



CHARAN'S PROMISE

GIVES THE PUBLIC PEACE OF MIND

Annual Registration Statement / Annual Report 2024
(Form 56-1 One Report)

Charan Insurance Public Company Limited
www.charaninsurance.co.th



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Message from Chairman

To: Shareholders,

On behalf of the Board of Directors and management of Charan Insurance Public Company Limited, I am honored to present the performance for the year 2024 and to share the Company's vision amidst the profound changes at both the national and global levels, which have inevitably impacted the non-life insurance industry. The transformations witnessed this year have not only posed challenges but also offered opportunities for us to adapt and strengthen our business.

Over the past year, Thailand's economic and social conditions remained in recovery from the repercussions of the COVID-19 pandemic, the transition to a digital economy, and global energy price volatility. Despite government efforts to stimulate the economy and invest in infrastructure development, full recovery requires time and collaboration across all sectors. These factors have influenced consumer purchasing power and behavior in the insurance market, necessitating continuous strategic adjustments within our industry to align with evolving circumstances.

Globally, we faced challenges such as intensifying climate change, unexpected natural disasters including floods, droughts, and severe storms, which have driven complex and expanding demand for insurance coverage. Additionally, geopolitical and economic conflicts in various regions have caused volatility in global financial markets, significantly affecting risk management within the insurance sector. Complex power dynamics between major nations have further impacted global economic systems in multiple dimensions.

The ongoing conflicts abroad, particularly in Europe and Asia, have resulted in heightened volatility in energy and commodity prices, influencing Thailand's economy in terms of import costs and financial market stability. Meanwhile, the U.S. presidential election outcome has brought changes to economic and trade policies, directly affecting Thai exports and cross-border capital flows. These developments are strategically significant as we navigate risks effectively.

At the domestic level, the change in Thailand's Prime Minister this year has shaped new directions in economic policies, including economic stimulation, infrastructure investments, and international relations management. Addressing inequality in the economic system and promoting sustainability in the business sector have emerged as critical factors for the stability of the insurance industry. Charan Insurance has closely monitored these developments to adapt and support policies that benefit all stakeholders.

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

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Throughout 2024, Charan Insurance has focused on developing and enhancing its products and services to address these challenges. We have fortified our risk management capabilities, integrated digital technology into operations, and designed products tailored to diverse customer needs, particularly in disaster protection and daily safety. These efforts reflect our commitment to delivering added value to customers across all dimensions.

Our performance this year underscores the Company's resilience despite multiple natural disasters, such as the northern floods, which broadly impacted the insurance industry. However, these incidents did not materially affect the Company's financial performance. Similarly, the December floods in the south posed no significant financial implications. These outcomes highlight the effectiveness of our risk management strategies and sufficient capital reserves.

In addition to product development, we have adjusted our organizational strategies to enhance agility and operational efficiency, ensuring responsiveness to new challenges while fostering transparency in operations. We have also strengthened partnerships to expand business opportunities and diversify our product portfolio. These achievements result from the collective efforts of everyone in the organization.

Amid uncertainties, the Company remains steadfast in upholding principles of good governance and social responsibility. We firmly believe that sustainable business growth stems from creating shared value with all stakeholders, including employees, customers, partners, and communities. In particular, our ongoing social initiatives to support local communities demonstrate our commitment to generating positive social and environmental impacts sustainably.

Finally, I extend my heartfelt gratitude to the Board of Directors, management, and all employees for their dedication during these challenging times, as well as to our shareholders and customers for their trust in Charan Insurance Public Company Limited. I am confident that, through unwavering commitment and collective collaboration, the Company will continue to overcome challenges and achieve sustainable growth in the years to come

*(Sign)***(Mr. Sopon Kluaymai Na Ayudhya)****Chairman of the Board****Charan Insurance Public Company Limited**



CHARAN INSURANCE PUBLIC COMPANY LIMITED

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แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)



Board of Directors

- | | |
|-------------------------------------|--|
| 1. Mr. Sapon Kluaymai Na Ayudhya | Chairman of the Board |
| 2. Mrs. Poodpong Arsingsamanunta | Director / Chairman of Audit Committee and Independent Director |
| 3. Mr. Vorayuth Charoenloet | Director / Member of Audit Committee and Independent Director |
| 4. Mr. Thanitphong Pichaibavornphat | Director / Member of Audit Committee and Independent Director |
| 5. Mr. Sukich Charanvas | Director / Chairman of Executive Committee / Chairman of Investment Committee /
Chairman of Risk Management Committee / Secretary to the Board |
| 6. Mr. Pon Titipanichayangoon | Director / Chairman of Product Committee / Member of Executive Committee /
Member of Investment Committee / Member of Risk Management Committee |
| 7. Mr. Kittipong Charanvas | Director / Member of Executive Committee / Member of Investment Committee /
Member of Risk Management Committee / Member of Product Committee |



Executives

- | | |
|---------------------------------|--|
| 1. Mr. Sukich Charanvas | Managing Director |
| 2. Mr. Kittipong Charanvas | Assistant Managing Director |
| 3. Mr. Kitti Charanvas | Assistant Managing Director of Marketing |
| 4. Mr. Kosit Angkasuwan | Assistant Managing Director of Risk Management |
| 5. Mrs. Pattama Trakarnaiem | Fire Department Manager |
| 6. Mr. Wisith Limcharoensuk | Marine Cargo and Logistics Department Manager |
| 7. Miss Punrada Ayucharoenkul | Miscellaneous Department Manager |
| 8. Mr. Pon Titipanichayangoon | Motor Department Manager |
| 9. Miss Siraya Chindasri | Marketing Department Manager |
| 10. Miss Kanyawan Trisaksuriyan | Finance and Investment Department Manager |
| 11. Miss Sudarat Wiwattanadej | Accounting Department Manager |
| 12. Mrs. Promporn Lamdabpang | Administrative Department Manager |
| 13. Mr. Nopadol Suwankareekul | Information Technology Department Manager |



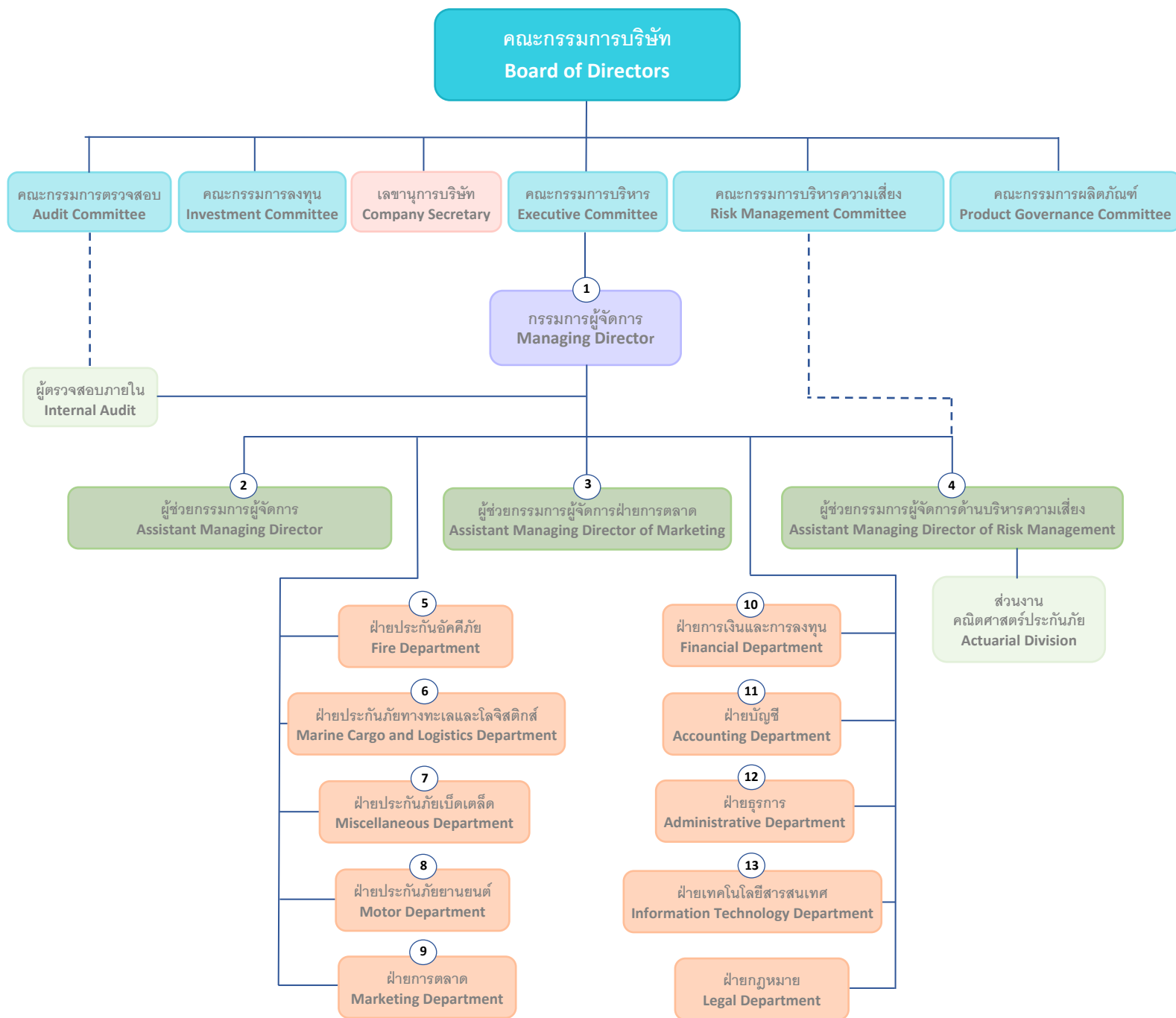
CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Organization Chart



Remarks: 1. The Audit Committee considers, appoints, transfers, dismisses, and undertakes annual evaluation of the Internal Audit including review the independence

2. ¹⁻¹³ are executives as defined by the SEC Board's announcement on securities offerings.

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Financial Summary

Financial Statement

(Unit: Thousand Baht)

2024

2023

2022

Financial Position

Total Assets	998,530	918,722	981,988
Total Liabilities	471,728	356,330	394,289
Shareholders' Equity	526,802	562,392	587,699

Operating Results

Gross Premium	419,925	301,619	484,437
Net Premiums	336,613	223,523	406,966
Net Losses Incurred	113,821	123,658	141,767
Investment Income	21,127	18,786	19,444
Operating Expenditure	48,033	43,911	45,314
Net impairment losses on financial assets	(7,963)	(2,784)	220
Net Profit (loss)	(7,135)	27,366	69,798

Per-Share Value (Baht)

Earnings (loss) Per Share	(0.59)	2.28	5.82
Dividend Per Share	-	1.25	2.00
Book Value Per Share	43.90	46.87	48.98

Financial Ratios (%)

Return on assets	(0.74)	2.88	7.48
Return on Investment	2.84	2.49	2.58
Return on Equity	(1.31)	4.76	12.70
Payout Ratio	-	54.81	34.36



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แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

TOTAL ASSETS

UNIT: THOUSAND BAHT)

998,530



2024

918,722



2023

981,988



2022

NET PROFIT (LOSS)

UNIT: THOUSAND BAHT)

(7,135)



2024

27,366



2023

69,798



2022

TOTAL LIABILITIES

UNIT: THOUSAND BAHT)

471,728



2024

356,330



2023

394,289



2022

SHAREHOLDERS' EQUITY

UNIT: THOUSAND BAHT)

526,802



2024

562,392



2023

587,699



2022

EARNINGS (LOSS) PER SHARE

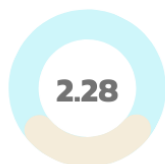
(UNIT: BAHT / SHARE)

(0.59)



2024

2.28



2023

5.82



2022

BOOK VALUE PER SHARE

(UNIT: BAHT / SHARE)

48.98

2022



46.87

2023

43.90

2024

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Financial Ratio

Description		2024	2023	2022
<u>Liquidity ratio</u>				
Liquidity ratio (times)	Remark 1	1.89	2.32	2.25
Turnover rate of accrued insurance premiums (days)	360*premium & accrued insurance premium (average)/premium written	30	38	24
<u>Profitability ratio</u>				
Retention Rate (%)	Net Written Premiums/Written Premiums	80.16	74.11	84.01
Claim payment rate (%)	Claims/earned insurance premiums	42.88	47.58	33.63
Gross Profit Margin (%)	Profit (Loss) from Insurance/Net Written Premiums	(9.52)	5.36	16.14
Warranty expense ratio (%)	Remark 2	73.09	49.29	53.63
Rate of return on investment (%)	Remark 3	2.84	2.49	2.58
Net Written Premium Rate (Times)	Net Premium Written/Shareholders' Equity (Average)	0.62	0.39	0.74
Net Profit Margin (%)	Net Profit (Loss)/Total Revenue	(1.98)	11.25	15.91
Return on Equity (%)	Net Profit (Loss)/Shareholders' Equity (Average)	(1.31)	4.76	12.70
<u>Efficiency Ratio</u>				
Return on assets (%)	Net Profit (Loss)/Total Assets (Average)	(0.74)	2.88	7.48
Asset turnover (times)	Total income/total assets (average)	0.38	0.26	0.47
<u>Financial Policy Analysis Ratios</u>				
Debt to equity ratio (times)	Total Liabilities/Shareholders' Equity	0.90	0.63	0.67
Policy liability to capital fund (Times)	Remark 5	0.69	0.48	0.50
Reserve to equity ratio (times)	Unearned premium reserves/equity	0.44	0.28	0.33
Reserve to asset ratio (%)	Unearned premium reserves/total assets	23.29	17.27	19.52
Dividend payout ratio (%)	Dividend/Net Profit	-	54.81	34.39

Remarks:

- (investments in securities + cash and bank deposits + reinsurance assets +Receivables from reinsurance contracts+ Premium receivables - net + Accrued investment income) / Current liabilities
- (Wages and gratuities – wages and gratuities + other underwriting expenses + operating expenses) / Earned insurance premiums
- Investment income / cash and bank deposits + investments in securities + loans + other investments (average)
- Total income = net premiums + investment income + other income
- Unearned premium reserves + reserves for claims and outstanding claims / shareholders' equity



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CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Section 1

Business Operation and Performance



1. Structure and Operation of the Company

1.1 Policy and Business Overview

1.1.1 Vision, Objective, Goal and Strategy

Charan Insurance Public Company Limited aims to deliver great customer service and build a strong financial foundation, continuously develop corporate governance to add sustainable value to the organization and shareholders in long term as well as aims to generate returns to shareholders at a steadily higher rate. The Board of Directors is responsible for determining the vision and mission of the Company to executives and employees having the same operating direction. At the Board of Directors' meeting No.1/2024 held on February 21, 2024 has reviewed the vision, mission, strategy, and goals, as well as determine the direction of operations and investments to be consistent and up to date with the business situation. The Board of Directors has considered and approved the vision, mission and core values of the Company as before, as follows:

Vision

Focused on providing insurance services with integrity and ethics, embodied in the motto:

"Charan's promise gives the public peace of mind"

Mission

- Conduct business with integrity, adhering to good corporate governance principles.
- Develop innovative products that address societal needs and current trends.
- Enhance operational efficiency through advanced information technology systems.
- Create value and sustainable returns for all stakeholders.
- Operate responsibly, ensuring environmental sustainability and legal compliance.
- Promote employee development to adapt to present and future challenges.

Business Strategies

- Optimize the efficiency of existing assets.
- Seek strategic partnerships to drive business growth.
- Enhance organizational development capabilities.



Operational Goals

The Company aims to develop a diverse range of products that are accessible to customers at all levels, enhance data management, and improve underwriting efficiency to meet customer needs and maximize policyholder satisfaction. To achieve these goals, the Company has implemented strategic plans to adapt to future changes while advancing essential organizational knowledge to become the most trusted insurance provider. By 2025, the Company projects a 5% growth in gross premium income, maintaining a capital adequacy ratio of no less than 200%. The key operational targets are as follows:

- Expand online sales channels by engaging external firms to assess and certify internal systems, enabling online policy sales alongside E-Policy issuance. This includes seeking approval for new policy formats, wording, and premium rates.
- Reduce operational costs through the optimal utilization of information technology.
- Enhance the document storage system to be paperless or maximize the use of electronic documents.

1.1.2 Key Change and Development

Charan Insurance Public Company Limited, formerly known as “Soon Heng Lee Insurance Company Limited,” was established on November 10, 1949, with an initial registered capital of 2 million Baht. The Company has provided non-life insurance services across various categories, including fire insurance, marine and cargo insurance, miscellaneous insurance, and motor insurance. The significant milestones and developments of the Company are as follows:

Year	Key Milestones
1975	Changed its name to “Charan Insurance Co., Ltd.”
1980	Increased registered capital from 2 million to 5 million Baht.
1983	Increased registered capital from 5 million to 10 million Baht.
1991	Raised registered capital to 30 million Baht.
1992	Listed on the Stock Exchange of Thailand (SET) with registered capital of 60 million Baht, consisting of 6 million common shares at 10 Baht per share.
1994	Converted into a public limited company under the name “ <i>Charan Insurance Public Company Limited</i> ” (Registration No. 327).
2006	Awarded “3 rd Place for Outstanding Non-Life Insurance Company Management Development” by the Office of Insurance Commission (OIC).
2015	Increased registered capital to 120 million Baht, comprising 12 million common shares with a par value of 10 Baht per share.

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Currently, the Company has been operating steadily into its 75th year, with a registered capital of 120 million Baht, fully paid-up. It is listed on the Stock Exchange of Thailand under registration number 0107537000807 (Public Company No. 327).

1.1.3 Use of fund from Public Offering of Equity or Bond

- None -

1.1.4 Commitments provided in the Registration Statement and/or the Approval Conditions

- None -

1.1.5 Name and location of the head office, type of business, company registration number, telephone number, facsimile number, the Company's website (if any), the number and type of the total shares sold of the Company.

Company Name	: Charan Insurance Public Company Limited
Initial	: CHARAN
Public Company Registration	: 0107537000807
Type of Business	: Non-Life Insurance
Sector of Business	: Insurance
Industry	: Financial
Head Office Location	: Charan Insurance Building 408/1 Rachadaphisek Road, Samsennok, Huaykwang, Bangkok 10310
Branch Location	: 377/1-3, Moo 12, Mueang Kao, Mueang, Khon Kaen
Authorized Registered Capital	: 120,000,000 Baht (Fully paid-up)
Number of Paid-up Ordinary Shares	: 12,000,000 Shares
Par Value Per Share	: 10 Baht
Telephone	: 0-2276-1024
Facsimile	: 0-2275-4919
Website	: www.charaninsurance.co.th
E-mail	: charanins@charaninsurance.co.th



1.2 Nature of Business

Charan Insurance Public Company Limited operates a non-life insurance business. In 2024, the Company generated total gross written premiums of 419.93 million Baht, with ceded premiums amounting to 83.31 million Baht. The unearned premium reserve increased by 71.16 million Baht, resulting in net earned premiums after reinsurance of 265.45 million Baht. Including fee and commission income of 33.63 million Baht, investment and other income of 23.51 million Baht, the Company recorded a net loss of 7.14 million Baht, equivalent to a loss per share of (0.59) Baht, representing a decrease of 34.51 Baht per share from the previous year, or 126.09%.

In terms of financial position, as of December 2024, the Company maintained a Capital Adequacy Ratio (CAR) of 310.10%, well above the regulatory minimum requirement of 140%. This reflects the Company's strong financial stability, demonstrating its ability to sustain a solid financial position despite facing various economic challenges.

1.2.1 Revenue Structure

The Company's revenue is made up of two major components, i.e., premium income and investment income. A comparative breakdown of income for the years ended December 31, 2024, 2023, and 2022 is shown below.

(Unit: Million Baht)

Line of Business	2024		2023		2022	
	Value	%	Value	%	Value	%
1. Net Premium written						
1.1 Net Fire premiums	43.48	12.07	38.26	15.72	34.33	7.83
1.2 Net marine premiums	5.07	1.41	6.22	2.56	5.31	1.21
1.3 Net motor premiums	268.71	74.62	158.42	65.10	347.14	79.15
1.4 Net miscellaneous premiums	19.35	5.37	20.62	8.47	20.19	4.60
Total premiums written	336.61	93.47	223.52	91.85	406.97	92.79
2. Investment income	21.13	5.87	18.79	7.72	19.44	4.43
3. Other income	2.38	0.66	1.05	0.43	12.19	2.78
Total	360.12	100.00	243.36	100.00	438.60	100.00



1.2.2 Product Information

1. Product Characteristics

The business operations of the Company are divided into two areas.

1) Underwriting

Our core business includes all classes of non-life insurance underwriting and is divided into:

- Direct insurance refers to selling insurance through agents, brokers, individuals and firms, financial institutions, and directly to customers.
- Reinsurance refers to acceptance of risks from other non-life insurers. The Company operates four main classes of non-life insurance underwriting as follows:

1.1 Fire Insurance

Is the insurance underwriting of constructions (excluding foundations) buildings, houses, townhouses, shophouses, commercial buildings, manufacturing plants and/or building contents, stock of merchandise, furniture as well as machinery and equipment. Fire insurance is divided into:

- **Home fire insurance** covers property loss or damage caused by fire, lightning (including damage to electrical appliances and equipment arising from lightning-caused short circuit), explosion, vehicle impact, aircraft impact, water damage due to accidental discharge, leakage or overflow of water or steam (with protection against 4 natural disasters, i.e. storm, flood, earthquake or volcano eruption or tidal wave or tsunami and hailstorm, of up to 20,000 baht / year for actual damage caused by all disasters). Coverage can also be extended to include rent for temporary dwelling (as per the terms of home fire insurance).
- **Fire insurance** is the protection against property loss or damage caused by fire, lightning and explosion of lighting- or domestic-use gas. Coverage against additional perils such as explosion, water damage (excluding flood) windstorm, and electrical damage is provided only when specifically stated in the insurance policy.



1.2 Marine Cargo and Logistics Insurance

Protects domestic and international freight shipped by sea, air, road or rail. It provides coverage against any loss of or damage to imported and exported goods in transit caused by sea perils or natural forces, i.e. earthquake, volcano eruption, or lightning. Extra protection can also be offered against other risks such as theft, war, riot or strike. The insurance policies can be classified are as follows:

1. Marine cargo and logistics insurance policy (by sea, air, road, or rail)
2. Inland cargo insurance policy
 - All-risks insurance policy
 - Named perils insurance policy
3. Carrier's Liability Insurance Policy

1.3 Miscellaneous Insurance

Provides protection against loss or damage arising from perils other than those covered by fire insurance, motor insurance or marine insurance. We offer various types of miscellaneous insurance products are as follows:

- Accidental Damage (Property) Insurance	- Business Interruption
- Contingencies Policy (Leasehold Interest Insurance)	- SMEs Comprehensive Shop Owner
- Contract Works Insurance	- Erection All Risks Insurance
- Machinery Breakdown Insurance	- Boiler and Pressure Vessel Insurance
- Electronic Equipment Insurance	- Personal Accident Insurance
- Personal Accident 200 Micro Insurance	- Travel Accident Insurance for Individual or Group
- Individual International Travel Insurance / Group	- Travel Accident Insurance for Guide
- Cancer Guard Policy	- Public Liability Insurance
- Money Insurance	- Burglary Insurance
- Product Liability Insurance	- Operation of the Department of Energy
- Plate Glass Insurance	- Long Term Care Insurance



- Transporting hazardous materials by land	- Dormitory Insurance
- Fidelity Guarantee Insurance	- Crop Insurance
- All Risks Insurance	- Gold Insurance
- Terrorism Insurance	- Golfer' Indemnity Policy
- Bail before Insurance	- Bail After Insurance
- Nion Sign Insurance	- Boat Accident Insurance
- Workmen's Compensation Policy	- Jobless Insurance
- Jet Ski Accident Insurance	- Director and Officer Insurance
- Fault Building certification Insurance	- Unnamed Passenger Insurance
- Disease-specific health insurance	- Death resulting from Accident or Medical Expense due to Critical Illnesses for Elderly without a health declaration insurance

1.4 Motor Insurance

Motor insurance covers the risks associated with the use of vehicles, offering protection against theft, damage to the vehicle and its accessories, and loss of life or property of the driver and passengers, as well as third parties. It also provides special coverage such as bail for the driver in criminal cases. The insurance can be divided into two types:

- **Compulsory Motor Insurance:** This is the insurance that each vehicle owner must provide, as specified under the Motor Accident Victim Protection Act B.E. 2535. This coverage protects victims of road accidents and is often referred to as P.R.B. insurance. Vehicle owners must comply with this law, except for vehicles specifically exempted (e.g., royal vehicles, government vehicles, etc.). Non-compliance may result in a fine of up to 10,000 Baht.
- **Voluntary Insurance** refers to the type of insurance that is taken out voluntarily by vehicle owner to cover against damage to the vehicle itself and/or the legal liability of the insured towards any third party. Voluntary coverage can be classified into the following five categories:



- Type 1:** Covers legal liability to third parties for bodily injury, health damage, or death, as well as damage to third-party property. It also covers damages to the insured vehicle from accidents, theft, or fire, whether total or partial damage.
- Type 2:** Provides legal liability coverage to third parties for bodily injury, health damage, or death, as well as damage to third-party property. It also covers damages to the insured vehicle in case of theft or fire.
- Type 3:** Offers legal liability coverage to third parties for bodily injury, health damage, or death, as well as damage to third-party property.
- Type 4:** Provides legal liability coverage for damage to third-party property only.
- Type 5:** Offers coverage for legal liability to third parties for bodily injury, health damage, or death, and damage to third-party property. It also covers the insured vehicle, its accessories, or any items permanently attached to the vehicle due to a collision with another land vehicle, provided there is a responsible party involved.

1.5 Reinsurance

The Company's insurance business operations extend beyond direct underwriting for insured to include reinsurance and retrocession arrangements with both domestic and international insurers. To support the growth of various insurance sectors, the Company has developed a reinsurance management strategy to serve as a framework for effective risk management and governance of reinsurance activities. This strategy is reviewed and approved annually by the Board of Directors to ensure compliance with the laws and regulations set by the Office of Insurance Commission (OIC). Reinsurance management encompasses the processes of selection, implementation, monitoring, review, control, and documentation, considering the Company's risk tolerance, financial costs, liquidity position, and perspectives on market and economic trends both domestically and internationally, as well as future underwriting projections. The strategy must align with the Company's business objectives, risk management framework, and capital management policies, tailored to the nature, size, and complexity of its insurance operations. Senior management is responsible for ensuring the effective implementation of the Board-approved strategy, supported by clear policies, operational guidelines, underwriting criteria, and limits for reinsurance contracts to maintain consistency with core insurance operations and mitigate the risk of coverage gaps. Additionally, the



Company has established internal control systems, reporting mechanisms, and resource allocations sufficient to meet operational requirements and adhere to the Board's directives.

The Company's reinsurance policy and risk management strategy are aligned with its equity base, which is approximately 526.80 million Baht. The strategy is designed to align with the Company's risk tolerance by establishing excess-of-loss reinsurance agreements with a coverage threshold of 2.5 million Baht per occurrence of a catastrophic event. The retention limits are determined based on the average claims cost per event over the past 4–5 years and the cost of reinsurance. Additionally, the Company utilizes proportional reinsurance agreements and facultative reinsurance arrangements to effectively distribute risk and enhance financial stability.

The process of selecting reinsurance plans involves determining the maximum retention limit, including assumed reinsurance, maximum event retention (MER), and maximum retention per risk (MRR). The Company ensures that its risk retention per event or per risk does not exceed 10% of its capital fund or adheres to the guidelines and regulations of the Office of Insurance Commission (OIC). Reinsurance arrangements include proportional and non-proportional contracts, particularly excess-of-loss (EOL), catastrophe, and facultative reinsurance, to effectively distribute risks. The Company also monitors risk accumulation and regularly reviews the adequacy of reinsurance coverage. For inward reinsurance, the same principles as direct insurance underwriting is applied, emphasizing the underwriting standards of cedants. To manage exposure limits related to counterparties or groups of reinsurers, the Company considers their financial stability, capital adequacy, and compliance with OIC regulations. At least 75% of reinsurance placements must be with reinsurers rated A- or higher (S&P), with the remainder rated no lower than BBB-.

Reserve Compensation Process

The Company records outstanding claims liabilities upon receiving a claim notification from the insured. These liabilities are recorded based on the estimated claim value assessed by either independent assessors or the Company's representatives, as applicable, net of any recoverable amounts from reinsurance arrangements. The estimated claim value shall not exceed the insured sum of the relevant policy. Additionally, the Company establishes reserves for claims incurred but



not reported (IBNR) in compliance with the Office of Insurance Commission (OIC) regulations on reserving unearned premiums of non-life insurance companies. The calculation of such reserves follows the Chain Ladder Approach, reflecting actual historical experience and is certified by an actuary. Any difference between the estimated claim value and the actual paid claim amount is recognized in the profit and loss statement for the year in which the payment is made.

Pricing Policy

The determination of insurance premiums and policy coverage conditions for each type of insurance is classified as follows:

- **Regulated Premium Rates:** Premium rates prescribed by the Secretary-General of the Office of Insurance Commission (OIC) apply to certain types of insurance, including fire insurance, motor insurance, and specific categories of miscellaneous insurance.
- **Premium Rate Considerations:** Premium rates are determined based on various factors, such as the nature, type, and history of the insured property; the insured's background; and the policy's coverage conditions. This approach is applied to certain types of marine and cargo insurance, as well as specific categories of miscellaneous insurance.

Rights and Business Limitations

The Company operates its non-life insurance business under the Non-Life Insurance Act B.E. 2535, with regulatory oversight by the Secretary-General of the Office of Insurance Commission (OIC) or their designated registrar. The registrar holds authority over several aspects, including underwriting, premium rate determination, investment practices, and compliance with Risk-Based Capital (RBC) requirements as stipulated by OIC regulations. This regulatory framework compels insurance companies to exercise increased caution in both underwriting and investment activities, ensuring that capital adequacy aligns with their risk exposure.



Factors Influencing Business Opportunities and Limitations in 2024

1. Global and Domestic Economic Conditions

Fluctuations in the global economy, driven by trade wars, inflation, economic slowdowns, and lingering effects of pandemics like COVID-19, lead to cautious consumer spending, including on insurance products. Sluggish economic growth reduces household income, resulting in decreased demand for life and non-life insurance. Conversely, economic recovery or growth in specific sectors such as tourism, technology, and manufacturing can create opportunities for insurance products catering to these areas.

2. Laws and Regulations

Changes in insurance-related laws can directly impact operational costs and business strategies, including adjustments to consumer protection laws, review of mandatory insurance fees, and regulations on data disclosure or cross-border insurance practices. Tax reforms or incentives related to insurance premiums can also influence consumer decisions on purchasing or canceling insurance products.

3. Technology and Digital Transformation

Advanced technologies like AI, Machine Learning, Blockchain, and Big Data enable insurers to enhance underwriting, risk analysis, and operational efficiency. For example, AI improves risk assessments and predictive analytics, while digital platforms facilitate online purchases and claims processing. However, the need for substantial investment in these technologies may pose challenges for companies lacking capital or skilled personnel.

4. Natural Disaster Risks

Climate change and global warming contribute to the increasing frequency and severity of natural disasters such as floods, storms, earthquakes, and wildfires. This results in higher claims and unpredictable risks. Insurers must adapt by revising premiums for disaster coverage or developing new products to address these evolving risks.

5. Demographic Shifts

An aging population necessitates the development of insurance products tailored to senior citizens, such as health insurance, long-term life insurance, and specialized medical care. Adapting marketing strategies and services to meet the needs of this demographic is crucial. Additionally, aging populations lead to higher health-related claims, affecting insurers' financial stability.



6. Interest Rate Volatility

Declining interest rates can reduce investment returns for insurers, as they often invest in financial assets with lower yields during such periods. Decreased investment income may lead insurers to increase premiums or reduce policyholder benefits, potentially impacting competitiveness.

7. Expansion into International Markets

Expanding into foreign markets, especially emerging ones like Southeast Asia and Africa, offers revenue growth opportunities. However, insurers face challenges in adapting to local regulations and intense competition from domestic insurers or stringent business requirements in these regions.

8. Consumer Behavior Changes

In the digital era, consumers increasingly rely on online platforms to research and compare insurance products before purchasing. This shift compels insurers to focus on online marketing and digital platform development, enabling seamless online purchasing and claims processing. Adopting such innovations ensures faster and more transparent processes.

9. Industry Competition

The insurance industry is highly competitive, with large insurers leveraging extensive resources for innovative products and services, and smaller companies using agility to meet niche demands. Competitiveness hinges on delivering innovation, pricing strategies, superior customer service, and maintaining strong customer relationships.

10. Cybersecurity Risks and Data Protection

Cyberattacks, including data breaches and online threats targeting insurers, are expected to rise in 2024. Insurers must invest in robust cybersecurity measures to protect client and business data. Simultaneously, cyber risks create opportunities to develop insurance products addressing these challenges, such as cyber risk insurance for organizations.

2. Marketing and Competition

1) Marketing Policies for Key Products and Services

By 2024, the insurance Company aims to innovate new products to meet diverse customer needs and address current market situations. An ongoing key factor is that, over the past 2-3 years, the consumption behavior and lifestyle of the younger generation have increasingly influenced the insurance industry. Their evolving lifestyles have led to a growing demand for more tailored products.



As a result, the Company must adjust its product offerings and services to better meet the needs of consumers, especially as society enters an era of full technological integration.

In response to consumer demand and to enhance competitiveness in the insurance market, Charan Insurance Public Company Limited has aligned its products to target specific market segments, including both Motor and Non-Motor categories. The Company aims for a 5% growth in gross written premiums, which will be achieved by offering products through brokers who can effectively reach target customers. This strategy builds on the 2023 approach, emphasizing affordable products that are easily accessible to the general public and providing timely after-sales services. In the future, the Company plans to develop digital product offerings to cater to the younger generation. However, the Company will continue offering traditional services for customers or partners who prefer them.

Customer Profile

Individual Customers: This group consists of general individual clients who primarily use services such as fire insurance for residences, personal car insurance, personal accident insurance, and health insurance.

Corporate Customers: This group includes businesses ranging from small to large enterprises. The Company provides a wide range of property and casualty insurance services, such as fire insurance and coverage for all types of risks for offices, residential properties, condominiums, shopping centers, and industrial factories. Additionally, the Company offers vehicle insurance, cargo insurance for both domestic and international transport, and construction insurance for clients involved in large construction projects.

Customer Groups and Targets

In 2024, the Company has continuously expanded its customer base from 2023 by adding more sales channels to increase marketing opportunities and reach new target segments. The Company remains committed to maintaining high service quality, placing significant emphasis on after-sales service and facilitating problem reporting. This approach is aimed at maximizing customer satisfaction and benefiting target groups to the highest degree.

Sales and Distribution Channels

In 2024, the Company will continue to expand its existing sales channels by advancing ongoing projects and implementing improvements in systems and workflows to enhance the efficiency of channel management in line with the Company's objectives. The Company's sales channels are divided into four main categories:

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1. Sales through Individual Agents and Brokers: The Company has individual agents and brokers who provide advice on property and casualty insurance to insured. As such, the Company places great importance on the selection of agents and brokers, establishing criteria for their selection and performance evaluation. Additionally, candidates must hold a valid property and casualty insurance agent license and meet all legal requirements.
2. Sales through Corporate Brokers: The Company works with corporate brokers who provide direct services to insured, including advising on types of insurance, handling claims, and collecting premiums.
3. Sales through Financial Institutions: The Company also sells its products through various financial institutions, primarily targeting their loan customers.
4. Direct Customers: This group includes customers who directly contact the Company, as well as those served and managed by the Company's marketing department.

Market Segmentation and Market Share

Type of Insurance	Direct Premiums (Baht)		Market share % (3) = (1) / (2)
	CHARAN (1)	Non-life insurance business (2)	
Fire	57,867,578.42	8,329,085,581.25	0.695
Marine cargo & logistics	8,100,075.00	5,215,944,030.79	0.155
Compulsory motor	181,454,293.84	15,193,759,970.75	1.194
Voluntary motor	12,443,531.00	101,714,912,053.10	0.012
Property	32,427,722.00	25,281,217,070.97	0.128
Liability	751,544.00	3,003,193,367.89	0.025
Accident	401,408.95	23,899,516,007.04	0.002
Other miscellaneous	2,623,524.00	12,187,554,566.22	0.022
Health Insurance	-	12,217,542,855.63	0.000
Travel Insurance	-	1,938,702,745.65	0.000
Bail Bond Insurance	-	78,526,501.02	0.000
Total	296,069,677.21	209,059,954,750.31	0.142

Remark: Statistics of direct premiums of CHARAN and non-life insurance business during January 1 – September 30, 2024**Source:** <https://www.oic.or.th/th/industry-statistic-data-39-2/> as of September 30, 2024



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Type of Insurance	Number of Policies Sold			Direct Premiums (Baht)			Estimated Market Share (%)
	2024	2023	Rates (%)	2024	2023	Rates (%)	
Fire	11,837	10,135	16.79	76,017,333.74	65,796,822.21	15.53	0.695
Marine cargo & logistics	3,098	2,924	5.95	10,511,912.00	15,690,516.00	(33.00)	0.155
Compulsory motor	383,892	211,694	81.34	267,494,244.35	148,275,767.13	80.40	1.194
Voluntary motor	2,384	2,709	(12.00)	15,613,752.00	18,602,205.00	(16.07)	0.012
Property	734	719	2.09	42,593,365.00	43,926,705.60	(3.04)	0.128
Liability	393	382	2.88	1,043,006.00	960,105.00	8.63	0.025
Accident	325	404	(19.55)	566,186.95	527,094.00	7.42	0.002
Other miscellaneous	229	245	(6.53)	3,096,645.00	4,045,031.00	(23.45)	0.022
Total	402,892	229,212	75.77	416,936,445.04	297,824,245.94	39.99	0.142

Remark: Estimated Market share of CHARN compared to the non-life insurance business for the year 2024

2) Industry Competition Landscape

In 2024, the insurance industry is undergoing a period of adjustment and recovery influenced by diverse factors affecting both competition and market demand. Shifts in consumer behavior, technological advancements, and increasingly stringent regulations are reshaping the landscape, particularly in the non-life insurance segment. Market demand is progressively leaning towards products that address specialized risks, driven by lessons learned from the COVID-19 pandemic. Companies demonstrating proactive and efficient risk management are likely to recover and grow more swiftly. Firms that avoid offering high-risk insurance products, such as pandemic coverage, tend to build stronger financial positions, equipping them better for long-term competition. Conversely, organizations lacking clear strategies or failing to foster trust among customers, employees, and sales agents may face customer attrition and workforce shifts to more credible competitors.

Technological Transformation and Insurtech

Advancements in technology remain a critical driver reshaping sales and services within the insurance sector. Insurtech—integrating technology with insurance—has become a cornerstone of the business in 2024. Examples include leveraging AI and Big Data to analyze customer behavior and risk profiles, thereby offering tailored and cost-effective insurance premiums. Blockchain technology is being widely adopted for issuing policies through "smart contracts," which minimize errors, enhance transparency,



and foster customer trust. Additionally, the use of low-code/no-code software expedites application development, allowing market-responsive updates within months. Another noteworthy innovation is Extended Reality (XR), which enhances customer engagement through immersive consultations and product presentations, effectively bridging gaps between insurers and insured.

Shifts in Consumer Behavior

In an era where consumers have greater access to information and demand faster, more convenient, and transparent services, insurance companies must offer personalized products and services. Examples include usage-based insurance and customizable plans tailored to individual lifestyles. User-friendly applications, real-time access to policy information, and seamless claim processing are pivotal in boosting customer satisfaction and loyalty. The CARE-Based Model (C: Convenience, A: Advice, RE: Reach) continues to guide insurers in elevating service standards to meet evolving customer expectations.

Regulatory and Environmental Challenges

Stringent regulations, such as the Personal Data Protection Act (PDPA) and financial stability requirements, compel insurance companies to invest in data management systems and compliance frameworks. Concurrently, climate change, characterized by increasingly frequent and severe natural disasters, necessitates strategic adjustments in risk management and product design to ensure comprehensive coverage.

The year 2024 presents another year of challenges for the insurance industry, requiring resilience and innovation to meet market demands. Investment in technology, trust-building, and strategic alignment with emerging trends will be crucial for companies to compete effectively and achieve sustainable growth in the long term.

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In 2024, the non-life insurance industry continues to face challenges arising from economic conditions and external factors that influence consumer behavior and market competition. However, the overall direct premium written remains indicative of market trends and customer demand across various types of insurance. The following table presents a comparison of direct premium written in the non-life insurance industry over different periods, highlighting key changes and trends:

Direct Premiums Written by Non-Life Insurance Industry

(Unit: Thousand Baht)

Type of Insurance	Type of Insurance		
	2024	2023	Increase (Decrease) %
Fire	10,878,695	10,061,422	8.12%
Marine cargo & Logistics			
Hull	760,067	619,478	22.69%
Cargo	6,075,997	6,295,647	(3.49%)
Motor			
Voluntary	20,199,184	141,060,322	(85.68%)
Compulsory	140,735,232	19,934,698	605.98%
Miscellaneous			
Property	37,248,674	36,953,136	0.08%
Third-Parties Liabilities	4,242,120	3,894,654	8.92%
Personal Accident	29,759,766	31,564,337	(5.72%)
Health	16,214,275	15,669,284	3.48%
Other	20,390,652	18,812,541	8.39%
Total	286,504,663	284,865,519	0.58%

Source: Data on Insurance Premium of Insurance Business for the year 2024 and 2023 in the 4th Quarter at November 18, 2025
<https://www.oic.or.th/th/industry/statistic/data/39/2>



Status and Competitive Potential

In 2024, Charan Insurance Public Company Limited maintained a strong competitive position amidst evolving insurance market conditions. By adhering to strategies emphasizing financial stability, human resource development, and ethical business practices, the Company effectively responded to customer needs while fostering sustainable trust through the following factors:

1. Stable and Secure Financial Position

During a period when the insurance industry faced challenges from global economic volatility, the Company efficiently managed its capital reserves, maintaining a Capital Adequacy Ratio (CAR) well above the minimum threshold set by the Office of Insurance Commission (OIC). This robust financial standing reflects the Company's ability to mitigate business risks and promptly manage claim settlements.

Moreover, the Company implemented cautious capital management strategies, diversifying investments in secure assets and prioritizing effective Asset-Liability Management to mitigate risks from interest rate fluctuations. Timely claim settlements and transparent business partnerships further bolstered customer confidence and trust in the Company.

2. Strong Corporate Reputation and Image

With over 75 years of experience, the Company has built a reputation for integrity and customer responsibility, resulting in a trustworthy corporate image. The consistently high policy renewal rate highlights strong brand engagement and customer satisfaction, driven by positive word-of-mouth recommendations.

In 2024, the Company focused on enhancing its image through integrated marketing strategies, leveraging Insurtech to deliver precise and convenient services, such as online policy purchases, claim management via applications, and diversified communication channels. By emphasizing superior customer experiences, the Company retained existing clients and expanded its customer base for long-term growth.

3. Skilled and Engaged Workforce

Employees remain the Company's most valuable asset. In 2024, the Company prioritized continuous workforce development by offering specialized training programs, including emerging insurance



technologies, sales skills, customer service, and risk management, enabling employees to effectively meet customer demands.

The Company also fostered employee engagement through comprehensive benefits and work-life balance initiatives tailored to multi-generational needs. Flexible work arrangements and a collaborative organizational culture created a positive and secure work environment. The lower-than-average employee turnover rate in the industry reflects high satisfaction and commitment to the Company.

4. Ethical and Responsible Business Practices

Charan Insurance Public Company Limited remains committed to its vision, *"Charan's Promise: Peace of Mind for the People,"* emphasizing fairness and accountability towards all stakeholders. In 2024, the Company established clear guidelines for fair customer treatment to build trust and satisfaction. Additionally, it instilled ethical values and workplace integrity at all levels through training programs and activities promoting transparency and strict compliance with legal requirements. These initiatives enhanced credibility with customers and partners, contributing to the Company's long-term sustainability.

With robust financial strength, a solid corporate image, a capable workforce, and ethical business practices, Charan Insurance Public Company Limited demonstrated highly competitive potential in 2024. The Company is well-prepared to adapt to changes in the insurance industry while delivering quality services and instilling confidence among all stakeholders.



3. Providing products or services

Nature of product acquisition

1) Lending

Lending Policy

The Company maintains a lending policy that requires collateral in the form of mortgaged or pledged assets. The terms and conditions for lending comply with the notifications of the Office of Insurance Commission (OIC) on investment and other business operations of non-life insurance companies, B.E. 2556, and its subsequent amendments. The Company carefully evaluates lending decisions, taking into account the borrower's ability to repay principal and interest while ensuring returns that are commensurate with the associated risks.

Risk Management in Lending

The Company acknowledges the inherent risks in lending, which include external risks such as domestic and global economic conditions, and internal risks such as credit evaluation standards, credit concentration, and the experience of credit analysts. To address these risks, the Company has established a robust investment policy framework that incorporates a structured process for loan analysis and approval. The approval process is clearly defined and follows a systematic, step-by-step approach to mitigate risks effectively.

2) Investment

Investment Policy

The Company recognizes that the non-life insurance business involves transferring risks from the public and is responsible for compensating damages by paying claims in exchange for insurance premiums. Accordingly, the Company must allocate sufficient premium reserves to fulfill its obligations to creditors under insurance contracts and invest in appropriate assets to generate adequate returns aligned with these obligations. Investments and other business activities are crucial to the Company's operations and stability. Therefore, the Board of Directors prioritizes establishing investment policies and business practices to ensure compliance with applicable laws, efficient operations, and the availability of robust systems and skilled personnel. The Company is committed to honest and ethical investments and refrains from actions or commissions that would result in unnecessary payments or reduced returns or benefits.



The Company's investments can be categorized into seven segments as follows

1. Deposits with domestic financial institutions.
2. Debt instruments issued, endorsed, guaranteed, or secured by the Thai government, the Bank of Thailand, the Ministry of Finance, or the Financial Institutions Development Fund.
3. Debt instruments issued, endorsed, guaranteed, or secured by financial institutions or by limited companies, organizations, or state enterprises with a credit rating or issuer rating of investment grade or higher.
4. Investment units of mutual funds with policies to invest in instruments under categories 1, 2, and 3.
5. Domestic equity instruments issued by companies.
6. Loans extended to the Company's employees.
7. Loans secured by collateral such as mortgages or pledges.

3) Sources of Funds (to be completed)

As of the end of 2024, the Company's primary source of capital was shareholders' equity. The Company had registered and fully paid-up capital of 120 million Baht, consisting of 12 million common shares with a par value of 10 Baht per share. Additionally, the Company had a share premium of 258.00 million Baht, statutory reserve of 12 million Baht, unappropriated retained earnings of 143.96 million Baht, and other components of shareholders' equity amounting to (7.16) million Baht.

The Company generated net cash flows from operating activities of 64.27 million Baht, primarily from direct insurance premiums received, other income, and investment income.

4) Uses of Funds

In 2024, the Company had net cash outflows from investing activities of 1.71 million Baht, mainly for the acquisition of equipment. Additionally, the Company had net cash outflows from financing activities of 15 million Baht, primarily due to dividend payments totaling 15 million Baht.

5) Ability to Maintain Industry Ratios

In 2024, the Company recorded total gross written premiums of 419.93 million Baht, representing a 39.23% increase, with the following details:



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Type	2023	Distribution%	2022	Distribution%	2021	Distribution%
Fire	76.94	+14.89	66.97	+17.74	56.88	+23.25
Marine	10.98	-32.47	16.26	+7.82	15.08	-12.17
Motor	283.11	+69.65	166.88	-54.35	365.60	+71.04
Miscellaneous	48.90	-5.07	51.51	+9.88	46.88	+18.50

4. Operating Assets

- The assets of the Company used in the business operation are identify in main four categories as shown in *Attachment 4*.

5. Jobs Pending Deliver

- The Company has no jobs pending deliver –

1.3 Shareholding Structure

On the date of determining the names of shareholders (Record Date) for the right to receive the most recent dividend on March 14, 2024 the details are as follows:

Issued and Fully Paid-up Share: 120,000,000 Baht

Type of Share: Ordinary Share at 10 Baht per Share

Size of Shareholdings	Number of Shareholders	%	Number of Share	%
Those who hold more than 0.5% of shares	27	3.95	9,273,697	77.28
Those who hold securities not exceeding 0.5% but not less than one trading unit.	529	77.45	2,725,318	22.71
Those who hold shares less than one trading unit	127	18.60	985	0.01
Total	683	100	12,000,000	100

Nationality of Shareholder		Number of Shareholders	%	Number of Share	%
Thai	Juristic Person	12	1.76	2,003,284	16.70
	Individual	667	97.65	9,462,316	78.85
Foreign	Juristic Person	1	0.15	15,400	0.13
	Individual	3	0.44	519,000	4.32
Total		683	100	12,000,000	100

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1.3.1 Shareholders**1. Major Shareholders**

(a.) The list of the top ten shareholders of Charan Insurance Public Company Limited, with number and percentage of shares held as March 14, 2024 is set out below:

No.	Name - Surname	Number of Share held	Percentage of Share held (%)
1.	Mr. Sukich Charanvas	2,187,644	18.23
2.	Mr. Vichien Srimunnimit	1,089,700	9.08
3.	Mr. Kittipong Charanvas	739,800	6.16
4.	Mr. Kitti Charanvas	692,000	5.77
5.	Bangkok Insurance Public Company Limited	578,000	4.82
6.	Alexander Hotel Company Limited	500,000	4.17
7.	Mrs. Elizabeth Charanvas	467,200	3.89
8.	Mr. Nibhond Charanvas	412,800	3.44
9.	Subnatthavee Company Limited	345,000	2.88
10.	Khun Chalermchai 8 Company Limited	339,000	2.82
11.	Other shareholders	4,648,856	38.74
Total		120,000,000	100.00

(b.) The Company has no group of major shareholders who significantly influence, by behavior, in formulating a policy, managing or operating business of the Company such as sending a person to be position as the authorized director.

2. Holding Company

- The Company has no holding company -

3. Shareholders' agreement

- The Company has no shareholders' agreement -

1.4 Registered and Paid-up Capital

1.4.1 Charan Insurance Public Company Limited has the registered capital of 120 million Baht and fully paid up, classified as 12 million ordinary shares of 10 Baht each.

1.4.2 Other Securities

- None -



1.4.3 Share or convertible securities used as depositary for issuing investment units of Thai Trust Fund and non-Voting Depositary receipt (NVDR).

- None -

1.5 Issuance of other Securities

- None -

1.6 Dividend Policy

The Company has a dividend policy to pay no less than 20% of net profit. The dividend payment will be determined based on various factors to maximize benefits for shareholders, without significantly impacting the Company's operations. This policy may change depending on performance, financial position, liquidity, working capital needs, appropriateness, and other factors related to the Company's operations and management. According to the Public Limited Companies Act B.E. 2535, Section 116, and the Company's Articles of Association, Section 35, it is stipulated that "The Company must allocate at least 5% of the annual net profit to a legal reserve, after deducting any accumulated losses (if any), until the reserve reaches at least 10% of the registered capital." The Board of Directors may propose the approval of dividends or other reserves to the shareholders' meeting, except for interim dividends, which the Board of Directors is authorized to approve. Interim dividends must be reported at the next shareholders' meeting, and dividends must be paid within one (1) month of the resolution, with notification to shareholders in writing and a public notice in the newspaper.

Five-Year Comparison of Dividends Paid

(Unit: Baht)

Year	2024	2023	2022	2021	2020
Net profit per share (baht)	(0.59)	2.28	5.82	(2.36)	4.27
Dividend per share (baht)	-	1.25	2.00	-	2.60
Payout ratio (%)	-	54.81	34.36	-	60.89

Remark: At the Board of Directors' meeting No. 1/2025 on February 24, 2025 resolved to propose the 32nd Annual General Meeting of Shareholder for the year 2025 to consider the omission of dividend payment for the 2024 operating results.



2. Risk Management

2.1 Risk Management Policy and Plan

The Company has adopted a risk management framework in its operations by implementing the Enterprise Risk Management (ERM) standard to establish management guidelines aimed at preventing and mitigating the impact of various risks that may hinder the achievement of organizational objectives. This approach is designed to instill confidence among stakeholders that the Company can sustain its business operations amid continuous and rapid changes. The Board of Directors, executives, and employees at all levels actively participate in implementing a standardized risk management system, which is integrated with the Company's strategic planning, mission, organizational goals, and sustainable business development policies aligned with Environmental, Social, and Governance (ESG) principles. A dedicated working group and the Risk Management Committee oversee this process to ensure that business objectives are achieved collectively. The Company categorizes risks into the following types:

1. Strategic Risk
2. Insurance Risk
3. Market Risk
4. Credit Risk
5. Liquidity Risk
6. Operational Risk
7. Reputation Risk
8. Information Technology Risk
9. Catastrophe Risk
10. Group Risk
11. Emerging Risk



2.2 Risk Factors Affecting the Company's Business Operations

Charan Insurance Public Company Limited recognizes the utmost importance of risk management to safeguard the interests of policyholders, beneficiaries, and other claimants while ensuring stable long-term returns for shareholders. Given that the Company's operations involve direct risk underwriting and risk management, a Risk Management Committee has been established to oversee risk management, monitor, and ensure that risks remain within an acceptable threshold. This committee also supports the Board of Directors by adhering to a risk management framework and policies based on the principles of good corporate governance. The Company continuously enhances and refines its risk management processes to ensure efficiency and adequacy, thereby mitigating the impact of various risk volatilities that may arise. Additionally, the Company has a structured process for monitoring and reviewing risk management to maintain an appropriate and acceptable risk level. However, the Company continues to face significant risks that could directly impact its operations and financial position. The Risk Management Committee is responsible for overseeing and monitoring these risks, reporting the findings to the Board of Directors on a quarterly basis. For the year 2024, the Company has identified 11 key risk factors as follows:

1. Strategic Risk

Strategic risk refers to risks arising from the formulation, implementation, and execution of policies, strategic plans, and operational plans that may not be suitable or aligned with internal and external factors. These include social and technological changes, as well as public expectations, which may impact the Company's ability to achieve its vision, financial stability, capital reserves, and overall performance.

To manage strategic risk, the Company aligns its strategic and operational plans with its vision while closely monitoring execution. Warning signals are established to detect deviations from the strategic plan, enabling timely adjustments in response to changing economic, political, competitive, and regulatory conditions. The Company also emphasizes technological advancements and process improvements to enhance operational efficiency. Furthermore, it invests in employee development to strengthen internal capabilities for strategy execution. In the highly competitive insurance market, the Company faces the risk of declining or lower-than-expected premium revenue. To mitigate this, the Company focuses on developing high-potential, profitable products and expanding its online distribution channels to improve accessibility for target customers.



2. Insurance Risk

Insurance risk refers to the risk arising from fluctuations in the frequency, severity, and timing of losses that deviate from the assumptions used in determining premiums, calculating reserves, and making underwriting decisions. The key insurance risks that may impact the Company's operations include claims expenses, as these are significant costs that directly affect the Company's financial performance. Additionally, there is a risk stemming from the imbalance in the proportion of insured products.

To manage insurance risk, the Company has established an underwriting policy and reinsurance management strategies, which are reviewed annually. The Company follows a systematic underwriting process, selecting low-risk policies and carefully considering the characteristics of individuals, assets, business types, and geographical risks, including areas that may be affected by various natural disasters. These factors are assessed using collected statistical data, which helps in determining appropriate premium rates tailored to the specific risks. The premium rates are flexible and can be adjusted according to the conditions of both the domestic and international insurance markets. The underwriting guidelines are also reviewed periodically to ensure alignment with market competition. Furthermore, for high-risk exposures, the Company mitigates the risk through reinsurance arrangements with financially stable reinsurers both domestically and internationally. These include Treaty Reinsurance, Facultative Reinsurance, and Excess of Loss Reinsurance. This strategy significantly reduces the Company's insurance risk exposure while ensuring adequate claims management and reserve provisioning to reflect actual incurred losses accurately and sufficiently.

3. Market Risk

Market risk refers to the risk arising from changes in interest rates, foreign exchange rates, asset prices, money market and capital market securities, and commodity prices.

The market risks that may impact the Company's operations include changes in the stock market index, driven by economic conditions both domestically and internationally, as well as fluctuations in interest rates, foreign exchange rates, equity prices, and commodity prices. In addition to income from underwriting, a significant portion of the Company's revenue comes from investments. This exposes the Company to risks associated with changes in the value of financial instruments due to market factors, which may adversely affect both the Company's income and capital reserves.



The Company manages market risk by establishing an investment policy that clearly specifies the proportion of investments in both capital markets and debt instruments, in accordance with the regulations of the Insurance Commission concerning the investments of non-life insurance companies. These regulations define the types of securities allowed for investment and control the proportion of investment in these securities. The Company has an Investment Committee responsible for setting clear investment objectives and policies. The committee also ensures that the Company carefully plans for potential risks associated with investments. The Company focuses on investing in low-risk securities with high stability and reasonable returns, while avoiding high-risk speculative securities. Investments are diversified in the form of bank deposits, promissory notes, bonds, debentures, and common stocks. This diversification allows the Company to benefit from both capital gains from securities sales and additional returns in the form of interest or dividends. The Company closely monitors and analyzes financial market information to review and improve the investment plan, adjusting the investment portfolio to remain appropriate and aligned with ever-changing market conditions.

4. Credit Risk

Credit risk refers to the risk that a counterparty may fail to meet its obligations to the Company, including the possibility that the counterparty's credit rating may be downgraded.

The credit risks that may affect the Company's operations include the failure of reinsurers to pay claims when the Company makes a claim under a reinsurance agreement. Given that the Company engages in reinsurance with relatively high coverage amounts, the Company has a risk management policy that involves risk diversification through reinsurance agreements with both domestic and international insurers. This exposes the Company to risks from counterparties failing to meet their agreed-upon obligations, as well as the potential for a downgrade in their credit ratings, which may adversely affect the Company's business operations.

The Company manages credit risk by considering the credit ratings and stability of the foreign reinsurers. The Company will only enter into reinsurance agreements with reinsurers that have a minimum credit rating of A- or higher. The Company also regularly monitors and updates the credit ratings. For domestic reinsurers, the Company selects those whose capital adequacy ratios meet or exceed the minimum level of 200% as per the latest quarterly solvency report. Additionally, the Company mitigates credit risk by



establishing sufficient loss reserves both prior to and following reinsurance, ensuring they cover both incurred and yet-to-occur losses. The Company also purchases Excess of Loss coverage, which provides protection for losses exceeding a predetermined amount. Furthermore, the Company utilizes reinsurance brokers to source reliable domestic and international reinsurers that meet its required credit standards. The Company consistently monitors the credit standing of domestic reinsurers based on their capital adequacy ratios and the credit ratings of international reinsurers on a quarterly basis.

5. Liquidity Risk

Liquidity risk refers to the risk that the Company may be unable to settle its liabilities or obligations when due to its inability to convert assets into cash, or its inability to obtain sufficient funding, or the ability to secure funds at a cost higher than acceptable.

Liquidity risks that may affect the Company's operations include the occurrence of unexpected large-scale losses from severe disasters, which may result in the Company's inability to settle its liabilities or obligations when due.

The Company manages liquidity risk by allocating a portion of its investments in high-liquidity assets such as bank deposits, promissory notes, and short-term bonds, which align with the Company's cash requirements and the need to meet its various obligations. Another portion of the Company's investments is allocated in marketable securities that have high liquidity and can be easily converted into cash at fair value. In addition, the Company complies with the requirements set by the Office of Insurance Commission (OIC), maintaining its capital adequacy at a level higher than the risk-based capital (RBC) ratio of 180%, which exceeds the OIC's minimum standard of 140%. This ensures that the Company's capital is sufficient to cover the risks in all areas and aligns with its business operations while promoting adherence to global standards that will help elevate the insurance industry's overall standards.

6. Operational Risk

Operational risk refers to the risk of damage arising from a lack of good governance, a lack of organizational ethics, or inadequate controls in relation to internal operations, personnel, systems, information technology, data security, or external events.



Operational risks that may affect the Company's operations include changes in regulations, requirements, or directives from regulatory bodies that occur in a short period, which may result in employees or relevant parties being unaware of or failing to comply with them correctly.

The Company manages operational risk by emphasizing and establishing an effective internal control system, allocating sufficient and appropriate personnel according to the nature of the tasks, and involving experts in each area of work to ensure operational efficiency. Employees are trained to have the knowledge and understanding of the responsibilities they oversee, and the Company continuously improves its systems to adapt to changes. Additionally, the Company has a legal compliance department that supervises and communicates the regulations and directives issued by regulatory bodies to all employees to ensure strict compliance. Furthermore, each department is responsible for managing its own operational risks and fostering a positive understanding and attitude toward risk management in all areas among its employees. For information technology systems, data security, and external events, the Company has established policies and practices for maintaining security, including a Business Continuity Plan (BCP), which helps minimize potential impacts. This plan ensures that the Company can continue operations even in the event of an emergency.

7. Reputation Risk

Reputation risk refers to the risk of damage to the Company arising from a loss of reputation due to negative perceptions of the Company by customers, partners, shareholders, and/or regulatory authorities.

Reputation risks that may affect the Company's operations include delays in the payment of claims beyond the legally or regulatory prescribed periods, which may lead to negative perceptions of the Company by customers and partners. The Company manages reputation risk by adhering to good corporate governance principles and focusing on maintaining a positive image with customers, partners, shareholders, and regulators through strict compliance with relevant laws. This ensures the Company is not penalized or fined, which could affect its financial stability, position, and reputation.



8. Information Technology Risk

Information technology risk refers to the risk that may arise from the use of information technology in business operations, which could impact the Company's systems or operations, including risks from cyber threats (cybersecurity).

Information technology risks that may affect the Company's operations include cybersecurity threats arising from the Company's use of the internet for communication in current operations. The Company manages information technology risk by establishing policies and practices for ensuring information security, which all employees must strictly adhere to. The Company has installed devices such as firewalls to monitor and prevent unauthorized access or detect intrusions in the network system from both internal and external sources. Additionally, antivirus software is installed on the computers used within the Company to protect critical data and prevent attacks that could harm the Company's operations.

9. Catastrophe Risk

Catastrophe risk refers to the risk of large-scale events, either singular or consecutive, which cause actual claims payouts to deviate significantly from the anticipated amounts.

Catastrophe risks that may affect the Company's operations include insufficient reinsurance coverage for risks arising from catastrophic events, or overexposure to risks beyond acceptable limits in certain high-risk areas. The Company manages catastrophe risk by entering into reinsurance contracts with reinsurers that have a credit rating of at least A- to cover potential catastrophic events in advance. Additionally, the Company has reinsurance policies that focus on lower-risk areas for catastrophe exposure and uses information technology systems to oversee and control underwriting to ensure that it remains within acceptable risk limits for each high-risk area.

10. Group Risk

Group risk refers to the risk that the Company may be negatively impacted by events, both financial and non-financial, occurring within the same group of businesses. This also includes risks arising from the financial stability of the entire business group or any company within the group, which may be affected by events in any one business within the group, whether internal or external.

The Company is not affected by group risk as it does not have any subsidiaries or joint ventures. Therefore, the Company does not currently operate under a group business structure.



11. Emerging Risk

Emerging risk refers to the risk of new losses that may arise, which have never occurred before or have not been previously experienced. These risks are difficult to estimate in terms of both likelihood and potential severity due to the uncertainty and changes in the surrounding factors such as politics, laws, society, technology, physical environments, and natural changes.

The Company may be impacted by emerging risks, whether they are unprecedented or unforeseen, making it difficult to estimate the potential effects. The Company manages emerging risks by establishing a risk management committee and a task force that is ready to address emerging risks. This includes setting up incident reporting procedures to identify the root cause of unusual events and address them promptly to restore normal operations. The Company also records unusual events and the corrective actions taken, ensuring all departments can monitor and improve operations to maintain normal business operations.



3. Driving a Business Sustainability

3.1 Sustainability Policy and Target

Corporate Sustainability Policy

In the present era, sustainable development is a key focus of global business management, especially in the insurance sector, which plays a significant role in supporting sustainability across economic, social, and environmental dimensions. Charan Insurance Public Company Limited recognizes the importance of balancing business performance with social responsibility, aiming to conduct business in alignment with the United Nations **Sustainable Development Goals (SDGs)**. The goal is to create positive impacts for stakeholders and drive sustainable growth in society. Therefore, the Company has established a comprehensive sustainability management approach covering three core dimensions: **Environment, Social, and Governance (ESG)**, as part of achieving the SDGs. The Company has set clear operational goals in the following four areas:

1. Promoting Health and Well-Being (SDG 3)

The Company focuses on designing insurance products that support public well-being, particularly those offering coverage for individuals of all ages, with flexible terms to meet the evolving needs of society. This includes promoting equitable access to healthcare services.

2. Promoting Economic Growth and Decent Work (SDG 8)

The Company prioritizes creating sustainable and meaningful employment, continuously improving transparent and responsible operations within the insurance industry, and leveraging technology to enhance service efficiency. Additionally, the Company is committed to investing in green economy projects to drive long-term economic growth.

3. Conserving the Environment and Natural Resources (SDG 13, SDG 15)

The Company is dedicated to reducing its environmental impact by efficiently managing resources and waste. It also supports insurance products related to environmental protection, such as natural disaster insurance or coverage against climate change risks. The Company enforces policies promoting resource sustainability among its employees to align with environmental conservation practices.

4. Promoting Gender Equality and Social Justice (SDG 5, SDG 10, SDG 16)

The Company is committed to promoting equality in the workplace by supporting women's rights and gender diversity. It also aims to reduce social inequalities by providing insurance products that meet the needs of



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diverse population groups. Furthermore, the Company operates transparently with strong governance, adhering to anti-corruption principles and fostering a culture of fairness at all organizational levels.











The sustainability management policy of Charan Insurance Public Company Limited is not only a response to stakeholder expectations but also a strategy to ensure long-term stability for the organization. Complying with the SDGs not only enhances the sustainability of the Company but also promotes societal and environmental growth. The Company is determined to lead the sustainable insurance industry and is ready to create widespread positive impacts for all involved sectors.

SUSTAINABLE DEVELOPMENT GOALS





Corporate Sustainability Management Goals and Performance for 2024

Factors	Sustainability Issues	Goals	Performance	SDGs
Environmental	Efficient utilization of resources	Electricity consumption at headquarters: 5% reduction compared to the year 2023.	Electricity consumption at headquarters amounted to 234,000 kWh, representing a 4.36% decrease compared to 2023	 
		Water consumption at headquarters: 5% reduction compared to the year 2023.	Water consumption at headquarters amounted to 1,491 m ³ , representing a 4.36% decrease compared to 2023	
	Reduce environmental impact	The use of environmentally harmful materials at headquarters: 50% reduction compared to the year 2023.	Switch to Green Label eco-friendly hand paper towels in headquarters restrooms: 100% increase from 2023.	 
Social	Employee care and development	Employee training hours: 20% increase compared to the year 2023.	Employee training hours increased by 10.52% from 2023	
		No employee complaints.	Zero of employee complaints.	 
	Diversity and inclusion in the workplace	The proportion of women in executive positions is 30% of the total executives.	Female executives account for 6 individuals, representing 46.15% of the total number of executives.	
	Health and safety awareness	Employees and executives who underwent health checks: 100%	Employees and executives who underwent health check-ups totaled 61, accounting for 100% of all employees.	 



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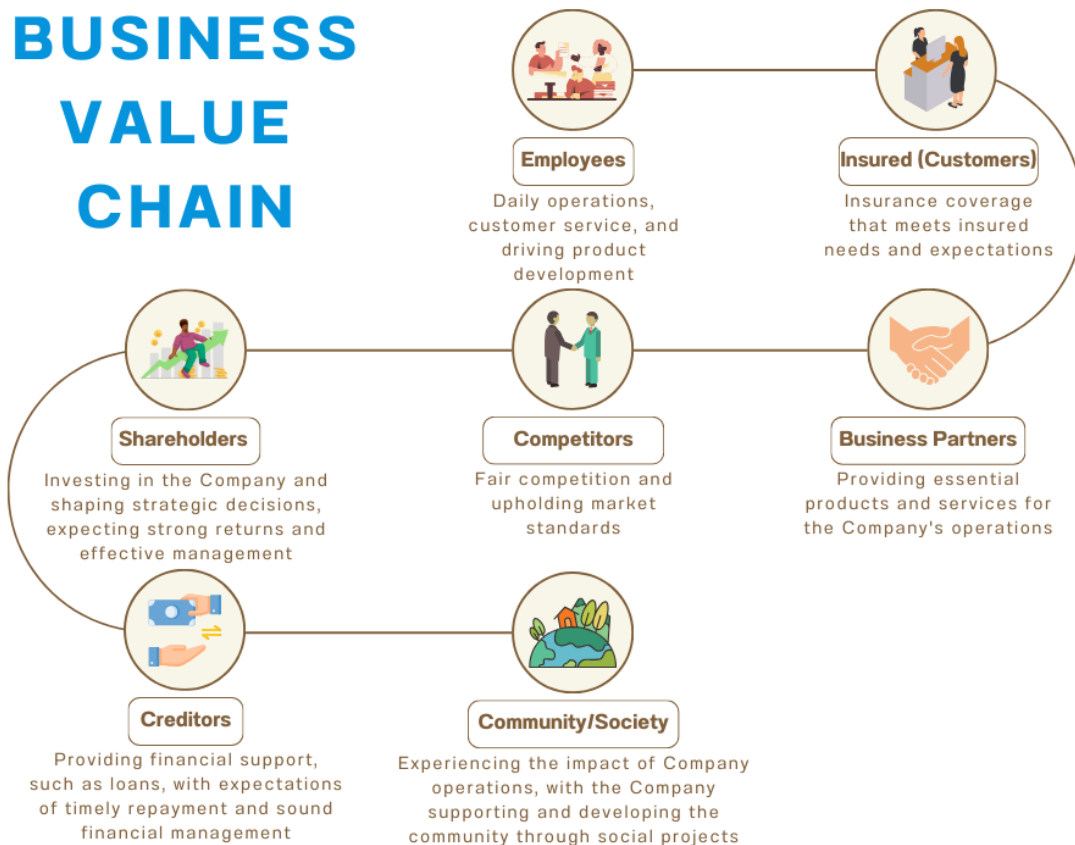
Factors	Sustainability Issues	Goals	Performance	SDGs
Social	Health and safety awareness	No work-related accidents among employees.	Zero of work-related accidents among employees.	 
	Promotion of human rights in the workplace	No human rights violations within the organization.	Zero of human rights policy violations.	
Governance	Transparency and reporting	Transparent financial reporting and regulatory compliance.	Financial Reports, Annual Reports, and others are disclosed within the timelines set by the regulatory authorities.	
	Anti-corruption and anti-bribery	No cases of corruption or bribery occurred within the organization.	Zero of corruption or bribery	
	Data security and personal data management	Build trust in data security among customers and stakeholders.	Zero of complaints regarding personal data breaches.	
		Prevent data breaches and cyberattacks.	Zero of data breach incidents.	
	Promoting engagement	Shareholders have communication channels to enhance transparency and shareholder engagement.	One AGM meeting held in 2024.	
	Efficient cost and revenue management	Continuous net profit growth of 5% annually.	The growth rates of revenue and net profit declined by 126.07%.	



3.2 Management of Stakeholder Impacts in the Business Value Chain

In an era of rapid change and high competition in the insurance industry, managing the impacts on stakeholders in the value chain of Charan Insurance Public Company Limited is crucial. The value chain in the insurance business not only covers insurance services but also involves interactions with suppliers, partners, customers, and the community. Effectively managing these impacts requires consideration of environmental, social, and economic factors, as well as careful risk management. This includes evaluating and reducing the potential impacts of company activities, such as offering environmentally responsible insurance products, supporting communities affected by disasters, and promoting business transparency.

Charan Insurance Public Company Limited is committed to fostering strong, sustainable relationships with all stakeholders through ethical principles and responsibility throughout the value chain. This approach not only enhances operational efficiency but also strengthens the Company's reputation and competitive position sustainably. Managing impacts in the value chain is not just about legal or ethical compliance but also about demonstrating a long-term commitment to responsible business practices, aligned with sustainable development goals and creating shared value for all stakeholders.





The Company classifies stakeholders into 7 groups: employees, insured (customers), business partners, competitors, shareholders, creditors, and the community and society. Each group is managed with tailored approaches to meet their distinct needs and expectations.

Stakeholders	Needs / Expectations	Responding to expectations	Results
Employees 	<ul style="list-style-type: none"> A safe and equitable working environment 	<ul style="list-style-type: none"> Regular inspections and improvements per international safety standards, e.g., annual health check-ups 	<ul style="list-style-type: none"> Zero workplace accidents or illnesses
	<ul style="list-style-type: none"> Opportunities for growth and skill development 	<ul style="list-style-type: none"> Provide essential training and promotion opportunities, e.g., insurance, accounting, and IT training 	<ul style="list-style-type: none"> Employees enhanced skills and loyalty, with an average of 10.39 training hours per person per year.
	<ul style="list-style-type: none"> Fair compensation and benefits 	<ul style="list-style-type: none"> Align compensation and benefits structure with labor market standards 	<ul style="list-style-type: none"> Improved employee retention and attraction rates
Insured (Customers) 	<ul style="list-style-type: none"> Fast and high-quality services 	<ul style="list-style-type: none"> Enhance customer management systems and services, e.g., website and Line OA 	<ul style="list-style-type: none"> Improved customer issue resolution time
	<ul style="list-style-type: none"> Insurance products tailored to customer needs 	<ul style="list-style-type: none"> Develop flexible new products, e.g., specialized insurance (property, travel, microinsurance) 	<ul style="list-style-type: none"> Increased policy renewal rates and attraction of new customers
	<ul style="list-style-type: none"> Consumer care and rights protection 	<ul style="list-style-type: none"> Implement personal data protection policy (PDPA) and comply with consumer protection laws 	<ul style="list-style-type: none"> Increased customer trust in security and privacy



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Stakeholders	Needs / Expectations	Responding to expectations	Results
Business Partners 	<ul style="list-style-type: none"> Transparent and fair collaboration 	<ul style="list-style-type: none"> Establish clear and transparent agreements in contracts and procurement processes 	<ul style="list-style-type: none"> Increased partner satisfaction with agreement clarity and sustainable collaboration
	<ul style="list-style-type: none"> Timely and systematic payments 	<ul style="list-style-type: none"> Develop efficient payment management and internal control systems 	<ul style="list-style-type: none"> Increased partner confidence in the Company's reliability and reduced payment delays
	<ul style="list-style-type: none"> Support during crises or business challenges 	<ul style="list-style-type: none"> Provide financial support or consulting during difficult times 	<ul style="list-style-type: none"> Maintain long-term business relationships and strengthen trust
Competitors 	<ul style="list-style-type: none"> Fair and transparent competition 	<ul style="list-style-type: none"> Comply with trade competition regulations and avoid fraudulent practices 	<ul style="list-style-type: none"> Foster a fair competitive environment and enhance the Company's commercial image
Shareholders 	<ul style="list-style-type: none"> Transparent and reliable disclosure of information 	<ul style="list-style-type: none"> Prepare clear and transparent financial reports, risk management reports, and annual reports 	<ul style="list-style-type: none"> No risk of disputes arising
	<ul style="list-style-type: none"> Sustainable growth and risk management 	<ul style="list-style-type: none"> Develop sustainable investment and business development policies, along with a risk management plan 	<ul style="list-style-type: none"> Steady company growth with reduced external risk factors



Stakeholders	Needs / Expectations	Responding to expectations	Results
Creditors 	<ul style="list-style-type: none"> Timely debt repayment 	<ul style="list-style-type: none"> Plan and manage cash flow efficiently 	<ul style="list-style-type: none"> No disputes and increased creditor confidence in the Company
	<ul style="list-style-type: none"> Transparency in financial reporting 	<ul style="list-style-type: none"> Prepare clear and transparent financial status and cash flow reports 	<ul style="list-style-type: none"> Long-term confidence and trust from creditors
Community and Society 	<ul style="list-style-type: none"> Participation in social and community development 	<ul style="list-style-type: none"> Implement CSR projects in education and the environment, such as scholarship programs 	<ul style="list-style-type: none"> Communities benefit from various projects and enhance the Company's positive image

3.3 Sustainability Management - Environmental Dimensions

3.3.1 Environmental Guideline and Policy

Environmental Policy

At the No. 4/2567 Board of Directors meeting of Charan Insurance Public Company Limited, held on November 13, 2024, the Board of Directors reviewed and thoroughly assessed the Company's environmental management policy, covering all relevant aspects. The primary objective of this policy is to reduce the environmental impact of the Company's operations, conserve natural resources, and ensure long-term sustainability for the organization. The review emphasized the application of environmentally friendly technologies, the reduction of energy consumption and wasteful resource use, and the promotion of renewable resources. Additionally, the policy aligns with the United Nations Sustainable Development Goals (SDGs), particularly in protecting the environment, reducing greenhouse gas emissions, mitigating water and air pollution, and conserving critical ecosystems. This policy will serve as the main framework for managing the Company's environmental practices, with the goal of fostering sustainable organizational development and building stakeholder confidence.

The Company has published the "Environmental Management Policy," which has been reviewed and approved by the Board of Directors, on the Company's website at <http://charaninsurance.co.th/> under the "Corporate Governance" section.



3.3.2 Environmental Performance

1. Energy Management

In 2024, Charan Insurance Public Company Limited continues to prioritize energy efficiency, focusing on the effective and sustainable use of energy to support its energy conservation policy and reduce environmental impact. The Company has reviewed and strengthened its energy measures, emphasizing the reduction of electricity consumption, the primary energy source for its operations. Additionally, the Company is adopting more efficient and environmentally friendly materials, equipment, and technologies. These efforts align with the Company's long-term goal of reducing greenhouse gas emissions and ensuring sustainability in both energy usage and business operations in the future.

Goal: Reduce Electricity Consumption

Electricity usage at the head office decrease by 10%

The Company has launched the campaign “Energy Saving with Appreciation,” establishing guidelines for energy conservation that all departments and personnel must follow. The campaign aims to raise awareness about the importance of energy conservation, encouraging cooperation to reduce electricity consumption and use energy cautiously, efficiently, and effectively. The guidelines include the following:

- **Air Conditioning**

Air conditioning is set to start at 08:00 AM, turned off between 12:00 PM - 1:00 PM, and switched off 5-10 minutes before the end of the workday at 5:00 PM. If working outside regular hours, only essential areas should be cooled, and the thermostat should be set at 25°C (saving 10%).

- **Lighting**

The Company encourages lighting to be used only in necessary areas. Employees are expected to turn off lights after using the restroom, meeting rooms, or when leaving the office. In areas with natural sunlight, the Company supports using daylight instead of electrical lighting to reduce energy consumption. At night, security staff will only turn on lights in essential areas for building security.

- **Computers and Office Equipment**

Set the computer screen to lock when not in use.

The effectiveness of these measures is regularly monitored to ensure efficient energy use and a reduction in the headquarters' greenhouse gas emissions.



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In 2024, the Company's electricity consumption at the headquarters was 234,000 kilowatt-hours (kWh), as shown in the following table:

Years	Electricity Consumption (kWh)	Increase / Decrease (kWh) / %
2022	246,000	-
2023	254,000	Increase 8,000 / 3.25%
2024	234,000	Decrease 20,000 / 7.87%





2. Water Resource Management

The Company recognizes the importance and vulnerability of water resources in its operations. We are committed to sustainable and efficient water management to minimize environmental impact and promote responsible water use. Through continuous monitoring and analysis, we aim to reduce waste and prevent future water scarcity. Additionally, we focus on educating employees about efficient water usage to reduce unnecessary consumption and encourage sustainability.

Goal: Reduce Water Consumption

Water usage at the head office decrease by 5%

The Company is committed to being an organization that cares for the environment and natural resources, particularly in terms of efficient water usage. Water conservation not only helps reduce operational costs but also plays a vital role in preserving this important resource for the future. Therefore, the Company has launched the "Stop the Drip, Stop the Waste" campaign to raise employee awareness about the value of water and encourage everyone to follow these 5 simple steps:

- **Turn off the tap after use** – Always ensure the tap is tightly closed after use.
- **Use water only when necessary** – Avoid leaving the tap running while washing hands or cleaning.
- **Report leaking taps immediately** – If you notice any leaks in taps or pipes, promptly notify the maintenance team for repair.
- **Install water-saving faucets** – Replace faucets with water-saving models to reduce water consumption per use.
- **Recycle water when possible** – Reuse water for tasks that do not require clean water, such as watering plants.

In 2024, the Company used 1,491 cubic meters of tap water, as shown in the following table:

Years	Water Consumption (m ³)	Increase / Decrease (m ³) / %
2022	1,344	-
2023	1,559	Increase 215 / 16.00%
2024	1,491	Decrease 68 / 4.36%



3. Valuing Paper Usage

Efficient resource use is crucial in building a sustainable organization, especially in the case of paper, a material essential to daily operations. The Company prioritizes reducing wasteful consumption of natural resources and encourages all employees to use paper responsibly to minimize environmental impact. We have chosen to use recycled paper, avoid printing unnecessary documents, and utilize digital systems to reduce printing as much as possible. Practices such as double-sided printing, document review before printing, and reusing paper can significantly reduce paper consumption.

Goal: Reduce Paper Usage in the Office

Unnecessary paper usage decreases by 10%

Additionally, we support the development and use of an e-Document platform for efficient document management that is environmentally friendly. This initiative will help create a greener and more eco-friendly office in the long term. Therefore, we are committed to ensuring that our paper usage is valuable and environmentally conscious, contributing to a sustainable future for both us and the world. The following steps will be implemented:

- For printing documents that do not require new paper, use one-sided used paper for reuse. “Reuse Paper Boxes” will be placed on every floor of the office for convenient access. This maximizes the use



of paper, reduces paper waste, and lowers the consumption of natural resources and energy in paper production.

- For storing large volumes of documents, store them as electronic files instead of printing hard copies, making it easier to share via email or the internet and preventing loss.
- Paper that has been used on both sides, including internal and external documents, printed materials, or brochures that cannot be reused, should be placed in the designated “Non-Recyclable Paper for Sale” box for collection and disposal by waste management services.

In 2024, the Company used 1,378.50 reams of paper for internal office activities, as shown in the table below.

Years	Paper Consumption (Reams)	Increase / Decrease (Reams) / %
2022	986	-
2023	927	Decrease 59 / 5.98%
2024	919	Decrease 8 / 0.86%





4. Waste and Waste Management

The Company recognizes the importance of efficient waste management to protect the environment and reduce operational impacts. We are committed to reducing waste through recycling, reusing, and minimizing unnecessary resource use, aligning with our environmental care policy. Proper waste management not only alleviates environmental burdens but also enhances operational efficiency. Clear guidelines have been established, such as waste segregation, reducing single-use plastics, and choosing recyclable products. Additionally, we encourage employees to actively participate in sustainable waste management to create an eco-friendly organization and preserve natural resources.

Office Waste Management Guidelines

- **Clear Waste Segregation**

Provide separate bins for different types of waste, such as recyclable waste, organic waste, and hazardous waste (e.g., batteries), to enable proper sorting.

- **Promote Recycling**

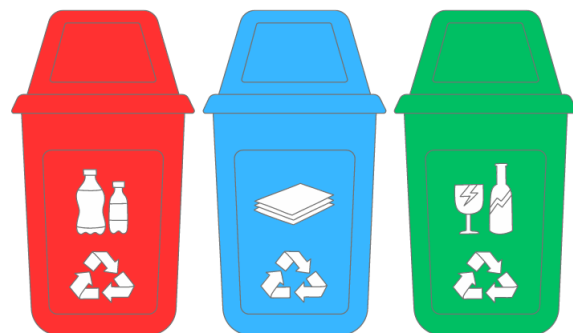
Encourage employees to use recyclable products, such as recycled paper or reusable packaging. Recycling stations are set up in various locations to facilitate collection.

- **Reduce Single-Use Plastics**

Minimize the use of plastic bottles, bags, and disposable products by encouraging employees to use personal water bottles, fabric bags, and reusable items.

- **Adopt Digital Technologies**

Reduce office paper usage by transitioning to digital documents and data management systems, such as e-Document platforms or online work systems, instead of printing.





Guidelines for Vehicle Scrap Management

The Company prioritizes efficient management of vehicle scraps arising from the claims settlement process. We emphasize the use of advanced technology to repair damaged vehicle parts instead of replacing them with new ones, thereby reducing the volume of vehicle scraps that could impact the environment. Irreparable parts are auctioned to operators who can recycle vehicle scraps and reusable materials, integrating them back into related industries. This approach aligns with the Company's environmental policy, promoting sustainability and resource efficiency.

5. Environmentally Friendly Investments

The Company emphasizes selecting eco-friendly materials, such as high-opacity paper for office use. This choice minimizes transparency issues, allowing efficient use of both sides of the paper. Additionally, the paper is produced under a Green Process, using 100% plantation wood pulp, ensuring optimal resource utilization without harming nature. Looking ahead, the Company plans to develop an E-Document Platform for centralizing internal information management. This initiative aims to reduce paper consumption, thereby conserving natural resources and decreasing waste production.

6. Employee Environmental Awareness

The Company is committed to environmental and energy conservation, pollution prevention, and creating a sustainable office environment. Initiatives start with promoting reuse practices to reduce resource consumption, managing workplace resources efficiently, and sorting unused materials for better environmental practices. Training sessions on energy conservation and greenhouse gas reduction are conducted for directors, executives, employees, and stakeholders. These efforts aim to foster awareness and practical actions for environmental preservation, encouraging everyone to take responsibility for the benefit of themselves, the organization, and society.



3.4 Sustainability Management - Social Dimensions

3.4.1 Social Policies and Guidelines

In 2024, Charan Insurance Public Company Limited remains steadfast in its commitment to conducting socially responsible business practices, emphasizing the importance of building trust and confidence among all stakeholders across the value chain. The Company recognizes that sustainable growth requires adherence to principles and standards aligned with societal expectations and applicable legal frameworks. Accordingly, the Company has enhanced its social policies and practices to ensure greater rigor and comprehensiveness in alignment with global standards such as the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Principles of the United Nations Global Compact (UNGC). The Company prioritizes respecting human rights across all operational aspects and is committed to continually improving its processes in compliance with these principles.

The Company also focuses on promoting fairness and equality in its treatment of employees and stakeholders. It has established clear policies to prevent discrimination, safeguard employee rights and safety, and foster a supportive working environment conducive to personal and professional growth. Continuous training and capacity-building are integral components of its approach, ensuring employees remain equipped with up-to-date knowledge and skills to navigate industry challenges effectively.

Moreover, the Company actively supports initiatives that benefit communities, such as educational programs and local development projects, while encouraging employee participation in socially beneficial activities.

With its unwavering dedication to responsible and sustainable business practices, Charan Insurance Public Company Limited continues to advance its social policies and practices, fostering positive societal impacts and strengthening relationships with all stakeholders.

Human Rights Policy Guidelines

1. The Company does not support child labor and strictly adheres to the age and employment conditions stipulated by the country's labor protection laws.
2. The Company promotes fair employment by treating all employees and workers equally. Employment terms and conditions are mutually agreed upon, specifying wages, benefits, working hours, overtime, leave, holidays, and other rights that comply with or exceed legal requirements. The Company also ensures



maternity protection, granting maternity leave with pay and/or benefits as prescribed by law and guarantees the right to return to the same position after the leave.

3. The Company does not accept any form of forced labor. Work assignments are based on mutual consent and the individual's ability. The Company strictly prohibits forced labor, prison labor, slavery, or other forms of exploitation in its operations and value chain, including entities under its management.
4. The Company respects employees' rights to voluntarily participate in or refrain from any activities and to express opinions or actions, provided they comply with legal and ethical standards.
5. The Company prioritizes safety and occupational health for everyone in its value chain or related stakeholders. It ensures a safe working environment with measures to prevent and monitor risks, adhering to relevant safety and occupational health laws.
6. The Company opposes human trafficking and harassment in all forms. It does not engage in or condone human trafficking, threats, abuse, harassment, or violence, including sexual harassment or actions that humiliate or harm individuals physically or emotionally, violating human dignity.
7. The Company respects the rights of indigenous peoples and local customs in all areas of operation, supporting, protecting, and promoting traditional practices, cultural heritage, and indigenous intellectual property.
8. The Company develops comprehensive human rights due diligence processes within its operations and value chain to identify risks, assess impacts, and implement measures for prevention, mitigation, and remediation. It also conducts regular monitoring, policy compliance reviews, and public reporting.
9. The Company provides mechanisms for reporting human rights violations related to its activities and/or its value chain through its website www.charaninsurance.co.th. It ensures fairness and protection for complainants.
10. The Company fosters a culture of respect for human rights by monitoring violations, taking appropriate action, and providing education and training to its board, executives, employees, and stakeholders in the value chain consistently.
11. The Company reviews its human rights policy annually or in response to significant events to ensure alignment with legal frameworks, international practices, and the evolving business environment.



12. Any individual found violating human rights is considered to have breached the Company's code of conduct and this policy and will face disciplinary action under company regulations. If such actions are deemed illegal, they may also result in legal penalties.

The Company's social sustainability policies and guidelines, including corporate governance, human rights policies, and the business code of conduct, approved by the Board of Directors, are available on its website at <http://charaninsurance.co.th/> under the sections *"About Us"* and *"Good Corporate Governance."*

3.4.2 Social Performance

In 2024, Charan Insurance Public Company Limited continued its commitment to monitoring and assessing social impacts to address stakeholder needs and uphold high operational standards. The Company emphasized reviewing human rights issues that could affect the organization, particularly in safety, hygiene, and personal data protection.

Over the past year, the Company systematically enhanced its safety and health measures, including developing response protocols for various crises to adapt to evolving situations and demands. Additionally, we have strengthened data protection measures to safeguard the personal information of customers and employees from unauthorized access. While no significant human rights impacts were reported during the year, the Company remains dedicated to preventing and mitigating potential impacts through the development and reinforcement of effective measures. This includes conducting employee training and awareness programs on human rights practices and safety guidelines.

The Company's operations in 2024 reflect its commitment to protecting human rights and responsibly managing risks. Continuous monitoring and improvement of measures aim to foster positive impacts and reinforce confidence in our operational standards, as detailed below:



Employee Care and Development

The Company remains committed to continuously caring for and developing its employees by modernizing practices to fully align with both organizational and employee needs. We place great importance on listening to employee feedback through various channels to gather useful suggestions for improving internal policies and processes. This year, the Company enhanced its employee tracking and development processes to be more efficient, focusing on optimizing workforce levels in line with business needs, improving employee skills through the Learning and Development program, supporting self-development through Job Rotation for Development, and promoting learning to strengthen business competitiveness. Additionally, we focused on updating human resource management systems to adapt to digital changes, improving recruitment, succession planning, personnel selection, and workforce planning processes, especially for key positions critical to business operations. The Company's efforts in employee care and development in 2024 reflect its commitment to creating a supportive work environment that fosters employee growth, which will positively impact performance and the Company's long-term success.

The Company's employee care and development processes are divided into three main areas as follows:

1. Workforce Planning and Recruitment

The Company has utilized a diverse range of communication channels, such as job websites and employee networks, to recruit highly capable candidates. As a result, at the end of 2024, the Company employed a total of 61 staff members—a 3.17% decrease compared to 2023. This reduction occurred because a number of employees voluntarily resigned in pursuit of new opportunities and challenges that aligned with their career goals. Positively, these resignations have provided the company with an opportunity to refine its recruitment and selection processes to attract new personnel with specialized qualifications that better meet the organization's needs, thereby fostering a team that is both enthusiastic and capable of propelling the company toward future success. Moreover, this trend reflects an organizational culture that is open, receptive to feedback, and committed to the continuous development of its human resources.

2. Employee Development

The Company has focused on developing employees in alignment with the business development plan by providing training based on necessary skills to enhance expertise and knowledge in critical areas. The training and development programs are designed to support the organization's long-term goals, helping employees adapt to changing environments. The employee development performance in 2024 is as follows:



Goals	2024 Performance
<ul style="list-style-type: none">Developed employees' ability to learn through modern, accessible technology	<ul style="list-style-type: none">100% of employees use the e-Learning system.
<ul style="list-style-type: none">Employee training hours increased from 2023	<ul style="list-style-type: none">Training hours increased by 10.52% compared to 2023

3. Employee Retention

The Company recognizes the importance of retaining talented and dedicated employees. Retaining employees not only helps reduce recruitment and training costs but also preserves organizational knowledge and expertise. The Company has implemented several strategies to retain employees as follows:

- **Remuneration and Benefits:**

The Company places emphasis on fair compensation aligned with employee performance, considering both organizational growth and market changes. Compensation is adjusted to reflect industry trends and the external economic environment. Additionally, the Company regularly benchmarks employee compensation against industry standards to ensure competitiveness. *Details on Employee Benefits are provided in “No. 7.5 Personnel” in the “Employee Remuneration”*

- **Career Path Development:**

The Company has designed clear and transparent career paths, allowing employees to see potential growth opportunities within the organization. Career development is planned long-term, with each department identifying the skills and capabilities required for future roles. The Company prioritizes promotions and role adjustments to provide employees with new challenges and opportunities for growth within the organization.

- **Creating a Positive Work Environment:**

The Company is committed to fostering a work environment that promotes professionalism and employee engagement. Open communication, teamwork, and executive support are encouraged, helping employees feel valued and recognized. The Company also emphasizes work-life balance by offering wellness programs, including annual health check-ups.



- **Promoting Continuous Learning and Development:**

The Company supports employee growth through training programs and participation in self-development activities. Lifelong learning is a core value, with internal and external training programs available, along with opportunities to attend seminars for skill and knowledge enhancement.

- **Employee Engagement:**

The Company encourages employee participation in activities that enhance organizational unity, such as community relations and interdepartmental events. Additionally, the Company has initiatives for employees to share their feedback on organizational development and operations, fostering a sense of involvement in the Company's success.

Employee Retention Performance in 2024

In 2024, the Company set a goal to reduce its employee turnover rate to below the industry average. However, the Company's turnover rate decreased 21.48% compared to 2023. The Company has continuously improved its employee retention processes, including conducting employee satisfaction surveys to develop more effective strategies for employee care.

Customer or Policyholder Responsibility

The Company places great importance on the care of policyholders, focusing on providing transparent, accurate services while ensuring the rights of policyholders throughout every step of operations. This includes insurance agreements, providing complete and clear information, claims management, and resolving issues as they arise. The Company continually improves and develops its service systems to ensure policyholders receive the best service and can access the information needed for informed decision-making.

In 2024, the Company established service standards and closely monitored performance, enabling quick identification and resolution of issues. The Company also introduced multiple communication channels, such as phone lines and websites, to ensure that policyholders can easily contact and receive services. By maintaining the highest standards of service, the Company aims to develop products that meet customer needs in all situations. Responsibility to customers remains a critical mission to build trust and long-term satisfaction. The Company has taken several actions to enhance service confidence, as follows:

- **Increasing Access to Insurance**

The Company has developed a variety of insurance products and services to meet the needs of different customer groups and increase access to insurance. The focus is on offering comprehensive products for



both individuals and large businesses. The Company has increased its use of digital channels, such as online insurance services via websites and applications, allowing easy and quick access to services. Policyholders can complete transactions, such as purchasing insurance, making payments, and filing claims, online 24/7.

- **Quality Service**

The Company has set customer service standards to ensure quick and efficient service, including consultation, product information, and claims management. An effective complaint management system ensures that all customers receive a response within the specified time frame. Furthermore, the Company has invested in developing digital communication channels, such as websites, to enable customers to easily access information and services.

- **Maintaining Service Standards**

The Company regularly trains employees to enhance their service and communication skills with customers. All employees are trained to professionally resolve customer issues and provide services with sincerity. Additionally, the Company regularly evaluates service performance to ensure customers receive the best service.

Customer or Policyholder Responsibility Performance in 2024

In 2024, the Company successfully managed customer or policyholder care without any customer complaints (0 complaints). This achievement is attributed to the focus on improving service quality, meeting customer needs, and providing accurate and transparent information. It reflects the trust that customers have in the Company and the products it offers.

Social Responsibility and Community Development

Although the Company does not engage in deep interactions with communities, it is committed to conducting fair business practices that do not exploit society and actively promotes activities for the common good. The Company prioritizes social responsibility by adhering to business principles that avoid negative impacts on communities and the environment while contributing to community development in various forms, as follows:

- **Supporting Education and Scholarships in Remote Areas**

In 2024, the Company organized a Corporate Social Responsibility (CSR) activity at Ban Klong Duea School, Moo Si Subdistrict, Pak Chong District, Nakhon Ratchasima Province. The initiative aimed to support education and improve the lives of students in the community. The Company donated scholarships and additional funds



for school development, totaling 113,362 Baht. Furthermore, essential supplies such as learning materials, sports equipment, and recreational tools were provided. The Company also sponsored lunch for students and school staff. This activity supports educational equality and enhances access to necessary learning resources for underprivileged youth.

- **Ethical and Transparent Business Operations**

The Company emphasizes conducting its business with transparency and fairness toward all stakeholders, including customers, business partners, and society at large. Its services aim to maximize benefits for policyholders while adhering to fair practices that do not exploit consumers.

- **Promoting Environmental Preservation**

Although the Company does not engage closely with community development, it implements environmentally friendly operations by reducing unnecessary resource usage, such as adopting digital documents to minimize paper use and conserving energy in the office. These activities contribute to the broader goal of sustainable societal development.

Social Responsibility and Community Development Performance in 2024

In 2024, the Company successfully operated its business ethically and without causing harm to society, with zero complaints from communities or the public (0 complaints). This achievement reflects the Company's focus on transparent operations and its careful management of community and environmental impacts. Additionally, its support for educational initiatives and environmental preservation has created positive societal impacts on a broad scale.





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CSR Activities at Ban Klong Duea School, Moo Si Subdistrict, Pak Chong District, Nakhon Ratchasima



Anti-Corruption Practices

The Company is committed to operating with transparency and fairness, adhering strictly to anti-corruption principles to build trust among all stakeholders. As part of its corporate governance framework, the Company has established an anti-corruption policy, *which is publicly available on its website at <http://charaninsurance.co.th> under the "About Us" and "Good Corporate Governance" sections.*

Clear guidelines have been outlined to prevent and address risks associated with corruption. The Company has implemented appropriate measures for auditing and controlling its operations, with a strong focus on internal auditing, regular employee training, and maintaining whistleblowing channels for reporting corruption-related misconduct. *Detailed practices for preventing corruption are provided in No. 3) Anti-Corruption.*

Anti-Corruption Performance in 2024

In 2024, the Company did not encounter any irregularities or corruption incidents. There were no complaints or actions indicative of corruption. This outcome reflects the robustness of the Company's anti-corruption measures and the collective effort of all employees to comply with established policies.

Occupational Health and Safety

The Company prioritizes the safety and occupational health of its employees by fostering a safe working environment and promoting the well-being of all personnel. In 2024, the Company established channels for receiving feedback from employees in each department through employee representatives. These representatives collected suggestions, facilitated the exchange of information regarding workplace safety, and monitored the progress of safety measures across different areas. Additionally, regular updates were communicated to ensure all employees were well-informed about relevant measures and guidelines.

Workplace Safety Measures

The Company implemented comprehensive measures to ensure workplace safety, including:

- **Regular inspection and maintenance of office equipment** to minimize risks of accidents caused by faulty equipment.
- **Development of emergency plans** to prepare employees for unexpected situations.
- **Maintaining clean and safe working spaces** by monitoring air quality, cleanliness, and appropriate environmental conditions.
- **Promoting employee health** by organizing annual health check-up activities.



In addition to these measures, the Company emphasized **Personal Safety** by providing necessary protective equipment, such as tools for office work and safe use of technological devices. Employees were educated on the proper use of tools and resources to enhance workplace safety.

Occupational Health and Safety Performance in 2024

In 2024, the Company achieved effective occupational health and safety management, with zero reported injuries or workplace accidents. Furthermore, no employees were reported to have suffered from work-related illnesses, resulting in a zero-injury rate and a zero work-related illness rate for the entire year.



4. Management Discussion and Analysis: MD&A

Performance for the Year 2024

For the year ending December 31, 2024, Charan Insurance Public Company Limited reported a net loss of 7.14 million Baht, a decrease from the net profit of 27.37 million Baht in 2023, representing a decline of 34.51 million Baht or 126.09%. The Company's main revenue is divided into two segments as follows:

1) Insurance Premium Income

In 2024, the Company's total insurance premium income amounted to 419.93 million Baht, an increase from 301.62 million Baht in 2566, reflecting a rise of 118.31 million Baht or 39.23%. The majority of the insurance premiums came from motor vehicle insurance, resulting from market expansion. In addition, the Company paid a total of 83.31 million Baht in reinsurance premiums, which accounted for 19.84% of total premiums. The Company's retained risk amounted to 336.61 million Baht, consisting of motor vehicle insurance premiums of 268.71 million Baht, fire insurance premiums of 43.48 million Baht, marine and logistics insurance premiums of 5.07 million Baht, personal accident insurance premiums of 0.33 million Baht, and miscellaneous insurance premiums of 19.02 million Baht, respectively.

2) Investment Income

In 2024, the Company's investment income, including interest and dividends, amounted to 21.13 million Baht, an increase of 2.34 million Baht from 18.79 million Baht in the same period of the previous year, representing an increase of 12.45%. The investment return rate in 2567 was 2.84%, up by 14.06% from 2.49% in 2566. This increase aligns with the return rate of securities listed on the Stock Exchange of Thailand and the current interest rate environment in the financial markets.

In 2024, the Company's major expenses were divided into two categories:

- The Company incurred insurance expenses amounting to 333.50 million Baht, an increase of 53.05 million Baht from 2023, reflecting an increase of 18.92%. In 2024, the Company paid claims from normal operations totaling 113.82 million Baht. The claims payout ratio was 42.88% of the premiums earned, which decreased from 47.58% in 2023.
- Operating expenses amounted to 48.03 million Baht, an increase of 4.12 million Baht from the same period last year, reflecting an increase of 9.38%. The major expenses were related to employee costs and other operational expenses, with the majority being investments in information technology.



Financial Position Analysis

Assets

As of December 31, 2024, the Company's total assets amounted to 998.53 million Baht, an increase of 79.81 million Baht or 8.69% from 2023. The Company held investments in securities, including common stocks, bonds, savings bonds, financial institution deposits, and government bonds, amounting to 683.71 million Baht, an increase of 11.97 million Baht or 1.78% from 2023. These investments were recorded at fair value, and a loss of 7.16 million Baht due to changes in the value of investments was recorded in shareholders' equity. In contrast, in 2023, there was an unrealized gain of 6.11 million Baht, a decrease of 217.19%, driven by adjustments in the Stock Exchange of Thailand's index. As for cash and cash equivalents, loans, and investments in securities (excluding equity securities and general investments), in 2024, the Company had a total of 600.18 million Baht, an increase of 68.26 million Baht from 531.92 million Baht in 2023, reflecting an increase of 12.83%.

Regarding reinsurance assets and receivables from reinsurance contracts, in 2024, the total amounted to 86.23 million Baht, an increase of 10.54 million Baht or 13.93% from 2023.

In 2023, reinsurance assets and receivables from reinsurance contracts amounted to 75.69 million Baht, an increase of 8.98 million Baht or 13.46% from 2022.

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Accounts Receivable

In 2024, the Company reported premium receivables of 33.60 million Baht, a decrease of 3.24 million Baht from the previous year, or 8.80%. The aging of receivables is categorized as follows:

(Unit: million Baht)

Age of Account Receivable	2024			2023		
	From the Insured	From Insured Agents and Brokers	Total	From the Insured	From Insured Agents and Brokers	Total
1. Not yet due	0.57	10.40	10.97	1.20	15.00	16.20
2. Overdue ≤ 30 Days	0.04	17.23	17.27	0.06	13.80	13.86
3. Overdue 31 - 60 Days	0.05	3.43	3.48	0.06	5.14	5.20
4. Overdue 61 - 90 Days	-	1.26	1.26	-	1.01	1.01
5. Overdue 91 Days – 1 Year	-	0.69	0.69	0.02	1.20	1.22
Total premium	0.66	33.01	33.67	1.34	36.15	37.49
Allowance for doubtful accounts	-	(0.07)	(0.07)	-	(0.65)	(0.65)
Net premiums due and uncollected	0.66	32.94	33.60	1.34	35.50	36.84

In 2024, the Company maintained a premium receivables turnover period of 30 days by strictly adhering to its policy on premium collection and follow-ups. This ensured that operations aligned with the Company's execution plan and risk management policy. Regarding the allowance for doubtful accounts, the Company set aside 0.07 million Baht, estimated based on outstanding receivables as of the year-end. This estimation was derived from the Company's historical collection experience and is considered sufficient.



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Investment in Securities

(Unit: million Baht)

Available-for-sale Investment	2024					2023				
	Cost	Unrealized Gain	Unrealized Loss	Fair Value	Percentage of Equity Investment to Total Assets	Cost	Unrealized Gain	Unrealized Loss	Fair Value	Percentage of Equity Investment to Total Assets
<u>Government and state enterprise securities</u>										
Equity shares	4.92	2.54	-	7.46	0.75	4.92	3.40	-	8.32	0.91
<u>Private securities</u>										
Equity shares	176.67	-	(21.30)	155.37	15.56	168.08	-	(3.31)	164.77	17.98
Investments not listed in the Stock Exchange of Thailand	0.34	9.81	-	10.15	1.01	0.34	7.56	-	7.90	0.86
Total	181.93	12.35	(21.30)	172.98	17.32	173.34	10.96	(3.31)	180.99	19.75

(Unit: million Baht)

Held-to-Maturity Investment	2024		2023	
	Amortized Cost	Percentage of equity investment to total assets	Amortized Cost	Percentage of equity investment to total assets
<u>Government and state enterprise securities</u>				
Premium savings bonds	1.20	0.12	1.20	0.13
Foreign bonds	5.00	0.50	5.00	0.55
Debentures, convertible debentures	5.00	0.50	-	-
<u>Private securities</u>				
Debentures, convertible debentures	30243	30.29	345.00	37.65
Bank deposits	223.89	22.42	174.89	19.09
Investment outside the Stock Exchange of Thailand	-	-	-	-
Total	537.52	53.83	526.09	57.42

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In 2024, the Company invested in securities, including available-for-sale investments amounting to 172.98 million Baht, a decrease of 8.01 million Baht or 4.43% from the previous year. The Company also invested in held-to-maturity investments totaling 510.73 million Baht, which comprised government and state enterprise securities, corporate bonds, and financial institution deposits. This represented an increase of T19.99 million Baht or 4.07% from the previous year. This change resulted from an expected credit loss allowance of 26.78 million Baht, which decreased by 8.57 million Baht or 24.22% compared to the previous year. The decrease was primarily due to the Company's receipt of bond repayments from Thai Airways International Public Company Limited on November 29, 2024, through a mandatory debt-to-equity conversion under the business rehabilitation plan. The conversion rate was 24.50% of the principal amount at a price of 2.5452 Baht per share. As a result, the Company received 3,369,086 common shares, equivalent to 8.57 million Baht. This amount was recorded as part of corporate bonds, reclassified as equity instruments measured at fair value through other comprehensive income, and reversed in the expected credit loss allowance accordingly.

Liquidity

In 2024, the Company's net cash from operating activities increased by 98.71% compared to 2023, while net cash used in investing activities totaled 1.71 million Baht, an increase of 1.39 million Baht from 2023. The Company's net cash and cash equivalents as of December 31, 2024, increased by 47.56 million Baht, a rise of 492.79% from the same period of the previous year, which stood at 39.54 million Baht.

As of December 31, 2024, the Company's liquidity ratio stood at 1.89 times, down from 2.32 times in 2023. The Company's current assets remained sufficient to cover its current liabilities, aligning with its liquidity risk management policy.

Liabilities

As of December 31, 2024, the Company's total liabilities amounted to 471.73 million Baht, an increase of 115.40 million Baht from 356.33 million Baht in 2023. The Company's debt-to-equity ratio was 0.90 times, rising from 0.63 times in 2023. The Company's liabilities primarily consisted of unearned premium reserves, outstanding claims, incurred but not reported (IBNR) reserves, reinsurance payables, reinsurance-related liabilities, and employee benefit obligations.

Shareholders' Equity

As of December 31, 2024, the Company's shareholders' equity totaled 526.80 million Baht, a decrease of 35.59 million Baht from 562.39 million Baht in 2023. This was mainly due to a net loss of 7.14 million Baht in 2024, compared to a net profit of 27.37 million Baht in 2023. In 2024, the Company did not declare dividends for the financial performance covering January 1 to December 31, 2024.



Trends in the Non-Life Insurance Business in 2024

Global Non-Life Insurance Market Growth

In 2024, the global insurance market is expected to maintain strong growth, with global premium revenues projected to increase by approximately 4.6%. This growth is driven by the recovery of the global economy following the COVID-19 pandemic and adaptation to natural disasters and rising cyber threats. Particularly in the Asia-Pacific region, significant growth is observed in natural disaster insurance, including typhoon and flood coverage, which has become increasingly relevant due to the region's vulnerability. The Asia-Pacific insurance market is anticipated to grow by as much as 6% in 2024. Additionally, cyber risks play a crucial role in driving the global insurance market's expansion. The cyber insurance market alone is expected to grow rapidly, increasing its value from \$9.1 billion in 2023 to \$16.6 billion in 2024, highlighting insurers' efforts to innovate and meet evolving market demands.

Adaptation of the Thai Insurance Market

In Thailand, the non-life insurance market is expected to grow positively, with projected premium growth of 3.5% in 2024. While economic and political instability may pose challenges, rising demand for natural disaster insurance, such as flood and cyclone coverage, continues to drive growth. This is particularly evident in urban areas and regions frequently impacted by natural calamities. The increasing focus on cyber insurance also contributes to market growth, as insurers and businesses pay greater attention to digital risks. With advancements in technology and digital platforms, insurers are improving customer accessibility, especially among younger, tech-savvy clientele. Online insurance purchasing is anticipated to bolster Thailand's insurance market, enabling steady future growth.

Natural Disaster Risks

Natural disasters significantly influence the non-life insurance market's growth, especially in Southeast Asia, where typhoons and floods have become increasingly common. Statistics from the Office of Insurance Commission of Thailand reveal a 7% increase in natural disaster claims costs in recent years, reflecting the growing frequency and intensity of these events. As disaster damages escalate, insurers have adjusted premium rates upward to mitigate risks and provide adequate coverage. The integration of technology in risk assessment and pricing has enabled insurers to enhance their data accuracy, ensuring more precise premium calculations and improved customer protection.



Cyberattacks and Cyber Insurance

Cyberattacks represent a rapidly growing threat, particularly amid the widespread digital transformation across all sectors. The cyber insurance market is projected to expand significantly, with growth rates expected at approximately 10-15% in 2024. Emerging technologies such as AI and Big Data analytics have empowered insurers to assess and calculate cyber risks more effectively. This advancement enables the development of tailored insurance products, such as policies covering data theft and diverse forms of cyberattacks, including hacking and ransomware. However, assessing the complex and evolving risks associated with cyber threats remains a challenge. Insurers must innovate their risk evaluation methodologies to create premiums that comprehensively address these increasing exposures.

Utilizing Technology and Digital Tools in Insurance Services

Digital technology is a pivotal driver in transforming the insurance market in 2024. Insurers can swiftly address customer needs by leveraging digital platforms to develop innovative products. Intelligent risk assessment systems enhance the precision of premium calculations, simultaneously reducing operational costs. For instance, integrating IoT (Internet of Things) technologies allows real-time risk monitoring and assessment in specific locations, offering more adaptive and responsive insurance solutions that align with changing environments.

The non-life insurance market in 2024 faces challenges from the rising frequency of natural disasters and cyber threats. Nevertheless, digital technologies and data-driven risk evaluation are key to sustainable growth. Insurers in Thailand must adapt to these increasing risks while developing products that cater to the digital era's evolving demands, ensuring resilience and alignment with market dynamics.



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5. General Information and Other Key Information

5.1 General Information

Charan Insurance Public Company Limited

Location

Head Office: 408/1 Charan Insurance Building, Ratchadaphisek Road

Samsen Nok, Huai Khwang, Bangkok 10310

Khon Kaen Branch: 377/1-3, Moo 12, Mueang Kao, Mueang, Khon Kaen

Registration No.

0107537000807

Paid-up capital

120,000,000 Baht, comprising

12,000,000 ordinary shares, at 10 Baht per share

Company establishment & Commercial operation

November 10, 1949

Nature of business

Non-life insurance

Contact

▲ Investor Relations

Tel: 0-2276-1024 Cont. 207, Fax 0-2275-4919

Email: charanins@charaninsurance.co.th

▲ The Company Secretary Department

Tel: 0-2276-1024 Cont. 207, Fax 0-2275-4919

Email: charanins@charaninsurance.co.th

▲ Website

Website: <http://charaninsurance.co.th/>



5.2 Reference Persons

▲ Securities Registrar

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400

Tel. 0-2009-9000 Fax. 0-2009-9991

▲ Financial Advisors

- None -

▲ Legal Counsel

- None -

▲ Auditor's Office and Auditor

Forvis Mazars Company Limited

1 Empire Tower, 12th Floor, South Sathorn Road, Bangkok, Thailand 10120

By Mr. Sompop Phonprasan CPA Registration No. 6941

and/or Ms. Thipawan Phumbansao CPA Registration No. 9552

and/or Ms. Wannawat Hemchayat CPA Registration No. 7049



5.3 Legal Disputes

As of December 31, 2024, the Company does not have any legal disputes or litigation in any manner that has a negative impact on the assets, financial position, and the Company's business operations are more than 5% of the shareholders' equity or 10% of current assets.

5.4 Secondary Market

- The Company has no securities listed in the secondary market in other countries -

5.5 Regular Contact Financial Institution (Only in case when the Company issues debt securities)

- The Company does not issue debt securities -



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Section 2

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

In 2024, the Board of Directors of Charan Insurance Public Company Limited remains committed to adhering strictly to the principles of good corporate governance. With a clear understanding of its role and responsibility as the key leader of the organization, the Board aims to build trust among shareholders and all stakeholders. The Company's operations focus on transparency, integrity, and accountability, which are fundamental aspects of the good corporate governance principles upheld by the Company. The Board established a formal corporate governance policy in 2020 and has reviewed and updated it annually to align with evolving governance standards both domestically and internationally. For 2024, the Company enhanced its governance practices by providing further knowledge and understanding of good governance principles to the Board, executives, and all employees, fostering an organizational culture rooted in ethical conduct and a strong work ethic. Additionally, the Company has developed its governance system, monitoring and studying contemporary governance practices both locally and globally, which contributes to improving operational processes and internal management. The Board also emphasizes fostering cooperation and effective communication between the Board, management, and employees to ensure a clear understanding of policies and governance practices, enabling their efficient application in daily operations. These efforts are expected to lead to increased shareholder value and the sustainable growth of the Company.

6.1.1 Policy and Practices Regarding the Board of Directors are as follows:

1. Selection and Appointment of Directors and Executives

The Company will select directors and executives based on their skills, knowledge, abilities, experience, and past performance, while considering the diversity of the board (Board Diversity) and alignment with the Company's strategy. The selection and appointment process will focus on individuals with strong qualifications, including leadership abilities, ethics, and a positive attitude toward the organization. Candidates must be capable of dedicating sufficient time to the Company for the benefit of its operations. Additionally, the Company will define the required qualifications for directors based on the skills needed and areas where the board may be lacking, ensuring that the Board is professional and appropriately diverse. The appointment process will follow clear and transparent procedures to secure high-quality directors and executives who can effectively enhance the organization's performance.



2. Determination of Director Remuneration

The Company will determine director remuneration through a clear and transparent process. Remuneration will be based on compensation data from similar-sized companies within the same industry, as well as market comparisons, to align with the directors' duties and the Company's performance. The remuneration will be set at an appropriate level to motivate directors to fulfill their responsibilities and achieve the Company's goals and objectives. The proposed remuneration will be submitted for review by the Board of Directors before being presented for approval at the annual general meeting of shareholders. The process will be transparent and ensure shareholders that the remuneration is in line with standards and in the best interests of the Company. Detailed reports on the remuneration determination will be provided to ensure shareholders receive accurate and complete information.

3. Board Meetings

- (1) The Company will hold regular Board meetings at least every three months (no fewer than four times per year) and may schedule special meetings as needed to review financial statements, set policies, and track performance. Board members are expected to be ready to attend all meetings.
- (2) A clear agenda will be set for each meeting, with the schedule of meetings provided in advance, including the date, time, location, and supporting documents delivered at least seven days before the meeting, unless there is an urgent reason. This allows the Board to adequately review relevant information.

For 2024, the Board has already scheduled the 2025 meetings in advance (the schedule may be subject to change), as follows:

No.	Board of Directors' meeting	Audit Committee's meeting
1	February 13, 2025	February 7, 2025
2	May 9, 2025	May 6, 2025
3	August 8, 2025	August 4, 2025
4	November 12, 2025	November 6, 2025

- (3) For Board meetings, the Company requires a quorum of at least two-thirds of the total number of directors present to make decisions during the meeting.



- (4) The Board of Directors can access important information and data through the Managing Director, the Company Secretary, or other executives assigned with the responsibility.
- (5) The Board of Directors encourages the Managing Director to invite executives to attend board meetings to provide relevant information and further details, as they are directly involved in the issues being discussed. This also allows the Board to familiarize themselves with senior executives when considering succession planning.
- (6) During meetings, the Chairman of the Board will assign the Managing Director to present the meeting agenda, allocate time for discussions and questions, and summarize the key points for the Board's consideration. The Chairman will also encourage and support each director to express their opinions, consolidating these views to summarize the meeting.

4. Independence of the Board from Management

The Company has clearly defined the roles and powers of the Board of Directors, separating them from the management team. Emphasis is placed on maintaining independence in decision-making processes and overseeing business operations. The Board is responsible for setting policies, overseeing, and evaluating the management's performance, as well as establishing clear business goals for the management to execute efficiently and in compliance with laws. Additionally, the Board plays a key role in supervising the Audit Committee, auditors, internal auditors, and the financial responsibilities, with a focus on legal compliance and relevant charters to ensure robust and transparent corporate governance. The Board is composed of individuals with the appropriate knowledge and expertise, beneficial to the Company's operations, ensuring efficient performance and contributing to the Company's business success.

5. Director Development

(1) Induction for New Directors

The Company provides an orientation program for all new directors to familiarize them with the business and various operations of the Company, preparing them for their roles. The Company also has a policy to continuously enhance the knowledge and perspectives of all directors, focusing on corporate governance, information technology, and innovation, to support effective performance. The Company secretary coordinates this process and covers the following topics:

- **Important information:** Business structure, board structure, responsibilities, and relevant laws.
- **General business knowledge:** Operational guidelines and visits to various departments.



- **Meetings and discussions:** With the Chairman of the Board and the Managing Director to inquire about operational details.

(2) Ongoing Knowledge Development

The Company prioritizes the development of its directors by sending them to attend training programs related to enhancing their capabilities for their roles. This is to improve management efficiency and ensure readiness to adapt to business changes, while also providing beneficial new perspectives to apply to the Company's operations. Directors are encouraged to participate in programs such as the Director Certification Program (DCP) and the Director Accreditation Program (DAP) from the Thai Institute of Directors (IOD).

6. Evaluation of the Board's Performance

The Board of Directors conducts regular evaluations of its own performance, both as a collective body and for individual directors, as well as for subcommittees, on an annual basis. The self-assessment method is used to allow for a review and consolidation of feedback on various aspects related to the roles and responsibilities of the Board. The evaluation process follows an updated assessment format approved by the Thai Institute of Directors (IOD). The results of the evaluation are utilized to assess the appropriateness of the Board's composition.

Evaluation Process of the Board's Performance

- (1) The Board of Directors approves and reviews the evaluation format to ensure it is accurate, comprehensive, and in compliance with the criteria set by regulatory bodies.
- (2) The Company Secretary collects and consolidates the individual evaluation results, summarizes and analyzes the Board's operational effectiveness over the past year, and presents the evaluation report to the Board for review.
- (3) The Company Secretary uses the analysis results and additional comments from the Board to develop a plan for making necessary improvements.



Overall Performance Assessment Criteria

Assessment Criteria	Self-Assessment	Group-Assessment	
		Entire Board	Entire Board
Board / committee structure and qualifications	✓	✓	✓
Board's / committee's role and responsibility	✓	✓	✓
Board meeting / committee meeting	✓	✓	✓
Board's functions	✗	✓	✗
Board-Management relationship	✗	✓	✗
Board and executive development	✗	✓	✗

6.1.2 Policies and guidelines on the Shareholders and Stakeholders

- Rights of Shareholders

Pre-Shareholders Meeting

The Company prioritizes shareholders' rights by safeguarding and enabling their fundamental rights equally. These include accessing sufficient information, proposing agenda items, submitting questions, and voting on significant issues. The Company refrains from any actions that could infringe on these rights.

In 2567, the Annual General Meeting of Shareholders was held on Wednesday, April 24, 2024, at 2:00 PM, at the 11th floor meeting room of the Charan Insurance Building, 408/1 Ratchadaphisek Road, Samsen Nok Sub-district, Huai Khwang District, Bangkok. Thailand Securities Depository Co., Ltd., acting as the share registrar, dispatched meeting invitations 21 days in advance, as legally mandated, while the Company published the invitations on its website 30 days beforehand. The bilingual invitations (Thai and English) provided detailed information on the meeting's date, time, venue, agenda, rules, voting procedures, and related matters, ensuring shareholders were well-informed. Additionally, the Company facilitated agenda proposals, questions, and director nominations before the meeting. No restrictions were imposed on shareholders' access to information or participation. The invitations also outlined document requirements for meeting attendance, preserving shareholders' rights. Moreover, the meeting announcement was published in newspapers three days prior.



Shareholders' Meeting Day

The Company prioritizes its shareholders by ensuring their convenience. The shareholders' meeting was held at the 11th floor meeting room of Charan Insurance Building, located at 408/1 Ratchadaphisek Road, Samsen Nok, Huai Khwang, Bangkok. The venue is conveniently accessible, being close to the Ratchadaphisek MRT station. To facilitate shareholders attending the meeting, the Company provided screening points, reception staff, directional signs, sufficient registration officers, and a barcode system for registration and vote counting. Meeting materials, proxy forms in compliance with the Ministry of Commerce's requirements, and ballots for each agenda item were prepared in advance. Additionally, shareholders were allowed to pre-register one hour before the meeting commenced to enhance their convenience.

The Board of Directors has a policy requiring all directors, especially the Chairman, senior executives, the Company Secretary, and the Company's auditor, to attend the meeting to address shareholders' inquiries. In 2024, Ms. Somrak Namkhan, a shareholder rights protection volunteer from the Thai Investors Association, observed the meeting to ensure compliance with laws and Company regulations. Before the meeting began, the Chairman assigned the Managing Director to report on the number of shareholders attending in person and by proxy and explain the voting procedures for each agenda item. Special emphasis was placed on dissenting votes or abstentions to ensure transparency and to allow for verification in case of disputes.

During the meeting, the Chairman conducted proceedings in accordance with the announced agenda, allocating adequate time for each item before voting. The independence of the Company's auditors was highlighted through detailed presentations. Shareholders were encouraged to exercise their rights by discussing, questioning, proposing suggestions, and sharing opinions freely. The Chairman and executives addressed all inquiries clearly and concisely. The Company meticulously recorded the meeting minutes, including questions, answers, and the voting results for each agenda item, detailing approve, disapprove, abstain, and void.



Post-Shareholders' Meeting Day

Following the shareholders' meeting, the Company clearly documented all meeting details, including the names of directors in attendance, key questions raised, significant explanations provided, and resolutions passed for each agenda item. The resolutions of the shareholders' meeting, along with the voting results, were disclosed to shareholders on the day following the meeting via the Stock Exchange of Thailand's system. Furthermore, the meeting minutes were submitted to relevant authorities within 14 days of the meeting. Both Thai and English versions of the minutes were also made available on the Company's website.

- **Equal Treatment of Shareholders**

The Company is committed to promoting and prioritizing equitable and fair treatment for all shareholders, ensuring the fundamental rights of shareholders, especially minority shareholders, are respected and upheld. In cases where shareholder rights are violated, appropriate remedies should be provided. Therefore, the Company has resolved to implement the following measures:

1. The shareholders' meeting is conducted in accordance with the agenda specified in the invitation letter, with no additional agenda introduced without prior notification to shareholders. This ensures that shareholders have sufficient time to study the information relevant to each agenda item before making decisions.
2. The Company allows shareholders to propose additional agenda items in advance, which is communicated transparently through the Company's website and the Stock Exchange of Thailand's website. Clear guidelines and criteria for agenda inclusion are provided, and all proposed items are reviewed by the Board of Directors. Items approved by the Board are included in the agenda, while items not approved are explained to shareholders on the Company's website.
3. The Company encourages shareholders to use proxy forms by providing Type B and Type C forms as prescribed by the Ministry of Commerce. These forms allow shareholders to specify voting directions and designate either an individual or the Company's independent directors as their proxy. For proxy forms without a stamp duty, the Company facilitates the process by providing stamp duty to ensure smooth and expedited registration.
4. Prior to the meeting, the Managing Director clearly explains the voting and vote-counting procedures, adhering to the Company's regulations. Each shareholder is entitled to one vote per share, with votes cast openly. Ballot cards are used for all agenda items, particularly for the election of directors, where



shareholders may vote individually for each candidate. The meeting follows the agenda specified in the invitation letter, without introducing additional items. During the meeting, the Chairman allocates sufficient time for shareholders to ask questions, express opinions, and make suggestions equally before voting on each agenda item.

5. Voting and vote-counting are conducted efficiently. The Company provides ballot cards categorized by agenda items, allowing shareholders to vote accordingly. These cards are collected for record-keeping to enable future verification. The votes are combined with those submitted in advance via proxy forms before announcing the resolutions to the meeting.
6. The resolutions of the meeting are recorded, including the number of votes for, against, abstentions, and invalid ballots for each agenda item. The minutes also document questions, explanations, and opinions raised during the meeting in detail. Within 14 days after the meeting, the minutes are published on the Company's website and archived at the Company's headquarters for accessibility and verification.
7. The Company has established policies and practices regarding the use of insider information. Directors, executives, and employees at all levels are prohibited from using insider information for personal gain. Directors and executives must report their interests, those of related parties, their securities holdings, and those of their spouse and minor children. Additionally, any changes in securities holdings must be reported each time shares are bought, sold, transferred, or received. *Details of these measures are disclosed under the "Use of Insider Information for Personal Gain."*

- **Rights of Stakeholders**

The Company is committed to safeguarding the rights of all stakeholder groups as stipulated by law, adhering to fairness and transparency in its operations. The Board of Directors recognizes the importance of fostering strong collaboration with stakeholders to enhance financial stability and business sustainability. The Company has established clear processes and mechanisms to promote cooperation with stakeholders, such as adhering to human rights principles and ensuring fair labor practices, to fully and effectively protect stakeholder rights. The Company also prioritizes the establishment of efficient communication channels, enabling stakeholders to express opinions and file complaints promptly and conveniently. A whistleblowing channel is also in place, allowing stakeholders to participate in monitoring the Company's interests. The Company has published its Code of Business Conduct on its website to serve



as a transparent and clear operational guideline, reflecting its commitment to avoiding any actions that infringe upon stakeholder rights. Specific practices for each stakeholder group are as follows:

1. Employees

- **Fair Employment Rights:** The Company ensures fair treatment of all employees, without discrimination in hiring, promotion, or compensation, and emphasizes creating a safe and supportive working environment.
- **Development and Training:** The Company provides continuous opportunities for training and skill development, with clear career development plans.
- **Complaint Management:** Open and accessible channels are available for employees to file complaints or raise concerns efficiently.

2. Customers

- **Transparent and Fair Services:** The Company provides services with integrity, disclosing complete and accurate information about its products and services.
- **Data Protection:** The Company strictly safeguards customer personal data in accordance with security standards.
- **Complaint and Feedback Handling:** An effective system is in place to manage complaints and respond promptly and fairly to customer feedback.

3. Partners

- **Transparency in Business:** The Company operates transparently with partners, refraining from unethical or unlawful practices in competition.
- **Contract Compliance:** All contractual obligations are strictly observed, supporting constructive collaboration.
- **Auditing and Evaluation:** Partners are audited and evaluated to ensure compliance with ethical and regulatory standards.

4. Competitors

- **Fair Competition:** The Company supports fair competition and adheres to market rules.
- **Confidentiality:** The Company does not exploit competitors' confidential information for unfair advantage.
- **Promoting Constructive Competition:** The Company encourages industry-wide progress through innovation and fair practices.



5. Shareholders

- **Access to Information:** Shareholders receive timely and complete information, including financial and operational disclosures.
- **Shareholder Meetings:** Transparent shareholder meetings are held to facilitate participation in critical decisions.
- **Equitable Treatment:** All shareholders are treated fairly, with special consideration for minority shareholders' rights.

6. Creditors

- **Compliance with Agreements:** The Company adheres to all debt obligations with efficient financial management.
- **Transparent Communication:** Accurate financial and debt-related information is provided promptly.
- **Issue Resolution:** The Company resolves creditor-related disputes swiftly and equitably.

7. Community and Society

- **Community Development:** The Company supports beneficial community activities, such as education and environmental preservation projects.
 - **Community Engagement:** Communities are invited to participate in projects that affect them.
 - **Social Responsibility:** The Company operates responsibly, avoiding activities that negatively impact communities and the environment.
- **Disclosure of Information and Transparency**

The Company has a policy focusing on the comprehensive and transparent disclosure of both financial and non-financial information, enabling shareholders, financial institutions, securities firms, investors, and the general public to access critical information conveniently and equitably. Emphasizing accurate, timely, and consistent disclosure, the Company ensures that the information provided includes both positive and negative aspects, along with risks and opportunities for future value creation. Various channels, such as performance reports, the Company website, investor meetings, and submissions to relevant authorities, are utilized to disseminate information. Furthermore, the Company has established rigorous data management and quality control processes to prevent inaccurate or incomplete disclosures, in compliance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. Regular reviews of the disclosure process are conducted to maintain adherence to applicable standards.



- **Anti-Corruption**

Charan Insurance Public Company Limited is committed to conducting business with integrity, transparency, and strict adherence to its code of ethics, as outlined in its anti-corruption policy for 2024. The policy prohibits all forms of corruption, including bribery, inappropriate giving or receiving of gifts, misuse of authority for personal gain, and actions leading to conflicts of interest. To foster awareness, the Company communicates this policy to directors, executives, and employees while implementing robust internal audit systems to ensure transparency and compliance with established standards. Regular reviews are conducted to update preventive measures in line with legal changes and industry best practices.

Further details on the anti-corruption practices are available in Section 3) Anti-Corruption.

6.2 Business Code of Conduct

Charan Insurance Public Company Limited operates its business based on a clear and transparent business code of conduct to instill confidence among all stakeholders, including shareholders, customers, employees, and business partners. This code of conduct encompasses compliance with legal requirements, ethical standards, and good corporate governance principles. The Company emphasizes integrity, social responsibility, and operational transparency to ensure long-term sustainability and maintain trust among all related parties. Additionally, the Company has officially published its business code of conduct on its website to provide stakeholders with accessible guidance for ethical practices.



6.3 Milestones of Policy, Guidelines, and Corporate Governance of This Past Year

6.3.1 Milestones of Policy, Guideline, and Corporate Governance System

The Board of Directors conducts an annual review of the application of the Corporate Governance Code for Listed Companies, 2017, to ensure its appropriateness in the business context. As part of this review process, the Board adapts the principles of good governance to align with the Company's operations and records the rationale for such adaptations as an integral part of the evaluation and review.

6.3.2 Compliance with CG Code

The Board of Directors has reviewed the Corporate Governance Code for Listed Companies, 2017 (CG Code), developed by the Securities and Exchange Commission (SEC). It acknowledges its role as the organization's leader in applying the CG Code principles to create sustainable value for the Company. Additionally, the Board has evaluated compliance with each principle in the CG Code and determined that the Company's policies, measures, and operational processes align with the CG Code and are suitable for the Company's business growth. In 2024, the Company has adhered to the principles of good corporate governance, consistently identifying areas for improvement and summarizing issues yet to be implemented for future consideration and adoption.

No.	CG Code guideline	Charan's justification or alternative measure
1.	The Chairman of the Board is not an Independent Director (Principle 3.2.1)	The Company continues to rely on individuals with expertise, extensive experience, and strong leadership to achieve organizational goals. Nevertheless, the Company operates its business based on good corporate governance principles. The Board's composition ensures an appropriate balance of power, and all activities are conducted in compliance with the Company's rules and regulations, as well as under the framework of good corporate governance.
2.	The Company's independent directors have served for over 9 years since their initial appointment (Principle 3.2.5)	The Company acknowledges that these directors possess extensive knowledge, experience in the insurance business, and have consistently demonstrated strong performance. They also meet the qualifications set by the Securities and Exchange Commission and the

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

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แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

No.	CG Code guideline	Charan's justification or alternative measure
		Stock Exchange of Thailand. Therefore, the Company believes their continued tenure is essential for achieving organizational goals.
3.	The Company has not yet established a Remuneration Committee and a Nomination Committee (Principle 3.4.2)	The Board of Directors is responsible for considering and reviewing compensation and recruitment matters collectively, ensuring fairness, transparency, and accountability in the process.



7. Corporate Governance Structure and Key Information about the Board, Sub-Committees, Management, Employees, and Others

7.1 Corporate Governance Structure as of December 31, 2024

As of December 31, 2024, the corporate governance structure of Charan Insurance Public Company Limited reflects its commitment to transparent and efficient management. The Board of Directors and management prioritize the best interests of the Company and shareholders. A clear management structure is in place, with an emphasis on power balance to mitigate risks from decisions that may not align with the Company's policies or strategies.

The Board of Directors oversees management to ensure operations align with defined policies, plans, and strategies. Roles and responsibilities between the Board and management are clearly separated to avoid conflicts of interest and ensure transparent decision-making.

To assist the Board in governance, the Company has appointed five sub-committees: the **Audit Committee**, **Executive Committee**, **Investment Committee**, **Risk Management Committee**, and **Product Governance Committee**. The Managing Director is responsible for daily operations and implementing policies and strategies assigned by the Board, focusing on the Company's sustainable growth.





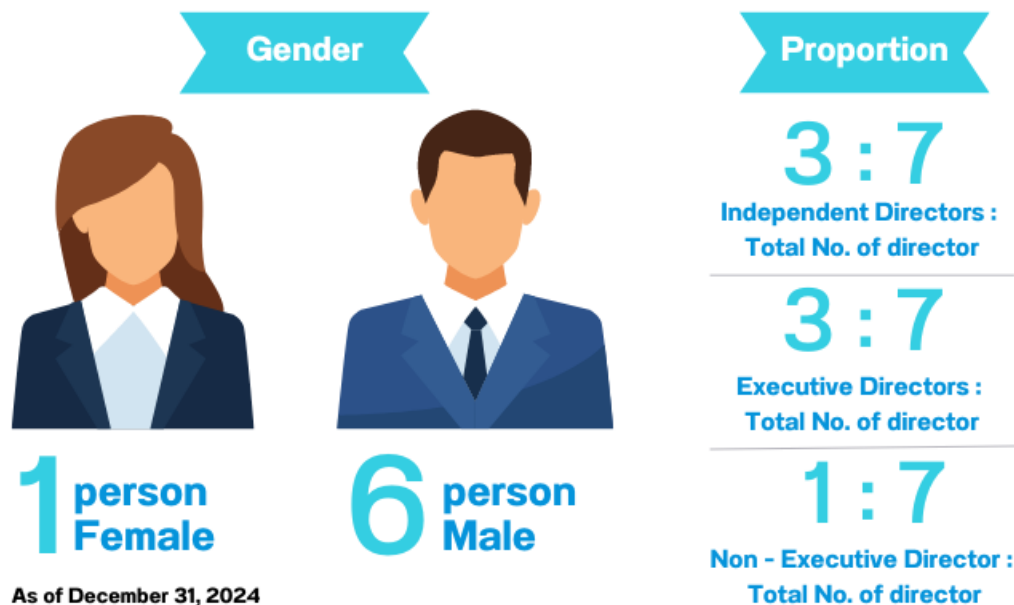
7.2 The Board of Directors

7.2.1 The Board Composition

The Board of Directors of Charan Insurance Public Company Limited reflects a commitment to diversity and balance in structure and operations. It consists of 7 members, including 3 independent directors, making up 42.8% of the Board. This proportion strengthens governance transparency and supports impartial strategic decision-making, especially on issues affecting shareholders and stakeholders.

Additionally, the Company strives to promote Board diversity by including 1 female director, reflecting its commitment to supporting women in leadership roles. The Board also embraces diversity in knowledge, skills, expertise, and experience, with each director bringing valuable qualifications from various fields. This diversity is essential for developing comprehensive and varied business strategies.

The Chairman of the Board and Managing Director are distinct roles, ensuring alignment with good corporate governance practices. This separation promotes transparency and prevents conflicts of interest. Additionally, the Chairman of the Board does not sit on any sub-committees, further clarifying roles and powers. The director selection process focuses on gender, age, race, nationality, religion, and other differences, fostering inclusive, well-rounded decision-making in response to industry challenges and opportunities.





To ensure the Board's management effectiveness and alignment with the Company's strategic and governance needs, the Board conducts an annual review of its composition. One key tool used in this evaluation is the Board Skills Matrix, which highlights the diversity of skills and expertise among the directors. This matrix serves as an effective tool to identify gaps in knowledge or capabilities that may be necessary to enhance the Board's future performance.

The Board Skills Matrix also ensures that each director's skills align with the business challenges and opportunities the Company faces now and, in the future, including areas such as finance, risk management, law, corporate governance, and marketing. Additionally, the evaluation emphasizes adaptability to technological and environmental changes, which are critical for the insurance business in the digital era, where uncertainty and complexity are increasing.

The development and refinement of this matrix demonstrate the Company's commitment to preparing the Board to effectively set direction and make strategic decisions for sustainable long-term success. Moreover, the evaluation process through the Board Skills Matrix enhances transparency in selecting new directors, using the evaluation data to consider candidates with the appropriate qualifications to lead the Company toward its goals.

Board Skills Matrix





CHARAN INSURANCE PUBLIC COMPANY LIMITED

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Board Skills Matrix

List of Directors	Position	Female Director	Director Type			Knowledge / Expertise									
			Independent Director	Executive Director	Non-Executive Director	Experience in the Non-Life Insurance Industry	Risk Management	Finance and Investment	Financial Accounting	Accounting Standards	Insurance Law	Corporate Governance	Marketing and Insurance Product Development	Information Technology (IT)	Sustainable Development
1. Mr. Sapon Kluaymai Na Ayudhya	Chairman of the Board				/	/							/		
2. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director	1	/						/			/			
3. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director		/			/	/	/	/			/		/	/
4. Mr. Thanitphon Pichaibavomphat	Member of Audit Committee and Independent Director		/				/	/	/	/		/		/	/
5. Mr. Sukich Charanvas	Chairman of Executive Committee Chairman of Investment Committee Chairman of Risk Management Committee Managing Director Secretary to the Board			/			/	/	/			/			
6. Mr. Pon Titipanichayangoon	Chairman of Product Governance Committee Member of Executive Committee Member of Investment Committee Member of Risk Management Committee			/		/							/		
7. Mr. Kittipong Charanvas	Member of Executive Committee Member of Investment Committee Member of Risk Management Committee Member of Product Governance Committee			/		/		/				/			
Total		1	3	3	1	4	3	3	4	1	0	5	2	2	2

Remark: As at December 31, 2024

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7.2.2 The Board Information and the Authorized Director

The Board of Directors consists of 7 members as of December 31, 2024

Name	Position	Appointment Date
1. Mr. Sopon Kluaymai Na Ayudhya	Chairman of the Board	January 17, 2008
2. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director	September 22, 2006
3. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director	June 13, 2002
4. Mr. Thanitphong Pichaibavornphat	Member of Audit Committee and Independent Director	September 2, 2022
5. Mr. Sukich Charanvas	Director and Managing Director	January 1, 1974
6. Mr. Pon Titipanichayangoon	Director	July 1, 1985
7. Mr. Kittipong Charanvas	Director	February 1, 2005

Authorized Signatories on Behalf of the Company as of December 31, 2024

The Board of Directors may delegate authority to one or more directors, or any other person, to act on behalf of the Board. The authorized signatories for the Company are **Mr. Sukich Charanvas** **Mr. Pon Titipanichayangoon** **Mr. Kittipong Charanvas**. Any two out of these three individuals are authorized to sign on behalf of the Company and affix the Company's official seal.

7.2.3 Roles, Duties, and Responsibilities of the Board of Directors

1. Define the Company's policies, vision, mission, strategies, goals, and operational direction, and oversee the management to ensure effective and efficient implementation of these policies.
2. Establish policies on corporate governance, social responsibility, and anti-corruption, and ensure the effective implementation of these policies.
3. Make decisions on significant business matters such as policies, business plans, management authority, and the acquisition or disposal of assets unless such matters require shareholder approval or are mandated by law.



4. Consider the appointment of sub-committees, such as the Audit Committee, Executive Committee, and/or other relevant sub-committees, based on qualifications and prohibitions outlined in securities and exchange laws, or propose appointments for shareholder approval.
5. Review and approve the recruitment and appointment of executives who possess suitable qualifications, knowledge, and experience relevant to their positions and responsibilities, and beneficial to the organization.
6. Appoint or remove the Company secretary to assist the Board in carrying out its responsibilities, ensuring compliance with relevant laws, regulations, and corporate governance standards.
7. Oversee risk management and internal control systems to maintain an acceptable and appropriate level to achieve objectives effectively and ensure compliance with laws, standards, and corporate regulations with integrity and prudence in line with good governance practices.
8. Continuously and regularly monitor and evaluate the management's performance to ensure the achievement of strategies and adherence to plans.
9. Approve compensation for Board members and propose annual dividend payments to the shareholders' meeting.
10. Set frameworks and policies for salary determination, salary adjustments, bonuses, and employee and executive compensation.
11. Oversee the promotion and application of innovation and technology to enhance business opportunities and operations, manage IT risks, comply with IT-related laws and standards, and maintain data security, confidentiality, reliability, and availability. Ensure systems prevent unauthorized use or modification and manage events impacting the security and stability of IT systems to achieve corporate objectives.
12. Convene the annual general meeting of shareholders within four months of the fiscal year-end, determining the date, time, location, agenda, dividend payment rate (if applicable), and the Board's recommendations for the meeting.
13. Ensure an effective accounting system and accurate financial reporting, including disclosure of significant information. Oversee the preparation of shareholder meeting resolutions, minutes, and financial statements, and Form 56-1 One Report, reflecting the Company's financial status, liquidity, and performance. Also, ensure proper documentation for future verification.



Roles, Duties, and Responsibilities of the Chairman of the Board as the Leader of the Board

1. Oversee, monitor, and ensure the effective performance of the Board of Directors to achieve the organization's objectives and primary goals.
2. Act as the Chair in Board meetings and shareholders' meetings, ensuring that the meetings are conducted in accordance with the Company's regulations and the designated agenda. Promote active participation from all directors to foster an ethical corporate culture and good corporate governance.
3. Set the agenda for Board meetings in consultation with the Managing Director and ensure that significant matters are included in the agenda. In cases of tied votes during Board or shareholders' meetings, the Chairman casts the deciding vote.
4. Allocate sufficient time for discussing key issues to ensure that directors can deliberate thoroughly, encourage prudent judgment, and provide independent opinions.
5. Strengthen good relationships between executive directors and non-executive directors, as well as between the Board and the management team.

Authority of the Board of Directors to approve various matters, including:

- The organization's vision, mission, and both short-term and long-term objectives.
- Annual plans and budgets.
- Investments, project implementations, and significant company contracts.
- Organizational restructuring.
- Dividend payout policies.
- Performance evaluations of the Board and the Managing Director.
- Appointment of directors to fill mid-term vacancies and the establishment of sub-committees.
- Designation of directors authorized to bind the Company.

Collaborative Actions with Management on the following matters:

- Establishing and reviewing strategies, objectives, and annual plans.
- Ensuring the adequacy and appropriateness of risk management and internal control systems.
- Defining operational authority suitable to management's responsibilities.
- Monitoring and evaluating operational performance.
- Overseeing the credibility of both financial and non-financial disclosures.



Matters the Board Should Refrain From

- Actions delegated to management as their primary responsibility, particularly execution of strategies, policies, or plans already approved by the Board. In such cases, the Board should oversee outcomes without interfering in management's decision-making or operations, unless absolutely necessary.
- Actions prohibited by regulations, such as approving transactions in which directors have a conflict of interest.

Authority and Responsibilities of the Managing Director

1. Oversee the Company's operations in alignment with its objectives, articles of association, delegated authority, and resolutions of the Board of Directors. The Managing Director holds authority over all employees and is accountable to the Board.
2. Establish work conditions, issue directives or announcements to define operational processes, and ensure compliance with company regulations, Board resolutions, labor laws, and other relevant legislation.
3. Represent and bind the Company within the scope of authority outlined in item 1. Transactions involving conflicts of interest or potential personal gain by the Managing Director or authorized directors require prior approval from the Board, with participation from independent directors. Delegation of authority for specific tasks is permissible.
4. Seek Board approval for transactions exceeding financial thresholds established by the Board, in accordance with company regulations or applicable laws.
5. Manage recruitment, appointments, disciplinary actions, and employment terminations for employees, including promotions and salary adjustments, except for cases where Board approval is required as stipulated in company regulations or articles of association.
6. Conduct operations in compliance with all relevant laws and regulations, including but not limited to Civil and Commercial Code, Non-Life Insurance Act, Public Company Limited Act, Future legislation related to the Company's operations. Ensure all actions are guided by honesty, integrity, fairness, and ethical standards, applying due diligence to achieve the Company's objectives.



7.3 Sub-Committees

7.3.1 Sub-Committees as of December 31, 2024

The Board of Directors has appointed qualified directors with appropriate expertise to serve on five sub-committees: the Audit Committee, the Executive Committee, the Investment Committee, the Risk Management Committee, and the Product Governance Committee. These sub-committees are established to support the specific duties of the directors. The scope, responsibilities, and duties of each sub-committee are clearly defined, and the results of their meetings are regularly reported to the Board of Directors for acknowledgment.

1. Audit Committee

The Audit Committee consists of at least three independent directors, all of whom meet the qualifications specified by the Securities and Exchange Commission and the Stock Exchange of Thailand. Each member possesses relevant knowledge, expertise, and recognized professional experience. At least one member holds an accounting degree and has substantial experience in reviewing the credibility of financial statements. The term of service for the Audit Committee is three years. The current members are listed as follows:

Name	Position
1. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director
2. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director
3. Mr. Thanitphong Pichaibavornphat ¹	Member of Audit Committee and Independent Director

Remark: ¹ Holds a degree in accounting, with knowledge, expertise, and experience in reviewing the reliability of financial statements.

With Ms. Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Audit Committee.

Roles, Duties, and Responsibilities

- 1) Review the accuracy of the Company's financial reporting and ensure adequate disclosure.
- 2) Ensure the Company has an appropriate and effective internal control and internal audit system, evaluate the independence of the internal audit unit, and approve the appointment or dismisses all of the internal audit unit.
- 3) Verify compliance with securities and exchange laws, the regulations and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other relevant laws and regulations applicable to the Company and its business operations.



- 4) Consider, select, appoint, and remove independent auditors for the Company, recommend their remuneration, and meet with the auditors without management at least once a year.
- 5) Review connected transactions or transactions with potential conflicts of interest to ensure compliance with securities and exchange laws and related regulations, ensuring such transactions are reasonable and, in the Company's, best interests.
- 6) Prepare the Audit Committee's report to the Board of Directors for disclosure in the Company's annual information disclosure form (Form 56-1 One Report), including the following information:
 - (1) Opinions on the accuracy and reliability of the Company's financial reports.
 - (2) Opinions on the adequacy of the Company's internal control systems.
 - (3) Opinions on compliance with laws, regulations, and relevant announcements.
 - (4) Opinions on the appropriateness of the auditors.
 - (5) Opinions on potential conflict-of-interest transactions.
 - (6) Details of meetings held and attendance of each Audit Committee member.
 - (7) General observations or recommendations arising from duties under the committee's charter.
 - (8) Any other information deemed important for shareholders and investors.
- 7) Regularly review and recommend updates to the scope of authority and responsibilities of the Audit Committee to align with current conditions.
- 8) Report to the Board of Directors on significant financial or operational issues, such as:
 - (1) Conflict-of-interest transactions.
 - (2) Fraud or material deficiencies in internal control systems.
 - (3) Violations of securities laws or other relevant regulations. If no corrective action is taken within the specified time, any Audit Committee member may report directly to the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 9) Review compliance with the Company's anti-corruption policies to ensure adequate internal control.
- 10) Regularly review the anti-corruption policy for updates and recommend it to the Board of Directors for approval.
- 11) Perform additional duties assigned by the Board of Directors and exercise authority as specified in other company policies.



2. Executive Committee

The Executive Committee consists of 3 members appointed by the Board of Directors. Their terms of office are tied to their status as directors, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Executive Committee
2. Mr. Pon Titipanichayangoon	Member of Executive Committee
3. Mr. Kittipong Charanvas	Member of Executive Committee

With Ms. Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Executive Committee.

Scope of Responsibilities and Duties

1. Responsible for overseeing and managing the Company's operations to ensure alignment with policies and key plans assigned by the Board of Directors.
2. Tasked with preparing and proposing policies, budgets, strategies, and key operational plans for the Company's business activities to the Board of Directors.
3. Ensures that the Company complies with the Securities and Exchange Act, the Non-Life Insurance Act, the Public Limited Company Act, and other relevant laws, as well as the regulations of the Stock Exchange of Thailand (SET) and announcements by the Securities and Exchange Commission (SEC).
4. Oversees compliance with generally accepted accounting standards, ensuring the preparation of financial statements that fairly and accurately reflect the Company's financial position and performance.
5. Evaluates and analyzes business risks, proposing suitable measures for risk management to the Board of Directors.
6. Performs other duties as assigned by the Board of Directors.



3. Investment Committee

The Investment Committee consists of 5 members, including both Board members and executives, appointed by the Board of Directors. Their terms of office are tied to their status as Board member and executives, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Investment Committee
2. Mr. Pon Titipanichayangoon	Member of Investment Committee
3. Mr. Kittipong Charanvas	Member of Investment Committee
4. Ms. Sudarat Wiwattanadej	Member of Investment Committee
5. Ms. Kanyawan Trisaksuriyan	Member of Investment Committee

With Ms. Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Investment Committee.

Scope, Duties, and Responsibilities

1. To develop the investment policy framework for approval by the Board of Directors.
2. To review investment plans to ensure they align with the approved investment policy framework and the overall risk management policy, and comply with the regulations of the Office of Insurance Commission (OIC) and relevant laws.
3. To consider practices for managing investment-related risks.
4. To establish the procedures and methods related to the Company's investments.
5. To oversee the Company's investments to ensure compliance with the approved investment policy framework, investment plans, investment procedures, and risk management policies.
6. To review and update the investment policy framework and investment plans to adapt to changing circumstances, and present them to the Board of Directors for approval.
7. To approve investments in securities.
8. To approve general lending activities.
9. To approve the sale of property assets.



4. Risk Management Committee

The Risk Management Committee consists of 5 members, including both Board members and executives, and 1 member with expertise in risk management. Their terms of office are tied to their status as Board member and executives, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Risk Management Committee
2. Mr. Pon Titipanichayangoon	Member of Risk Management Committee
3. Mr. Kittipong Charanvas	Member of Risk Management Committee
4. Ms. Kanyawan Trisaksuriyan	Member of Risk Management Committee
5. Mr. Kosit Angkasuwan ¹	Member of Risk Management Committee
6. Ms. Sudarat Wiwattanadaj	Member of Risk Management Committee
7. Mr. Nopadol Suawankareekul	Member of Risk Management Committee
8. Ms. Napaporn Tanangtong	Member of Risk Management Committee

Remark: ¹ The individual has expertise in risk management

With Mr. Kosit Angkasuwan, Assistant Managing Director of Risk Management, serving as the secretary to the Risk Management Committee.

Scope, Duties, and Responsibilities

1) To consider and develop a framework and policy for the Company's risk management, to be presented to the Board of Directors for review, feedback, and approval. The policy must cover at least the following key types of risks:

- 1.1 Strategic Risk
- 1.2 Insurance Risk
- 1.3 Market Risk
- 1.4 Credit Risk
- 1.5 Liquidity Risk
- 1.6 Operational Risk
- 1.7 Reputation Risk
- 1.8 Information Technology Risk
- 1.9 Catastrophe Risk



1.10 Emerging Risk

1.11 Group Risk (If any)

The scope of risk management must encompass the Company's core activities as follows:

- (1) Development of insurance products and the determination of insurance premiums
 - (2) Marketing and collection of premiums
 - (3) Underwriting and acceptance of insurance policies
 - (4) Actuarial assessment of insurance reserves
 - (5) Management of claims payment
 - (6) Reinsurance activities
 - (7) Investments and other business operations
 - (8) Asset and liability management
 - (9) Use of external service providers (if any)
- 2) Evaluate the sufficiency, efficiency, and effectiveness of the Company's risk management processes.
 - 3) Hold meetings regularly, at least once per quarter, to monitor the Company's risk status, changes in risks, and progress in risk management. Provide recommendations for necessary adjustments and report to the Board of Directors at least once per quarter.
 - 4) Oversee all company activities related to risk.
 - 5) Ensure that the Company conducts activities in line with the established risk management policy.
 - 6) Prepare contingency risk mitigation plans for emergency risk scenarios.



7) Product Governance Committee

The Product Governance Committee consists of 11 members from the Board of Directors, executives, and relevant staff members, all appointed by the Board of Directors. Their terms of office are tied to their status as Board member, executives and staff members, as listed below:

Name	Position
1. Mr. Pon Titipanichayagoon	Chairman of Product Governance Committee
2. Mr. Kitti Charanvas	Member of Product Governance Committee
3. Mr. Kittipong Charanvas	Member of Product Governance Committee
4. Mr. Wisith Limcharoensuk	Member of Product Governance Committee
5. Mrs. Pattama Trakarnaiem	Member of Product Governance Committee
6. Miss Punrada Ayucharoenkul	Member of Product Governance Committee
7. Mrs. Krissana Kongtong ¹	Member of Product Governance Committee
8. Mrs. Matchima Termsaitong ²	Member of Product Governance Committee
9. Mr. Sornchai Keawrakmuk	Member of Product Governance Committee
10. Mr. Nopadol Suawankareekul ³	Member of Product Governance Committee
11. Mr. Kosit Angkasuwan	Member of Product Governance Committee
12. Miss Phatsaraporn Yolai ⁴	Member of Product Governance Committee

Remarks: ¹ Resigned on September 1, 2022, due to retirement.

²⁻⁴ Appointed by the resolution of the Board of Directors' meeting No. 4/2567 on November 13, 2024.

With Mr. Kosit Angkasuwan, Assistant Managing Director of Risk Management, serving as the secretary to the Product Governance Committee

Scope, Duties, and Responsibilities:

- 1) Oversee the development or revision of insurance products to ensure operations comply with principles of good corporate governance, legal regulations, orders, announcements, guidelines, and related requirements for insurance products.
- 2) Develop marketing strategies for newly created products and present the plans to the management team and relevant departments.

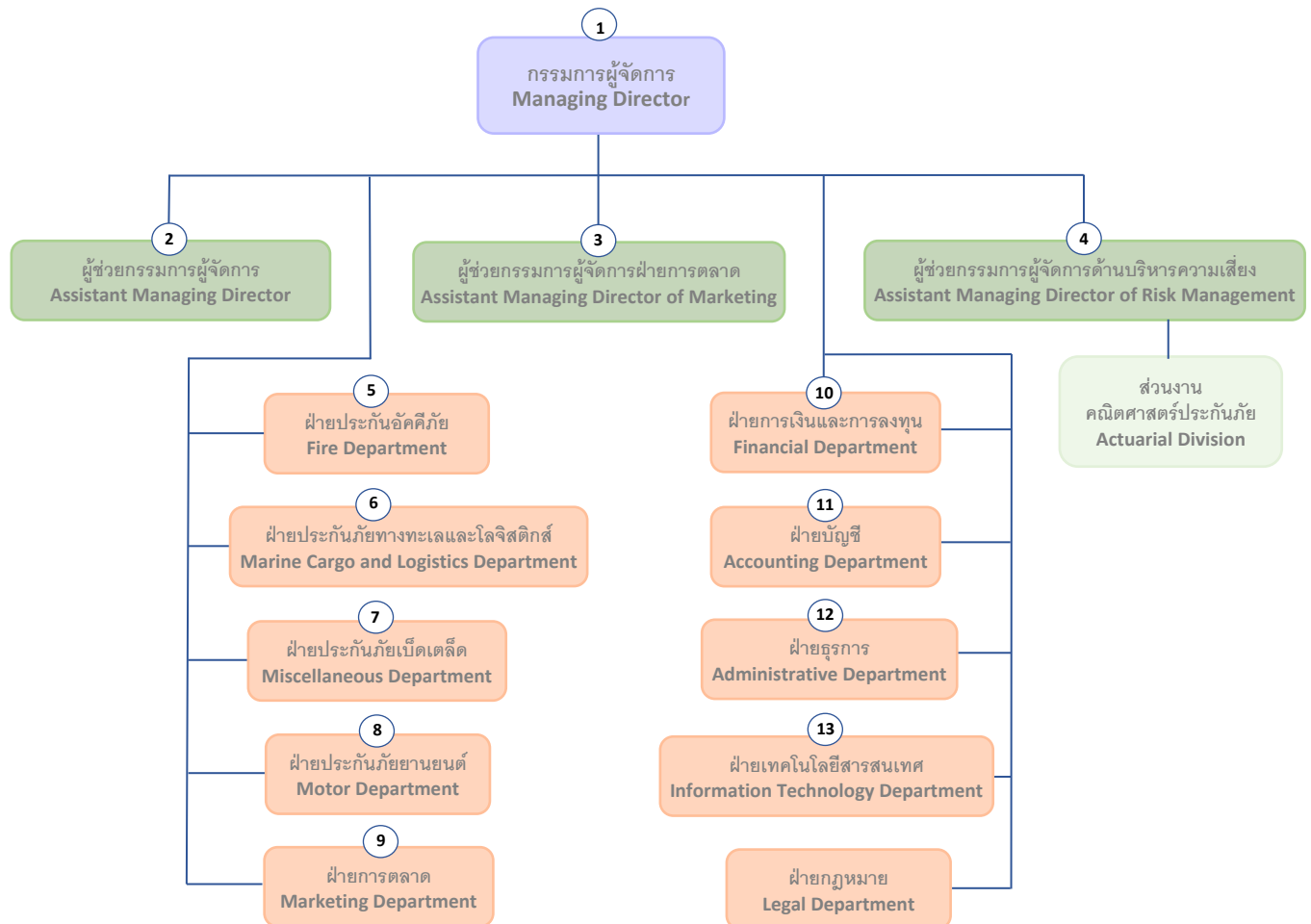


- 3) Plan and develop insurance products with appropriate coverage and premium rates, competitive in the market, and capable of meeting consumer demand, while aligning with the needs of target customer groups.
- 4) Analyze sales channels and business partners, ensuring that products align with sales channels and partner capabilities, and develop new sales channels.
- 5) Identify, analyze, and assess various risks comprehensively to determine suitable risk management methods for product development, ensuring products meet sales expectations.
- 6) Evaluate the adequacy, efficiency, and effectiveness of risk management in the development of the Company's insurance products.
- 7) Coordinate with internal departments and the OIC office in submitting approval requests for insurance policy forms, wording, and premium rates for new insurance products, as well as for product revisions.
- 8) Collaborate with relevant departments both within and outside the Company to effectively execute marketing activities.
- 9) Review the adequacy of coverage and premium rates to ensure they are sufficient, appropriate, and competitive in the market once the product is launched.
- 10) Monitor market trends, consumer behavior, competition, and other data relevant to the business.
- 11) Track the performance of each product type to determine whether adjustments to coverage terms or premium rates are necessary to improve product quality.
- 12) Monitor the progress of product development activities, including ongoing risk status related to product development, and review risk management measures to ensure they align with current conditions.
- 13) Perform other duties as assigned by the Company's board of directors.



7.4 Executive Officers

The structure of organization as of December 31, 2024



**7.4.1 Names and Positions of Executive Officers as of December 31, 2024**

The Board of Directors clearly defines the division of roles and responsibilities between the Board and management. The management's role includes operating the business and managing the Company's daily operations in accordance with the Company's policies, plans, goals, regulations, and Board resolutions. This is done with integrity, caution, and in the best interests of the Company and shareholders, adhering to good corporate governance principles. Management reports on the progress of operations and key performance outcomes to the board at least every three months. The Company currently has 13 executives, as defined by the SEC, listed as follows:

Name	Position
1. Mr. Sukich Charanvas	Managing Director
2. Mr. Kittipong Charanvas	Assistant Managing Director
3. Mr. Kitti Charanvas	Assistant Managing Director of Marketing
4. Mr. Kosit Angkasuwan	Assistant Managing Director of Risk Management
5. Mrs. Pattama Trakarnaiem	Fire Department Manager
6. Mr. Wisith Limcharoensuk	Marine Cargo and Logistics Department Manager
7. Ms. Punrada Ayucharoenkul	Miscellaneous Department Manager
8. Mr. Pon Titipanichayangoon	Motor Department Manager
9. Ms. Siraya Chindasri	Marketing Department Manager
10. Ms. Kanyawan Trisaksuriyan	Finance and Investment Department Manager
11. Ms. Sudarat Wiwattanadej	Accounting Department Manager
12. Mrs. Promporn Lamdabpang	Administrative Department Manager
13. Mr. Nopadol Suwankareekul	Information Technology Department Manager

7.4.2 Executive Remuneration Policy**1. Executives Remuneration**

The Company does not yet have a remuneration and nomination committee; however, there is a transparent process and a clearly defined remuneration policy for the managing director and executives. The remuneration is set appropriately based on their responsibilities. The Board of Directors jointly reviews the remuneration in comparison with industry standards, considering experience, duties, scope, and responsibilities, as well as the



Company's performance. The remuneration of the managing director and executives is directly linked to performance evaluations, which the Company conducts annually for all executives.

The remuneration for the Managing Director and executives consists of (1) Salary, based on responsibilities, position, experience, and personal expertise, which is reviewed annually in light of performance evaluations and salary trends in the labor market; (2) Benefits, both short-term and long-term, in line with labor market practices and legal requirements, such as social security contributions and provident fund; (3) Special remuneration (bonus), determined by performance evaluations. The remuneration for the Managing Director and executives is comparable to that of companies listed on the Stock Exchange of Thailand within the same industry and of a similar size to attract and retain talented executives in the long term.

Additionally, the criteria and structure of the remuneration for executives are based on financial indicators, internal management performance, and individual achievement, with short-term and long-term remuneration models. This structure is designed to motivate executives to perform their duties effectively, driving both proactive performance and organizational sustainability, in accordance with good corporate governance principles. *Details of the directors' remuneration are provided in the "The individual remuneration of Directors for the year 2024."*

7.4.3 Total Executives Remuneration

In 2024, the Company paid remuneration to 13 executives (as defined by the SEC) in the form of salary, bonuses, and contributions to the provident fund, totaling approximately 5 million Baht.

7.5 Personnel as of December 31, 2024

In 2024, the Company experienced no significant changes in the number of employees and no labor disputes have occurred since its establishment. The total number of employees is categorized by key departments as follows:

No. of Employees and Executives in 2024		
Executives	13	Persons
Employees	48	Persons
Total	67	Persons



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

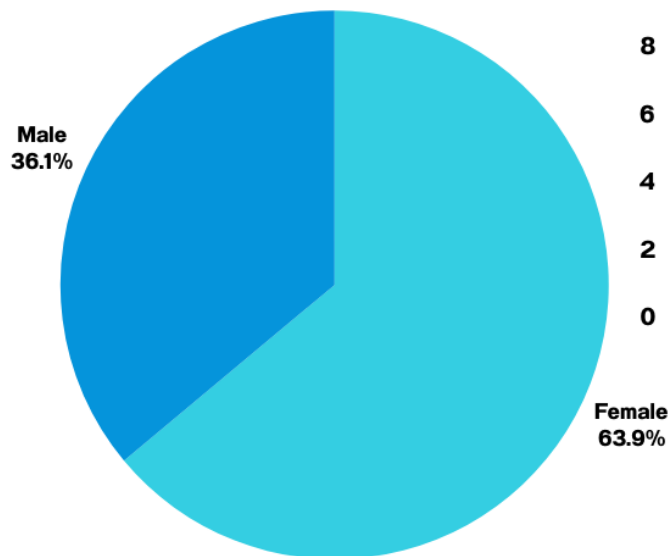
(แบบ 56-1 One Report)

Charan Insurance Public Company Limited is committed to fostering an organization that promotes equality and diversity in all aspects, with a focus on gender equality and providing equal opportunities for all employees. The Company believes that both male and female employees play crucial roles in driving success and innovation, and therefore, has policies in place that ensure equal opportunities for career development and growth, regardless of whether employees are in operational or management positions, based on their qualifications and potential.

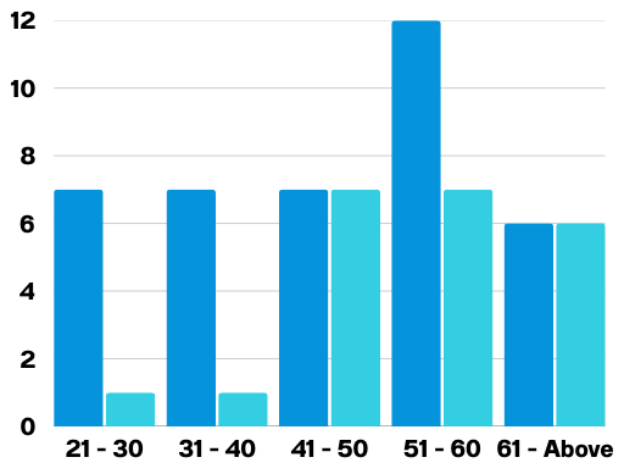
In addition to promoting gender equality, the Company values age diversity to create teams that benefit from a wide range of ideas and experiences. The Company provides opportunities for employees from all age groups to contribute to the organization, from early-career individuals to those with extensive experience in their fields. This approach encourages the exchange of knowledge and diverse perspectives, which is essential for adapting to the evolving business challenges.

By promoting equality and offering opportunities without age or gender limitations, the Company believes that all employees have the potential to create value and progress within the organization. This approach also helps create a collaborative work environment that supports effective teamwork across all age groups.

Employee Ratio



As of December 31, 2024





Employee Remuneration

As of December 31, 2024, the Company's total employee remuneration amounted to 30.32 million Baht. This includes salaries, bonuses, contributions to the Social Security Fund and Provident Fund, as well as other benefits such as overtime pay, cost-of-living allowances, and transportation allowances. Employee remuneration is determined based on various factors, including business performance growth, individual expertise, and work performance. This approach aims to enhance efficiency, ensure long-term fairness, and motivate employees to maximize their potential. Additionally, the Company considers the adequacy of remuneration in relation to the cost of living and current economic conditions.

The Company considers remuneration to be fair, ensuring that employees with equivalent performance are compensated equally. Those who perform more challenging tasks receive higher compensation. The Company conducts transparent analysis and evaluations, enabling comparability across all departments within the organization, recognizing that each role differs by responsibility. The details are as follows:

Expenses

Salary/ Wage	28.04	mil. Baht
Bonus	-	mil. Baht
Provident Fund Contribution	0.42	mil. Baht
Social Security Contribution	0.45	mil. Baht
Other benefits	1.41	mil. Baht
Total	30.32	mil. Baht

The Company has a welfare policy to help ease the financial burden of employees, with the following benefits provided:

- The Company has established an employee provident fund, where employees voluntarily contribute to the fund, with the Company also contributing an equivalent amount of the salary. The fund is managed by a licensed fund manager in accordance with the Provident Fund Act, B.E. 2542.
- General loan and housing loan benefits.
- Employee discounts on product purchases.
- Medical and pharmaceutical expense reimbursement.
- Dental expense reimbursement.



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

- Annual employee health checkups.
- Funeral support for employees and their families.
- Marriage assistance funds.
- Maternity leave benefits.
- Company-sponsored outings or social gatherings.



**Executive and Employee Development Policy**

The Company focuses on maintaining an appropriate workforce in line with workload demands. It recruits highly qualified personnel who align with the Company's needs, exhibit a positive attitude, and demonstrate behaviors consistent with the organizational culture. The recruitment process is efficient and comprehensive, utilizing multiple channels to attract qualified candidates who meet the organization's criteria.

In terms of employee development, the Company has consistently emphasized enhancing knowledge and skills. This development aligns with the business growth plan, ensuring that staff competencies contribute to the achievement of organizational goals. In 2024, the Company supported training and seminars for executives and employees to strengthen their expertise and capabilities.

Training course	Number of		
	Course	Attendees	Hours
External Training			
e.g. Thai Financial Reporting Standard 17 (TFRS 17), taxation, underwriting, company secretarial practices, claims management, and IT.	17	28	291
In-house Training	-	-	-
Total	17	28	291
Average number of hours of employee training per year			10.39

Remarks: 1. An employee may attend more than one training program.

2. Data as of December 31, 2024.

7.6 Other Key Information**7.6.1 Responsible for overseeing various functions**

- **Company Secretary**

At the Board of Directors Meeting No. 5/2022, held on November 10, 2022, Ms. Munthana Peoungpathompron was appointed as the Company Secretary. She possesses all the required qualifications for the position.

Further details of her background are provided in **Attachment 1**.



Scope of Duties and Responsibilities

1. Maintain key documents, including director records, the Annual Registration Statement/Annual Report (Form 56-1 One Report), board meeting notices and minutes, and shareholder meeting notices and minutes.
2. Safeguard conflict-of-interest reports submitted by directors or executives.
3. Provide copies of conflict-of-interest reports to the Board Chairman and Audit Committee Chairman within seven business days of receipt.
4. Organize board and shareholder meetings in compliance with laws and company regulations.
5. Advise the Board on compliance with the Articles of Association, relevant laws, and regulations.
6. Serve as the central communication link between directors, executives, and shareholders.
7. Coordinate and monitor the implementation of board and shareholder resolutions.
8. Ensure proper disclosure and reporting to regulatory authorities as required.
9. Perform additional duties as prescribed by the Capital Market Supervisory Board or assigned by the Board.

- **Accounting Supervisor**

Ms. Napaporn Thanangthong has been directly responsible for overseeing the Company's accounting operations since November 1, 2018. *Detailed qualifications are provided in Attachment 1.*

- **Head of Internal Audit**

The Company has engaged Thirty-Four Audit Office Co., Ltd. as the internal auditor. The primary qualifications of the individual responsible for internal auditing are *detailed in Attachment 3.*

- **Head of the Compliance Division**

Mr. Sornchai Kaewrakamuk has been appointed Head of Compliance to oversee adherence to regulatory requirements governing the Company's business operations. *Detailed qualifications are provided in Attachment 3.*

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

7.6.2 Head of Investor Relations

- Ms. Manthana Phuengpathomporn

Address: Charan Insurance Public Company Limited

408/1 Charan Insurance Building, Rachadapisek Road,

Samsen-Nok Sub-district, Huaykwang District, Bangkok 10310

Email: charanins@charaninsurance.co.th

Website: www.charaninsurance.co.th

Tel: 0-2276-1024 Ext. 207 Fax: 0-2275-4919

7.6.3 Auditor's Remuneration

At the Board of Directors Meeting No. 1/2024 on February 21, 2024, it was resolved to appoint Forvis Mazars Company Limited ("Mazars") as the new auditor to replace DIA International Audit Company Limited ("DIA"), as DIA declined to perform the audit for the year 2024. The Company evaluated potential candidates and found Mazars to have high standards and expertise in auditing. Furthermore, a comparison of workload and fees showed that Mazars offered appropriate audit fees. The Board approved the appointment and proposed it to the shareholders' meeting for approval. The details of the Audit Fee and Non-Audit Fee for 2024 and 2023 are as follows:

Type of Services	Auditor's Name	CPA No.	Amount (Baht)	
			2024	2023
<u>Audit fee</u>				
1. Quarterly review financial statements - 3 Quarters	Mr. Sompop Pholprasarn and/or Miss Tippawan Pumbansao and/or	6941 9552	630,000	570,000
2. Audit the annual financial statements as of December 31, 2024	Miss Wannawat Hemachayart and/or	7049	1,200,000	780,000
3. Review half-year and audit annual risk-based capital reports			350,000	200,000
<u>Other Fees</u>			-	-
Total	-		2,180,000	1,550,000



8. Highlights of Corporate Governance

8.1 Performance of the Board of Directors

At the Board of Directors Meeting No. 1/2024 on February 21, 2024, the Corporate Governance Policy and Business Code of Conduct were reviewed. This review was based on the Corporate Governance Code for Listed Companies 2017, issued by the SEC, to ensure alignment with the Company's long-term business direction while addressing the evolving business environment.

8.1.1 Recruitment, Development, and Performance Assessment of the Board of Directors

1. Recruitment of Directors and Executives

Recruitment and Appointment of Directors

Currently, the Company does not have a nomination and remuneration committee. The Board of Directors jointly considers and selects individuals with qualifications that are beneficial to the Company's operations, based on criteria and processes that ensure transparency. These criteria include qualifications, experience, knowledge, and the necessary expertise for the Board, as well as considering the diversity of the Board's structure (Board Diversity), such as age, gender, education, etc. Furthermore, the expertise required to fill any gaps in the Board's qualifications is assessed. The process is designed to be transparent and clear, in compliance with the Company's regulations and relevant legal requirements, ensuring confidence among shareholders. The recruitment and appointment of directors undergo a careful process of review by the Board, with the nomination of suitable candidates and sufficient background information to allow shareholders to make an informed decision, in accordance with the Company's regulations.

Recruitment of Directors and Executives

- 1) The Company provides opportunities for minority shareholders, major shareholders, and directors to propose candidates for consideration for directorial positions.
- 2) The Board of Directors jointly reviews and evaluates the board structure to ensure it aligns with the Company's strategic needs.
- 3) The Board offers the opportunity for individuals who meet the qualifications required for directorial positions to be considered as replacements for directors whose terms have expired, selecting the most suitable candidates for the Board.
- 4) The Board of Directors approves the list of nominees to be presented for approval at the annual general meeting of shareholders.



Appointment and Removal of Directors

- 1) The shareholders' meeting shall elect directors by a majority vote. Each shareholder shall have one vote per share and may vote for individual directors. The individuals receiving the highest number of votes, in descending order, shall be elected as directors, in the number required for that meeting. In the event of a tie between candidates exceeding the number of directors to be elected, the chairperson of the meeting shall cast a deciding vote.
- 2) At each annual general meeting, one-third of the directors shall retire by rotation. If the number of directors cannot be evenly divided into three, the number closest to one-third shall retire. The retiring directors may be re-elected.
- 3) In addition to retirement by rotation, directors shall be removed from office in the following cases:
 - Death
 - Resignation
 - Loss of qualifications or prohibited characteristics under the Public Limited Company Act and Securities and Exchange Act
 - Removal by resolution of the shareholders' meeting in accordance with the Public Limited Company Act
 - A court order for removal
- 4) In the event of a vacancy in the director position due to reasons other than retirement by rotation, the Board of Directors shall appoint a qualified individual, with no disqualifying factors under the Public Limited Company Act and Securities and Exchange Act, to fill the vacancy at the next board meeting. The newly appointed director shall hold office only for the remaining term of the director they are replacing. The board's resolution to fill the vacancy shall require a vote of at least three-quarters (3/4) of the remaining directors.

Independent Directors

The Board of Directors consists of three independent directors out of the total number of directors.

The Company has established the following qualifications for independent directors:

- 1) Hold no more than 1% of the total voting shares of the Company, major shareholders, or controlling persons of the Company, including shares held by individuals related to the independent director.



- 2) Must not currently, or within at least two years prior to their appointment, hold any position as a director involved in management, employee, staff member, salaried consultant, or controlling person of the Company, its major shareholders, or its controlling persons.
- 3) Must have no familial or legal relationship, whether by blood or law, such as parent, spouse, sibling, child, or child's spouse, with any other director, executive, major shareholder, controlling person, or any individual nominated as a director, executive, or controlling person of the Company.
- 4) Must not have any business relationship with the Company, its major shareholders, or its controlling persons that could impede independent judgment. This includes not being, or having been within the past two years, a significant shareholder or controlling person of an entity that has business relationships with the Company, its major shareholders, or its controlling persons.
- 5) Must not currently, or within at least two years prior to their appointment, serve as the Company's auditor, or be a major shareholder (holding more than 10% of total voting shares, including shares held by related persons), controlling person, or partner of an audit firm that employs the Company's auditor, major shareholders, or controlling persons.
- 6) Must not provide professional services, including legal or financial advisory services, to the Company, its major shareholders, or its controlling persons, with service fees exceeding THB 2 million per year. Additionally, must not be a significant shareholder, controlling person, or partner of such professional service providers, either currently or within at least two years prior to their appointment.
- 7) Must not be a director appointed to represent the Company's directors, major shareholders, or shareholders associated with major shareholders.
- 8) Must not engage in a business of the same nature or in competition with the Company's business. Additionally, must not hold a significant partnership, management position, employment, or consultancy role, nor own more than 1% of the voting shares in another entity engaged in a competing business.
- 9) Must not have any other characteristics that could compromise their ability to provide independent and unbiased opinions regarding the Company's operations.



2. Training and Development of Directors

The Board of Directors has attended training programs related to their duties, organized by the Thai Institute of Directors (IOD), such as the Directors Accreditation Program (DAP) and the Directors Certification Program (DCP). The majority of the directors, accounting for 85.71% of the total seven members, have completed these programs, *details are provided in Attachment 1*. The Corporate Secretary is responsible for notifying all directors, including newly appointed ones, of any additional required training programs. Furthermore, the Company promotes the Corporate Secretary's participation in various training courses and seminars relevant to the business environment, organized by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Thai Listed Companies Association (TLCA), and other related organizations. These programs are regularly held to support efficient operations. The Company also has a policy encouraging directors to continuously improve their knowledge to enhance the effectiveness of their roles.

In 2024, members of the Board participated in external training courses related to the non-life insurance business as follows:

List of Directors	2024 Training Records
1. Mrs. Poodpong Arsingsamanunta Chairman of Audit Committee and Independent Director	February 28-29, 2024 TGIA: Guidelines for AUP Review of Financial Statements During Parallel Run for Auditors of Non-Life Insurance Companies At The Emerald Hotel.
2. Mr. Vorayuth Charoenloet Chairman of Audit Committee and Independent Director	February 28-29, 2024 TGIA: Guidelines for AUP Review of Financial Statements During Parallel Run for Auditors of Non-Life Insurance Companies At The Emerald Hotel.
3. Mr. Thanitphong Pichaibavornphat Chairman of Audit Committee and Independent Director	February 28-29, 2024 TGIA: Guidelines for AUP Review of Financial Statements During Parallel Run for Auditors of Non-Life Insurance Companies At The Emerald Hotel.

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List of Directors	2024 Training Records
	March 22, 2024 (Online) PwC & TGIA: TFRS 17-8 Key Elements and Implementation Sharing for General Insurers" presented by PwC.
	April 3, 2024 (Online) TGIA: Draft proposal on tax implications following the implementation of TFRS 17.
4. Mr. Kittipong Charanvas Executive Committee	January 22, 2024 TGIA: 28 th Insurance Seminar At the Grand Ballroom, 2 nd Floor, Chatrium Grand Hotel
	February 5, 2024 (Online) TGIA & OIC: Design of a Prototype for e-Policy Data Storage in the Insurance Database (IBS) of the Office of Insurance Commission (OIC)
	June 17, 2024 (Online) TGIA: In-depth preparation with AUP and Disclosure/XML for TFRS 17 in real-world operations.



3. Board Performance Evaluation

The Board of Directors conducts an annual performance evaluation at least once a year. The Company secretary is responsible for distributing the evaluation forms and compiling the results to present at the Board meeting for further discussion and improvement. The evaluation criteria are based on the following percentages of the total score: Greater than 85% = Excellent, Greater than 75% = Very Good, Greater than 65% = Good, Greater than 50% = Fair, Less than or equal to 50% = Needs Improvement. The evaluation topics are listed in the “Guidelines for the Board's Performance Evaluation.” The evaluation results for 2024 are summarized as follows:

(1) Individual Director Evaluation

The average score is 97.25%, within the Excellent range.

(2) Board Evaluation

The average score is 98.46%, within the Excellent range.

(3) Sub-Committee Evaluations

- **Audit Committee:**

The average score is 93.35%, within the Excellent range.

- **Risk Management Committee:**

The average score is 95.78%, within the Excellent range

- **Executive Committee:**

The average score is 94.53%, within the Excellent range.

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8.1.2 Meeting Attendance and Remuneration of Individual Directors for the year 2024**Summary of meeting attendance of the Board of Directors**

In 2024, there was 1 Annual General Meeting of Shareholders, 4 Board of Directors' meetings, 5 Audit Committee's meetings, 5 Executive Committee's meetings, 1 Investment Committee 's meeting, and 4 Risk Management Committee's meetings, with details as follows:

List of Directors	Meeting attendance / total (times)							Remarks
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management Committee	Product Governance Committee	
1. Mr. Sopon Kluaymai Na Ayudhya	1/1	4/4	-	-	-	-	-	
2. Mrs. Poodpong Arsingsamanunta	1/1	4/4	4/5	-	-	-	-	
3. Mr. Vorayuth Charoenloet	1/1	4/4	5/5	-	-	-	-	
4. Mr. Thanitphong Tichaibavornphat	1/1	4/4	5/5	-	-	-	-	
5. Mr. Sukich Charanvas	1/1	3/4	-	5/5	1/1	4/4	-	
6. Mr. Pon Titipanichayangoon	1/1	4/4	-	5/5	1/1	4/4	-	
7. Mr. Kittipong Charanvas	1/1	4/4	-	5/5	1/1	4/4	-	
8. Mr. Kosit Angkasuwan	1/1	-	-	-	-	4/4	-	
9. Ms. Sudarat Wiwattanadej	1/1	-	-	-	1/1	4/4	-	
10. Ms. Kanyawan Trisaksuriyan	1/1	-	-	-	1/1	4/4	-	
11. Mr. Nopadol Suawankareekul	-	-	-	-	-	3/4	-	
12. Ms. Napaporn Tanangtong	1/1	-	-	-	-	4/4	-	

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Director Remuneration

1. The Board receives two types of remuneration: meeting fees and bonuses, calculated at 5% of dividends paid. The Chairman receives 50% more than other directors. These rates are aligned with industry standards.
2. A director may hold positions in more than one sub-committee.
3. Remuneration details are disclosed in the annual filing (Form 56-1 One Report) in line with good corporate governance practices.

Director Remuneration Policy

The remuneration of directors is determined based on the appropriateness of their duties, responsibilities, and alignment with industry standards. The compensation is sufficient to attract qualified directors who can effectively perform their roles and achieve the Company's objectives and direction. The process is transparent, fostering trust with shareholders.

At the Annual General Meeting of Shareholders on April 24, 2024, the shareholders approved the proposed director remuneration for 2024 as follows:

Compensation component	2024	2023
1. Board of Director		
• Monetary Remuneration		
Meeting Allowance		
- Chairman of the Board	25,000 Baht / Time	25,000 Baht / Time
- Board Member	20,000 Baht / Person / Time	20,000 Baht / Person / Time
Director's fee	750,000 Baht, calculated as 5% of the dividend payout, with the Chairman receiving 50% more than the other directors.	1,200,000 Baht, calculated as 5% of the dividend payout, with the Chairman receiving 50% more than the other directors.
• Non-monetary compensation	-	-
2. Audit Committee		
• Monetary Remuneration		
Meeting Allowance		
- Chairman of the Committee	25,000 Baht / Time	25,000 Baht / Time
- Audit Member	20,000 Baht / Person / Time	20,000 Baht / Person / Time
• Non-monetary compensation	-	-
Remarks:	1. The Executive Committees, Investment Committees, Risk Management Committees, and Product Governance Committees receive no remuneration. 2. Directors receive meeting fees for each meeting attended.	

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The individual remuneration of Directors for the year 2024 as follows:

1. Monetary Remuneration

Remuneration of the Board of Directors in 2024 approved by the shareholders' meeting No. 31/2024

(Unit: Baht)

List of Directors	Monetary Remuneration								
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management Committee	Product Governance Committee	Director's fee	Total
1. Mr. Sopon Kluaymai Na Ayudhya	-	100,000.00	-	-	-	-	-	150,000.00	250,000.00
2. Mrs. Poodpong Arsingsamanunta	-	80,000.00	100,000.00	-	-	-	-	100,000.00	280,000.00
3. Mr. Vorayuth Charoenloet	-	80,000.00	100,000.00	-	-	-	-	100,000.00	280,000.00
4. Mr. Thanitphong Tichaibavornphat	-	80,000.00	100,000.00	-	-	-	-	100,000.00	280,000.00
5. Mr. Sukich Charanvas	-	40,000.00	-	-	-	-	-	100,000.00	140,000.00
6. Mr. Pon Titipanichayagoon	-	80,000.00	-	-	-	-	-	100,000.00	180,000.00
7. Mr. Kittipong Charanvas	-	80,000.00	-	-	-	-	-	100,000.00	180,000.00
8. Mr. Kosit Angkasuwan	-	-	-	-	-	-	-	-	-
9. Ms. Sudarat Wiwattanadej	-	-	-	-	-	-	-	-	-
10. Ms. Kanyawan Trisaksuriyan	-	-	-	-	-	-	-	-	-
11. Mr. Nopadol Suawankareekul	-	-	-	-	-	-	-	-	-
12. Ms. Napaporn Tanangtong	-	-	-	-	-	-	-	-	-



Comparison of Director Remuneration for 2024 and 2023

Remuneration	2024		2023	
	Directors	Amount (Baht)	Directors	Amount (Baht)
Meeting Allowance	7	840,000.00	7	840,000.00
Director' s fee	7	750,000.00	7	1,200,000.00
Total		1,590,000.00		2,040,000.00

2. Other remuneration

- None -

8.1.3 Oversight of subsidiaries, associates, and joint-venture companies

- None -

8.1.4 Monitoring Compliance of Corporate Governance Policy and Guidelines

The Company emphasizes good corporate governance by establishing relevant policies and practices in its corporate governance policy and business code of conduct, and promotes their actual implementation to build confidence among all stakeholders.

Additionally, the Company monitors compliance with good corporate governance in the following four areas:

1) Prevention of Conflicts of Interest

The Company has established a policy requiring directors, executives, and employees to act in the best interests of the Company. They must disclose their own and related parties' interests regularly or whenever there is a change, enabling the board to review potential conflicts of interest before making decisions. Directors, executives, or employees with a conflict of interest in a transaction will refrain from participating in related discussions.

If any transactions involving individuals with potential or future conflicts of interest arise, the Company will disclose such information in the notes to the annual financial statements.

In 2024, there were no cases that could lead to conflicts of interest.

2) Use of Insider Information for Personal Gain

The Company prioritizes the use of insider information in accordance with good corporate governance principles. It has implemented measures to prevent misuse, including assigning specific roles for individuals with direct responsibilities and controlling access to company data in computer systems based on necessity, with password protection. The Company also enforces an internal communication policy to prevent the dissemination of business information for personal gain. Directors, executives,



and employees, as well as individuals with access to insider information, are prohibited from trading the Company's securities during a 30-day blackout period before the release of quarterly or annual financial reports, or when other insider information is made public. The restriction continues for 24 hours after the release and notification to the Stock Exchange. Additional blackout periods may be set as required. Violations are considered disciplinary offenses and will be dealt with based on the severity according to the Company's regulations.

In 2024, there were no instances of directors, executives, or employees trading securities during the Company-designated blackout periods.

- Reporting of Securities Holdings

The Company has established a policy for managing insider information and securities trading, requiring directors and executives to prepare and submit reports on their own securities holdings, as well as those of their spouses and underage children, in the format prescribed by the Securities and Exchange Commission (SEC) (electronically) within 3 business days from the date of any purchase, sale, transfer, or receipt of securities. If the Company has already provided the list of directors and executives in the system, a copy of the report must be submitted to the Company Secretary for transparency, in accordance with good corporate governance practices. A summary of the securities holdings of the Company's directors and executives is as follows:

CHARAN Shareholding of the Directors and Executives (Ordinary share)

List of Directors	March 14, 2024		March 16, 2023		Increase (Decrease) During accounting period	
	Director / Executive	Spouse / children under legal age	Director / Executive	Spouse / children under legal age	Director / Executive	Spouse / children under legal age
1. Mr. Sopon Kluaymai Na Ayudhya	-	-	-	-	-	-
2. Mrs. Poodpong Arsingsamanunta	-	-	-	-	-	-
3. Mr. Vorayuth Charoenloet	200	-	200	-	-	-
4. Mr. Thanitphong Pichaibavornphat	-	-	-	-	-	-
5. Mr. Sukich Charanvas	2,187,644	467,200	2,187,644	467,200	-	-
6. Mr. Pon Titipanichayangoon	150,000	8,000	150,000	8,000	-	-
7. Mr. Kittipong Charanvas	739,800	-	739,800	-	-	-
8. Mr. Kitti Charanvas	692,200	-	692,200	-	-	-
9. Mr. Kosit Angkasuwan	-	-	-	-	-	-

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CHARAN Shareholding of the Directors and Executives (Ordinary share)

List of Directors	March 14, 2024		March 16, 2023		Increase (Decrease) During accounting period	
	Director / Executive	Spouse / children under legal age	Director / Executive	Spouse / children under legal age	Director / Executive	Spouse / children under legal age
10. Mr. Wisith Limcharoensuk	4,000	-	4,000	-	-	-
11. Mrs. Pattama Trakarnaiem	-	-	-	-	-	-
12. Ms. Punrada Ayucharoenkul	-	-	-	-	-	-
13. Ms. Sudarat Wiwattanadej	1,000	-	1,000	-	-	-
14. Ms. Kanyawan Trisaksuriyan	1,000	-	1,000	-	-	-
15. Mr. Nopadol Suwankareekul	-	-	-	-	-	-
16. Ms. .Siraya Chindasri	-	-	-	-	-	-
17. Mrs. Promporn Lamdabpang	-	-	-	-	-	-

- Reporting of Stakeholder Interests

The Company has established guidelines for reporting stakeholder interests. Directors and executives must report their own interests or those of related persons concerning the Company's business operations. The initial report must be submitted by the 15th of the following month after the interest arises. In case of changes, reports must be updated without delay within 3 business days, specifying the revision number. All reports must be submitted to the Company Secretary immediately or within the specified timeframe. The Company Secretary will forward the reports to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date of receipt.



3) Anti-Corruption

The Company prioritizes fair and transparent business operations, recognizing corruption as a major obstacle to economic and social development. Corruption undermines business integrity, damages the Company's reputation and stability, and may result in loss of societal trust. To address this, the Company has implemented an anti-corruption policy requiring strict adherence by all directors, executives, employees, and stakeholders.

The Company conducts regular corruption risk assessments. The Risk Management Working Group performs initial evaluations, while the Risk Management Committee is responsible for analyzing, monitoring, controlling, and maintaining risks within acceptable levels, reporting findings to the Board of Directors. Additionally, the Internal Audit Office reviews, evaluates, and monitors corruption risks in the execution of duties, complementing organizational-level risk assessments.

Guidelines for Preventing Fraud and Corruption

- (1) The Company has established a written Code of Business Conduct to promote adherence as a preventive measure. Organizational structures are designed to align with objectives, employing principles such as segregation of duties, power balance, and ethical emphasis. Communication channels include suggestion boxes, the Company's website, and other platforms. Plans are in place to monitor and evaluate compliance with the Code appropriately.
- (2) Each department head oversees their unit by evaluating internal operations to reduce fraud risks. Effective internal controls are implemented to address potential vulnerabilities, with regular reviews to improve processes and prevent errors. Continuous monitoring is conducted to manage operational risks effectively.
- (3) The Company collaborates with internal auditors to verify compliance with established policies, assess fraud risks, and monitor warning signs. Internal controls are evaluated to ensure their sufficiency in preventing and detecting fraud. Reports are submitted to the Audit Committee at least quarterly.
- (4) Reporting channels are provided for fraud and corruption cases, with protective measures for whistleblowers, complainants, and those cooperating in investigations. *Details are outlined in the "Whistleblowing and Protection Mechanism."*
- (5) In the event of a confirmed violation, a temporary investigation committee is formed to ensure fairness for the accused and provide appropriate protection to informants.



- (6) Confirmed misconduct cases are analyzed as case studies to develop preventive measures and establish robust detection methods to prevent recurrence.

Monitoring and Evaluation of Anti-Corruption Policy Compliance

- (1) The Internal Audit Department is tasked with auditing and reviewing the internal control systems and operations to ensure compliance with policies, procedures, powers of operation, regulations, laws, and regulatory requirements. This is done to ensure that the internal controls are appropriate and sufficient to address corruption risks. The department is responsible for reviewing the compliance with the anti-corruption policy and reporting the results to the Audit Committee.
- (2) The Risk Management Committee is responsible for overseeing risk management to ensure a systematic, efficient, and optimal approach aligned with the Company's strategic plan and risk management policy. The committee reports its findings to the Board of Directors.
- (3) The Company regularly reviews the operational guidelines and requirements for implementing the anti-corruption policy to ensure alignment with changes in regulations, legal requirements, and business changes.

Policy on Anti-Money Laundering and Combating the Financing of Terrorism

The Company, as a financial institution, must comply with laws related to anti-money laundering, counter-terrorism financing, and the prevention of weapons proliferation under the Anti-Money Laundering and Counter-Terrorism Financing Act, B.E. 2559. While the Company faces low risks of money laundering or criminal involvement, it may still inadvertently be used for such activities, such as when customers use illicit proceeds to pay insurance premiums or insure assets linked to crimes. Therefore, the Company requires customers to verify their identities and information before transactions and has established policies to ensure legal compliance.

- (1) The Company has a policy with a strong commitment to preventing and combating money laundering and counter-terrorism financing, including the establishment of responsibilities and ethical standards for compliance with anti-money laundering laws and international standards.
- (2) The Company has established a policy for risk assessment and management in accordance with anti-money laundering laws and regulations on preventing and combating terrorism financing and the proliferation of weapons of mass destruction.
- (3) The Company has a policy for accepting customers or conducting transactions with customers, agents, brokers, partners, and intermediaries, both domestic and international, who have business relationships with the Company. Customer information is collected to verify and identify



the customer, and customer details are checked against risk lists defined by the law. This ensures that customers are not used as tools or intermediaries for money laundering or terrorism financing.

- (4) The Company has a policy for due diligence to verify customer information against various databases and to monitor transactions that raise suspicion, reporting to the AMLO under the conditions and regulations of anti-money laundering laws and relevant regulations.

In addition, the Company cross-references customer names with high-risk individuals and entities as identified by the AMLO through an electronic system before carrying out any transactions. This emphasizes the importance of this issue, and the Company provides training on anti-money laundering laws, counter-terrorism financing, and the prevention of weapons of mass destruction proliferation to its employees and management.

- (5) The Company regularly reviews its practices and compliance with anti-corruption policies to align with changes in regulations, legal requirements, and the evolving business environment.

4) Whistleblowing

Whistleblowing and Protection Mechanism

The Company has a policy to protect all stakeholders by establishing whistleblowing measures and ensuring the confidentiality of the whistleblower's identity, the person being reported, and any involved parties. Information will only be disclosed to authorized individuals, when necessary, with careful consideration of the safety and protection of those involved. The secretary is responsible for receiving complaints, compiling them, and submitting them to the Audit Committee for further review.

Whistleblowers can report concerns directly through the following channels:

Address: Charan Insurance Public Company Limited

408/1 Charan Insurance Building, Rachadapisek Road,
Samsen-Nok Sub-district, Huaykwang District, Bangkok 10310

Email: charanins@charaninsurance.co.th

Website: www.charaninsurance.co.th

Tel: 0-2276-1024 Cont. 207

Fax: 0-2275-4919

For employees who observe potential violations or unethical conduct that may affect other employees or stakeholders, they can report concerns to their direct supervisors, except when the issue involves the supervisor, in which case the report should be made directly to the Company secretary. The Company has a process for handling employee complaints, providing protection for whistleblowers,



and conducting investigations to ensure fairness for all parties. The investigation will determine whether the complaint involves misconduct and the severity of the offense to decide the appropriate disciplinary actions. The details of the case will be reviewed accordingly.

In 2024, no reports or complaints related to corruption or violations of the Company's corporate governance policies were received.

8.2 Report on the Audit Committee's performance during the past year

8.2.1 Number of meetings and attendance of the individual Audit Committee

As shown in No. 8.1.2

8.2.2 Performance of the Audit Committee

The Audit Committee oversees the performance of the internal auditor and regularly reviews the adequacy and effectiveness of the Company's internal control system on an annual basis. This includes activities such as reviewing financial statements, selecting auditors and determining their remuneration, reviewing audit operations for fraud detection, and ensuring compliance with the Company's policies, regulations, and governmental requirements. The Committee reports its findings to the Board of Directors for acknowledgment. *Detailed reports on the Audit Committee's performance are provided in Attachment 6.1.*

The scope, duties, and responsibilities of the Audit Committee are outlined in No. 7.3 Sub-Committees

8.3 Report on the Sub-Committee's Performance

8.3.1 Number of meetings and attendance of individual committees

As shown in No. 8.1.2 Meeting Attendance and Remuneration of Individual Directors for the year 2024

8.3.2 The results of the performance of the sub-committees assigned by the Board of Directors

As shown in No. 7.3 Sub-Committees



9. Internal Control and Connected Transactions

9.1 Internal Control

The Board of Directors is responsible for the internal control system, which will be continually reviewed and monitored to improve efficiency and reduce risks in business operations within a changing environment, both internally and externally. Managing the internal control system is a key focus for the Board, which ensures that all departments within the Company cooperate and are aware of the importance of internal controls across all areas, including resource management, accounting and finance, human resources, procurement, information technology, and compliance with laws, in order to reduce the risk of legal violations that may lead to civil or criminal lawsuits. The Company has implemented the following procedures:

- (1) The Company has structured its organization to align with its operations and defined clear authority and responsibilities to ensure efficiency. This includes the establishment of the Board of Directors, which is responsible for setting policies and overseeing management, as well as subcommittees such as the Audit Committee, Executive Committee, Investment Committee, Risk Committee, and Product Governance Committee, which delegate tasks to the appropriate departments. The Board has an appropriate and sufficient number of members, ensuring a balanced internal control system between the Board and departments, and overseeing risk management effectively.
- (2) The Board of Directors has assigned the three-member Audit Committee to oversee and assess the adequacy and appropriateness of the Company's internal control system, given the ever-changing business environment. The committee reports its findings to the Board of Directors.

Each year, the Audit Committee holds regular meetings with the Company's external auditor, Forvis Mazars Company Limited, and the internal auditor, Thirty-Four Audit Office Co., Ltd, at least once per quarter. These meetings serve to monitor and review the Company's internal control system. In the past year, the committee received confirmation that no significant deficiencies were identified in the Company's internal controls, except for a few minor issues that have since been addressed by the responsible units. The Audit Committee's report is detailed in **Attachment 6.1**.

At the departmental level, the Company has implemented a self-assessment control system, which is conducted annually. This process ensures the continuous review and improvement of operational procedures, enhancing internal control effectiveness and fostering ongoing development.



- (3) To ensure organizational sustainability, the Company promotes a corporate culture by using personnel as role models and encouraging training on ethics and the code of conduct. The Board ensures that the Internal Audit department operates independently and ethically.

The Board of Directors ensures that the internal audit function operates independently and adheres to high ethical standards. The Company has appointed Thirty-Four Audit Office Co., Ltd as its internal auditor, with Mr. Silpachai Raksapol, a Certified Public Accountant, serving as the principal auditor. The Audit Committee has reviewed the qualifications of Thirty-Four Audit Office Co., Ltd and Mr. Silpachai Raksapol and has determined that they are suitably qualified for this role. Mr. Silpachai possesses extensive experience, having worked in internal audit for the insurance industry and related sectors for 46 years. He has also undergone relevant training programs conducted by the Revenue Department, the Ministry of Commerce, the Office of Insurance Commission, professional institutions, and the Cooperative Auditing Department.

The appointment, removal, or approval of the Company's internal audit unit requires authorization or consent from the Audit Committee. The qualifications of the Head of Internal Audit are detailed in **Attachment 3**.

Additionally, the Company has appointed Mr. Sornchai Kaewrakmuk as Head of Compliance, responsible for overseeing the Company's adherence to regulatory requirements. The qualifications of the Head of Compliance are also provided in **Attachment 3**.

9.2 Connected Transaction

For the year ended December 31, 2024, the Company had no connected transaction. In the event of future transactions with directors, executives, employees, or related persons, the Board of Directors has established that such transactions must comply with the criteria, procedures, and disclosure requirements as prescribed by law or regulatory authorities. These transactions must be conducted at market prices and under normal commercial terms (fair and at arm's length). Furthermore, any directors, executives, employees, or related persons with a conflict of interest in such transactions shall not participate in the approval process. The Audit Committee will review and assess the reasonableness of these transactions and present them to the Board of Directors for approval, in compliance with the rules and announcements of the Stock Exchange of Thailand.



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(แบบ 56-1 One Report)

Section 3

Financial Statements



Statement of Directors' Responsibility in Respect of Financial Report

CHARAN INSURANCE PUBLIC COMPANY LIMITED

The Board of Directors of Charan Insurance Public Company Limited is responsible for the Company's financial statements and financial information presented in the Annual Registration Statement/Annual Report (Form 56-1 One Report). The financial statements for the year ended December 31, 2024, have been prepared in accordance with generally accepted accounting standards in Thailand, utilizing appropriate and consistently applied accounting policies. The preparation process incorporates prudent and reasonable judgment, along with the disclosure of significant information regarding accounting policies and preparation criteria in the notes to the financial statements. These measures ensure that the financial position and performance are accurately and transparently reflected, providing value to shareholders and investors. The financial statements have been audited and received an unqualified opinion from an independent certified public accountant.

The Board of Directors has established adequate and effective internal control, risk management, internal audit, and corporate governance systems. These measures provide reasonable assurance that accounting records are accurate, complete, and reliable, safeguarding the Company's assets and preventing material fraud or irregularities. The systems also ensure compliance with applicable laws and regulations. The Audit Committee has reported its performance and provided its opinion on these matters in the Audit Committee Report, which is included in this Annual Registration Statement/Annual Report (Form 56-1 One Report).

The Board of Directors concludes that the Company's overall internal control system is appropriate and sufficient to provide confidence that the financial statements of Charan Insurance Public Company Limited as of December 31, 2024, fairly present the Company's financial position, operating results, and cash flows in all material respects.

(Sign)

(Mr. Sopon Kluaymai Na Ayudhya)

Chairman of the Board

(Sign)

(Mr. Sukich Charanvas)

Managing Director



Independent Auditor's Report

to the Shareholders and Board of Directors

Charan Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements of Charan Insurance Public Company Limited ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the related income statements, statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Charan Insurance Public Company Limited as at 31 December 2024, and 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 including Independence Standard issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw your attention to note 4 of the financial statements, the Company has retrospectively corrected errors in the accounting records of the financial statements for the years ended 31 December 2023 and 2022 because the Company had understated reinsurance assets and overstated the employee benefit obligations, which led to the related accounts, including reinsurance assets and unappropriated retained earnings understated and deferred tax assets and employee benefits obligations overstated. These adjustments are related to the overstatement and understatement of accounts as described follow.



1. Reinsurance assets as at 31 December 2023 and 2022 were understated amounting to Baht 3.22 million and Baht 3.11 million, respectively.
2. Deferred tax assets as at 31 December 2023 and 2022 were overstated amounting to Baht 0.75 million and Baht 1.14 million, respectively.
3. Employee benefits obligations as at 31 December 2023 and 2022 were overstated amounting to Baht 0.53 million and Baht 2.58 million, respectively
4. Unappropriated retained earnings as at 31 December 2023 and 2022 were understated amounting to Baht 3.00 million and Baht 4.55 million, respectively.
5. Net insurance claims expenses and operating expenses for the year ended 31 December 2023 were overstated amounting to Baht 0.11 million and Baht 0.38 million, respectively, and income tax expenses was understated amounting to Baht 0.10 million.

Accordingly, my opinion in respect of this matter is not modified.

Key audit matters

Key audit matters are those matters that, in my professional judgment, 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.

Key audit matters	How my audit addressed the key audit matters
<p>Gross written premiums</p> <p>Refer to note 3.17 of the financial statements (Summary of material accounting policies)</p> <p>The Company had gross written premiums amounting to Baht 419.93 million, representing 88.02% of total revenues before premium ceded to reinsurers which are insurance from retail customers and there were a large number of insurance policies written which requires the processing by information and technology (IT) systems. Hence, I focused on</p>	<p>My key audit procedures in relation to gross written premiums included the following:</p> <ul style="list-style-type: none">• Obtained an understanding and tested internal control system relating to operation procedure, insurance policy issuance, recording data in information and technology systems (IT) and recording of gross written premiums account.• Performed sampling test internal control of information and technology system (IT) relating to insurance premium sales, insurance premium calculation and gross written premiums recognition.



Key audit matters	How my audit addressed the key audit matters
<p>examining whether gross written premiums are correctly recorded as incurred.</p>	<ul style="list-style-type: none">• Performed sampling test of insurance policy in order to examine gross written premiums is recognised in accordance with condition indicated in insurance accounting policy and policy of the Company.• Performed analytical review procedure of gross written premiums account recognised in the accounting period and sampling test of recording of gross written premiums made through journal voucher.• Reviewed insurance policy data and endorsed insurance policy before reporting period, which are recognised as revenue of the Company, and after reporting period.
<p>Valuation of loss reserves for reported claims by policyholders</p> <p>Refer to note 3.13 of the financial statements (Summary of material accounting policies) and note to the financial statements 19</p> <p>Loss reserves for reported claims by policyholders, which were recorded as a part of “Insurance contract liabilities”, were made upon the receipt of a claim from the insured for the amount reported. The Company uses surveyors to assess case reserves of claims and consider case reserves for each claim, and management records the claim liabilities based on the surveyors’ reports.</p>	<p>My key audit procedures in relation to the loss reserves for reported claims by policyholders included the following:</p> <ul style="list-style-type: none">• Obtained an understanding, evaluated and tested the design effectiveness and implementation of key controls for the claim report, claim handling, and claim reserves and claim payables setting processes. I inquired with management about the methodologies and assumptions used in the estimations by the actuary. I also examined evidence of the key accounting controls over the valuation of loss reserves for reported claims by policyholders and approval by an authorised person.



Key audit matters	How my audit addressed the key audit matters
<p>As at 31 December 2024, the outstanding balance of loss reserves for reported claims by policyholders was Baht 97.74 million (equivalent to 20.72% of total liabilities).</p> <p>I focused on the valuation of loss reserves for reported claims by policyholders, as this is calculated by the management. Key assumptions used in the calculation are based on historical data and involve a high degree of judgment by the management.</p>	<ul style="list-style-type: none">• Obtained an understanding of the controls used when assessing and approving the qualifications of the surveyors and obtained evidence of approval for the surveyor as audit evidence.• Checked samples of claim reserves from the core insurance system by comparing the estimated amount of the claim reserve to the related supporting documentation, such as the surveyor's reports and relevant documentation. Based on the samples, I did not find any significant difference between the claim reserves and the surveyors' report.• Tested reconciliations between the claim data recorded in the claim module of the core insurance system and the reserves recorded in the accounts. I tested claim payables and claim reserves which had a significant effect on profit and loss by checking claim payables against the surveyors' reports and claim payment documentation and claim reserves against the related surveyors' report. Based on the samples tested, I did not find any significant differences between the surveyors' reports and the records.• Assessed the sufficiency of disclosure according to financial reporting standards.



Key audit matters	How my audit addressed the key audit matters
<p>Valuation of losses incurred but not reported claim (IBNR)</p> <p>Refer to note 3.13 of the financial statements (Summary of material accounting policies) and note to the financial statements 19</p> <p>Losses incurred but not reported claims (IBNR), which were recorded as a part of “Insurance contract liabilities” was calculated using an actuarial method based on a best estimate of claims which were expected to be paid in respect of losses occurring before or as at the date of the statement of financial position. The value of claims related to IBNR is calculated for both reported and unreported losses, and net of recorded claims.</p> <p>As at 31 December 2024, the outstanding balance of the losses incurred but not reported claims was Baht 33.57 million (equivalent to 7.12% of total liabilities).</p> <p>I focused on the valuation of the losses incurred but not reported claims, as this relied on the quality of data and assumption used. It involved complex and subjective judgments about future events, incurred claim development and claim payment from experience and selection of appropriate assumptions for estimating ultimate claims cost, for which small changes in assumptions can have a material effect on the estimate.</p>	<p>My key audit procedures in relation to the losses incurred but not reported claims (IBNR) included the following:</p> <ul style="list-style-type: none">• Obtained an understanding of the process to estimate the losses incurred but not reported claims and actuarial reserve methods. I also tested the control over claims handling and case reserve-setting processes.• Tested reconciliations between the claim data recorded in the claim module in the core insurance system and the data used in the actuarial reserve calculations as at the reporting date. I also performed analytical procedures on the frequency of claims, the size of loss incurred, and the average loss per claim.• Evaluated whether the Company's actuarial methodologies were consistent with those used in the industry and the prior year. Obtained an understanding of the assumptions involved when determining the valuation of reserves. I evaluated the reasonableness of management's significant assumptions by comparing weighted average ultimate loss ratios in the past with the expected loss ratio used by the Company's actuary and investigated any significant differences. I also tested the calculation of the loss development factor based on the Company's historical claim data.



Key audit matters	How my audit addressed the key audit matters
	<ul style="list-style-type: none">• Evaluated the competence, capabilities, and objectivity of the actuary, who is management's expert.• Engaged my actuary, who is a specialist in case reserve assessment, to carry out an assessment of the assumptions and methodologies used by the Company's actuary in comparison with the prior year. My actuary tested the calculation of important assumptions and the losses incurred but not reported claims. Based on this work, I concluded that the best estimate of gross and net claim reserves falls within the expected range, in aggregate, and is acceptable.• Assessed the sufficiency of disclosure according to financial reporting standards.
<p>Valuation of deferred tax assets</p> <p>Refer to note 3.19 of the financial statements (Summary of material accounting policies) and note to the financial statements 17</p> <p>A deferred tax asset is recognised when it is highly probable that the Company's taxable profit will be sufficient to allow utilisation of the deferred tax in the future.</p> <p>As at 31 December 2024, the outstanding balance of deferred tax assets was Baht 41.76 million (equivalent to 4.18% of total assets).</p>	<p>My key audit procedures in relation to the deferred tax assets included the following:</p> <ul style="list-style-type: none">• Checked information from internal sources and key economic assumptions that directly affect revenue growth and profit before tax expenses.• Analysed and compared past taxable profit projections with actual taxable profits to assess the exercise of management judgment in estimating taxable profits.• Tested the calculation of future taxable profit based on the above information and assumptions.



Key audit matters	How my audit addressed the key audit matters
I focused on the valuation of deferred tax assets to determine whether there will be sufficient future taxable profit to utilise temporary differences or taxable losses requires significant management judgment with respect to preparation of business plans and projections of future taxable profit based on approved business plans. Therefore, there is a risk with respect to the amount of deferred tax assets.	<ul style="list-style-type: none">Assessed the sufficiency of disclosure according to financial reporting standards.

Other matter

The financial statements of the Company for the year ended 31 December 2023 (before restated), which were presented as comparative figure, were audited by another auditor who expressed an unmodified opinion on those statements, on the report dated 21 February 2024.

Other information

Management is responsible for the other information. The other information comprises the annual report of the company but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will 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 identified above when it becomes available 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.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.



Responsibilities of the 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 judgment 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, actions taken to eliminate threat or safeguards applied.

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.

Tippawan Pumbansao

Certified Public Accountant (Thailand) No. 9552

Forvis Mazars Ltd.

25 February 2025



Statements of Financial Position

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)	January 1, 2023 (Restated)
Cash and cash equivalents	7	85,976,143	38,418,107	30,395,289
Premium due and uncollected	8	33,600,275	36,842,990	25,908,819
Accrued investment income		3,548,734	3,754,258	3,303,360
Reinsurance assets	4,9	60,658,050	60,273,105	47,507,810
Reinsurance receivables	10	25,576,893	15,421,863	19,209,492
Investments assets				
Investments in securities	11	683,714,576	671,735,924	762,503,191
Loans and interest receivables	12	3,469,912	2,758,790	3,463,821
Investment property	13	16,000,001	-	-
Property, plant and equipment	14	15,623,092	42,212,001	42,128,853
Intangible assets	15	5	5	5
Non-operating assets	16	12,009,701	-	-
Deferred tax assets	4, 17	41,763,756	31,586,691	26,240,172
Other assets	18	16,588,818	15,717,851	21,327,089
Total assets		998,529,956	918,721,585	981,987,901



Statements of Financial Position (Continued)

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)	January 1, 2023 (Restated)
Liabilities				
Insurance contract liabilities	19	363,821,964	268,261,034	293,938,399
Due to reinsurers	20	62,277,641	46,853,535	47,517,111
Income tax payables		2,942,277	2,079,266	7,161,567
Employee benefits obligations	4, 21	8,308,202	8,124,552	7,168,418
Deferred tax liabilities	17	-	1,528,626	11,518,955
Other liabilities				
Advance premium		8,077,654	9,549,293	8,454,649
Others	22	26,300,389	19,933,223	18,529,898
Total liabilities		471,728,127	356,329,529	394,288,997



Statements of Financial Position (Continued)

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)	January 1, 2023 (Restated)
Equity				
Share capital				
- Authorized share capital				
12,000,000 ordinary shares of Baht 10 each		120,000,000	120,000,000	120,000,000
- Issued and paid-up share capital				
12,000,000 ordinary shares of Baht 10 each		120,000,000	120,000,000	120,000,000
Share premium on ordinary shares		258,000,000	258,000,000	258,000,000
Retained earnings				
- Appropriated				
Legal reserve	23	12,000,000	12,000,000	12,000,000
- Unappropriated	4	143,960,994	163,195,497	163,195,497
Other components of equity - net		(7,159,165)	6,114,504	34,503,407
Total equity		526,801,829	562,392,056	587,698,904
Total liabilities and equity		998,529,956	918,721,585	981,987,901



Statements of Comprehensive Income

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)
Revenues			
Gross written premiums		419,925,129	301,619,047
Less premiums ceded to reinsurers		(83,312,163)	(78,096,126)
Net written premiums		336,612,966	223,522,921
Add (less) unearned premium reserves (increase) decrease			
from prior period		(71,163,729)	36,401,867
Net earned premiums		265,449,237	259,924,788
Fee and brokerage incomes		33,629,791	31,458,564
Net investment income		21,126,695	18,785,557
Other income		2,384,066	1,050,467
Total revenues		322,589,789	311,219,376



Statements of Comprehensive Income (Continued)

Charan Insurance Public Company Limited
As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)
Expenses			
Insurance claims	4	125,170,355	144,736,903
Less claims recovered from reinsurers	4	(11,349,527)	(21,078,843)
Net insurance claims expenses	4	113,820,828	123,658,060
Commissions and brokerage expenses		62,489,608	47,366,037
Other underwriting expenses		117,117,801	68,296,137
Operating expenses	4, 25	48,033,238	43,911,066
Reversal of expected credit losses	26	(7,962,660)	(2,784,380)
Total expenses		333,498,815	280,446,920
Profit (loss) before income tax		(10,909,026)	30,772,456
Income tax benefits (expenses)	4, 17	3,773,811	(3,406,737)
Profit (loss) for the year	4	(7,135,215)	27,365,719



Statements of Comprehensive Income (Continued)

Charan Insurance Public Company Limited
As at December 31, 2024

(Unit: Baht)

	Note	December 31, 2024	December 31, 2023 (Restated)
Profit (loss) for the year		(7,135,215)	27,365,719
Other comprehensive income (loss)			
Items that will be reclassified subsequently to profit or loss			
Loss on revaluation of investments measured at			
fair value through other comprehensive income		(16,592,086)	(35,486,129)
Income tax relating to items that will be reclassified			
subsequently to profit or loss		3,318,417	7,097,226
Items that will not be reclassified subsequently to profit or loss			
Loss on remeasurement of employee benefits obligations	4	(226,679)	(354,580)
Income tax relating to items that will not be reclassified			
subsequently to profit or loss	4	45,336	70,916
Other comprehensive loss for the year - net of tax	4	(13,455,012)	(28,672,567)
Total comprehensive loss for the year	4	(20,590,227)	(1,306,848)
Earnings (loss) per share			
Basic earnings (loss) per share	4, 37	(0.59)	2.28

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Statement of Changes in Equity

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity	Total equity
				Appropriated - Legal reserve	Unappropriated	Gain (loss) on revaluation of investments - net of tax	
Balance as at 1 January 2023 (As previously reported)		120,000,000	258,000,000	12,000,000	158,646,690	34,503,407	583,150,097
Cumulative effect from error corrections		-	-	-	4,548,807	-	4,548,807
Balance as at 1 January 2023 (as restated)		120,000,000	258,000,000	12,000,000	163,195,497	34,503,407	587,698,904
Profit for the year (Restated)		-	-	-	27,365,719	-	27,365,719
Dividend paid		-	-	-	(24,000,000)	-	(24,000,000)
Other comprehensive loss for the year		-	-	-	(283,664)	(28,388,903)	(28,672,567)
Total comprehensive income (loss) for the year		-	-	-	3,082,055	(28,388,903)	(25,306,848)
Balance as at 31 December 2023 (as restated)		120,000,000	258,000,000	12,000,000	166,277,552	6,114,504	562,392,056
Loss for the year		-	-	-	(7,135,215)	-	(7,135,215)
Dividend paid		-	-	-	(15,000,000)	-	(15,000,000)
Other comprehensive loss for the year		-	-	-	(181,343)	(13,273,669)	(13,455,012)
Total comprehensive loss for the year		-	-	-	(22,316,558)	(13,273,669)	(35,590,227)
Balance as at 31 December 2024		120,000,000	258,000,000	12,000,000	143,960,994	(7,159,165)	526,801,829



Statement of Cash Flows

Charan Insurance Public Company Limited

As at December 31, 2024

(Unit: Baht)

	December 31, 2024	December 31, 2023
Cash flows provided by operating activities		
Direct premium received	419,281,254	288,233,045
Cash paid for reinsurance	(27,690,593)	(72,420,892)
Interest income	13,585,017	11,889,926
Dividend income	7,733,713	6,441,819
Other income	2,384,066	1,050,467
Direct insurance claims	(105,244,015)	(124,168,830)
Commissions and brokerages expenses	(62,726,325)	(14,442,808)
Other underwriting expenses	(117,117,801)	(68,296,137)
Operating expenses	(40,888,282)	(37,934,032)
Income tax paid	(3,750,452)	(16,657,744)
Employee benefits paid	(594,000)	-
Cash received - financial assets	258,094,052	252,414,254
Cash paid - financial assets	(278,800,000)	(193,766,264)
Net cash provided by operating activities	64,266,634	32,342,804
Cash flows used in investing activities		
Payment for equipment	(1,708,598)	(319,986)
Net cash used in investing activities	(1,708,598)	(319,986)
Cash flows used in financing activities		
Dividend paid	(15,000,000)	(24,000,000)
Net increase in cash and cash equivalents	(15,000,000)	(24,000,000)
Cash and cash equivalents at 1 January	47,558,036	8,022,818
Cash and cash equivalents at 31 December	38,418,107	30,395,289
Net increase in cash and cash equivalents	85,976,143	38,418,107



Notes to the Financial Statement

Charan Insurance Public Company Limited

As at December 31, 2024

1. General information

Charan Insurance Public Company Limited ("the Company") was incorporated as a public limited company on 15 March 1994. The registered office address of the Company is located at 408/1 Ratchadapisak Road, Samsennok, Huaykwang, Bangkok, and the branch office is located at 377/1 - 3 Moo. 12, Mittraphap Road, Mueang Kao, Mueang Khon Kaen, Khon Kaen.

The principal business of the Company is the provision of non-life insurance.

2. Basis for preparation of financial statements

2.1 The financial statements are prepared in Thai Baht and in the Thai Financial Reporting Standards, including accounting practices issued by the Federation of Accounting Professions, relevant regulations, and announcements by the Securities and Exchange Commission. Additionally, the financial statements have been prepared in compliance with the Notification of the Office of Insurance Commission entitled "Principles, Methodology, Conditions, and Timing for the Preparation and Submission of Financial Statements by Non-Life Insurance Companies 2023" dated 8 February 2023.

2.2 The financial statements have been prepared on the historical cost basis, except as disclosed in the notes to the financial statements.

For the convenience of the readers, the Company has prepared an English version of the financial statements, which is translated from the Thai version. The English version is presented solely for domestic financial reporting purposes.

2.3 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024

During the year, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and



terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2.3.1 Amendment to TAS 1 - Presentation of financial statements

Revised the disclosure from “significant accounting policies” to “material accounting policies”. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

2.3.2 Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors

Revised to the definition of ‘accounting estimates’ to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

2.3.3 Amendments to TAS 12 - Income taxes

1. Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.



2. Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE' to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 – income taxes provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the Pillar two legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

However, the Company's management assessed that the above-mentioned standard does not impact the Company since the Company does not operate in many jurisdictions.

2.3.4 Amendment to Accounting Guidance related to financial instruments and disclosures applicable to insurance business

Revised the disclosures in 'material accounting policies' to align with Amendment to TAS 1 - Presentation of financial statements.



2.4 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. 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.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements, except for impact from adoption of financial reporting standard TFRS 17 Insurance Contracts, which will supersede TFRS 4 Insurance Contracts, TFRS 9 Financial Instruments (Revised 2023) and TFRS 7 Financial Instruments: Disclosures, which will supersede Thai Accounting Guidance related to financial instruments and disclosures applicable to insurance business (Thai Accounting Guidance). These will be adopted for the first time concurrently and will come into effect for the fiscal year beginning on or after 1 January 2025, with the following key changes summarised.

TFRS 17 Insurance Contracts

This financial reporting standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. An entity shall recognise a group of insurance contracts it issues from the earliest of the beginning of the coverage period of the group of contracts, the date when the first payment from a policyholder in the group becomes due. For a group of onerous contracts, these contracts will recognise when the group becomes onerous.

Upon initial recognition, this standard requires the adoption of the General Measurement Model, the Variable Fee Approach, or Premium Allocation Approach if contracts meet certain requirements under this standard. In measuring value by the General Measurement Model, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The fulfilment cash flows represent the estimates of future cash flows, which arise from substantive rights and obligations that exist during the reporting period, and a risk adjustment for non-financial risk. The contractual service margin represents the unearned profit that the entity will recognise as it provides insurance contract services in the future. In addition, this standard requires the entity to present and disclose more information related both qualitative and quantitative information.

**TFRS 9 Financial Instruments (Revised 2023) and TFRS 7 Financial Instruments: Disclosures**

These financial reporting standards establish principles for the classification and measurement of financial instruments at either fair value or amortised cost, taking into account the type of financial instrument, the characteristics of the contractual cash flows, and the business model of the entity based on the facts and circumstances that exist at the date of initial application of the financial reporting standards. Financial assets are classified as measured at amortised cost, at fair value through profit or loss, and at fair value through other comprehensive income. The standards set out principles for calculating the impairment of financial instruments using the concept of expected credit losses, and principles for hedge accounting, including the presentation and disclosure of financial instruments. When these groups of financial reporting standards come into effect, they will replace the current accounting practices for financial instruments and disclosures for the insurance business, which are currently in force.

This accounting guidance has some differences from TFRS 9, with the significant differences being described below.

- The classification of financial asset transactions is primarily classified as held for trading, available for sale, debt instruments held to maturity, and loans and receivables, with no requirement to take into account the assessment of the Company's business model and the characteristics of the contractual cash flow.
- The recognition of impairment losses and gains or losses on the derecognition of equity instruments classified as available for sale is recognised in the profit or loss section.

In adopting these financial reporting standards, the Company will recognise the cumulative effect of initially applying these standards by adjusting it against retained earnings or other components of equity as of 1 January 2025 and will not restate the prior year's financial statements presented herein for comparative purposes.

Amendments to TAS 1 Presentation of Financial Statements

It clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting period (for example, the receipt of a waiver or a breach of covenant).



Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the entity must only comply with the covenants after the reporting period. However, if the entity must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting period. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Amendments to TFRS 16 Leases

It added to the requirements for sale and leaseback transactions which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact on sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

**Amendments to TAS 7 Statement of cash flows and TFRS 7 Financial instruments: Disclosures**

It requires specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

To meet investors' needs, the new disclosures will provide information about:

- (1) The terms and conditions of SFAs.
- (2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- (5) Non-cash changes in the carrying amounts of financial liabilities in (2).
- (6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

The Company's management will implement the relevant financial reporting standards for the Company's financial statements when the standards become effective. The management is currently assessing the potential impact of the new financial reporting standard on the Company's financial statements for the accounting period in which it will be adopted.

3. Summary of material accounting policies**3.1 Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and deposit at financial institutions and short-term investment with high liquidity with an original maturity of 3 months or less and not subject to withdrawal restrictions

3.2 Financial assets**(a) Classification and measurement**

The Company shall classify financial assets as trading securities, available-for-sales securities, held-to-maturity securities, and loans and receivables, without considering the business model assessment and the characteristics of the contractual cash flows.



(b) Investments in Securities

Investments in available-for-sale securities are presented at fair value. Changes in the fair value of securities are recorded in other comprehensive income and will be recognised in profit or loss when the securities are sold.

Investments in held-to-maturity securities are presented at amortised cost. The Company amortises any premium or discounts on debt securities using the effective interest rate method, and the amortisation is recognised as an adjustment to interest income. Debt instruments are classified as held-to-maturity investments when the Company has both the intent and the ability to hold them until maturity.

Investments in equity instruments that are not marketable (non-listed companies) are presented at fair value and classified as available-for-sales securities, measured at fair value through other comprehensive income. Gains or losses from changes in fair value are recognised in other comprehensive income.

The fair value of marketable securities is calculated based on the last bid price at the end of the last trading day of the year on the Stock Exchange of Thailand. The fair value of debt instruments is calculated using the yield rates published by the Thai Bond Market Association. The fair value of mutual fund units is calculated based on the net asset value (NAV) of the fund, and the fair value of unlisted equity instruments is determined using generally accepted fair value estimation methods.

The Company uses the weighted-average method to calculate the cost of investments.

In the case of transferring an investment from one category to another, the Company will adjust the investment's value to its fair value on the transfer date. The difference between the carrying value and fair value at the transfer date will be recognised as either a gain or loss in the profit or loss section, or as a change in equity, depending on the type of investment transferred.

When an investment is sold, the difference between the net proceeds received and the cost of the investment will be recorded as a gain or loss.

Impairment losses on investments in equity instruments classified as available-for-sales securities are recognised in profit or loss when there is evidence that the securities are impaired. This is determined



based on evidence that the investment cost may not be recoverable and there is a significant or prolonged decline in the fair value of the investment below its cost.

The expected credit losses and impairment losses (if any) are recognised as expenses in income statement.

3.3 *Premium due and uncollected and allowance for doubtful accounts*

Premium due and uncollected is carried at its net realisable value. The Company sets up an allowance for doubtful accounts based on the estimated loss that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging and current status of the premium due as at the statements of financial position date.

3.4 *Reinsurance assets*

Reinsurance assets are stated at the amounts of insurance reserve refundable from reinsurers which is estimated based on the related reinsurance contract of premium reserve, loss reserve and outstanding claims in accordance with the law regarding insurance reserve calculation.

The Company sets up an allowance for doubtful account of reinsurance assets based on losses that may be incurred due to irrecoverable, taking into account collection experience, age of balance, and the status of receivables from reinsurers as at the end of the reporting period.

Increase/decrease in allowance for doubtful debt during the year is recorded as expense in profit or loss.

3.5 *Reinsurance receivables and due to reinsurers*

(a) Reinsurance receivables are stated at the outstanding balance of amount due from reinsurers and amounts deposited on reinsurance

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

(b) Amounts due to reinsurers are stated at the outstanding balance payable from reinsurance and amounts withheld on reinsurance. Amounts due to reinsurers consist of reinsurance premiums and



other items payable to reinsurers, excluding claims. The Company presents a net of reinsurance to the same entity (reinsurance receivables or amounts due to reinsurers) when the criteria for offsetting are as follows:

- (1) The entity has a legal right to offset amounts presented in the statements of financial position, and
- (2) The entity 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.

3.6 *Loans and interest receivables and allowance for expected credit losses*

Loans and interest receivables are presented at the net amount expected to be received. The Company establishes an allowance for expected credit losses using a general approach, which involves considering expected losses over the lifetime of the loan.

The allowance for expected credit losses that is increased or decreased during the year is recorded as an expense in the profit or loss.

3.7 *Property, plant and equipment*

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Building and improvement	20 years
Fixtures and office equipment	5 years
Motor vehicles	5 years

Land and construction in progress were not depreciated.

3.8 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of intangible assets is calculated by reference to their costs on a straight-line basis over the following estimated useful lives.

Computer software	5 years
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3.9 Non-operation assets

Land is stated at cost. Building is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of non-operation assets is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Building	20 years
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3.10 Investment property

Investment property is initially recorded at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 20 years.

Depreciation of the investment property is charged as expense to profit or loss.

The Company recognises the difference between the net disposal proceeds and the carrying amount of the asset in statement of profit or loss in the period when the investment property is derecognised.

3.11 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised 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.

An impairment loss is recognised in the profit or loss.

3.12 Premium reserve

Premium reserve consists of unearned premium reserve and unexpired risk reserve.

Unearned premium reserve is calculated based on direct premium before deducting premium on reinsurance in compliance with the OIC guidelines, as follows:

Type of insuranceCalculation method

- Transportation (cargo), travelling accident with coverage periods of not over six-months

- 100% of premium from the date policy is effective, throughout the period of insurance coverage

- Others

- Monthly average basis (the one-twenty fourth basis)

Unexpired risks reserve is the reserve for the claims that may be incurred in respect of in-force policies.

Unexpired risks reserve is set aside using an actuarial method, at the best estimate of the claims that are expected to be incurred during the remaining period of coverage, based on historical claims data.

As at the reporting period, The Company compares the amounts of unexpired risks reserve with unearned premium reserve, and if unexpired risks reserve is higher than unearned premium reserve, the difference is recognised as unexpired risks reserve in the financial statements.

3.13 Loss reserve and outstanding claims

Outstanding claims are recorded at the amount to be actually paid. Loss reserve is provided upon receipt of claim 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 estimate is not, however, to exceed the sum insured under the relevant policy.

The Company has allocated incurred but not reported claims (IBNR), which is 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 reporting date. The IBNR is calculated for both reported and not reported losses, and net of recorded claims.

3.14 Employee benefits**Short-term benefit**

The Company recognises salary, wage, bonus, contribution to social security funds and provident funds as expenses incurred.

Post-employment benefits (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 in the year in which they are incurred.

**Post-employment benefits (Defined benefit plan)**

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law.

The Company's obligation under the defined benefit plan is to use the projected unit credit method, determined by the certified actuary. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates

Actuarial gains and losses arising from post-employment benefits (Defined contribution plan) are recognised in the other comprehensive income. Actuarial gains and losses for other long-term benefits are recognised in the profit or loss.

3.15 Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. A provision is reviewed at the statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

3.16 Classification of insurance contracts

The Company classifies the insurance contract and reinsurance contract based on the nature of the contract. An insurance contract is one under which the insurer has accepted significant insurance risk from another party by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Determination of whether a significant insurance risk has been accepted is based on a comparison of the amount of benefit payable under the contract if an insured event occurs with the payment obligation if the insured event does not occur. If a contract does not meet these criteria, the Company classifies it as an investment contract. Investment contracts are insurance contracts in legal form that transfer significant financial risk but not significant insurance risk. Financial risk is the risk of a possible future change in interest rate, foreign exchange rate and index of price or rates.

The Company classifies contracts based on an assessment of the insurance risk at the inception of contract on a contract-by-contract basis. Once a contract has been classified as an insurance contract, it remains an



insurance contract for the remainder of its lifetime, unless all rights and obligations are extinguished or expire.

If any contract is previously classified as investment contracts at an inception date, it can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

The Company classifies all insurance contracts as short-term insurance contracts, which means insurance contracts that have coverage periods of up to 1 year and no automatic renewal clause, as well as critical illness and personal accident that have coverage periods of more than 1 year and the Company can terminate, increase or decrease insurance premiums or change any benefits of the insurance contracts throughout the coverage period.

3.17 Revenue recognition

Net earned premium	:	Premium income consists of direct premium and reinsurance premium less premium of the canceled policy and premium refunded to the policy holders and adjust with unearned premium reserve
Direct premium	:	Direct premium is recognised on the date the insurance policy comes into effect. For long-term insurance policies which coverage periods of longer than 1-year, related revenues are recorded as premium received in advance and recognised as income over the coverage period.
Reinsurance premium	:	Reinsurance premium is recognised as income when the reinsurer places the reinsurance application or statement of accounts with the Company.
Commission and brokerage income	:	Commission and brokerage fees from ceded premiums are recognised as income over the period in which the reinsurance was incurred.
Interest income	:	Interest is recognised as income on a time proportional basis that reflects the effective yield on the asset.
Dividend income	:	Dividend income is recognised as income when the right to receive the dividend is established.
Gain (loss) on securities trading	:	Gain (loss) on trading in securities is recognised as income or expenses on the transaction date.
Other income	:	Other income is recognised on an accrual basis.



3.18 Expense recognition

Ceded premium : Ceded premium is recognised as expenses when the insurance risk is transferred to another reinsurer.

Commission and brokerage expenses : Commissions and brokerage expenses are recognised when incurred.

Claims and claim handling cost : Claim and claim handling cost consist of claim and claim handling cost of direct insurance and reinsurance, and include the amounts of claims, related expenses, and loss adjustments of current and prior period incurred during the year, less residual value and other recoveries (if any) and claims refundable from reinsurers.

Claim and claim handling cost of direct insurance are recognised upon the receipt of the claim 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.

3.19 Income tax

Income tax consists of current income tax and deferred income tax

(a) Current income tax is provided for in the accounts based on the taxable profits determined in accordance with tax legislation during the reporting period and including unpaid tax in previous year.

(b) Deferred tax

(1) Deferred income tax is calculated based on temporary differences between book value of assets and liabilities as book in the statements of financial position compare with these tax bases of assets and liabilities. The Company will evaluate the value of deferred tax assets and liabilities by tax rate for each period that the Company has expected to get benefit from deferred tax assets or in each period expected to pay for deferred tax liabilities.

(2) The Company recognises deferred tax liabilities for taxable temporary differences and recognises deferred tax assets by comparing with the deductible temporary differences and tax losses carried



forward. The Company recognises deferred tax assets 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.

- (3) At each statement of financial position date, 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 or change in tax rate.
- (4) The Company recognises deferred tax as revenue or expense in the statements of income, except when the temporary differences relate to items under the owners' equity, in which case the deferred tax is directly recorded in the owners' equity.

3.20 Earnings (Loss) per share

Earnings (loss) per share is determined by dividing earnings (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

3.21 Critical accounting estimates, assumptions, and judgments

The preparation of financial statements in conformity with financial reporting standards 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:

- (a) Allowance for doubtful accounts of premium due and uncollected and reinsurance assets

In determining an allowance for doubtful accounts of premium due and uncollected and reinsurance assets, the management needs to make judgement and estimates expected loss incurred from expected uncollectible premium due and collected and reinsurance assets.

Allowance for doubtful accounts is estimated based upon past collection history, aging profile of outstanding debts and the current status of premium due and uncollected and reinsurance assets as at the statement of financial position date. Reliability rankings, existing information of funds at the closing date and other information disclosed in public are additionally determined for reinsurance assets.

- (b) Allowance for expected credit losses of financial assets



The management is required to use judgement in estimating allowance for expected credit losses of financial assets. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the debtor's status analysis, and the probability of debt collection. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

(c) Property, plant and equipment, non-operating assets, intangible assets, and investment property

Management determines the estimated useful lives and residual values for property, plant and equipment, non-operating assets, intangible assets, and investment property. Management will revise the depreciation charge where useful lives and residual values are different to previous estimates or will write off or write down technically obsolete assets that have been abandoned or sold.

In addition, the management is required to review plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their 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.

(d) Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Company considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognise deferred tax assets. The Company's assumptions regarding future profitability and the anticipated timing of utilisation of deductible temporary differences and significant changes in these assumptions from year to year may have a material impact on the Company's reported financial position and results of operations.

(e) Loss reserves and outstanding claims

At the end of each reporting period, the Company has to estimate loss reserves and outstanding claims taking into account two factors. These are claims incurred and reported, and the claims incurred but not yet reported (IBNR). The ultimate loss of outstanding claims is established using a range of standard actuarial claims projection techniques. The main assumptions underlying these techniques relate to various factors. To perform the calculation, it is necessary to perform analysis based on the type of



insurance and to use the services of an actuary expertise, experience, and an understanding of the insurance business and the Company's products. Nevertheless, such estimates are forecasts of future outcomes, and actual results could differ.

(f) Employee benefits obligations

The obligation under the defined benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

(g) Unexpired risk reserve

Unexpired risk reserve is calculated by using an actuarial method, based on a best estimate of the claims expected to incur over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

(h) Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that loss incurred will not exceed the recorded amounts as at the end of reporting period. However, actual results could differ from the estimates.

4. Adjustments in respect of prior year financial statements

The Company has retrospectively corrected errors in the accounting records of the financial statements for the years ended 31 December 2023 and 2022 because the Company had understated reinsurance assets and overstated the employee benefit obligations, which led to the related accounts, such as reinsurance assets and unappropriated retained earnings understated and deferred tax assets and employee benefit obligations overstated.

In addition, certain accounts in the financial statement for the year ended 31 December 2023 have been reclassified to conform to the financial statements for the year 2024. The reclassifications have been made because, in the opinion of management, the new reclassifications are more appropriate to the Company's business.

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

The amounts of the adjustments and reclassifications affecting previously reported are as follows:

	Thousand Baht			
	As previously reported	Adjustments	Reclassifications	After adjusted and reclassified
Statement of financial position				
as at 31 December 2023				
Reinsurance assets	57,048	3,225	-	60,273
Deferred tax assets	32,337	(750)	-	31,587
Employee benefits obligations	8,650	(525)	-	8,125
Unappropriated retained earnings	163,278	3,000	-	166,278
Statement of financial position				
as at 1 January 2023				
Reinsurance assets	44,397	3,111	-	47,508
Deferred tax assets	27,377	(1,137)	-	26,240
Employee benefits obligations	9,744	(2,575)	-	7,169
Unappropriated retained earnings	158,647	4,548	-	163,195
Statement of comprehensive income				
for the year ended 31 December 2023				
Insurance claims	146,954	-	(2,217)	144,737
Claims recovered from reinsurers	(23,182)	(114)	2,217	(21,079)
Net insurance claims expenses	123,772	(114)	-	123,658
Operating expenses	44,289	(378)	-	43,911
Income tax expenses	(3,308)	(98)	-	(3,406)
Profit for the year	26,972	394	-	27,366
Gain (loss) on remeasurement of employee benefit obligations	2,073	(2,428)	-	(355)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(415)	486	-	71
Other comprehensive loss for the year - net of income tax	(26,730)	(1,942)	-	(28,672)
Total comprehensive income (loss) for the year	241	(1,548)	-	(1,307)
Earnings per share	2.25	0.03	-	2.28



5. Fair value measurement

Fair value refers to the price that would be received to sell an asset or the price that would be paid to transfer liability to another party in an orderly transaction between market participants at the measurement date. The Company uses quoted prices in active markets to measure the fair value of assets and liabilities for which the relevant financial reporting standards require fair value measurement, unless there is no active market for similar assets or liabilities, or the quoted prices are not available. In such cases, the Company will estimate fair value using valuation techniques appropriate to the circumstances and will make the best use of observable data relevant to the asset or liability being measured.

The fair value measurement for financial assets and liabilities is categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined 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 period that are measured at fair value on a recurring basis.

As at 31 December 2024 and 2023, the Company had the following assets that were measured at fair value using different levels of input as follows:

	Thousand Baht			
	2024			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through				
other comprehensive income				
Government and state enterprise securities	7,459	-	-	7,459
Equity securities	138,969	-	26,555	165,524
Total assets	146,428	-	26,555	172,983

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Thousand Baht

	2023			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through other comprehensive income				
Government and state enterprise securities	8,320	-	-	8,320
Equity securities	164,771	-	7,900	172,671
Total assets	173,091	-	7,900	180,991

During the current year, there were no transfers within the fair value hierarchy.

6. Related party transactions

For the purposes of this financial information, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with key management personnel and related parties were as follows:

Name of entities	Nature of relationships
Charoenkit Brokers Co., Ltd.	Related company (Relationship terminated on 30 October 2023)

Significant transactions with related parties for the year ended 31 December 2024 and 2023 are as follows :

		Thousand Baht	
	Pricing policy	2024	2023
Related Company			
Commissions and brokerage expenses	Conditions in the contract	10,029	9,429

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Significant balances as at 31 December 2024 and 2023 with related parties were as follows:

	Thousand Baht	
	2024	2023
Related Company		
Premiums due and uncollected	-	7,921
Accrued commission	-	1,515

7. Cash and cash equivalents

	Thousand Baht	
	2024	2023
Cash on hand	186	522
Deposits at banks with no fixed maturity date	75,790	37,896
Deposits at banks with fixed maturity date	10,000	-
Total	85,976	38,418

8. Premiums due and uncollected

As at 31 December 2024 and 2023, the Company has balances of premium due and uncollected which classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	Thousand Baht					
	2024			2023		
	Due from insured	Due from agents and brokers	Total	Due from insured	Due from agents and brokers	Total
Not yet due	568	10,397	10,965	1,204	14,997	16,201
Not over 30 days	44	17,226	17,270	61	13,796	13,857
Overdue 31 days to 60 days	49	3,431	3,480	57	5,145	5,202
Overdue 61 days to 90 days	-	1,257	1,257	-	1,009	1,009
Overdue 90 days	-	698	698	19	1,199	1,218
Total premium due and uncollected	661	33,009	33,670	1,341	36,146	37,487
Less allowance for doubtful accounts	-	(70)	(70)	-	(644)	(644)
Net	661	32,939	33,600	1,341	35,502	36,843

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9. Reinsurance assets

As at 31 December 2024 and 2023, the Company has reinsurance assets as below:

	Thousand Baht	
	2024	2023
Insurance reserve recovered from reinsurers		
Claim liabilities	18,824	21,124
Unearned premium reserves	41,834	39,149
Total	60,658	60,273

10. Reinsurance receivables

As at 31 December 2024 and 2023, the Company has reinsurance receivables as below:

	Thousand Baht	
	2024	2023
Due from reinsurers	25,577	15,422
Total	25,577	15,422

As at 31 December 2024 and 2023, balances of amounts due from reinsurers are classified by aging as follows:

	Thousand Baht	
	2024	2023
Not yet due	15,588	15,393
Not over 12 months	9,989	29
Total	25,577	15,422

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11. Investments in securities

11.1 As at 31 December 2024 and 2023, the Company has investments in securities classified by type of investments as follows:

	Thousand Baht			
	2024		2023	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Investments measured at fair value through other comprehensive income				
Government and state enterprise securities	4,924	7,459	4,924	8,320
Equity securities	176,667	155,369	168,083	164,771
Non-listed equity securities	341	10,155	341	7,900
Total	181,932	172,983	173,348	180,991
<i>Add (Less) Unrealised gain (loss)</i>	<i>(8,949)</i>	<i>-</i>	<i>7,643</i>	<i>-</i>
Total investments measured at fair value through other comprehensive income	172,983	172,983	180,991	180,991
Investments measured at amortised cost				
Government and state enterprise securities	11,200		6,200	
Private enterprise debt securities	302,425		345,000	
Deposits at banks with maturity of more than 3 months	223,890		174,890	
Total	537,515		526,090	
<i>Less allowance for expected credit losses</i>	<i>(26,783)</i>		<i>(35,345)</i>	
Investments measured at amortised cost	510,732		490,745	
Total	683,715		671,736	

On 29 November 2024, the Company received repayment for debentures in Thai Airways International Public Company Limited through a debt-to-equity conversion (Mandatory conversion) at a rate of 24.50% of the principal amount, at a conversion price of Baht 2.5452 per share. Consequently, the Company received a total of 3,369,086 common shares from the conversion, amounting to Baht 8.57 million. Accordingly, the Company reclassified the debentures amounting to Baht 8.57 million, previously recorded as part of private enterprise debt securities, to equity securities classified as investments measured at fair value through other comprehensive income. In addition, the Company reversed allowance for expected credit losses previously recognised on the converted portion by the



same amount. For the remaining 75.50% of the principal amount, the Company has not exercised the option to convert the outstanding debentures into equity (Voluntary conversion).

11.2 Period to maturity of debt securities

	Thousand Baht			
	2024			
	Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total
Investments measured at amortised cost				
Government and state enterprise securities	6,000	5,200	-	11,200
Private enterprise debt securities	94,000	184,550	23,875	302,425
Deposits at banks with maturity of				
more than 3 months	223,890	-	-	223,890
Less Allowance for expected credit losses	(179)	(7,714)	(18,890)	(26,783)
Total	323,711	182,036	4,985	510,732
	Thousand Baht			
	2023			
	Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total
Investments measured at amortised cost				
Government and state enterprise securities	200	6,000	-	6,200
Private enterprise debt securities	94,000	246,000	5,000	345,000
Deposits at banks with maturity of				
more than 3 months	174,890	-	-	174,890
Less Allowance for expected credit losses	(20,130)	(15,206)	(9)	(35,345)
Total	248,960	236,794	4,991	490,745



11.3 Debt securities measured at amortised cost

	Thousand Baht		
	2024		
	Gross carrying value	Expected credit losses	Carrying value
Debt securities which credit risk has not significantly increased (Stage 1)	511,090	(358)	510,732
Credit-impaired investments in debt securities (Stage 3)	26,425	(26,425)	-
Total	537,515	(26,783)	510,732
	Thousand Baht		
	2023		
	Gross carrying value	Expected credit losses	Carrying value
Debt securities which credit risk has not significantly increased (Stage 1)	491,090	(345)	490,745
Credit-impaired investments in debt securities (Stage 3)	35,000	(35,000)	-
Total	526,090	(35,345)	490,745



11.4 Fair values of investments in debt instruments

Thousand Baht			
2024			
The contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the only outstanding principal amount		The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the only outstanding principal amount	
Fair value	Changes in fair value during the year	Fair value	Changes in fair value during the year
Investments measured at amortised cost			
Government and state enterprise securities	-	11,156	44
Private enterprise debt securities	-	275,721	(40)
Deposits at banks with maturity of more than 3 months	-	223,855	9
Total	-	510,732	13

Thousand Baht			
2023			
The contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the only outstanding principal amount		The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the only outstanding principal amount	
Fair value	Changes in fair value during the year	Fair value	Changes in fair value during the year
Investments measured at amortised cost			
Government and state enterprise securities	-	6,200	-
Private enterprise debt securities	-	309,682	(144)
Deposits at banks with maturity of more than 3 months	-	174,863	(479)
Total	-	490,745	(623)



11.5 Investments subject to restriction

As at 31 December 2024 and 2023, the Company pledged bank deposit amounting to Baht 89.89 million and Baht 84.89 million, respectively, as collateral as stated in note 34.

12. Loans and interest receivables

As at 31 December 2024 and 2023, loans and interest receivables classified by stage of credit risk were as follows:

Thousand Baht			
2024			
Classification	Mortgage loans	Other loans	Total
Loans which credit risk has not significantly increased (Stage 1)	3,242	228	3,470
Total	3,242	228	3,470
Thousand Baht			
2023			
Classification	Mortgage loans	Other loans	Total
Loans which credit risk has not significantly increased (Stage 1)	2,396	363	2,759
Total	2,396	363	2,759

12.1 The mortgage loans are loan facilities provided to employees and other people as part of the credit welfare project for houses with interest rate at MLR - 1% and MLR - 1.5% per annum.

12.2 The loans with surety are loans provided to employees and another person as part of the welfare program with an interest rate at MLR - 1.5% per annum.



13. Investment property

	Thousand Baht		
	Land	Building	Total
Cost			
As at 1 January 2023	-	-	-
As at 31 December 2023	-	-	-
Reclassification from non-operating assets	16,000	36,690	52,690
As at 31 December 2024	16,000	36,690	52,690
Accumulated depreciation			
As at 1 January 2023	-	-	-
As at 31 December 2023	-	-	-
Reclassification from non-operating assets	-	36,690	36,690
As at 31 December 2024	-	36,690	36,690
Net book value			
As at 31 December 2023	-	-	-
As at 31 December 2024	16,000	-	16,000

On 30 November 2024, the Company transferred a part of land and building amounting to Baht 52.69 million, with net book value of Baht 16 million, which had been recorded as non-operating assets to building for rental and recorded as investment property since the Company changed the purpose of using such asset (see Note 16).

The fair value of the investment property as at 31 December 2024 and 2023 are stated below:

	Thousand Baht	
	2024	2023
Land	44,415	-
Building	15,173	-
As at 31 December	59,588	-

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The fair value of the above investment property has been determined based on valuation performed by an independent appraiser. The fair value of the office building held for rent has been determined using the cost approach, which estimated current replacement cost less accumulated depreciation and added with fair value of land.

For the year ended 31 December 2024, the Company had revenue from rental of investment property amounting to Baht 0.03 million (31 December 2023: Nil).

14. Property, plant and equipment

	Thousand Baht					Total
	Land	Building	Fixture and office equipment	Vehicles	Assets under construction	
Cost						
As at 1 January 2023	41,549	80,536	4,238	10,611	-	136,934
Additions	-	-	327	-	-	327
Write off	-	-	(257)	-	-	(257)
As at 31 December 2023	41,549	80,536	4,308	10,611	-	137,004
Additions	-	-	229	-	1,480	1,709
Write off	-	-	(231)	-	-	(231)
Reclassification accounts to non-operating assets	(28,000)	(38,264)	-	-	-	(66,264)
As at 31 December 2024	13,549	42,272	4,306	10,611	1,480	72,218
Accumulated depreciation						
As at 1 January 2023	-	80,369	3,825	10,611	-	94,805
Depreciation for the year	-	79	158	-	-	237
Write off	-	-	(250)	-	-	(250)
As at 31 December 2023	-	80,448	3,733	10,611	-	94,792
Depreciation for the year	-	25	210	-	-	235
Write off	-	-	(231)	-	-	(231)
Reclassification accounts to non-operating assets	-	(38,201)	-	-	-	(38,201)
As at 31 December 2024	-	42,272	3,712	10,611	-	56,595
Net book value						
As at 31 December 2023	41,549	88	575	-	-	42,212
As at 31 December 2024	13,549	-	594	-	1,480	15,623



15. Intangible assets

	Thousand Baht
	Computer software
Cost	
As at 1 January 2023	1,942
As at 31 December 2023	1,942
As at 31 December 2024	1,942
Accumulated amortisation	
As at 1 January 2023	1,942
As at 31 December 2023	1,942
As at 31 December 2024	1,942
Net book value	
As at 31 December 2023	-
As at 31 December 2024	-


16. Non-operating assets

	Thousand Baht		
	Land	Building	Total
Cost			
As at 1 January 2023	-	-	-
As at 31 December 2023	-	-	-
Reclassification from property, plant and equipment	28,000	38,264	66,264
Reclassification to investment property	(16,000)	(36,690)	(52,690)
As at 31 December 2024	12,000	1,574	13,574
Accumulated depreciation			
As at 1 January 2023	-	-	-
As at 31 December 2023	-	-	-
Reclassification from property, plant and equipment	-	38,201	38,201
Reclassification to investment property	-	(36,690)	(36,690)
Depreciation for the year	-	53	53
As at 31 December 2024	-	1,564	1,564
Net book value			
As at 31 December 2023	-	-	-
As at 31 December 2024	12,000	10	12,010

During the year, the Company reclassified land and building, which were previously used as the branches, with a net book value as at the date of reclassification of Baht 28.06 million, to non-operating assets since the Company no longer utilises these assets.

On 30 November 2024, the Company transferred a part of land and building amounting to Baht 52.69 million, with net book value of Baht 16 million, which had been recorded as non-operating assets to building for rental and recorded as investment property since the Company changed the purpose of using such asset.

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17. Deferred tax asset / deferred tax liabilities / income tax expenses

As at 31 December 2024 and 2023, deferred tax assets and liabilities consist of the following items:

	Thousand Baht	
	2024	2023
Deferred tax assets		
Unearned premium reserves	11,208	6,023
Claim liabilities	15,399	13,018
Loss reserve for incurred but not reported claims	5,889	3,397
Allowance for expected credit losses and allowance for doubtful accounts	5,817	7,524
Employee benefits obligations	1,661	1,625
Unrealised loss on revaluation of investments measured at fair value through other comprehensive income	1,790	-
Total	41,764	31,587
Deferred tax liabilities		
Unrealised gains on revaluation of investments measured at fair value through other comprehensive income	-	1,529
Total	-	1,529
Net	41,764	30,058

Income tax (benefits) expenses for the years ended 31 December 2024 and 2023 are as follows:

	Thousand Baht	
	2024	2023
Current income tax	4,568	11,575
Deferred income tax	(8,342)	(8,168)
Income tax (benefits) expenses	(3,774)	3,407

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Reconciliations between income tax (benefits) expenses and accounting profit (loss) multiplied by the applicable tax rate for the years ended 31 December 2024 and 2023 are as follows:

	Thousand Baht	
	2024	2023
Profit (loss) before income tax	(10,909)	30,772
Income tax rate at 20%	(2,182)	6,154
Tax effect of exempted income and non-deductible expense	(1,592)	(1,227)
Unrecognition of temporary differences	-	(1,520)
Income tax (benefits) expenses	(3,774)	3,407

18. Other assets

	Thousand Baht	
	2024	2023
Advance commission	1,482	1,807
Recovery from counter parties	3,649	4,350
Other receivables	849	276
Deposit with Road Accident Victims Protection Co., Ltd. for claim payment	11,160	8,480
Others	1,679	2,435
Total	18,819	17,348
Less allowance for expected credit losses	(2,230)	(1,630)
Net	16,589	15,718

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19. Insurance contract liabilities

	Thousand Baht		
	2024		
	Insurance contract	Claim recovered	
	liabilities	from reinsurers	
		(Note 9)	Net
Loss reserves and outstanding claims			
- Reported claims	97,736	(14,702)	83,034
- Incurred but not reported claims	33,566	(4,122)	29,444
Total loss reserves and outstanding claims	131,302	(18,824)	112,478
Unearned premium reserves	232,519	(41,834)	190,685
Total	363,821	(60,658)	303,163
	Thousand Baht		
	2023		
	Insurance contract	Claim recovered	
	liabilities	from reinsurers	
		(Note 9)	Net
Loss reserves and outstanding claims			
- Reported claims	86,912	(15,429)	71,483
- Incurred but not reported claims	22,679	(5,695)	16,984
Total loss reserves and outstanding claims	109,591	(21,124)	88,467
Unearned premium reserves	158,670	(39,149)	119,521
Total	268,261	(60,273)	207,988

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19.1 Short-term insurance reserves**19.1.1 Loss reserves and outstanding claims**

	Thousand Baht	
	2024	2023
Beginning balances of the year	109,591	102,682
Claims incurred during accident year	170,109	168,531
Changes in claim reserves in previous period	(38,305)	(7,217)
Changes in claim reserves assumption	(4,849)	(14,927)
Claims paid during the year	(105,244)	(139,478)
Ending balances of the year	131,302	109,591

19.1.2 Unearned premium reserve

	Thousand Baht	
	2024	2023
Beginning balances of the year	158,670	191,256
Premium written for the year	419,925	301,619
Premium earned for the year	(346,076)	(334,205)
Ending balance of the year	232,519	158,670



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Gross claims table

Accident year/Reporting year	Thousand Baht						Total
	2019	2020	2021	2022	2023	2024	
Claim estimates:							
- As at accident year	171,147	131,607	91,899	161,967	142,345	128,532	
- Next one year	175,521	121,491	88,699	177,514	136,922		
- Next two years	163,013	103,795	82,254	156,262			
- Next three years	158,763	103,090	89,454				
- Next four years	119,920	111,460					
- Next five years	149,662						
Cumulative claim estimates	149,662	111,460	89,454	156,262	137,607	158,568	803,013
Cumulative payments	(148,877)	(111,461)	(89,374)	(152,329)	(106,993)	(69,226)	(678,260)
Total	785	(1)	80	3,933	30,614	89,342	124,753
Claims before 2019							23
Others							2,877
Total							127,563
Recovery from counter parties							3,649
Total							131,302

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Net claims table

	Thousand Baht						
Accident year/Reporting year	2019	2020	2021	2022	2023	2024	Total
Claim estimates:							
- As at accident year	133,884	113,890	72,440	143,572	119,837	113,517	
- Next one year	136,394	106,692	71,573	159,754	121,440		
- Next two years	123,514	88,618	65,553	136,542			
- Next three years	116,872	87,987	62,954				
- Next four years	111,412	82,853					
- Next five years	115,540						
Cumulative claim estimates	115,540	82,853	62,954	136,542	121,887	139,668	659,444
Cumulative payments	(114,806)	(82,882)	(62,907)	(134,446)	(94,178)	(64,296)	(553,515)
Total	734	(29)	47	2,096	27,709	75,372	105,929
Claims before 2019							22
Others							2,878
Total							108,829
Recovery from counter parties							3,649
Total							112,478

Key assumptions

Key assumptions used in the valuation of loss reserves arising from insurance contracts are as follows.

(a) The assumptions of in claim experiences.

For assessment, the Company applies 3 actuarial methods as follows:

- 1) Chain Ladder method is used for claims paid and incurred.
- 2) Bornhuetter-Ferguson or "BF" method is used for claims paid and incurred.
- 3) The Expected Loss Ratio or "ELR".

The Company usually uses the Chain Ladder method to estimate losses incurred, which is considered the best method while the BF and ELR will be applied to on a case-by-case basis where appropriate. Key assumption of both methods is Ultimate Loss Ratio. For selecting Ultimate Loss Ratio, the Company will consider information in the past including other factors that can reflect the appropriate level of liabilities of the Company at the end of the reporting periods such as changing policy of insurance or changing coverage in insurance policy and so on.

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- (b) The assumption of the relevant expenses.

The estimation of unallocated loss adjustment expenses (ULAE).

In estimating ULAE, the Company uses the "Kittel's Refinement of the Classical Paid-to-Paid" method by reference to Conger and Nolibos on "Estimating ULAE Liabilities: Rediscovering and Expanding Kittel's Approach" in collecting the Company's internal expenses in order to analyse and estimate analytical expenses of claim department and unallocated loss adjustment expenses (ULAE). For this method, the estimation has been considered the ratio of ULAE to the average claims paid by considering selecting such ratio from information in the past at least 3 years.

20. Due to reinsurers

	Thousand Baht	
	2024	2023
Amount withheld on reinsurance treaties	28,767	27,338
Outward premium payable	33,511	19,516
Total	62,278	46,854

21. Employee benefit obligations

	Thousand Baht	
	2024	2023
Defined benefit obligations as at 1 January	8,125	7,168
Recognised in profit (loss) for the year		
Current service cost	369	470
Interest cost	182	132
Benefits paid during the year	(594)	-
Recognised in other comprehensive income for the year		
Loss on remeasurement of employee benefit obligations	226	355
Defined benefit obligations as at 31 December	8,308	8,125

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Actuarial assumptions to use for calculation:

	2024	2023
Retirement age	60 years old	60 years old
Discount rate	2.30% per annum	2.65% per annum
Salary increase rate	3.00% per annum	3.00% per annum
Turnover rate	1.91% - 22.92% per annum	1.91% - 22.92% per annum
Mortality rate	According to Thai Mortality Rate of 2017	According to Thai Mortality Rate of 2017

Remeasurements of employment benefit obligations recognised in other comprehensive income arising from:

Assumptions	Thousand Baht	
	2024	2023
Experience adjustments	92	3
Change in demographic assumptions	-	(57)
Change in financial assumptions	134	409
Total	226	355



Sensitive analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Assumption	Increase (decrease) in employee benefit obligations change (%)	Assumption	Increase (decrease) in employee benefit obligations change (%)
		(Thousand Baht)		(Thousand Baht)
As at 31 December 2024				
Discount rate	+1	(374)	-1	414
Future salary increases	+1	407	-1	(375)
Turnover rate	+20	(175)	-20	187
As at 31 December 2023				
Discount rate	+1	(410)	-1	452
Future salary increases	+1	446	-1	(413)
Turnover rate	+20	(144)	-20	153

The sensitivity analysis of changes in interest rates represents the effect of possible interest rate changes on the comprehensive income statement, with all other variables held constant.

22. Other liabilities - Others

	Thousand Baht	
	2024	2023
Accrued expenses	13,527	8,694
Accrued commission	5,425	5,987
Others	7,348	5,252
Total	26,300	19,933

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23. Legal reserve

Under Section 116 of the Public Companies Act B.E. 2535 (1992), the Company is required to set aside a legal reserve of at least 5 % of annual net profit until the cumulative reserve reaches 10% of the authorised share capital. Such legal reserve is not available for dividend distribution.

24. Net investment income

Net investment incomes for the years ended 31 December 2024 and 2023 are as follows:

	Thousand Baht	
	2024	2023
Interest incomes	13,385	12,344
Dividend income	7,742	6,442
Total	21,127	18,786

25. Operating expenses

Operating expenses for the years ended 31 December 2024 and 2023 are as follows:

	Thousand Baht	
	2024	2023
Personal expenses which are not expenses for underwriting and claims	23,722	23,704
Premises and equipment expenses which is not expenses for underwriting	6,875	7,397
Taxes and duties	2,846	2,135
Directors' remuneration	1,615	2,040
Professional fee expense	8,583	3,663
Other operating expenses	4,392	4,972
Total	48,033	43,911

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26. Reversal of expected credit losses

Reversal of expected credit losses for the years ended 31 December 2024 and 2023 are as follows:

	Thousand Baht	
	2024	2023
Investment in securities	(8,562)	(1,832)
Loans and interest receivables	-	(329)
Other assets	599	(623)
Total	(7,963)	(2,784)

27. Employee benefits expense

	Thousand Baht	
	2024	2023
Management		
Salaries and other benefits	13,335	14,631
Employee benefit obligation - defined contribution plans	232	186
Others	1,001	544
Total	14,568	15,361
Other employees		
Salaries and other benefits	14,701	16,690
Employee benefit obligation – defined contribution plans	189	176
Others	862	815
Total	15,752	17,681
Grand Total	30,320	33,042
Employee benefit expenses have been allocated to:		
Other underwriting expenses	2,889	4,625
Insurance claims	2,094	2,673
Operating expenses	25,337	25,744
Total	30,320	33,042

**28. Benefits paid to directors and key management**

Directors' remuneration is the benefit paid to the Company's directors in accordance with Section 90 of the Public Company Limited Act B.E. 2535 (1992) excluding salaries and related benefits to be paid to executive directors.

Benefit expenses paid to the chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these four executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

Directors' remuneration and management benefit expenses for the years ended 31 December 2024 and 2023 are presented as follows.

	Thousand Baht	
	2024	2023
Short-term benefits	14,256	15,114
Long-term benefits	312	247
Total	14,568	15,361

29. Risks of non-life insurance business**29.1 Insurance risk**

Insurance risk refers to the risk of loss arising from unpredictability of frequency, severity and timing of damage that differ from the assumptions made in calculating premiums or reserves and in underwriting considerations as well as loss or damage arising from unusual external factors, particularly those caused by geographical changes, including social calamities. All such factors can do severe damage to life and property insured by the Company.

The risk factors that could negatively affect the operations include insurance claims as they represent a major expenditure uncontrollable by the Company. Another factor is the risk of unbalanced product mix resulting.

Systematic risk management is in place covering from the process of risk underwriting. It is our policy to insure against those perils with a low degree of risk through careful selection of prospective clients, property, types of business and exposure of risks to be accepted and by taking into account the area's vulnerability to natural disasters. These factors would be considered based on data and statistics collected before



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premiums are set appropriately according to the risk. The Company also mitigates insurance risk by transferring those large risks to financially sound domestic and overseas reinsurers under different forms of reinsurance contracts such as treaty reinsurance, facultative reinsurance and excess of loss reinsurance. Such arrangements enable the Company to minimise insurance risk and ensure a rigorous, systematic claims management process where claims are settled accurately according to actual loss.

Concentrations of insurance contract liabilities, segregated by insurance type, is tabled below.

Thousand Baht						
	2024			2023		
	Outward			Outward		
	Gross premium reserves	premium reserves	Net	Gross premium reserves	Outward premium reserves	Net
Fire	37,906	(16,682)	21,224	34,679	(15,265)	19,414
Marine and transportation	4,942	(2,393)	2,549	7,522	(4,327)	3,195
Motor	165,959	(8,440)	157,519	91,642	(4,597)	87,045
Personal accident	265	(113)	152	282	(101)	181
Miscellaneous	23,447	(14,206)	9,241	24,545	(14,859)	9,686
Total	232,519	(41,834)	190,685	158,670	(39,149)	119,521
Thousand Baht						
	2024			2023		
	Outward			Outward claim		
	Gross claim reserves	claim reserves	Net	Gross claim reserves	Outward claim reserves	Net
Fire	13,383	(3,793)	9,590	3,542	(462)	3,080
Marine and transportation	3,000	(1,278)	1,722	3,203	(1,238)	1,965
Motor	97,194	(5,326)	91,868	85,719	(6,524)	79,195
Personal accident	98	(37)	61	117	(40)	77
Miscellaneous	12,660	(8,326)	4,334	17,010	(12,860)	4,150
Total	126,335	(18,760)	107,575	109,591	(21,124)	88,467

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Sensitivity testing is an analysis of the extent to which insurance liabilities risk will increase or decrease due to changes in the assumptions used in the calculation. This will affect both gross claim expenses and net claim expenses and the risk may be the result of the frequency and severity of the losses or expenses used in determining the claims not being as expected.

The impact of changes in the assumptions used in the calculation on the reserve for claims before and after reinsurance as of 31 December 2024 and 2023 can be shown as follows.

Thousand Baht				
2024				
	Assumption change	Provision for gross claim reserves	Provision for net claim reserves	Profit (loss) before income tax
Ultimate Loss Ratios	+1%	1,041	838	838
	-1%	(1,041)	(838)	(838)
ULAE Ratio	+1%	779	779	779
	-1%	(779)	(779)	(779)

Thousand Baht				
2023				
	Assumption change	Provision for gross claim reserves	Provision for net claim reserves	Profit (loss) before income tax
Ultimate Loss Ratios	+1%	3,472	2,729	(2,729)
	-1%	(3,472)	(2,729)	2,729
ULAE Ratio	+1%	638	638	(638)
	-1%	(638)	(638)	638



29.2 Financial instruments and risk management

The Company's financial instruments comprise cash and cash equivalents, premium due and uncollected, accrued investment income, investments, loans, reinsurance assets and reinsurance receivables. The financial risks associated with these financial instruments and how they are managed is described below.

(a) Credit risk

Concentrations of the credit risk with respect to premium due and uncollected, reinsurance assets and reinsurance receivables are considered low because the Company's policy holders and reinsurers are dispersed across different industries and geographic regions in Thailand and in foreign countries.

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

Credit risk arising from collection of premium receivables

The Company has managed the risk arising from the collection of insurance premiums, establishing stricter criteria and conditions as to determination of a credit limit and credit terms of agents and brokerages and authorisation control in order to facilitate business expansion.

Credit risk arising from reinsurance

The Company has managed the risk arising from reinsurance, developing reinsurance strategies and establishing criteria and guidelines in assessing the credibility of reinsurance companies in order to minimise credit risk arising from reinsurance. The selected reinsurance companies' credit ratings are not to be lower than that specified.

Credit risk arising from investments

The Company has managed the risk arising from investments, establishing investment limits for each agreement and the minimum credit rating criteria for counterparties that the Company is able to make an investment within the Company's investment policy framework.

The criteria used in determining measurement of expected credit losses in the next 12 months are as follows:



Stage 1: Financial assets with no significant increase in credit risk (12-month ECL)

An investment asset, with a credit rating performed by a reliable credit rating agency or, if unavailable, a credit rating performed by an issuer, or comparable credit rating of BBB- or higher that can be obtained without incurring any costs, is classified to be in this stage. The Company uses the assets' credit rating at the end of the reporting period or on the most recent date the credit rating has been changed.

Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

An investment asset, with a credit rating lower of BBB- at the end of the reporting period.

Stage 3: Financial assets that are credit-impaired (Lifetime ECL - credit impaired)

Only after a payment of interest or principals missed by 1 day.


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The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before deducting allowance for expected credit losses)

Thousand Baht					
2024					
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	85,976	-	-	-	85,976
Allowance for expected credit losses	-	-	-	-	-
Accrued investment income					
Investment grade	3,549	-	-	-	3,549
Allowance for expected credit losses	-	-	-	-	-
Investments measured at amortised cost					
Investment grade	511,090	-	-	-	511,090
Non-investment grade	-	-	26,425	-	26,425
Allowance for expected credit losses	(358)	-	(26,425)	-	(26,783)



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Thousand Baht

	2023				
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	38,418	-	-	-	38,418
Allowance for expected credit losses	-	-	-	-	-
Accrued investment income					
Investment grade	3,754	-	-	-	3,754
Allowance for expected credit losses	-	-	-	-	-
Investments measured at amortised cost					
Investment grade	491,090	-	-	-	491,090
Non-investment grade	-	-	35,000	-	35,000
Allowance for expected credit losses	(345)	-	(35,000)	-	(35,345)



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The table below shows the movement in the allowance for expected credit losses for the year ended 31 December 2024.

Thousand Baht				
2024				
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Cash and cash equivalents				
Beginning balance				
Change due to remeasurement of allowance for expected credit losses	-	-	-	-
Ending Balance	-	-	-	-
Accrued investment income				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for expected credit losses	-	-	-	-
Ending Balance	-	-	-	-
Investments measured at amortised cost				
Beginning balance	(345)	-	(35,000)	(35,345)
Change due to remeasurement of allowance for expected credit losses	(13)	-	8,575	8,562
Ending Balance	(358)	-	(26,425)	(26,783)

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The table below shows the movement in the allowance for expected credit losses for the year ended 31 December 2023.

Thousand Baht				
2023				
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Cash and cash equivalents				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for expected credit losses	-	-	-	-
Ending Balance	-	-	-	-
Accrued investment income				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for expected credit losses	-	-	-	-
Ending Balance	-	-	-	-
Investments measured at amortised cost				
Beginning balance	(968)	-	(35,000)	(35,968)
Change due to remeasurement of allowance for expected credit losses	623	-	-	623
Ending Balance	(345)	-	(35,000)	(35,345)



As at 31 December 2024 and 2023, the maximum exposure to credit risk of financial assets (excluding insurance contract assets) is limited to the carrying value of those assets without taking into account any collateral held or other credit enhancements, are detailed as follows:

	Thousand Baht	
	2024	2023
Cash and cash equivalents	85,976	38,418
Accrued investment income	3,549	3,754
Investments measured at amortised cost	537,515	526,090
Total maximum exposure to credit risk	627,040	568,262

(b) Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the Company's financial position.

(1) Interest rate risk

The Company's exposure to interest rate risk relates primarily to its investments in securities and loans.

Significant assets and liabilities classified by type of interest rates are summarised in the table below, with those assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.



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Thousand Baht

	2024						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	The repricing period or maturity date						
	Within 1 year	1 - 5 years	Over 5 years				
	Financial assets						
Cash and cash equivalents	10,000	-	-	71,582	4,394	85,976	0.15 - 1.85
Premium due and uncollected	-	-	-	-	33,600	33,600	-
Accrued investment income	-	-	-	-	3,549	3,549	-
Reinsurance assets – claim reserves recovered from reinsurers	-	-	-	-	14,702	14,702	-
Reinsurance receivables	-	-	-	-	25,577	25,577	-
Investment in securities							
Government and state enterprise securities	6,000	5,156	-	-	7,459	18,615	0.30 - 5.00
Equity securities	-	-	-	-	155,369	155,369	-
Non-listed equity securities	-	-	-	-	10,155	10,155	-
Private enterprise debt securities	93,900	176,836	4,985	-	-	275,721	1.50 - 4.50
Deposits at banks with maturity of more than 3 months	223,855	-	-	-	-	223,855	0.30 - 2.05
Loans and interest receivables	-	-	-	3,470	-	3,470	6.10 - 6.60
Financial liabilities							
Insurance contract liabilities - loss reserves and outstanding claims	-	-	-	-	97,736	97,736	-
Due to reinsurers	-	-	-	-	62,278	62,278	-


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Thousand Baht

	2023						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	The repricing period or maturity date						
	Whitin 1 year	1 - 5 years	Over 5 years				
	Financial assets						
Cash and cash equivalents	-	-	-	34,162	4,256	38,418	0.00 - 0.45
Premium due and uncollected	-	-	-	-	36,843	36,843	-
Accrued investment income	-	-	-	-	3,754	3,754	-
Reinsurance assets – claim reserves recovered from reinsurers	-	-	-	-	15,429	15,429	-
Reinsurance receivables	-	-	-	-	15,422	15,422	-
Investment in securities							
Government and state enterprise securities	1,000	5,200	-	-	8,320	14,520	0.30 - 5.00
Equity securities	-	-	-	-	164,771	164,771	-
Non- listed equity securities	-	-	-	-	7,900	7,900	-
Private enterprise debt securities	73,897	230,794	4,991	-	-	309,682	1.36 - 5.50
Deposits at banks with maturity of more than 3 months	174,863	-	-	-	-	174,863	0.15 - 2.40
Loans and interest receivables	-	-	-	2,759	-	2,759	6.225 - 6.725
Financial liabilities							
Insurance contract liabilities - loss reserves and outstanding claims	-	-	-	-	86,912	86,912	-
Due to reinsurers	-	-	-	-	46,854	46,854	-



The sensitivity analysis of the interest rate

The sensitivity analysis of changes in interest rates represents the effect of possible interest rate changes to the statement of comprehensive income, with all other variables held constant.

The effects of changes in interest rates to profit or loss as at 31 December 2024 and 2023, are summarised below:

	Increase / (Decrease)	Thousand Baht	
		Effect on profit or loss	
		2024	2023
	(%)		
Investments measured at amortised cost – Debt securities	1%	5,475	5,261
	(1%)	(5,465)	(5,219)

The above analysis has been prepared assuming that the amounts of debt instruments and all other variables remain constant over one year. Moreover, the floating legs of these debt instruments are assumed to not yet have set interest rates. As a result, a change in interest rates affects the value of debt instruments. This information is not a forecast or prediction of future market conditions and should be used with care.

(2) Equity position risk

Equity position risk is the risk that changes in the market prices of debt securities and equity securities are to result in fluctuations in revenues and in the value of financial assets.

As at 31 December 2024 and 2023, the Company had risk from investments in securities, of which the prices are to change with reference to market conditions.

(c) Liquidity risk

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

The maturity profile of the Company's financial assets and liabilities as at 31 December 2024 and 2023 based on contractual undiscounted cashflows are as follows:

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	2024					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	75,790	10,000	-	-	186	85,976
Premium due and uncollected	19,649	13,951	-	-	-	33,600
Accrued investment income	-	3,549	-	-	-	3,549
Reinsurance assets - claim reserves recovered from reinsurers	-	14,702	-	-	-	14,702
Reinsurance receivables	-	25,577	-	-	-	25,577
Investment in securities	-	323,711	182,036	4,985	172,983	683,715
Loans and interest receivables	-	-	606	2,864	-	3,470
Financial liabilities						
Insurance contract liabilities - loss reserves and outstanding claims	-	94,662	3,074	-	-	97,736
Amounts due to reinsurers	-	62,278	-	-	-	62,278


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Thousand Baht

	2023					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	37,896	-	-	-	522	38,418
Premium due and uncollected	-	36,843	-	-	-	36,843
Accrued investment income	-	3,754	-	-	-	3,754
Reinsurance assets - claim reserves recovered from reinsurers	-	15,429	-	-	-	15,429
Reinsurance receivables	-	15,422	-	-	-	15,422
Investment in securities	-	248,960	236,794	4,991	180,991	671,736
Loans and interest receivables	-	-	363	2,396	-	2,759
Financial liabilities						
Insurance contract liabilities						
- loss reserves and outstanding claims	-	86,912	-	-	-	86,912
Amounts due to reinsurers	-	46,854	-	-	-	46,854

30. Contribution to non-life guarantee fund

	Thousand Baht	
	2024	2023
Accumulated contribution at the beginning of the year	8,831	7,885
Contribution during the year	2,085	946
Accumulated contribution at the end of the year	10,916	8,831

**31. Capital fund management**

The primary objectives of the Company's capital fund management are to ensure that it has an appropriate financial structure, presences 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 (OIC).

32. Assets pledged with registrar

As at 31 December 2024 and 2023, the Company pledged bank deposit in the amount of Baht 14 million as collateral with the registrar in accordance with Section 19 of Insurance Act B.E. 2535.

33. Assets reserve pledged with registrar

As at 31 December 2024 and 2023, bank deposited amounting of Baht 55 million and Baht 50 million, respectively, are used as collateral against premium reserve with the registrar.

34. Restricted assets and commitment

As at 31 December 2024 and 2023, the Company pledged bank deposit to Baht 89.89 million and Baht 84.89 million, respectively, as follows:

	Thousand Baht	
	2024	2023
Bank overdraft	20,000	20,000
Assets pledged with registrar	14,000	14,000
Assets reserve pledged with registrar	55,000	50,000
Credit card usage	500	500
Electricity usage and others	390	390
Total	89,890	84,890

35. Provident fund

The Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530 (1987). The fund is contributed to the Company and its employees at an equal monthly rate of 3 percent of the employees' basic salary, based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Asset Management Co., Ltd.



For the years ended 31 December 2024 and 2023, the Company contributed to fund approximately Baht 0.42 million and Baht 0.36 million, respectively.

36. Dividend paid

According to the resolution of ordinary shareholders' meeting held on 24 April 2024, the Company passed resolution to pay dividend to the shareholders from result of its operation of the year 2023 at the rate of Baht 1.25 per share for 12 million shares total amount of Baht 15 million. The Company already paid dividends on 23 May 2024.

According to the resolution of ordinary shareholders' meeting held on 26 April 2023, the Company passed resolution to pay dividend to the shareholders from result of its operation of the year 2022 at the rate of Baht 2.00 per share for 12 million shares total amount of Baht 24 million. The Company already paid dividends on 25 May 2023.

37. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing profit (loss) for the year attributable to the equity holders of the Company with a weighted average number of ordinary shares issued during the year.

	2024	2023
Profit (loss) for the year (Thousand Baht)	(7,135)	27,366
Weighted average number of ordinary shares (Shares)	12,000	12,000
Earnings (loss) per share (Baht/shares)	(0.59)	2.28

38. Financial information by segment

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

The Company's operations involve the single business segment of non-life insurance and are carried on in the single geographic area of Thailand. As a result, all the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographical area. For the purposes of administration, the Company reported operating segments by dividing into categories of products which include fire insurance, marine and transportation insurance, motor insurance, personal accident insurance and miscellaneous insurance.



Major customers

During the year ended 31 December 2024, the Company had premium written through 4 insurance brokers with premium written from each broker of more than 10% of total premium written, equivalent to 63.21% of total premium written.

During the year ended 31 December 2023, the Company had premium written through 4 insurance brokers with premium written from each broker of more than 10% of total premium written, equivalent to 59.47% of total premium written.

Segment income and profit of the Company for the years ended 31 December 2024 and 2023 are as follows.

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Segment income and profit (loss) for the year ended 31 December 2024 are as follows:

	Thousand Baht					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Gross written premiums	76,945	10,976	283,108	552	48,344	419,925
Less premium ceded to reinsurers	(33,467)	(5,902)	(14,395)	(220)	(29,328)	(83,312)
Net written premiums	43,478	5,074	268,713	332	19,016	336,613
Add (less) unearned premium reserves (increase) decrease from prior period	(1,809)	646	(70,474)	28	445	(71,164)
Net earned premiums	41,669	5,720	198,239	360	19,461	265,449
Fee and brokerage incomes	17,264	2,692	2,262	78	11,334	33,630
Total underwriting income	58,933	8,412	200,501	438	30,795	299,079
Underwriting expenses						
Net insurance claims expenses	11,880	582	97,937	66	3,355	113,820
Commissions and brokerages expenses	17,834	1,571	34,837	88	8,160	62,490
Other underwriting expenses	13,980	493	101,857	-	788	117,118
Total underwriting expenses	43,694	2,646	234,631	154	12,303	293,428
Operating expenses						48,033
Expected credit losses						600
Loss from underwriting						(42,982)
Net investment income						21,127
Other income						2,383
Reversal of expected credit losses						(8,563)
Loss before income tax						(10,909)
Income tax benefits						3,774
Loss for the year						(7,135)



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

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(แบบ 56-1 One Report)

Segment income and profit (loss) for the year ended 31 December 2023 are as follows:

	Thousand Baht				
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous Total
Underwriting income					
Gross written premiums	66,965	16,261	166,878	591	301,619
Less premium ceded to reinsurers	(28,703)	(10,037)	(8,456)	(205)	(78,096)
Net written premiums	38,262	6,224	158,422	386	223,523
Add (less) unearned premium reserves (increase) decrease from prior period	(1,907)	(741)	38,633	153	36,402
Net earned premiums	36,355	5,483	197,055	539	259,925
Fee and brokerage incomes	14,995	3,697	1,373	75	31,459
Total underwriting income	51,350	9,180	198,428	614	291,384
Underwriting expenses					
Net insurance claims expenses	3,930	779	112,635	44	123,658
Commissions and brokerages expenses	15,539	2,271	20,861	108	47,366
Other underwriting expenses	3,204	1,646	62,131	3	68,296
Total underwriting expenses	22,673	4,696	195,627	155	239,320
Operating expenses					43,911
Reversal of expected credit losses					(952)
Profit from underwriting					9,105
Net investment income					18,786
Other income					1,050
Reversal of expected credit losses					(1,832)
Profit before income tax					30,733
Income tax expenses					(3,407)
Profit for the year					27,366

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

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(แบบ 56-1 One Report)

Segment assets and liabilities of the Company's operating segments as at 31 December 2024 and 2023 as follows:

	Thousand Baht					
	2024					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Assets	44,095	5,617	30,972	8,163	34,623	123,470
Unallocated assets						875,060
Total						998,530
Liabilities	100,680	9,982	276,076	15,155	37,850	439,743
Unallocated liabilities						31,985
Total						471,728
	Thousand Baht					
	2023					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Assets	36,070	8,855	30,958	5,339	37,290	118,512
Unallocated assets						800,210
Total						918,722
Liabilities	80,002	14,344	184,317	8,895	43,287	330,845
Unallocated liabilities						25,485
Total						356,330

**39. Contingent liabilities and commitment****Litigations**

As at 31 December 2024 and 2023, the Company was sued from acting as an insurer with the prosecution value of Baht 35.75 million and Baht 5.43 million, respectively. However, the Company's contingent liabilities from prosecution cases are in value not more than the policy custody amounting to Baht 4.66 million and Baht 3.35 million, respectively. Those prosecution cases have been incompletely considered. Nevertheless, the Company recorded the provision for contingent loss amounting to Baht 4.57 million and Baht 1.95 million, respectively, in the financial statements.

Guarantees

As at 31 December 2024 and 2023, the Company has the unused letter of guarantee issued by the bank in the name of the Company for the amount of Baht 0.89 million relating to guarantee for credit card and electricity usage and others.

Operating lease commitments

As at 31 December 2024 and 2023, the Company has commitments to pay under the rental and service agreement as follows:

	Thousand Baht	
	2024	2023
Due within 1 year	3,331	2,755
Over 1 year but within 5 years	6,421	4,143
Over 5 years	-	1,036
Total	9,752	7,934

Commitments from capital expenditure

As at 31 December 2024, the Company has commitments for assets installation with one company amounting to Baht 0.37 million (31 December 2023: Nil).

40. Approval of financial statements

These financial statements have been approved to be issued by authorised directors on 25 February 2025.



Section 4

Certification of Information and Data Accuracy

The Company has carefully reviewed the information in this annual registration statement and hereby certifies that the information provided is accurate, complete, and does not mislead or omit any material facts.

- (1) The financial statements and summarized financial information presented in the Annual Registration Statement accurately and completely reflect the Company's financial position, performance, and cash flows in all material respects.
- (2) The Company has established a robust disclosure system to ensure that all material information is disclosed accurately and completely, and has implemented controls to ensure compliance with this system.
- (3) The Company has implemented an effective internal control system and ensured compliance. The Company has reported the internal control evaluation as of December 31, 2024, including any significant deficiencies or changes, as well as any misconduct that may affect financial reporting.

To ensure consistency, **Ms. Munthana Peoungpathompron** is authorized to sign each page of this document.

Any document lacking her signature will not be considered as certified by the Company.

Names / Surnames	Position	Signature
1. Mr. Sukich Charanvas	Managing Director (Sign).....
2. Mr. Pon Titipanichayangoon	Executive Director (Sign).....
3. Mr. Kittipong Charanvas	Executive Director (Sign).....
Authorized person	Position	Signature
Ms. Munthana Peoungpathompron	Company Secretary (Sign).....



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(แบบ 56-1 One Report)

Attachment 1 Profiles of Board of Directors, Executives, Head of Finance and Accounting, Accounting Supervisor and Company Secretary

1. Profiles of Board of Directors

The Authorized Directors of the Company according to the Company's Articles of Association and Certification as of December 31, 2024 are (1) Mr. Sukich Charanvas (2) Mr. Pon Titipanichayangoon and (3) Mr. Kittipong Charanvas, two out of three directors are authorized to collectively sign with the Company's seal affixed.

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Mr. Sapon Kluyamai Na Ayudhya • Chairman of the Board <u>Appointment date</u> January 17, 2008	72	<u>Educational Background</u> • Master of Business Administration, Texas Christian University, U.S.A. • Bachelor of Business Administration, Chiang Mai University <u>Training</u> • Director Certification Program (DCP), Class of 2008 Thai Institute of Directors (IOD)	-	-	2008 - Present	• Chairman of the Board	Charan Insurance Public Company Limited
2. Mrs. Poodpong Arsingsamanunta • Director • Chairman of the Audit Committee • Independent Director <u>Appointment date</u> September 22, 2006	75	<u>Educational Background</u> • Master of Business Administration, General Management, Ramkhamhaeng University • Bachelor of Commerce and Accountancy Finance and Banking, Thammasat University <u>Training</u> • Director Accreditation Program (DAP), Class of 2007 Thai Institute of Directors (IOD)	-	-	2006 - Present	• Director • Chairman of the Audit Committee • Independent Director	Charan Insurance Public Company Limited
3. Mr. Vorayuth Charoenloet • Director • Member of Audit Committee • Independent Director	74	<u>Educational Background</u> • Master of Economics, Pittsburg State University, U.S.A. • Master of Economics (Honours Degree), University of Delhi, India	-	0.001%	2002 - Present	• Director • Member of Audit Committee • Independent Director	Charan Insurance Public Company Limited



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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Vorayuth Charoenloet (Cont.)		<u>Training</u> • Director Accreditation Program (DAP), Class of 2005 Thai Institute of Directors (IOD)					
<u>Appointment date</u> June 13, 2002							
4. Mr. Thanitphong Pichaibavornphat	66	<u>Educational Background</u> • Master of Accounting Thammasat University • Bachelor of Accounting (2 nd Class Honors) Thammasat University <u>Training</u> • Asean Chartered Professional Accountant, Class of 2017 Asean Chartered Professional Accountants Coordinating Committee • Cooperative auditing by private auditors, Class of 2017 Cooperative Auditing Department • Certified Public Accountant No. 7028, Since 2008 Federation of Accounting Professions under the Royal Patronage of His Majesty the King • Director Accreditation Program (DAP), Class of 2008 Thai Institute of Directors (IOD)	-	-	Sep 2, 2022 - Present	• Director • Member of Audit Committee • Independent Director	• Charan Insurance Public Company Limited
• Director • Member of Audit Committee • Independent Director <u>Appointment date</u> September 2, 2022						• Accounting and System Consulting and Workflow Design	• Italiasia Trading (Thailand) Company Limited • Indy International Company Limited • Asoke Valley Winery Company Limited • Granmonte Company Limited • Siam Health Group Company Limited (Smooth-E Product) • Hummingbird International Kindergarten • Tropicana Oil Company Limited
5. Mr. Sukich Charanvas	78	<u>Educational Background</u> • Master of Civil Engineering, California State University at Long Beach, U.S.A. • Bachelor of Civil Engineering, California State University at Long Beach, U.S.A. <u>Training</u> • Director Accreditation Program (DAP) Class of 2005 Thai Institute of Directors (IOD)	<u>Spouse of:</u> Mrs. Elizabeth Charanvas (Major Shareholders) <u>Father of:</u> Mr. Kitti Charanvas, and Mr. Kittipong Charanvas	22.12%	1974 - Present	• Director • Chairman of Executive Committee • Chairman of Investment Committee • Chairman of Risk Management Committee • Managing Director • Secretary to the Board	Charan Insurance Public Company Limited
• Director • Chairman of Executive Committee • Chairman of Investment Committee • Chairman of Risk Management Committee • Managing Director • Secretary to the Board <u>Appointment date</u> January 1, 1974							



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(แบบ 56-1 One Report)

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
6. Mr. Pon Titipanichayagoon <ul style="list-style-type: none"> Director Chairman of Product Governance Committee Member of Executive Committee Member of Investment Committee Member of Risk Management Committee Motor Department Manager <u>Appointment date</u> July 1, 1985	74	<u>Educational Background</u> <ul style="list-style-type: none"> Vocational Certificate, Bangkok Commercial College <u>Training</u> <ul style="list-style-type: none"> Director Accreditation Program (DAP) Class of 2005 Thai Institute of Directors (IOD) Insurance Management Development Program (IMDP) Class of 1996 General Insurance Management Development Institute, Thammasat University 	-	1.32%	1985 - Present	<ul style="list-style-type: none"> Director Chairman of Product Governance Committee Member of Executive Committee Member of Investment Committee Member of Risk Management Committee Motor Department Manager 	Charan Insurance Public Company Limited
7. Mr. Kittipong Charanvas <ul style="list-style-type: none"> Director Member of Executive Committee Member of Investment Committee Member of Risk Management Committee Member of Product Governance Committee Assistant Managing Director <u>Appointment date</u> February 1, 2005	50	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Science in Business Administration - General Management, City University of Seattle, U.S.A. <u>Training</u> <ul style="list-style-type: none"> Corporate Governance Program for Insurance Companies (CIC), Class of 2022 Thai Institute of Directors (IOD) Environment in an Agile Leaders, Class of 2022 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 2006 General Insurance Management Development Institute, Chulalongkorn University 	<u>Son of:</u> Mr. Sukich Charanvas	6.17%	2005 - Present	<ul style="list-style-type: none"> Director Member of Executive Committee Member of Investment Committee Member of Risk Management Committee Member of Product Governance Committee Assistant Managing Director 	Charan Insurance Public Company Limited



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(แบบ 56-1 One Report)

2. Profiles of Executives

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Mr. Sukich Charanvas <ul style="list-style-type: none"> • Director • Chairman of Executive Committee • Chairman of Investment Committee • Chairman of Risk Management Committee • Managing Director • Secretary to the Board <u>Appointment date</u> January 1, 1974	78						
Additional details of Mr. Sukich Charanvas are shown in Section 1.5 Profiles of Board of Directors							
2. Mr. Pon Titipanichayangoon <ul style="list-style-type: none"> • Director • Chairman of Product Governance Committee • Member of Executive Committee • Member of Investment Committee • Member of Risk Management Committee • Motor Department Manager <u>Appointment date</u> July 1, 1985	74						
Additional details of Mr. Pon Titipanichayangoon are shown in Section 1.6 Profiles of Board of Directors							



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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
3. Mr. Kittipong Charanvas <ul style="list-style-type: none"> • Director • Member of Executive Committee • Member of Investment Committee • Member of Risk Management Committee • Member of Product Governance Committee • Assistant Managing Director <u>Appointment date</u> February 1, 2005	50						
Additional details of Mr. Kittipong Charanvas are shown in Section 1.7 Profiles of Board of Directors							
4. Mr. Kitti Charanvas <ul style="list-style-type: none"> • Assistant Managing Director for Marketing • Member of Product Governance Committee <u>Appointment date</u> March 19, 2014	53	<u>Educational Background</u> <ul style="list-style-type: none"> • Bachelor of Arts in Business Management, Whitworth University, U.S.A. <u>Training</u> <ul style="list-style-type: none"> • Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association • Insurance Management Development Program (IMDP), Class of 2016 General Insurance Management Development Institute, Chulalongkorn University 	<u>Son of:</u> Mr. Sukich Charanvas	5.76%	2014 - Present	<ul style="list-style-type: none"> • Assistant Managing Director for Marketing • Member of Product Governance Committee 	Charan Insurance Public Company Limited
5. Mr. Kosit Angkasuwan <ul style="list-style-type: none"> • Assistant Managing Director for Risk Management 	53	<u>Educational Background</u> <ul style="list-style-type: none"> • Master of Science in Information Technology, King Mongkut's University of Technology Thonburi • Bachelor of Science in Applied Mathematics, 	-	-	2018 - Present	<ul style="list-style-type: none"> • Assistant Managing Director for Risk Management • Member of Risk Management Committee 	Charan Insurance Public Company Limited



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(แบบ 56-1 One Report)

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Kosit Angkasuwan (Cont.) <ul style="list-style-type: none"> Member of Risk Management Committee Member of Product Governance Committee <u>Appointment date</u> April 1, 2018		King Mongkut's University of Technology Thonburi <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association <ul style="list-style-type: none"> Insurance Management Development Program (IMDP) General Insurance Management Development Institute, Chulalongkorn University				<ul style="list-style-type: none"> Member of Product Governance Committee 	
6. Mrs. Pattama Trakarnaiem <ul style="list-style-type: none"> Fire Department Manager Member of Product Governance Committee <u>Appointment date</u> January 15, 2020	59	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Business Administration, Sripatum University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association	-	-	2020 - Present	<ul style="list-style-type: none"> Fire Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited
7. Mr. Wisith Limcharoensuk <ul style="list-style-type: none"> Marine Cargo and Logistics Department Manager Member of Product Governance Committee <u>Appointment date</u> December 3, 2007	78	<u>Educational Background</u> <ul style="list-style-type: none"> Vocational Certificate, Bangkok Technical Institute <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association	-	0.03%	2007 - Present	<ul style="list-style-type: none"> Marine Cargo and Logistics Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited



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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
8. Miss Punrada Ayucharoenkul <ul style="list-style-type: none"> Miscellaneous Department Manager Member of Product Governance Committee <u>Appointment date</u> March 15, 2004	59	<u>Educational Background</u> <ul style="list-style-type: none"> Vocational Certificate, Ratchadamnern-Thonburi College <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 2002 General Insurance Management Development Institute, Chulalongkorn University 	-	-	2004 - Present	<ul style="list-style-type: none"> Miscellaneous Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited
9. Miss Siraya Chindasri <ul style="list-style-type: none"> Marketing Department Manager <u>Appointment date</u> June 16, 2022	52	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Art, Chandrakasem Rajabhat University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association Insurance Academic, Class of 2001 Thailand Insurance Institute 	-	-	Jun 16, 2022 - Present	<ul style="list-style-type: none"> Marketing Department Manager 	Charan Insurance Public Company Limited
10. Miss Kanyawan Trisaksuriyan <ul style="list-style-type: none"> Finance and Investment Department Manager Member of Investment Committee 	68	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Business Administration, Dhonburi Rajabhat University 	-	0.01%	1985 - Present	<ul style="list-style-type: none"> Finance and Investment Department Manager Member of Investment Committee Member of Risk Management Committee 	Charan Insurance Public Company Limited



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บริษัท จักรประกันภัย จำกัด (มหาชน)

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(แบบ 56-1 One Report)

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Miss Kanyawan Trisaksuriyan (Cont.) <ul style="list-style-type: none"> Member of Risk Management Committee <u>Appointment date</u> July 1, 1985		<u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 1993 General Insurance Management Development Institute, Thammasat University 					
11. Miss Sudarat Wiwattanadaj <ul style="list-style-type: none"> Accounting Department Manager Head of Finance and Accounting Member of Investment Committee Member of Risk Management Committee <u>Appointment date</u> December 1, 1981	70	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Accounting, University of the Chamber of Commerce <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 1993 General Insurance Management Development Institute, Thammasat University 	-	0.01%	1981 - Present	<ul style="list-style-type: none"> Accounting Department Manager Head of Finance and Accounting Member of Investment Committee Member of Risk Management Committee 	Charan Insurance Public Company Limited
12. Mr. Nopadol Suawankareekul <ul style="list-style-type: none"> Information Technology Department Manager Member of Risk Management Committee Member of Product Governance Committee 	54	<u>Educational Background</u> <ul style="list-style-type: none"> Master of Business Administration, Finance & Banking, Sripatum University Bachelor of Business Administration, Computer, Sripatum University <u>Training-</u> - None -	-	-	1994 - Present	<ul style="list-style-type: none"> Information Technology Department Manager Member of Risk Management Committee Member of Product Governance Committee 	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Nopadol Suawankareekul (Cont.) <u>Appointment date</u> March 1, 1994							
13. Mrs. Promporn Lamdabpang • Administration Department Manager <u>Appointment date</u> January 4, 2012	54	<u>Educational Background</u> • Bachelor of Business Administration, Accounting, Chandrakasem Rajabhat University <u>Training</u> • Anti-Money Laundering and Counter-Terrorist Financing, and Counter- Proliferation of Weapons of Mass Destruction Training Program for Non- Life Insurance Companies, Class of 2020 Thai General Insurance Association	-	-	2012 - Present	• Administration Department Manager	Charan Insurance Public Company Limited



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(แบบ 56-1 One Report)

3. Profiles of Head of Finance and Accounting, Accounting Supervisor

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Miss Sudarat Wiwattanadaj • Head of Finance and Accounting <u>Appointment date</u> November 1, 2018	70		-	-	2018 - Present	Head of Finance and Accounting	Charan Insurance Public Company Limited
Additional details of Miss. Sudarat Wiwattanadaj are shown in Section 2.9 Profiles of Executives							
2. Miss Napaporn Tanangtong • Accounting Supervisor • Member of Risk Management Committee <u>Appointment date</u> November 1, 2018	57	<u>Educational Background</u> • Bachelor of Accounting, Sukhothai Thammathirat Open University <u>Training</u> • Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association • CFO's Orientation Course (Thai Version), Class of 2021 The Stock Exchange of Thailand • Internal control of accounting information systems for effective risk management, Accounting Information No.1	-	-	2018 - Present	• Accounting Supervisor • Member of Risk Management Committee	Charan Insurance Public Company Limited

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4. Profile of Company Secretary

Name-Surname / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Miss Munthana Peoungpathompron • Company Secretary <u>Appointment date</u> November 10, 2022	30	<u>Educational Background</u> • Bachelor of Arts English Major, Kasetsart University <u>Training</u> • Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association • Advance for Corporate Secretaries Program, Class of 2020 Thai Listed Companies Association	-	-	Nov 10, 2022 - Present	Company Secretary	Charan Insurance Public Company Limited



Attachment 2 Profiles of Subsidiaries' Directors

- The Company has no subsidiary –



Attachment 3 Details of Head of Internal Audit and Head of Compliance Division

Head of Internal Audit

For the year 2024, the Company has employed Thirty-Four Audit Office Co., Ltd as an internal auditor by the person primarily responsible for performing the duties of the Company's internal auditor, with the following details:

Names	Affiliation	Education	Experience
Mr. Silpachai Raksapol	Thirty-Four Audit Office Co., Ltd	- Certified Public Accountant, High School (Chulalongkorn University) (CPIA)	46 Years
Mr. Thanadon Raksapol	Thirty-Four Audit Office Co., Ltd	- Certified Public Accountant - Ph.D.(Acc.) (Chulalongkorn University) - M.Acc. (Chulalongkorn University) - B.Acc. (Chulalongkorn University, 1st Class Honors) - Diploma in Thai Financial Reporting – Dip TFR - Academic staff of the Federation of Accounting - Professions under the Royal Patronage of His Majesty the King	18 Years
Mr. Chatchawan Ngennak	Thirty-Four Audit Office Co., Ltd	B.Acc. (Sripatum University)	30 Years

Head of Compliance Division

Perform duties as the supervisory authority

Names	Affiliation	Education	Experience
Mr. Sornchai Kaewrakmuk	Charan Insurance Pcl.	Bachelor of Laws Ramkhamhaeng University	21 Years

**Attachment 4 Operating Assets**

The assets of the Company used in the business operation are identify in main four categories as follow:

(Unit: Million Baht)

Type of Assets	Net book value as of 31 December 2024	Net book value as of 31 December 2023
Property, plant and equipment	15.62	42.21
Other intangible assets	-	-
Total	15.62	42.21

(1) Property, plant and equipment

Fixed assets of the Company are as follow:

(Unit: Million Baht)

Type of Assets	Net book value as of 31 December 2024	Net book value as of 31 December 2023
Land	13.55	41.55
Building	-	0.09
Vehicle	1.48	-
Fixture and office equipment	0.59	0.57
Total	15.62	42.21

Approximately useful life of various asset classes is as follow:

- Building 20 years
- Vehicle 5 years
- Furniture, fixtures, and office equipment 5 years

(2) Other intangible assets

Other intangible assets of the Company are as follows:

(Unit: Million Baht)

Type of Assets	Net book value as of 31 December 2024	Net book value as of 31 December 2023
Computer software	-	-
Total	-	-

**CHARAN INSURANCE PUBLIC COMPANY LIMITED**

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

3. Investment Property

Investment property of the Company consists of the following:

(Unit: Million Baht)

Type of Assets	Net book value as of 31 December 2024	Net book value as of 31 December 2023
Land and Buildings	16.00	-
Total	16.00	-

4. Non-Operating Assets

Non-operating assets of the Company consist of the following:

(Unit: Million Baht)

Type of Assets	Net book value as of 31 December 2024	Net book value as of 31 December 2023
Land and Buildings	12.00	-
Total	12.00	-

**Attachment 5 Corporate Governance and Business Ethics Policy and Practice****Corporate Governance**

Corporate governance establishes structures and processes governing the relationships among the Board of Directors, executives, employees, and shareholders. Its objective is to enhance competitiveness and ensure sustainable performance while addressing long-term impacts. The Company conducts its business ethically, respects stakeholders' rights, and upholds accountability to shareholders, stakeholders, society, the environment, government agencies, and regulatory bodies.

The Board of Directors comprises experienced professionals committed to acting responsibly, prudently, and with integrity. They operate in compliance with applicable laws, the Company's objectives, regulations, Board resolutions, and shareholder meeting resolutions. The Board is tasked with formulating strategies, setting goals, and developing annual plans. It ensures the adequacy of risk management and internal control systems, delegates authority effectively to management, allocates resources, prepares budgets, monitors performance, and ensures compliance with financial disclosure policies. Recognizing the importance of internal controls, the Company views them as essential for mitigating business risks, safeguarding assets, and preventing fraud or misconduct. The Board and management exercise due diligence and strict oversight to ensure operations align with legal and regulatory frameworks. Additionally, the Company has an audit committee that complies with the qualifications set by the Stock Exchange of Thailand. This committee ensures effective governance, providing independent opinions on financial reports and internal controls. The Company adheres to good corporate governance principles (CG Code) as outlined by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and the Office of Insurance Commission (OIC). Its corporate governance policy emphasizes transparency, builds investor and stakeholder confidence, and prevents conflicts of interest. Furthermore, the Company ensures equitable and fair treatment of shareholders and stakeholders to maximize benefits for all, including shareholders, customers, partners, and employees. Key highlights of the Company's corporate governance practices are as follows:

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board of Directors**Principle 1.1 Leadership Responsibilities to Ensure Good Corporate Governance**

The Board of Directors is responsible for independently performing its duties to act in the best interests of the Company and its shareholders as a whole. The roles and responsibilities of both the Board of Directors and management are clearly defined. The Board formulates policies and ensures that the Company's systems operate in compliance with relevant laws, regulations, ethical standards, and internal guidelines, while



management is tasked with executing operations in accordance with these policies. The following areas are emphasized:

(1) Define Objectives and Goals

The Board of Directors acknowledges its role as the leader of the organization, ensuring good governance, conducting business ethically, respecting rights, and being accountable to both shareholders and stakeholders. The Board prioritizes social and environmental impacts while adapting to changes and creating sustainable value for the business. This is aligned with the Company's objective: *"Achieving sustainable business growth through effective risk management, fostering confidence and transparency, and demonstrating social and environmental responsibility."* To achieve this objective, the following goals are established:

- (1.1) Increase Annual Performance: Focus on enhancing annual growth rates by expanding new insurance products and services
- (1.2) Enhance Customer Satisfaction: Aim for continuous improvement in customer satisfaction by developing more customer-focused services and products.
- (1.3) Reduce Business Risks: Minimize errors and losses through effective risk management.
- (1.4) Promote Social and Environmental Responsibility: Reduce natural resource consumption and implement ongoing community support projects.

(2) Formulate Strategies and Operational Policies

The Board of Directors has established key policies, including good corporate governance, anti-corruption initiatives, ethical standards, and a business code of conduct. These guidelines, documented and communicated to directors, executives, and employees, serve as principles for organizational operations. The Company ensures understanding and adherence to these policies through internal communication channels, such as the corporate website, bulletin boards, or other appropriate methods.

(3) Monitor and Evaluate Performance

The Board of Directors continuously monitors and evaluates the Company's performance using metrics aligned with its objectives and strategies. The evaluation includes analyzing the impact of policies on sustainability and revising strategies to ensure alignment with current conditions and circumstances.



Principle 1.2 Governance to Foster Sustainable Value Creation for the Organization

(1) The Board of Directors prioritizes not only financial performance but also a framework of competition that aligns with regulations and ethical standards, ensuring compliance with legal requirements, transparency, and fairness.

(2) The Board emphasizes governance to ensure that directors lead by example, fostering a corporate culture rooted in ethical business practices, respect for rights, responsibility to stakeholders, and adherence to good corporate governance principles. This approach aims to create sustainable value for the Company.

(3) To prevent any negative societal impact, the Board has established a business code of ethics as a guideline for directors, executives, and employees. This code is formally communicated and published on the Company's website to ensure transparency.

(4) To ensure adaptability to changing circumstances, the Board ensures that directors, executives, and employees are well-prepared for potential changes. Regular monitoring of performance and periodic policy reviews are conducted to maintain relevance and effectiveness.

Principle 1.3 Duties of the Board of Directors

The Board of Directors consists of qualified and experienced individuals dedicated to performing their duties responsibly, prudently, and with integrity. The Board ensures compliance with applicable laws, regulations, the Company's objectives, articles of association, and resolutions from both the Board of Directors and shareholders' meetings. The roles and responsibilities of the Board, the Chairman of the Board, and the Managing Director are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 1.4 Defining Responsibilities and Delegating Tasks, as well as Monitoring Compliance with Assigned Duties

The Board of Directors is responsible for defining strategies and annual plans, overseeing the adequacy of risk management and internal control systems, and ensuring appropriate delegation of authority in alignment with management responsibilities. The Board allocates resources, develops budgets, monitors and evaluates performance, and ensures that financial disclosures comply with established policies. The Company prioritizes its internal control system as a critical mechanism for mitigating business risks, safeguarding assets from loss or misuse, and preventing fraud and misconduct. Both the Board and management fulfill their duties with diligence, exercising strict oversight to ensure compliance with laws, regulations, and applicable rules. Additionally,



the Company has an audit committee, meeting the qualifications set by the Stock Exchange of Thailand, which plays a vital role in ensuring operational efficiency and providing independent and impartial opinions on the Company's financial reports and internal control systems.

Principle 2 Define Objectives that Promote Sustainable Value Creation

Principle 2.1 Ensuring Clear Objectives to Create Sustainable Value for the Organization, Customers, Stakeholders, and Society

The Board of Directors oversees The Company's operations with a focus on achieving its goals while maintaining credibility and trust with customers. The Board defines the Company's policies, vision, objectives, targets, strategies, and directions, ensuring that management adheres to these policies effectively and efficiently. The Company strives to be a trusted non-life insurance provider, prioritizing customer satisfaction, and is guided by the vision: *"Charan's promise gives the public peace of mind."* Various policies are implemented to enhance operations, ensuring speed, accuracy, and continuous improvement in quality and service control. The Board supervises risk management and internal control systems to maintain an appropriate and acceptable level, ensuring that objectives are met in compliance with laws, standards, and company regulations, while adhering to principles of integrity, rationality, and caution in line with good governance practices.

Principle 2.2 Ensuring Alignment of Objectives, Goals, and Strategies with the Organization's Core Goals through the Appropriate and Safe Use of Innovation and Technology

The Board of Directors oversees the integration of innovation and technology to drive business opportunities and operational development. It ensures that the management of information technology risks adheres to relevant laws, regulations, and standards. The Board enforces data security measures to safeguard the confidentiality, reliability, and availability of information, preventing misuse or unauthorized modifications. Furthermore, the Board ensures the implementation of protocols to manage incidents that may affect the stability and security of information systems, enabling the organization to achieve its objectives and core goals effectively.

Principle 3 Strengthen Board Effectiveness

Principle 3.1 Definition and Review of the Board Structure, Including Size, Composition, and Proportions of Independent Directors, to Support the Organization's Objectives and Goals

(1) Qualifications of the Board

The Board of Directors evaluates the qualifications of potential directors based on alignment with the Board's expertise requirements, as outlined in the Board Skills Matrix. This matrix identifies areas where skills and



expertise are lacking, ensuring the enhancement and diversification of professional knowledge, experience, and capabilities, including characteristics such as age and gender. When selecting candidates for Board or Independent Director roles, the Board collectively ensures the necessary skills are filled as per the Skills Matrix and submits the recommendations for approval at the shareholders' meeting. The appointment requires approval by a majority vote from shareholders present and eligible to vote.

(2) Board Structure

The Board of Directors is structured in accordance with good corporate governance principles, comprising a minimum of five (5) and a maximum of twelve (12) members. At least half of the directors must reside in Thailand. The Board ensures an appropriate balance between executive and non-executive directors, preventing any individual or group from holding sole decision-making authority. This structure promotes effective management and robust checks and balances. The Board members possess diverse expertise, experience, and specialized skills beneficial to the Company, irrespective of gender. They must fully understand their responsibilities as directors, the nature of the Company's business, and be prepared to engage in discussions while prioritizing the Company's best interests and fairness to shareholders, policyholders, and stakeholders. Directors must also dedicate sufficient time and effort to the Company. The Board is structured as follows:

- (2.1) Executive directors account for three (3) out of seven (7) Board members.
- (2.2) The Chairman of the Board is a non-executive director who plays a pivotal role in policy decisions, developed through Board discussions and collaboration with management to set business goals. The Chairman monitors management performance, oversees overall strategy and policy, and ensures compliance with laws, regulations, and applicable rules. The Chairman also ensures efficient board meetings, encouraging active participation from all directors and fostering independent viewpoints.
- (2.3) Three (3) independent directors, as required by the Company's bylaws, meet the qualifications set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). These independent directors collaborate effectively with the entire Board and provide independent opinions.



Furthermore, the Board must not exhibit any disqualifying characteristics under Section 34 of the Non-Life Insurance Act B.E. 2535, its amendments, the regulations of the Insurance Commission, the Corporate Governance Guidelines B.E. 2562, or the Public Limited Companies Act B.E. 2535.

The Company discloses its policy on Board composition diversity and provides details about the directors, including age, gender, educational background, experience, shareholding proportions, years of service, and directorships in other listed companies, in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.2 Selecting an Appropriate Individual as Chairman of the Board to Ensure the Composition and Operations of the Board Foster Independent Decision-Making

The roles of the Chairman of the Board and the Managing Director are clearly separated in accordance with good corporate governance principles. This separation enhances transparency in management and prevents conflicts of interest. Furthermore, the Chairman does not hold any positions in subcommittees, ensuring a distinct delineation of roles and responsibilities. The process of selecting directors emphasizes diversity in gender, age, race, nationality, religion, and other factors, promoting inclusive decision-making that addresses the evolving challenges and opportunities in the industry.

(1) Roles, Duties, and Responsibilities of the Chairman of the Board:

- (1.1) Supervise, monitor, and oversee the Board's performance to ensure the effective achievement of the organization's objectives and goals.
- (1.2) Preside over Board and shareholder meetings, ensuring compliance with company regulations and meeting agendas, while fostering active participation to promote an ethical corporate culture and sound governance practices.
- (1.3) Collaborate with the Managing Director to set meeting agendas, ensure key issues are addressed, and cast decisive votes in the event of a tie during Board or shareholder meetings.
- (1.4) Allocate sufficient time for directors to thoroughly discuss key issues, encouraging independent judgment and diverse opinions.
- (1.5) Foster strong relationships between executive and non-executive directors, as well as between the Board and management.



(2) Authority of the Managing Director:

- (2.1) Manage the Company's operations in accordance with its objectives, regulations, operational guidelines, and Board resolutions, with accountability to the Board.
- (2.2) Establish work conditions for employees, issue directives, and define operational methods, provided they do not conflict with The Company's regulations, Board resolutions, labor laws, or other applicable laws.
- (2.3) Represent The Company in dealings with external parties within the scope of authority defined in (1.1). Transactions in which the Managing Director or authorized directors have a conflict of interest, stake, or potential conflict with The Company require prior approval from the Board, including participation from independent directors. The Managing Director and authorized directors may delegate specific powers as deemed appropriate.
- (2.4) Propose transactions exceeding the financial limits established by the Board for review and approval in accordance with The Company's regulations or applicable laws.
- (2.5) Hire, appoint, discipline, and terminate employees, including approving promotions and salary adjustments, except where Board-level approval is required by regulations.
- (2.6) Manage business operations in compliance with applicable laws, including the Civil and Commercial Code, the Non-Life Insurance Act, the Public Limited Companies Act, and other relevant legislation, with honesty, fairness, and diligence, to fulfill The Company's objectives.

- (3) The Board of Directors has appointed subcommittees to ensure critical matters are reviewed comprehensively. These subcommittees assess, evaluate, and provide recommendations for the Board's final approval.

Principle 3.3 Ensuring a Transparent and Clear Process for Director Nomination and Selection to Form a Board with Appropriate Qualifications

The Company has not appointed a nomination committee. However, it has established clear criteria for selecting qualified individuals with expertise and experience in non-life insurance. The selection process is transparent and structured to ensure the appointment of directors capable of fulfilling their duties and supporting



The Company's objectives. This process complies with human resource management regulations and is presented to the Board of Directors before being proposed to the shareholders' meeting for final approval. Shareholders are provided with sufficient information about the nominees to make informed decisions.

Principle 3.4 Consideration of the Board of Directors' Remuneration

The Company does not have a remuneration committee but follows a clear, transparent, and appropriate process for determining directors' remuneration. This process takes into account compensation data from companies of similar industry and size, along with financial performance. The Board collectively reviews and decides on the remuneration, which is then presented for shareholder approval. The Company also discloses the criteria for determining directors' remuneration, reflecting their responsibilities, as well as the structure and amount of remuneration in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.5 Oversight of Board of Directors' Responsibilities and Time Allocation

- (1) The Board ensures that directors fully understand their roles and responsibilities.
- (2) The Board has established policies regarding the number of boards positions each director, including the Managing Director, may hold:
 - (2.1) Each director may serve on the boards of no more than five listed companies, in accordance with regulations set by the Securities and Exchange Commission (SEC).
 - (2.2) The Managing Director may serve on the boards of no more than three listed companies, provided that these positions do not interfere with their duties as Managing Director, and the companies are not in the same business or in competition with The Company. Prior approval from the Board is required for accepting additional directorships.
- (3) The Board has set policies and procedures to prevent directors, executives, and related parties from using inside information for personal gain. Directors, executives, their spouses, minor children, and auditors must report their holdings of The Company's securities (Form 59-2) electronically to the SEC within three business days of any transaction and disclose this information on The Company's website. This is to prevent conflicts of interest and ensure transparency in accordance with good corporate governance principles. Additionally, directors, executives, or any party with access to inside information are prohibited from disclosing it to external parties before financial statements are made public.



- (4) Each director should attend at least 86% of the Board meetings held during the year.

Principle 3.6 Board of Directors, Sub-committee, and Individual Director Performance Evaluation

The Board conducts annual evaluations of its performance, as well as that of individual directors and sub-committees. Self-assessment methods are employed to gather feedback on various aspects of the Board's roles and responsibilities. The evaluation follows the format provided by the Thai Institute of Directors (IOD). The Company Secretary compiles the results, which are then presented to the Board. The evaluation outcomes are used to assess the appropriateness of the Board's composition and to analyze its performance. Recommendations from the evaluation are implemented for continuous improvement. The evaluation process and its results are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.7 Ensuring Directors Possess Knowledge and Understanding of Their Roles, Business Nature, and Relevant Laws, While Supporting Continuous Skill Development

(1) Orientation for New Directors

The Board mandates orientation for all new directors to build their understanding of The Company's business operations and prepare them for their responsibilities. The Board also implements policies to enhance directors' knowledge and perspectives, particularly in corporate governance, information technology, and innovations, to support their effective performance and enable them to assume their roles promptly. The Company Secretary facilitates the following

- (1.1) Key Information: Business structure, board structure, authority scope, and essential legal frameworks.
- (1.2) General Business Knowledge: Operational guidelines and departmental site visits.
- (1.3) Meetings with Key Executives: Discussions with the Chairperson and Managing Director to gain deeper insights into operations.

(2) Training and Knowledge Development

The Board and management prioritize participation in seminars, training programs, or activities that enhance knowledge relevant to their roles. Directors have completed training courses offered by the Thai Institute of Directors (IOD), such as the Directors Certification Program (DCP) and the Director Accreditation Program (DAP). Internal training sessions are also conducted to ensure directors understand their roles, responsibilities, and the legal and regulatory framework applicable to the business. This fosters efficient



performance and enables directors to stay current with evolving trends. Details of the Board's training and seminar participation are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.8 Oversight of Board of Directors Operations to Ensure Orderliness, Access to Essential Information, and Appointment of a Competent Company Secretary to Support the Board's Work

(1) Board of Directors' Meetings

- (1.1) The Company ensures regular Board meetings, with a minimum of four meetings per year (at least once every three months). Special meetings may be convened as necessary to review financial statements, set policies, and monitor performance. Directors are expected to attend all meetings.
- (1.2) Meeting agendas are clearly defined, and schedules specifying the date, time, and venue are communicated in advance. Supporting documents are distributed at least seven days before the meeting, except in urgent cases, to allow sufficient time for review.
- (1.3) A quorum for voting requires the presence of at least two-thirds of the total number of directors.
- (1.4) Directors have access to critical information through the Managing Director, Company Secretary, or other designated executives.
- (1.5) The Board encourages the Managing Director to invite senior executives to Board meetings to provide detailed information, address specific issues, and foster familiarity with senior management as part of succession planning considerations.
- (1.6) During meetings, the Chairperson assigns the Managing Director to present agenda items, allocate time for discussions, and summarize key points for decision-making. Directors are encouraged to share their views and contribute to forming collective decisions.

(2) Company Secretary

The Board of Directors appoints a qualified Company Secretary who undergoes continuous training to ensure The Company operates efficiently in alignment with good corporate governance principles. The responsibilities include:



- (1.1) Preparing and maintaining documents related to the Board, annual reports, Board meeting notices, and minutes, as well as shareholder meeting notices and minutes.
- (1.2) Keeping records of conflict-of-interest reports submitted by directors or executives.
- (1.3) Sending copies of conflict-of-interest reports to the Chairperson and Audit Committee Chair within seven working days of receipt.
- (1.4) Organizing Board and shareholder meetings in compliance with regulations and applicable laws.
- (1.5) Advising on corporate operations to ensure alignment with the Articles of Association, Memorandum of Association, Securities and Exchange Act, Public Limited Companies Act, and other relevant laws.
- (1.6) Acting as a communication hub between the Board, management, and shareholders.
- (1.7) Coordinating and monitoring the implementation of resolutions passed by the Board and shareholders.
- (1.8) Ensuring accurate disclosure of information and reporting to regulatory authorities in compliance with regulations.
- (1.9) Performing additional duties as prescribed by the Capital Market Supervisory Board or assigned by the Board of Directors.

Principle 4 Ensure Effective CEO and People Management

Principle 4.1 Recruitment and Development of the Managing Director and Senior Executives to Drive Organizational Goals

(1) The Company does not have a Nomination and Remuneration Committee for selecting candidates for the position of Managing Director. Instead, a selection framework based on predefined qualifications is employed, including age, educational background, professional ethics, and work experience. The Board of Directors collaborates with the Managing Director to evaluate candidates using these criteria. Final approval must be obtained from the Board of Directors' meeting to ensure the appointment of a suitable individual to the position of Managing Director.

(2) The Company has established a **Succession Plan** to ensure seamless business operations. Senior executives and employees in critical positions are informed of their responsibilities under this plan within the



specified timeframe. The plan outlines processes and procedures, pending tasks, and communication methods for transferring responsibilities. Departing personnel must notify The Company to facilitate an orderly handover of duties.

(3) The Board of Directors encourages and supports the Managing Director, senior executives, and key personnel in attending training and development programs. This enhances their knowledge and experience, contributing to more effective job performance.

Principle 4.2 Oversight of Compensation Structure and Performance Evaluation for Organizational Personnel

(1) The Board of Directors establishes a compensation structure that motivates the Managing Director, senior executives, and all personnel to perform in alignment with the organization's objectives and core goals. This structure is designed to support The Company's long-term interests and includes:

- (1.1) Evaluating the appropriateness of compensation components, such as salaries, bonuses, and long-term performance incentives.
- (1.2) Setting policies for compensation payments, considering industry benchmarks for organizations of similar size alongside The Company's operational performance.
- (1.3) Establishing and clearly communicating performance evaluation criteria across the organization.

(2) The Board of Directors plays a key role in determining compensation and evaluating the performance of the Managing Director, focusing on:

- (2.1) Approving performance evaluation criteria based on the organization's core objectives, goals, and strategies, ensuring alignment with The Company's long-term benefits.
- (2.2) Conducting annual performance evaluations of the Managing Director collectively.
- (2.3) Approving the annual compensation of the Managing Director based on performance evaluations and other relevant factors.

(3) The Board of Directors approves the criteria for performance evaluations and the compensation of the Managing Director. Additionally, it delegates authority to the Managing Director to determine the compensation structure for all employees within the organization.

**Principle 4.3 Understanding Shareholder Structure and Relationships Impacting Management and Operations**

The Board of Directors understands the structure and relationships of shareholders, which may be in the form of family business agreements, whether written or not, shareholder agreements, or company policies that impact the authority to control the management of the organization. The Board ensures that such agreements do not impede the performance of the Board's duties and oversees that there is no disclosure of information under such agreements that affects the control of the organization.

Principle 4.4 Monitoring and Managing Personnel to Ensure Adequate Numbers, Knowledge, Skills, Experience, and Motivation

The Board of Directors oversees and manages human resources in alignment with the organization's direction and strategies, ensuring that employees at all levels possess appropriate knowledge, abilities, and motivation and are treated fairly to retain quality personnel within the organization. Additionally, the Board has established a provident fund as a mechanism to ensure employees have sufficient savings for retirement. The Board also encourages employees to gain knowledge and understanding in organizational management and in selecting investment policies aligned with various risk profiles.

Principle 5 Nurture Innovation and Responsible Business**Principle 5.1 Emphasizing and Supporting Innovation That Creates Value for the Business Alongside Benefits for Customers or Stakeholders, and Responsibility Towards Society and the Environment**

The Board of Directors has established a business policy aligned with the organization's objectives, regularly reviewing strategies and operational plans to ensure continuity and goal alignment. Employees and stakeholders are encouraged to develop innovations that effectively meet customer needs. The Company focuses on developing business sectors and expanding opportunities to provide comprehensive and prompt services to customers. New innovations are implemented within the organization to enhance the quality of products that meet the needs of consumers across all age groups, while improving the capabilities of service systems and distribution channels to ensure broader and faster service delivery to customers and partners. Additionally, the Board prioritizes social responsibility and environmental conservation to foster confidence in sustainable business operations over the long term. The Company does not support inappropriate, illegal, or unethical actions, aiming to build trust and credibility among customers and society at large.



Principle 5.2 Monitoring and Ensuring That Management Operates with Social and Environmental Responsibility, reflected in the Operation Plan, to Ensure Consistency with the Organization's Main Objectives and Strategic Plans

The Board of Directors has disclosed its compliance with this policy to stakeholders. The Company has established environmental management and human rights policies to guide the organization towards achieving its objectives and sustainable development goals as follows:

(1) Respect for Human Rights

The Company recognizes its responsibility towards all stakeholders, including shareholders, investors, employees, customers, partners, competitors, creditors, and the community, to create mutual long-term benefits. The Company adheres to the rights of stakeholders defined by law or agreements made with The Company. It will not engage in any actions that violate these rights and has established a human rights policy to guide management and employees. Furthermore, The Company clearly defines the rights of different stakeholders in its business ethics, ensuring their protection and proper implementation.

The Company ensures fairness and equality in its treatment of employees, acknowledging the importance of human resources in driving organizational success. This is evident from the employee guidelines outlined in the business ethics manual, including reasonable work hours and leave policies in compliance with labor laws. Fair compensation and bonuses are provided, and The Company promotes the development and advancement of employees based on their knowledge and abilities, with appropriate position transfers in line with employee needs.

(2) Responsibility towards Society and the Environment

The Company is committed to conducting business that is environmentally friendly by implementing comprehensive environmental policies aligned with sustainable development principles. The Company aims to reduce unnecessary energy and resource consumption, while encouraging employees to be aware of and value environmental conservation. Additionally, The Company considers investing in environmentally friendly projects that will have a positive long-term impact on the environment and society.

(3) Responsibility towards Employees and Workers

The Company treats its employees fairly and respects human rights, emphasizing their safety and well-being. Employee benefits include healthcare, annual health checks, general loan and housing benefits, a retirement fund, and severance pay. Personnel management complies with labor law requirements, and



employees are provided with training and development opportunities to enhance their skills and career advancement.

(4) Responsibility towards Customers

The Company is committed to customer care and responsibility by complying with legal and industry standards. It offers appropriate insurance policies and services that meet customer needs, maintains customer data securely, and provides fair, prompt, and complete compensation when customers experience losses as specified in their policies.

(5) Responsibility towards Partners

The Company conducts business with partners in accordance with fair and transparent trade practices. It adheres to commercial terms and contracts with partners, notifying them in cases where conditions cannot be met to jointly find solutions and avoid conflicts of interest. The Company has established clear regulations for procurement and operations, does not accept or solicit gifts or benefits from partners, and avoids doing business with partners who violate human rights or intellectual property rights or engage in unlawful conduct. The Company also assesses and evaluates partners to ensure sustainable business development.

(6) Responsibility towards Competitors

The Company competes fairly, transparently, and ethically. It avoids unfair competitive advantages and focuses on operating with quality and efficiency to maximize customer satisfaction and benefit.

(7) Responsibility towards Government

The Company operates in compliance with legal requirements and maintains good relationships with regulatory bodies. It communicates openly and cooperates in providing requested information to ensure transparency, fostering mutual trust and confidence.

(8) Anti-Corruption and Fraud

The Company emphasizes fair and transparent business practices, recognizing that corruption and fraud hinder economic and social development. These actions create unfair business practices that harm The Company's reputation and stability, potentially leading to societal rejection. The Company has an anti-corruption policy requiring that the board, management, employees, and all stakeholders adhere strictly to it.



Principle 5.3 Monitoring and Ensuring Efficient and Effective Resource Allocation, Considering the Impact and Development of Resources throughout the Value Chain, to Achieve Sustainable Objectives and Goals

(1) The Board of Directors considers the resources required for operations, such as financial, production, human, and natural resources. They recognize that various departments need different resources and have delegated the responsibility to management to allocate these resources appropriately and adequately, ensuring that operations are not disrupted.

(2) The Board of Directors acknowledges that the business model impacts resources differently. Therefore, they consider these impacts and allocate resources thoughtfully, while maintaining ethical standards, responsibility, and sustainable value creation for the organization.

(3) The Board of Directors oversees and develops the resource allocation to ensure its effectiveness. They regularly review and consider external factors' changes to achieve the organization's objectives and goals as a priority.

Principle 5.4 Governance and management of enterprise-level information technology (IT) aligned with the business needs, including overseeing the use of IT to create business opportunities and enhance risk management operations, to ensure the organization achieves its objectives and goals.

(1) The Board of Directors delegates the responsibility for formulating The Company's IT strategy to the IT department, considering the true needs of business operations. The department is tasked with providing solutions if resource allocation is insufficient, while continuously updating, developing, and modernizing The Company's IT systems to remain competitive in the industry and to enhance business opportunities.

(2) The Board of Directors ensures the management of enterprise-wide risk, including IT-related risks, by requiring the IT manager to prepare regular risk reports for presentation to the Risk Management Committee.

(3) The Board of Directors has a policy to maintain the security and stability of The Company's IT systems, providing a framework for operations that safeguards information systems and prevents unauthorized access or alterations of data.

**Principle 6 Strengthen Effective Risk Management and Internal Control**

Principle 6.1 Oversight of the risk management system and internal controls to ensure the achievement of objectives effectively and in compliance with applicable laws and standards.

(1) Risk Management System

The Company has established a Risk Management Committee responsible for ensuring that The Company has a risk management and internal control system in place to achieve its objectives and comply with relevant laws and standards, as well as corporate governance principles. The Risk Management Committee meets at least quarterly and presents the results of the risk management plan implementation to the Board of Directors regularly. The Company's key risk management policy covers 11 areas, including:

- (1.1) Strategic Risk
- (1.2) Insurance Risk
- (1.3) Market Risk
- (1.4) Credit Risk
- (1.5) Liquidity Risk
- (1.6) Operational Risk
- (1.7) Reputation Risk
- (1.8) Information Technology Risk
- (1.9) Catastrophic Risk
- (1.10) Emerging Risk
- (1.11) Group Risks

The Company also emphasizes early warning signals by reporting risk status from the Early Warning System monthly and summarizing the results for presentation to the Board of Directors each quarter.

(2) Internal Controls

The Board of Directors has established an internal control system to oversee The Company's operations in compliance with relevant laws and regulations, supported by effective auditing mechanisms to ensure continuous development. The Company has engaged an external firm to serve as the internal auditor. The Board has delegated the responsibility of developing the operational system independently, with the Audit Committee reviewing the adequacy of this role. The internal auditor is considered independent and experienced in internal auditing within the insurance industry and similar sectors.



Principle 6.2 Establishment of an Audit Committee with the ability to perform its duties effectively and independently.

The Board of Directors has established an Audit Committee composed of three independent directors, with one independent director appointed by the Board to serve as the chairman of the committee. The Audit Committee's duties and responsibilities are in accordance with the regulations and qualifications set by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and the Office of the Insurance Commission (OIC) to ensure alignment with corporate governance principles. The duties and responsibilities of the Audit Committee are documented in writing, with at least four meetings scheduled annually. Each director serves a three-year term and must meet the independence criteria as outlined in the Securities and Exchange Act B.E. 2535.

Principle 6.3 Monitoring and Managing Conflicts of Interest Between the Company, Management, Board Members, or Shareholders, Including Preventing the Misuse of Company Assets, Information, and Opportunities, and Transactions with Related Parties

The Company has implemented a governance policy to prevent directors and executives from using internal company information for personal gain. It prohibits executives, their spouses, and their minor children from using inside information to buy, sell, transfer, or receive company securities before such information is made public. This policy complies with Section 59 of the Securities and Exchange Act B.E. 2535. Additionally, it mandates the submission of a report on the securities holdings of directors, executives, their spouses, minor children, and related parties within three business days following any change in securities holdings. These reports must be submitted to the Securities and Exchange Commission (SEC) and a copy is to be kept by the Company secretary for tracking and summarizing the individual securities holdings, to be presented to the board during meetings and at the year-end board meeting. Securities holdings are disclosed in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report). Furthermore, the board requires directors and executives to disclose their interests and those of related parties annually, allowing the board to assess any potential conflicts of interest regarding transactions. Directors and executives with interests in a transaction will abstain from participating in the deliberations concerning that matter. Penalties are established for non-compliance with these requirements.

Additionally, the Board has implemented controls to safeguard access to information systems and prevent unauthorized external access to company data. It also sets appropriate access levels to company information based on the responsibilities of employees at various levels. If any individual is found to be using internal information or engaging in behavior that could harm the Company's reputation or cause financial damage,



management will submit an annual report to the board to support compliance with legal requirements and safeguard the Company's interests and those of its shareholders. The board will also monitor actions that may result in conflicts of interest in accordance with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regulations on asset acquisition or disposal and related transactions.

Principle 6.4 Overseeing the Formulation of Clear Anti-Corruption Policies and Practices, and Communicating Them Across All Levels of the Organization for Practical Implementation

The Board of Directors has complied with relevant laws and standards by establishing an anti-corruption policy that prohibits directors, executives, and all employees from using their authority to support or tolerate any form of corruption, both directly and indirectly. It also prohibits offering illegal incentives to others to gain business advantages for the Company. The Company regularly monitors and reviews the implementation of this policy and updates practices and procedures to ensure alignment with changes in business, regulations, and laws. Any violations, including supporting or cooperating in corruption, will be subject to disciplinary action according to company regulations. Additionally, the Company has set up a whistleblowing channel for employees and stakeholders to report suspicious activities, ensuring confidentiality of the whistleblower's identity and protecting them from potential harm. Promotions, performance evaluations, and compensation decisions are based on compliance with the policy, with no history of corruption or behavior that obstructs policy adherence. The anti-corruption policy is communicated to new employees, and training programs are implemented to ensure understanding. Information on the policy is also made available to the public and stakeholders through internal communication channels.

Principle 6.5 Oversight of Mechanisms for Receiving Complaints and Handling Reports of Corruption

The Board of Directors oversees the establishment of mechanisms for receiving complaints and addressing whistleblower reports to ensure transparency in operations. The Board has set up appropriate and secure channels for whistleblowers to report concerns. If any irregularities arise, such as weaknesses in corporate governance, financial reporting, regulatory violations, rights violations, threats, corruption, or other doubts, shareholders, customers, the general public, or other stakeholders can report such issues through the following channels:



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Address : Charan Insurance Public Company Limited

408/1 Ratchadapisek Road, Samsen Nok, Huai Khwang, Bangkok 10310

Email : charanins@charaninsurance.co.th

Website : www.charaninsurance.co.th

Phone : 02-276-1024 ext. 207

Fax : 02-275-4919

The Board ensures that complaints are managed systematically to protect the rights of the whistleblower and those providing information in good faith. Information will not be disclosed to unrelated parties unless required by law, court order, or relevant regulatory authorities.

Employees and stakeholders may directly submit complaints or suggestions to the Board of Directors and management via the Company Secretary.

Principle 7 Ensure Disclosure and Financial Integrity

Principle 7.1 Oversight of Financial Reporting and Disclosure Compliance with Standards and Relevant Practices

(1) The Board of Directors delegates responsibility for preparing financial disclosures to qualified personnel with the necessary knowledge, skills, and experience. These individuals ensure that financial information is disclosed accurately, completely, and transparently, in accordance with relevant rules, standards, and practices. The Board considers the following factors when approving financial disclosures:

(1.1) Results of the internal control system evaluation

(1.2) Auditor's opinion on the financial statements and the auditor's comments regarding the internal control system

(1.3) Opinion of the Audit Committee

(1.4) Alignment with the Company's objectives, goals, strategies, and policies

(2) The Board oversees the disclosure of information, including quarterly financial statements and the Annual Registration Statement/Annual Report (Form 56-1 One Report), to adequately reflect the Company's financial position and performance. This includes the preparation of Management Discussion and Analysis (MD&A) accompanying the financial statements, in compliance with the Securities and Exchange Commission's Notification No. Tor Jor 44/2013 regarding the guidelines, conditions, and methods for reporting financial position and performance disclosures for listed companies.



Principle 7.2 Oversight of Financial Liquidity and Debt Repayment Capacity

(1) The Board of Directors has established a department responsible for monitoring and assessing the Company's financial position, reporting regularly to the Board. This includes the implementation of an Early Warning System and maintaining sufficient capital reserves according to the risk levels necessary to mitigate potential business risks, as defined by the Office of the Insurance Commission (OIC). These measures serve as key standards for overseeing the Company's operations to ensure business continuity and efficiency.

(2) The Board ensures that any approvals for transactions or proposals to the shareholders' meeting are made with due consideration to their impact on the Company's operational continuity, financial liquidity, and debt repayment capacity.

Principle 7.3 Oversight of Financial Issue Resolution Plans and Mechanisms, Considering Stakeholder Rights

The Board of Directors manages business risks with caution, establishing written guidelines to ensure clarity and rigor. Regular meetings are held with relevant parties to review and discuss these guidelines in preparation for potential business difficulties. These procedures are framed within established boundaries and take stakeholder rights into account. The Board has delegated the responsibility to the Risk Management Committee to develop risk management policies for Board approval. The Committee oversees, reviews, and proposes policies, along with assessing overall organizational risk indicators. The Board is regularly informed of the fund status and performance evaluations to ensure that risks are managed within acceptable limits and in alignment with the Company's risk policies

Principle 7.4 Preparation of Sustainability Reports According to the Company's Appropriateness

The Board of Directors is responsible for determining the appropriateness of disclosing information in accordance with regulations, company policies, and practices to prevent any leakage of confidential information, as per the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Board has integrated various operational processes to promote organizational sustainability, adhering to principles of legal compliance, business ethics, conflict of interest prevention, insider trading prohibition, anti-corruption measures, whistleblowing, and fair treatment of employees and stakeholders. Additionally, the Company ensures social and environmental responsibility, following reporting frameworks recognized both domestically and internationally. Relevant information is disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report), highlighting practices that contribute to the creation of long-term value for the Company.

**Principle 7.5 Establishment of an Investor Relations Department or Responsible Person for Communicating with Shareholders and Stakeholders**

The Board of Directors prioritizes transparency in information disclosure, ensuring that both financial and general information is accurate, complete, and transparent. Such disclosures are crucial as they influence the decision-making processes of investors and stakeholders, particularly when required by regulatory bodies overseeing the Company's operations. The Board has established an Investor Relations department to serve as a central point of communication, addressing inquiries and providing important company information to investors, shareholders, stakeholders, and relevant government analysts. Should investors or stakeholders have any inquiries or require additional information, they can contact the Investor Relations department at:

- **Ms. Munthana Peoungpathompron**

Address : Charan Insurance Public Company Limited
408/1 Ratchadapisek Road, Samsen Nok, Huay Kwang, Bangkok 10310

Email : charanins@charaninsurance.co.th

Website : www.charaninsurance.co.th

Phone : 02-276-1024 ext. 207

Fax : 02-275-4919

Principle 7.6 Promoting the Use of Information Technology in Disseminating Information

The Board of Directors encourages the use of information technology for disseminating various types of information. Information is disclosed in both Thai and English on the Company's website, with regular updates to ensure its currency.

Principle 8 Ensure Engagement and Communication with Shareholders**Principle 8.1 Ensuring Shareholder Participation in Significant Company Decisions**

The Board of Directors emphasizes the rights and equality of shareholders, ensuring their involvement in decisions that materially impact the Company.

Pre - Shareholders' Meeting Day:

(1) The Board ensures the Annual General Meeting (AGM) is convened within four months of the Company's fiscal year-end. Shareholders are informed of the meeting schedule through announcements via the Stock Exchange of Thailand (SET). The Company also promotes shareholder engagement, such as enabling minority shareholders to propose agenda items, submit questions, or nominate director candidates at least three



months prior to the AGM. Guidelines and procedures are disclosed on the Company's website, in compliance with legal and regulatory requirements.

(2) The Board ensures that significant matters, including legal obligations and operationally impactful issues, are presented for shareholder consideration and/or approval. Key decisions include director remuneration, profit allocation and dividend payments, and the appointment and remuneration of auditors.

(3) The Board schedules the meeting at a convenient time and location, providing sufficient discussion time and accessibility for shareholders.

(4) The invitation to the AGM is prepared in both Thai and English, containing accurate and complete details, including the meeting venue, date, time, agenda, and objectives. Each agenda item is clearly identified as either for acknowledgment, approval, or consideration. The Board's opinions on each agenda item are provided, along with a proxy form issued by the Ministry of Commerce for shareholders unable to attend in person. Relevant supporting documents are also included.

(5) The Board ensures the meeting invitation and related documents are available on the Company's website under the "Investor" section at least 30 days prior to the AGM. Notifications are made through the SET system, and documents are sent to shareholders and the registrar no later than 14 days before the meeting. Additionally, the Company publishes a meeting notice in a newspaper at least three days prior to the event.

(6) Shareholders are invited to submit questions in advance through the Company's website or via designated communication channels.

Principle 8.2 Ensuring Shareholder Participation in Key Decision-Making

Shareholders' Meeting Day

(1) The Board of Directors ensures that no actions are taken to unduly restrict shareholders' attendance or impose unnecessary burdens, such as requiring excessive documentation beyond the standard identification requirements.

(2) The Company integrates technology into the shareholders' meeting process, including barcode systems for registration, vote counting, and real-time display of voting results for each agenda item. This approach ensures accuracy, efficiency, and immediate transparency for all shareholders.

(3) The Chairperson of the Board serves as the meeting chair, ensuring compliance with relevant laws and regulations while allocating adequate time for each agenda item. Equal opportunities are provided for shareholders to express opinions and raise questions. Legal advisors oversee the transparency and legality of the



meeting, supported by shareholder rights volunteers from the Thai Investors Association as independent vote observers.

(4) The Board, management, accounting, legal teams, and external auditors attend the meeting (unless faced with unavoidable obligations) to provide clarifications and address shareholder inquiries.

(5) Before the meeting commences, the Managing Director announces details regarding the number and proportion of attending shareholders, proxy submissions, meeting regulations, voting methods, and vote-counting procedures.

(6) The Company employs voting cards for all agenda items, adhering to a “one share, one vote” principle, with the majority vote determining the resolution outcome.

Principle 8.3 Ensuring Accurate and Comprehensive Disclosure of Shareholders’ Meeting Resolutions

Post - Shareholders’ Meeting Day:

(1) The Board of Directors ensures that the Company discloses shareholders’ meeting resolutions, including voting results, in both Thai and English through the Stock Exchange of Thailand’s news system by 9:00 AM on the following business day. The meeting minutes, prepared in both languages, must be submitted to the Stock Exchange of Thailand within 14 days of the meeting and made accessible on the Company’s website.

(2) The Board ensures that the meeting minutes contain at least the following details:

(2.1) Names of directors and executives present, including the proportion of attendees and absentees.

(2.2) Voting and counting methods, resolutions passed, and voting results categorized as approved, disapproved, abstained, and invalid for each agenda item.

(2.3) Key questions raised and responses provided during the meeting, along with the full names of the individuals posing questions and providing answers.



Business Code of Conduct

Charan Insurance Public Company Limited is committed to conducting its business with integrity, transparency, and a foundation based on ethics and moral principles, aiming to create sustainable value for the organization and its shareholders. To ensure this, the Company has established ethical business practices through the creation of a Business Code of Conduct, which serves as a framework to guide business operations in alignment with the Company's goals. This Business Code of Conduct is based on a compilation of ethical standards, operational procedures, and best practices that the Company aims to uphold. Therefore, it is the duty and responsibility of the Board of Directors, management, and all employees at every level, as well as all parties associated with the Company, to be familiar with, understand, and strictly adhere to these guidelines.

In order to achieve business objectives while maintaining ethical standards, the implementation of the Business Code of Conduct will be monitored annually. Adherence to the Business Code of Conduct will benefit the Company, employees, and all stakeholders, while fostering continuous growth and long-term stability.

1. Guidelines for the Company

- 1.1 The Company shall operate in compliance with the law, respecting customs, traditions, and intellectual property rights, and shall not engage in actions that harm society.
- 1.2 The Company shall promote strict adherence to laws and internal regulations by the Board of Directors, management, and all employees.
- 1.3 The Company shall participate in social, community, and environmental responsibilities and support activities that contribute to the betterment of society.
- 1.4 The Company shall conduct business and compete in the market fairly and transparently.
- 1.5 The Company shall protect the interests of all stakeholders fairly.
- 1.6 The Company shall foster a positive work environment free from any form of harassment.
- 1.7 The Company shall disclose information in a timely, accurate, complete, and verifiable manner.
- 1.8 The Company shall ensure fair and appropriate compensation and benefits for all employees, without discrimination.
- 1.9 1.9 The Company shall provide relevant training to employees and promote the development of their knowledge and skills, supporting their growth in accordance with their abilities.
- 1.10 The Company shall adhere to and respect human rights principles.
- 1.11 The Company shall encourage all employees to prioritize collective interests over personal gain.



2. Guidelines for the Directors

- 2.1 Directors shall perform their duties in accordance with the Company's objectives, regulations, and shareholder resolutions, with caution and primarily in consideration of the Company's interests.
- 2.2 Directors shall comply with all laws, rules, and regulations related to business operations.
- 2.3 2.3 Directors shall regularly monitor the Company's activities and dedicate time to attend board meetings to stay informed about their responsibilities and the Company's operations.
- 2.4 Directors shall perform their duties to the best of their knowledge, abilities, and experience.
- 2.5 Directors shall safeguard the interests of shareholders and treat stakeholders fairly.
- 2.6 Directors shall act with honesty, integrity, and morality, refraining from making false statements or actions, always prioritizing the Company's interests when making decisions.
- 2.7 Directors shall not disclose confidential information about clients, employees, or the Company's operations to external parties, whether intentionally or unintentionally, unless authorized by the Company.
- 2.8 Directors shall not use information obtained in their capacity as directors for personal or third-party gain that is not intended to benefit the Company.
- 2.9 Directors shall not use their position to seek personal benefits.\
- 2.10 Directors shall avoid being directors or having interests in businesses that directly or indirectly compete with the Company.

3. Guidelines for the Executives

- 3.1 Management shall conduct themselves within the framework of good morals, adhering to ethics and the code of conduct, making decisions with integrity and considering the best interests of the Company, customers, shareholders, employees, and all stakeholders.
- 3.2 Management shall administer the Company with caution, foresight, and a broad vision to achieve the Company's objectives effectively and efficiently.
- 3.3 Management shall treat employees with respect, serve as a good role model, govern subordinates fairly, refrain from abusing their power, and create a work atmosphere that prevents ethical violations.
- 3.4 Management shall support the development and enhancement of employees' capabilities, respect their rights and opinions, and provide appropriate employee benefits.



4. Guidelines for the Employees

- 4.1 Employees should maintain a positive attitude towards the Company and strictly adhere to the rules and regulations set by the Company.
- 4.2 Employees should perform their duties with responsibility, diligence, honesty, and integrity, continually improving their work efficiency for the benefit of both themselves and the Company.
- 4.3 Employees should respect, listen to, and comply with the orders of their supervisors, as long as these are in line with company policies and regulations.
- 4.4 Employees should perform their duties to the best of their abilities, utilizing their knowledge and skills. They should continuously seek additional knowledge and self-improvement to ensure the highest level of work efficiency.
- 4.5 Employees should treat their colleagues with kindness, cooperation, sincerity, respect for individual rights, and mutual dignity. They should avoid disclosing or criticizing others' personal or work-related information in ways that may cause harm, and should not claim another's work as their own.
- 4.6 Employees should not use their position to seek personal benefits or advantages for themselves or their associates, whether directly or indirectly, in a manner that may harm the Company.
- 4.7 Employees should report any issues that may impact the Company's operations or reputation to their supervisors without delay.
- 4.8 Employees should strictly maintain the confidentiality of the Company, ensuring that confidential information is not leaked or shared with unauthorized individuals. Employees should not use knowledge gained in their work for personal gain.
- 4.9 Employees should safeguard the Company's assets and ensure they are in optimal condition, preventing unnecessary damage, waste, or loss. Employees should not use company property for personal purposes.
- 4.10 Employees should not have any financial interests in customers or business partners, such as being a shareholder, director, creditor, debtor, or advisor. If such an interest exists, it should be disclosed to the supervisor.
- 4.11 Employees should not charge or accept any assets from customers or business partners, except for fees and charges that the Company has stipulated.
- 4.12 Employees should serve customers with accuracy, speed, care, politeness, and integrity, and should fully inform customers about their rights and benefits.



- 4.13 Employees should treat business partners with honesty, fairness, and equality.
- 4.14 Employees should not disclose business secrets or confidential information of business partners to others.
- 4.15 Employees should not demand or accept benefits from business partners in exchange for performing their duties.
- 4.16 Employees should listen to guidance from their supervisors and refrain from bypassing the chain of command unless directed by a superior. Employees should also be respectful to those in higher positions.
- 4.17 Employees should treat subordinates with kindness, fairness, and care, and foster their development to ensure career advancement. They should also share knowledge, support training, and promote learning to continuously improve skills and experience.
- 4.18 Employees should listen to feedback and suggestions from subordinates regarding their work and consider using these insights to enhance work processes.
- 4.19 Employees should participate in activities that benefit the public and contribute to social development within their capacity.

5. Environmental Guidelines

- 5.1 Employees should maintain and improve the cleanliness, orderliness, and hygiene of company facilities and the environment.
- 5.2 Employees should maintain and improve safety standards to international levels to eliminate potential hazards.
- 5.3 Employees should use natural resources efficiently and effectively while taking care of the environment, considering both current and future conditions.
- 5.4 Employees should support activities that contribute to social and environmental improvement, and actively promote a sense of responsibility towards society and the environment among colleagues on an ongoing basis.

Recommendations in Case of Issues

The code of conduct established by the Company may not cover every possible situation comprehensively. Employees may encounter unforeseen circumstances. If employees are uncertain about the appropriate course of action, they should consult or seek guidance from their supervisors according to the chain of command.



Attachment 6.1 Report of Audit Committee for the year 2024

To: Shareholders

The Audit Committee operates independently within the scope defined in its charter, which is reviewed and approved annually by the Board of Directors. Its responsibilities include reviewing the accuracy and reliability of financial reports, assessing the effectiveness of internal controls, ensuring compliance with laws, regulations, and policies, and preparing the Audit Committee Report for inclusion in the Company's annual report.

The Audit Committee of Charan Insurance Public Company Limited consists of three independent and qualified directors with expertise and experience:

1. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee
2. Mr. Vorayuth Charoenloet	Member of Audit Committee
3. Mr. Thanitphong Pichaibavornphat	Member of Audit Committee

All members meet the qualifications required by the Securities and Exchange Commission (SEC), with Mr. Thanitphong Pichaibavornphat possessing specialized expertise in accounting and finance, in accordance with SEC regulations.

In 2024, the Audit Committee convened five times. Mr. Vorayuth Charoenloet and Mr. Thanitphong Pichaibavornphat attended all meetings, while Mrs. Poodpong Arsingsamanunta attended four meetings due to prior commitments. The committee held discussions with internal auditors and external auditors and reported all meeting results to the Board of Directors in accordance with established procedures. The key activities and responsibilities of the Audit Committee are summarized below:

1. Review of Quarterly and Annual Financial Statements

The Audit Committee reviewed the Company's quarterly and annual financial statements for 2024 by inviting relevant management personnel and external auditors to meetings for financial statement discussions. This allowed the committee to seek clarifications and ensure that the financial reports complied with financial reporting standards, provided adequate, complete, and reliable disclosures. Observations raised by the external auditors in each meeting were carefully considered and incorporated for the Company's benefit. The Audit Committee concluded that the financial statements were fairly presented in all material respects, in accordance with applicable financial reporting standards and the reporting format prescribed by the Office of Insurance Commission (OIC).



2. Review of the Internal Control System

The Audit Committee reviewed and assessed the Company's internal control system through discussions with external auditors and regular evaluations of internal audit reports. No significant deficiencies were identified. The committee also assessed risk factors and the adequacy of internal controls to ensure that each function aligned with the Company's objectives. Additionally, the committee provided recommendations for internal audit operations. Based on these assessments, the Audit Committee determined that the Company's internal control system was appropriate and sufficient.

3. Risk Management Oversight

The Company's Risk Management Committee is responsible for overseeing the Company's risk management framework. The Audit Committee reviewed risk management processes with the management team to ensure that appropriate risk management plans were in place. The committee also monitored risk assessments in response to changing business environments and provided recommendations to the Board of Directors for improvements. This ensured the effectiveness of the Company's risk management framework and compliance with the requirements and guidelines of the Office of Insurance Commission (OIC).

4. Review of Related Party Transactions and Potential Conflicts of Interest

The Audit Committee reviewed related party transactions and potential conflicts of interest in accordance with the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The committee found that the Company had conducted transactions with related parties under standard commercial terms, ensuring fairness and reasonableness, without inappropriate transfer of benefits. Furthermore, all relevant disclosures were made in full compliance with good corporate governance principles and SET regulations.

5. Compliance with Laws and Regulations

The Audit Committee reviewed the Company's operations to ensure compliance with established policies, ethical business practices, and applicable laws, including securities and exchange regulations and other relevant legal requirements. No indications of material non-compliance or violations of laws, regulations, or corporate policies were identified. The committee concluded that the Company had conducted its business in accordance with applicable legal and regulatory frameworks.



6. Appointment of External Auditors and Audit Fees for 2024

The Audit Committee assessed and recommended the appointment of external auditors based on their performance, independence, qualifications, expertise, experience in auditing the Company's financial statements, and the reasonableness of audit fees. The committee proposed to the Board of Directors, for submission to the 2024 Annual General Meeting of Shareholders, the appointment of Forvis Mazars Comapy Limited as the Company's external auditor for the year 2024, with the following certified public accountants: Mr. Sompop Pholprasarn – CPA License No. 6941 / Ms. Tippawan Pumbansao – CPA License No. 9552 / Ms. Wannawat Hemachayart – CPA License No. 7049.

In 2024, the Audit Committee performed its duties independently, applying its expertise and experience in accordance with its charter. The committee concluded that the Company's financial statements were fairly presented with reliable and material information, in compliance with generally accepted accounting standards. It also found that the Company adequately disclosed connected transactions and potential conflicts of interest, maintained effective corporate governance and risk management systems, and had an internal control framework appropriate for its business operations. Additionally, the Company fully complied with all applicable laws, regulations, and corporate policies.

(Sign)

(Mrs. Poodpong Arsingsamanunta)

Chairman of the Audit Committee



Attachment 6.2 Report of Risk Management Committee for the year 2024

To: Shareholders

The Risk Management Committee of Charan Insurance Public Company Limited consists of a group of 8 highly qualified and experienced members, including both board members and executives. The members are as follows:

1. Mr. Sukich Charanvas	Chairman of Risk Management Committee
2. Mr. Pon Titipanichayangoon	Member of Risk Management Committee
3. Mr. Kittipong Charanvas	Member of Risk Management Committee
4. Miss Kanyawan Trisaksuriyan	Member of Risk Management Committee
5. Mr. Kosit Angkasuwan	Member of Risk Management Committee
6. Miss Sudarat Wiwattanadaj	Member of Risk Management Committee
7. Mr. Nopadol Suawankareekul	Member of Risk Management Committee
8. Miss Napaporn Tanangtong	Member of Risk Management Committee

The Risk Management Committee has performed its duties in accordance with the charter of the Risk Management Committee and in compliance with the laws, regulations, and guidelines set forth by the regulatory authorities, adhering to the Company's good corporate governance practices. In 2024, the Risk Management Committee held a total of 4 meetings, where the results of the operations were summarized and classified into 11 areas of risk as outlined below:

1. Strategic Risk

When considering the main strategy to optimize the use of available resources, the Company has been able to implement improvements across all departments to enhance the overall operational efficiency. Furthermore, as of December 31, 2024, the Company's capital adequacy ratio stands at 311%, which is within an acceptable level of risk and well above the threshold set by the Office of Insurance Commission (OIC), which is no less than 140%.

2. Insurance Risk

As of December 31, 2024, the claims ratio to premiums, which represents income across all products, stands at 43%. This is within an acceptable level of risk.



3. Market Risk

As of December 31, 2024, the investment return ratio stands at 2.88%, which is within an acceptable level of risk.

4. Credit Risk

When considering the credit rating of the reinsurance companies both domestic and international, as of December 31, 2024, the domestic reinsurers have a capital adequacy ratio greater than 200%, and the international reinsurers have a credit rating of A- or higher. This is within an acceptable level of risk.

5. Liquidity Risk

As of December 31, 2024, the liquidity ratio stands at 603%, which is within an acceptable level of risk and higher than the minimum threshold set by the OIC, which is no less than 100%.

6. Operational Risk

As of December 31, 2024, the receivable premium assessment ratio stands at 98%, which is within an acceptable level of risk and higher than the OIC's minimum requirement of 80%. Additionally, no abnormal incident reports (Incident Reports) have been found that would affect the Company's operations in 2024. However, the claims ratio and operational expenses relative to the premiums earned as of December 31, 2024, stand at 114%, which exceeds the OIC's limit of 100%. The Company is actively working to control these costs to remain within the required threshold.

7. Reputation Risk

When considering the number of complaints received from business partners or policyholders, they have been minimal and remain within an acceptable level of risk. These issues have been resolved satisfactorily without any impact on the Company's reputation. No reports related to fraud have been found in 2024.

8. Information Technology Risk

Considering the number of incidents affecting the Company's systems or operations, and the number of cybersecurity threats, no such incidents have been reported in 2024, which is within an acceptable level of risk.

9. Catastrophic Risk

Considering the number of incidents and the actual claims that deviated significantly from the predicted claims due to large-scale events, no such incidents have been reported in 2024, which is within an acceptable level of risk.



10. Emerging Risk

When considering the number of incidents that caused damage due to new or unforeseen events, no such incidents have been reported in 2024, which is within an acceptable level of risk.

11. Group Risk

As the Company does not have any intra-group business operations, this risk does not have any impact on the Company.

Upon reviewing the overall risk of the Company, it is found that the Company has an effective risk management plan in place to manage the various risks faced by the organization. The Risk Management Committee has reviewed the results of the risk management for the past year and concluded that the existing framework and policies can continue to be used in future business operations.

(Sign)

(Mr. Sukich CharanvasChairman of Risk
Management Committee



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2567

(แบบ 56-1 One Report)

Charan's Promise Gives the Public Peace of Mind

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