credit Risk

Credit risk is a risk stemming from the Company's contractual partners' inability to abide by an obligation made to the Company, including an opportunity for their credit rating to be degraded.

To manage such risk, the Company has carried out the following:

- For risk associated with providing loans, the Company will consider its debtors' financial status and ability to pay debt based on a sound credit analysis standard. Meanwhile, loan to value will be determined so that it is not beyond the legal limit, apart from following up a cash flow in which a payment is made in each month, and debtors' consistency of debt payment.

- For debt instruments, the Company chooses to invest in government bonds, the Bank of Thailand bonds and state enterprise bonds guaranteed by the Ministry of Finance. For private debt instruments, the Company will choose to invest in debt instruments of which the credit rating is not lower than the investment grade, as well as select debt instruments issuers' types of businesses and industries, and groups of executives with a good record, apart from having a steady review of the issuer's financial standing, credit rating and ability to pay the principal and interest.

2.2 Concentration Risk

Concentration risk is a risk incurred when the Company invests too much in assets, both inside and outside the country, or gives too big amount of loan to a particular debtor. Thus when there is a negative impact on such groups, it will create tremendous damage to the Company.

To manage the risk, the Company has dispersed its investments across numerous types of assets, both debt securities and equity securities, and other alternative assets such as trust for real estate investments, as well as dispersed loans to various debtors and in different regions of the country, in a proportion in compliance with the requirements relating to risk based on the criteria defined by the regulator, including dispersing its investments in different industries. In case of investment in assets of foreign currencies, the Company will prevent risk from an exchange rate in a full amount.

2.3 Liquidity Risks

Liquidity risk is a risk that may be incurred when the Company cannot pay its debts or obligations made by it because the Company's securities cannot be realized as cash within the time required, which may cause it to procure cash at a higher cost.

To manage liquidity risk, the Company has allocated a portion of investment as a bank deposit, notes and the Bank of Thailand short-term bonds, all with high liquidity, which is reserved for operating expenses, while the deposit or short-term bonds are defined to be gradually due in each period, in conformity with a demand for spending in accordance with a plan for the cash flow management, financial reception and payment based on an obligation established. As to the other portion, the Company has allotted investment in stocks required by the market, with high liquidity and an ability to be realized as cash conveniently, as well as at the value approximate to the fair value.

Furthermore, the Company has procured capital reserve sources such as overdrawn amounts or short-term loans from commercial banks, which can be withdrawn immediately in case of expenses arising beyond anticipation and which is adequate to counter liquidity risk.

2.4 Market Risk

Market risk is a risk stemming from the fluctuations of capital marketing factors, such as revaluation of non-marketable equity securities, as well as a change in the interest rates and exchange rates, resulting in a revaluation of investment assets values, for example, equity securities, debt securities and unit trusts.

To minimize such risk, the Company has implemented the following risk management.

- For the revaluation on non-marketable equity securities, the Company will choose to invest in equity securities of which the issuers possess robust financial status and an ability to make a profit, with steady growth potential, as well as in business deriving the benefits of government policy. Additionally, the Company has a policy of occupying equity instruments for its long-term investments, which will be able to reduce price volatility of equity instruments.

- Concerning a change in interest rates, the Company has closely followed up the determination of the policy interest rates of the Bank of Thailand, direction of a change in the United States' Federal Reserve's interest rates, and return rates in the debt securities market in order to define the investment duration in accordance with the fluctuation of interest rates. In addition, the Company also has a policy of occupying debt instruments until they are due so as to minimize the risks incurred by instrument price volatility, apart from managing its bank deposits so that they have due amounts every month and in an approximate amount, which helps reduce a reinvestment risk. Similarly, the Company has also taken part in a bidding for investment in short-term bonds when they have a higher return rate than bank deposits in an equal period of time.

- In respect of the exchange rate, the Company or fund management companies which the Company has employed to manage its funds may use financial instruments to prevent exchange rate risks, for instance, Cross Currency and Interest Rate Swap, Interest Rate Swap, and Foreign Exchange Forward, in order to minimize the risks in accordance with the market situation and in line with the regulator's requirements.

Furthermore, the Company has also developed its information technology system so as to be used to evaluate the level of investment risk through various assessment methods and models, for example, Value at Risk, Sensitivity Analysis, and Stress Test to ensure that the Company still has financial standing flexible enough to counter the damage which may occur.

3. The Company's Other Risk

3.1 Strategic Risk

This refers to risk arising from the formulation of strategic plans and action plans, and their implementation which is not appropriate or not in accordance with the Company's internal and external factors, including social and technological changes, which may influence the fulfillment of the Company's vision, as well as its financial standing, investment fund and income. The Company's internal risk factors include its organizational structure, work implementation procedure, data sufficiency, technology, and so on, while external risk factors comprise the economic condition, competition, rules and regulations, political factors, etc.

The Company has managed strategic risk by defining its strategic plan in compliance with the Company's vision and planned its implementation from the organizational level to departmental level, apart from controlling and following up the implementation based on the plan, including giving a warning signal in the case

that an implementation consequence has a trend of not being in line with the plan defined so that the plans can be adjusted in conformity with external factors and changing circumstances, such as economic and political alteration, the competitive condition, related rules and regulations, etc. In this regard, the Company has focused on the development of its work system, technology and working procedure so as to enhance their efficiency in support of the Company's business and sound services to customers and business partners, including organizational structuring and personnel development so that they have higher knowledge, capability and quality, as well as become moral staff and a significant driving force for an achievement of the Company's strategy, apart from informing its staff of the strategic plans for their acknowledgement and performance in the same direction.

Additionally, the Company has also taken into consideration risk stemming from the opening of free trade, which may have an impact on the Company's business transactions because foreign insurance companies coming to do business in the country are highly established and having robust financial standing, resulting in fiercer business competition and possible reduction in the Company's underwriting income or an income less than expected. The Company has had a guideline for risk management by continuously extending its personal lines business, increasing an online distribution, including expanding work to markets in the region through raising its branches, aimed at more customer service coverage. Meanwhile, the Company also focuses, for an extension of its business, on the products with growth potential and an ability to make a profit to enhance its capability to access target customers and retain its customer base in the country, besides investing in insurance business in foreign countries in order to increase the Company's potential in business transaction.

3.2 Reputational Risk

This is a risk that may be incurred when the Company is publicized in major media negatively owing to its unfair treatment to customers and business partners and practices not in line with laws, which may affect the Company's reputation, image, security, ability to make a profit, and financial standing.

The Company has a guideline for risk management by attaching to the principle of good corporate governance and responsibility to society, apart from concentrating on retaining its good image on customers and business partners, and practices in compliance with laws so that such impacts do not influence the Company's stability and financial standing.

3.3 Compliance Risk

This refers to risk arising when the Company does not abide by laws or performs incompletely or inaccurately on account of an alteration or strictness of laws, rules and regulations made by the regulator, which may result in the Company's reputation, penalty and fine in the form of money, or loss in its business opportunity.

The Company has a guideline for risk management by defining its performance guideline in conformity with laws, rules and regulations made by the regulator so that all its employees will perform based on them, apart from having its internal audit unit responsible for a verification of such performance, including possessing a work unit overseeing an implementation in accordance with those rules and regulations, and communicating all the rules and regulations issued by the regulator to all its employees for acknowledgement and strict performance based on them.

3.4 Operational Risk

This is a risk that is incurred in the performance of all the Company's sections due to an erroneous operation stemming from the unpreparedness, insufficiency or deficiency of the Company's personnel, working process, information technology system, and malfeasance from inside, as well as risks caused by external factors, for instance, malfeasance from outside, cyber threat, etc., which may cause the Company's business to stop short, influencing its operating performance or financial standing.

To manage its operational risk, the Company has given importance to and arranged for a sound internal control system, through a quality management system controlling its work performance, and anti-corruption measure, provided for a sufficient workforce qualified for each job description, procured experts in each field for an efficient work system, as well as initiated a system in which staff can work as substitutes for others, whether temporarily or

permanently, allowing for the Company's steady performance, apart from providing training to its employees so that they have knowledge and understanding of issues relating to the Company's insurance business and products, including continuously developing and improving its work system so as to keep pace with changes. Similarly, the Company has assigned all levels of its sections to be in charge of their own operational risk management, besides injecting knowledge and understanding of operational risk among its employees, including providing them with concrete training.

For the information technology system and risk arising from external factors, the Company has formulated a business continuity plan and arranged for a spare working place and spare data center which are ready for use, apart from centralizing data in its staff's computers connected with a server, which will enable the Company to reduce the risk impacts that may occur and allow it to carry on its business transactions in spite of being confronted with a crisis.

3.5 Asset and Liability Management Risk

Asset and liability management risk is a risk incurred when the Company has an investment policy of occupying equity instruments and debt instruments in the long term, which may affect its debt payments to which the Company is obliged, for instance, claims reserve and unearned premiums since there is no relation between the amount of assets and investment duration.

To minimize the risk, the Company has managed the amount of assets and duration of investment so that they are appropriate, as well as have liquidity and amount adequate for the Company's current liabilities, in support of the Company's stable future growth.

ADVISORY BOARD



Mr. Damrong Krishnamara

Adviser



Mr. Piti Sithi - amnuai

Adviser



Mr. Voravit Rojrapitada

Adviser

BOARD OF DIRECTORS AND BOARD OF DIRECTORS PROFILE



Mr. Chai Sophonpanich

Chairman

Age 75 Years Old

Date of Appointment

November 9, 2018

Family Relationship with Other Directors and Members of Management

- Father of Mr. Chawan Sophonpanich
- Father of Miss Lasa Sophonpanich
- Uncle-in-law of Mrs. Nintira Sophonpanich

Education/Training

- B.Sc., University of Colorado, U.S.A.
- Advanced Management Program, the Wharton School
- The Joint State - Private Sectors Class 6, the National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Chairman 2000 Class 10/2004
- Director Certification Program (DCP) Class 16/2002

Work Experiences

Positions in Listed Companies

- Chairman, Bangkok Insurance Public Co., Ltd. (Nov 9, 2018 - present, 1978 - Jun 16, 2017)
- Adviser, Bangkok Insurance Public Co., Ltd. (Jun 16, 2017 - present)
- Chairman and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Director and President, Bangkok Insurance Public Co., Ltd. (1976 - 2009)
- Director, Bangkok Insurance Public Co., Ltd. (1968 - 1977)
- Chairman, Charoeng Thai Wire & Cable Public Co., Ltd. (Sep 4, 2018 - present, 1986 - Jun 2017)
- Chairman, Furakawa Metal (Thailand) Public Co., Ltd. (Nov 9, 2018 - present, 1988 - Jun 2017)

- Chairman, Bumrungrad Hospital Public Co., Ltd. (Aug 8, 2018 - present, 1979 - Jun 2017)
- Chairman, Director of Investment Committee, and Director of the Remuneration and Nomination Committee, Thai Reinsurance Public Co., Ltd. (Nov 2018 - present)
- Chairman, Thai Reinsurance Public Co., Ltd. (2016 - Jun 2017)
- Vice Chairman, Thai Reinsurance Public Co., Ltd. (1991 - 2015)
- Director, Bangkok Life Assurance Public Co., Ltd. (1968 - 2015)

Positions in Non-Listed Companies

- Chairman, University Committee on Accounting and Finance, Mae Fah Luang University (May 17, 2018 - present)
- Director, University Committee on Accounting and Finance, Mae Fah Luang University (2015 - May 17, 2018)
- Director, Mae Fah Luang University Promotion Committee (2003 - present)
- Executive Chairman, The Queen's Gallery (2017 - present)
- Executive Vice Chairman, The Queen's Gallery (2008 - 2016)
- Director, Foundation for The Volunteers Defence under The Royal Patronage of Her Majesty The Queen (2013 - present)
- Director, Princess Srinagarindra's Centenary Celebrations Foundation (2009 - present)
- Director, Honorary Member of Mae Fah Luang University Council (2008 - present)
- Director, Chulalongkorn Medical School Foundation (1997 - present)
- Chairman, Bangkok Insurance Foundation (1994 - present)
- Chairman, Bumrungrad Hospital Foundation (1980 - present)
- Executive Board, Association of Insurers and Reinsurers of Developing Countries (2012 - present)
- Director, International Insurance Society, Inc. New York, U.S.A. (2009 - 2015)
- Director, PT Asian International Investindo (1998 - present)
- Director, Asian Insurance International (Holding) Ltd. (1998 - present)
- Chairman, The Federation of Thai Insurance Organization (2006 - 2008)
- President, The General Insurance Association (1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007)
- Chairman, Asean Reinsurance Corp., Ltd. Singapore (1988 - 1992)
- Chairman, Asean Insurance Council, Jakarta (1987 - 1989)
- President, The East Asian Insurance Congress (1984 - 1986, 2004 - 2006)



VDC Col Plengsakdi Prakaspesat

Independent Director and
Chairman of the Audit Committee
Age 76 Years Old
Date of Appointment
April 7, 1999

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Graduate in Commerce from Ross College (Dublin), Ireland
- Ph.D. (Honoris Causa) on Mass Communication, Ramkhamhaeng University
- Ph.D. (Honoris Causa) on Arts, Rajabhat Institute Lampang
- Certificate of the Course for Top Executives, The Association for Overseas Technical Scholarship (AOTS), Japan
- The Joint State - Private Sector Class 1/1989, The National Defence College of Thailand
- AC Hot Update, The Federation of Accounting Professions

Thai Institute of Directors Association (IOD) Training Program

- Audit Committee Program (ACP) Class 17/2007
- The Characteristics of Effective Directors Class 1/2006
- Director Accreditation Program (DAP) Class 27/2003



Mr. Chor.nun Petpaisit

Independent Director and
Director of the Audit Committee
Age 66 Years Old
Date of Appointment
February 28, 2006

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- B.B.A. (Accounting), Thammasat University

Thai Institute of Directors Association (IOD) Training Program

- Financial Institutions Governance Program (FGP) Class 4/2012
- Successful Formulation & Execution of Strategy (SFE) Class 8/2010
- Audit Committee Program (ACP) Class 28/2009
- Director Certification Program (DCP) Class 76/2006
- Director Accreditation Program (DAP) Class 28/2004

Work Experiences

Positions in Listed Companies

- Chairman of the Audit Committee, Bangkok Insurance Public Co., Ltd. (Nov 16, 2005 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 7, 1999 - present)
- Chairman, Bangkok Insurance Public Co., Ltd. (Aug 11, 2017 - Nov 9, 2018)
- Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (2004 - 2005)
- Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (1999 - 2005)
- Senior Adviser, Thai Central Chemical Public Co., Ltd. (1997 - present)

Positions in Non-listed Companies

- Member Experts of Fertilizer Committee, The Ministry of Agriculture and Cooperatives (2010 - present)
- Territorial Volunteer Defence Corps Colonel and Vice President of the Foundation of The Volunteers Defence Under the Royal Patronage of Her Majesty The Queen (Sep 2009 - present)
- Adviser, United Flour Mill Public Co., Ltd. (2001 - present)
- Vice Chairman, United Flour Mill Public Co., Ltd. (1980 - 2001)
- Independent Director and Member of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Co., Ltd. (1978 - Nov 2018)
- Member of the Compensation and Corporate Governance Committee, ACL Bank Public Co., Ltd. (2005 - Apr 2010)
- Independent Director and Member of the Audit Committee, ACL Bank Public Co., Ltd. (2005 - Jun 2010)
- Qualified Committee, Assumption University (1987 - 2015)
- Corporate Chairman, MC. Industrial Chemical Co., Ltd. (1997 - 2005)
- Honorary Chairman, Asia Pacific Potash Corporation Ltd. (1984 - 2006)

Work Experiences

Positions in Listed Companies

- Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (Feb 27, 2009 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Feb 28, 2006 - present, Apr 3, 2002 - Nov 17, 2004)
- Independent Director and Director of the Audit Committee, Interhides Public Co., Ltd. (Apr 2015 - present)

Positions in Non-listed Companies

- Adviser, Thai Charoen Corporation Group (TCC Group) (2013 - present)
- Inspector General, Ministry of Finance (2011 - 2012)
- Principal Adviser on Performance Improvement, The Revenue Department, Ministry of Finance (2008 - 2011)
- Policy and Plan Expert, The Revenue Department, Ministry of Finance (2001 - 2008)
- Director, Bureau of Tax Audit Operation, The Revenue Department, Ministry of Finance (2000 - 2001)
- Director, Government Savings Bank (2011 - 2012)
- Director, Government Housing Bank (2010 - 2011, 2006 - 2008)
- Director, Tourism Authority of Thailand (2010 - 2011, 2005 - 2006)
- Director, The Government Pharmaceutical Organization (2009 - 2012)
- Director, National Science Museum (2005 - 2007)



Miss Potjane Thanavarant

Independent Director and
Director of the Audit Committee
Age 72 Years Old
Date of Appointment
February 27, 2007

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- B.B.A. (Accounting), Chulalongkorn University
- M.B.A., Syracuse University, New York, U.S.A.
- Certificate of Advanced Course in General Insurance, Swiss Insurance Training Center, Switzerland
- Certificate of Advanced Management Program, Australian Management College, Australia
- Certificate of Executive Development Program Class 18, Office of the Civil Service Commission
- National Defence College, Class 42
- Certificate of Top Executive Program Class 8, Capital Market Academy
- Certificate of Top Executive Program in Commerce and Trade Class 3, Commerce Academy
- Advanced Security Management Program Class 2, The Association of National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- IT Governance Program (ITG) Class 2/2016
- Director Certification Program Update (DCPU) Class 1/2014
- Anti - Corruption for Executive Program (ACEP) Class 7/2013
- Advanced Audit Committee Program (AACP) Class 10/2013
- Financial Institutions Governance Program (FGP) Class 2/2011
- Audit Committee Program (ACP) Class 32/2010
- Role of the Compensation Committee Program (RCC) Class 4/2007
- Role of the Chairman Program (RCP) Class 13/2006
- Director Certification Program (DCP) Class 17/2002

Work Experiences

Positions in Listed Companies

- Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (Mar 1, 2007 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Feb 27, 2007 - present)
- Chairman of the Board (Independent Director), Audit Committee Member and Chairman of the Compensation & Nominating Committee, Univentures Public Co., Ltd. (present)
- Independent Director and Audit Committee Member, Thai Reinsurance Public Co., Ltd. (present)

- Director of the Remuneration and Nominating Committee, Thai Reinsurance Public Co., Ltd. (Jun 2012 - Apr 2014)
- Chairman of the Remuneration Committee, Chairman of the Good Governance Committee, Independent Director and Audit Committee Member, OISHI Group Public Co., Ltd. (present)
- Independent Director and Chairman of the Audit Committee, Bank of Ayudhaya Public Co., Ltd. (present)
- Independent Director and Chairman of the Risk Committee, Berli Jucker Public Co., Ltd. (Nov 14, 2017 - present)
- Independent Director, Berli Jucker Public Co., Ltd. (Jun 2009 - Mar 21, 2016)
- Independent Director and Chairman of the Audit Committee, Big C Supercenter Public Co., Ltd. (Apr 2016 - Nov 2017)

Positions in Non-listed Companies

- Director of the Audit Committee, Thai Beverage Public Co., Ltd. (Feb 1, 2019 - present), listed in Singapore Exchange (SGX)
- Independent Director, Thai Beverage Public Co., Ltd. (Jan 31, 2018 - present), listed in Singapore Exchange (SGX)
- Honorary Member of University Council, Mae Fah Luang University (Feb 27, 2018 - present)
- Vice Chairman, The Thai Institute of Directors Association (IOD) (Jun 26, 2017 - present)
- Director, The Thai Institute of Directors Association (IOD) (May 29, 2017 - present)
- Qualified Member of the Committee, The Thai Investors Association (Mar 24, 2017 - present)
- Member of the Council of State (present)
- Qualified Member of the Committee, The Federation of Thai Insurance Organization (present)
- Member of the National Reform Council (Oct 2, 2014 - Sep 6, 2015)
- Director, BJC Logistics and Warehouse Co., Ltd (Apr 2010 - Jul 2013)
- Chairman of the Public Sector Audit and Evaluation Committee for Ministry of Commerce (Nov 2008 - Mar 2013)
- Second Vice - President of the National Legislative Assembly (Oct 2006 - Mar 2008)
- Adviser to the Commerce Ministry (Oct 2006 - Feb 2008)
- Economic Adviser, the Council for National Security (Sep 2006 - Feb 2008)
- Sub Commissioner, the Sub - Commission on the Development and Promotion of Public Organization and other Organizations under Governmental Supervision, the Public Sector Development Commission (2005 - May 2011)
- Chairman, Thailand Insurance Institute (2002 - 2007)
- Member of the Financial Institution Policy Committee, the Bank of Thailand (2001 - Aug 2008)
- Director - General, Department of Insurance, Ministry of Commerce (2001 - 2006)
- Inspector - General, Ministry of Commerce (1999 - 2001)
- Deputy Director General, Department of Insurance, Ministry of Commerce (1994 - 1999)



Mr. Singh Tangtaswas
Independent Director and
Chairman of Remuneration and
Nomination Committee
Age 76 Years Old
Date of Appointment
April 26, 2004

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- B.A. (Economics), Thammasat University
- M.B.A. (Finance), the Wharton School of Finance and Commerce, University of Pennsylvania
- Certificate of Management Development Program, the Wharton School
- Certificate of Executive Development Program, Harvard Business School

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 0/2000

Work Experiences

Positions in Listed Companies

- Chairman of the Remuneration & Nomination Committee, Bangkok Insurance Public Co., Ltd. (Aug 18, 2004 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 26, 2004 - present)
- Executive Director, Bangkok Bank Public Co., Ltd. (2005 - present)
- Chairman of Risk Management Committee, Bangkok Bank Public Co., Ltd. (2005 - present)
- Managing Director, Bangkok Bank Public Co., Ltd. (2006 - 2010)
- Independent Director and Chairman of the Audit Committee, Thai Optical Group Public Co., Ltd. (2004 - present)
- Independent Director, TWZ Corporation Public Co., Ltd. (2005 - 2013)
- President and Chief Executive Director, Krung Thai Bank Public Co., Ltd. (1999 - 2001)

Positions in Non-listed Companies

- Director, Kanchanadhat Co., Ltd. (1971 - present)
- Director, Thai Institute of Directors Association (2010 - May 2015)
- Adviser, Corporate Governance Center, The Stock Exchange of Thailand (2002 - 2009)



Mr. Suvarn Thansathit
Independent Director and
Director of the Remuneration and
Nomination Committee
Age 74 Years Old
Date of Appointment
April 26, 2005

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- B.B.A. Management, University of the East, Philippines
- M.Sc. in Commerce, University of Santo Tomas, Philippines
- The Joint State - Private Sector Class 355, The National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 63/2005

Work Experiences

Positions in Listed Companies

- Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (Nov 16, 2005 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 26, 2005 - present)
- Member, Board of Executive Directors, Bangkok Bank Public Co., Ltd. (Dec 18, 2007 - present)
- Director and Senior Executive Vice President, Bangkok Bank Public Co., Ltd. (Oct 2006 - present)
- Member, Risk Management Committee, Bangkok Bank Public Co., Ltd. (2004 - present)
- Senior Executive Vice President, Bangkok Bank Public Co., Ltd. (1996 - 2006)
- Executive Vice President, Bangkok Bank Public Co., Ltd. (1990 - 1996)
- Executive Officer, Bangkok Bank Public Co., Ltd. (1978 - 1990)
- Independent Director and Chairman of the Audit Committee, Lalin Property Public Co., Ltd. (2002 - present)
- Adviser, Bangkok Life Assurance Public Co., Ltd. (Dec 18, 2007 - Nov 2018)

Positions in Non-listed Companies

- Chairman, Bualuang Ventures Limited (2016 - present)
- Chairman, Sinnsuptawee Asset Management Co., Ltd. (2006 - present)



M.R. Supadis Diskul
Independent Director and
Director of the Remuneration and
Nomination Committee
Age 69 Years Old
Date of Appointment
April 26, 2013

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Master of Community and Regional Planning, North Dakota State University, U.S.A.
- B.Sc., Medical Technology, Mahidol University
- Certificate, National Defence College, The National Defence Course for the Joint State-Private Sectors, Class 15

Thai Institute of Directors Association (IOD) Training Program

- Board Nomination & Compensation Program (BNCP) 5/2018
- Anti - Corruption for Executive Program (ACEP) 11/2014
- Successful Formulation and Execution of Strategy (SFE) Class 5/2009
- Role of the Chairman Program (RCP) Class 16/2007
- Role of the Compensation Committee Program (RCC) Class 4/2007
- Director Certification Program (DCP) Class 51/2004

- Director Accreditation Program (DAP) Class 12/2004
- Finance for Non-Finance Director (FND) Class 1/2001, Class 14/2004

Work Experiences

Positions in Listed Companies

- Independent Director and Director of Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (Apr 26, 2013 - present)
- Executive Chairman, Bangkok Aviation Fuel Services Public Co., Ltd. (May 2013 - present)
- Director, Bangkok Aviation Fuel Services Public Co., Ltd. (1983 - present)
- Managing Director, Bangkok Aviation Fuel Services Public Co., Ltd. (1983 - 2014)
- Executive Vice President, Corporate Development and Support Department, Thai Airways International Public Co., Ltd. (1997 - 2003)

Positions in Non-listed Companies

- Chairman, BAFS Innovation Development Ltd. (2016 - present)
- Chairman, Fuel Pipeline Transportation Ltd. (2010 - present)
- Managing Director, Fuel Pipeline Transportation Ltd. (1997 - 2006)
- Director, Fuel Pipeline Transportation Ltd. (1991 - 2010)
- Director, Thai Aviation Refuelling Co., Ltd. (1996 - present)
- Managing Director, Thai Aviation Refuelling Co., Ltd. (1996 - 2011)
- Chairman, Intoplane Services Co., Ltd. (1993 - 2015)
- Director, BAFS International Limited (2011 - 2013)
- Director, JP-One Asset Co., Ltd. (2004 - 2014)
- Managing Director, JP-One Asset Co., Ltd. (2004 - 2011)



Mr. Virasak Sutanthavibul
Independent Director and
Chairman of the Corporate
Governance Committee and
Director of the Remuneration and
Nomination Committee
Age 61 Years Old
Date of Appointment
April 26, 2005

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- B. Eng., Chulalongkorn University
- M.E., Texas A&M University, Texas, U.S.A.
- The Joint State - Private Sectors Class 18/2005, The National Defence College of Thailand
- Certificate, Capital Market Academy (CMA), Class 10/2010
- Certificate, Thailand Energy Academy (TEA), Class 1/2012
- Certificate of Completion and Graduation Pin, Justice Administration Batch 17 National Justice Academy (2012 - 2013)
- Certificate of Completion and Graduation Pin, Institute of Business and Industrial Development (IBID), Class 2 /2015
- Certificate "Business Revolution and Innovation Network" (BRAIN) Class 2/2018
- Certificate, Harvard University, Advanced Management Program, U.S.A.
- Certificate, Harvard University, Financial Institution for Private Enterprise Development, U.S.A.

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 21/2003

Work Experiences

Positions in Listed Companies

- Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (Feb 27, 2015 - present)
- Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 25, 2011 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 26, 2005 - present)
- Independent Director and Audit Committee Member, NFC Public Co., Ltd. (Feb 14, 2019 - present)
- Committee of Nomination and Remuneration Committee, Thai Plaspac Public Co., Ltd. (2016 - present)
- Independent Director and Chairman of Audit Committee, Thai Plaspac Public Co., Ltd. (2015 - present)
- Senior Executive Vice President, in charge of Commercial Banking, Bangkok Bank Public Co., Ltd (2012- present)
- Executive Vice President, Head of Metropolitan Commercial Banking, Bangkok Bank Public Co., Ltd. (2002 - 2012)
- Independent Director and Audit Committee Member, T.Krungthai Industries Public Co., Ltd. (2004 - present)
- Independent Director and Chairman of Audit Committee, Bangpakong Terminal Public Co., Ltd. (2014 - Aug 2018)
- Independent Director and Audit Committee Member, Bangpakong Terminal Public Co., Ltd. (2013 - 2014)

Positions in Non - listed Companies

- Director, Bualuang Ventures Co., Ltd. (2016 - present)
- Director, The Grand - UB Co., Ltd. (2008 - Feb 2019)
- Director, Toyota Leasing (Thailand) Co., Ltd (2001 - Feb 2019)
- Director, Thai Indo Cordsa Co., Ltd. (2001 - Feb 2019)
- Director, Asia Lamp Industry Co., Ltd (2001 - Feb 2019)



Mrs. Nintira Sophonpanich

Independent Director and
Director of the Corporate Governance
Committee
Age 53 Years Old
Date of Appointment
April 23, 2010

Family Relationship with Other Directors and
Members of Management

- Granddaughter-in-law of Mr. Chai Sophonpanich

Education/Training

- B.Sc. Economics (Hon.) London School of Economics and Political Sciences, England
- M.B.A., London University CASS Business School, United Kingdom
- Financial Executive Development Program (FINEX V)

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 40/2005

Work Experiences

Positions in Listed Companies

- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 25, 2011 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 23, 2010 - present)

- Director and Adviser to the Executive Committee, Asia Plus Group Holdings Securities Public Co., Ltd. (2008 - present)
- Executive Director, Asia Plus Group Holdings Securities Public Co., Ltd. (1994 - 2008)

Positions in Non-listed Companies

- President, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother (2016 - present)
- Director, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother (2002 - present)
- President, Srisangwan School, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother (2016 - present)
- President, Rehabilitation Center for the People with Physical Disabilities under Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother (2016 - present)
- Director, Asia Plus Advisory Co., Ltd. (2008 - present)
- Director and Treasurer, The Queen's Gallery Foundation (2003 - present)
- Director, Bangkok BTMU Ltd. (2000 - present)
- Director and Treasurer, The Pan Pacific Southeast Asia Women's Association International (1999 - present)
- Investment Director, Citi Capital Co., Ltd. (1991 - 1994)
- Manager, Citicorp (Thailand) Ltd. (1987 - 1990)



Mr. Panus Thiravanitkul

Director and
Director of the Corporate
Governance Committee
Age 66 Years Old
Date of Appointment
April 22, 2011

Family Relationship with Other Directors and
Members of Management

- None

Education/Training

- M.B.A., Chulalongkorn University
- B.Sc. (Economics), Thammasat University
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Marine Consequential Loss Insurance, Germany
- Insurance School of Japan

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 129/2010

Work Experiences

Positions in Listed Companies

- Director, Bangkok Insurance Public Co., Ltd. (Apr 22, 2011 - present)
- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 25, 2011 - present)

- Adviser, Bangkok Insurance Public Co., Ltd. (Jan 1, 2019 - present)
- Director and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - Dec 31, 2018)
- Director and President, Bangkok Insurance Public Co., Ltd. (2011 - 2015)
- President, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (1993 - 2000)
- Independent Director, Bangkok Life Assurance Public Co., Ltd. (Dec 15, 2017 - present)
- Director and Member of the Nominating & Remuneration Committee, Bangkok Life Assurance Public Co., Ltd. (Apr 26, 2016 - present)

Positions in Non-listed Companies

- Chairman, Bangkok Insurance (Lao) Company Limited (Dec 18, 2018 - present)
- Director, Bangkok Insurance (Lao) Company Limited (Feb 9, 2015 - present)
- Vice Chairman, Marine and Transport Insurance Sub-committee, The Thai General Insurance Association (1994 - 1996, 1999 - 2000)



Mr. Toshimi Kobayashi

Independent Director

Age 53 Years Old

Date of Appointment

August 11, 2017

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Bachelor of Law, Keio University, Japan

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 146/2018 (English Program)

Work Experiences

Positions in Listed Companies

- Independent Director, Bangkok Insurance Public Co., Ltd. (Aug 11, 2017 - present)

Positions in Non-listed Companies

- Executive Director, Aioi Nissay Dowa Insurance Company Australia Pty Ltd. (Apr 1, 2018 - present)
- Non-Executive Director, Aioi Nissay Dowa Management New Zealand Ltd. (Apr 1, 2018 - present)
- Branch Manager, Aioi Nissay Dowa Insurance Company Ltd. (Australian Branch) (Apr 1, 2018 - present)
- Branch Manager, Aioi Nissay Dowa Insurance Company Ltd. (New Zealand Branch) (Apr 1, 2018 - present)
- Group Leader of Sales & Marketing Group, International Department, Aioi Nissay Dowa Insurance Company Ltd. (Tokyo, Japan) (Apr 2016 - Apr 2018)
- Executive Finance & Insurance Coordinator, Aioi Nissay Dowa Insurance Company of Europe Ltd. (German Branch) (Apr 2013 - Apr 2016)
- Director, Toyota Insurance Management Ltd. (Cologne Germany) (Apr 2013 - Apr 2016)
- Chief Operating Officer, Japanese Interest Abroad (JIA) Division, Aioi Nissay Dowa Insurance Company of Europe Ltd. (London, U.K.) (May 2012 - Mar 2013)
- Account Manager, Asia & Oceania Group, International Department, Aioi Nissay Dowa Insurance Company Ltd. (Tokyo, Japan) (Apr 2009 - Apr 2012)
- Japanese Coordinator Toyota Finance & Insurance Business, Aioi Motor and General Insurance Company of Europe Ltd. (London, U.K.) (Apr 2005 - Apr 2009)
- Development Manager, Toyota F & I Division, International Department, Aioi Insurance Company Ltd. (Tokyo, Japan) (Apr 1999 - Apr 2005)



Dr. Apisit Anantanarat

Chief Executive Officer and Director

Age 55 Years Old

Date of Appointment

April 22, 2016

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines
- M.A. (Industrial and Organization Psychology), Thammasat University
- M.S. (Insurance), University of Hartford, U.S.A.
- Diploma of Financial Service (General Insurance), ANZIIF (Senior Associate), Australia
- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.
- Certificate, Capital Market Academy Leadership Program (CMA), Class 24/2017
- Thailand Insurance Leadership Program class 3/2013
- From Science Fiction to Reality: Man and Man - Made Risks 2018, R + V Re, Germany
- CIO VMware World Conference 2017, Spain
- Telematics Update Conference 2014, England
- 7th Insurance Executives' Summit for Strategy, Operation & Technology 2011, Taiwan
- Simplified Strategic Planning 2010, Malaysia

- New Forms of Risk Sharing and Risk Engineer, SCOR, France
- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland
- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 149/2018

Work Experiences

Positions in Listed Companies

- Chief Executive Officer and Director, Bangkok Insurance Public Co., Ltd. (Acting President) (Jan 1, 2019 - present)
- Director and President, Bangkok Insurance Public Co., Ltd. (Apr 22, 2016 - Dec 31, 2018)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Apr 2012 - Dec 2015)
- Senior Vice President, Marketing and Communications Department, Bangkok Insurance Public Co., Ltd. (2011 - Apr 2012)
- Senior Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2009 - Mar 2014, Oct 2015 - May 8, 2016)
- Senior Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - 2015)
- First Vice President, Personal Lines Division, Bangkok Insurance Public Co., Ltd. (2006 - 2007)
- First Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2005 - 2009)
- Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2002 - 2006)
- Assistant Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2000 - 2002)

Positions in Non-listed Companies

- Director, Thai ORIX Leasing Co., Ltd. (May 24, 2016 - present)

Mr. Voravit Rojrapitada

Director

(Resigned as from June 25, 2018)

BOARD OF DIRECTORS

Board of Directors

Chairman

Mr. Chai Sophonpanich
(Appointed on November 9, 2018)

Directors

VDC Col Plengsakdi Prakaspesat
Mr. Chor.nun Petpaisit
Miss Potjaneer Thanavarani
Mr. Singh Tangtaswas
Mr. Suvarn Thansathit
M.R. Supadis Diskul
Mr. Virasak Sutanthavibul
Mrs. Nintira Sophonpanich
Mr. Panus Thiravanitkul
Mr. Toshimi Kobayashi
Dr. Apisit Anantanarat

Company Secretary

Mrs. Srichitra Pramojaney

Audit Committee

Chairman

VDC Col Plengsakdi Prakaspesat

Members

Mr. Chor.nun Petpaisit
Miss Potjaneer Thanavarani

Remuneration and Nomination Committee

Chairman

Mr. Singh Tangtaswas

Members

Mr. Suvarn Thansathit
M.R. Supadis Diskul
Mr. Virasak Sutanthavibul

Corporate Governance Committee

Chairman

Mr. Virasak Sutanthavibul

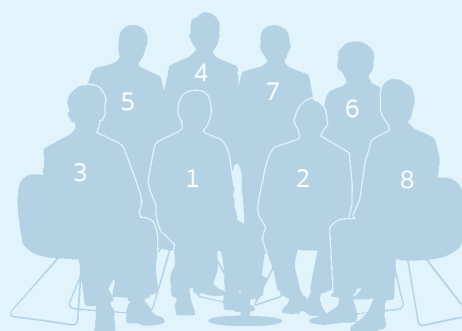
Member

Mrs. Nintira Sophonpanich
Mr. Panus Thiravanitkul

MANAGEMENT COMMITTEE AND MANAGEMENT COMMITTEE PROFILE



1. Mr. Chai Sophonpanich
2. Mr. Panus Thiravanitkul
(Retired on January 1, 2019)
3. Dr. Apisit Anantanatarat
4. Mr. Anon Vangvasu
5. Mr. Suphat Yookongbandhu
6. Mrs. Srichittra Pramojaney
7. Mr. Jakkrit Chewanuntapornchai
8. Mr. Chawan Sophonpanich





1. Miss Paveena Juchuan
2. Mr. Suchart Chirayuwat
3. Mr. Aree Vanairlor
4. Miss Lasa Sophonpanich
5. Mr. Weerachai Sripetcharakul
6. M.L. Chalitpong Sanidvong
7. Mr. Lert Vongchai
(Retired on January 1, 2019)

Dr. Apisit Anantanatarat

Chief Executive Officer and Director
(Appointed on January 1, 2019)

Commence

April 1985

Family Relationship with Other Directors and Members of Management

- None

Education

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines
- M.A. (Industrial and Organization Psychology), Thammasat University
- M.S. (Insurance), University of Hartford, U.S.A.
- Diploma of Financial Service (General Insurance), ANZIIIF (Senior Associate), Australia
- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.
- Certificate, Capital Market Academy Leadership Program (CMA), Class 24/2017
- Thailand Insurance Leadership Program class 3/2013

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 149/2018

Training

- From Science Fiction to Reality: Man and Man - Made Risks 2018, R + V Re, Germany
- CIO VMware World Conference 2017, Spain
- Telematics Update Conference 2014, England

Mr. Anon Vangvasu

Executive Vice President

Commence

December 1976

Family Relationship with Other Directors and Members of Management

- None

Education

- LL.B., Ramkhamhaeng University

Training

- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Insurance Management Development Program (IMDP)

Mr. Suphat Yookongbandhu

Executive Vice President

Commence

August 1980

Family Relationship with Other Directors and Members of Management

- None

Education

- B.B.A. (Marketing), Assumption University
- Associate of the Insurance Institute of New Zealand (NZII), New Zealand

- 7th Insurance Executives' Summit for Strategy, Operation & Technology 2011, Taiwan
- Simplified Strategic Planning 2010, Malaysia
- New Forms of Risk Sharing and Risk Engineer, SCOR, France
- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland
- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Chief Executive Officer and Director, (Acting President) (Jan 1, 2019 - present)
- Director and President, (Apr 22, 2016 - Dec 31, 2018)
- Executive Vice President, (Apr 2012 - Dec 2015)
- Senior Vice President, Marketing and Communications Department, (2011 - Apr 2012)
- Senior Vice President, Information Technology Department, (2009 - Mar 2014, Oct 2015 - May 8, 2016)
- Senior Vice President, Personal Lines Business Unit, (2007 - 2015)
- First Vice President, Personal Lines Division, (2006 - 2007)
- First Vice President, Information Technology Department, (2005 - 2009)
- Vice President, Human Resources Development Division, (2002 - 2006)
- Assistant Vice President, Human Resources Development Division, (2000 - 2002)

Others

- Director, Thai ORIX Leasing Co., Ltd. (May 24, 2016 - present)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Executive Vice President, (Apr 2012 - present)
- Senior Vice President, Non-Motor Claims Department, (2010 - present, 2003 - 2005)
- Senior Vice President, Motor Claims Department, (2006 - 2012)
- Senior Vice President, Legal Department, (2000 - present)

Others

- President, The Federation of Thai Insurance Organizations (2017 - present)
- Secretary General, The General Insurance Association (2017 - present and 2009 - 2013)
- President, The General Insurance Association (2013 - 2017)
- President of the Board, Road Accident Victims Protection Co., Ltd. (2015 - present)
- Vice President of the Board, Road Accident Victims Protection Co., Ltd. (1998 - 2015)
- President of the Board, Thai Insurers Data Net Co., Ltd. (2015 - present)
- Board of Directors, Thailand Insurance Institute (2013 - present)

Training

- Miscellaneous Casualty Insurance, ISJ, Japan
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Insurance Management Development Program (IMDP)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Executive Vice President, (Apr 2012 - present)
- Senior Vice President, Broker Business Unit, (2007 - 2016)
- First Vice President, Broker Division, (2005 - 2007)
- Vice President, Broker Division, (2001 - 2005)
- Manager, Miscellaneous Insurance Department, (1994 - 2001)

Others

- Director, Asia Insurance (Cambodia) Plc. (Nov 2, 2012 - present)

Mrs. Srichittra Pramojaney

Executive Vice President
Company Secretary

Commence

January 2006

Family Relationship with Other Directors and Members of Management

- None

Education

- M.B.A., University of North Texas, U.S.A.
- B.B.A. (Accounting), Thammasat University

Thai Institute of Directors Association (IOD) Training Program

- Company Reporting Program (CRP) Class 18/2017
- Board Reporting Program (BRP) Class 19/2016
- Effective Minute Taking (EMT) Class 31/2015
- Company Secretary Program (CSP) Class 61/2015

Mr. Jakkrit Chewanuntapornchai

Executive Vice President
(Appointed on January 1, 2019)

Commence

August 1982

Family Relationship with Other Directors and Members of Management

- None

Education

- M.B.A., Chulalongkorn University
- B.Sc. (Statistics), Chulalongkorn University

Training

- General Insurance & Insurance Management, IIAP, Philippines
- Alois - Alzheimer Scholarship, Munich Re, Germany
- MARSH Overseas Clients' Course 2001, England

Miss Paveena Juchuan

Executive Vice President
(Appointed on January 1, 2019)

Commence

August 1992

Family Relationship with Other Directors and Members of Management

- None

Education

- M.Sc. (Insurance and Risk Management), Cass Business School, City, University of London, England
- B.B.A. (Insurance), Assumption University
- Advanced Diploma in Insurance (ACII), The Chartered Insurance Institute (CII)
- Mini M.B.A., Center for Business Innovation, NIDA Business School

Training/Seminar

- 12th Asian Insurance CFO Summit 2018, Hong Kong
- 11th Asian Insurance CFO Summit 2017, Hong Kong
- 10th Anniversary Asian Insurance CFO Summit 2016, Thailand
- 9th Asian Insurance CFO Summit 2015, Hong Kong
- 8th Asian Insurance CFO Summit 2014, Singapore
- 7th Asian Insurance CFO Summit 2013, Hong Kong

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Executive Vice President, (Jun 2016 - present)
- Company Secretary, (Jun 2015 - present)
- Senior Vice President, Accounting and Treasury Department, (2006 - present)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Executive Vice President, (Jan 1, 2019 - present)
- Senior Vice President, Financial Institution Business Unit, (Oct 2015 - present)
- Senior Vice President, Commercial Lines Business Unit, (2007 - Sep 2015)
- Vice President, Direct Customer Division, (2001 - 2007)
- Vice President, Non-Motor Claims Department, (1998 - 2001)

Others

- Chairman of the Board of Directors & Chairman of the Investment Committee, Aioi Bangkok Insurance Public Co., Ltd. (May 2017 - present)
- Managing Director, Bangkok Insurance (Lao) Co., Ltd. (Feb 2015 - present)

Training

- TransRe International Management Program: Partnership for Success, New York, U.S.A.
- Comprehensive Technical Programme in General Insurance - National Insurance Academy, Pune, India

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Executive Vice President, (Jan 1, 2019 - present)
- Senior Vice President, Commercial Lines Business Unit, (2016 - present)
- First Vice President, Commercial Lines Business Unit, (Nov 2013 - 2015)
- Vice President, Special Risk Business Unit, (Oct 2010 - Oct 2013)

Mr. Suchart Chirayuwat

Senior Vice President

Commence

August 2010

Family Relationship with Other Directors and

Members of Management

- None

Education

- B.A. (Communication Arts), Chulalongkorn University
- Mini M.B.A., Kasetsart University

Mr. Aree Vanairlor

Senior Vice President

Commence

August 1989

Family Relationship with Other Directors and

Members of Management

- None

Education

- B.A. (Political Science), Ramkhamhaeng University
- Associate of the Insurance Institute of New Zealand (NZII), New Zealand

Mr. Chawan Sophonpanich

Senior Vice President

Commence

March 2004

Family Relationship with Other Directors and

Members of Management

- Son of Mr. Chai Sophonpanich
- Elder Brother of Miss Lasa Sophonpanich

Education

- B.A. (Economics), University of Rochester, U.S.A.
- Risk and Insurance Certificate, St. John's University, U.S.A

Miss Lasa Sophonpanich

Senior Vice President

Commence

April 2011

Family Relationship with Other Directors and

Members of Management

- Daughter of Mr. Chai Sophonpanich
- Younger Sister of Mr. Chawan Sophonpanich

Education

- Master's Degree in International Affairs, Columbia University, U.S.A.
- Bachelor's Degree in International Relations & Chinese, Wellesley College, U.S.A.
- Certificate in Insurance, The Chartered Insurance Institute (CII)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Branch Network and Ventures, (Aug 2010 - present)

Others

- Regional Manager, Bangkok Bank Public Co., Ltd. (2006 - 2010)

Training

- Advanced Engineering Insurance Seminar, Cologne Re, Germany
- Advanced Non-Life Insurance Course, Swiss Insurance Training Centre, Switzerland

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Agent Business Unit, (Oct 2015 - present)
- Senior Vice President, Financial Institution Business Unit, (2007 - Sep 2015)
- First Vice President, Agent Division, (2006 - 2007)
- First Vice President, Financial Institution Division, (2005 - 2006)
- Vice President, Financial Institution Division, (2001 - 2005)
- Vice President, Marketing Department, (1995 - 2001)

Training

- Business Interruption/Contingent BI, Scor Re, France
- Lloyd's Asia Underwriters & Broker Forum, Singapore College of Insurance (SCI), Singapore
- Customer Management Asia, Marcus, Malaysia
- AIOI Insurance Seminar, AIOI Insurance, Japan
- The 2004 Mitsui Sumitomo Re, Sumitomo, Japan

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Office of Chairman, (Feb 1, 2019 - present)
- Senior Vice President, Personal Lines Business Unit, (Jan 1, 2016 - Jan 31, 2019)
- Vice President, Office of President, (Mar 2014 - 2015)
- Vice President, Personal Lines Business Unit, (2012 - Mar 2014)

Training

- Advanced Reinsurance Workshop - Munich Reinsurance Company, Germany
- Business Interruption/Contingent BI, Scor Re, France
- P&C Reinsurance, France
- Munich Reinsurance Company - DART, Singapore
- Reinsurance Seminar of the TOA, Japan

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Broker Business Unit, (2017 - present)
- Vice President, Broker Business Unit, (2016)
- Assistant Vice President, Treaty Operations Office, (Jul 2014 - 2015)
- Assistant Vice President, Broker Business Unit, (Apr 2012 - Jun 2014)

Mr. Weerachai Sripetcharakul

Senior Vice President

Commence

February 2017

Family Relationship with Other Directors and

Members of Management

- None

Education

- B.A. (Political Science), Kasetsart University

Training

- Human Resource Management Program, The Siam Cement Public Co., Ltd.
- Management Development Program (TMA-MDP), Thailand Management Association
- Personnel Management Laws, Faculty of Law, Thammasat University
- Change Leader for Labour Development Program, Ministry of Labour
- Labour Relations Consultant, Ministry of Labour
- Thai Labour-Standard: TLS-8001 Auditor, Ministry of Labour
- 10th World HR Congress, Singapore
- Introduction to Associate Judge Program, Central Labour Court

M.L. Chalitpong Sanidvong

Senior Vice President

Commence

April 2017

Family Relationship with Other Directors and

Members of Management

- None

Education

- M.B.A., Chulalongkorn University
- B.Eng. (Electrical Engineering), King Mongkut's Institute of Technology Ladkrabang

Training

- Fujitsu Asia Conference, Tokyo, Japan
- IT Trends: Seminar 2018: Asia's Rising Power, Singapore
- Hewlett Packard Enterprise (HPE) CIO Forum 2017 "Transform to Your Right Mix of Hybrid IT"
- Digital Transformation for Insurance, IMC institute
- Aruba Atmosphere, Singapore
- SCB Management Program
- CISCO, Executive Briefing Center, U.S.A
- Huawei, Executive Briefing Center, China

Mr. Panus Thiravanitkul

Chief Executive Officer

(Retired on January 1, 2019)

Mr. Lert Vongchai

Senior Vice President

(Retired on January 1, 2019)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Human Resources Department, (Feb 16, 2017 - present)

Others

- Vice Chairman, Professional Networks Development, Personnel Management Associate of Thailand (2018 - present)
- Director, The Association Change Leader for Labour Development Association, Ministry of Labour (2016 - present)
- Manager, Human Resource Department, Bangkok Synthetics Co., Ltd. (2003 - 2017)
- Manager, Personnel Operations, Siam Cement (Ta Luang) Co., Ltd. (2003)
- Manager, Welfare and Employee Relations, Cementthai Distribution Co., Ltd. (2001 - 2002)
- Manager, Welfare Department, Corporate Human Resources Division, The Siam Cement Public Co., Ltd. (1999 - 2000)
- Manager, Training and Recruitment, Human Resources Division, Construction Material Group, The Siam Cement Public Co., Ltd. (1997 - 1998)
- Manager, Personnel Department, Siam Fiberglass Co., Ltd. (1991 - 1997)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Senior Vice President, Information Technology Department, (Apr 3, 2017 - present)

Others

- Vice President, IT Network Management, Siam Commercial Bank Public Co., Ltd. (2008 - 2017)

FIRST VICE PRESIDENT AND VICE PRESIDENT



FIRST VICE PRESIDENT AND VICE PRESIDENT

- | | |
|-----------------------------------|---|
| 1. Mr. Alonggorn Gradtip | 29. Mr. Sarawut Deesomboon |
| 2. Mr. Anawaj Saibang | 30. Mr. Sarayuth Apaipim |
| 3. Mr. Anek Keereesathien | 31. Miss Siriratt Ojarutip |
| 4. Mrs. Anutra Chanprasartsuk | 32. Mr. Sithikul Arayavechakit |
| 5. Mr. Chaiyot Soonhoa | 33. Mr. Somchai Chiaranaiphaisan |
| 6. Mr. Charun Jongudomporn | 34. Mr. Songkiat Nualon |
| 7. Mr. Jeravat Payakarasamit | 35. Miss Sujinda Teplertboon |
| 8. Mr. Jirawong Thantachote | 36. Mrs. Sumana Trongtranon |
| 9. Mr. Kannasootr Homjan | 37. Mr. Surasak Xuto |
| 10. Mr. Kiettsak Sirilikitchai | 38. Miss Sutida Malila |
| 11. Mr. Natthajak Santatilokkul | 39. Mrs. Suwannee Sithisukh |
| 12. Mrs. Netnapit Poolsap | 40. Mr. Tawee Kvanthong |
| 13. Mr. Pairin Chaibenjapol | 41. Mr. Teerawat Jaturavit |
| 14. Mr. Paisan Vohakiat | 42. Mr. Tirathana Visetbhakdi
(Appointed on November 19, 2018) |
| 15. Mr. Paitoon Chanpanorak | 43. Mr. Tirak Krutvecho |
| 16. Miss Pantita Panyamee | 44. Miss Tusaneeya Uppalawanna |
| 17. Mrs. Pattraporn Therdchanakul | 45. Miss Umaporn Hualbuttar |
| 18. Miss Paviga Rawdyoo | 46. Mr. Varit Unprasertporn |
| 19. Mr. Peerapat Thawornniti | 47. Mr. Vichien Moleewon |
| 20. Miss Pisamai Wiphakrut | 48. Miss Walailuck Phochakaparipan |
| 21. Mr. Pisit Kidcharoensuk | 49. Mrs. Waraporn Dhanisornkul |
| 22. Mr. Pitiphong Chaochaikhong | 50. Mr. Wera Virojsirasak |
| 23. Miss Pranee Komonkawin | 51. Miss Wilai Lertritpuwadol |
| 24. Mr. Prayudh Jatarupamaya | 52. Mr. Winai Kunprasert |
| 25. Miss Rangsimarath Thongdeekam | 53. Mr. Wiwat Panyakiattikun |
| 26. Miss Rataya Singh | 54. Mr. Yingyot Sangchai |
| 27. Miss Ratchada Wongsomboon | 55. Mr. Yongyuth Tangtrongpaioj |
| 28. Mrs. Rujirath Panyakiattikun | |

Remarks: Miss Chanaphan Rattanaivilul (Resigned as from October 13, 2018)
 Mr. Ekamol Aungkavattana (Retired on January 1, 2019)
 Mr. Wichai Pongsethpaisal (Retired on January 1, 2019)



CORPORATE SOCIAL RESPONSIBILITY

The Company's Policy on Corporate Social Responsibility (CSR)

- Create awareness among the Company's management and employees at all levels so that everyone is fully aware of the significance of activities that benefit society and realizes it is one's duty to take part in these activities of the Company.
- Support social activities to assist the underprivileged and those suffering from natural disasters. Also to preserve Thai historical artifacts and artworks that are integral to the nation's heritage.
- Allocate budgets to ensure constant support for social activities.
- Promote education for the underprivileged through giving priority to fields of study in which Thailand is lacking so as to develop a pool of talent that can serve as a significant driving force for the country's development.
- Campaign for networking to encourage cooperation from many other agencies in helping to fulfill the Company's different projects, as well as to be able to expand extensively assistance in carrying out activities, thus giving the scope to cover all remote areas of the country.

A Guideline for the Treatment of Stakeholders

The Company has given priority to all groups of stakeholders by identifying a guideline for the treatment of stakeholders in writing in the Company's policy on good corporate governance and annual report. It has also prepared for procedures and steps of obtaining stakeholders' demands and expectations through carrying out different patterns of activities with an aim that the Company's implementation of these activities can really respond to stakeholders' needs, which include the following.

Stakeholder	Expectation	Practice Guideline	Participation Channel
1. Shareholders	<ul style="list-style-type: none"> • Business transaction based on corporate governance • Remuneration and sustainable growth 	<ul style="list-style-type: none"> • Fairly provide for the right to attend shareholders' meeting and receive remuneration • Attach to business transaction in line with the principle of good corporate governance • Transparently, reliably and timely disclose data 	<ul style="list-style-type: none"> • Organize shareholders' annual general meeting • Reception of complaints via different channels • Meet analysts
2. Employees	<ul style="list-style-type: none"> • Proper remuneration and welfare • Knowledge development and advancement opportunity • Overseeing and maintaining the safety, health and environment for work performance • Equality in work performance • Balance in working life and personal life 	<ul style="list-style-type: none"> • Constantly review remuneration and welfare • Have a plan on staff training and development for growth in their career path • Arrange for working environment which is safe, hygienic and favorable to work performance • Apply the principle of human rights and fair treatment of labor • Creation of organization culture of a learning organization and organization of happiness 	<ul style="list-style-type: none"> • Reception of complaints via numerous channels • Assessment of work performance • Conducting staff training and development

Stakeholder	Expectation	Practice Guideline	Participation Channel
3. Customers	<ul style="list-style-type: none"> • A wide variety of products in response to customers' demand, and reasonable price • Honest and quick quality service in direct response to customers' demand, or higher than their expectation on a fair and moral basis • Provision of accurate data and information and knowledge to customers 	<ul style="list-style-type: none"> • Design and development of products in response to customers' demand. Use information technology to raise convenience of access to products and services on claims and insurance • Provide for a particular work unit for receiving customers' complaints and suggestions 	<ul style="list-style-type: none"> • A survey of customers' satisfaction • Reception of complaints via different channels • Meeting customers via myriad activities • Data disclosure via the Company's website
4. Business Partners	<ul style="list-style-type: none"> • Perform in strict compliance with an agreement on an equal and fair basis 	<ul style="list-style-type: none"> • Define criteria for a selection and assessment of business partners and reception of fair remuneration for both sides • Provision of equal data and information • Keeping trading secrets • Define an anti-corruption policy 	<ul style="list-style-type: none"> • A survey of business partners' satisfaction • Reception of complaints via numerous channels • Meeting business partners via a meeting and activity • Data disclosure via the Company's website
5. Competitor	<ul style="list-style-type: none"> • Fair competition under the framework of laws 	<ul style="list-style-type: none"> • Focus on competition for the quality of products and services for customers' benefits 	<ul style="list-style-type: none"> • Exchange of data between each other • Meeting
6. Creditors	<ul style="list-style-type: none"> • Treat all creditors on a fair, equal and honest basis • Payment of debts at due time 	<ul style="list-style-type: none"> • Strictly honor a promise and commitment made to creditors • Management of funds so that they possess appropriate structure 	<ul style="list-style-type: none"> • Meeting • Data disclosure via the Company's website
7. Society	<ul style="list-style-type: none"> • Constantly support activities benefiting society and the environment • Natural resources conservation and environmental development 	<ul style="list-style-type: none"> • Constant provision of support and assistance to localities in cooperation with other agencies • Campaign for a reduction in power energy use • Campaign for environmental preservation 	<ul style="list-style-type: none"> • Reception of complaints via different channels • Listening to communities' opinions • Carrying out activities for society
8. The Government Sector	<ul style="list-style-type: none"> • Conducting a business transaction under the requirements of laws and maintaining a good relationship with the regulator • Attaching to the principle of good corporate governance 	<ul style="list-style-type: none"> • Performance in strict compliance with laws, rules, regulations and official standards, apart from giving full cooperation with the government sector and the regulator 	<ul style="list-style-type: none"> • Meeting and taking part in the government sector's activities • Provision of data to the regulator

Fair Business Transaction

The Company is strongly determined to carry out its business transactions on an honest and virtuous basis, performing with consideration of equality, fairness and responsibility to society, in strict compliance with the laws defined, apart from having business ethics based on the principle of good corporate governance.

To create fair business transactions, the Company has defined a guideline for overseeing stakeholders in its guidebook on rules of conduct and is strongly committed to a fair and equal consideration of the Company's responsibilities to stakeholders, ranging from its customers, business partners, shareholders, employees, competitors, creditors to the government sector, society and the environment, while not committing any acts violating or lessening stakeholders' rights, on a basis of fair reception of a financial return for their business transactions, without expecting other benefits derived from an operation not in line with the principle of good corporate governance. The Company's operations include the following.

1. Be determined to generate satisfaction and confidence among customers as well as pay attention and be responsible to customers in order for them to receive quality products and services at a reasonable price, apart from supporting the development to constantly raise the Company's standard of products and services, and strictly complying with the conditions and agreements made to customers so as to maintain seriously and steadily a good and sustainable relation with them. Similarly, customers' data will not be used for the benefit of the Company and people concerned.
2. Select business partners, evaluate their performance and provide an opportunity for them to express their opinions and recommendations for mutual business transactions, all on an equal basis, apart from providing them with equal data and information and treating their secrets as strictly confidential.
3. Be determined to perform with an excellent operating result so as to generate shareholders' satisfaction through the sound and continuous returns, maintenance of the Company's leadership in the non-life insurance industry with constant profit growth, and maintenance of its good reputation.
4. Select and engage employees having skills and experiences pertinent to the Company's work, without regard to sex, race, religion or institutional difference as limitations to their participation in the Company's work. In addition, the Company will take care of its employees' remuneration and welfare schemes so that they are at an appropriate level, as well as provide them with an opportunity to fully develop themselves in order to be prepared to move forward.
5. Compete commercially on a fair and all-inclusive basis, in conformity with international principles under the laws defined, based on an equal commitment to sound competition rules, while not violating business competitors' commercial secrecy with a dishonest and inappropriate method. Also not prevent others from entering a business competition and not damage business competitors' reputation or act in a way that is unfair to competition.
6. Treat all creditors on a fair, equal and honest basis, strictly attaching to honoring a promise and commitment made to them. Also manage funds so that they possess proper structure to support the Company's business transactions and retain its creditors' confidence.
7. Raise awareness of the Company's management and employees at all levels so that they fully realize the significance of self-practices that benefit society, support social activities and provide assistance to the underprivileged. Also create awareness in preserving natural resources and sustainably developing the environment.
8. Carry out business transactions under the requirements of laws and give cooperation in providing data and information requested by the regulator, aimed at displaying the transparency and creating the confidence and trust in one another.
9. Give priority to transparency and take into account an honest practice by attaching to a performance based on international human rights principles. Also not violate intellectual property rights or copyrights, while being against a corrupt practice of all forms to prevent taking benefits, both directly and indirectly, for oneself and others.

Anti-Corruption Policy

The Company is determined to carry out its business transactions on a transparent, accurate and fair basis, in strict conformity with the principle of good corporate governance, besides fully and continuously realizing the significance of

anti-corruption practice. As a consequence, the Company has displayed its determination to take part in the Collective Anti-Corruption (CAC).

The Company was approved by the Board of Directors' resolution on its 1/2015 meeting on February 27, 2015 to request for the certification to take part in the Collective Action Coalition (CAC).

The Company has formulated its anti-corruption policy and whistle-blowing policy, improved rules and regulations concerned, as well as prepared for a self-evaluation form relating to the anti-corruption measures and then submitted it to the CAC Committee. The Company was certified by the CAC Committee' meeting resolution on October 16, 2015,

The anti-corruption policy stipulates that everyone in the Company, ranging from Board directors, management, employees to business partners, shall strictly abide by the defined policy, covering business transactions in all countries and sections relating to the Company. The policy also requires the Board to take charge of overseeing to ensure that any implementation is in compliance with the policy, while the policy itself has to be steadily verified. Additionally, the Company also has a whistle-blowing policy for employees, business partners or outsiders who have found an act involved with a corrupt practice to file a complaint via different channels, such as a letter or email: anti-corruption@bangkokinsurance.com, both of which will be sent directly to the head of Internal Audit Office. A complaint filed to the Company will be strictly treated as the most confidential, while it has a protective measure for those giving data or reporting a corrupt practice clue so that they will not get into trouble. The Company will treat all parties on a fair basis. If a person committing corruption is the Company's employee, he/she is subject to disciplinary punishment according to its rules and regulations, and may even be penalized by law if his/her act is illegal.

An Additional Guideline Relating to the Prevention of an Involvement in Corruption

The Company has defined an additional guideline to prevent an involvement in corruption, consisting of 3 items as the following:

1. A procedure in an assessment of corruption risk
2. A practical guideline for overseeing and controlling to prevent and follow up risk incurred by corruption
3. A follow-up and evaluation of an implementation based on the guideline for preventing an involvement in corruption

1. A procedure in an assessment of corruption risk

The Company has provided for a risk management system appropriate for its business transaction, by identifying an event of a high risk of corruption that may occur from a business transaction, and making an evaluation of the level of risk, apart from defining a measure suitable to the risk evaluated, through having the Company's Organization Risk Management Department keep an eye on an assessment of the implementation based on the risk management plan.

2. A practical guideline for overseeing and controlling to prevent and follow up risk incurred by corruption

The Company has defined a practical guideline for overseeing to prevent and follow up risk incurred by corruption, as summarized below.

1. Provide for an audit procedure, make an assessment of an internal control system and a risk management system covering significant work systems in order to prevent and follow up risk stemming from corruption, as well as provide recommendations in relation to a proper corrective guideline.

2. Provide for a channel for receiving the report on data, clues or complaints of violation, and acts against the laws or the Company's code of ethics. Also have a policy on providing protection to those giving data or clues, and treating their data as confidential, apart from having a measure for an inspection for fact verification.

3. A follow-up and evaluation of an implementation based on the guideline for preventing an involvement in corruption

The Company has defined a follow-up and evaluation of an implementation based on a guideline for preventing an involvement in corruption as follows:

1. Assign the Internal Audit Office to have duties on the audit and assessment of systems of internal control by conducting an audit in line with an annual audit plan approved by the Audit Committee, and making a report on audit consequences to the Audit Committee.

2. Assign the Enterprise Risk Management Division to take charge of a steady assessment of corruption risk to ensure an effective implementation of the anti-corruption measure. Implementation consequences will be followed up and presented to the Company's Management and Risk Management Committee, and the latter will subsequently report to the Board of Directors.

3. If it is found that the data derived from complaints or audit consequences has evidence reasonable to believe that there are transactions or acts which may significantly affect the Company's financial standing and operating performance, as well as violations and acts against the laws or the Company's business ethics, the Audit Committee will report to the Board of Directors for acknowledgement, as well as an improvement and correction within the time the former thinks appropriate.

The Company has provided for a communication of its policies on anti-corruption and clue report by disseminating them via both the internal and external media, for instance, Intranet and the Company's website, annual report and newsletter in order for all of its management, employees and business partners to acknowledge and abide by. Furthermore, the Company has defined a training course on the anti-corruption practice for its employees and executives, aimed at providing knowledge of the Company's policy on and practical guideline for anti-corruption.

Respect of Human Rights

The Company has an intention of treating its employees in compliance with the International Human Rights principle, with a respect for the value of human beings and not violating their basic rights, through an implementation of the following issues.

Core issue	Focused issue	Implementation
Employees' Rights and Participation	<ul style="list-style-type: none">• Give importance to a discussion• Employees' participation in collective negotiation• Rights to be equally informed of data and information both inside and outside the organization• Generate all levels of employees' relationship and participation	<ul style="list-style-type: none">• The Company typically has all its employees acknowledge its work policy from the organization's senior executives early each year so that they move in the same direction.• Organize a party for all employees each year for their accord.• In 2018, the Company provided for an organizational health survey on 4 major issues such as engagement index, employer brand index, leadership index and high performance culture index, conducted by an external agency, Aon Hewitt (Thailand), in collaboration with Sasin Graduate Institute of Business Administration of Chulalongkorn University, in which employees can independently express, on a factual basis, their opinions on the Company with regard to themselves, to be used as data for an improvement and development in response to employees' demand, and for a creation of an incentive for them, besides having a summary of the result and reporting to all sections for their acknowledgement.

Core issue	Focused issue	Implementation
		<ul style="list-style-type: none"> • Prepare the Intranet system under the name BKi Connect, as a channel for employees to have quick and convenient access to the Company's data, rules and regulations and interesting data outside the Company, besides being a channel in which on the Company or conveniently exchange data among themselves, consisting of such items as MelDEA2Solution, BKi Knowledge, Law and Regulation, HR News, Upcoming Events, News Update, Photo Releases, etc. • Have a variety of committees and working groups, with a representative from different sections taking part in an implementation.

Fair Treatment of Labor

The Company has a policy of treating all of its employees on a fair and equal basis for their benefit, while managing its personnel resources in strict conformity with laws and other requirements concerned, via an implementation of the following issues.

Core issue	Focused issue	Implementation
Employment	<ul style="list-style-type: none"> • Perform in compliance with laws related to employment • Not use forced or child labor • No discrimination on employment 	<ul style="list-style-type: none"> • Have fair treatment to labor and in strict compliance with related laws, for instance, the Labour Protection Act (No. 6, B.E. 2560), Labour Relations Act, B.E. 2518, Workmen's Compensation Act, B.E. 2537, Social Security Act, B.E. 2553, Provident Fund Act (No. 3, B.E. 2550), the Ministry of Labour's Declaration on Employees' Working Safety and Minimum Wage, Code of Civil Laws on Labour Engagement, etc. • Does not engage persons under 18 in employment. • Employees are employed without regard to sex, race or religion. They have an equal chance for a selection through a written examination and a competency-based interview in accordance with the Company's standard. • There is a clear and update determination of job description and interviewers are informed of it prior to a job interview.
Development and Promotion of Employees	<ul style="list-style-type: none"> • Have a Guideline for development of skills and training for an equal chance to make progress of employees without discrimination 	<ul style="list-style-type: none"> • In 2018, the Company provided innumerable training courses to its staff, with an average of 5 training days per staff per year, concentrating on development of all staff's multi skills so that they have potential, knowledge, capability and skills in response to the Company's vision and annual goals, which are offered in different patterns to be in accordance with a learning organization, for instance, <ul style="list-style-type: none"> - On-the-job training and coaching by one's superior and colleague - Self-learning via an e-Learning system - Classroom training

Core issue	Focused issue	Implementation
		<ul style="list-style-type: none"> - Training Needs by Position system, in which knowledge training, development and certification is conducted in line with staff's knowledge and skills based on items essential to work performance - Expert sharing by staff who are skillful or expert in their work. - Overseas training and study trip. - Job rotation. - Job transfer. • The Company provides, constantly and every year, scholarships for a master's degree study to staff studying in the field supporting the Company's business transaction. • The Company presents awards by carrying out the "Happy Graduation" activity to congratulate on those who have completed their insurance course from CII and TII. • The Company organizes a thank-you party for special speakers and presents an honorary certificate to staff invited from various sections to give a special talk. • The Company also has a mentor system, in which more experienced staff act as mentors for new staff to guide the latter in the performance of their work to develop work potential, and an adjustment of their attitude and practices to be in line with the Company's culture, creating a friendly working atmosphere.
Health and Safety	<ul style="list-style-type: none"> • Give priority to the health and safety in work performance of both the staff and employees 	<ul style="list-style-type: none"> • The Company has established the Safety, Health and Environmental Committee to define policies and oversee an implementation of activities regarding working safety of employees, contractors and outsiders who come in to work for or use the service on the Company's premises. The activities carried out in 2018 were, for example, the 5s activity, air quality measurement in the workplace, a sanitizer service in the office building, training on fire escape and a demonstration of use of extinguishers. • Provide for employees to have knowledge and understanding of first aid and lifesaving via cardio-pulmonary resuscitation (CPR) when an accident arises in the workplace, including a possible illness, aimed at employees' knowing how to accurately and safely give first aid to themselves and others. • In 2018, there were no accidents nor serious sickness.
Welfare	<ul style="list-style-type: none"> • Oversee and give importance to staff's personal life and family for a balanced personal life and working life, feeling happy in their work performance. 	<ul style="list-style-type: none"> • The Company has provided welfare based on the concept of Happy Workplace, an organization of happiness, to create Work Life Effectiveness, having blissful working life, personal life and family, as the following:

Core issue	Focused issue	Implementation
		<ul style="list-style-type: none"> - Provide for the staff's annual physical examination from a service of Bumrungrad International Hospital, a leading local hospital. - Provide for Aerobic dance, yoga, badminton court to encourage and promote staff's exercise, aimed at relaxation from work - Provide for the body care activity to solve the problem of office syndrome for staff, aimed at reducing the symptoms of inflamed muscle and an ache in various organs, resulting in staff's sound quality of life and performance efficiency. - Provide training and workshop for employees on knowledge of "Happy Money," given by lecturers from the Bank of Thailand and Bangkok Life Assurance Public Company Limited, aimed at their ability to make an efficient individual financial plan and achieve the goal defined. - Organize New Year's Staff Party to repay their devotion to work throughout the previous year, aimed at staff's relaxed working atmosphere and getting together. - Carry out activities helping students of provincial schools, with an aim to encourage staff to have a mind to help others without expecting anything in return, via the 11th Bhappy activity on "Ruam Rang Ruam Jai Sang Fai Sang Pa Kuen Khun Ka Hai Pan Din" at the Khaonampu Nature and Wildlife Education Center in Kanchanaburi by recruiting the public-minded staff conducting activities for children. Besides, there is also the "Promote Students' Reading Habit" project supporting the reading habit of students in 4 provincial schools, via such activities as library arrangement and procurement of books appropriate for students' age, storytelling and teaching students to make pop-up cards. - Carry out an activity to make a study tour, for the 6th year, for merit following the footsteps of Lord Buddha at the Holy Land in India and Nepal in order to have more access and faith in Buddhism, creating one's peace of mind and ability to consciously adapt it to one's work and personal life. Additionally, the 51 participants have learned from their 9-day-and-8-night stay together, causing an understanding and tolerance among themselves, which helps reduce the gap between each one of them and incur smoother work performance.

Core issue	Focused issue	Implementation
		<ul style="list-style-type: none"> - Organize, for 4 times, the “Mind Spa” activity at a meditation practice school outside the Company in order for staff to practice meditation and calm their mind. - The Company and its employees have hosted a merit-making ceremony of Kathin at Wat Wangperm-Phrapavana in Nakhon Ratchasima. - Establish a provident fund which employees save and use during retirement, while they can select a maximum cumulative rate of 15 percent. - Have a loan for employees at a lower interest rate than that in the market to help them in such necessary incidents as house construction, house buying, and medical expenses of employees’ father, mother, child, or spouse. - Constantly provide for a temperature measurement as well as fungi, bacteria and viruses sanitizer in its employees’ workplace to ensure its cleanness and safety. - On each floor of the Company’s offices, an open, beautiful and ventilated space has been provided which is good for relaxation after work, or a meeting among staff during an afternoon break at 3 p.m., with a free refreshment service all day, such as clean drinking water, tea and coffee.

Development of Products and Innovations

With the realization of and attention to its customers in every footstep, the Company has constantly created new innovations through development of products, services and working procedures, aimed at being in compliance with the current situation as well as benefiting and in response to customers, business partners and consumers, with their greatest satisfaction. In 2018, the Company developed the following products and service innovations.

- **Durian Insurance**

Bangkok Insurance Public Company Limited is the first non-life insurance company to issue an insurance policy for durian orchards, aimed at alleviating Thai agriculturalists’ risk through the following coverage:

- Coverage for all breeds of durians based on durian’s age from 1 year and over
- Coverage for total loss of durian trees (after the waiting period) due to a storm, hailstone, flooding, fire, lightning, wildfire, strike, collision, push or a durian tree trunk being broken by wild animals or pets not owned by the insured.

- **Personal Accident Insurance “PA Me Style”**

The personal accident insurance “PA Me Style” is a plan designed to add a variety of products that give customers the opportunity to select coverage appropriate to their lifestyles, consisting of 3 insurance plans as the following:

- Family First: Replenish comfort to families. This has been designed to emphasize being a guarantee of financial stability in case of a severe accident causing death, disability or coma, with an initial premium of only Baht 660 and maximum selected coverage of Baht 1,000,000.

- PA for All: Replenish comfort for all lifestyles, appropriate for customers who want to have personal accident insurance as their comfort. Customers can choose to purchase an insurance plan with a wide variety of coverage, beginning from Baht 100,000 to Baht 1,000,000, and an initial premium of only Baht 1,160.
- Fit Style: Replenish comfort to customers to fully enjoy their lives through all activities, whether a tour, playing sports or a risky activity that may cause an injury from an accident. Coverage in this insurance plan includes expenses incurred by an accident, whether medical expenses, expenses on a treatment of facial wounds, or dental expenses, including coverage in case of temporary or total permanent disability. There is daily compensation for physical therapy or if a customer has to stay in hospital as a patient, he/she will be compensated for his/her daily income based on selected coverage.

- **CTA Travel Delight**

"Since travel is happiness, don't let anxiety be an impediment to it." The sentence is the origin of the Company's comprehensive travel accident insurance "CTA Travel Delight", an insurance plan providing comfort to customers through the following coverage:

- Loss of life, permanent dismemberment, loss of sight, or total permanent disability incurred by an accident, with maximum coverage of Baht 3,000,000
- Medical expenses due to an accident or sickness occurring abroad, with coverage of Baht 2,000,000 and maximum continued medical treatment expenses in Thailand of Baht 200,000
- Expenses on an emergency medical treatment or evacuation and repatriation, with maximum coverage of Baht 3,000,000
- Maximum daily compensation of 60 days when receiving a medical treatment as an inpatient, with a maximum compensation of Baht 2,000 per day
- Coverage for a loss of or damage to baggage, clothes and personal effects therein, whether a loss occurring in a hotel, or incurred by an airline or robbery, with maximum coverage not exceeding Baht 30,000

In addition, there is also such coverage as a baggage delay, trip cancellation or trip curtailment, third-party liability, flight delay, aircraft hijacking, hospital visit, loss of or damage to traveling documents, emergency call charges expenses, and an extension of risky sports coverage.

- **Health Insurance Plan "Care Plus" Providing More Comfort**

Bangkok Insurance has developed its health insurance plan "Care Plus" to provide more comfort through medical treatment coverage for both inpatients and outpatients, including a special additional service "Nursing at Home", providing services of continuously taking care of recovering patients after leaving hospital in the case that customers become sick or have an accident and have to get treatment as an inpatient in a hospital. Customers can choose to buy 2 types of coverage: 1. Having no deductible, or 2. Having 20 percent of deductible of expenses really occurred at each time. Both types have 3 plans for selection, namely, coverage of Baht 300,000, Baht 400,000 and Baht 500,000.

Features of Care Plus includes the following:

- Generate a secure guarantee, being prepared to cope with an unexpected event. The insured aged is between 21 and 55, while a policy can be renewed until the insured is 60
- Feeling comfortable with special additional services "Nursing at Home", steadily looking after one's health during recovery, with maximum 7-time services per rehabilitation as a patient in a hospital
- Medical services provided by nurses
- Physical therapy services and therapeutic activities
- Medical services provided by assistant nurses
- General health service

- **Application “Journeys by BKI” Connecting All Lifestyles That Are You**

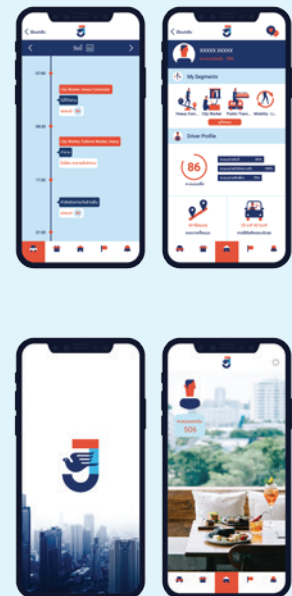
Bangkok Insurance is the first non-life insurance company in Thailand which has applied advanced technology to learn users’ lifestyles via an application on a mobile phone named Journeys by BKI, aimed at its customers’ being closely looked after, apart from receiving an insurance plan in line with their lifestyles at a worthier premium rate.

An application Journeys by BKI can learn users’ lifestyles via a smart phone by compiling and recording their data on traveling to different places and doing daily routine, after which users’ behavior is processed to find the pattern of their lifestyles, and whether they have balance in their way of life. In addition, the application can also make an evaluation of users’ driving score to find their driving behavior whether it is safe or not. A display of users’ lifestyle result is divided into the following:

- Segments: displaying the consequence of users’ behavior analysis, such as being a full-time worker, a workaholic, a sportive, a shopaholic, etc.
- Moments: displaying data on behavior which users exhibit at that moment, for instance, they are working, traveling, shopping, etc.
- Events: displaying data on traveling or being in such places as on an electric train, a bus, an airplane, a workplace, a residence, etc.

Furthermore, there are also special services “Auto Assistant” and “Medical Advice” for users of Journeys by BKI, in which users, in case of an emergency car breakdown, may contact a round-the-clock emergency help center to request for its services and free tow services at phone number 0 2305 8788. In case of an illness users can request a basic medical consultation service at phone number 0 2612 8930.

An application Journeys by BKI is regarded as another technology which the Company has used to develop its insurance products so that customers may obtain an all-inclusive insurance plan in compliance with each individual’s lifestyle, at an appropriate premium rate in greater response to customers’ demand.



- **Claims Report Service Channel Via Line @bkimotorclaims**

Bangkok Insurance has expanded its claims report service channel for customers through an application Line called @bkimotorclaims, by which customers can immediately make their motor claims report and contact a motor claims officer for an enquiry, whether sending a message or a photo of a damaged car, or sending the location of a car accident scene, in order to receive a quick claims service, apart from raising convenience in response to the lifestyle of people in a digital era.

For use of @bkimotorclaims, customers can easily add @bkimotorclaims in an application Line via the following channels.

1. Search for @bkimotorclaims on Line application
2. <https://line.me/R/ti/p/%40qvx7128w>
3. Scan QR Code

In the case customers want to make a motor claims report, they can also contact at the phone number 1620 or 0 2285 8000 every day round the clock.



Line@bkimotorclaims

- **Bangkok Insurance, Together with RS, Expands Distribution Channel**

Bangkok Insurance and RS Public Company Limited, a leader in comprehensive entertainment media business and home telesales market, have mutually signed as business allies, aimed at presenting an insurance plan through RS's distribution channels so as to access and respond to customers' wide variety of demands.

Responsibility to Customers and Business Partners

- **Disclosure of Data**

The Company has disclosed its data and information, activities and movements through such channels as BKI News, email, annual report, and the Company's website at bangkokinsurance.com and Facebook Bangkok Insurance in order for its customers and business partners to access its data at all times, for instance, the Company's operations, financial standing, new products, benefits and welfare, and activities.

For new customers interested to buy insurance, they can immediately download detailed documents of policies or calculate their premiums via the Company's website at bangkokinsurance.com for a consideration of the coverage detail prior to a decision to buy insurance.

- **Reception of Complaints and Recommendations**

The Company has established a Quality Control Center to be in charge of receiving, from all channels, complaints and listening to opinions and recommendations from customers and business partners, under its international standard quality management ISO 9001:2015. Similarly, the Company has made an External Customer Complaint Report, informing departments concerned to cooperate in an analysis of the cause of problems, aimed at defining preventive measures to avoid repetition, apart from the Quality Control Center's making a phone call and following up and enquiring about customers' satisfaction after obtaining the Company's service, for an improvement of the quality and development of more efficient working procedures and services, which can respond to customers' demand and provide them with the greatest satisfaction.

- **Implement Standards for Creating Secure Credit Card Payment**

To generate confidence for its customers using a credit/debit card to pay for premiums, the Company has implemented a measure for preventing a leak of credit/debit card data in conformity with the Payment Card Industry Data Security Standard (PCI-DSS) providing a credit card service, such as Visa, Mastercard and JCB. Under this Standard, the Company has to perform based on the measure established to ensure that customers' credit/debit card data is strictly and safely kept, while only the concerned officer can have access to such data, for example, the determination of employees' rights to access credit/debit card data, examination of a criminal record of staff, retention of security in storage and disposal of credit/debit card data documents, and improvement of an IT system to prevent a cyber-attack. These measures will cover all channels in which a customer uses a credit/debit card to make a payment, whether at the counter of the Company's Accounting and Treasury Department, regional branches, or a payment via the Internet.

Environmental Management Implementation

The Company has given considerable importance to environmental management to ensure that the operations under its management system will not have any adverse environmental impact on society and communities, as well as encouraging its employees to know the good use of energy. Additionally, the Company has fully realized its employees' safety and hygiene in the organization, and has assigned related departments to implement their activities in compliance with the principles and requirements defined by laws as the following:

1. Energy Management

Since the Company is determined to have efficient and sustainable energy management, it has defined a policy on energy conservation as a guideline for energy management and has carried out an activity on reducing energy use in line with the Ministry of Energy's policy for 2012, focusing on the maintenance of machinery so that it can perform with full efficiency to save energy, besides using modern technology to monitor energy use.

A working committee on the energy management has successfully implemented and coordinated the work in conformity with the policy defined, by rallying energy preservation for the Company's staff's awareness of the significance of collective energy conservation, apart from making a continuous dissemination of information and knowledge to staff. In 2018, the Company had a project for a sustainable diminution in energy use, as the following:

1. A project on a change in an air-conditioning system on leasers' 12th - 22nd floors from a refrigerant system to a cold-water system, which is continued from 2017. The entire installation was completed in March 2018.
2. A project on a change of light bulbs to LED ones on 2nd - 11th floors of Bangkok Insurance's building, which was completely implemented in November 2018.
3. A study of the project on a change in an insulation of cold-water pipes, aimed at diminishing a loss of coolness in the cold-water distribution pipe system within the building.

2. Hygienic and Environmental Management

For its management of water and water quality, the Company has applied technology on water quality preservation ozone to the storage and raise of drinking water quality by adequately installing drinking water filters. It has also steadily maintained and changed filtering equipment, as well as strictly monitoring, at each checking period, the quality of both drinking and non-drinking water based on the Metropolitan Waterworks Authority's standards, apart from daily checking the amount of water used, to control an appropriate and non-wasteful use of water resources.

For environmental conservation, there has been an inspection of a wastewater disposal system and wastewater quality to ensure that it has a standard value in accordance with the Ministry of Natural Resources and Environment's declaration prior to discharging it into public drain pipes, including submitting a monthly report to the government agencies concerned.

Besides, the Company has provided for training of its staff taking charge of wastewater disposal system management to ensure that the wastewater disposal is always up to standard.

3. Air Quality Management

The Company has measured the quality of air within the office every year to make sure that it is up to the standard defined. Similarly, the Company has also selected environment-friendly office equipment, such as a photocopier and a multifunction machine which decrease an emission of carbon dioxide into the atmosphere, apart from frequently providing a sanitizer service, etc.

Additionally, the staff have derived training relating to air quality management so that the office's air quality is up to standard.

4. Garbage Management

The Company has given priority to its 5s (clear up, convenient, clean, sanitary and habitual) activity and has therefore consistently arranged it every year to promote sound hygiene and the most beneficial and efficient use of office resources in order to reduce the amount of garbage in the office, which has an impact on the pollution and atmosphere in the workplace. In this connection, the Company has carried out a paper-weighting activity so that usable garbage or materials will be subsequently reused and/or recycled materials will be sold to purchasers.

5. Incident Prevention Management

Apart from the environmental management, the Company has also given priority to the safety of its staff, customers, business partners and users of services within the Company's building, and has thus established the Safety, Health and Environmental Committee to ensure that the performance in all activities under the Company's supervision is safe and correct based on the principle of hygiene and safety, with departments concerned overseeing the activities or performance as follows:

5.1 Formulate a plan on the strict maintenance/inspection of machinery, the electrical system, fire alarm system, fire extinguishing system and other systems to enhance the efficiency of the prevention of an incident within the building.

5.2 Set up an Emergency Rescue Team (ERT) having passed a training for preparedness to preliminarily quell an incident and help victims.

5.3 Provide a training course on the knowledge of basic fire extinguishing to employees.

5.4 Provide a training course on first aid.

5.5 Monitoring annually the safety in the building in accordance with the Building Control Act.

5.6 Provide a training course on self-defense against a fire or an earthquake.

Participation in the Development of Communities, Society and the Environment

Bangkok Insurance Public Company Limited has attached to its management based on the principle of good corporate governance and is responsible to society. The Company has firm resolution to constantly lend support to activities for society and the environment, apart from giving priority to sustainable development which can be concretely evaluated, to rehabilitate communities, aimed at their self-help in the long term with a hope that the overall society may live happily and harmoniously together, with a sound quality of life and a balanced and sustainable growth.

In 2018, the Company had conducted activities supporting education, religion and art and culture, public health, relief of public disasters, development of communities and the environment, and development of the quality of life, with the following details:

Education

- **Contributions to Foundations under Royal Patronage**

- A contribution of Baht 4,000,000 to the Ananda Mahidol Foundation as scholarships for students with academic capabilities to have an opportunity to further their studies at the highest level in a foreign country so as to apply the knowledge learned to the development of the country for its progress.
- A contribution of Baht 2,500,000 to the Chai Pattana Foundation to implement the royal initiative projects assisting people in such aspects as education, the environment and social development.
- A contribution of Baht 1,500,000 to the "Graduates Go Home" project as scholarships for students under royal patronage.



- **Bangkok Insurance Scholarship Project**

The Company has, since 1994 to present, granted scholarships to outstanding but poor students for their university education. In 2018, 49 scholarships were granted. The grants included tuition fees, as well as expenses for food, accommodation and others, all of which were provided free of charge. The Company would continuously grant scholarships until students graduate from a university. So far 605 scholarships or a grant of Baht 102,731,900 had been presented. Additionally, the Company also had a project on injecting ethics, righteousness and public mindedness into those students. In 2018, the following activities were carried out:

- Rural development volunteer camp aimed at encouraging BKI scholarship students to be public-minded to help society. In 2018, BKI scholarship students conducted their development volunteer camp activity by aiding and improving the school library and carrying out activities promoting a reading habit among students at Ban Non Hom School, Amphoe Wang Yang, Nakhon Phanom.

- **Promote Students' Reading Habit Project**

The Company has implemented its "Promote Students' Reading Habit" project to present as royal merit to the late His Majesty King Bhumibol Adulyadej by donating books telling, in an easy-to-understand pattern, the story of events occurring throughout the King's reign to 70 schools in the royally initiated education fund which are in poverty-stricken areas. In addition, the Company's public-minded staff also took part in activities of the "Promote Students' Reading Habit" project, such as an arrangement of a reading habit corner for Father, storytelling, paper-folding teaching and pop-up card making. In 2018, the Company had conducted such activities for students at Ban Huai Krai School, Amphoe Hua Hin, Prachuab Khiri Khan and Ban Mae Ka Moei School, Amphoe Kang Krajarn, Phetchaburi.

- **Present Dormitory Building**

Bangkok Insurance made a contribution of Baht 1,000,000 for the construction of a dormitory building for Nong Namsom Vittayakom School, Amphoe Uthai, Phra Nakhon Si Ayutthaya, which is meant for students in remoter areas to reside, aimed at their convenience in traveling to school during a school term, apart from being used as a residence of the school's football players.

- **BKI Scholarships for 2018**

Bangkok Insurance had granted scholarships, through its "BKI Scholarship" project, to 15 sophomores of the departments of insurance, mathematics, statistics and information technology in various educational institutions who had outstanding study result and good behavior. The Company made a constant contribution of Baht 30,000 to each of these students every year without any obligation until they completed their bachelor's degree study.

- **BKI Give Project**

The Company had initiated its "BKI Give" project in 2015 with the aim to support the educational institutions' educational and society-development activities. In 2018, the Company presented writing equipment and bottled water for use in education-promotion activities of various universities, totaling 10 activities.



Public Health

- **Mobile Medical Unit Service**

The Company, in collaboration with Bumrungrad International Hospital, has provided a mobile medical service for the treatment of general diseases and given a dental service to underprivileged patients, with over 5,000 people coming for treatment, as well as distributing such basic necessities as clothing, blankets, rice, dried food and common household remedies to those coming for the service, apart from children in the area receiving a worm laxative for their sound hygiene. In 2018, the activity was carried out free of charge at Phra Ajarn Ban Thanakaro Hospital, Amphoe Phu Phan and Ban Kor Noi School, Amphoe Kud Bark, Sakon Nakhon.

Bangkok Insurance has, since 1988 till now, continuously carried out such an activity for 30 years, with a determination to relieve illnesses of people in remote and poverty-stricken areas who lack the opportunity to obtain a medical service, aimed at their better quality of life.

- **Present Cataract Operation Equipment**

Bangkok Insurance has presented equipment for cataract operations through a high-frequency wave, amounting to Baht 2,580,000, to Um Phang Hospital, Tak. Such cataract operation equipment is what the hospital lacked, and is used for the treatment of people in remote and poverty-stricken areas in Amphoe Um Phang and nearby areas for their recovery and a sound quality of life.

- **Support the Sirindhorn National Medical Rehabilitation Institute**

The Company has supported equipment for the Sirindhorn National Medical Rehabilitation Institute through a presentation of back-neck press equipment which is essential medical equipment since it is currently found that there are a large number of patients and disable persons receiving a rehabilitation service, with an increasing trend each year, resulting in the Institute's lack of equipment for its services. The Company has supported 11 back-neck presses and 1 machine for treatment via a magnetic field, in the amount of Baht 5,479,500.

- **Donate Blood to the Thai Red Cross Society**

Bangkok Insurance has persuaded its management, staff, customers and business partners, as well as the general public to donate blood to National Blood Center, the Thai Red Cross Society, so that there is enough blood for treatment of patients in hospitals nationwide, while part of it will be kept as a reserve for emergency use. In 2018, the Company carried out its blood-donation activity 4 times with over 700,000 c.c. of blood donated.

- **Continued Ventilator Donations on the Company's 70th Anniversary**

On the special occasion of the 70th anniversary of its operation in 2018, the Company conducted innumerable projects and activities focusing on giving importance to people's well-being with respect to sound hygiene, aimed at promoting a good quality of life of socially underprivileged people so that they have robust health and a better standard of living. These extraordinary projects and activities had an implementation plan from 2016 to 2018 and were in addition to other projects regularly implemented annually. In 2018, the Company donated ventilators to Sunphasitthiprasong Hospital, Ubon Ratchathani, Khon Kaen Hospital, Khon Kaen and Buddhachinaraj Hospital, Phitsanulok.



- **Clean Drinking Water for Students in Rural Areas Project**

The “Clean Drinking Water for Students in Rural Areas” project for needy schools in poverty-stricken areas is another ongoing project from the occasion of the Company’s 70th anniversary, in which it supports maintenance costs and filter element costs for 74 schools participating in the project. The Company has also constantly followed up and made an assessment of water filter care in those schools.

- **Toilet Construction for Schools in Rural Areas Project**

It is another project which has been continuously implemented since the occasion of the Company’s 70th anniversary, in which the Company searches for and selects schools in remote and poverty-stricken areas that lack a hygienic toilet, targeted for 70 schools, while toilets have already been constructed for 54 schools. There are 16 remaining schools, 7 of which have toilets under construction, while the phase of consideration for selection is being implemented for another 9 schools. It is expected that toilet construction for all 70 schools will be completed within 2019.

Relief of Natural Disasters

- **Help Flood Victims in Laos PDR**

Bangkok Insurance, in cooperation with Bangkok Insurance (Lao) Company Limited and the Bangkok Insurance Foundation, has made a contribution of Kips 109,776,000 or Baht 414,249, in support of flood victims in Lao People’s Democratic Republic, to the Thai Ambassador and Minister Counsellor to Vientiane. The flood was due to the tragic collapse of Xe-Pian Xe-Namnoy dam.

Development of Communities and the Environment

- **Bhappy Project**

The Company, in collaboration with Bumrungrad International Hospital, Bangkok Life Assurance Public Company Limited and Aioi Bangkok Insurance, has organized the “Ruam Rang Ruam Jai Sang Fai Sang Pa Kuen Khun Ka Hai Pan Din” activity at the Khaonampu Nature and Wildlife Education Center in Kanchanaburi by over 200 members of the 4 aforementioned organizations’ management and public-minded staff who collectively conducted an activity for the preservation of water and forests. On this occasion, the 4 organizations’ management made a contribution of Baht 330,000 in support of floor tiles for a building intended as a learning center for young people.

- **Promote Handicraft Occupation for Villagers in Mukdahan**

The Company has initiated the “Promotion of Handicraft Occupation for Villagers in Mukdahan” project, started in 1995 and continuing till now, in which villagers are trained to weave baskets from plastic fiber, weave kok mats and hand-weave natural-color bathing cloth. In addition, there is the provision of experts in teaching, development of production methods, and a search for raw materials and production outlets. This is aimed at encouraging people in areas with supplementary occupations to augment their incomes, leading to better and sustainable living.



- **Lost and Found Project**

The Company has supported the “Lost and Found” project of the FM 91.0 MHz for a campaign on raising people’s awareness of honesty to themselves and others, including a rally on the people’s doing good and having a public mind in collecting precious lost things and returning them to the owners, and thinking of others’ feeling in the same way as when our own things are lost, which is in compliance with the Company’s policy on encouraging and emphasizing its staff’s adherence to service based on the concept of “Your Caring Partner”. Furthermore, the Company has also given priority to such a project, which is a starting point in building moral support for and seeing the value of good people in society, which will become an expanding force in endlessly performing good deeds for other people in a wider circle.

- **Support the Rajapruak Institute Foundation**

The Company has consistently supported the Rajchapreuk Institute Foundation annually. In 2018, the Company, together with its network members, lent support to an implementation of the Foundation’s activities, apart from having personal accident insurance for those participating in the activities, for instance, the Thailand ASEAN Youth Camp activity, Mangrove Reforestation activity, 5th Year Return of Lives to Forest with Dr. Somchai activity, and Save Rainforest activity, etc.

Religion, Art and Culture

- **Mind Spa Project**

The Company has encouraged and opened an opportunity for all levels of its employees to participate in studying Dharma and practicing meditation to generate happiness and develop the quality of work and daily life. In 2018, the project was organized 4 times at Sangtham, Pak Chong, Nakhon Ratchasima.

- **Pha-pa Ceremony**

Bangkok Insurance had cooperated in annually organizing a merit-making ceremony of Pha-pa for 2018, with total merit money of Baht 1,463,208.50, at Wat Wangperm - Phrapavana in Amphoe Pak Chong, Nakhon Ratchasima, which is a branch of Wat Doi Dharmajedi in Sakon Nakhon.

- **Organize a Workshop on a Study of Archaeological Sites of Ban Promthintai in Lop Buri**

The Company has, since 2007 till now, supported the Faculty of Archaeology, Silpakorn University in rehabilitating archaeological sites and preserving historical objects at the archaeological sites of Ban Promthintai in Lop Buri. In 2018, the Company organized a workshop on the study of the artistic and cultural heritage in the central region, including making a study trip to the Thai Puan Museum of Wat Ban Sai and community archaeological sites of Ban Promthintai. Both activities were carried out for a group of 117 teachers of non-formal education in Lop Buri and network museums.

REPORT OF THE AUDIT COMMITTEE

Bangkok Insurance Public Company Limited's Audit Committee, consisting of 3 independent directors, each with a three-year term, is comprised of VDC Col Plengsakdi Prakaspesat, Committee Chairman, and Miss. Potjanee Thanavaranit and Mr. Chor.nun Petpaisit, Committee Members.

In 2018, the Audit Committee convened 4 meetings, attended by the President, Executive Vice President of Accounting and Treasury Department and Company Secretary, and First Vice President of Internal Audit Office. It further convened another 2 meetings with independent auditors without the attendance of the Company's management to implement duties assigned by the Board of Directors as summarized below:

1. Reviewing of the Financial Statements. The Audit Committee, along with the Company's management and independent auditors, has examined the Company's quarterly and annual financial statements to ensure that they are accurately and properly established in accordance with Thai Financial Reporting Standards. Simultaneously, data is sufficiently and reliably disclosed. In addition, the Committee has made suggestions for an improvement and conducted follow-up checks for the Company's benefit.

2. Supervising the Company's Internal Control System and Performance Corresponding to the Provisions of Law. The Audit Committee has examined and approved the audit plan of the Internal Audit Office for 2018, examined the report on audit consequences based on the plan, as well as made suggestions for the efficiency and effectiveness of the Internal Audit Office's performance, in addition to exchanging opinions and providing advice to the Company's management in order to follow up with improvement on significant issues according to an audit report. This is to ensure that the Company has a good internal control system and practices that comply with the relevant laws and regulations.

3. Checking to Prevent a Conflict of Interest. The Audit Committee has examined interrelated parties transactions of companies and persons concerned that may generate a conflict of interest with the Company. This is to ensure business transparency and actual transactions for normal business practices, which does not significantly affect the Company.

4. Selecting and Proposing an Appointment of Auditor. The Audit Committee has considered and proposed to the Company's Board of Directors for approval from the shareholders' meeting for the appointment of Mrs. Nongluck Phumnoi and/or Miss Somjai Khunapasut and/or Miss. Ratana Jala of EY Office Limited as auditors for the year 2018, with the remuneration of Baht 2,540,000.

5. Performing Other Duties. The Audit Committee has supervised and provided recommendations to the Company's management in terms of managerial issues to engender an appropriate inspection and a checks-and-balance mechanism. It also adheres to the principles of good corporate governance policy so as to create confidence among shareholders, investors and all parties concerned.

The Audit Committee has considered and found that the Company implemented a good corporate governance policy and established a proper and effective internal control system. Similarly, the Company has efficient risk management and interrelated items that are commercially regular transactions. In addition, the Company has performed its operations in compliance with the relevant laws and regulations, and established accurate and proper financial statements, while disclosing complete and correct information on par with accounting measures, and having a reliable system of good corporate governance.



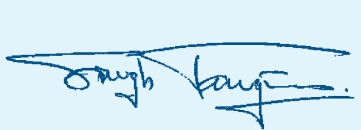
(VDC Col Plengsakdi Prakaspesat)
Chairman of the Audit Committee

REPORT OF THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee has been assigned the duty to ensure that the Company has an appropriate structure of the Board of Directors, as well as the appropriate number of its members necessary for the Company to carry on its business activities and objectives, select a suitable and qualified person to supersede a Board member, the Chief Executive Officer and the President in case of completing his term, resignation or other reasons. The Committee has also been assigned to ensure that the Company has well-defined compensation policies and benefits for directors and officers to perform their duties effectively and efficiently. Realizing that the nomination of competent persons to the Company's key positions has efficiently helped advance the achievement of its vision and policies, coupled with the fact that proper remuneration is a factor generating an incentive for one to perform effectively, the Board of Directors, in 2018, had appointed one director to replace the director who resigned from the Board to oversee the Company's administration, apart from generating the operating performance benefiting shareholders and all groups of stakeholders, including giving approval to an appointment of the Chief Executive Officer, through the nomination of the Company's insiders.

The Remuneration and Nomination Committee has performed duties assigned to it in a prudent, cautious and reasonable manner, taking into account the remuneration based on both internal and external factors, compared to the Company's defined targets. As a consequence, for consideration of Board members' remuneration in 2018, the remuneration was defined at the shareholders' meeting at Baht 12,500,000, equal to that in the previous year.

In 2018, the Remuneration and Nomination Committee convened 3 meetings and disclosed the remuneration of the Company's Board members and management in the Company's annual report for transparency of an examination.



(Mr. Singh Tangtaswas)

Chairman of the Remuneration and Nomination Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Bangkok Insurance Public Company Limited's Board of Directors has given considerable importance to the principle of corporate governance since it realizes that a corporate governance system ensures organizational management that is transparent, accurate, fair and examinable. As a consequence, the Company's business transactions are based on the principle of ethics and good corporate governance in parallel with responsibilities to society and the environment, aimed at the efficient and effective development of the Company's management, generating confidence and trust among shareholders, investors, stakeholders and all parties concerned, leading to business prosperity and progress, together with the Company's participation in sustainable social development.

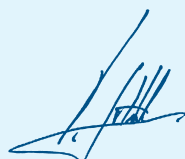
The Company's Board of Directors has assigned the Corporate Governance Committee, comprising 3 members, to have duties on and responsibilities for providing recommendations to the Board concerning a guideline for good corporate governance, apart from verifying the Company's Board and Management's overseeing and performance to ensure that they are based on the principle of good corporate governance and in compliance with the SET requirements and ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard).

In 2018, the Corporate Governance Committee had arranged meetings to follow up the Company's performance on good corporate governance, responsibilities to society and the environment, as well as sustainable development. A summary of its activities is listed below.

1. To consider, review and improve the Company's policy on good corporate governance so that it is up-to-date and in line with the principle of good corporate governance for listed companies for 2017 (CG Code), the survey on listed companies' good corporate governance (CGR), and the ASEAN Corporate Governance Scorecard, all aimed at the Company's business transaction being in line with the SET's principles of good corporate governance.
2. To consider and review the application of the SEC's practices based on the principle of good corporate governance for listed companies for 2017 (CG Code) to the Company's business context, aimed at the Company's business transactions having long-term sound operating results and generating sustainable value.
3. To consider and review the Company's policy on investment corporate governance (I Code), aimed at being a performance guideline for the Company's Board directors, executives and employees for their efficient investment management.
4. To consider and review the Company's ethics of business transactions, aimed at being a strict performance guideline for the Company's Board directors, executives and employees, apart from the training on knowledge of the Company's ethics of business transactions for all levels of the Company's employees.
5. To consider the performance consequence of the Company's responsibilities to society and the environment by providing recommendations on carrying out activities to help society and the environment, which is part of good corporate governance displaying the Company's responsibilities to society and the environment, which should get support and a rally for further public relations.

With a strong determination and intention of its performance based on transparency and fairness, for the greatest benefit to all groups of stakeholders, the Company received in 2018 an assessment from the Thai Investors Association with a score of 100 out of a total of 100, or Excellence and Appropriate as an Example, in a quality evaluation of the Company's shareholders' general meeting (AGM Checklist) in 2018.

The Company's Corporate Governance Committee is determined to develop its good corporate governance system in order to promote and boost the standard of the Company's good corporate governance principle so that it is universally acceptable.



(Mr. Virasak Sutanthavibul)

Chairman of the Corporate Governance Committee

REPORT ON THE BOARD OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Bangkok Insurance Public Company Limited Board of Directors is responsible for the Company's financial statements, as well as financial information technology appearing in the annual financial statements. Such statements have been prepared in accordance with accounting principles and practices generally accepted in Thailand. In this regard, the Board of Directors has selected an appropriate accounting policy and constantly implemented it with cautious discretion. Furthermore, significant data is sufficiently disclosed in notes of the financial statements.

The Board of Directors also provides and maintains an effective internal control system as well as an appropriate and efficient risk management system to ensure that the recording of accounting data is accurate, complete and adequate for the protection of the Company's assets and the prevention of fraud and malpractices, while disclosing interrelated items to avoid any conflict of interests, as well as complying with the laws and regulations concerned. In this connection, the Audit Committee is assigned by the Board of Directors to oversee, take responsibility for and continuously report the consequences to the Board. The Audit Committee's opinions on these issues have already appeared in its report, which is displayed in the Company's annual report.

The Company's Board of Directors is of the opinion that the overall internal control system of the Company is satisfactory and generates justified confidence in the reliability of the Company's financial statements as at December 31, 2018. The Company's independent auditor has also audited in accordance with generally accepted auditing standards and is of the opinion that the Company's financial statements referred to above present fairly, in all material respects, its financial position, operational consequences and cash flows in accordance with financial statements standards.



(Mr. Chai Sophonpanich)

Chairman

REPORT OF INDENPENDENT AUDITOR

To the Shareholders of Bangkok Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements of Bangkok Insurance Public Company Limited (“the Company”), which comprise the statement of financial position, in which in the equity method is applied, as at December 31, 2018, and the related statements of comprehensive income, changes in owner’s equity and cash flows, in which the equity method is applied, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and also audited the separate financial statements of Bangkok Insurance Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Insurance Public Company Limited as at December 31, 2018, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Gross Premium Written

In 2018, the Company had gross premium written of Baht 17,326 million. The Company accepted insurance from retail customers through brokers and agents and there have been a large number of insurance policies written. Calculation and recognition of gross premium written as earned revenue were dependent upon the information technology (IT) systems. I therefore focused on examining that gross premium written was correctly recognised as actually incurred.

I assessed and tested, on a sampling basis, the IT controls relevant to calculation and recognition of gross premium written. I checked, on a sampling basis, key data in reports relevant to insurance premium and reviewed the insurance policies and endorsement transactions occurring during the accounting period and after the reporting period-end. In addition, I performed analytical procedures on disaggregate gross premium written by insurance types, and tested key manual adjustments made through journal vouchers.

Loss Reserves

As at December 31, 2018, the Company had loss reserves of Baht 6,460 million (included as a part of insurance contract liabilities), representing 25 percent of total liabilities. Loss reserves included both claims incurred and reported and claims incurred but not yet reported. Such reserves were calculated using actuarial method, which involved certain assumptions that required the management to exercise a high level of considerable judgment in estimation of such reserves. I therefore focused on adequacy of loss reserves.

I assessed and tested, on a sampling basis, the operation of the Company's internal controls relevant to recognition of loss reserves. I assessed and tested, on a sampling basis, key assumptions and calculation of loss reserves. I checked, on a sampling basis, claim data against documents of major claims. I performed analytical procedures on frequency of claims and average loss per claim. Furthermore, I involved the experts to perform an independent actuarial review of certain model points used in calculation of loss reserves.

Allowances for Doubtful Accounts and Impairment

As at December 31, 2018, the Company had outstanding balances of premium receivables, reinsurance assets (loss reserves refundable from reinsurers), and reinsurance receivables totaling Baht 9,102 million (before allowances for doubtful accounts and impairment of Baht 61 million), representing 15 percent of total assets. In estimating allowances for doubtful accounts and impairment on such assets, the management is required to exercise judgement on certain assumptions used in calculation of losses that may be incurred on irrecoverable debts and assets. I therefore focused on adequacy of such allowances.

I assessed and tested, on a sampling basis, the operation of internal controls of the Company in relation to recording of collections from the brokers, agents and reinsurers, the calculation and recognition of allowance for doubtful accounts. Furthermore, I tested, on a sampling basis, data and method used in calculation of allowance for doubtful accounts, calculation of aging status and calculation of such allowances.

Allowance for Impairment on Investments

As at December 31, 2018, the Company had investments in associates and general investments, stated at cost less allowance for impairment in the separate financial statements, totaling Baht 817 million. In consideration of allowance for impairment, the management is required to exercise a high level of considerable judgment in selection of valuation methods and assumptions used for valuation such as discounted rate, growth rate, expected future revenue and so on. Such fair value assessment related to an estimation of future cash flows each entity would generate, which were uncertain. I therefore focused on adequacy of allowance for impairment on investments.

I assessed the valuation models used by the Company's management and tested, on a sampling basis, key assumptions used in valuation by comparing the applied discounted rates with industry's information and comparing the expected cash flows with historical financial performance and industry's trend and tested the fair value calculation.

Other Information

Management is responsible for the other information. The other information comprise the information included in the annual report of the Company, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my

knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Nonglak Pumnoi

Certified Public Accountant (Thailand) No. 4172

EY Office Limited

Bangkok: February 20, 2019

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2018

(Baht'000)

Assets	Note	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Cash and cash equivalents	6	419,567	399,584	419,567	399,584
Premium receivables - net	7	2,704,395	2,401,046	2,704,395	2,401,046
Accrued investment income		41,427	94,695	41,427	94,695
Reinsurance assets - net	8	6,100,713	5,487,396	6,100,713	5,487,396
Reinsurance receivables - net	9	236,156	239,202	236,156	239,202
Investment assets					
Investments in securities - net	10	47,951,309	47,819,625	47,951,309	47,819,625
Loans - net	11	1,440,402	1,359,308	1,440,402	1,359,308
Investments in associates	12.1	227,742	214,936	129,396	134,395
Investment properties - net	13	152,436	169,666	152,436	169,666
Premises and equipment - net	14	814,168	1,007,214	814,168	1,007,214
Intangible assets - net	15	164,774	226,579	164,774	226,579
Other assets					
Land and building leasehold rights - net		43,941	48,954	43,941	48,954
Others		323,179	634,575	323,179	634,575
Total Assets		60,620,209	60,102,780	60,521,863	60,022,239

The accompanying notes are an integral part of the financial statements.

As at December 31, 2018

(Baht'000)

Liabilities and Owners' Equity	Note	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Liabilities					
Insurance contract liabilities	17	14,735,599	13,762,343	14,735,599	13,762,343
Due to reinsurers	18	2,178,929	2,051,516	2,178,929	2,051,516
Income tax payable		168,637	112,218	168,637	112,218
Employee benefit obligations	19	381,189	351,203	381,189	351,203
Deferred tax liabilities	16.1	4,724,428	5,039,465	4,704,759	5,023,357
Other liabilities					
Premiums received in advance		1,868,686	1,802,396	1,868,686	1,802,396
Commission payables		367,453	333,857	367,453	333,857
Accrued expenses		574,301	635,001	574,301	635,001
Liabilities under finance lease agreements	20	53,864	65,007	53,864	65,007
Others		691,759	804,332	691,759	804,332
Total liabilities		25,744,845	24,957,338	25,725,176	24,941,230
Owners' equity					
Share capital	21				
Registered, issued and paid up 106,470,000 ordinary shares of Baht 10 each		1,064,700	1,064,700	1,064,700	1,064,700
Share premium		1,442,500	1,442,500	1,442,500	1,442,500
Retained earnings					
Appropriated					
Statutory reserve	22	106,470	106,470	106,470	106,470
Other reserve		3,100,000	3,100,000	3,100,000	3,100,000
Unappropriated		7,302,709	6,381,857	7,224,032	6,317,424
Other component of owners' equity		21,858,985	23,049,915	21,858,985	23,049,915
Total owners' equity		34,875,364	35,145,442	34,796,687	35,081,009
Total liabilities and owners' equity		60,620,209	60,102,780	60,521,863	60,022,239

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2018

(Baht'000)

	Note	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Gross premium written		17,326,215	15,940,907	17,326,215	15,940,907
Less: Premium ceded to reinsurers		(5,388,104)	(4,982,377)	(5,388,104)	(4,982,377)
Net premium written		11,938,111	10,958,530	11,938,111	10,958,530
Add (less): Unearned premium reserves (increased) decreased from prior year		(637,785)	82,786	(637,785)	82,786
Net earned premium		11,300,326	11,041,316	11,300,326	11,041,316
Fee and commission income		1,136,747	1,063,698	1,136,747	1,063,698
Shares of profits from investments in associates, accounted for under the equity method	12.2	16,993	12,018	-	-
Net investment revenue		1,144,108	1,139,395	1,144,108	1,143,851
Gains on investments		85,476	124,136	84,664	124,136
Other income		159,512	180,075	159,512	180,075
Total revenues		13,843,162	13,560,638	13,825,357	13,553,076
Expenses					
Gross claims		7,983,443	8,249,798	7,983,443	8,249,798
Less: Claim recovery from reinsurers		(2,398,329)	(2,551,927)	(2,398,329)	(2,551,927)
Commissions and brokerages		2,305,877	2,100,216	2,305,877	2,100,216
Other underwriting expenses		1,994,321	1,920,334	1,994,321	1,920,334
Operating expenses	24	1,080,794	986,582	1,080,794	986,582
Investment expenses		88,456	89,715	88,456	89,715
Finance costs		3,266	3,618	3,266	3,618
Total expenses	25	11,057,828	10,798,336	11,057,828	10,798,336
Profits before income tax expenses		2,785,334	2,762,302	2,767,529	2,754,740
Less: Income tax expenses	16.2	(378,526)	(359,205)	(374,965)	(357,693)
Profits for the years		2,406,808	2,403,097	2,392,564	2,397,047

The accompanying notes are an integral part of the financial statements.

For the years ended December 31, 2018

(Baht'000)

	Note	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
		2018	2017	2018	2017
Other comprehensive income:					
Items to be recognised in profit or loss in subsequent periods:					
Gains (losses) on revaluation of available-for-sale investments		(1,488,662)	1,228,210	(1,488,662)	1,228,210
Add (less): Income taxes		297,732	(245,642)	297,732	(245,642)
Items to be recognised in profit or loss in subsequent periods - net of income taxes		(1,190,930)	982,568	(1,190,930)	982,568
Items not to be recognised in profit or loss in subsequent periods:					
Actuarial gains (losses)		5,780	(4,236)	5,780	(4,236)
Add (less): Income taxes		(1,156)	847	(1,156)	847
Items not to be recognised in profit or loss in subsequent periods - net of income taxes		4,624	(3,389)	4,624	(3,389)
Other comprehensive income (loss) for the years		(1,186,306)	979,179	(1,186,306)	979,179
Total comprehensive income for the years		1,220,502	3,382,276	1,206,258	3,376,226
Earnings per share:	27				
Basic earnings per share					
Profits for the years		22.61	22.57	22.47	22.51

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2018

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	2018	2017	2018	2017
Cash flows from (used in) operating activities				
Direct premium written	16,461,557	15,392,125	16,461,557	15,392,125
Cash paid for reinsurance	(1,799,860)	(1,841,990)	(1,799,860)	(1,841,990)
Interest income	311,795	265,852	311,795	265,852
Dividend income	885,479	836,832	885,479	836,832
Other investment income	138,778	144,951	138,778	144,951
Other income	20,688	28,721	20,688	28,721
Losses incurred on direct insurance	(7,284,590)	(7,067,454)	(7,284,590)	(7,067,454)
Commissions and brokerages on direct insurance	(2,116,422)	(1,995,364)	(2,116,422)	(1,995,364)
Other underwriting expenses	(2,253,123)	(2,150,902)	(2,253,123)	(2,150,902)
Operating expenses	(771,631)	(863,454)	(771,631)	(863,454)
Investment expenses	(60,994)	(63,022)	(60,994)	(63,022)
Income taxes	(341,026)	(358,179)	(341,026)	(358,179)
Investments in securities	(3,683,798)	(570,883)	(3,683,798)	(570,883)
Loans	(82,484)	68,063	(82,484)	68,063
Investments in associates	5,950	-	5,950	-
Deposits at financial institutions	2,147,188	(220,920)	2,147,188	(220,920)
Net cash provided by operating activities	1,577,507	1,604,376	1,577,507	1,604,376
Cash flows from (used in) investing activities				
Cash flows from				
Premises and equipment	253	7,250	253	7,250
Cash from investing activities	253	7,250	253	7,250
Cash flows used in				
Premises and equipment	(49,877)	(99,717)	(49,877)	(99,717)
Intangible assets	(17,320)	(34,246)	(17,320)	(34,246)
Cash used in investing activities	(67,197)	(133,963)	(67,197)	(133,963)
Net cash used in investing activities	(66,944)	(126,713)	(66,944)	(126,713)

For the years ended December 31, 2018

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	2018	2017	2018	2017
Cash flows from (used in) financing activities				
Dividends paid	(1,490,580)	(1,490,563)	(1,490,580)	(1,490,563)
Net cash used in financing activities	(1,490,580)	(1,490,563)	(1,490,580)	(1,490,563)
Net increase (decrease) in cash and cash equivalents	19,983	(12,900)	19,983	(12,900)
Cash and cash equivalents at beginning of the years	399,584	412,484	399,584	412,484
Cash and cash equivalents at end of the years	419,567	399,584	419,567	399,584

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN OWNERS' EQUITY

For the years ended December 31, 2018

Financial Statements in which the Equity Method is Applied	Note	Issued and Paid-up Share Capital	Share Premium
Balance as at January 1, 2017		1,064,700	1,442,500
Dividend paid	28	-	-
Profit for the year		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at December 31, 2017		1,064,700	1,442,500
Balance as at January 1, 2018		1,064,700	1,442,500
Dividend paid	28	-	-
Profit for the year		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at December 31, 2018		1,064,700	1,442,500

Separate Financial Statements	Note	Issued and Paid-up Share Capital	Share Premium
Balance as at January 1, 2017		1,064,700	1,442,500
Dividend paid	28	-	-
Profit for the year		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at December 31, 2017		1,064,700	1,442,500
Balance as at January 1, 2018		1,064,700	1,442,500
Dividend paid	28	-	-
Profit for the year		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at December 31, 2018		1,064,700	1,442,500

The accompanying notes are an integral part of the financial statements.

(Baht'000)

Retained Earnings			Other Component of Equity	Total
Appropriated		Unappropriated	Revaluation Surplus on Available-for-sale Investments - Net of Income Taxes	
Statutory Reserve	Other Reserve			
106,470	3,100,000	5,472,712	22,067,347	33,253,729
-	-	(1,490,563)	-	(1,490,563)
-	-	2,403,097	-	2,403,097
-	-	(3,389)	982,568	979,179
106,470	3,100,000	6,381,857	23,049,915	35,145,442
106,470	3,100,000	6,381,857	23,049,915	35,145,442
-	-	(1,490,580)	-	(1,490,580)
-	-	2,406,808	-	2,406,808
-	-	4,624	(1,190,930)	(1,186,306)
106,470	3,100,000	7,302,709	21,858,985	34,875,364

(Baht'000)

Retained Earnings			Other Component of Equity	Total
Appropriated		Unappropriated	Revaluation Surplus on Available-for-sale Investments - Net of Income Taxes	
Statutory Reserve	Other Reserve			
106,470	3,100,000	5,414,329	22,067,347	33,195,346
-	-	(1,490,563)	-	(1,490,563)
-	-	2,397,047	-	2,397,047
-	-	(3,389)	982,568	979,179
106,470	3,100,000	6,317,424	23,049,915	35,081,009
106,470	3,100,000	6,317,424	23,049,915	35,081,009
-	-	(1,490,580)	-	(1,490,580)
-	-	2,392,564	-	2,392,564
-	-	4,624	(1,190,930)	(1,186,306)
106,470	3,100,000	7,224,032	21,858,985	34,796,687

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2018

1. Corporate Information

Bangkok Insurance Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company's major shareholder is Bangkok Bank Public Company Limited whereby as at 31 December 2018 and 2017, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company's registered office is located at No. 25, Bangkok Insurance Building, Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok.

2. Basis for Preparation of Financial Statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission ("OIC"), and in accordance with the format of financial statements specified in the 2015 Notification of the Office of Insurance Commission ("OIC") regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies dated March 4, 2015.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statements regarding the significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.1 The Financial Statements in Which the Equity Method is Applied

The Company has prepared the financial statements, in which equity method is applied, which have presented investments in associates under the equity method.

2.2 Separate Financial Statements

The Company has prepared its separate financial statements, which have presented investments in associates under the cost method.

3. New Financial Reporting Standards

3.1 Financial Reporting Standards that Became Effective in the Current Year

During the year, the Company has adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.2 Financial Reporting Standards that will Become Effective for Fiscal Years Beginning on or after January 1, 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue – Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

TFRS 4 (revised 2018) Insurance Contracts

This standard provides an option to the qualifying insurers under such standard to use a temporary exemption from adoption of TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures and to adopt the Thai Accounting Guidance related to financial instruments and disclosures applicable to insurance business (when issued) instead for the financial reporting period beginning before January 1, 2022 or before the effective date of TFRS 17 Insurance Contracts (when issued).

The management of the Company is currently determining an option which may impact on the financial statements in the year when it is adopted.

3.3 Financial Reporting Standards Related to Financial Instruments that will Become Effective for Fiscal Years Beginning on or after January 1, 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted, and also currently determining an option as allowed by TFRS 4 (revised 2018) Insurance Contracts.

4. Significant Accounting Policies

4.1 Revenue Recognition

(a) Gross Premium Written

Gross premium written consists of direct premium and reinsurance premium less premium of the canceled policies and premium refunded to the policy holders and is adjusted by unearned premium reserves.

Direct premium is recognised as revenue when the insurance policy comes into effect. For long-term insurance policies with a coverage period of longer than 1 year, premiums are recorded as premiums received in advance and will be gradually recognised as revenue on a yearly basis over the coverage period.

Reinsurance premium is recognised as revenue when the reinsurer places the reinsurance application or the statement of accounts with the Company.

(b) Commission and Brokerage Fee Income

Commission and brokerage fees from ceded premium are recognised as revenue over the period in which the related services are rendered.

(c) Investment Revenues

Interest on investments, both in the form of lending or investing in debt securitise and deposits, is recognised as revenue on an accrual basis. Interest on loans is recognised as revenue over the term of the loans based on the amount of outstanding principal. No accrual is made for loans with interest default over 6 continuous months. Interest on investments in debt securities is recognised as revenue on the effective interest rate over the investment holding periods. Interest on deposits is recognised as revenue over the term of deposits on an accrual basis.

Dividends on investments are recognised as revenues when the right to receive the dividend is established.

(d) Gains (Losses) on Investments

Gains (losses) on investments are recognised as revenue or expense on the transaction dates.

4.2 Expenses Recognition

(a) Premium Ceded to Reinsurers

Premium ceded to reinsurers are recognised as expenses when the insurance risk is transferred to another reinsurer at amount per policy.

(b) Gross Claims

Gross claims consist of claims and losses adjustment expenses of direct insurance and reinsurance for both reported and not reported claims, which include the amounts of claims, related expenses, and loss adjustments of current and prior period claims incurred during the year, less residual value and other recoveries (if any) and claims refundable from reinsurers.

Gross claims of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Company's management.

The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy.

Claims refundable from reinsurers are recognised as deduction item against gross claims when claims are recorded by the condition in the relevant reinsurance contract.

(c) Commission and Brokerage Expenses

Commission and brokerage expenses are expended when incurred.

(d) Other Underwriting Expenses

Other underwriting expenses are other insurance expenses for both direct and indirect expenses, including contributions, which are recognised as expenses on accrual basis.

(e) Operating Expenses

Operating expenses are operating expenses, not related to underwriting and claim, which are recognised as expenses on accrual basis.

4.3 Product Classification

The Company classifies insurance contracts and reinsurance contracts based on the nature of the insurance contract. Insurance contracts are those contracts where the insurer has accepted significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. To determine whether a significant insurance risk has been accepted, the insurer compares the benefits payable after an insured event with the benefits payable if the insured event did not occur. If the criteria are not met, the Company classifies the insurance contract and reinsurance contract as an investment contract. Investment contracts have the legal form of insurance contracts and transfer financial risk to the insurer, but not significant insurance risk. Financial risks are specified as interest rate risk, exchange rate risk, or price risk.

The Company classifies contracts based on assessment of the significance of the insurance risk at inception of contract, for each contract. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime. A contract classified as an investment contract at inception can be reclassified as an insurance contract after inception if the insurance risk becomes significant.

4.4 Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions.

4.5 Premium Receivables and Allowance of Doubtful Accounts

Premium receivables from direct insurance are stated at their net realisable values. The Company sets up an allowance for doubtful accounts based on the estimated loss that may incur in collection of the premium receivables, on the basis of collection experiences, analysis of debtor aging and a review of current status of the premium receivables as at the end of the reporting periods.

4.6 Reinsurance Assets

Reinsurance assets are stated at the amounts of insurance reserves refundable from reinsurers, which consist of (a) loss reserves and (b) unearned premium reserves that are estimated based on related reinsurance contracts in accordance with insurance reserve calculation law.

The Company sets up an allowance for impairment, of reinsurance assets based on losses that may be incurred due to irrecoverable, taking into account collection experience, aged of balance, and the status of receivables from reinsurers as at the end of the reporting periods. Increase (decrease) in an allowance for impairment is recorded as an increase (a decrease) to expenses during the years in profit or loss.

4.7 Reinsurance Receivables and Due to Reinsurers

- (a) Reinsurance receivables are stated at the outstanding balances of amounts due from reinsurers and amounts deposited on reinsurance.

Amounts due from reinsurers consist of reinsurance premium ceded receivable, accrued commission and brokerage income, claims and various other items receivable from reinsurers. The Company records allowance for doubtful accounts for reinsurance receivables based on the estimated losses that may be incurred due to uncollectible, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting periods.

- (b) Due to reinsurers are stated at the outstanding balance of amounts due to reinsurers and amounts withheld on reinsurance.

Amounts due to reinsurers consist of outward premium payables and other reinsurance payables to reinsurers, excluding claims.

The Company presents the net amount of due to and from the same reinsurance party (as reinsurance receivables or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The Company has a legal right to offset amounts presented in the statements of financial position, and
- (2) The Company intends to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

4.8 Investment Assets

- (a) Investments in Securities

Available-for-sale investments are stated at fair value. Changes in the fair value of these investments are recorded in other comprehensive income, and will be recorded in profit or loss when the investments are disposed of.

Held-to-maturity investments are recorded at amortised cost. The premium/discount is amortised/ accreted by the effective interest rate method with the amortised/ accreted amount presented as an adjustment to the interest income.

Investments in non-marketable equity securities, which are classified as general investments, are stated at cost net of allowance for impairment (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year of the Stock Exchange of Thailand. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of investment units is determined from their net asset value.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as revaluation surplus or deficit on available-for-sale investments in owners' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised in profit or loss. The weighted average method is used for computation of the cost of an investment.

The Company records purchases and sales of investments in equity securities on trade dates and records purchases and sales of investments in debt securities on settlement dates.

(b) Loans

Loans are stated at net realisable value. Allowance for doubtful accounts on loans is provided for the estimated losses that may be incurred in collection of loans based on an evaluation of the current status of the debtors taking into consideration the recovery risk and the value of collateral. Increase (decrease) in allowance for doubtful accounts is recognised as expenses in statements of income.

(c) Investment in Associates

Investments in associates as presented in the financial statements, in which the equity method is applied, is recorded initially at cost and adjusted to reflect the proportionate share of the associate's operating results and is deducted by dividend income.

Investments in associates as presented in the separate financial statements is stated at cost net of allowance for impairment (if any). Loss on impairment is recorded as an expense in profit or loss.

(d) Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful life of 30 years (over the lease period). Depreciation of the investment properties is recognised as expense in profit or loss.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.9 Premises and Equipment and Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings	- 20 years and 33 years (over the lease period)
Condominium units	- 20 years
Furniture, fixture and office equipment	- 3 years, 4 years and 5 years (over the lease period)
Motor vehicles	- 4 years and 5 years (over the lease period)

Depreciation is recognised in profit or loss. No depreciation is provided for land and construction in progress.

An item of premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.10 Intangible Assets and Amortisation

Intangible assets acquired are recognised at cost. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and allowance for impairment (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year-end. The amortisation expense is charged to profit or loss. No amortisation is provided for computer softwares under development.

Intangible assets with finite useful lives, which are computer softwares, have the economic lives of 3, 5 and 10 years.

4.11 Impairment of Assets

At the end of each reporting period, the Company performs impairment reviews in respect of property, buildings and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised in profit or loss when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use is less than the carrying amount.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.12 Insurance Contract Liabilities

Insurance contract liabilities consist of loss reserve and premium reserves.

(a) Loss Reserves

Loss reserves are recorded at the amounts to be actually paid. Loss reserves are provided upon receipt of claim advices from the insured based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimate shall not exceed the sum-insured under the relevant policy.

Outstanding claim provision are calculated using an actuarial method based on a best estimate of claims which are expected to be paid in respect of losses occurring before or as at the end of the reporting periods for both reported and not reported losses including loss adjustment expense. The different of the calculated outstanding claim provision which are higher than the loss reserve that recognised into financial statement, the Company has additionally provided reserves for claims incurred but not yet reported (IBNR).

(b) Premium Reserves

Premium reserves are the higher amounts of unearned premium reserves and unexpired risk reserves. As at the end of the reporting periods, the Company compares the amounts of unexpired risk reserves with unearned premium reserves, and if the amount of unexpired risk reserves is higher than that of the unearned premium reserve, the difference is recognised to present the amounts of unexpired risk reserves in the financial statements.

(1) Unearned Premium Reserves

Unearned premium reserves are calculated based on direct premium before deducting premium ceded as follows:

- | | |
|---|--|
| - Fire, marine, transportation (hull),
motor and miscellaneous | - Monthly average basis (the one-twenty fourth
basis) |
|---|--|

- Transportation (cargo), traveling accident with coverage periods of not over six-months
- 100% of premiums as from the effective date of the inforce policies over the insurance coverage period
- Bail bond
- 70% of premiums as from the effective date of the inforce policies over the insurance coverage period

Outward unearned premium reserve is calculated based on reinsurance premium ceded, as the same method as direct insurance, that transfer insurance risk to reinsurer throughout the coverage period of insurance contract.

(2) Unexpired Risk Reserves

Unexpired risk reserves are the reserves for the claims that may be incurred in respect of in-force policies. Unexpired risk reserves are set aside using an actuarial method, at the best estimate of the claims that are expected be incurred during the remaining coverage period, based on historical claims data.

4.13 Employee Benefits

(a) Defined Contribution Plan

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

(b) Defined Benefit Plan and Other Long-term Employee Benefits

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans are determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised recognised immediately in other comprehensive income and adjusted directly to retained earnings and those arising from other long-term benefits are recognised immediately in profit and loss.

4.14 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Long-term Leases

Leases of equipment and vehicles which transfer substantially all the risks and rewards of ownership to the Company, as a lessee, are classified as finance lease. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The equipment acquired under finance leases is depreciated over the lower of useful life of the leased asset or the lease periods.

Leases of buildings and equipment which do not transfer substantially all the risks and rewards of ownership to the Company, as the lessee, are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

4.16 Foreign Currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currency are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of reporting periods. Gains and losses on exchange are recorded as revenues or expenses in profit or loss.

4.17 Income Taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

(a) Current Income Taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

(b) Deferred Income Taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and its carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting period, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

The Company records deferred income taxes directly to equity if they relate to items that are recorded directly to equity.

4.18 Related Party Transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.19 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case where there is no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are

appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting periods that are measured at fair value on a recurring basis.

5. Significant Accounting Judgements and Estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Allowances for Doubtful Accounts and Impairment

In determining allowances for doubtful accounts and impairment on premium receivables, reinsurance assets, and reinsurance receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

5.2 Allowance for Impairment on Investments

The Company sets aside allowance for impairment on available-for-sale investments, general investments and investments in associates when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires the management judgement.

5.3 Premises and Equipment and Depreciation

In calculating depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the Company's buildings and equipment and to review estimate useful lives and residual values when circumstance changes.

In addition, the management is required to review premises and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that its recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.4 Intangible Assets and Allowance for Impairment

The initial recognition and measurement of intangible assets, and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset, including the choice of a suitable discount rate used in calculation of the present value for those cash flows.

5.5 Deferred Tax Assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

5.6 Loss Reserves

At the end of the reporting periods, the Company has to estimate loss reserves taking into account two parts, which are the claims incurred and reported, and the claims incurred but not yet reported (IBNR), the latter of which require actuarial technique such as the Chain Ladder and Bornheutter-Ferguson methods in estimation of reserves. The main assumptions underlying such techniques relate to historical experience, including the development of claim estimates, losses incurred and paid, average costs per claim and number of claims, etc. However, such estimates are forecasts of future outcomes, and actual results could differ.

5.7 Unexpired Risk Reserves

Unexpired risk reserves are calculated using an actuarial method, based on the best estimate of the claims expected to incur over the remaining coverage period of the insurance contracts. Estimating the reserves requires the management to exercise judgement, with reference to historical data and the best estimate available at the time.

5.8 Provisions for Employee Benefits

Provisions for employee benefit are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate, based on their best knowledge of current events and arrangements.

5.9 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

5.10 Litigation

The Company has contingent liabilities as a result of litigation claims. The Company's management has used judgement to assess the results of the litigation and believes that losses incurred will not exceed the recorded amounts as at the end of reporting periods.

5.11 Recognition and Derecognition of Assets and Liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.12 Fair Value of Financial Instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The inputs to these models are taken from observable markets, and include consideration of credit risk (the Company and its counterparty), liquidity risk, correlation and longer-term volatility of financial instruments. Changes in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6. Cash and Cash Equivalents

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Cash on hand	2,618	2,579
Deposits at banks with no fixed maturity date	156,949	127,005
Deposits at banks with fixed maturity date	260,000	270,000
Total cash and cash equivalents	419,567	399,584

As at December 31, 2018 and 2017, saving deposits and fixed deposits carried interests at the rates between 0.38 and 1.45 percent per annum and 0.38 and 1.35 percent per annum, respectively.

7. Premium Receivables

As at December 31, 2018 and 2017, the balances of premium receivables from direct insurance were classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Not yet due	2,038,485	1,837,931
Overdue not longer than 30 days	248,580	201,205
Overdue 31 days to 60 days	137,293	95,178
Overdue 61 days to 90 days	61,647	59,088
Overdue 91 days to 1 year	218,391	207,644
Overdue longer than 1 year	30,036	22,411
Total	2,734,432	2,423,457
Less: Allowance for doubtful accounts	(30,037)	(22,411)
Premium receivables - net	2,704,395	2,401,046

For premium receivables due from agents and brokers, the Company has stipulated the collection guidelines in accordance with the Premium Collection Law whereby the Company has taken legal proceedings with agents and brokers on a case by case basis for overdue premiums.

8. Reinsurance Assets

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Insurance reserves refundable from reinsurers		
Loss reserves	3,660,484	3,345,545
Unearned premium reserves	2,446,253	2,148,429
Total	6,106,737	5,493,974
Less: Allowance for impairment	(6,024)	(6,578)
Reinsurance assets - net	6,100,713	5,487,396

As at December 31, 2018 and 2017, Insurance reserves refundable from reinsurers included insurance reserves refundable from reinsurers due to flood situation in 2011 amounting to Baht 21.0 million and Baht 31.5 million, respectively.

9. Reinsurance Receivables

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Amounts deposited on reinsurance	35,099	37,092
Amounts due from reinsurers	226,082	239,405
Total	261,181	276,497
Less: Allowance for doubtful accounts	(25,025)	(37,295)
Receivables on reinsurance contracts - net	236,156	239,202

As at December 31, 2018 and 2017, amounts due from reinsurers were classified by aging as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Not over 12 months	205,646	211,910
Overdue from 1 year to 2 years	15,091	7,766
Overdue longer than 2 years	5,344	19,729
Total amounts due from reinsurers	226,081	239,405
Less: Allowance for doubtful accounts	(25,025)	(37,295)
Amounts due from reinsurers - net	201,056	202,110

10. Investments in Securities

10.1 Classified by Type of Investment

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	December 31, 2018		December 31, 2017	
	Cost/ Amortised Cost	Fair Value	Cost/ Amortised Cost	Fair Value
Available-for-sale investments				
Government and state enterprise securities	5,454,238	5,450,775	1,954,375	1,964,880
Private sector debt securities	1,094,387	1,101,496	1,313,391	1,337,918
Equity securities	7,487,243	34,807,329	6,977,968	35,755,330
Total	14,035,868	41,359,600	10,245,734	39,058,128
Add: Unrealised gains	27,323,732	-	28,812,394	-
Total available-for-sale investments	41,359,600	41,359,600	39,058,128	39,058,128
Held-to-maturity investments				
Deposits at financial institutions which matured over 3 months	5,904,388		8,051,576	
Total held-to-maturity investments	5,904,388		8,051,576	
General investments				
Domestic equity securities	602,635		603,435	
Foreign equity securities	201,689		201,690	
Total	804,324		805,125	
Less: Allowance for impairment	(117,003)		(95,204)	
General investments - net	687,321		709,921	
Investment in securities - net	47,951,309		47,819,625	

On May 12, 2017, the Board of Directors Meeting No. 2/2017 of the Company resolved to approve the sale of 1,159,950 ordinary shares in EMCS Thai Company Limited, for Baht 50 per share, totaling Baht 58.0 million, to Thai Reinsurance Public Company Limited and the Company already received payment from sale of such investment on August 7, 2017.

10.2 Remaining Periods to Maturity of Debt Securities

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements as at December 31,							
	2018				2017			
	Period to Maturity			Total	Period to Maturity			Total
	1 year	1 - 5 years	Over 5 years		1 year	1 - 5 years	Over 5 years	
Available-for-sale investment								
Government and state enterprise securities	4,783,588	470,650	200,000	5,454,238	896,326	858,049	200,000	1,954,375
Private enterprise debt securities	313,060	781,327	-	1,094,387	360,078	953,313	-	1,313,391
Total	5,096,648	1,251,977	200,000	6,548,625	1,256,404	1,811,362	200,000	3,267,766
Add (less): Unrealised gains (losses)	2,839	5,346	(4,538)	3,647	8,689	26,806	(463)	35,032
Total available-for-sale investments	5,099,487	1,257,323	195,462	6,552,272	1,265,093	1,838,168	199,537	3,302,798
Held-to-maturity investments								
Deposits at financial institutions which mature over 3 months	5,904,388	-	-	5,904,388	8,051,576	-	-	8,051,576
Total held-to-maturity investments	5,904,388	-	-	5,904,388	8,051,576	-	-	8,051,576

10.3 Revaluation Surplus on Available-for-Sale Investments

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the year ended December 31,	
	2018	2017
Revaluation surplus on available-for-sale investments - beginning of the years	28,812,394	27,584,184
Gains (losses) on revaluation during the years	(1,410,193)	1,317,177
Gains on sales of available-for-sale investments during the years transferred to be recognised in profit or loss	(78,469)	(88,967)
Revaluation surplus on available-for-sale investments - end of the years	27,323,732	28,812,394
Less: Income taxes	(5,464,746)	(5,762,479)
Revaluation surplus on available-for-sale investments - net of income taxes	21,858,986	23,049,915

10.4 Investments Subject to Restriction

As at December 31, 2018 and 2017, the Company placed certain investments as a security with the Registrar and placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described in Note 30 to the financial statements.

11. Loans and Interest Receivables

As at December 31, 2018 and 2017, the balances of loans and interest receivables, classified by overdue years, were as follows:

(Baht'000)

Overdue Years	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	December 31, 2018						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest	Principal	Accrued Interest	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	1,253,406	476	8,803	-	1,262,209	476	1,262,685
Overdue							
Less than 3 months	36,991	349	-	-	36,991	349	37,340
6 - 12 months	22,685	-	-	-	22,685	-	22,685
Longer than 12 months	119,247	-	-	-	119,247	-	119,247
Total	1,432,329	825	8,803	-	1,441,132	825	1,441,957
Less: Allowance for doubtful account	(730)	-	-	-	(730)	-	(730)
Loans and interest receivables - net	1,431,599	825	8,803	-	1,440,402	825	1,441,227

⁽¹⁾ Shown as a part of "accrued investment income" in the statements of financial position

(Baht'000)

Overdue Years	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	December 31, 2017						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest	Principal	Accrued Interest	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	1,169,395	926	6,234	-	1,175,629	926	1,176,555
Overdue							
Less than 3 months	30,200	147	-	-	30,200	147	30,347
Longer than 12 months	153,479	-	-	-	153,479	-	153,479
Loans and interest receivables	1,353,074	1,073	6,234	-	1,359,308	1,073	1,360,381

⁽¹⁾ Shown as a part of "accrued investment income" in the statements of financial position

Credit limits granted to each employee under the Company's employee welfare plan are not exceeding 30 times of employee's salary and Baht 1,000,000 for personal guarantee loans with interest being charged at the rate of 3.0% per annum, and not exceeding 60 times of employee's salary and Baht 5,000,000 for mortgaged loans with interest being charged at the rate of 2.5% per annum.

As at December 31, 2018 and 2017, the balances of employee loans were Baht 109.8 million and Baht 53.9 million, respectively.

12. Investments in Associates

12.1 Details of Associates

Company's Name	Nature of Business	Country of Incorporation	Paid-up Share Capital as at		Shareholding	
			December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	(USD) 7,000,000	(USD) 7,000,000	(%) 22.92	(%) 22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Lao	2,000,000	2,000,000	38.00	45.00

(Baht'000)

Company's Name	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	December 31,		December 31,	
	2018	2017	2018	2017
Asia Insurance (Cambodia) Plc.	84,195	73,609	30,202	30,202
Asian Insurance International (Holding) Limited	119,980	113,599	72,054	72,054
Bangkok Insurance (Lao) Company Limited	23,567	27,728	27,140	32,139
Total	227,742	214,936	129,396	134,395

On March 29, 2018, the Company sold the shares of Bangkok Insurance (Lao) Company Limited which held by the Company, equivalent to 7 percent of the total shares of such company.

12.2 Shares of Profits (Losses) and Dividends Income

(Baht'000)

Company's Name	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	Share of Profits (Losses) from Investments in Associates for the Years Ended December 31,		Dividend Received During the Years Ended December 31,	
	2018	2017	2018	2017
Asia Insurance (Cambodia) Plc.	10,586	8,202	-	4,455
Asian Insurance International (Holding) Limited	6,382	4,131	-	-
Bangkok Insurance (Lao) Company Limited	25	(315)	-	-
Total	16,993	12,018	-	4,455

12.3 Financial Information of Associates

Summarised information from statements of financial position

(Million Baht)

	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Company Limited	
	December 31,		December 31,		December 31,	
	2018	2017	2018	2017	2018	2017
Total assets	449.7	398.9	212.9	211.9	296.3	105.7
Total liabilities	(65.2)	(58.8)	-	-	(238.5)	(50.3)
Net assets	384.5	340.1	212.9	211.9	57.8	55.4
Shareholding percentage (%)	22.9	22.9	41.7	41.7	38.0	45.0
Shares of net assets of the associates	88.1	78.0	88.8	88.4	22.0	24.9
Carrying values based on the equity method	84.2	73.6	120.0	113.6	23.6	27.7

Summarised information from statements of comprehensive income or loss

(Million Baht)

	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Company Limited	
	For the Years Ended December 31,		For the Years Ended December 31,		For the Years Ended December 31,	
	2018	2017	2018	2017	2018	2017
Revenue	108.2	104.7	3.0	0.5	19.1	19.1
Profit (loss) for the years	46.2	40.8	2.5	(0.0)	0.6	(3.5)
Total comprehensive income (loss) for the years	46.2	40.8	2.5	(0.0)	0.6	(3.5)

As at December 31, 2018 and 2017, the Company recorded investment in an associate under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associate's management. However, the Company obtained the 2017 financial statements of the associate, which were audited by the associate's auditor, and showed the amounts that are not significantly different from the financial information prepared by the associate's management used in equity accounting in that year.

13. Investment properties

The investment properties of the Company, which are offices for rent, as at December 31, 2018 and 2017 were presented below.

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Cost	533,653	533,653
Less: Accumulated depreciation	(381,217)	(363,987)
Net book value	152,436	169,666

Reconciliations of the net book value of investment properties for the years ended December 31, 2018 and 2017 were presented below.

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Net book value at beginning of the years	169,666	186,896
Depreciation charged	(17,230)	(17,230)
Net book value at end of the years	152,436	169,666

The fair values of the investment properties as at December 31, 2018 and 2017 were stated below:

(Million Baht)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Office building for rent	170.3	206.0

The fair values of the investment properties were appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee, etc.

Revenues and expenses related to investment properties were recognised in profit or loss as below:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Year Ended December 31,	
	2018	2017
Rental income	137,200	142,899
Direct operating expenses which generated rental income	66,480	69,328
Total expenses	66,480	69,328

14. Premises and Equipment

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	Land	Buildings	Condo-minium Units	Furniture, Fixture and Office Equipment	Motor Vehicles	Construction in Progress	Total
Cost							
January 1, 2017	206,132	828,306	8,751	1,710,429	144,318	43,483	2,941,419
Additions	-	-	-	79,588	19,102	19,208	117,898
Disposals	-	-	-	(20,232)	(24,505)	-	(44,737)
Transfers in (out)	-	-	-	35,302	-	(35,302)	-
December 31, 2017	206,132	828,306	8,751	1,805,087	138,915	27,389	3,014,580
Additions	-	-	-	22,493	13,060	14,325	49,878
Disposals	-	-	-	(1,071)	(13,672)	-	(14,743)
Transfers in (out)	-	-	-	24,369	-	(24,369)	-
December 31, 2018	206,132	828,306	8,751	1,850,878	138,303	17,345	3,049,715
Accumulated depreciation							
January 1, 2017	-	533,861	8,721	1,172,403	68,723	-	1,783,708
Depreciation for the year	-	27,340	-	215,891	25,006	-	268,237
Depreciation for the disposals	-	-	-	(20,176)	(24,403)	-	(44,579)
December 31, 2017	-	561,201	8,721	1,368,118	69,326	-	2,007,366
Depreciation for the year	-	26,351	-	190,809	25,659	-	242,819
Depreciation for the disposals	-	-	-	(1,071)	(13,567)	-	(14,638)
December 31, 2018	-	587,552	8,721	1,557,856	81,418	-	2,235,547
Net book value							
December 31, 2017	206,132	267,105	30	436,969	69,589	27,389	1,007,214
December 31, 2018	206,132	240,754	30	293,022	56,885	17,345	814,168
Depreciation for the year:							
2017							268,237
2018							242,819

As at December 31, 2018 and 2017, certain equipment items were fully depreciated but are still in use. The original cost before deducting accumulated depreciation of those assets amounted to Baht 1,175.6 million and Baht 1,024.4 million, respectively.

As at December 31, 2018 and 2017, the Company had vehicles under finance lease agreements with net book values amounting to Baht 51.0 million and Baht 62.1 million, respectively.

15. Intangible Assets

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	Computer Softwares	Computer Softwares under Development	Total
Cost			
January 1, 2017	527,275	26,503	553,778
Addition	18,319	3,640	21,959
Disposals/ Write off	(31,238)	-	(31,238)
Transfer in (out)	26,503	(26,503)	-
December 31, 2017	540,859	3,640	544,499
Addition	14,700	-	14,700
Transfer in (out)	3,640	(3,640)	-
December 31, 2018	559,199	-	559,199
Accumulated amortisation			
January 1, 2017	251,438	-	251,438
Amortisation	72,738	-	72,738
Amortisation for the disposals	(6,256)	-	(6,256)
December 31, 2017	317,920	-	317,920
Amortisation	76,505	-	76,505
December 31, 2018	394,425	-	394,425
Net book value			
December 31, 2017	222,939	3,640	226,579
December 31, 2018	164,774	-	164,774
Amortisation for the years			
2017			72,738
2018			76,504

As at December 31, 2018 and 2017, certain computer softwares were fully amortised but are still in use. The original cost before deducting accumulated amortisation of those assets amounted to Baht 145.1 million and Baht 124.7 million, respectively.

16. Deferred Tax Asset/Liabilities and Income Tax Expenses

16.1 Deferred Tax Assets/Liabilities

As at December 31, 2018 and 2017, the components of deferred tax assets and liabilities consisted of tax effects arising from the following transactions.

(Baht'000)

	Financial Statements in which the Equity Method is Applied as at December 31,		Changes in Deferred Tax Assets and Liabilities for the Year Ended December 31,	
	2018	2017	2018	2017
Deferred tax assets arose from:				
Allowance for impairment on investments	23,401	19,041	4,360	1,404
Premium reserves	210,854	161,664	49,191	(5,574)
Loss reserves of claims incurred and reported	366,197	403,861	(37,663)	(25,054)
Loss reserves of claims incurred but not yet reported	60,661	66,265	(5,604)	(2,855)
Provision for long-term employee benefits	77,537	70,384	7,153	15,599
Others	22,636	18,050	4,585	(2,862)
Total	761,286	739,265		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	5,464,746	5,762,479	297,732	(245,642)
Actuarial gains	1,299	143	(1,156)	847
Shares of profits from investments in associates	19,669	16,108	(3,561)	(1,512)
Total	5,485,714	5,778,730		
Deferred tax liabilities	4,724,428	5,039,465		
Total changes			315,037	(265,649)
Changes are recognised:				
- in profit or loss			18,460	(20,854)
- in other comprehensive income			296,577	(244,795)
			315,037	(265,649)

(Baht'000)

	Separate Financial Statements as at December 31,		Changes in Deferred Tax Assets and Liabilities for the Year Ended December 31,	
	2018	2017	2018	2017
Deferred tax assets arose from:				
Allowance for impairment on investments	23,401	19,041	4,360	1,404
Premium reserves	210,854	161,664	49,191	(5,574)
Loss reserves of claims incurred and reported	366,197	403,861	(37,663)	(25,054)
Loss reserves of claims incurred but not yet reported	60,661	66,265	(5,604)	(2,855)
Provision for long-term employee benefits	77,537	70,384	7,153	15,599
Others	22,636	18,050	4,585	(2,862)
Total	761,286	739,265		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	5,464,746	5,762,479	297,732	(245,642)
Actuarial gains	1,299	143	(1,156)	847
Total	5,466,045	5,762,622		
Deferred tax liabilities	4,704,759	5,023,357		
Total changes			318,598	(264,137)
Changes are recognised:				
- in profit or loss			22,021	(19,342)
- in other comprehensive income			296,577	(244,795)
			318,598	(264,137)

16.2 Income Tax Expenses

Income tax expenses for the years ended December 31, 2018 and 2017 were made up as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	For the Years Ended December 31,		For the Years Ended December 31,	
	2018	2017	2018	2017
Current income taxes:				
Corporate income tax charge	(396,986)	(338,351)	(396,986)	(338,351)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	18,460	(20,854)	22,021	(19,342)
Income tax expenses reported in profit or loss	(378,526)	(359,205)	(374,965)	(357,693)

Reconciliations between income tax expenses and the product of accounting profits for the years ended December 31, 2018 and 2017 and the applicable tax rate were as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	For the Years Ended December 31,		For the Years Ended December 31,	
	2018	2017	2018	2017
Accounting profits before income tax expenses	2,785,334	2,762,302	2,767,529	2,754,740
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(557,067)	(552,460)	(553,506)	(550,948)
Net tax effect on tax-exempted revenues and non tax-deductible expenses	178,541	194,669	178,541	194,669
Others	-	(1,414)	-	(1,414)
Income tax expenses reported in profit or loss	(378,526)	(359,205)	(374,965)	(357,693)

17. Insurance Contract Liabilities

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2018		
	Insurance Contract Liabilities	Reinsurance on Liabilities	Net
Loss reserves			
Claims incurred and reported	6,086,144	(3,584,081)	2,502,063
Claims incurred but not reported	373,685	(70,379)	303,306
Premium reserves			
Unearned premium reserves	8,275,770	(2,446,253)	5,829,517
Total	14,735,599	(6,100,713)	8,634,886

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2017		
	Insurance Contract Liabilities	Reinsurance on Liabilities	Net
Loss reserves			
Claims incurred and reported	6,024,121	(3,272,231)	2,751,890
Claims incurred but not reported	398,061	(66,736)	331,325
Premium reserves			
Unearned premium reserves	7,340,161	(2,148,429)	5,191,732
Total	13,762,343	(5,487,396)	8,274,947

The Company entered into reinsurance agreements in order to mitigate insurance risk. Although positions are managed on a net basis by management. However, insurance contract liabilities disclosures have been made on both gross and net basis.

17.1 Loss Reserves

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Beginning balances	6,422,182	6,081,531
Claim incurred during the years	8,246,103	8,453,995
Change in loss reserves of claimed incurred in prior years	(180,558)	(140,592)
Changes in assumptions in calculating loss reserves	(28,061)	620
Claims and loss adjustment expenses paid during the years	(7,999,837)	(7,973,372)
Ending balances	6,459,829	6,422,182

As at December 31, 2018 and 2017, the Company, which is a reinsurer under the reinsurance contracts, had loss reserves under such contracts totaling Baht 240.1 million and Baht 246.7 million, respectively.

As at December 31, 2018 and 2017, loss reserves included loss reserves incurred as a result of the flood situation in 2011 amounting to Baht 25.1 million and Baht 46.3 million, respectively.

17.2 Claims Development Table

(a) Gross Claims Table

(Million Baht)

Accident year/Reporting year	Prior to 2012	2012	2013	2014	2015	2016	2017	2018	Total
Loss reserves:									
- as at accident year		8,244	5,097	6,854	7,101	7,157	8,454	8,246	
- Next one year		9,127	5,562	7,359	7,382	7,407	8,004		
- Next two years		8,584	5,928	6,846	6,947	7,295			
- Next three years		8,397	5,709	6,693	6,949				
- Next four years		8,334	5,672	6,655					
- Next five years		8,259	5,685						
- Next six years		8,235							
Cumulative claim estimates		8,235	5,685	6,655	6,949	7,297	7,962	8,523	
Cumulative payments		(8,200)	(5,647)	(6,562)	(6,650)	(6,961)	(6,921)	(4,716)	
Total	435	35	38	93	299	336	1,041	3,807	6,084
Inward treaty									264
Unallocated loss adjustment expenses									112
Total gross loss reserves									6,460

(b) Net Claims Table

(Million Baht)

Accident year/Reporting year	Prior to 2012	2012	2013	2014	2015	2016	2017	2018	Total
Loss reserves:									
- as at accident year		3,554	4,251	5,082	5,414	5,415	5,724	5,491	
- Next one year		3,784	4,521	5,267	5,720	5,549	5,736		
- Next two years		3,712	4,500	5,119	5,389	5,275			
- Next three years		3,701	4,283	4,983	5,383				
- Next four years		3,566	4,261	4,979					
- Next five years		3,546	4,262						
- Next six years		3,546							
Cumulative claim estimates		3,546	4,261	4,978	5,383	5,275	5,694	5,702	
Cumulative payments		(3,545)	(4,259)	(4,959)	(5,318)	(5,212)	(5,390)	(3,906)	
Total	179	1	2	19	65	63	304	1,796	2,429
Inward treaty									264
Unallocated loss adjustment expenses									112
Total net loss reserves									2,805

17.3 Assumption

Assumptions used in measurement of assets, liabilities, revenues, and expenses incurred on insurance contracts are summarised below;

(a) Assumptions of Claims Experience

At the end of the reporting periods, the Company estimates loss reserves using historical experience and actuarial technique, which is a standard that is generally accepted. In estimation of loss reserves, they are classified as gross (before reinsurance) and net (after reinsurance) reserves, by accident year, and duration of claim development. The Company uses the higher value between those determined from the Payment Method and the Incurred Method but excluding disaster losses. However, in calculation using the above-mentioned data, the management is required to exercise judgement to exclude all large claims in order to eliminate the fluctuations in loss development factor but include certain relevant large claims on a case-by-case basis where appropriate.

(b) Assumptions of Related Expenses

The Company estimates the unallocated loss adjustment expenses (ULAE) based on Claim Department's incurred expenses, for example, salaries, employee benefits, and technology costs, which is set as a ratio of ULAE to claims paid.

17.4 Unearned Premium Reserves

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Beginning balances	7,340,161	7,399,141
Premium written during the years	17,326,215	15,940,906
Premium earned during the years	(16,390,606)	(15,999,886)
Ending balances	8,275,770	7,340,161

17.5 Unexpired Risk Reserves

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Beginning balances	4,340,868	4,279,482
Estimated claims for the years	3,554,999	3,287,671
Risk expired during the years	(2,773,655)	(3,226,285)
Ending balances	5,122,212	4,340,868

18. Due to Reinsurers

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Amounts withheld on reinsurance	1,031,419	1,045,802
Amounts due to reinsurers	1,147,510	1,005,714
Total due to reinsurers	2,178,929	2,051,516

19. Employee Benefit Obligations

Changes in employee benefit obligations, which were compensations on employee retirement, for the years ended December 31, 2018 and 2017 were as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Employee benefit obligations at beginning of the years	351,203	318,971
Included in profit or loss:		
Current service costs	40,336	28,565
Interest costs	14,048	12,759
Included in other comprehensive income or loss:		
Actuarial (gains) losses arising from:		
- Demographic assumptions changes	5,765	5,472
- Experience adjustments	(11,545)	(1,236)
Benefits paid during the years	(18,618)	(13,328)
Employee benefit obligations at end of the years	381,189	351,203

As at December 31, 2018 and 2017, the Company expected to pay Baht 9.7 million and Baht 11.2 million, respectively, of long-term employee benefits over the next 1-year period.

As at December 31, 2018 and 2017, the weighted average durations of the liabilities on long-term employee benefits were 11.4 years and 11.4 years, respectively.

The key assumptions used for actuarial calculation on the valuation dates were summarised below:

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
	(%)	(%)
Discount rates	4.0	4.0
Future salary incremental rate	6.0	6.0
Employee turnover rates (depending on age)	1.7 - 22.0	1.6 - 24.0

The results of sensitivity analysis based on key assumptions were summarised below:

(Million Baht)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	Increase (Decrease) in Employee Benefit Obligations as at December 31, 2018		Increase (Decrease) in Employee Benefit Obligations as at December 31, 2017	
	+1%	-1%	+1%	-1%
Discount rate	(37.9)	44.5	(45.8)	53.7
Future salary incremental rate	40.7	(35.4)	49.8	(43.3)
Employee turnover rate	(14.7)	16.3	(17.6)	19.5

On December 13, 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company has additional liabilities for long-term employee benefits of Baht 64.4 million. The Company will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

20. Liabilities under Finance Lease Agreements

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2018	2017
Liabilities under finance lease agreements	58,226	70,996
Less: Deferred interest expenses	(4,362)	(5,989)
Total	53,864	65,007
Less: Portion due within one year	(21,993)	(21,868)
Liabilities under finance lease agreements - net of current portion	31,871	43,139

As at December 31, 2018 and 2017, the Company entered into the finance lease agreements with leasing companies for rental of equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are on an average of 4 - 5 years.

As at December 31, 2018 and 2017, Future minimum lease payments required under the finance lease agreements were as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2018		
	within 1 year	1 - 5 years	Total
Future minimum lease payments	24,322	33,904	58,226
Deferred interest expenses	(2,329)	(2,033)	(4,362)
Present value of future minimum lease payments	21,993	31,871	53,864

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2017		
	within 1 year	1-5 years	Total
Future minimum lease payments	24,815	46,181	70,996
Deferred interest expenses	(2,947)	(3,042)	(5,989)
Present value of future minimum lease payments	21,868	43,139	65,007

21. Share Capital

As at December 31, 2018 and 2017, the Company's registered, issue and paid-up share capital consisted of 106,470,000 ordinary shares with a par value of Baht 10 each.

22. Statutory Reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

23. Segment Information/major Customers

23.1 Segment Information Reporting

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance. The Chief Operating Decision Maker has been identified as Chairman.

For management purposes, the Company is organised into business units based on its products, which consisted of Fire, Marine and transportation, Motor, and Miscellaneous.

The Chief Operating Decision Maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss, total assets and total liabilities and on a basis consistent with that used to measure operating profit or loss, total assets and total liabilities in the financial statements.

(Baht'000)

	Financial Statements in which Equity Method is Applied				
	For the Year Ended December 31, 2018				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	1,610,347	436,105	6,888,130	8,391,633	17,326,215
Less: Premium ceded to reinsurers	(508,754)	(219,351)	(184,034)	(4,475,965)	(5,388,104)
Net premium written	1,101,593	216,754	6,704,096	3,915,668	11,938,111
Less: Unearned premium reserves increased from prior year	(12,494)	(9,699)	(526,583)	(89,009)	(637,785)
Earned premium	1,089,099	207,055	6,177,513	3,826,659	11,300,326
Commission and brokerage fee income	209,060	85,563	50,927	791,197	1,136,747
Total underwriting income	1,298,159	292,618	6,228,440	4,617,856	12,437,073
Underwriting expenses					
Net claims	162,443	50,014	3,918,056	1,454,600	5,585,113
Commission and brokerage expenses	351,717	45,013	1,017,637	891,510	2,305,877
Other underwriting expenses	229,769	63,531	818,460	882,561	1,994,321
Total underwriting expenses	743,929	158,558	5,754,153	3,228,671	9,885,311
Profit from underwriting	554,230	134,060	474,287	1,389,185	2,551,762
Shares of profits from investments in associates					16,993
Investment revenue					1,144,107
Gains on investments					85,476
Other income					159,512
Operating expenses					(1,080,794)
Investment expenses					(88,456)
Finance costs					(3,266)
Profit before income tax expenses					2,785,334
Less: Income tax expenses					(378,526)
Profit for the year					2,406,808

(Baht'000)

	Financial Statements in which Equity Method is Applied				
	For the Year Ended December 31, 2017				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	1,553,268	427,816	6,101,856	7,857,967	15,940,907
Less: Premium ceded to reinsurers	(474,985)	(224,071)	(175,099)	(4,108,222)	(4,982,377)
Net premium written	1,078,283	203,745	5,926,757	3,749,745	10,958,530
Add (less): Unearned premium reserves (increased) decreased from prior year	14,895	(3,380)	256,797	(185,526)	82,786
Earned premium	1,093,178	200,365	6,183,554	3,564,219	11,041,316
Commission and brokerage fee income	219,127	78,421	45,531	720,619	1,063,698
Total underwriting income	1,312,305	278,786	6,229,085	4,284,838	12,105,014
Underwriting expenses					
Net claims	161,464	30,616	3,975,314	1,530,477	5,697,871
Commission and brokerage expenses	355,953	45,514	887,104	811,645	2,100,216
Other underwriting expenses	250,115	62,977	760,392	846,850	1,920,334
Total underwriting expenses	767,532	139,107	5,622,810	3,188,972	9,718,421
Profit from underwriting	544,773	139,679	606,275	1,095,866	2,386,593
Shares of profits from investments in associates					12,018
Investment revenue					1,139,395
Gains on investments					124,136
Other income					180,075
Operating expenses					(986,582)
Investment expenses					(89,715)
Finance costs					(3,618)
Profit before income tax expenses					2,762,302
Less: Income tax expenses					(359,205)
Profit for the year					2,403,097

The following table presented the Company's operating segment assets and liabilities as at December 31, 2018 and 2017.

(Baht'000)

	Financial Statements in which the Equity Method is Applied						
	Fire	Marine and Transportation	Motor	Miscellaneous	Total Segments	Unallocated	Total
Assets							
As at December 31, 2018	603,858	193,571	924,620	7,193,042	8,915,091	51,705,118	60,620,209
As at December 31, 2017	644,824	245,622	759,939	6,330,753	7,981,138	52,121,642	60,102,780
Liabilities							
As at December 31, 2018	3,277,391	284,220	5,442,711	9,636,542	18,640,864	7,103,981	25,744,845
As at December 31, 2017	3,349,900	354,963	5,024,734	8,819,113	17,548,710	7,498,628	24,957,338

23.2 Geographic Information

The Company operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

23.3 Major Customers

In 2018 and 2017, the Company has gross premium written from one major customer in amount of Baht 2,696 million and Baht 2,748 million, respectively.

24. Operating Expenses

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Personnel expenses	440,354	429,830
Premises and equipment expenses	355,871	370,627
Taxes and duties	4,089	1,940
Bad debts and doubtful accounts (reversal)	6,653	(129,316)
Other operating expenses	273,827	313,501
Total operating expenses	1,080,794	986,582

25. Expenses by Nature

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Net claims	5,184,686	5,314,786
Commissions and brokerage expenses	2,305,877	2,100,216
Other underwriting expenses	562,357	535,187
Personnel expenses	1,194,305	1,151,241
Premises and equipment expenses	752,806	781,693
Other operating expenses	1,053,666	910,621
Investment expenses	865	974
Finance costs	3,266	3,618
Total	11,057,828	10,798,336

26. Provident Fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed to by both the employees and the Company on a monthly basis, at rates ranging from 5% to 10% of the employees' basic salaries, based on the length of employment. The fund is managed by a fund manager which has been approved by the Ministry of Finance. During the years ended December 31, 2018 and 2017, the Company recognised the contributed Baht 62.6 million and Baht 56.9 million, respectively, to the fund.

27. Earnings Per Share

Basic earnings per share is calculated by dividing profits for the years (excluding other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the years.

28. Dividends Paid

Dividends declared during the years 2018 and 2017 were as follow:

	Approved by	Total Dividend	Dividend Per Share
		(Million Baht)	(Baht)
The 3 rd interim dividend for 2018	Meeting No. 5/18 of Board of Directors on November 9, 2018	319.4	3.00
The 2 nd interim dividend for 2018	Meeting No. 4/18 of Board of Directors on August 10, 2018	319.4	3.00
The 1 st interim dividend for 2018	Meeting No. 2/18 of Board of Directors on May 11, 2018	319.4	3.00
Annual dividend for 2017	Annual General Meeting No. 25 of the Shareholders on April 27, 2018	532.3	5.00
Total dividends for the year 2018		1,490.5	14.00

	Approved by	Total Dividend	Dividend Per Share
		(Million Baht)	(Baht)
The 3 rd interim dividend for 2017	Meeting No. 4/17 of Board of Directors on November 10, 2017	319.4	3.00
The 2 nd interim dividend for 2017	Meeting No. 3/17 of Board of Directors on August 11, 2017	319.4	3.00
The 1 st interim dividend for 2017	Meeting No. 2/17 of Board of Directors on May 12, 2017	319.4	3.00
Annual dividend for 2016	Annual General Meeting No. 24 of the Shareholders on April 28, 2017	532.3	5.00
Total dividend for the year 2017		1,490.5	14.00

29. Related Party Transactions

29.1 Nature of Relationship

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationship between the Company and its related parties are summarised below:

Name of Related Parties	Type of Business	Relationship with the Company
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Associate
Bangkok Bank Pcl.	Banking	Related by way of having common directors and shareholding
Bangkok Aviation Fuel Services Pcl.	Energy and Utilities	Related by way of having common directors and shareholding
Asia Plus Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd.	Manufacture of Textiles	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited	Holding company	Related by way of having common directors and shareholding
Thai Reinsurance Pcl. ⁽¹⁾	Insurance	Related by way of having common directors and shareholding
Charoong Thai Wire and Cable Pcl. ⁽¹⁾	Electrical products	Related by way of having common directors and shareholding
Furukawa Metal (Thailand) Pcl. ⁽¹⁾	Electrical products	Related by way of having common directors and shareholding
Bumrungrad Hospital Pcl.	Health care services	Related by way of having common directors and shareholding
Bangkok Glass Co., Ltd. ⁽¹⁾	Packaging	Related by way of having common directors and shareholding
Sorachai Vivatn Co., Ltd.	Property development	Related by way of having common directors and shareholding
Bangpa-in golf Co., Ltd. ⁽¹⁾	Entertainment and Leisure	Related by way of having common directors and shareholding
Thai Metal Processing Co., Ltd. ⁽¹⁾	Electronic parts	Related by way of having common directors and shareholding
Asia Sermkij Co., Ltd. ⁽¹⁾	Finance	Related by way of having common directors and shareholding
AIOI Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
EMCS Thai Co., Ltd. ⁽²⁾	Professional services	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company

⁽¹⁾ This entity had been considered a related party until June 16, 2017, which was the date when there was no more common director and percentage of cross-shareholding was also less than 10% of the issued and paid-up share capital. However, such company had been considered a related party since November 9, 2018, which was the date when there was common directors and shareholding.

⁽²⁾ This company had been ceased to be the Company's related party since August 7, 2017, the date on which the Company sold all its entire investment in such company.

29.2 Significant Related Party Transactions

During the years ended December 31, 2018 and 2017, the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Baht'000)

	For the Years Ended December 31,		Pricing Policy
	2018	2017	
<u>Transactions with associates</u>			
<i>Revenues</i>			
Dividend income ⁽¹⁾	-	4,456	The declared amount
<u>Transactions with related companies</u>			
<i>Revenues</i>			
Premium written	573,748	498,816	Normal commercial terms for underwriting
Fee and commission income	172,190	106,160	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Interest income ⁽¹⁾	64,450	88,435	Similar rates as financial institutions and related companies offer to their general customers
Dividend income ⁽¹⁾	584,560	604,786	The declared amount
Rental income ⁽²⁾	2,608	1,685	Same rates the Company offered to its general customers
<i>Expenses</i>			
Premium ceded to reinsurers	545,774	356,970	Normal commercial terms for reinsurance depending on types of insurance and reinsurance contracts
Net claims (reversal)	(246,888)	(189,907)	As actually incurred
Commissions and brokerages	50,870	34,362	Normal commercial terms for underwriting
Management fee for private fund ⁽³⁾	268	282	Similar rates the related party offered to its general customers
Fee for trading securities ⁽³⁾	509	565	Similar rates which the related party offered to general customers
<i>Owner's equity</i>			
Dividend paid	180,693	180,691	The declared amount

⁽¹⁾ Presented in "Net investment revenue" in statements of comprehensive income

⁽²⁾ Presented in "Other income" in statements of comprehensive income

⁽³⁾ Presented in "Operating expenses" in statements of comprehensive income

29.3 Outstanding Balances

As at December 31, 2018 and 2017, the Company had the following significant balances with its related companies.

(Baht'000)

	December 31,	
	2018	2017
<u>Transactions with associates</u>		
General investments - equity securities	98,346	80,541
<u>Transactions with related companies</u>		
Deposits at financial institutions	3,872,992	5,301,523
Premium receivables	35,040	21,129
Accrued interest receivables - debentures (including in accrued investment income)	-	151
Reinsurance assets		
Amounts deposited on reinsurance	6,817	5,622
Amounts due from reinsurers	9,771	14,259
Available-for-sale investments		
Equity securities	29,570,730	30,166,833
Debentures	-	102,990
General investments - equity securities	680,231	471,658
Other assets		
Deposits and golf club membership fees	37,186	37,565
Due to reinsurers		
Amounts withheld on reinsurance	101,783	106,248
Amounts due to reinsurers	38,403	32,128
Other Liabilities		
Liabilities under finance lease agreements	173	486
Accounts payable on purchases of securities	1,789	1,672

29.4 Directors' and Key Management's Benefits

During the years ended December 31, 2018 and 2017, the Company had employee benefit expenses incurred on their directors and key management as below.

(Million Baht)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Short-term benefits	96.6	93.5
Post-employment benefits	9.4	(0.4)
Total	106.0	93.1

30. Assets subject to restriction and commitment

As at December 31, 2018 and 2017, the Company had the following assets placed with the Registrar as securities and insurance reserves in accordance with the Non-life Insurance Act and as placed with the bank as collateral.

(Million Baht)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	December 31,			
	2018		2017	
	Cost	Fair Value	Cost	Fair Value
Placed as securities				
Government bonds	14.0	14.0	14.0	14.1
Placed as insurance reserves				
Ordinary shares	35.2	175.6	35.2	169.8
Government bonds	926.0	924.1	766.0	778.6
Debentures	100.0	104.0	250.0	259.3
	1,061.2	1,203.7	1,051.2	1,207.7
Placed to secure bank overdraft facilities				
Deposited at financial institutions	30.0	30.0	30.0	30.0
Placed to secure performance bonds				
Government and state enterprise bonds	38.1	38.2	49.3	50.6
Placed to secure bank guarantees				
Deposited at financial institutions	20.0	20.0	20.0	20.0

31. Contribution to the General Insurance Fund

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2018	2017
Accumulated contribution at the beginning of the years	275,017	236,601
Contribution during the years	41,822	38,416
Accumulated contribution at the end of the years	316,839	275,017

32. Commitments and Contingent Liabilities

32.1 Operating Lease Commitments

The Company entered into several lease agreements in respect of the lease of land and office building space. The terms of the agreements are 33 years for land and more than 3 years for office building space.

As at December 31, 2018 and 2017, future minimum lease payments required under those non-cancellable operating lease contracts were as follows.

(Million Baht)

Payable	December 31,	
	2018	2017
Within 1 year	31	24
Over 1 year and not over 5 years	114	102
Over 5 years	90	118

32.2 Capital Commitments

As at December 31, 2018 and 2017, there were outstanding capital commitments contracted for decoration, construction building, and computer software development amounting to Baht 4.9 million and Baht 12.7 million, respectively.

32.3 Litigation

As at December 31, 2018 and 2017, the Company had litigation claims totaling approximately Baht 3,369.9 million and Baht 4,093.6 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 1,114.4 million and Baht 1,317.9 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 302.7 million and Baht 428.2 million, respectively, which were already recognised in "Insurance contract liabilities" in the statements of financial position as at those dates.

33. Risks of Non-Life Insurance Company

33.1 Insurance Risk

The Company gives a high priority to insurance risk since accepting insurance is the Company's core business. Therefore, the Company set a policy to underwrite insurance prudently and in line with the real insurance risk, a policy to manage claim promptly and on a fairness basis, and a policy to have insurance ceded in line with other types of risk such as credit risk, taking into accounts creditability of reinsurer, which shall have credit rating not less than the Company's determined policy and concentration risk, taking into accounts the proportion of product mix and the reinsurance concentration not to be exceeding the settling limit.

Concentration of insurance contracts liabilities segregated by insurance type were shown below.

(Baht'000)

	December 31, 2018					
	Gross Premium Reserves	Outward Premium Reserves	Net	Gross Loss Reserves	Outward Loss Reserves	Net
Fire	801,727	(233,090)	568,637	509,286	(225,027)	284,259
Marine and transportation	134,963	(63,436)	71,527	87,416	(41,485)	45,931
Motor	3,668,100	(92,128)	3,575,972	1,709,651	(33,732)	1,675,919
Miscellaneous	3,670,980	(2,057,599)	1,613,381	4,153,475	(3,354,216)	799,259
Total	8,275,770	(2,446,253)	5,829,517	6,459,828	(3,654,460)	2,805,368

(Baht'000)

	December 31, 2017					
	Gross Premium Reserves	Outward Premium Reserves	Net	Gross Loss Reserves	Outward Loss Reserves	Net
Fire	786,522	(230,379)	556,143	622,580	(262,134)	360,446
Marine and transportation	124,386	(62,557)	61,829	173,571	(107,212)	66,359
Motor	3,135,291	(85,902)	3,049,389	1,847,926	(40,848)	1,807,078
Miscellaneous	3,293,963	(1,769,592)	1,524,371	3,778,105	(2,928,773)	849,332
Total	7,340,161	(2,148,429)	5,191,732	6,422,182	(3,338,967)	3,083,215

Sensitivity analysis is performed to analyse the risk that insurance liabilities will increase or decrease as a result of changes in the assumptions used in calculating for both gross and net loss reserves, profit before income taxes, and owner's equity. The risk may occur because the frequency and severity of damage, or loss adjustment expenses may not be as expected.

(Million Baht)

	December 31, 2018				
	Assumption Change	Increase (Decrease) in Provision for Gross Claim Liabilities	Increase (Decrease) in Provision for Net Claim Liabilities	Increase (Decrease) in Profit Before Taxes	Increase (Decrease) in Owner's Equity
Average claim expenses	+10 %	824.6	549.1	(549.1)	(439.3)
Average claim expenses	-10 %	(824.6)	(549.1)	549.1	439.3
Average number of claim	+10 %	824.6	549.1	(549.1)	(439.3)
Average number of claim	-10 %	(824.6)	(549.1)	549.1	439.3

(Million Baht)

	December 31, 2017				
	Assumption Change	Increase (Decrease) in Provision for Gross Claim Liabilities	Increase (Decrease) in Provision for Net Claim Liabilities	Increase (Decrease) in Profit Before Taxes	Increase (Decrease) in Owner's Equity
Average claim expenses	+10 %	845.4	572.4	(572.4)	(457.9)
Average claim expenses	-10 %	(845.4)	(572.4)	572.4	457.9
Average number of claim	+10 %	845.4	572.4	(572.4)	(457.9)
Average number of claim	-10 %	(845.4)	(572.4)	572.4	457.9

33.2 Risk Management

(a) Credit Risk

Concentrations of the credit risk with respect to premium receivables and amounts due from reinsurance are considered low due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand.

The Company has considered the financial status and credit rating of all reinsurance companies and purchased reinsurance policies from many trustworthy companies that are capable of reinsurance, which helps distribute the risk. In addition, it has cautiously scrutinized the reinsurance conditions through its department that is well versed in the reinsurance business, including having its legal department consider legal issues, in order to minimize such risk and also possesses an efficient process of closely following up its outstanding premiums from the insured, agent and broker, apart from requiring the agent and broker to submit collateral within the specified credit limit allowed by the Company.

Concentrations of the credit risk with respect to secured loans are considered low due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand. In addition the values of the securities placed as collateral are adequate for the Company to receive complete payment of debt and the ratio of loans to collateral values is in accordance with the notification of the OIC. The Company will consider its debtors' financial status and ability to pay debt based on a sound credit analysis standard. Meanwhile, loan to value will be determined so that it is not beyond the legal limit, apart from following up a cash flow in which a payment is made in each month, and debtors' consistency of debt payment.

The maximum exposure to credit risk is limited to the book value of assets after deduction of allowance for doubtful accounts as stated in the statements of financial position.

(b) Interest Rate Risk

The Company's exposure to interest rate risk relates primarily to its deposits at financial institutions, investments in securities and loans.

The Company's exposure to interest rate risk relates to loans is low because most of loans bear floating interest rate. Whenever market rate is significantly higher than the rate in loans' agreement, the Company can adjust the interest without deniable by borrower according to the defined criteria in loan agreement between the Company and borrower for loans which bear fixed interest rate.

The Company has closely followed up the determination of the policy interest rates of the Bank of Thailand, direction of a change in the United States' Federal Reserve's interest rates, and return rates in the debt securities market in order to define the investment duration in accordance with the fluctuation of interest rates. In addition, the Company also has a policy of occupying debt instruments until they are due so as to minimize the risks incurred by instrument price volatility, apart from managing its bank deposits so that they have due amounts every month and in an approximate amount, which helps reduce a reinvestment risk.

As at December 31, 2018 and 2017, significant assets and liabilities classified by type of interest rate were summarised in the table below;

(Baht'000)

	December 31, 2018						
	Fixed Interest Rates			Floating Interest Rate	Non-Interest Bearing	Total	Effective Interest Rate
	Maturity Date or Repricing Date						
	Within 1 year	1-5 years	Over 5 years				
							(% per annum)
Financial assets							
Cash and cash equivalents	260,000	-	-	156,949	2,618	419,567	0.38 - 1.45
Investments in securities							
Government and state enterprise securities	4,785,101	470,213	195,461	-	-	5,450,775	1.43 - 3.18
Private enterprise debt securities	314,386	787,110	-	-	-	1,101,496	2.21 - 4.62
Equity securities	-	-	-	-	35,494,650	35,494,650	-
Deposits at financial institutions	5,904,388	-	-	-	-	5,904,388	1.25 - 1.85
Loans	-	-	109,793	1,330,609	-	1,440,402	4.00 - 7.00
Assets under insurance contracts							
Premium receivables	-	-	-	-	2,704,395	2,704,395	-
Reinsurance assets - loss reserves	-	-	-	-	3,654,460	3,654,460	-
Reinsurance receivables	-	-	-	-	236,156	236,156	-
Liabilities under insurance contracts							
Insurance contract liabilities - loss reserves	-	-	-	-	6,459,828	6,459,828	-
Due to reinsurers	-	-	-	-	2,178,929	2,178,929	-

(Baht'000)

	December 31, 2017						
	Fixed Interest Rates			Floating Interest Rate	Non-Interest Bearing	Total	Effective Interest Rate
	Maturity Date or Repricing Date						
	Within 1 year	1-5 years	Over 5 years				
Financial assets							(% per annum)
Cash and cash equivalents	270,000	-	-	127,005	2,579	399,584	0.38 - 1.35
Investments in securities							
Government and state enterprise securities	899,427	865,916	199,537	-	-	1,964,880	1.34 - 4.50
Private enterprise debt securities	365,666	972,252	-	-	-	1,337,918	2.21 - 4.71
Equity securities	-	-	-	-	36,465,250	36,465,250	-
Deposits at financial institutions	8,051,576	-	-	-	-	8,051,576	1.25 - 2.00
Loans	-	-	53,891	1,305,417	-	1,359,308	4.00 - 7.00
Assets under insurance contracts							
Premium receivables	-	-	-	-	2,401,046	2,401,046	-
Reinsurance assets - loss reserves	-	-	-	-	3,338,967	3,338,967	-
Reinsurance receivables	-	-	-	-	239,202	239,202	-
Liabilities under insurance contracts							
Insurance contract liabilities - loss reserves	-	-	-	-	6,422,182	6,422,182	-
Due to reinsurers	-	-	-	-	2,051,516	2,051,516	-

(c) Foreign Currency Risk

The Company's exposure to foreign currency risk arises mainly from foreign currency denominated underwriting, reinsurance with foreign reinsurers and investments in foreign associates that are denominated in foreign currencies. The Company does not utilise forward foreign currency contracts to mitigate its exposure to foreign currency risk.

The Company may use financial instruments to prevent exchange rate risks, for instance, Cross Currency and Interest Rate Swap, Interest Rate Swap, and Foreign Exchange Forward, in order to minimize the risks in accordance with the market situation and in line with the regulator's requirements. Furthermore, the Company has also developed its information technology system so as to be used to evaluate the level of investment risk through various assessment methods and models, for example, Value at Risk, Sensitivity Analysis, and Stress Test to ensure that the Company still has financial standing flexible enough to counter the damage which may occur.

As at December 31, 2018 and 2017, the balances of assets and liabilities denominated in foreign currencies were summarised below.

Foreign Currency	Assets as at December 31,		Liabilities as at December 31,		Average Exchange Rate as at December 31,	
	2018	2017	2018	2017	2018	2017
	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Baht per 1 foreign currency unit)	
US dollar	451.2	416.4	397.9	382.6	32.404	32.641
HK dollar	7.0	6.4	-	-	4.135	4.174
Indonesian rupiahs	2.6	1.8	-	-	0.002	0.002
English euro	-	0.6	1.0	1.5	37.073	38.975
Japanese yen	0.2	0.2	-	-	0.293	0.289
Vietnam dong	0.2	-	-	-	0.001	0.001

(d) Equity Position Risk

Equity position risk is the risk that change in the market prices of equity securities will result in fluctuations in revenues and in the value of financial assets.

The Company will choose to invest in equity securities of which the issuers possess robust financial status and an ability to make a profit, with steady growth potential, as well as in the business deriving the benefits of the government policy. Additionally, the Company will mostly occupy equity instruments for its long-term investments, which will be able to reduce price volatility of equity instruments.

As at December 31, 2018 and 2017, the Company had risk from its investments in equity securities of which the price would change with reference to market conditions.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss.

The Company has allocated a portion of investment as a bank deposit with high liquidity, which is reserved for operating expenses, while the deposit is defined to be due in each period, in conformity with a demand for spending in accordance with a plan for the cash flow management, financial reception and payment based on an obligation established. As to the other portion, the Company has allotted investment in stocks required by the market, with high liquidity and an ability to be realized as cash conveniently, as well as at the value approximate to the fair value.

Counting from the financial position date, the periods to maturity of assets and liabilities held as at December 31, 2018 and 2017 were as follows:

(Baht'000)

	December 31, 2018					
	At Call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	159,567	260,000	-	-	-	419,567
Investments in securities	-	11,003,875	1,257,323	195,461	35,494,650	47,951,309
Loans	-	762,250	337,580	340,572	-	1,440,402
Assets under insurance contracts						
Premium receivables	-	2,704,395	-	-	-	2,704,395
Reinsurance assets - loss reserves	-	2,337,938	1,316,522	-	-	3,654,460
Reinsurance receivables	-	236,156	-	-	-	236,156
Liabilities under insurance contracts						
Insurance contract liabilities - loss reserves	-	4,132,669	2,327,159	-	-	6,459,828
Due to reinsurers	-	2,178,929	-	-	-	2,178,929

(Baht'000)

	December 31, 2017					
	At Call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	129,584	270,000	-	-	-	399,584
Investments in securities	-	9,316,669	1,838,168	199,538	36,465,250	47,819,625
Loans	-	830,280	171,858	357,170	-	1,359,308
Assets under insurance contracts						
Premium receivables	-	2,401,046	-	-	-	2,401,046
Reinsurance assets - loss reserves	-	1,994,814	1,344,153	-	-	3,338,967
Reinsurance receivables	-	239,202	-	-	-	239,202
Liabilities under insurance contracts						
Insurance contract liabilities - loss reserves	-	3,836,833	2,585,349	-	-	6,422,182
Due to reinsurers	-	2,051,516	-	-	-	2,051,516

33.3 Fair Value of Financial Assets

As of December 31, 2018 and 2017, the Company had the following financial assets that were measured at fair value or cost but fair value are disclosed by using different levels of inputs as follows:

(Baht'000)

	December 31, 2018				
	Fair Value				Carrying Value
	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value					
Investments in securities					
Government and state enterprise securities	-	5,450,775	-	5,450,775	5,450,775
Private enterprise debt securities	-	1,101,496	-	1,101,496	1,101,496
Equity securities	33,941,921	865,407	-	34,807,328	34,807,328
Financial asset for which fair value are disclosed					
Cash and cash equivalent	419,567	-	-	419,567	419,567
Investment in securities					
Held-to-maturity investments	5,904,388	-	-	5,904,388	5,904,388
Other investments - net	-	-	2,781,109	2,781,109	687,321
Loans	-	-	1,366,559	1,366,559	1,440,402
Investment properties - net	-	-	170,296	170,296	152,436

(Baht'000)

	December 31, 2017				
	Fair Value				Carrying Value
	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value					
Investments in securities					
Government and state enterprise securities	-	1,964,880	-	1,964,880	1,964,880
Private enterprise debt securities	-	1,337,918	-	1,337,918	1,337,918
Equity securities	34,857,100	898,230	-	35,755,330	35,755,330
Financial asset for which fair value are disclosed					
Cash and cash equivalent	399,584	-	-	399,584	399,584
Investment in securities					
Held-to-maturity investments	8,051,576	-	-	8,051,576	8,051,576
Other investments - net	-	-	2,346,704	2,346,704	709,921
Loans	-	-	1,313,080	1,313,080	1,359,308
Investment properties - net	-	-	205,999	205,999	169,666

The fair value hierarchy of financial assets presents according to Note 4.19 to financial statements. During the years, there were no transfers within the fair value hierarchy.

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

(a) Financial assets which have short-term maturity, including cash and cash equivalents, are presented at fair value, which approximate their carrying values as stated in the statements of financial position.

(b) Investments in equity securities are presented at fair value, which is derived from market price. In case of non-marketable equity securities, the fair value is determined using price per book value or discount cash flow techniques discounted by the Weighted Average Cost of Capital (WACC) appropriate to each security, except for investment units, which are not listed on the Stock Exchange of Thailand, their fair values are determined using the net asset value per unit announced by the fund managers.

(c) Investments in debts securities are presented at market prices or determined using the yield curve as announced by the Thai Bond Market Association.

(d) Long-term loans are presented at fair value, which is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.

(e) Investment properties are presented at fair values, which are appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee.

34. Capital Management

The primary objectives of the Company's capital management are to ensure that it preserves the ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the Office of Insurance Commission.

35. Approval of Interim Financial Statements

These financial statements were authorised for issue by the Company's Executive Directors on February 20, 2019.

COMPANY'S FINANCIAL STATUS

Assets

As at December 31, 2018, the Company's total assets amounted to Baht 60,620.2 million, an increase of Baht 517.4 million, or 0.9 percent, over 2017. Significant components of the assets are described below.

- Investments in securities rose by Baht 131.7 million, or 0.3 percent, to Baht 47,951.3 million, compared to 2017. Investments in securities are comprised of available-for-sale investments of Baht 41,359.6 million, or 68.2 percent of the total assets, held-to-maturity investments (deposits at financial institutions with amounts maturing in due 3 months) of Baht 5,904.4 million, or 9.7 percent of the total assets, and other investments of Baht 687.3 million, or 1.2 percent of the total assets.
- Net reinsurance assets totaled Baht 6,100.7 million, a rise of Baht 613.3 million, or 11.2 percent, over 2017.
- Premium due and uncollected rose by Baht 303.3 million, or 12.6 percent, to Baht 2,704.4 million, compared to 2017.
- Loans grew by Baht 81.1 million, or 6.0 percent, to Baht 1,440.4 million, compared to 2017.
- Property, premises and equipment, including real estate for net investments, declined by Baht 210.3 million, or 17.9 percent, to Baht 966.6 million, compared to 2017.
- Cash and cash equivalents increased by Baht 20.0 million, or 5.0 percent, to Baht 419.6 million, over 2017.

Liabilities

The Company's total liabilities at 2018 year-end rose by Baht 787.5 million, or 3.2 percent, to Baht 25,744.8 million, compared to 2017. Significant elements of liabilities include the following:

- Insurance contract liabilities grew by Baht 973.3 million, or 7.1 percent, to Baht 14,735.6 million, compared to 2017.
- Due to reinsurers increased by Baht 127.4 million, or 6.2 percent, to 2,178.9 Baht 1 million, over 2017.
- Deferred tax liabilities fell by Baht 315.0 million, or 6.3 percent, to Baht 4,724.4 million, compared to 2017.
- Other liabilities comprised premium received in advance of Baht 1,868.7 million, a rise of Baht 66.3 million, or 3.7 percent, compared to 2017, and accrued expenses of Baht 574.3 million, a drop of Baht 60.7 million, or 9.6 percent, over 2017.

Owners' Equity

The Company's owners' equity at 2018 year-end diminished by Baht 270.1 million, or 0.8 percent, to Baht 34,875.4 million, over 2017. Important components of the owners' equity are listed below.

- Unappropriated retained earnings amounted to Baht 7,302.7 million, a rise of Baht 920.9 million, or 14.4 percent, compared to 2017.
- Other comprehensive income for the year (a surplus on revaluation of investments in securities for sale based on income taxes) dwindled by Baht 1,190.9 million, or 5.2 percent, to Baht 21,859.0 million, compared to 2017.

Assets Quality

Debtors (Premium Receivables)

As at December 31, 2018, premium receivables had increased by Baht 303.3 million, or 12.6 percent, to Baht 2,704.4 million, over 2017. They can be classified by aging as follows:

(Million Baht)

Overdue	2018			2017		
	From the Insured	From Agent & Broker	Total	From the Insured	From Agent & Broker	Total
Not Yet Due	675.8	1,362.7	2,038.5	669.7	1,168.2	1,837.9
Overdue not longer than 30 days	98.9	149.7	248.6	102.7	98.5	201.2
Overdue 31 days - 60 days	55.8	81.5	137.3	32.2	63.0	95.2
Overdue 61 days - 90 days	29.3	32.3	61.6	37.9	21.2	59.1
Overdue 91 days - 1 year	69.9	148.5	218.4	87.9	119.8	207.7
Overdue longer than 1 year	15.6	14.4	30.0	5.7	16.7	22.4
Total overdue	945.3	1,789.1	2,734.4	936.1	1,487.4	2,423.5
Less: Allowance for Doubtful Accounts	15.6	14.4	30.0	5.7	16.7	22.4
Premium Receivables - Net	929.7	1,774.7	2,704.4	930.4	1,470.7	2,401.1

Debtors, within a grace period and overdue less than 30 days, for premium receivables amounted to Baht 2,287.1 million, representing 83.6 percent of the uncollected total premium of Baht 2,734.4 million. Most of them were within a grace period offered by the Company. Nonetheless, the Company has constantly developed an efficient debt management procedure, premium collections and debt follow-up, which allow the uncollected premium's value estimation ratio to meet the requirement of OIC.

For the premiums expected to be bad debts, the Company has provided an allowance for doubtful accounts, in accordance with the Company's policy on allowance allotment for doubtful accounts, which is deemed adequate for the risk of being unable to collect these debts.

Loans

As at December 31, 2018, the Company's total loans expanded by Baht 81.1 million, or 6.0 percent, to Baht 1,440.4 million. They were mortgage loans or those having a person as collateral security. Out of the Company's total loan amount, Baht 174.5 million, or 12.1 percent, was housing loans, while the remaining Baht 1,265.9 million, or 87.9 percent, was loans extended to real estate developers and other industrial entrepreneurs.

With respect to these mortgage loans, the collateral security evaluation, loan amount limit, contract period, conditions for interest payment on an installment basis, and the principal return were in compliance with the requirements of the laws and regulations concerned. In addition, the value of collateral security for mortgage loans must be absolutely sufficient for debt payment.

Debtors of mortgage loans can be classified by aging as follows:

(Million Baht)

Outstanding Period	2018			2017		
	Principal		Total	Principal		Total
	Mortgage	Others		Mortgage	Others	
Current	1,253.4	8.8	1,262.2	1,169.4	6.2	1,175.6
Overdue						
Less than 3 months	37.0	-	37.0	30.2	-	30.2
3 - 6 months	-	-	-	-	-	-
7 - 12 months	22.7	-	22.7	-	-	-
Over 12 months	119.2	-	119.2	153.5	-	153.5
Total	1,432.3	8.8	1,441.1	1,353.1	6.2	1,359.3
Less: Allowance for Doubtful Accounts	0.7	-	0.7	-	-	-
Loans & Interest Due & Uncollected - Net	1,431.6	8.8	1,440.4	1,353.1	6.2	1,359.3

Investments in Securities

The overall global economy in 2018 experienced a slowdown in its expansion in all principal regions, particularly China and Europe, except the United States, which achieved the highest growth rate in twelve years, coupled with an unemployment rate in the United States diminishing constantly to the lowest level in fifty years. The tight global economy steadily continued through a rise in a U.S. Fed Fund Rate, with the global trade condition and the private sector's consumption being confronted with such economy-pressing factors as the global trade war and an adaptation of entrepreneurs in foreign countries to protectionism measures, global oil prices being at a record fluctuation, a slowdown of global oil demand in accordance with the global economy, including the uncertainty of the United Kingdom's Brexit plans, protests against the French government, and conflicts between Russia and western countries.

The Thai economy in 2018 experienced a sound expansion in the first half of the year but in the latter half of the year there was a slowdown due to the exports sector, which was a major source of the country's income, being affected by the global economy and the protectionism measure between the United States and China. Moreover, the tourism sector, which had achieved a sound extension in the first half of the year, was adversely affected by a boating accident in Phuket that undermined Chinese tourists' confidence in the latter half of the year.

The Thai private sector's consumption, nevertheless, expanded as a consequence of an adjustment of a higher total car sales owing to a gradual termination of the conditions involved with the first-car policy, better employment, increasing distribution in numerous economic sectors and income groups, causing the purchasing power outside the agricultural sector to recover constantly. There was also an adjustment of higher private sector's investment due to the extended consumption, including additional supporting factors from the government sector's measures in spite of the government sector's delayed and unclear investment in mega projects, inhibiting the economy in 2018 being pushed forward fully. In this connection, the Monetary Policy Committee (MPC) had a resolution to raise the policy interest rate by 0.25 percent a year for the first time in seven years, from 1.50 to 1.75 percent per year, aimed at generating financial stability and having space for implementing its monetary policy in the future.

For the Company, its overall investment income in 2018 had abated, compared to the previous year. The interest and dividends grew by Baht 4.7 million, or 0.4 percent, to Baht 1,144.1 million. A return from investment capital dwindled by Baht 38.6 million, or 31.1 percent, to Baht 85.5 million. Therefore, the total investment income in 2018 diminished by Baht 48.3 million, or 3.5 percent, to Baht 1,317.6 million. When combined with a return from the underwriting, the Company's net return in 2018 amounted to Baht 2,406.8 million.

Furthermore, the Company's fair value of the overall securities investment was higher than its costs, which was indicated by other components of owners' equity in the 2018 financial statements, which were displayed as a surplus on revaluation of investments amounting to Baht 21,859.0 million, a fall of Baht 1,190.9 million, or 5.2 percent, compared to 2017, in compliance with the SET index at 2018 year-end, which closed at 1,563.88, a drop of 189.83, or 10.8 percent, from 2017, which closed at 1,753.71.

When classified in detail, as at December 31, 2018, the Company's investment capital for significant securities included the following. Bonds and treasury notes amounted to Baht 5,454.2 million, with a fair value of Baht 5,450.8 million, while listed securities including warrant totaled Baht 5,082.8 million, with a fair value of Baht 32,095.5 million, and unlisted securities equaled Baht 804.3 million, with a value after the reduction of allowance for impairment of Baht 687.3 million. Similarly, the investment capital in associated companies totaled Baht 227.7 million.

The investment capital in investments in funds amounted to Baht 2,404.5 million, with a fair value of Baht 2,711.9 million, which were classified into investments in funds, debt securities funds, equity securities funds and real estate funds, trust for real estate investments and infrastructure funds.

Liquidity

Cash Flows

As at December 31, 2018, the Company's cash and cash equivalents rose by Baht 20.0 million, or 5.0 percent, to Baht 419.6 million. The Company's net cash on its activities were as follows:

(Million Baht)

	2018	2017
Net Cash from (used in) Operating Activities	1,577.5	1,604.4
Net Cash from (used in) Investing Activities	(66.9)	(126.7)
Net Cash from (used in) Financing Activities	(1,490.6)	(1,490.6)
Increase (Decrease) in Net Cash and Cash Equivalents	20.0	(12.9)

- Net cash from operating activities totaled Baht 1,577.5 million, which came mainly from direct premium written and interest and dividend investment income.
- Net cash used in investing activities totaled Baht 66.9 million, which was mainly used in property, premises and equipment, including non-existent assets.
- Net cash used in financing activities totaled Baht 1,490.6 million, which was all used in a dividend payment.

Other Liquidity Assets

Apart from cash and cash equivalents, based on the data identified in the securities investment capital, it can be seen that most capital was assets of high liquidity, for instance, government bonds, listed securities and investment in funds. These assets could be swiftly converted into cash since they were in demand in the market.

Investment Expenses

In 2018, the Company's major investment expenses were on an information technology system, building rehabilitation, and office equipment and decoration which were aimed at improving the Company's modern outlook and efficiency of customer services.

In 2018, the Company's investment expenses on property, premises and equipment amounted to Baht 49.6 million, and non-existent assets of Baht 17.3 million.

Sources of Funds

As at December 31, 2018, the Company's liabilities were Baht 25,744.8 million, while owners' equity was Baht 34,875.4 million. Thus, the debt to equity ratio was 0.7 time. In 2018, the Company's total liabilities had risen by Baht 787.5 million, or 3.2 percent, compared to 2017, due to an increase in insurance contract liabilities, due to reinsurers and premium received in advance. Owners' equity fell by Baht 270.1 million, or 0.8 percent, over 2017. A significant factor was a rise in unappropriated retained earnings of Baht 920.8 million, or 14.4 percent, while the owners' equity's other components experienced a decline of Baht 1,190.9 million, or 5.2 percent, in a return from evaluation of net investment capital from income taxes, compared to 2017.

FINANCIAL RATIO

		2018	2017	2016
Liquidity Ratio				
Current Ratio	(Times)	0.61	0.69	0.68
Receivable Turnover	(Times)	6.79	6.78	7.22
Collection Period	(Days)	53.04	53.11	49.83
Profitability Ratio				
Retention Rate	(%)	105.64	99.25	100.31
Loss Ratio	(%)	49.42	51.61	50.29
Profit Margin	(%)	12.32	12.78	13.88
Underwriting and Operation Expenses Ratio	(%)	37.59	35.75	35.82
Return on Investment	(%)	2.85	2.94	2.84
Net Premium Ratio	(Times)	0.34	0.32	0.33
Net Profit Margin	(%)	18.91	19.22	19.54
Return on Equity	(%)	6.87	7.03	7.17
Efficiency Ratio				
Return on Assets	(%)	4.61	4.70	4.84
Fixed Assets Turnover	(Times)	11.88	9.92	9.03
Total Assets Turnover	(Times)	0.21	0.21	0.21
Financial Ratio				
Debt to Equity Ratio	(Times)	0.74	0.71	0.72
Policy Liability to Capital Fund	(Times)	0.42	0.39	0.41
Equity/Net Premium Income	(Times)	2.92	3.21	3.00
Equity/Net Outstanding Claims	(Times)	5.43	5.47	5.47
Equity/Assets	(Times)	0.58	0.58	0.58
Unearned Premium Reserve to Equity	(Times)	0.24	0.21	0.22
Unearned Premium Reserve/Total Assets	(%)	13.71	12.21	12.91
Payout Ratio	(%)	61.92	62.03	61.46
Per Share				
Par Value	(Baht)	10.00	10.00	10.00
Book Value	(Baht)	327.56	330.10	312.33
Basic Earnings	(Baht)	22.61	22.57	22.78
Dividends	(Baht)	14.00	14.00	14.00
Growth Rate				
Premium Written	(%)	8.69	(0.56)	1.03
Underwriting Profit	(%)	5.07	(9.10)	1.57
Investment Profit	(%)	(3.53)	6.26	4.21
Profit Before Income Tax Expenses	(%)	0.83	(2.11)	2.77
Income Tax Expenses	(%)	5.38	(9.32)	(1.85)
Net Profit	(%)	0.15	(0.94)	3.56
Total Assets	(%)	0.86	4.83	(3.24)

RELATED PARTIES TRANSACTIONS

Types of Related Parties Transactions

A portion of the Company's business deals with related parties, where the relationship may be by shareholding or by companies having the same group of shareholders or directors. In considering the relationship between individuals or enterprises, attention is directed to the substance of the relationship, and not merely to the legal form or the basis of commitments. Transactions are determined on the basis of conditions in the normal course of business and according to market value. In addition to the related-transaction disclosure in Note 12 and 29 of the financial statements for the year 2018, the Company would like to reveal additional information for cross-over transaction as follows:

(Million Baht)

Transaction with Related Party	Related Party	Relationship	2018	2017
Investment in Associated Companies	Disclosure in Note 12	-	227.7	214.9
Investments in Listed Securities	Disclosure in Note 29	-	29,570.7	30,166.8
Investment in Non-Listed Securities	Disclosure in Note 29	-	680.2	471.7
Premiums Written	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	291.9	289.9
Premium Due and Uncollected	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	6.6	18.4
Interest Income *	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	58.7	79.3
Dividend Income	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	221.6	221.6
Bank Deposits	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	3,873.0	5,301.5

* Interest is charged at the same rates as those that financial institutions and related parties offer to other customers, based on market value.

Necessity and Justification of the Items

The Company has the above interrelated items, together with those disclosed in the remarks supplementary to the financial statements, in order to support its operation, expand its customer base and develop its business. They are generated according to the general regular business in which the Company has complied with the rules and regulations of the Office of Insurance Commission and standard trading conditions, with fair value based on market value. Nevertheless, the Company expects to generate maximum benefit.

Procedures for Approval of Interrelated Items

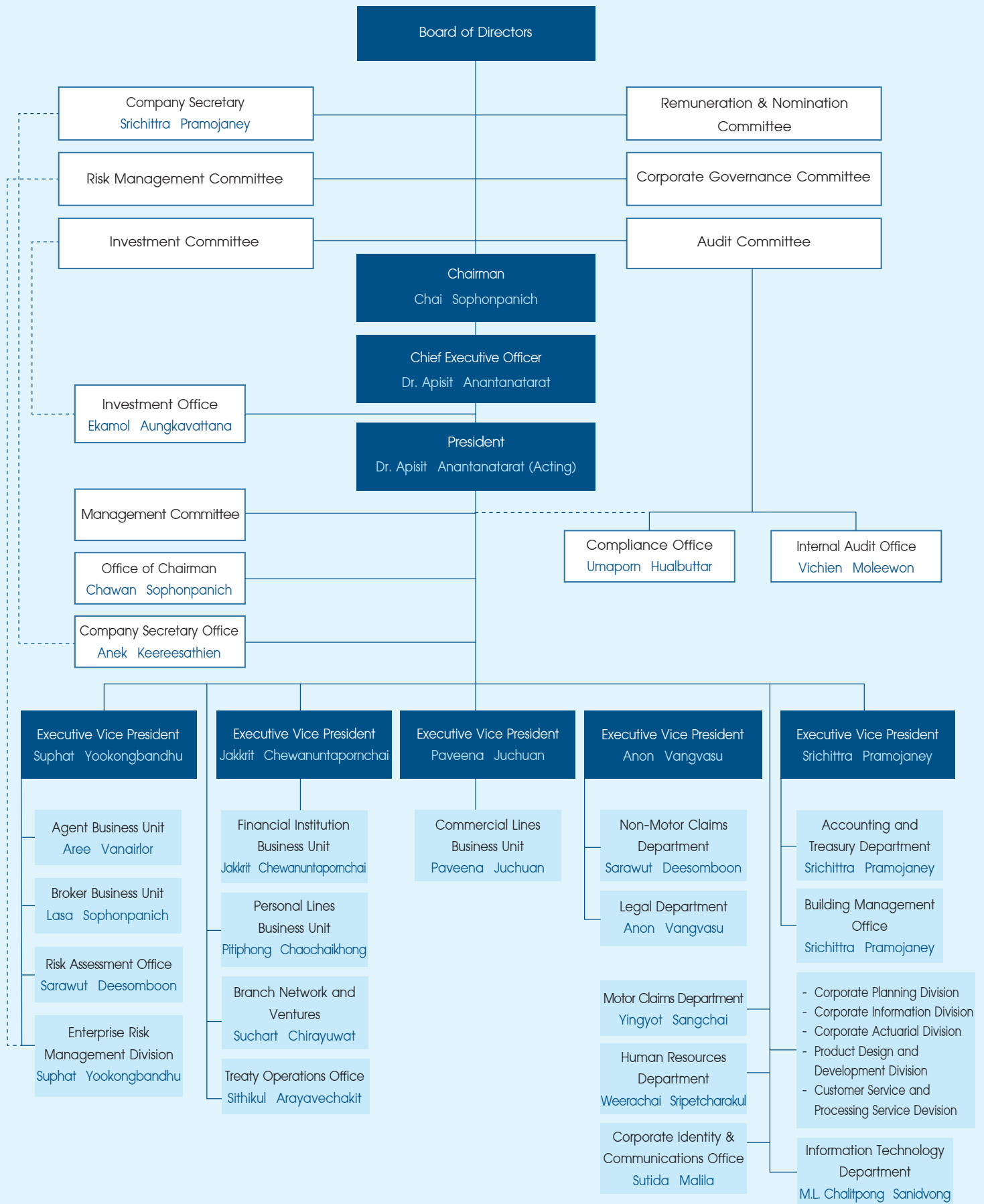
The Company has internal control systems at various levels based on the type of interrelated items, which are implemented in accordance with the law, regulations and policy of the Company that comply with other courses of business. In order to avoid any conflict of interest in making interrelated items, the Company complies with the regulations of the SET. However, when the transaction of an interrelated item occurs, it will comply with the regular trade in the market, and the Audit Committee shall review the item's suitability and justification.

Policy of Making Interrelated Items in the Future

The Company has in force a policy of making interrelated items in the future, which will be in accordance with those principles explained above. The Company will comply with the rules and notices of the SET.

It is the intention of the Company, however, to continue its business in a clear and transparent manner, which is fair to its business partners, customers and shareholders, and is in keeping with the highest standards of benefit to the Company.

ORGANIZATION STRUCTURE



as at February 1, 2019

MANAGEMENT STRUCTURE

The Company's management structure consists of 2 major groups as follows:

1. The Board of Directors and 5 committees, which directly report to the Board and comprise the Audit Committee, the Remuneration and Nomination Committee, the Corporate Governance Committee, the Investment Committee and the Risk Management Committee, and
2. The Company's Management, together with 7 committees, which directly report to the Management, consisting of the Sustainable Development Committee, the Insurance and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee, the High Loss or Complicated Claims Committee and the Procurement on Building Management Committee.

1. Board of Directors

The structure of the Company's Board of Directors is determined by the Company's shareholders' meeting resolutions, but the Board shall comprise at least 5 directors and no less than three-fourths of the total number of directors must be of Thai nationality. Similarly, no less than half of the Company's Board shall be non-executive directors, and at least one-third of the Board, but no fewer than 3 directors, shall be independent so that the Board's authority is counterbalanced by non-executive directors, and hence the Board itself can efficiently oversee the Company's performance in accordance with the Company's policy on good corporate governance.

Names of the Board of Directors

The Board of Directors (as at December 31, 2018) comprises 12 members as the following:

1. Executive directors consist of 2 members.
2. Non-executive directors consist of 10 members, 9 of whom are independent directors, amounting to more than one-third of all Board members.

The names of the Board of Directors, including their meeting attendance and remuneration in 2018 are given below.

Name - Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****
	1	2	3	4	
1.) Executive Directors					
1. Mr. Panus Thiravanitkul Director and Director of the Corporate Governance Committee and Chief Executive Officer (The position of Chief Executive Officer is due to retirement on January 1, 2019)	5/5 -	- -	- -	- 1/1	720,000 90,000
2. Dr. Apisit Anantanarat Director and President	5/5	-	-	-	720,000
2.) Non-Executive Directors					
3. Mr. Chai Sophonpanich Chairman (Appointed as Director on June 29, 2018 and as Chairman on November 9, 2018)	2/2	-	-	-	360,000
4. Mr. Toshimi Kobayashi Independent Director	4/5	-	-	-	720,000

Name - Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****	
	1	2	3	4		
2.1)The Audit Committee*						
5. VDC Col Plengsakdi Prakaspesat (Resigned as from Chairman on November 9, 2018) and Independent Director and Chairman of the Audit Committee	5/5 - -	- 6/6 -	- - -	- - -	1,440,000 360,000	
6. Miss Potjane Thanavarani Independent Director and Director of the Audit Committee	5/5 -	- 6/6 -	- - -	- - -	720,000 360,000	
7. Mr. Chor.nun Petpaisit Independent Director and Director of the Audit Committee	5/5 -	- 6/6 -	- - -	- - -	720,000 360,000	
2.2)The Remuneration and Nomination Committee**						
8. Mr. Singh Tangtaswas Independent Director and Chairman of the Remuneration and Nomination Committee	4/5 -	- - 2/2	- - -	- - -	720,000 90,000	
9. Mr. Suvarn Thansathit Independent Director and Director of the Remuneration and Nomination Committee	5/5 -	- - 2/2	- - -	- - -	720,000 90,000	
10. M.R. Supadis Diskul Independent Director and Director of the Remuneration and Nomination Committee	5/5 -	- - 2/2	- - -	- - -	720,000 90,000	
2.3)The Corporate Governance Committee***						
11. Mr. Virasak Sutanthavibul Independent Director and Chairman of the Corporate Governance Committee and Director of the Remuneration and Nomination Committee	4/5 - -	- - - 2/2	- - -	- 1/1 -	720,000 90,000 90,000	
12. Mrs. Nintira Sophonpanich Independent Director and Director of the Corporate Governance Committee	4/5 -	- - -	- - -	- 1/1 -	720,000 90,000	
Mr. Voravit Rojrapitada Director (Resigned as from June 25, 2018)	2/2	-	-	-	360,000	
Total	5 Times	6 Times	2 Times	1 Time	11,070,000	

Notes: Meeting Attendance/Number of Meeting Invitations

1. The Board of Directors' meeting.
2. The Audit Committee's meeting in 2018: the Audit Committee convened 6 meetings, 4 of which were attended only by its members, and 2 of which were attended by the independent auditor and without the attendance of the Company's Management.
3. The Remuneration and Nomination Committee's meeting.
4. The Corporate Governance Committee's meeting.

- * The Audit Committee, consisting of 3 independent members who are non-executive directors, was appointed by the Board's resolution on November 10, 2017, and effective from November 17, 2017, for a three-year term. The Committee's term will be due on November 16, 2020. The Committee members, comprising VDC Col Plengsakdi Prakaspesat, Miss Potjanee Thanavaranit and Mr. Chor.nun Petpaisit, were appointed by the Board's resolution. Each of the 3 Audit Committee members possesses comprehensive knowledge and vast experience in the verification of the Company's financial statements. Details of their educational background and working experience, particularly in the verification of financial statements, are revealed in the history of the Board directors.
- ** The Remuneration and Nomination Committee was appointed by the Board's resolution on August 15, 2016, and effective from August 18, 2016, for a three-year term. The Committee's term will be due on August 18, 2019.
- *** The Corporate Governance Committee was appointed by the Board's resolution on February 24, 2017, and effective from February 28, 2017, for a three-year term. The Committee's term will be due on February 27, 2020.
- **** The Board Directors' Remuneration for 2018 was approved by shareholders' 25th general meeting on April 27, 2018, in the amount not exceeding Baht 12,500,000.

The Scope of Duties and Authority of the Company's Board of Directors

The Company's Board of Directors plays a role in overseeing the Company's administration to ensure that its management has implemented all the Company's policies and fulfilled its performance goals as proposed to the Board, including having a strong determination to achieve an excellent work performance for the benefit of the Company's shareholders and all groups of stakeholders. The Company's Board's scope of duties and authority also includes the following.

1. The Company's Board has the authority to implement the following issues:
 - 1.1 To consider the appropriateness of an appointment and define the scope of duties and responsibilities of sub-committees.
 - 1.2 To consider an appropriate authorization to the Chief Executive Officer, the President and executives for a swift performance of normal business.
 - 1.3 To consider the appropriateness of an appointment of the Company Secretary and define the scope of his/her duties and responsibilities.
 - 1.4 To consider the Company's investment and other business transactions which are beyond the amount approved by the Investment Committee.
 - 1.5 To consider a transaction with a person or juristic person related to the Board director, or within the scope of related parties transactions/procurement or disposal.
 - 1.6 To conduct any duties so that they are in accordance with laws, orders and the Company's shareholders' resolutions.
2. The Company's Board has the following duties and responsibilities:
 - 2.1 To consider and arrange for the policy on good corporate governance, framework for risk management and policy on risk management, policy on investment corporate governance, policy on investment and other business transactions, framework for reinsurance management, policy on anti-corruption, and policy on whistle-blowing, all for the management's implementation. This includes a review of such policies and an evaluation of implementation consequences so that the management can make yearly improvements and provide a report in the Company's annual report.
 - 2.2 To consider the appropriateness of, as well as make suggestions on and approve the vision of, strategies and performance goals of the Company, as proposed by the management, including following up and assessing performance achievement.
 - 2.3 To oversee the Company's performance so that it has appropriate systems of risk management, internal control and audit.
 - 2.4 To generate effective selection procedures and succession plans for the Company's Board of Directors and management. The Board will appoint the Chief Executive Officer and the President as head of the management

team responsible for the Company's business performance under the Board's supervision.

2.5 To ensure that the Company has a practical guideline concerning the morality of its business performance, as well as the Board's and employees' good practices, including an effective communication mechanism for the acknowledgement of the parties concerned.

2.6 To make a report explaining the Company's Board's responsibility for financial statements preparation, which shall be disclosed in the Company's annual report.

2.7 To consider a performance evaluation of the Company's Board of Directors, the Chief Executive Officer and the President, including overseeing an arrangement of an effective procedure for an assessment of the Company's executives' duty performance.

2.8 To provide a channel for the Company's stakeholders to communicate with the Company's Board in order to inform of useful information or advice to the Company for consideration and implementation in accordance with the defined procedures.

2.9 To conduct any duties so that they are in accordance with laws, orders and the Company's shareholders' resolutions.

The Board of Directors' Meeting

1. The Company's Board of Directors has determined in advance its meeting a minimum of 4 times a year so that each Board member will be informed of and set aside time for the Board's meeting. Nevertheless, there may be an additional extraordinary meeting as the Board thinks necessary.

2. The meeting invitation letters, including an agenda and other relevant documents, will be delivered, no less than 7 days prior to the date of the meeting, to all the Board members. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company Secretary.

3. For each meeting, the Chairman of the meeting is in charge of providing time for presentations of related information, discussions and interrogations, as well as for each Board member to make a comprehensive comment.

4. In consideration of the agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda.

5. The Board may ask the Chairman or the Company Secretary for additional explanations and examination of relevant documents.

6. The Board encourages its non-executive directors to convene a meeting among themselves, and assigns the Company Secretary to facilitate such a meeting upon request from non-executive directors.

Directors Authorized to Bind the Company to Any Decision

The Company's Board directors who are authorized to bind the Company to any decision are two out of the three directors, namely Mr. Chai Sophonpanich, Mr. Panus Thiravanitkul or Dr. Apisit Anantanatarat, who must sign together and affix the Company's seal.

2. Management Committee

Management Committee

The Management Committee consists of executive directors and executives appointed by the Company's Chief Executive Officer. The Management is authorized by the Board's resolution to act on behalf of the Company in its daily missions and other general missions related to the Company's business transactions, which is aimed at alleviating the Board's missions, apart from the flexibility of the performance of any of the Company's work, to achieve the targets and goals defined, prior to reporting to the Board for acknowledgement. Nevertheless, an exercise of such authority of the Management Committee is infeasible if it is a stakeholder or has conflicts of interest, in any form, with the Company.

For any performance related to the Company's internal affairs, for instance, an issuance of circular letters, the determination of rules, regulations, orders and any other proclamations, the Company's Chief Executive Officer or President will be authorized to sign them, using the same practice procedure as those of other private companies of similar business, while also considering the Company's benefit as principal.

Name of the Management Committee

The term “The Company’s Management Committee”, as defined in the Office of Securities and Exchange Commission’s notices, includes the first four executive members following the manager. In compliance with the Company’s organizational structure, the Company’s Management Committee is made up of the first four executive members following the Chief Executive Officer. The Management Committee (as at December 31, 2018) is comprised of 14 executive members whose names are listed below.

Name of the Management Committee

1. Mr. Panus Thiravanitkul (Retired on January 1, 2019)	Director and Chief Executive Officer
2. Dr. Apisit Anantanatarat (Appointed on January 1, 2019)	Director and Chief Executive Officer and acting President
3. Mr. Anon Vangvasu	Executive Vice President
4. Mr. Suphat Yookongbandhu	Executive Vice President
5. Mrs. Srichittra Pramojaney	Executive Vice President
6. Mr. Jakkrit Chewanuntapornchai (Appointed on January 1, 2019)	Executive Vice President
7. Miss Paveena Juchuan (Appointed on January 1, 2019)	Executive Vice President
8. Mr. Suchart Chirayuwat	Senior Vice President
9. Mr. Aree Vanairlor	Senior Vice President
10. Mr. Chawan Sophonpanich	Senior Vice President
11. Miss Lasa Sophonpanich	Senior Vice President
12. Mr. Weerachai Sripetcharakul	Senior Vice President
13. M.L. Chalitpong Sanidvong	Senior Vice President
14. Mr. Lert Vongchai (Retired on January 1, 2019)	Senior Vice President

The Scope of Duties and Authority of Management Committee

1. To verify, before presenting to the Board of Directors for consideration, the Company’s vision, strategies, and business goals.
2. To verify, before presenting to the Board of Directors for consideration, the procurement or disposal of the Company’s major assets.
3. To ensure that the Company has an implementation based on its policy on corporate governance, as well as an evaluation of its consequences, including suggestions for the Corporate Governance Committee’s consideration.
4. To conduct any duties assigned to them by the Board of Directors.
5. To periodically follow up and report on the Company’s performance to the Board of Directors.

3. The Company Secretary

The Company’s Board of Directors’ meeting (No.2/2015) held on May 15, 2015, passed a resolution appointing Mrs. Srichittra Pramojaney, who is currently the Company’s Executive Vice President, as the Company Secretary, effective from June 1, 2015, in order to oversee, coordinate and facilitate the Board’s meeting and shareholders’ meeting so that they are in compliance with the laws, rules and regulations concerned. The Company Secretary is a qualified person besides having comprehensive knowledge and capability to perform his or her duty and assume the position. The Company has defined its secretary qualifications and scope of duties and authority as the following:

The Qualification of Company Secretary

1. Have comprehensive knowledge and understanding of the Company’s business, including roles and duties related to the work of the Company secretary, for instance, duties of the Board and the Company, as well as possess sound knowledge of related laws and regulations, including the continuous pursuit of knowledge and follow-up of data and information for the development of work implementation.

2. Perform duties in accordance with laws, rules and the Company's regulations, with responsibility, caution, integrity and determination, including lending support for the Company's operation, based on the Company's principles of good corporate governance and code of ethics, so that the Company may fulfill its goals.

3. Strictly adhere to virtue and morality, as well as take into account all groups of stakeholders, while not acting in a way that will cause damage to the Company's reputation and good image.

4. Not aim at self-interest out of the Company's business opportunities, and well maintain the Company's secrecy.

5. Have good human relations and an ability to coordinate with other departments and sections both inside and outside the Company.

The Scope of Duties and Authority of the Company Secretary

1. Provide preliminary suggestions on the Company's laws and orders to the Board of Directors and follow up to ensure that they are implemented accurately and steadily, including making a report to the Board on a significant change in those laws and orders.

2. Hold a meeting of the Company's shareholders or Board in accordance with the laws and the Company's regulations and requirements.

3. Record shareholders' and the Board's meeting reports, including following up to ensure that their meetings' resolutions are implemented accordingly.

4. Prepare and maintain the Board's registration, the Company's annual report, as well as shareholders' and the Board's meeting invitation letters and meeting reports.

5. Keep a report on stakeholding as reported by the Company's Board or management, including making a copy and submitting it, within 7 working days starting from the day the report is received, to the chairman of the Board and the chairman of the Audit Committee for acknowledgement.

6. To ensure that there is disclosure of related data and an information report to agencies supervising the Company, based on the government's orders and requirements.

7. Get in touch and communicate with general shareholders so that they are informed of their rights and the Company's information.

8. Oversee the Company's Board of Directors' activities.

9. Carry out other activities defined by the Capital Market Commission.

4. Remuneration for Directors and Management

4.1 Remuneration in the Form of Money

(a) In 2018, the Company paid the Board's attendance fee to the Board directors, totaling Baht 11,070,000. The payment procedure has to go through a consideration of the Remuneration and Nomination Committee, while the annual remuneration amount, which does not exceed Baht 12,500,000, has been approved by shareholders' meeting. Details of remuneration criteria are given below.

The Board of Directors	The Board's Attendance Fee (Baht/Person/Time)
Chairman of the Board of Directors	360,000
The Board Directors	180,000
The Audit Committee	90,000
The Remuneration and Nomination Committee	90,000
The Corporate Governance Committee	90,000

(b) As at December 31, 2018, the Company's executive directors comprised 14 members, who were paid a total remuneration of Baht 85,562,200 consisting of salary, bonus, motor and telephone expenses, as well as a contribution to the social security fund. Out of 14 executive directors, two are executive members. The paid remuneration does not exceed the amount which has been approved by directors and shareholders and it was taken into consideration based on such factors as the executives' performance and the Company's operations such as insurance premium's growth, the Company's income, the asset growth compared to the other insurance companies in the country, the potential of business development, the improvement of performance efficiency, and the development of the Company's staff. The Board directors' and Chief Executive Officer's short-term remuneration comprises salary, bonus, telephone expenses and a contribution to the social security fund, while the long-term remuneration comprises the provident fund.

4.2 Other Remuneration

In 2018, other remuneration, such as provident fund, totaling Baht 14,337,744, was paid to 14 Company executive directors and executive members.

Accordingly, in 2018, a total remuneration, both in the form of money (as in 4.1 - b) and others (as in 4.2), of Baht 99,899,944 was paid.

5. Personnel

Total Employees

As at December 31, 2018, the Company had a total of 1,498 employees, comprising 1,102 employees working on the Company's core business lines, and 396 employees working on supporting business lines.

The number of employees working on each core business line is listed below.

Type of Core Business	Number of Employees (Person)
Agent Business Unit	77
Broker Business Unit	77
Commercial Lines Business Unit	78
Financial Institution Business Unit	79
Personal Lines Business	73
Branch Network and Ventures	287
Treaty Operations Office	12
Risk Assessment Office	13
Non-Motor Claims Department	57
Motor Claims Department	349
Total	1,102

Total Remuneration and Characteristic of Remuneration for Employees

In 2018, the Company's employees were paid a total remuneration of Baht 1,098,886,394.50 consisting of salary, bonus, employer's contributions to the social security fund, overtime, motor and telephone expenses, provident funds and severance pay upon retirement. The paid remuneration was taken into consideration based on such factors as the insurance premium's growth, the Company's income, the country's economic condition, the cost of living, and the individual employee performance's assessment through a performance measurement tool called Performance Fact Sheet. The Performance Fact Sheet is comprised of key performance indicators (KPIs), projects and assignments, the consequences of which have been defined to be in conformity with the Company's goals, including consideration of the outcome of employees' performance competency, focusing on their working behavior which is in compliance with the Company's knowledge-based culture.

Policy on Personnel Development

In 2018, the Company had formulated a plan on Training Needs by Position for all positions of employees to ensure that all employees had knowledge and skills essential for their duty performance, apart from having an ability to perform their work accurately, living up to the expectation of their superiors. Furthermore, employees were obviously and correctly informed of the necessity for training and development and the scope of training topics throughout their career path, giving motivation and developing working efficiency of employees, aimed at their higher career advancement.

In connection with the direction of development and training, the Company has still given priority to its personnel development at all levels in response to changing circumstances which have occurred rapidly, through a development guideline of 70:20:10, which comprises on-the-job experience for 70%, mentoring/coaching for 20%, and training for 10%. For training there has been an improvement for learning through an increased on-the-job training program, focusing on employees' having knowledge and skills indispensable for work performance, in compliance with duties performed and appropriate for the learning period. There have also been clear and standard training guidelines and stages, and a periodic evaluation of 3, 6 and 12 months.

In 2018, there was training classified as the following:

1. In-house Training

All levels of employees, starting from new ones, will receive knowledge and skills which are the core and essential for work performance, for instance, insurance business knowledge, management knowledge, knowledge of how to develop and increase the work performance efficiency, including knowledge and skills needed to enhance employees' potential in order to move up to a higher position. In 2018, the Company provided for a total of 45 in-house training courses.

- For insurance courses, the Company has improved various courses in line with their practicality, focusing on staff ranging from officers to managers in underwriting work line to obtain insurance knowledge provided by specialists from the Company's various departments, aimed at managing and maintaining knowledge inside the Company, and further generating the Company's sustainability.

- For management courses (BKI Signature Program), the Company has created different courses appropriate for each level of staff, which are in accordance with and relate to a series of knowledge, ranging from specialists to intermediate executives as follows:

Advance Management Program (AMP)	for intermediate executives
Leadership Management Program (LDP)	for junior executives
Business Development Program (BDP)	for specialists

- Concerning courses on the efficiency and potential development, for example, a course on development of excellent leadership in terms of EQ, the Company has provided this course to junior executives, aimed at their proper emotional expressions and good examples for subordinates. Similarly, a course on development of work quality and efficiency is provided to employees and specialists so that the trainees will realize the significance of and pay attention to the submission of quality work.

To generate its personnel in support of the future growth, the Company has constantly provided for a development program for its branch executives. The participants will be able to develop multi-skills needed to perform their work as branch executives. Besides, they also have an opportunity to perform real work to create experiences which can be actually applied in the future. Similarly, the Company still arranges its staff's learning of myriad skills via job rotation, job transfer and so on, in order for them to learn new work and develop their own career path.

2. External Training

It is a form of training by external institutions, both inside and outside the country, in which the Company encourages its employees to have an opportunity for the training and development of needed knowledge and skills which will generate new experience and viewpoint for them. In 2018, the Company provided its staff with a total of 296 training courses, consisting of 271 courses in the country and 25 courses abroad.

In addition, the Company also has the organization's knowledge management by encouraging its employees to share their knowledge and experience to the Company and its staff as the following:

- Special Knowledge Transfer Activity: The Company has invited its executives who are going to retire to transfer knowledge derived from their long working experiences to the Company's staff.

- Tea Time Talk Show Activity: The Company has carried out an activity by having its staff who have taken part in the training or seminar abroad transfer their knowledge to younger staff via a friendly talk to create a sound learning environment.

- Knowledge Plus Activity: It is a channel for the Company to communicate internal issues to its underwriting staff so as to be informed of the qualities of new products or services, aimed at generating their accurate and up-to-date knowledge and understanding.

In 2018, the Company provided an average of 5 day/staff/year, while the budget spent on the Company's staff training and development amounted to over 15.0 million. This aims at reflecting the Company's giving importance to generating quality personnel who possess knowledge and skills appropriate for work performance and in support of changes which may occur in the future.

SHAREHOLDINGS STRUCTURE

Breakdown of Shareholdings

As at November 23, 2018 (The Record Date)

Issued and Fully Paid-up Share Capital: Baht 1,064.7 Million

Class of Share: Ordinary Shares at Baht 10 per Share

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 10,000	1,933	75.18	3,301,471	3.10
10,001 - 50,000	403	15.68	9,045,744	8.50
50,001 - 150,000	133	5.17	11,177,989	10.50
150,001 Up	102	3.97	82,944,796	77.90
	2,571	100.00	106,470,000	100.00

Thai Shareholders 98.17% Non - Thai Shareholders 1.83%

Major Shareholders and Numbers of Shareholdings

As at November 23, 2018 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at Nov 23, 2018	%
1. Bangkok Bank Public Co., Ltd.	10,613,194	9.97
2. HWIC ASIA FUND A/C CLASS C	6,961,030	6.54
3. Mr. Chai Sophonpanich *	3,425,026	3.22
4. Chin Sophonpanich Foundation	3,370,934	3.17
5. C.R. Holding Co., Ltd.	3,332,934	3.13
6. Aioi Insurance Co., Ltd.	2,989,599	2.81
7. Mr. Choedchu Sophonpanich	2,604,017	2.45
8. Mr. Chatri Sophonpanich **	2,514,033	2.36
9. Mr. Charn Sophonpanich	2,337,977	2.20
10. Mr. Niti Osathanugrah	2,224,362	2.09
11. HWIC ASIA FUND A/C CLASS C2 SHARES	1,696,191	1.59
12. Glory Hope Limited	1,658,517	1.56
13. VAYUPAK FUND 1 Krung Thai Asset Management Public Co., Ltd.	1,589,203	1.49
14. VAYUPAK FUND 1 MFC Asset Management Public Co., Ltd.	1,589,203	1.49
15. Aberdeen Standard Growth Fund	1,560,613	1.47
16. Aberdeen Standard Small Cap Fund	1,525,100	1.43
17. Rabil Holding Co., Ltd.	1,406,071	1.32
18. Bangkok Rinvest Co., Ltd.	1,282,100	1.20
19. Thai Reinsurance Public Co., Ltd.	1,232,341	1.16
20. Aberdeen Standard Long Term Equity Fund	1,198,480	1.13

Remarks: * Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

Spouse - Mrs. Nuchanart Sophonpanich 665,746 Shares

** Passed away and not yet found the transfer of share ownership

Shareholding of the Board of Directors

As at November 23, 2018 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name (As at Dec 31, 2018)	Number of Shares (As at Nov 23, 2018)	Number of Shares (As at Nov 24, 2017)	Change
1. Mr. Chai Sophonpanich * (Appointed on November 9, 2018)	3,425,026	3,473,026	(48,000)
2. VDC Col Plengsakdi Prakaspesat	-	-	-
3. Miss Potjaneer Thanavaranit	-	-	-
4. Mr. Chor.nun Petpaisit	-	-	-
5. Mr. Singh Tangtaswas	153,600	153,600	-
6. Mr. Suvarn Thansathit	-	-	-
7. M.R. Supadis Diskul	-	-	-
8. Mr. Virasak Sutanthavibul	-	-	-
9. Mrs. Nintira Sophonpanich **	2,949	2,949	-
10. Mr. Panus Thiravanitkul ***	44,547	41,547	3,000
11. Mr. Toshimi Kobayashi	-	-	-
12. Dr. Apisit Anantanatarat	4,613	4,613	-
Mr. Voravit Rojrapitada (Resigned as from June 25, 2018)	68,140	68,140	-

Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

- * Spouse - Mrs. Nuchanart Sophonpanich 665,746 shares
- ** Spouse - Mr. Chartsiri Sophonpanich 2,949 shares
- *** Spouse - Mrs. Suporn Thiravanitkul 5,600 shares

Shareholding of Management Committee

As at November 23, 2018 (The Record Date) for the right to attend the meeting and to receive the dividend payment:

Name (As at Dec 31, 2018)	Number of Shares (As at Nov 23, 2018)	Number of Shares (As at Nov 24, 2017)	Change
1. Mr. Panus Thiravanitkul * (Retired on January 1, 2019)	44,547	41,547	3,000
2. Dr. Apisit Anantanatarat	4,613	4,613	-
3. Mr. Anon Vangvasu **	56,155	50,455	5,700
4. Mr. Suphat Yookongbandhu ***	69,409	61,009	8,400
5. Mrs. Srichitra Pramojaney	6,560	3,560	3,000
6. Mr. Jakkrit Chewanuntapornchai	-	-	-
7. Miss Paveena Juchuan	-	-	-
8. Mr. Suchart Chirayuwat	-	-	-
9. Mr. Aree Vanairlor	3,395	3,395	-
10. Mr. Chawan Sophonpanich	438,181	438,181	-
11. Miss Lasa Sophonpanich	481,225	465,425	15,800
12. Mr. Weerachai Sripetcharakul	-	-	-
13. M.L. Chalitpong Sanidvong	-	-	-
14. Mr. Lert Vongchai (Retired on January 1, 2019)	1,596	1,596	-

Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

* Spouse - Mrs. Suporn Thiravanitkul	5,600 shares
** Spouse - Mrs. Thunyaporn Vangvasu	15,015 Shares
*** Spouse - Mrs. Warunee Yookongbandhu	43,399 Shares

Dividend Payment Policy

Since it is anticipated that business will expand consistently, the Company will try to maintain the level of dividend to be paid to shareholders at about 50 percent of its net income after income tax deduction, and pay the dividend four times a year. In this regard, the Company will consider paying the dividend based on its performance consequence and in accordance with the country's economic situation.

The Company's data on dividend payment over the past five years:

(Baht/Share)

Shareholders' Meeting Time/Year	Year of Payment	Dividend				Total
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	
22/2015	2014	2.75	2.75	2.75	3.75	12.00
23/2016	2015	2.75	2.75	2.75	3.75	12.00
24/2017	2016	3.00	3.00	3.00	5.00	14.00
25/2018	2017	3.00	3.00	3.00	5.00	14.00
26/2019	2018	3.00	3.00	3.00	5.00*	14.00*

Remarks: * The final dividend payment for the year 2018 is subjected to the approval of the 26th annual general meeting of Shareholders.

PRINCIPLES OF GOOD CORPORATE GOVERNANCE

1. The Policy on Good Corporate Governance

The Bangkok Insurance Public Company Limited Board of Directors fully realizes the significance of good corporate governance, based on transparency, accuracy and fairness, as an important factor in enhancing the organization's efficiency and sustainably, creating value for the organization and generating the greatest benefit for all stakeholders. It has thus defined, in writing, the policy on good corporate governance so that the Company's Board of Directors, management and all employees will understand, as well as attach and comply to it until it becomes the organization's culture. This, of course, will result in the Company's business having a standard, fair and transparent management system generating income and increasing the long-term value for investors, apart from creating confidence among all parties of stakeholders and supporting and promoting the Company's sustainable growth of competitiveness.

The Section on Shareholders' Rights The Company is well aware of and gives top priority to the shareholders' rights through its policy on supporting the shareholders' fundamental rights, for instance, the right to purchase, sell or transfer shares; right to receive the Company's profit share; right to obtain sufficient data and information so as to attend shareholders' general meeting to appoint or discharge a Board director; right to appoint an auditor and review an issue affecting the Company, for example, the allocation of dividends, determination or revision of the Company's requirements or memorandum of association for reducing or increasing the capital and approval of a special item, and right to know, at an appropriate time, the regulations and methods of attending the meeting, and adequate data and information for consideration in each meeting agenda prior to the meeting, apart from having an opportunity to ask Board directors questions both during the meeting and by submitting questions in advance, and an opportunity to propose a meeting agenda, besides having the right to give a mandate to another person to attend the meeting.

The Section on Equal Treatment of Shareholders The Company's encouragement of equal and fair treatment of all shareholders are, for instance, its policy on providing an opportunity to the minority of shareholders to nominate, at an appropriate time, the Board's director in advance, giving an opportunity to a shareholder who cannot attend a meeting to exercise his/her rights by giving a mandate to another person to attend the meeting and vote on his/her behalf, and giving an opportunity to the minority of shareholders to add a meeting agenda in advance prior to the shareholders' meeting day; determination of measures preventing the Company's Board directors and executives from using insider information to seek any advantage for themselves or others illegally, including determination of Board directors' and executives' disclosure of data on their stakeholding and that of other concerned people.

The Section on Consideration of Stakeholders' Role The Company has defined a policy for each group of stakeholders such as customers, employees, business partners, shareholders or investors, communities, society or the government sector, including competitors, taking into account all stakeholders' rights in compliance with laws or agreements made to the Company, participation in enhancing the Company's operations, and sufficient disclosure of related significant data for acknowledgement so that they can efficiently perform their duties in the participation. The determination of the policy on corporate social responsibility, particularly the issues having a direct impact on the Company's business transactions, is aimed at generating confidence among parties concerned that the Company's business performance has taken into account social and environmental factors based on sustainable development, has a performance guideline which does not violate intellectual properties or copyrights, a policy on anti-corruption practices and whistle blowing and protection of the whistle blower and provision of a channel for each group of stakeholders to give suggestions and comments or file a complaint to the Company's Board of Directors.

The Section on Data Disclosure and Transparency The Company has a policy on accurate, complete, timely and transparent disclosure of significant data and information, both financial and non-financial, relating to the Company through an easy-to-access channel so that the shareholders are equally informed of it. The important data the Company has to disclose includes the Company's vision and missions, type of business transactions, shareholders structure, Board of Directors and executives, Board's and sub-committees' charters or duties and responsibilities, financial statements and financial situation and the Company's operations, organization structure, the code of ethics for the Company's Board

directors and employees, policies, and arrangements of an Investors Relations to equally and fairly communicate with related outsiders, apart from those responsible for disseminating data and information of the Company's performance and returns to the public through various media and the Company's website.

The Section on the Board of Directors' Responsibilities The Company has defined the qualifications of its Board directors, independent directors and directors of the Audit Committee, besides the structure of the Board and sub-committees, as well as their roles, duties and responsibilities, including the work procedures. The Company's Board of Directors consists of directors possessing vision, leadership, knowledge, expertise, experiences and specific capabilities useful to the Company.

In 2018, the Company's Board made a self-evaluation on its work performance. The evaluation was divided into 6 sections, including those on the Board's policy, duty performance, structure, performance guideline, meeting and arrangement, and qualifications. With regard to the methodology of the Board's self-evaluation, each Board director gave a score to himself or herself independently in each section. Then all directors' scores in each section were added up and divided by the number of directors. It was found that the average score, derived from the sum in all sections, was 4.90, representing 98 percent of the total 5 scores, approximate to an evaluation consequence in the previous year. In this connection, the Company's Board had assigned the Corporate Governance Committee to contemplate the evaluation result in order to appropriately improve its performance subsequently.

Details of the Company's policy on good corporate governance may be viewed on its website at www.bangkokinsurance.com.

1.1 Investment Governance Policy

The Company has carried out its business transactions with responsibility and transparency based on the principle of good corporate governance and has paid attention to its shareholders, customers, business partners, employees and the regulator, apart from being truly responsible to society and the environment, focusing on the Company's sustainable growth. The Company also realizes the significance of the principle of good investment governance. As a consequence, the Company has declared, since 2017, its acceptance of practices in conformity with the Investment Governance Code (I Code), through an approval of the Company's Board of Directors. In addition, the Company has formulated its Investment Governance Policy so that its Board, management and employees concerned with the work performance will use it as a guideline for their performance with responsibility, decision making, and efficient investment follow-up, besides taking part in overseeing the companies in which the Company has invested, in order that they carry out their business transactions based on Environment, Social and Governance (ESG), which will result in a sound and sustainable return.

2. Sub-Committees

The Company's management structure consists of 2 major groups of committees as the following:

1. Committees which directly report to the Board, comprise 5 committees, namely the Audit Committee, the Remuneration and Nomination Committee, the Corporate Governance Committee, the Investment Committee and the Risk Management Committee.

2. Committees which directly report to the Management Committee, consists of 7 committees, namely the Sustainable Development Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee, the High Loss or Complicated Claims Committee and the Procurement on Building Management Committee.

1. Committees Directly Reporting to the Board

The Company's Board of Directors has appointed 5 committees, which directly report to the Board, comprising the Audit Committee, the Remuneration and Nomination Committee, the Corporate Governance Committee, the Investment Committee and the Risk Management Committee. In this regard, Board directors and/or executives have

been appointed as members of the 5 committees in order to help consider significant work cautiously and in compliance with the Company's policy on good corporate governance and the OIC's laws and regulations. Each committee has the following components and scope of duties and authority.

1.1 The Audit Committee

The Audit Committee (as at December 31, 2018) is comprised of 3 independent Board directors, namely,

- | | |
|-----------------------------------|--|
| 1. VDC Col Plengsakdi Prakaspesat | Independent Director and Chairman of the Audit Committee |
| 2. Miss Potjanee Thanavaranit | Independent Director and Director of the Audit Committee |
| 3. Mr. Chor.nun Petpaisit | Independent Director and Director of the Audit Committee |

Each director of the Audit Committee has skills, knowledge, understanding and working experiences in accounting and finance. All 3 directors of the Audit Committee possess sufficient knowledge and experience to verify the reliability of the Company's financial statements.

The Director of the Audit Committee's Term of Office

The director of the Audit Committee has a three-year term.

The Scope of Duties and Authority of the Audit Committee

The Audit Committee has the following scope of duties and authority.

1. To verify the Company's financial statements to ensure that they are completely, accurately and reliably established in accordance with Thai Accounting Standards, while significant data is sufficiently disclosed.

2. To verify and make an assessment of the Company's systems of internal control, internal audit and risk management to ensure their appropriateness, effectiveness and compactness, based on the framework accepted by international standards, including defining the Internal Audit Office's duties, responsibilities, authority and independence, and an approval for the appointment, reshuffle and employment termination of the head of the Internal Audit Office.

3. To verify the Company's practices to ensure that they are in compliance with the Security Act and Security Exchange Act, the SET requirements, Non-Life Insurance Act, the OIC requirements, and other laws related to the Company's business.

4. To consider a selection and proposal for an appointment and employment termination of an independent person who acts as the independent auditor, and fix his/her remuneration, including attending a meeting, at least once a year, with the auditor but without the Management in attendance.

5. To oversee crossover transactions and those with conflicts of interest so that they are in compliance with laws and the SET requirements, and bring about maximum benefits to the Company.

6. To provide recommendations to the Management for its efficient and effective overseeing of the Company's operations, and report to the Board of Directors for an improvement within the time the Audit Committee sees appropriate, in the case the Audit Committee has found or become suspicious of the following transactions or acts.

- (a) Transactions with conflicts of interest.
- (b) Malfeasance, abnormality or significant deficiency in the internal control system.
- (c) Violation of laws on non-life insurance or other laws related to the Company's business.

7. To prepare the Audit Committee's report, which shall be included in the Company's annual report.

The report must be signed by the Chairman of the Audit Committee and consist of a minimum of the following data:

- (a) An opinion on the Company's financial statements' accuracy, completeness and reliability.
- (b) An opinion on the Company's adequacy and effectiveness of internal control systems.
- (c) An opinion on the practices in accordance with the Security Act, the SET requirements or other laws related to the Company's business.
- (d) An opinion on the Company's auditor's appropriateness.
- (e) An opinion on transactions with conflicts of interest.
- (f) The number of the Audit Committee's meetings and each committee member's meeting attendance.
- (g) An overall opinion or note that the Audit Committee has received due to its duty performance based on the Charter.

(h) Other items which the Audit Committee thinks that the Company's shareholders and general investors should know, within the scope of duties and responsibilities assigned to it by the Board of Directors.

8. To verify a self-evaluation form relating to anti-corruption measures to ensure that the Company possesses effective anti-corruption systems as reported in the IOD's self-evaluation form.

9. Any other implementations assigned to the Audit Committee by the Board of Directors, with an approval of the former.

The Audit Committee's Meeting

A minimum of four meetings a year is defined.

1.2 The Remuneration and Nomination Committee

The Remuneration and Nomination Committee (as at December 31, 2018) comprises 4 members, namely,

- | | |
|------------------------------|--|
| 1. Mr. Singh Tangtaswas | Independent Director and Chairman of the Remuneration and Nomination Committee |
| 2. Mr. Suvarn Thansathit | Independent Director and Director of the Remuneration and Nomination Committee |
| 3. M.R. Supadis Diskul | Independent Director and Director of the Remuneration and Nomination Committee |
| 4. Mr. Virasak Sutanthavibul | Independent Director and Director of the Remuneration and Nomination Committee |

In case of an appointment of a new Board director, the Remuneration and Nomination Committee is responsible for a review of the Board of Directors' qualifications in order to define appropriate qualifications of a new Board director, who will strengthen the Board of Directors.

The Director of the Remuneration and Nomination Committee's Term of Office

The director of the Remuneration and Nomination Committee has a three-year term.

The Scope of Duties and Authority of the Remuneration and Nomination Committee

The scope of duties and authority of the Remuneration and Nomination Committee includes the following.

1. To ensure that the number and proportion, as well as the components of the Board of Directors are appropriate to the organization.
2. To select a suitable and qualified person to replace a Board member in case of his completing his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board for consideration and appointment, based on the case and in accordance with the Company's regulations.
3. To select a suitable and qualified person to supersede the Chief Executive Officer and the President in case of an expiry of their term, resignation or other reasons, besides nominating a new person for the Board's scrutiny and appointment.
4. To oversee and define policies on remuneration and other benefits of the Board of Directors, the Chief Executive Officer and the President that are appropriate to their duties and responsibilities.
5. To ensure that there is a plan for a succession to the position of the Chief Executive Officer and the President.

The Remuneration and Nomination Committee's Meeting

This is a specific purpose meeting which is convened when necessary but shall be no less than once a year.

1.3 The Corporate Governance Committee

The Corporate Governance Committee (as at December 31, 2018) comprises 3 Board directors, and whose chairman and one of its members are independent directors, namely,

- | | |
|------------------------------|---|
| 1. Mr. Virasak Sutanthavibul | Independent Director and Chairman of the Corporate Governance Committee |
| 2. Mrs. Nintira Sophonpanich | Independent Director and Director of the Corporate Governance Committee |

3. Mr. Panus Thiravanitkul Director and Director of the Corporate Governance Committee and the Chief Executive Officer

[The Director of the Corporate Governance Committee's Term of Office](#)

The director of the Corporate Governance Committee has a three-year term.

[The Scope of Duties and Authority of the Corporate Governance Committee](#)

The scope of duties and authority of the Corporate Governance Committee includes the following:

1. To consider, define and review in order to improve the Company's policy on good corporate governance so that it appropriately goes in accordance with the principles of good corporate governance.
2. To consider, define and review in order to improve the requirements concerning the morality of business performance and good practices of the Company's Board directors, executives and employees.
3. To follow up the consequence of a continuous and appropriate implementation of the Company's policy on good corporate governance and code of corporate conduct.
4. To make a report on the performance consequence to the Company's Board of Directors concerning the Company's good corporate governance policy, including giving an opinion on the practical guideline, and making a suggestion in order to modify or improve the policy based on appropriateness.

[The Corporate Governance Committee's Meeting](#)

This is a specific purpose meeting which is convened when necessary but shall be no less than once a year.

1.4 The Risk Management Committee

The Risk Management Committee (as at December 31, 2018) comprises 5 members, who are a director and executives, namely,

<u>Chairman</u>	1. Dr. Apisit Anantanatarat	President
<u>Vice-Chairman</u>	2. Mr. Suphat Yookongbandhu	Executive Vice President
<u>Members</u>	3. Mr. Anon Vangvasu	Executive Vice President
	4. Mrs. Srichittra Pramojaney	Executive Vice President
	5. Mr. Sorat Vonganankij	Vice President of Actuarial Department

Each member of the Risk Management Committee has sound knowledge and understanding of the Company's risks of business transactions.

[The Director of the Risk Management Committee's Term of Office](#)

The director of the Risk Management Committee has a two-year term.

[The Scope of Duties and Authority of the Risk Management Committee](#)

1. To define, consider and review the risk management framework, as well as risk management policy and scope so that they cover various types of principal risks which may have an impact on the Company's income, fund, reputation or existence, at least in compliance with those required by laws.
2. To oversee and support the Company's implementation of its risk management in line with its strategies and business transaction goals.
3. To evaluate the adequacy of the Company's risk management measures and risk management efficiency.
4. To arrange for a meeting in order to follow up the risk status, apart from the progress of risk management and the provision of recommendations for what has to be improved or modified so that they go in accordance with the defined risk management framework and policy, and strategies and report it to the Board for acknowledgement at least once every three months.
5. To support the performance of the Enterprise Risk Management Division so as to fulfill the organization's risk management goals.

[The Risk Management Committee's Meeting](#)

A minimum of one meeting every three months.

1.5 The Investment Committee

The Investment Committee (as at December 31, 2018) comprises 4 members, who are directors and executives, namely,

<u>Chairman</u>	1. Mr. Panus Thiravanitkul	Director and Director of Corporate Governance and Chief Executive Officer
<u>Members</u>	2. Dr. Apisit Anantanatarat	President
	3. Mrs. Srichittra Pramojaney	Executive Vice President
	4. Mr. Ekamol Aungkavattana	Vice President of Investment Office

Each member of the Investment Committee has knowledge, skills and experiences in investment management, risk management or stocks analysis, apart from defining the Company's investment policy and other business transaction policies as appropriate.

The Director of the Investment Committee's Term of Office

The director of the Investment Committee has a two-year term.

The Scope of Duties and Authority of the Investment Committee

1. To define an investment policy and other business transaction policies appropriate and flexible to changing situations, with a consideration of risks and related laws, before presenting it to the Board for consideration for approval.

2. To consider and give approval for rules and orders and practice procedures of the Company's investment.

3. To consider for approval of investment in an amount of over Baht 200 million per investment, but not exceeding Baht 800 million. If it is over Baht 800 million per investment, it has to be presented to the Board for further consideration for approval.

4. To oversee the status of the Company's investment capital.

5. To verify and adjust the Company's investment policy to ensure its appropriateness to changing circumstances.

6. To have another duty to oversee other business transactions of which the duties and responsibilities are defined in the same manner as those of the Investment Committee.

The Investment Committee's Meeting

A minimum of one meeting every three months.

2. Committees Directly Reporting to the Management Committee

The Company's Management Committee has appointed 7 committees, which directly report to the Management, consisting of the Sustainable Development Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee, the High Loss or Complicated Claims Committee and the Procurement on Building Management Committee. In this regard, the Management Committee members have been appointed to the 7 committees to help verify significant issues so as to enable the Company's performance and activities to go in compliance with the OIC's laws and regulations and be implemented efficiently. Each committee has the following components and scope of duties and authority.

2.1 The Sustainable Development Committee comprises at least 7 executives from various business units, each having a two-year term and at least one meeting every month, with the following scope of duties and authority.

1. To oversee and support the implementation of activities promoting the Company's sustainable culture, such as BKI Spirit (Cool, Agile, Friendly) and the culture "Your Caring Partner".

2. To oversee and support the implementation of CSR activities under the guideline of sustainable development, in cooperation with the Bangkok Insurance Foundation, in order to perform connectively and fulfill the Company's CSR goals.

3. To consider and encourage the Company's performance supporting its responsibilities to society and the environment.

4. To consider new activities or projects affecting the organization development to keep pace with the Company's alteration and sustainable growth.

5. To define the direction of formulating a plan to increase the performance efficiency and a plan for personnel development so that they are in compliance with the Company's strategic plan, besides providing suggestions on presenting a work plan of business units.

6. To consider presenting to have the Company nominate for awards organized by external agencies, and control them till the goal is accomplished.

7. To make a report on the performance consequence to the Management Committee at least once every six months.

2.2 The Underwriting and Claims Committee comprises at least 3 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of underwriting and a consideration of each category of risks, including reinsurance, with the following scope of duties and authority.

1. To define the policy on underwriting, reinsurance and claims management appropriate and flexible to changing conditions, with a consideration of risks and related laws, before presenting them to the Management Committee.

2. To consider for approval of a guideline for defining premium rates.

3. To consider for approval of rules and orders and practice procedures of the Company's underwriting, reinsurance and claims consideration.

4. To consider for approval of the scope of authority of underwriting and claims.

5. To verify and adjust the policy on underwriting, reinsurance and claims management so that it is appropriate for changing circumstances.

2.3 The Information Technology Committee is composed of at least 5 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of the information technology and work system, with the following scope of duties and authority.

1. To define the policy and strategy on the utilization of the information technology in the work performance and support of the Company's strategy.

2. To consider for approval of the new work plans or projects relating to the use of the information technology in support of the work performance.

3. To consider for approval, in principle, of the work plans or projects, including the budget concerned with the information technology.

4. To consider for approval of the procurement on the information technology work to generate the greatest benefit to the organization.

5. To follow up the success of the utilization of the information technology in various projects or work plans.

6. To review the policy and strategy on the use of the information technology in the work performance if they are not in accordance with the objectives.

2.4 The Safety, Health and Environmental Committee consists of 12 members, including 1 representative of the employer, 5 representatives of the superior level, and 6 representatives of operational employees, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To make a survey, at least once a month, on safety, hygiene and working environment.

2. To make a report and suggestions to the employer on the measure or guideline for improvement so that it is in compliance with the law on work safety and/or work security standards, aimed at the safety for work performance of employees, contractors and outsiders who come in to work for or use the service of a manufacturing establishment.

3. To encourage and support activities on safety, hygiene and working environment of a manufacturing establishment.

4. To define safety regulations and work safety standards of a manufacturing establishment, and present them to the employer.

5. To formulate policies and annual work plans on projects or activities on safety, hygiene and working environment in order to prevent and reduce accidents, hazards or illness stemming from work, or work insecurity, and present them to the employer.

6. To carry out a project or plan on training related to safety, hygiene and working environment, apart from the training on roles, duties and responsibilities for a safety issue of employees, work chiefs, executives, employers and all levels of staff in order to present it to the employer.

7. To follow up the progress of the issue presented to the employer.

8. To report to the employer on the annual performance consequence, including problems, impediments and suggestions for the Committee's performance when the one-year duty performance period is due.

9. To perform other duties related to safety, hygiene and working environment, as assigned by the employer.

10. To carry out the effective 5s activity and practice it constantly.

11. To make a report on the performance consequence to the Management Committee as least twice a year.

2.5 The Information Security Management Committee is composed of at least 3 executives, each having a two-year term and at least one meeting every two months, having knowledge, expertise and understanding of an information system within the organization, with the following scope of duties and authority.

1. To define the policy, objectives, structure and duties and responsibilities regarding information security.

2. To encourage the organization to give priority to the fulfillment of objectives of information security, practices in conformity with the policies and laws, including a necessity for a steady improvement and development of information security within the organization.

3. To support resources for the system establishment, utilization and management, inspection and review, maintenance, including an improvement of the information security management system.

4. To make a report on the performance consequence to the Management Committee at least twice a year.

2.6 The High Loss or Complicated Claims Committee comprises at least 5 executives, each having a two-year term and at least one meeting every year, having authority on making judgment on a complaint filed to the Company, with those responsible from claims payment unit, underwriting unit, legal unit and compliance unit, with the scope of duties and authority to scrutinize and make judgment on complicated issues or ones having high damages of Baht 50 million and over. A complaint consideration has to be completed within 30 days, starting from the date the complaint is filed or additional documents are provided (if any).

2.7 The Procurement on Building Management Committee comprises at least 3 executives, each having a two-year term and at least one meeting every three months, with the following scope of duties and authority.

1. To define the policy and strategy on the overall procurement on the building management, including a review of the policy so that it fulfills the Company's goals.

2. To consider for approval, in principle, the work plans and projects, including the budget concerned with the building management, besides following up the success of those work plans and projects.

3. To consider for approval, in due time, of general expenses and those for specific or routine work/projects, in an amount of over Baht 500,000.

4. To consider for approval of the determination of the rent of office buildings and the investment relating to the rented buildings.

3. The Nomination and Appointment of Senior Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to take care of the issue of the proportion, number and components of the Board of Directors, as well as to nominate a qualified person, with sound knowledge and proficiency, to supersede a director, Chief Executive Officer or President in case of the

expiry of his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board for consideration and appointment, based on the case and in accordance with the Remuneration and Nomination Committee's duties and authority specified in "The Remuneration and Nomination Committee" section. In this connection, appropriate qualifications and nomination procedures for a selection of a new Board director and senior executive, including minor shareholders' rights to appoint Board directors, are defined as follows:

1. Qualifications and Procedure for Nominations of the Board Directors and Independent Directors

1.1 Qualifications of Directors

The Company's Board directors, without regard to their gender, possess comprehensive knowledge, experience and specific capability to perform their duties. Besides, they have a good understanding of their responsibilities and the characteristic of the Company's business transactions, including having readiness to independently express their opinions on decision-making on any issue, with a consideration of the Company's greatest benefit and a fair treatment to each group of stakeholders. Similarly, the Board directors, in their capacity as director, can fully devote their time and effort to the Company.

1.1.1 Qualifications of Independent Directors

Apart from having sound qualifications of the Company's Board directors, independent directors must possess the following additional qualifications.

1. Have no more than 0.5 percent of all the eligible votes in the Company, corporations, affiliated companies, associated companies or juristic persons that are the Company's major shareholders or have authority to control. This includes shares held by any party concerned.

2. Have nothing to do with the Company's administration, nor are they its employees or advisers with a regular salary, nor do they have authority to control, all for no less than two years prior to an appointment. Nonetheless, such prohibited attributes do not include the case of having been government officials or the government sector's advisers who have authority to control.

3. Have no blood line relationship or through a registration in the manner of father, mother, spouse, brother, sister and offspring, including spouse of offspring's, executives, major shareholders, any party having authority to control, or person who will be nominated the management or party having authority to control the Company or affiliated companies.

4. Have no or did not use to have business relationship, through which the value ranges from 3 percent of all net assets or from Baht 20 million and over, depending on which is the less amount, with the Company, corporations, affiliated companies, associated companies, major shareholders or any party having authority to control. Neither are they nor used to be major shareholders or the party, who has authority to control, of those having business relation with the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control of those having a business relationship with the Company's corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

5. Are not or did not use to be the auditor of the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control. Nor are they major shareholders, the party having authority to control or partner of the auditing office to which the auditors of the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders, or the party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

6. Are not or did not use to be providers of any professional services, for example, legal advisers, financial advisers, asset evaluators, etc. who derived a service fee of over Baht 2 million per year from the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders, or the party having authority to control. Nor are they major shareholders, the party having authority to control, or partner of those

professional service providers except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

7. Are not directors appointed to become representatives of the boards of major shareholding companies or shareholders related to the Company's major shareholders.

8. Do not have the same business transaction as, and a significant competition with the Company's or affiliated companies' business. Neither are they other companies' partner owning significant partnership, nor directors taking part in their administration, nor their employees, staff and advisers with a regular salary, nor have 1 percent of all the eligible votes in other companies having the same business transaction as, and a significant competition with the Company or affiliated companies.

9. Possess no other property that prevents them from independently expressing their opinions.

1.1.2 Qualifications of the Audit Committee Members

The Audit Committee members shall have the following qualifications:

1. Have all the qualifications of independent directors.

2. Are not directors assigned by the Company's Board of Directors to make decisions on the operation of the Company, corporations, affiliated companies, associated companies, affiliated companies in the same order, or juristic persons that are the Company's major shareholders or party having authority to control.

3. Are not directors of corporations, affiliated companies, or affiliated companies in the same order, particularly those listed in the SET.

4. A minimum of one Audit Committee member has knowledge and experience sufficient to verify the Company's financial statements' reliability.

5. Be able to sufficiently devote their time and express opinions in the performance of their work as the Audit Committee directors.

1.2 Procedure for Directors and Independent Directors Nomination

To appoint a new director of the Board replacing a director whose term is due, the Remuneration and Nomination Committee will nominate the qualified person to the Company's Board for consideration before proposing to the shareholders' general meeting for appointment approval. However, this has to be endorsed by the majority of shareholders at the meeting. The following are the criteria for the appointment of directors, as defined in the Company's rules and regulations:

1. The Board of Directors shall comprise at least 5 directors, and no less than half shall reside within the Kingdom.

2. No less than three-fourths of the directors must be of Thai nationality.

3. The directors shall be elected at the shareholders' meeting. Each shareholder shall have a number of votes equal to the number of shares held. Decisions shall be made by a majority vote. In the event of a tied vote, the chairman of the meeting shall have the casting vote.

4. At every annual general meeting, one-third of the directors shall retire. Directors who vacate office may be re-elected.

5. The shareholders' meeting may pass a resolution removing any director from office, prior to retirement, by reason of the expiration of the director's term of office, by a vote of not less than three-fourths of the number of shareholders attending the meeting, who have the right to vote and who hold shares totaling not less than half the number of shares held by shareholders attending the meeting and having the right to vote.

For an appointment of a new director of the Board superseding a director who quits the job for a reason other than his/her term is due, it has to be approved by the Board's meeting, with the votes of no less than three-fourths of the remaining Board directors. A new Board director appointed has a term equal to the remaining term of the director leaving his/her position.

Minor Shareholders' Rights to Appoint Directors

To protect minor shareholders' rights, with an aim to have all shareholders treated equally, the Company has provided an opportunity for all of them to nominate a new Board director who is of high proficiency and appropriate

for an appointment as a Board member. This is carried out in advance from October 1 to December 31 of each year. In this regard, the Company has notified its shareholders through the SET's information report channel and the Company's website at www.bangkokinsurance.com. Similarly, the criteria for nomination of a new Board director are defined in advance, along with the nomination form, and also displayed on the website.

2. Qualifications and Procedure for the Management Nomination

The Chief Executive Officer is authorized by the Board to make a consideration and appointment of a person of high proficiency, knowledge and experience in the non-life insurance industry as the Company's top management in order to perform his/her duties and operate the Company's business to fulfill the goals and objectives defined. The nomination procedure is based on the Company's regulations on its human resources management, and subsequently reported to the Board for acknowledgement.

Data on Transaction Related to Business Relations or Provision of Occupational Services between Independent Directors and Companies, Affiliated Companies, Associated Companies or a Party that May Have Conflicts

Through the effective procedure of the Board directors' nomination, the Company's independent directors are appropriately qualified and truly independent. Furthermore, they do not occupy the position of independent directors or members of corporations, affiliated companies or affiliated companies in the same order.

In addition, the Company has no commercial agreements or transactions related to business relations or provision of occupational services between the Company and its Board directors, independent directors, management, including corporations, affiliated companies, associated companies or any party that may have conflicts, which has a value exceeding that defined by the Securities and Exchange Commission (SEC).

Nonetheless, the Board of Directors' meeting (No.3/2008) held on August 14, 2008, had approved in principle, the permission for companies, associated companies and affiliated companies to do business which may have a related transaction with the Company's Board of Directors, management or any party concerned, both the transaction that was made earlier and/or one that will be made in the future. This is based on the condition that such a business transaction has commercial agreements in the same way as a reasonable man will treat a general party to a contract in the same situation, through the commercial bargaining power without the influence of his/her status as the Company's Board director, management or any party concerned. Please see more details in the section "Related Parties Transactions".

The Company's Board of Directors' Requirements on a Succession Plan and Development of Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to be responsible for selecting a qualified person appropriate for assuming the position of the Chief Executive Officer and the President, by nominating an insider first or an outsider in case of necessity, including taking charge of formulating a plan for a succession by reducing the risk or impact of a lack of successors as much as possible. Consequently, there has to be a plan for steadily developing successors in order to be prepared for the qualifications for a succession to a higher position via the following policy.

1. The Remuneration and Nomination Committee gives a policy on selecting the qualifications of a successor of the Chief Executive Officer and the President to the Chief Executive Officer for consideration and implementation.

2. The Chief Executive Officer defines the qualifications, knowledge, capability and competency of a successor of the Chief Executive Officer, the President, including the senior executives of departments, based on the organization structure.

3. The President has a duty on making an assessment of the knowledge, ability and consequence of performance according to competency of departments' senior executives, apart from formulating an individual development plan in accordance with the principle of personnel development, through controlling and overseeing to ensure that there is complete development in compliance with the plan defined, and making an evaluation of the development progress by providing a concrete feedback.

4. The Chief Executive Officer reports the consequence of development of executives who are successors of the Chief Executive Officer and the President to the Remuneration and Nomination Committee every time there is

an annual meeting of the Remuneration and Nomination Committee. The report will be presented to the Company's Board of Directors at its annual meeting.

Appointment of Executives

The Company's Board has assigned the Remuneration and Nomination Committee to consider an appointment of the Chief Executive Officer and the President and to propose for approval to the Board at its annual meeting, while the Board will subsequently propose for approval to the shareholders' annual general meeting.

For an appointment of head of departments based on the organization structure, it is the duty of the Company's Chief Executive Officer and/or President to make a selection and appointment later.

4. The Overseeing of Operating Performance of Affiliated Companies and Associated Companies

For overseeing the operating performance of affiliated companies and associated companies, the Company possesses only 3 associated companies. To oversee its associated companies' operating performance, the Company has appointed some people as the associated companies' board directors. The Company's Board of Directors will nominate board directors to its associated companies and propose to the Chairman of the Board for approval. Those appointed as associated companies' board directors have duties to perform to the best advantage of the companies. Similarly, they have to get approval from the Company's Board prior to making a resolution on a significant issue, at the same level as that which has to derive approval from its Board if carried out by the Company itself.

5. Control over the Use of Insider Information

The Company has given top priority to overseeing the use of insider information in conformity with the principle of good corporate governance. As a consequence, access to the Company's information is limited to executives and employees, and all computerized data is available only to those entitled to be entrusted with a password. The Board of Directors and the Management will not, as fundamental to their management principles, disclose the Company's performance data to outsiders, or exploit their authority or opportunities at work to seek any advantage for themselves or related people, before the data is revealed to the general public. Besides, the Company's Board directors, executives and employees, informed of data substantial to securities price alteration, are forbidden to purchase or sell the Company's stocks during the period defined until such insider information is revealed to the general public and it is beyond twenty-four hours starting from the date the data is displayed. In the case of violations of disciplinary rules and regulations, the Company will rule on their penalties in accordance with its policy.

The Company has formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, financial products to be reported, reporting methodology, and reporting time, including the report to the Company's Board, have been defined so that the Board, management and the people concerned will strictly comply with them. This is intended not only to create a correct understanding for those taking charge of reporting, but also to be a measure for effectively overseeing the use of insider information.

6. Remuneration for the Auditor

In 2018, the Company paid remuneration to its auditor as follows:

1. Remuneration for audit of annual financial statements and review of quarterly financial statement	1,960,000 Baht
2. Remuneration for review of a Risk-Based Capital (RBC) report for 2018 and audit in accordance with a jointly agreed method of the second quarterly RBC report for 2018	580,000 Baht
3. Other service expenses	- Baht
Total	<u>2,540,000 Baht</u>

7. Practices Based on the Policy on Good Corporate Governance

In 2018, the Company had performed in compliance with its policy on good corporate governance as the following:

1. The Section on Shareholders' Rights

1.1 Awareness of Significance of Shareholders' Rights

The Company has given priority to and respected the rights of all shareholders, who are regarded as the business's owners. Thus, all shareholders, either major or minor, are encouraged to exercise their rights equally based on the criteria defined by law, which is identified in the Company's rules and regulations, and policy on good corporate governance, for instance, the right to purchase, sell or transfer shares; right to receive the Company's profit share; right to attend shareholders' general meeting; right to give a mandate to any person to attend the meeting instead and vote on his/her behalf; right to nominate a Board director; right to vote for a Board director and determine his remuneration; right to propose the meeting agenda; right to appoint an auditor and determine his service remuneration, and right to obtain sufficient data and information. In addition, shareholders will be equally and transparently provided with accurate, complete and updated information at every meeting. Details of shareholders' rights are given in the Company's policy on good corporate governance, and rules and regulations.

1.2 Promotion of Shareholders' Rights

- The shareholders' meeting, normally held once a year, is regarded as a good opportunity for shareholders to exercise their rights in making a decision regarding the Company's performance on various issues. Generally, the meeting is held within 4 months of the Company's accounting year-end, or when there is an urgent need on special issues affecting or involving shareholders' interests, or relating to conditions or regulations and laws that have to be approved by shareholders. In these cases, the extraordinary shareholders' meeting will be convened.

- The Company will, 14 days in advance of every meeting, send out invitation letters to all shareholders, informing them of the date, time and place of the meeting, meeting agenda and the Board's recommendations, together with the necessary documents and information to guide their decisions on voting on significant issues. In this regard, the Company will disseminate the news in an invitation letter for the meeting through the SET and the Company's website.

- In the case a shareholder cannot attend the meeting, he/she can still exercise his/her rights by giving a mandate to any person or the Board's independent director, who also sits on the Audit Committee and whose name is identified in the mandate, to attend the meeting and vote on his/her behalf. The Company has also notified the independent director of its nomination of him to receive a shareholder's mandate so that the latter (director) can attend the meeting.

- For every shareholder's meeting, all 12 directors of the Company's Board, including the chairman of a sub-committee, and the Company's Management Committee attend the meeting in order to answer shareholders' questions on related issues.

- The Company also facilitates registration in advance. Before a meeting the Company secretary will inform the shareholders of the practice method for shareholders' general meeting, including the method of vote counting. Furthermore, the Company also arranges for the minority of shareholders to act as observers for vote counting.

- During the meeting, all shareholders can fully exercise their rights through a debate, interrogation and expression of opinion for all items on the agenda. Details of the meeting will be recorded and open to shareholders' examination.

- For a report on shareholders' general meeting, there is a notification of the names of directors attending the meeting and taking a leave of absence, and recording of an explanation of the practice method of vote casting for each agenda and the method of score result presentation to shareholders prior to the meeting, including giving them an opportunity to raise issues or ask questions but nobody asks questions. Similarly, voting results for each agenda of shareholders' meeting, whether agreed, or disagreed or abstention, are also recorded.

In 2018, the Company held a general meeting of shareholders on April 27, 2018, at 2.00 p.m. at room 1105, on the 11th floor of the Bangkok Insurance Building, 25 Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok. All the 12 Board directors attended the meeting, while the meeting proceeded absolutely in accordance with the policy

defined. Through the procedure of holding shareholders' meeting in a manner that promotes an equal exercise of every shareholder's rights, the Thai Investors Association gave a full score of 100 in a quality evaluation of the Company's shareholders' general meeting for 2018.

2. The Section on Equality of Shareholders

The Company realizes the significance of every shareholder and attempts to generate the equality among all groups of shareholders, whether major or minor, institution investors or foreign shareholders, particularly minor shareholders, as the following:

- The Company informs of the meeting and meeting agenda and the Board's recommendations to the SET and disseminate them on the Company's website 30 days in advance of shareholders' general meeting.
- At the meeting, the Company secretary has informed shareholders of regulations used in the meeting, phases of vote casting, including the right to vote based on each category of share.
- The Company prepares invitation letters for shareholders' general meeting, together with the necessary documents in the English language to be submitted to foreign shareholders.
- The Company has allowed all shareholders to propose any important issues that should be put on the agenda of the Company's shareholders' annual meeting, including nominating, prior to the meeting, a new director who is of high proficiency and appropriate for appointment as a Board member.
- In order to have control over the use of insider information, access to the Company's information is limited to those directly concerned with the work performance only. A policy on the use of insider information for Board directors, executives and employees, informed of data substantial to stocks price alteration, has been defined for their implementation. The Company has also formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, reporting methodology, and reporting time, including the quarterly report to the Company's Board for its acknowledgement, have been defined so that they will be strictly complied with.

3. The Section on Stakeholders' Rights

The Company is fully cognizant of its stakeholders' rights and obviously defines its treatment of each group of stakeholders since it believes that the stakeholders' support benefits the Company's good reputation and ability to compete in the market, as well as helps build up the Company's profit in the long term. A guideline for the Company's treatment classified by group of stakeholders is summarized below.

Shareholders

The Company is determined to be a good representative of shareholders by taking good care of their benefits and providing them with the greatest satisfaction through high and continuous remuneration. Likewise, all reliable business information will be disseminated to them accurately, completely and transparently in conformity with generally accepted standard.

Employees

The Company will treat its employees at all levels equally on the basis of moral and fairness principles in order to encourage them to work efficiently, without regard to sex, race, religion or institutional differences as limitations to their career advancement. All employees are also consistently urged and trained to develop their skills and knowledge necessary to the successful implementation of their work, as well as the generation of the utmost satisfaction for customers. In this respect, various training programs are offered in conformity with the Company's business transaction strategies in order to upgrade the employees' ability to carry out their jobs professionally. The programs organized are, for instance, insurance training, development of quality management system, human resources management, development of working efficiency, etc. Besides, all levels of employees are encouraged to study or seek new branches of knowledge via the Company's scholarships and support on conferences with leading domestic and foreign institutions.

Similarly, different patterns of learning are created to enable all employees to learn by themselves, which will finally lead to the Company's knowledge-based culture. The policy on development of the Company's employees, including a budget spent in 2018, is revealed under the item "Policy on Employees' Development". Apart from fair remuneration, all other welfare schemes are, of course, higher than the requirements of the Ministry of Labour, i.e. provident fund scheme, life and health insurance coverage, 5s and relaxation programs, as well as the maintenance of a good working atmosphere and the protection of employees' health and safety.

Customers

The Company is determined to develop and offers various quality insurance products according to international standards, providing suitable coverage at a reasonable price, and indemnification made on a fair basis. In addition, the Company is well aware of its responsibilities to customers and the latter will be fully advised about the nature of these products, while the Company has specifically established a work unit to receive their complaints and comments.

Business Partners

The Company treats its business partners fairly in evaluating their performance. In this connection, the Company has clearly defined the criteria for selecting its business partners and an assessment of their performance in its performance manual in order for all employees to use it as a guideline for their performance. These business partners will be given opportunities to comment and propose suggestions concerning any and all joint business issues. To ensure that the rights of business partners are protected, the Company will treat business partners' secrets as strictly confidential.

Competitors

While maintaining its accepted professional business standards based on the benefit, the Company intends to maintain its position in the market and compete effectively, while refraining from seeking any business competitor's secrets through a dishonest or inappropriate method, or damaging its reputation for the Company's own benefit. The Company emphasizes the quality and efficiency of its services, stressing the greatest benefit to our customers and the standing of the insurance industry as a whole.

Creditors

The Company is strongly committed to a fair and equal treatment of all its creditors on an honest and fair basis for both sides, and will therefore follow all agreed conditions with its creditors. If the conditions agreed upon cannot be honored or there is a cause of default on its payment, the Company will notify its creditors in advance without concealing the fact so as to jointly find quick and fair solutions, apart from seeking for the capital management with appropriate structure to support the Company's business performance and retain the confidence among its creditors.

Society and Environment

The Company realizes its responsibilities to society and to the preservation of the environment. As a consequence, it has supported many activities that benefit the community, such as the development of society through employing disabled labor. It also provides support and assistance to communities jointly with other agencies both in the government and the private sector. For instance, the Company's management has offered a mobile medical service to treat people in poverty-stricken areas, as well as the Company has supported royal activities via its financial contributions to the Ananda Mahidol Foundation, the Chai Pattana Foundation and the Graduates Go Home project, supported public health activities such as the Toilet Construction for Schools in Rural Areas project and the Clean Drinking Water for Students in Rural Area project, presented equipment for cataract operation through high-frequency wave, granted scholarships to poor students at the university level, promoted students' reading habit, supported Buddhism via

organizing a merit-making ceremony of Phapa, provided archaeological support by rehabilitating the archaeological sites of Ban Promthintai in Lob Buri, supported public disaster relief through donating money to assist flood victims in Laos PDR, apart from offering various training programs and activities to its management and staff so that they can participate, as well as realize the significance of conducting themselves in a way that would benefit society. All activities and projects have been continuously implemented for the true and sustainable benefit to society.

Details of activities performed in 2018 can be viewed on the Company's website at www.bangkokinsurance.com.

The Government Sector

The Company has strictly carried out its business transactions under the requirements defined by laws, rules and regulations concerned, apart from cooperating and maintaining a good relation with the government agencies and the regulator, through providing accurate, complete and sufficient data and information requested by them in order to display its transparency, as well as generating mutual confidence and trust.

Practices According to Human Rights Principles

The Company is determined to abide by universal human rights principles by promoting knowledge and understanding of the issue among its employees so that they can appropriately apply the human rights principles to the performance of their work and duties.

Intellectual Property or Copyright

The Company constantly encourages its employees to initiate and develop new products, whether development of a work manual, product design or computer programs. This is aimed not only at benefiting business, but also at developing employees' potential. Nevertheless, any work which the Company's employees have created during the time they worked with it, whether assigned by the Company, or by use of the Company's data, or the work learned from the Company, is regarded as the Company's sole ownership, while such data, including the Company's confidential business data and other confidential data, must not be disclosed to outsiders without the Company's permission. In addition, the Company has also defined policies and practice regulations to prevent violations of copyright laws and an act on the computer offense commission, as well as notified them to the Company's employees. Besides, the Company has an efficient control process for its employees' practices in compliance with rules and regulations.

Convention Against Corruption

The Company has a policy on anti-corruption for its Board directors, management and employees to strictly abide by it by banning them from demanding, practicing or accepting corrupt practices of all forms, exploiting their authority, whether directly or indirectly, to seek any advantage for themselves or others, offering unlawful interests to any other person as an incentive, accepting or giving gifts or giving a reception beyond necessity, besides forbidding them to lend their support in the form of money or other benefits, whether directly or indirectly, to political parties, and to donate money or provide financial support to other people or agencies as a channel for paying a bribe. Additionally, the Company has also steadily provided training to all its new employees, while the Internal Audit Office has inspected and made an assessment of the implementation in compliance with the Company's anti-corruption policy.

Communications with Stakeholders and Receiving Complaints

The Company has also arranged for channels to provide convenience to each group of stakeholders to communicate or file a complaint on matters that may cause damage to the Company, acts violating laws, orders, regulations and code of ethics, including frauds and corruption, to its Board of Directors through the Audit Committee, the Company secretary, the Internal Audit Office and Quality Control Center. The complaints may be

directly filed verbally or in writing, sent as a letter via an email or the Company's website. Details of the method of complaint filing can be studied from the Company's policy on a report on corrupt practice clues revealed on its website at www.bangkokinsurance.com.

4. Data Disclosure and Transparency

The Company's Board has given priority to the information disclosure since it is a matter affecting the decision of investors and stakeholders, and thus has had a policy for the Company to disclose both its financial and non-financial data, as defined by the SEC, SET and other government agencies. Data disclosure focuses on transparency, accuracy, completeness and timelessness, through press conferences and the channels of the SET, as well as the Company's annual report and the annual report presentation form (Form 56-1). Additionally, the data is disclosed both in Thai and English via the Company's website, and continually updated for reliability and easy and equal access by shareholders and other related persons. The following is a summary of the significant disclosed data.

1. Disclosure of financial and non-financial data accurately, completely and in time.
2. Preparation for a report on the Board of Directors' responsibility for financial statements.
3. Preparation for a summary report on the policy on good corporate governance, code of corporate conduct, policy on risk management and CSR policy as approved, as well as the consequence of performance based on those policies.
4. Disclosure of audit remuneration and remuneration for other services provided by the auditor.
5. Disclosure of the roles and duties of the Board and sub-committees, numbers of meetings and meeting attendance of each Board director in the previous year.
6. The constant training and development of occupational knowledge of the Board.
7. Data disclosure on the Company's website and updating data listed below.
 - (a) The Company's vision and mission.
 - (b) The type of the Company's business transactions.
 - (c) A name list of the Board directors and executives.
 - (d) The Company's financial statements and a report on its operations both at present and of the year before.
 - (e) The annual report presentation form (Form 56-1) and the annual report, which can be downloaded.
 - (f) The shareholding structure of major shareholders and the proportion of shareholding.
 - (g) The invitation letters for shareholders' general meeting.
 - (h) A report on shareholders' general meeting.
 - (i) The Company's rules and regulations.
 - (j) The policy on good corporate governance.
 - (k) The code of ethics for the Company's Board directors and employees.
 - (l) The policy on anti-corruption.
 - (m) The policy on a report on corrupt practices clues (whistle blowing)
 - (n) The organization's structure.
 - (o) The data on contacting sections or persons responsible for Investor Relations work.

4.1 Policy on Good Corporate Governance and Its Implementation Consequences

The Company's Board of Directors has considered and realized its roles and duties as the organization's leader, as well as encouraged an adjustment of the Corporate Governance Code : CG Code, issued by the SET, to the Company's context, aimed at generating the business's sustainable value, making business transactions based on a moral basis, respecting the rights of and having responsibilities to shareholders and stakeholders, being able to adapt itself to changes and competitive through sound financial returns in the long run, benefiting society as well as developing and reducing impacts on the environment.

In 2018, the Company's Board of Directors had completely scrutinized and comprehended the benefits and significance of a proper adjustment of the CG Code to the Company's performance to further create sound

financial returns and sustainable business value. Nonetheless, for the practical guideline inappropriate for the Company's business transactions, its Board had considered and issued suitable substitute measures and recorded it as part of the Board's resolution for an annual consideration and review. In 2018, the Company had an issue it had not practiced and had an appropriate substitute measure as the following:

- The Company does not define the criteria limiting the number of listed companies in which its Board directors may hold office since this may affect the nomination of qualified persons to sit on the Board. Nevertheless, the Board has constantly reviewed its director's term each year and in case an independent director will be appointed for another term, the Board will scrutinize the necessity, and his/her skills, experiences and specific capability beneficial to the Company.

4.2 Remuneration for Directors and Management

It has been reported in Remuneration for Directors and Management section in "the Management".

4.3 The Board of Directors' Responsibilities for Financial Statements

The Company's Board of Directors is responsible for the accuracy of the Company's financial statements preparation, which should display details of its financial data sufficiently, transparently and correctly, while significant data is adequately and steadily disclosed in notes of the financial statements in accordance with appropriate accounting standards. The Company's financial statements are audited by a public accountant, certified by the SEC and/or related agencies, as well as verified by the Audit Committee. The Company's Board has also prepared the report on its responsibilities for financial statements in the Company's annual report and the annual report presentation form (Form 56-1).

4.4 Role and Duty Performance of the Board of Directors

The Company reveals the names and history of each Board director, including the roles and duties of the Board of Directors, the Audit Committee, the Corporate Governance Committee and the Remuneration and Nomination Committee, along with details of their duty performance of the previous year in the section "Management Structure", so that the shareholders and the people concerned may know about the knowledge, capabilities, experience and other significant data of the directors, who contribute to the Company's success in its business transactions.

4.5 Investment Relations

Apart from communicating its information through various channels, the Company has established an Investor Relations in charge of communicating the Company's information and data with investors and outsiders, besides treating them equally and fairly, as well as in a well-arranged manner.

In this regard, investors can ask for more investment data at the phone number and email address displayed on the Company's website.

4.6 Policy on Responsibilities to Society and the Environment and Implementation Consequence

This has been reported in the section Stakeholders' Rights in "Society and Environment".

5. The Section on the Board of Directors' Responsibilities

The Company's Board fully realizes its roles and responsibilities as the shareholders' representative, principally responsible for making decisions on the Company's significant policies and strategies. In addition, the Board will see to it that the Company's management has implemented the policies and strategies defined for the Company's utmost benefit. To fulfill this goal, the Board has implemented the principles of good corporate governance as the following:

5.1 The Board of Directors' Structure

(1) Components of the Board

It has been reported in the section Management Structure.

(2) The Board of Directors' Term of Office

The Company has clearly defined the Board of Directors' term of office in its rules and regulations, no.23, which is proclaimed on the Company's website at www.bangkokinsurance.com.

(3) Qualifications of Independent Directors

It has been reported in the section Qualifications and Procedure for Nomination of the Board Directors.

5.2 The Sub-Committee

It has been reported in the section Sub-Committees.

5.3 The Board of Directors' Roles, Duties and Responsibilities

1. Leadership and Vision of the Board of Directors

The Company's Board of Directors consists of knowledgeable and experienced persons from various fields who are supportive of the Company's administration. All directors take part in cautiously defining, giving approval to and annually reviewing all important vision and policy statements, missions, strategies and business goals of the Company. They also ensure that the Company's management's performance will, as a matter of principle, be presented to the Board of Directors every three months. In addition, the Board also occasionally plays a role in giving approval to the performance guidelines of the various sub-committees, such as the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee. In 2018, the Board had reviewed, improved and approved the Company's vision, missions and strategies.

Exercise of authority in the performance of the Company's Board will strictly and honestly comply with laws, regulations and shareholders' meeting resolutions based on sound morality and rule of conduct. This is to ensure that the Management's performance will ultimately fulfill the Company's goals and generate the utmost benefits for shareholders.

2. Approval of Policy on Corporate Governance

In 2005, the Board of Directors approved for the first time, in writing, the formulation of the Company's policy on corporate governance, as well as approved the policy modification 8 times. In this regard, the Board has assigned the Company's management to take charge of a follow-up of the policy implementation in order to report recommendations to the Corporate Governance Committee for an improvement of the policy in order that it is updated and appropriate for the changing situations, and increasingly has a practice guideline of international standard. In 2018, there was an improvement for more clarification of the policy on corporate governance regarding the duties and authority of the Company's Board of Directors, Chairman and Chief Executive Officer, including an adjustment of the practice methodology in conformity with laws and the principle of good corporate governance.

Details of the Company's policy on good corporate governance may be viewed on the Company's website at www.bangkokinsurance.com.

3. Business Code of Ethics

The Company's Board of Directors has approved the publication of the Company's code of ethics (rules of conduct) to be presented to the Board and staff, including propagating the code of ethics on the Company's Intranet. This aims at communicating good practices to the Company's Board and staff so that they will use them as a principle for their work performance. In this connection, it is the duty of all levels of management to make sure that their subordinates know, understand and actually perform according to the Company's code of ethics. In addition, the Company has steadily offered a training course on its code of ethics to all new staff.

Details of the Company's code of ethics can be viewed on the Company's website at www.bangkokinsurance.com.

4. Conflict of Interest

The Company's Board of Directors has taken measures to impede conflicts of interest and the seeking of one's self-interest by defining this as a principle in the rule of conduct for both Board directors and staff. Additionally, the Board has assigned the Audit Committee to oversee and report to it on crossover transactions and those with conflicts of interest. These have been cautiously considered for appropriateness, with honesty, justification and independence based on the defined code of ethics, in the best interests of the Company, all of which is performed in the same manner as transactions made with outsiders. Furthermore, the Audit Committee has also performed in accordance with the SET's

criteria in reporting on and disclosing such information each quarter in the Company's annual report and the annual report presentation form (Form 56-1).

- Control over the Use of Insider Information

It has been reported in the section "Control over the Use of Insider Information".

5. Controlling System, Internal Audit and Risk Management

Observing the important internal controls at both the managerial and operational levels, the Company's Board of Directors has set out the responsibilities of executives and employees in writing, and also requires that the executives assess the adequacy of internal controls at least once a year. Furthermore, the Company also possesses work units taking charge of auditing and evaluating all departments' performance so that it is in compliance with practice procedures, laws and orders, including all sections' risk management as the following:

The Internal Audit Office, which directly reports to the Audit Committee, is in charge of auditing all sections' performance, apart from the accuracy and reliability of the Company's accounting data and financial statements so that their performance is in accordance with the Company's policy, declarations, rules and regulations, and laws, besides monitoring the accuracy and appropriateness of its work system and information control system so as to assess the efficiency and security of the work system, including following up and evaluating the Company's overall risk management efficiency.

The Compliance Office, which directly reports to the Audit Committee, takes charge of the determination of a guideline for all departments' performance in compliance with laws, an assessment of the appropriateness of the Company's performance approach, including following up immediately when the deficiency or inappropriateness is detected, besides making an analysis and study on the problem, providing advice on laws, regulations, requirements and practices to ensure all departments' performance in conformity with laws, and steadily overseeing and following up the matter.

Enterprise Risk Management Division, which directly reports to the Executive Vice President, is in charge of defining the strategy and guideline for the Company's risk management operation, along with the Risk Management Committee, determining the framework and guideline for risk management, apart from establishing KPIs together with other departments and giving suggestions and recommending steps of risk management operations to the Company's all departments.

Additionally, the Company's Board of Directors has assigned the Risk Management Committee to be responsible for defining the framework of risk management and the policy on risk management, while such a framework and policy on risk management will be annually presented to the Board for a consideration for approval. Similarly, the Risk Management Committee will follow up the Company's risks so that they are at an acceptable level, including reviewing the sufficiency and efficiency of the Company's performance in line with its policy and procedure on risk management, and communicating with concerned staff for their acknowledgement. The report on risk management consequence to the Board of Directors has to be made at least once every three months.

In 2018, the Risk Management Committee had established the framework of risk management and reviewed the policy on risk management and presented them to the Board for a consideration for approval on February 23, 2018, and submitted it to the Office of Insurance Commission (OIC) on March 22, 2018.

5.4 The Board of Directors' Meeting

1. The Meeting Schedule The Company's Board of Directors will meet a minimum of once every three months. Nonetheless, there may be an additional extraordinary meeting as the Board thinks appropriate. Each Board member will be informed of the Board's meeting agenda in advance so that he/she may set aside time for the meeting. In 2018, the Board of Directors' meeting proceeded according to the schedule planned, resulting in the Board members' average meeting attendance of over 80 percent of all the Board's plenary meetings.

2. The Consideration of Meeting Agenda Determination To define the meeting agenda, the Company secretary will compile significant issues to be put on the agenda and propose to the Company's Chairman of

the Board of Directors for approval, and then arrange them as the meeting agenda, including other relevant documents to be scrutinized for each agenda. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company secretary.

3. The Delivery of Meeting Documents For the delivery of the Board's meeting documents, the Company secretary will send out meeting invitation letters, including an agenda and other relevant documents, no less than 7 days prior to the date of the meeting, to all the Board members to ensure that they have sufficient time to scrutinize the data before the meeting. In 2018, meeting invitation letters and other relevant documents were submitted to each Board member in time for all meetings.

4. The Meeting Procedure For each meeting, the Chairman of the Board of Directors allows each director to comment and ask questions about business performance, risk management, internal control systems, and all other matters without prescribed time limit. In consideration of agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda. In 2018, the Company had arranged examiners of vote counting at the shareholders' meeting. The Company secretary will report on the minutes of the meeting and the meeting's resolution for the Board's approval at the next meeting. In addition, for each meeting, a meeting report will also be systematically kept by the secretary as a convenient reference or for examination by the Board and other related people.

5. The Invitation of Executives for Meeting Attendance In 2018, for each of the Board of Directors' meetings, senior executives, namely, Director and Chief Executive Officer, Director and President, and Executive Vice President of Accounting and Treasury Department, would attend the meeting in order to answer the Board directors' questions and doubts.

6. Information Access For access to information, since the Board of Directors' meeting is not convened every month, the report on the Company's performance is presented to each Board director each month, starting from April 2007 onwards. This is aimed at allowing the Board to continuously oversee and control the Company's management's performance. Besides, the Board may ask the Company's Chief Executive Officer or secretary for additional explanations and examination of relevant documents.

7. The Meeting of Non-Executive Directors For the meeting of non-executive directors, in 2006, the Board approved a policy encouraging its non-executive directors to convene a meeting among themselves, and assigned the Company secretary to facilitate such a meeting. Nonetheless, through 2018, apart from the meetings of the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee for an implementation of the missions assigned to them, the non-executive directors had never convened a meeting among themselves.

A summary of each Board director's meeting attendance in 2018 is given in the section "the Management" with respect to the Board of Directors.

5.5 Procedure on the Determination and Appropriateness of Remuneration

The Company's Board of Directors has a policy to determine the Board directors' remuneration to the amount paid to other listed companies' directors of similar businesses or companies with approximate returns. The Board thus assigns the Remuneration and Nomination Committee to determine the Board directors' remuneration based on the scope of their roles and responsibilities, including the benefits to be derived from them, before proposing it to the shareholders' general meeting for approval. Furthermore, the Remuneration and Nomination Committee has annually made an assessment of the performance of the Company's head of department and senior executives in order to be used for the determination of their remuneration, and presentation to the Board for a consideration for approval.

In 2018, the Remuneration and Nomination Committee had made an evaluation of the performance of the Company's head of department and senior executives and presented it to the Board of Directors for a consideration for approval of the remuneration.

5.6 Development of the Board of Directors and Executives

The Company's Board of Directors has a policy of promoting and supporting directors, executives and other staff, relating to the Company's corporate governance system, to receive regular training with an aim to constantly improve their performance, apart from encouraging directors and executives to attend a training course concerning the Company's business transactions, aimed at enhancing their knowledge and supporting their efficient duty performance.

For 2018, the Company's Board directors had received development and training in the following courses.

Name	Position	Course
1. Mr. Toshimi Kobayashi	Independent Director	- Director Accreditation Program (DAP) Class 146/2018 (English Program)
2. Dr. Apisit Anantanarat	Director and President	- Director Accreditation Program (DAP) Class 149/2018

For a new Board director orientation, the Company has realized the significance of its new director's duty performance. Every time there is a change in the Board, the Company has assigned its secretary to arrange for a new Board director instruction for the Company's overall operating performance, Board of Directors' structure, and corporate governance, aimed at his/her understanding and the benefit to his/her duty performance, besides submitting supplementary documents to a new director, such as the Company's annual report, policy on corporate governance, policy on anti-corruption, policy on a whistle blowing, and so on.

INTERNAL CONTROL AND RISK MANAGEMENT

1. Internal Control System

The Company has established an efficient and effective internal control and risk management system. The Company's Board of Directors and management have duties and responsibilities for arranging and preserving an internal control and risk management system which enables the Company's operating performance to fulfill its established goals and objectives.

The meeting of the Board of Directors (No.4/2018) held on November 9, 2018, with all three members of the Audit Committee in attendance, reviewed the efficiency of the internal control system using the SEC's assessment questionnaire as a guideline, which covered the following issues:

Control Environment

1. The organization displays its attachment to the merit of integrity and ethics.
2. The Company's Board of Directors is independent of its management and is in charge of overseeing and developing an implementation of an internal control.
3. The Company's management has arranged the reporting line structure, and the determination of command authority and appropriate responsibilities to enable the organization to achieve its objectives under the Board of Directors' overseeing.
4. The organization reveals its determination to motivate, develop and preserve knowledgeable and capable employees.
5. The organization defines its employees' duties on and responsibilities for an internal control so as to fulfill its objectives.

Risk Assessment

6. The organization obviously and adequately defines its objectives to enable the identification and assessment of various risks relating to its objective fulfillment.
7. The organization makes all-inclusive identification and analysis of all types of risks which may have an impact on its objective fulfillment
8. The organization has considered the opportunity for a possible corrupt practice in its risk assessment aimed at achieving its objectives.
9. The organization is able to identify and assess a change which may affect an internal control system.

Control Activities

10. The organization has a control measure which helps reduce a risk of not achieving its objectives to an acceptable level.
11. The organization chooses and develops general control activities through a technological system in support of its objective fulfillment.
12. The organization carries out control activities via its policy which defines what is expected and implementation steps so that the policy defined can lead to an implementation.

Information and Communication

13. The organization has related and quality data to enable an internal control to go on as defined.
14. The organization communicates internal data, including objectives of and responsibilities for an internal control so that it can go on as planned.
15. The organization communicates with external agencies relating to issues that may have an impact on an internal control.

Monitoring Activities

16. The organization follows up and evaluates its internal control to ensure that an internal control continues completely and properly.

17. The organization timely evaluates and communicates the deficiency of an internal control upon the person responsible, including the Company's management and Board of Directors, as appropriate.

The Company's Board of Directors has reviewed the Company's internal control system and unanimously agreed that its internal control system and risk management is sufficient and appropriate, without any deficiency of its internal control system, having a control and protection of the Company's properties, as well as adequate personnel to efficiently implement the system.

2. The Audit Committee's Opinion

The Audit Committee has reviewed the efficiency of the Company's internal control system using the SEC's assessment questionnaire as a guideline, and has unanimously agreed as the Company's Board of Directors that the Company has established a proper and effective internal control system and efficient risk management, as well as having a sound control and protection of the Company's assets, apart from sufficient personnel to efficiently implement the system.

3. The Company's Head of Internal Audit Office and Compliance Office

The Company's Head of Internal Audit Office is under the supervision of Mr. Vichien Moleewon, whose qualifications the Audit Committee considers proper to perform his work efficiently, while the Company's Head of Compliance Office is under the supervision of Miss Umaporn Hualbuttar.

An appointment, dismissal or transfer of the Company's head of Internal Audit Office must be approved by the Audit Committee. Detailed data on the qualifications of the Company's head of Internal Audit Office and Compliance Office are as follows:

Mr. Vichien Moleewon

Department	Internal Audit Office
Position	First Vice President
Education	B.B.A., Ramkhamhaeng University
Work Experience	<ul style="list-style-type: none">- First Vice President, Internal Audit Office, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 – present)- Vice President, Internal Audit Office, Bangkok Insurance Public Co., Ltd. (May – Dec 2015)- Vice President, Compliance Office, Bangkok Insurance Public Co., Ltd. (2014 – May 2015)- Head of Compliance and Enterprise Risk Management, Bangkok Insurance Public Co., Ltd. (2007 – 2014)
Training	<ul style="list-style-type: none">- Anti-Corruption: The Practical Guide- Integrated Risk Management & Strategy- Investment Strategy for Insurance Business- GRC: Governance Risk Compliance

Miss Umaporn Hualbuttar

Department

Compliance Office

Position

Vice President

Education

- B.Ac., Chulalongkorn University
- M.P.P.M., National Institute of Development Administration
- Certificate of Computer English Program, Sukhothai Thammathirat University
- Certified Professional Internal Auditor (CPIA)

Work Experience

- Vice President, Compliance Office, Bangkok Insurance Public Co., Ltd. (2015 - present)
- Vice President, Organization Risk Management, Bangkok Insurance Public Co., Ltd. (2015 - present)
- Vice President, Operations Audit, Bangkok Insurance Public Co., Ltd. (2014 - 2015)
- Head of Operations Audit, Bangkok Insurance Public Co., Ltd. (2007 - 2014)
- Assistant Vice President, Internal Audit Department, Bangkok Insurance Public Co., Ltd. (2004 - 2006)

Training

- Governance as a Driving Force for Business Sustainability
- Risk Oversight: High Priority of the Board
- KPI KRI and KCI and Risk Management
- Risk & Capital Management
- Organization Risk Management
- Anti-Money Laundering and Anti-Financial Support of Terrorism for Concerned Officials

GENERAL INFORMATION

Name of Company	Bangkok Insurance Public Co., Ltd.
Registration No.	0107536000625
Established	1947
Principal Lines of Business	Non-Life Insurance
Accounting Period Ended	December 31, 2018
Location: Head Office	Bangkok Insurance Building 25 Sathon Tai Road, Bangkok 10120 Tel. 0 2285 8888 Fax: 0 2610 2100 Accident Notification Tel. 1620 www.bangkokinsurance.com

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Ayutthaya

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Chachoengsao

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Mae Sot

11/32-33 Sai-Asia Road, Mae sot, Mae Sot, Tak 63110

Tel. 0 5553 6517 Fax: 0 5553 6521

Mukdahan

81/6 Mukdahan-Don Tan Road, Si Bun Rueang, Mueang Mukdahan, Mukdahan 49000

Tel. 0 4261 4245 Fax: 0 4261 4249

Nakhon Pathom

176,178 Songphol Road, Lamphaya, Mueang Nakhon Pathom, Nakhon Pathom 73000

Tel. 0 3427 3055 Fax: 0 3427 3060

Nakhon Ratchasima

22/6 Mittraphab Road, Nai Mueang, Mueang Nakhon Ratchasima, Nakhon Ratchasima 30000

Tel. 0 4424 5288 Fax: 0 4424 5500

Nakhon Sawan

49/52-53 Moo 5, Krairat Road, Nakhon Sawan Tok, Mueang Nakhon Sawan, Nakhon Sawan 60000

Tel. 0 5688 2341 Fax: 0 5688 2347

Nakhon Si Thammarat

6/33-34 Soi Twin Lotus, Pattanakarn Khukhwang Road, Nai Mueang, Mueang Nakhon Si Thammarat,

Nakhon Si Thammarat 80000

Tel. 0 7577 4636 Fax: 0 7577 4640

Pattaya

131/27-28 Moo 9, Sukhumvit Road, Nong Prue, Bang Lamung, Chonburi 20150

Tel. 0 3841 1213 Fax: 0 3842 5209

Phitsanulok

362/19 Moo 3, Mittraphab Road, Aranyik, Mueang Phitsanulok, Phitsanulok 65000

Tel. 0 5530 4291 Fax: 0 5530 4296

Phuket

101/9 Moo 1, Bypass Square, Kathu, Phuket 83120

Tel. 0 7630 4055 Fax: 0 7630 4059

Rangsit

52/18 Moo 2, Rangsit-Pathum Thani Road, Bang Phun, Mueang Pathum Thani, Pathum Thani 12000

Tel. 0 2567 1121 Fax: 0 2567 2180

Ratchaburi

159/27-28 Phetkasem Road, Na Mueang, Mueang Ratchaburi, Ratchaburi 70000

Tel. 0 3232 8016 Fax: 0 3232 8017

Rayong

313/6-7 Moo 5, Sukhumvit Road (Bypass 36), Choengnoen, Mueang Rayong, Rayong 21000

Tel. 0 3891 5818 Fax: 0 3891 5808

Roi Et

295, 295/1 Tawapiban Road, Nai Mueang, Mueang Roi Et, Roi Et 45000

Tel. 0 4351 2521 Fax: 0 4351 2530

Saraburi

36/1 Moo 1, Dao Ruang, Mueang Saraburi, Saraburi 18000

Tel. 0 3671 3713 Fax: 0 3671 3718

Surat Thani

84/25 Moo 2, Surat-Phunphin Road, Makhm Tia, Mueang Surat Thani, Surat Thani 84000

Tel. 0 7727 3806 Fax: 0 7727 3805

Surin

369/1-2 Moo 16, Salakdai, Mueang Surin, Surin 32000

Tel. 0 4455 8620 Fax: 0 4455 8662

Trang

50/17-18 Moo 10, Trang-Palian Road, Khok Lo, Mueang Trang, Trang 92000

Tel. 0 7558 2848 Fax: 0 7558 2847

Ubon Ratchathani

949/9 Chayangkun Road, Nai Mueang, Mueang Ubon Ratchathani, Ubon Ratchathani 34000

Tel. 0 4531 2081 Fax: 0 4531 2085

Udon Thani

154/6 Moo 2, Na Di, Mueang Udon Thani, Udon Thani 41000

Tel. 0 4293 1585 Fax: 0 4293 1610

Uttaradit

2/48 Charoentham Road, Tha It, Mueang Uttaradit, Uttaradit 53000

Tel. 0 5541 6560 Fax: 0 5541 6564

Micro Branch

Suvarnabhumi Airport

Free Zone Office Building No. 302, Room No. 412, 4th Floor, 999 Moo 7, Racha Thewa, Bangphli, Samutprakarn 10540
Tel. 0 2134 4038-9 Fax: 0 2134 3598

Motor Claims Service Center

Kaset-Nawamin

111/19 Moo 4, Kaset-Nawamin Road, Chorakhe Bua, Lad Phrao, Bangkok 10230
Tel. 0 2553 3171-3 Fax: 0 2553 3170

Pattanakarn

148 Soi Pattanakarn 20, Pattanakarn Road, Suan Luang, Bangkok 10250
Tel. 0 2717 8600-3 Fax: 0 2717 8660

Sam Sen

45/11 Setsiri Road, Sam Sen Nai, Phaya Thai, Bangkok 10400
Tel. 0 2279 5075-7, 0 2279 6615 Fax: 0 2279 6616

BKI Care Station

CentralFestival Phuket

Tel. 0 7624 8084, 08 1737 0053 Fax: 0 7624 8084

CentralPlaza Chaengwattana

Tel. 0 2835 3261, 08 1833 6402 Fax: 0 2835 3261

CentralPlaza Chiang Rai

Tel. 0 5317 9841, 08 1702 0610 Fax: 0 5317 9841

CentralPlaza Chonburi

Tel. 0 3805 3947, 08 1934 4416 Fax: 0 3805 3947

CentralPlaza Grand Rama IX

Tel. 0 2160 3808, 09 0197 3925 Fax: 0 2160 3808

CentralPlaza Khon Kaen

Tel. 0 4328 8136, 08 5485 7593 Fax: 0 4328 8136

CentralPlaza Lardprao

Tel. 0 2937 0187, 08 1172 9459 Fax: 0 2937 0187

CentralPlaza Phitsanulok

Tel. 0 5533 8485, 09 0197 3924 Fax: 0 5533 8485

CentralPlaza Pinklao

Tel. 0 2884 8282, 08 4751 7179 Fax: 0 2884 8282

CentralPlaza RAMA II

Tel. 0 2872 4060, 08 1373 8400 Fax: 0 2872 4060

CentralPlaza RAMA III

Tel. 0 2673 5512, 08 9967 7455 Fax: 0 2673 5512

CentralPlaza Ramindra

Tel. 0 2970 5726, 08 4360 7400 Fax: 0 2970 5726

CentralPlaza Rattana Thibet

Tel. 0 2525 4566, 08 1875 0203 Fax: 0 2525 4566

CentralPlaza Surat Thani

Tel. 0 7760 2705, 08 1902 4875 Fax: 0 7760 2705

CentralPlaza Ubon Ratchathani

Tel. 0 4542 2400, 08 1172 9608 Fax: 0 4542 2400

CentralPlaza Udon Thani

Tel. 0 4292 1473, 08 4388 3129 Fax: 0 4292 1473

Central World

Tel. 0 2646 1850, 08 1833 6254 Fax: 0 2646 1850

Fashion Island

Tel. 0 2947 5670, 08 1373 7951 Fax: 0 2947 5670

Future Park Rangsit

Tel. 0 2958 0787, 08 1832 7767 Fax: 0 2958 0787

Mega Bangna

Tel. 0 2105 1655, 06 3272 1727 Fax: 0 2105 1655

Paradise Park

Tel. 0 2047 0315, 08 5485 7592 Fax: 0 2047 0315

Silom Complex

Tel. 0 2632 0194, 08 9204 9798 Fax: 0 2632 0194

The Mall Bangkhae

Tel. 0 2454 5348, 08 4360 7375 Fax: 0 2454 5348

The Mall Bangkok

Tel. 0 2363 3157, 08 4874 3926 Fax: 0 2363 3157

The Mall Ngamwongwan

Tel. 0 2550 1327, 08 9967 7451 Fax: 0 2550 1327

The Mall Thapra

Tel. 0 2477 7013, 08 4360 7380 Fax: 0 2477 7013

LINES OF BUSINESS

FIRE INSURANCE

- FIRE INSURANCE
- LEASEHOLD INSURANCE
- BUSINESS INTERRUPTION FIRE INSURANCE
- FIRE DWELLING HOUSE INSURANCE POLICY (MICROINSURANCE)

MARINE INSURANCE

- MARINE CARGO INSURANCE
- MARINE HULL INSURANCE
- CARRIERS' LIABILITY INSURANCE
- LOGISTICS SERVICE PROVIDER LIABILITY INSURANCE

MOTOR INSURANCE

- COMPULSORY MOTOR INSURANCE
- VOLUNTARY MOTOR INSURANCE

MISCELLANEOUS INSURANCE

PERSONAL INSURANCE

- GROUP ACCIDENT INSURANCE
- PERSONAL ACCIDENT INSURANCE
- STUDENT GROUP ACCIDENT INSURANCE
- TRAVEL ACCIDENT INSURANCE FOR INDIVIDUAL OR GROUP OF TOURISTS
- COMPREHENSIVE TRAVEL ACCIDENT INSURANCE
- HOSPITAL INCOME INSURANCE
- CANCER INSURANCE
- GROUP ACCIDENT AND HEALTH INSURANCE
- PERSONAL ACCIDENT AND HEALTH INSURANCE
- TRAVEL ACCIDENT INSURANCE FOR TOUR OPERATORS AND GUIDES
- BOAT PASSENGER PERSONAL ACCIDENT INSURANCE
- PA 200 (MICROINSURANCE)

PROPERTY INSURANCE

- ACCIDENTAL DAMAGE (PROPERTY) INSURANCE
- BURGLARY INSURANCE
- ALL RISKS INSURANCE
- PLATE GLASS INSURANCE
- MONEY INSURANCE
- NEON-SIGN INSURANCE
- TERRORISM INSURANCE
- GOLD SHOP INSURANCE

- POLITICAL VIOLENCE FOR PROPERTY INSURANCE
- ELECTRICAL APPLIANCE EXTENDED WARRANTY INSURANCE
- MOTORCYCLE INSURANCE FOR LESSOR AND LESSEE

ENGINEERING INSURANCE

- CONTRACT WORKS INSURANCE
- ERECTION ALL RISKS INSURANCE
- BOILER & PRESSURE VESSEL INSURANCE
- ELECTRONIC EQUIPMENT INSURANCE
- CONTRACTORS' PLANT AND EQUIPMENT INSURANCE
- MACHINERY BREAKDOWN INSURANCE

LIABILITY INSURANCE

- PUBLIC LIABILITY INSURANCE
- EMPLOYER'S LIABILITY INSURANCE
- MEDICAL MALPRACTICE LIABILITY INSURANCE
- MEDICAL MALPRACTICE INSURANCE (INSTITUTION)
- PROFESSIONAL LIABILITY INSURANCE ARCHITECTS AND ENGINEERS
- DIRECTORS AND OFFICERS LIABILITY INSURANCE
- WORKMEN'S COMPENSATION INSURANCE
- GENERAL PUBLIC LIABILITY INSURANCE FOR THE CONTROLLED BUSINESS CATEGORY 3
- BUILDING INSPECTOR INSURANCE POLICY
- LEGAL LIABILITY INSURANCE FROM UNSAFE PRODUCT
- TRANSPORTATION OF HAZARD MATERIAL LIABILITY INSURANCE

OTHER INSURANCE

- FIDELITY GUARANTEE INSURANCE
- BAIL BOND INSURANCE
- TRADE CREDIT INSURANCE
- EVENT CANCELLATION INSURANCE
- HOME MULTICOVER INSURANCE
- GOLFER'S INDEMNITY INSURANCE
- SHOP MULTICOVER INSURANCE
- AIRCRAFT HULL, SPARES AND LIABILITY INSURANCE
- AVIATION PERSONAL ACCIDENT INSURANCE
- SURETY BOND INSURANCE
- MOTOR ACCIDENT COMPENSATION INSURANCE
- DORMITORY INSURANCE
- JET SKI INSURANCE
- DURIAN INSURANCE
- BIKE INSURANCE

OTHER REFERENCE PERSONS

Securities Registra

Thailand Securities Depository Co., Ltd.
62 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Tel. 0 2009 9000
Fax: 0 2009 9991
SET Center: 0 2009 9999
email: SETContactCenter@set.or.th
www.set.or.th/tsd

Trustee

- None

Auditor

Mrs. Nongluck Phumnoi
Certified Public Accountant (Thailand) No. 4172
EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Ratchadaphisek Road, Klongtoey, Bangkok 10110
Tel. 0 2264 0777
Fax: 0 2264 0789-90
email: ernstyoung.thailand@th.ey.com
www.ey.com

Legal Adviser

Manukit Law Office
59/6 Suapa Road, Pom Prap, Pom Prap Sattru Phai, Bangkok 10100
Tel. 0 2221 3466
Fax: 0 2221 3191

Financial Adviser

- None

Principal Financial Institution

Bangkok Bank Public Co., Ltd.

