



ANNUAL REPORT 2014
BANGKOK INSURANCE PUBLIC COMPANY LIMITED



Bangkok Insurance is focused
on expanding its service to cover the nation



กรุงเทพประกันภัย
Bangkok Insurance

Vision

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

We will sustainably grow our business through:

- Financial Soundness
- Diversified Product Ranges
- Customer Centricity

With due emphasis on:

- Enterprise-Wide Risk Management
- People and Technology Capabilities
- High Standard of Corporate Governance and Social Responsibility

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FINANCIAL HIGHLIGHTS

	2014	2013	Change	2014
For The Year	(Baht'000)	(Baht'000)	%	(USD'000)
Premium Written	15,778,825	15,802,449	(0.1)	478,683
Income on Underwriting	2,421,021	2,146,367	12.8	73,446
Operating Expenses	809,386	1,200,954	(32.6)	24,554
Contribution and Finance Cost	77,401	77,673	(0.4)	2,348
Net Underwriting Profit (Loss)	1,534,234	867,740	76.8	46,544
Net Investment Income	1,166,434	1,264,331	(7.7)	35,386
Income before Income Tax	2,700,668	2,132,071	26.7	81,930
Income Tax	394,921	383,605	2.9	11,981
Net Income	2,305,747	1,748,466	31.9	69,949
At Year - end				
Unearned Premium Reserve	7,333,611	7,110,475	3.1	222,480
Shareholders' Equity	27,971,353	21,673,018	29.1	848,568
Per Share			(Baht)	
Basic Earnings Per Share*	21.66	16.42	31.9	-
Ordinary Share (Shares)	106.47 Million	106.47 Million	-	-
Dividends	12.00	12.00	-	-
Stock Dividends	-	4.00	(100.0)	-
Dividends and /or Stock Dividends (Full Year)	12.00	16.00	(25.0)	-
Book Value	262.72	203.56	29.1	-
Market Price (High-Low)	490-337	456-288	-	-
Market Price at Year-end	366	371	(1.3)	-

Remarks : * Basic earnings per share is determined by dividing net earnings for the period by the number of ordinary shares after the issue of stock dividends in 2013. (106.47 million shares)

USD 1 = Baht 32.9630

GBP 1 = Baht 51.1497

EUR 1 = Baht 40.0529

JPY 100 = Baht 27.3840

PRIDE IN 2014

Receive Excellence in the Non-Life Insurance in Thailand for 3 Consecutive Times



It has been further pride that in 2014 Bangkok Insurance Public Company Limited had been awarded the Excellence in Insurance Thailand award, an award of excellence in the non-life insurance industry, from IAIR AWARDS 2014, organized by IAIR (International Alternative Investment Review). The Company is the only non-life insurance company in Thailand to receive the award for 3 consecutive times from 2013 to 2014, which has been regarded as an achievement of its business transaction attaching to integrity and fairness throughout, apart from paying attention to a strong determination to principally develop products, services and innovations in response to customers' demand and satisfaction.

Credit Ratings

Bangkok Insurance derives Financial Strength Rating of A- (Stable) from Standard and Poor's (S&P), a leading global credit rating organization, which reflects the Company's stable funds and assets.

Furthermore, the A.M. Best Company, a full-service credit rating organization dedicated to serving the insurance industry, has ranked the Company's Financial Strength Rating with the score of A- (Excellent). The credit ratings the Company has received reflect the strength of its fund and robust financial standings.

Credit Rating Organization	
Standard & Poor's	November 7, 2014
Counterparty Credit Rating Local Currency	A- (Strong)
Financial Strength Rating Local Currency	A- (Strong)
ASEAN Regional Scale	axAA
Outlook	Stable
A.M. Best	June 16, 2014
Financial Strength Rating	A- (Excellent)
Financial Strength Rating Outlook	Stable
Issuer Credit Rating	a- (Strong)
Issuer Credit Rating Outlook	Stable

MESSAGE FROM THE CHAIRMAN OF THE ADVISORY BOARD

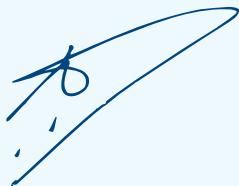


In 2014, the world was confronted with numerous events leading to heavy loss of lives and assets. At the start of the year, there were the violent spread of Ebola virus, political conflicts and fighting in various areas in Ukraine, Russia, Nigeria and the Middle East, as well as grave accidents such as the sinking of the Sewol ferry in South Korea, the missing of the Malaysia Airlines' plane, etc. Such serious incidents occurred not only outside our country. For Thailand, it encountered the severest earthquake in history in Chiang Rai, while it still faced the long-standing and increasingly intensifying political conflict since the beginning of the year, which caused a slowdown of the Thai economy in the first half of the year. Subsequently, in the mid-year period, there was the seizure of power by the military and a new government was formed by the National Council for Peace and Order. This political change resulted in the recovery of the Thai economy in the latter half of the year. However, the Thai exports sector still experienced a negative growth rate due to the sluggish global economy, coupled with the continuously decreasing prices of oil and agricultural produce in the global market. The National Economic and Social Development Board (NESDB) has projected a growth rate of 1.4 percent for the Thai economy in the latter half of 2014, a slight increase, compared to the first half of the same year, which was 0.0 percent, causing the overall Thai economy to experience 0.7 percent growth in 2014.

For 2015, the NESDB has projected 3.5 - 4.5 percent growth for the Thai economy based on such supporting factors as the government sector's spending and investment which tend to rise, particularly owing to the development of infrastructures in respect of the country's communications, the private sector's recovery in consumption and investment, including a prospective low inflation rate. Nevertheless, there are risk factors which may have a negative impact, for instance, the vulnerable global economy, fluctuating global finance in terms of exchange rates, existing international political conflicts, prices of oil and agricultural produce which do not tend to increase, etc. From the aforementioned statements, it is apparent that each year we are subject to a number of uncertainties and risks which are variously predictable and beyond our expectations.

Bangkok Insurance Public Company Limited is well established and prepared to counter different risks that may affect all of its customers' lives and assets, through the development of insurance products covering all types of risks, the development of quick services covering all regions, apart from the expansion of new sales channels in order to have access to the greatest number of customers. With regard to its management, the Company has performed via efficient systems of risk management and reinsurance allocation, including the steady introduction of advanced technology to develop work, both on underwriting and claims services, besides focusing on the development of personnel's quality so that they possess increased knowledge and capability, concentrate on transparent performance, have ethics and emphasize the creation of benefits and returning of profits to society as a whole.

On behalf of the Chairman of the Advisory Board of Bangkok Insurance Public Company Limited, I would like to extend my sincere thanks to our customers, business partners, shareholders, business allies and benefactors for their constant support of the Company throughout. Finally, I would also like to thank the Company's management and all our employees for their strong perseverance and determined performance, generating quality work and excellent services, leading to the Company's sound and sustainable reputation and turnovers.



Mr. Chatri Sophonpanich

MESSAGE FROM THE CHAIRMAN



The overall Thai economic situation throughout 2014 has not recovered from the previous year, with a growth of only 0.7 percent, compared to the year before, when it was 2.9 percent, due to the long-standing political conflict, dating from year-end 2013, directly impacting the confidence in investment of the private sector both inside and outside the country. Although, in mid-2014, the National Council for Peace and Order restored peace to the political situation and formed a new government to administer the country in order to revive the Thai economy, it could still not be properly stimulated since the reimbursement of the budget did not meet the target set. In addition, Thailand's exports sector had been steadily sluggish owing to the economic impacts of its trading partners such as China, Europe and Japan, which still experienced an economic slowdown. Furthermore, there was considerable contraction of the tourism sector due to a decline in the number of tourists from European countries, particularly Russian tourists who were affected by their income, apart from the political situation, financial crisis and diminishing global oil prices.

For the non-life insurance industry, it was inevitably impacted by such economic conditions. Throughout 2014, the industry rose by only 1.1 percent, the lowest in 5 years, with the total direct premium written standing at Baht 205,247.5 million, caused by the lack of economy-stimulating factors like those in the past, for instance, the public sector's mega investment projects which did not materialize, the sluggish motor industry, commercial banks' strict credit scheme and the impacts of a decline in agricultural product prices, influencing the consumers' purchasing power, all contributing to a drastic competition in the market to acquire a market share. Nonetheless, non-life insurance companies have soundly overcome the economic impediments and adapted themselves so as to counter risks and the competitive conditions which may occur in the following years.

The Company's total written premium for 2014 was Baht 15,778.8 million, a slight contraction of 0.1 percent. However, the Company could make a maximum profit of Baht 2,305.7 million, a rise of 31.9 percent, compared to the year before. The Company's income from underwriting was Baht 1,534.2 million. Nevertheless, when combined with earnings from investment and other income of Baht 1,166.5 million, the Company's earnings before tax were Baht 2,700.7 million, or earnings per share of Baht 21.66, compared to Baht 16.42 in the previous year. The Company's Board of Directors' meeting on February 27, 2015, has approved a final dividend payment of Baht 3.75 per share for the year 2014. Therefore, in 2014, the Company had made total dividend payments of Baht 12 per share. For its financial stability, the Company possesses robust financial standing and sufficient fund, with the Capital Adequacy Ratio (CAR) as at the end of September 2014 as high as 273.8 percent. Furthermore, the Standard and Poor's (S&P) Institution has ranked the Company's financial strength rating with the score of A- (Strong)/Stable, as at November 7, 2014. Likewise, the A.M. Best Institution has also retained the Company's financial strength rating at A- (Excellent) Outlook Stable, as at June 16, 2014.

Concerning its organizational management in 2014, the Company introduced technology to enhance the quality of both its underwriting task and claims services, for instance, the use of the Business Process Improvement (BPI) to reduce steps of underwriting task so that it is compact and swift, while maintaining the production of accurate and quality work. Similarly, the Telematics technology has also been introduced to raise drivers' safety and confidence since it is a two-way communication system between cars and the claim service center, which will report on risks to the claims service center immediately when a car has an accident. Additionally, the Company has also improved its mobile application "BKI iCare" on the iOS and Android operating systems to increase convenience for customers who want to purchase insurance products or notify claims via a smart phone or tablet. Besides, for its product development, the Company has concentrated on constantly issuing new products which have sales potential to meet the demand of its customers, both the institution and personal lines, through a wide variety of distribution channels in order to have access to as many target customer groups as possible.

Meanwhile, the Company still gives top priority to its business transactions based on the principle of good corporate governance and steadily takes part in activities on corporate social responsibility. In the previous year, based on the outcome of evaluations of a survey of Thai listed companies' good corporate governance, conducted by the Thai Institute of Directors (IOD) in 2014, the Company was ranked in the very good group. Regarding carrying out activities benefiting society, the Company has received utmost cooperation from its employees and other parties concerned, whether they be the "Bhappy³" project, which has been continuously conducted in collaboration with Bumrungrad Hospital and Bangkok Life Assurance Public Company Limited, voluntary development camp of BKI scholarship student project, or BKI takes children under the Wishing Well Foundation experience authentic Thai way of life at Samphran Riverside, etc. The Company is strongly determined to go on creating activities benefiting society as a whole.

On this occasion, on behalf of the Chairman of the Board of Directors, I would like to extend my sincere thanks to all parties concerned, including customers, business partners, shareholders and business allies for their constant confidence, trust and support. Furthermore, I would also like to sincerely thank all the Company's management and employees for their strong determination and dedication to work, resulting in the Company's accomplishments in its business transactions and it being the country's leading non-life insurance company both at present and in the future.



Mr. Chai Sophonpanich

Set to serve the nation – Bangkok Insurance in the North



TYPE OF BUSINESS TRANSACTIONS

Marketing and Competition

1. Policy on Marketing of Products and Services

The country's political problems since late 2013 and into the first half of 2014 has caused a slowdown of the government and private sector's investment in mega projects, as well as a decline in the people's purchasing power due to a high level of household debt, coupled with a decrease in agricultural produce prices, such as rice and rubber, impacting the purchasing power in the region which has to rely on agricultural produce prices.

Such factors have resulted in the non-life insurance companies' serious expansion of their personal lines business to compensate for diminishing mega construction projects through a reduction in the insurance premium and an offer of numerous sale promotions to stimulate agents and brokers to sell more insurance, particularly motor insurance which has the highest market share. There was the launch of the campaign of the single premium rate, which is cheaper than a normal premium price, for the car's batch or brand having a difference of profit from which the premium rate may be reduced, which varies based on each company's underwriting port.

In addition, a number of non-life insurance companies have continuously and increasingly extended their business to the provincial market, particularly to the border trade area between Thailand and its neighbours since it is an area where there is a sound economic growth rate and investment in support of the occurrence of AEC in 2015. Similarly, myriad companies have also a joint venture with foreign companies to extend their business in Asean countries, apart from giving higher priority to an online insurance sale due to the rising popularity of the people's use of a smart phone and tablet.

For the Company, it has seriously expanded its personal lines business for several years, causing it to have a strong advantage over other companies which have just started their personal lines business, for instance, the brand recognition because the Company has steadily launched a public relations campaign to personal lines groups, giving it a good image and making it well known among consumers.

Furthermore, the Company has also constantly invested in an extension of its branches in response to its rising personal lines business in the provinces, focusing on border provinces in response to the possibly increasing work after the opening of AEC. In 2014, the Company opened 5 branches in Nakhon Pathom, Mae Sot, Roi Et, Uttaradit and Aranyaprathet, besides giving importance to expanding its business via the Internet channel, which has a high growth rate, by developing a more efficient insurance sales system through a website and smart phone, apart from conducting a campaign to urge the Company's customers to purchase insurance online.

Nevertheless, though 2014 was a soft market and there was a significant acceleration of the insurance business, the Company still retained the policy of avoiding a price competition or using a high-remuneration payment strategy in order to motivate its business partners and agents. Likewise, the Company concentrated on and gave priority to a sound service standard, had a policy on cautiously selecting its underwriting, avoided underwriting on risky business classes to achieve an established objective of a loss ratio rate and underwriting returns, as well as constantly conducting a Company public relations campaign.

2. Type of Customers

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

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

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

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

Percentage of total sales of first 10 major customers

	2014 (%)	2013 (%)	2012 (%)
Ratio of first 10 major customers	7.8	6.9	9.8

3. Target Customer Group

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

4. Distribution and Distribution Channel

In 2014, the Company still distributed products via the same distribution channel and carried on various existing work extension projects, including steadily adjusting its work system and working approach so as to enhance the efficiency of the distribution channel management.

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

4.1 Agents

The Company had, at 2014 year-end, agents totaling 2,033 people scattered in all regions of the country who are regarded as work sources which play a significant role in the Company's business extension, apart from providing advice on non-life insurance to customers. As a result, the Company has given priority to a selection of its agents by efficiently defining the selection criteria and performance evaluation, including having a plan for the training and developing of agents in order that they possess comprehensive knowledge and are able to provide all-inclusive insurance advice to customers. An applicant for the Company's agent must have a license for a non-life insurance representative and have qualifications relevant to the laws defined.

4.2 Brokers

The Company had, at 2014 year-end, a total of 294 juristic person who provided a direct service to the insured, ranging from an introduction of the type of insurance, a request for claims to a premium collection.

4.3 Financial Institutions

The Company has sold the insurance policies through numerous financial institutions, emphasizing a close coordination and cooperation, particularly the distribution of insurance policies via Bangkok Bank's bancassurance across the country, which has steadily attained a very high growth rate over the past years. The Company has developed its policies to be appropriate to target groups, having the coverage and premium rate which are not complicated but easy for bank officers to sell the policy, besides providing training on insurance knowledge to bank officers so that they are able to accurately present policies to customers.

4.4 Direct Customers

They are customers who directly contact the Company to buy insurance and the Company directly provides services to and takes care of them.

Distribution Channels Classified by Written Premium Ratio

	Amount	Direct Premium Written Ratio (%)
Agents	2,033	18.4
Brokers	294	23.5
Financial Institutions	24	26.8
Direct Customers	-	31.3

Competition in 2014

In 2014, the non-life insurance industry had a total of 63 companies, most of which were medium and small. The insurance companies, with the first 10 highest-ranking premiums, had direct premium written ratio of 61.0 percent of the non-life insurance industry's total premium.

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

	2014 (Preliminary) (Before Restated)	2013	(Baht : Million) 2012
Bangkok Insurance Public Company Limited			
Premium Written	15,155.4	15,057.8	12,432.9
Growth Rate (%)	0.6	21.1	22.8
Non-Life Insurance Market			
Premium Written	205,247.5	203,077.6	179,480.0
Growth Rate (%)	1.1	13.1	29.3

The Company's Market Share over the Past 3 Years

Types of Insurance	Rank	2014 (Preliminary) (Before Restated)	Rank	2013	Rank	2012
Fire	2	14.4	2	14.5	2	12.6
Marine	5	6.4	5	6.2	6	6.4
Motor	4	5.7	4	5.6	4	4.9
Miscellaneous	2	9.2	2	9.4	2	9.5
Total	3	7.4	3	7.4	3	6.9

Source: OIC, data as at February 24, 2015

The negative economic factors had generated a considerable offensive competition and a rise in the fierce price competition for the non-life insurance industry in 2014, particularly motor insurance due to the significantly decreasing number of new cars. The competition included cutting down the insurance premium and an adjustment of lower coverage to offer a cheaper premium. Besides, in 2014, many insurance companies had extended the insurance market for pick-up trucks and commercial cars since they were less affected by the political and economic factors than personal cars and were necessary for the transportation of commodities and business transactions, apart from seeing an opportunity of growth stemming from the logistics business which has a trend of expansion in response to the opening of AEC in the following year.

Bangkok Insurance Public Company Limited has put an emphasis on an extension of its business through products with growth potential and launched new products sold via a wide variety of distribution channels for access to as many customers as possible, for example, a sale through Telemarketing and cooperation with the Company's agents and business allies, apart from selling via Bancassurance and the Company's website, etc. Additionally, the Company has still given importance to the development of its employees' performance efficiency and quicker customer services by introducing the Business Process Improvement Technology to an improvement of the underwriting task and claims work, besides adjusting the BKL iCare application in order for customers to purchase insurance products or notify claims via mobile devices and tablet more conveniently in addition to also increasing communication channels in reporting car accident details through LINE and WhatsApp applications.

Viewing the industrial trend and competitive condition of the non-life insurance industry, it is estimated that the number of non-life insurance companies will possibly diminish in the future owing to the rule of a rise in the non-life insurance companies' minimum fund from Baht 30.0 million to Baht 500.0 million within five years. Any company which cannot raise its fund or retain its Risk Based Capital (RBC) will have to prepare for other approaches in response to this, for instance, a merger or finding a new business ally, causing a small non-life insurance company to have less opportunity to do business. Moreover, a merger may stem from a combination of each non-life insurance company's strengths and enhancement of its robustness in response to the opening of AEC, such as a merger with a bank's subsidiary company to augment the distribution channel via the bank, or raise the provincial customer base by merging with a company having lots of branches in the provinces, etc. Another industrial trend is an online insurance sale, which is a distribution gaining more significance. Over the past years, written premiums through this distribution channel have experienced apparent growth, varying in proportion to the total sales of smart phones in Thailand which have grown significantly.

Important Factors Affecting Opportunities or Limitations of Business Transactions in 2014

1. The long-standing political conflict had caused the government sector's delayed budget disbursement and investment, steadily affecting the construction and miscellaneous insurance market. Though the latter half of 2014 witnessed rising stability of the political situation and the government could approve of infrastructural development projects, they had to go through innumerable procedures, such as EIA, cabinet approval, land expropriation, etc., causing a delayed budget disbursement in the same year.

2. The purchasing power of agriculturists, which are the country's majority of people, has declined due to a constant drop in the price of agricultural produce, which comprises the country's significant exports such as rice and rubber, as a consequence of increasing produce in the global market. Additionally, the termination of the government's rice-pledging scheme has made farmers unable to sell rice at a guarantee price of Baht 15,000 a ton any longer. All these factors have influenced the purchasing power in the region which has principally relied on the agricultural sector.

3. The government's first-car policy had encouraged people to buy car heavily between 2012 and 2013, causing the motor market to grow by leaps and bounds, but had an impact on the purchasing power of new cars in the following years, with the total car sales in 2014 experiencing a decline of 30.9 percent, compared to the year before. Such a situation has continuously affected the shrinking motor insurance market.

4. Second-hand cars have significantly reduced values, particularly eco-cars, which have experienced very high total sales over the past two years, causing a significant decline in coverage and impacting the diminishing amount of the motor premium.

5. The property/casualty premium rate had dropped due to a decline in the reinsurance premium rate in the global market in 2014, owing to the fact that there was no great flood in Thailand in 2013 and the global reinsurance market had a fierce price competition.

Ability to Maintain Ratios Based on Business Type

In 2014, the Company had a total written premium of Baht 15,778.8 million, with premium growth in miscellaneous insurance and motor insurance, while hull insurance and cargo insurance experienced a negative growth. The miscellaneous premium had a ratio of 43.7 percent of the total written premium, a rise from the year before, partly due to an expansion of business via the broker channel, particularly industrial all risks insurance, which had a much higher premium growth rate, compared to the previous year, including the motor premium having a ratio of 42.5 percent of the total written premium, a slight increase from the year before, owing to the growth of the premium in the Branch Network and Ventures' Bancassurance channel, apart from the Financial Institution Business Unit, which had entered the project with some business partners, causing the rising new premium, and the Agent Business Unit which witnessed a premium growth in both the agent and broker. Meanwhile, a total written premium for other classes of insurance, except miscellaneous insurance and motor insurance, accounted for 13.8 percent, a slight decline, compared to the previous year.

Written Premium Classified by Types of Insurance

(Baht : Million)						
Type	2014	Distribution %	2013	Distribution %	2012	Distribution %
Fire	1,781.5	11.3	1,958.2	12.4	1,571.0	11.9
Hull	41.7	0.3	45.5	0.3	69.0	0.5
Cargo	354.7	2.2	372.4	2.3	368.2	2.8
Motor	6,698.0	42.5	6,694.5	42.4	5,099.7	38.7
Miscellaneous	6,902.9	43.7	6,731.8	42.6	6,066.4	46.1
Total	15,778.8	100.0	15,802.4	100.0	13,174.3	100.0

Concerning the Company's loss ratio in 2014, it was 53.3 percent, lower than that in 2013, which was 54.4 percent. The diminishing loss ratio was a consequence of the Company's having recognized in 2013, in a large amount, the damage incurred by a great flood in the fourth quarter of 2011, especially the damage stemming from fire and industrial all risks insurance.

Loss Ratio on Underwriting

(Baht : Million)									
Type	2014			2013			2012		
	Earned Premium	Claims	Loss Ratio %	Earned Premium	Claims	Loss Ratio %	Earned Premium	Claims	Loss Ratio %
Fire	1,064.6	246.9	23.2	1,062.8	709.6	66.8	1,152.4	3,498.4	303.6
Hull	15.4	9.0	58.4	12.8	17.5	136.4	17.4	6.9	39.7
Cargo	209.0	68.8	32.9	236.2	93.0	39.4	240.8	86.9	36.1
Motor	6,378.3	4,221.1	66.2	5,716.2	3,529.2	61.7	4,363.3	2,511.1	57.6
Miscellaneous	3,160.5	1,228.2	38.9	3,028.0	1,121.6	37.0	2,567.0	1,484.0	57.8
Total	10,827.8	5,774.0	53.3	10,056.0	5,470.9	54.4	8,340.9	7,587.3	91.0

POLICY ON AND THE OVERALL BUSINESS TRANSACTION

Bangkok Insurance Public Company Limited has been engaged in all categories of the non-life insurance business, for instance, fire insurance, marine insurance, motor insurance, miscellaneous insurance, including taking reinsurance. The Company has carried out its business since 1947 and was subsequently listed on the Stock Exchange of Thailand (SET) in 1978, and was transformed into a public company in 1993. Currently, the Company has steadily carried out its business transactions to the 68th year and possesses a paid-up capital of Baht 1,064.7 million, consisting of stocks of 106.47 million shares valued at Baht 10 per share.

Vision

The Company's vision is "Bangkok Insurance aims to be the most preferred non-life insurer in Thailand", putting an emphasis on sustainable development with a stable and robust financial base, diversified product ranges, and customer centricity. The Company has carried out its business based on professional risk management, development of the potential of personnel and technology, and high standard of corporate governance and social responsibility.

To fulfill the vision established, the Company has the following working philosophy:

Shareholders, Business Partners, Customers and Services

The Company is strongly determined to provide swift, accurate, honest and fair services in response to its customers' and business partners' demand through its professional work team, in order to generate consistent impression, confidence and faith, apart from creating strong relations with its shareholders and subsidiary enterprise.

Performance

The Company has been determined to develop a standard information system, work system and technology system. It is the first insurance company in Thailand and the Asian region to receive the ISO 9002, in respect of the motor insurance department's services, from the Bureau Veritas Quality International (BVQI), an institution accepted worldwide, on March 4, 1997. In addition, the Company had been certified for the quality of all work systems of its headquarters and branches, as well as Bangkok and peripheral offices on May 11, 2000. Furthermore, the Company was certified with the quality work management ISO 9001: 2000 on August 30, 2002, apart from receiving the ISO 9001: 2008 on May 20, 2009 from BVQI, by the United Kingdom Accreditation Service (UKAS), a quality certification institution, as a consequence of the Company's continuous preservation of the service quality standard. Recently in 2014, the Company was certified with the quality standard ISO/IEC 27001: 2005 from AJA Registras Company due to its arrangement of the Information Security Management system, in terms of an infrastructural service of the Company's main data center and supporting data center in compliance with the international standard, enhancing security for the Company's data and information.

Employees

The Company is determined to select and maintain sound, moral, knowledgeable and capable staff, emphasizing the development and training of staff for career advancement, besides having a systematic performance evaluation and providing fair and motivating remuneration and welfare. Similarly, the Company has also provided its staff with a sound working environment and recreation activities to make them feel relaxed, in line with the work life balance concept. Additionally, the Company has focused on its employees' participation in expressing their opinions and team working, creating a congenial working environment which encourages employees' initiative, frankness, sincerity and mutual assistance, all for the organization's benefit.

Society

The Company has injected and fostered a sound conscious mind in all levels of its management and employees to be aware of the significance of its responsibilities to society and the environment in parallel with its business transactions aimed at sustainable growth. Accordingly, the Company has had a policy of continuously supporting activities benefiting society, focusing on supporting education, public health, relief of public disasters, development of communities and the environment, and preservation of religion, arts and culture.

As a consequence of its progressive and stable business transactions, including responsibilities to society for over 60 years, the Company was bestowed the Royal Garuda Emblem on April 26, 2004, which has been regarded as the greatest auspices and honour for the Company, the management and all employees to be royally protected. The Royal Garuda Emblem is tantamount to a document certifying that a company upon which it is bestowed has made an honest, moral and established business transaction reliable to the public, which is a significant moral support to those doing business, resulting in the promotion of the country's business for its overall prosperity and stability.

In 2014, the Company had targeted its total written premium of Baht 16,717.0 million, a growth of 6.0 percent, through its principal operating strategy of increasing the insurance policy renewal rate, raising the new premium via steadily expanding its personal lines business, as well as extending its regional market by opening new branches so as to provide all-inclusive services across the country and in response to the business growth incurred by the opening of the ASEAN Economic Community (AEC). As to its management, the Company has focused on performance through an efficient risk management and reinsurance allocation system, in addition to an introduction of information technology to help develop a better working system in order to provide more efficient services to customers, as well as concentrating on the steady development of personnel's working skills in numerous aspects.

Significant Change and Development

- A Change of Authority in Controlling the Company

Over the past 3 years, the Company has had no change of its authority in controlling the Company.

- Type of Business over the Previous Year

An expansion of the Thai economy in 2014 witnessed a constant reduction, with a GDP growth rate of only 0.7 percent, compared to 2013, which experienced a growth rate of 2.9 percent (source: the National Economic and Social Development Board) due to the impact of political conflict within the country, starting end of 2013 and escalating into the first half of 2014, causing a slowdown of the private and the public sector's consumption and investment, although in the latter half of the same year the political conflict situation improved, enabling the government to issue concrete economy - stimulating policies, while investors and consumers began to have more confidence in spending and investments. In addition, a slowdown of the global economy and a decline in agricultural produce prices in the global market had contributed to a negative growth rate of Thai exports, including a drop of consumers' purchasing power stemming from the high level of the household sector's debts, leading to financial institutions' strict consideration for credit or motor approval.

On account of the aforementioned negative factors, coupled with the decreasing property premium rate incurred by foreign reinsurance companies' high competition, a lack of occurrence of enormous disasters in Thailand over the past two or three years, as well as the government sector's mega investment, such as the strategy of development of Thai communications infrastructure, which failed to start an implementation and reimbursement of the budget in 2014, the overall non-life insurance industry in 2014 achieved the direct premium written growth rate of only 1.1 percent. The miscellaneous premium achieved the growth rate of 5.1, while fire premium and marine premium growth rate experienced the decline of 6.4 percent and 0.2 percent, respectively.

For motor insurance, which was affected by a steady decrease in the total new car sales since the termination of the government's first - car policy, the total car sales in the country in 2014 were 881,832 cars, a decline of 33.7 percent, compared to 2013, which grew by 7.2 percent, resulting in a decline of 0.5 percent growth of the direct motor premium written in 2014, a significant drop, compared to the year before, which experienced 14.0 percent growth.

Though the overall economic condition experienced numerous negative factors, in 2014 the Company could achieve a satisfactory operating result, with the total written premium dropped by 0.1 percent to Baht 15,778.8 million, a slight contraction compared to 2013. Nevertheless, in 2014 the Company's net underwriting profit was Baht 1,534.2 million. When combined with the net investment income and other income of Baht 1,166.5 million, the Company's earnings before tax were Baht 2,700.7 million, while its net income was Baht 2,305.8 million, an increase of 31.9 percent, or earnings per share of Baht 21.66, a rise from the previous year, which was Baht 16.42. The Company's Board of Directors has approved, on February 27, 2015, a final dividend payment of Baht 3.75 per share. In 2014, the total dividend payment was Baht 12 per share.

With its robust financial standing, the Company's Capital Adequacy Ratio (CAR), as at the end of September 2014, was 273.8 percent. Moreover, the Standard and Poor's Institution (S&P) has ranked the Company's financial strength rating with the score of A-(Strong)/Stable, while the rating institution A.M. Best Company has also ranked the Company's financial strength rating with the score of A- (Excellent) Outlook Stable, reflecting the Company's leadership in the non-life insurance industry, with sound operating results and robust financial status.

Concerning social activities, the Company has steadily given importance to them and constantly implemented them throughout. This year, a large number of projects benefiting the public have been conducted to continuously develop communities, society and the environment, as in the year before.

- The Corporation's Shareholdings Structure

Bangkok Insurance Public Company Limited has invested in 2 associated companies, namely,

1. Asia Insurance (Cambodia) Plc., with the investment capital ratio of 22.92 percent. The Company has appointed its directors and executives to be as directors to consider and define the policy and also provided advice on underwriting, claims, technology and accounting.

2. Asia Insurance International (Holding) Limited, with the investment capital ratio of 41.70 percent. The Company has appointed its directors to be as directors in the associated company. Asia Insurance International (Holding) Limited has invested in the regional insurance companies, namely, Asia Insurance (Philippines) Corporation and Cambodian Reinsurance Company.

Set to serve the nation- Bangkok Insurance in the Northeast

 Udon Thani

 Khon Kaen

 Mukdahan

 Roi Et

 Ubon Ratchathani

 Nakhon Ratchasima



RISK FACTORS

Over the past year, the insurance industry had been affected by factors both inside and outside the country, which had an impact on the business transaction, for instance, sluggish global economic growth, the country's gross domestic product (GDP) much lower than projected, the government sector's delayed spending stemming from political uncertainty, and the country's exports having a trend of trade deficit. As such, the Company still encountered risks in both its underwriting business and investment sector.

Nevertheless, the Company has fully realized the significance of risk management and has arranged for its risk management, as well as made a close scrutiny of the risks so that they remain at an acceptable level. In addition, the Company has appointed committees overseeing risks, both for its insurance business and investment, for instance, underwriting committee, claims management committee, risk management committee, investment committee, etc., which have another duty of supervising the Company's transaction of other businesses in accordance with its policy.

1. Insurance Industry Risk

1.1 Insurance Risk

Insurance risk is a risk incurred when the Company does not define its premium rates in accordance with the damage occurred, underwriting of high risks or too concentrated underwriting in any group, inadequate reinsurance, the damage caused being far greater than expected, including inefficient claims management.

Based on the above risk, the Company manages them by adopting prudent consideration procedures for underwriting and defining coverage conditions appropriate for real risk, including controlling and updating information as a guideline for adjusting its coverage conditions and premiums properly and in line with changing circumstances. For example, though the great flood in 2011 had passed and claims payments were nearly completely made for the damage incurred, the Company still has to take into account natural disaster risks. Consequently, the Company still considers the underwriting amount for natural disasters, apart from defining its premium rates appropriate for actual risks.

The Company also takes into consideration the concentration of underwriting and reinsurance by dispersing its risk from underwriting and transferring the risk to the reinsurance companies, mainly focusing on those with robust financial standing. Besides, the Company has arranged for the Excess of Loss Reinsurance Treaty, which is a significant tool for preventing and controlling underwriting risk, so as to avoid the volatility that may affect the Company's financial standing.

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

1.2 Credit Risk from Insurance Business

- Reinsurance Risk

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

To manage the risk, the Company has also considered the financial status and credit rating of all reinsurance companies and purchased reinsurance policies from many trustworthy companies that are capable of reinsurance, which helps distribute the risk. In addition, it has cautiously scrutinized the reinsurance conditions through its department that is well versed in the reinsurance business, including having its legal department consider legal issues, in order to minimize such risk.

- Difficulties in Premium Collection

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

To minimize the risk, the Company possesses an efficient process of closely following up its outstanding premiums from the insured, agent and broker, apart from requiring the agent and broker to submit collateral within the specified credit limit allowed by the Company.

2. Investment Risk

2.1 Credit Risk

Credit risk is a risk in which the Company's contractual partners cannot abide by an obligation made to the Company, including an opportunity when contractual partners' financial ranking is degraded.

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

- For risk associated with providing loans, the Company will consider its debtors' financial status and ability to pay debt based on a sound credit analysis standard. Meanwhile, loan to value will be determined so that it is not beyond the legal limit.

- For debt instruments, the Company will choose to invest in debt instruments of which the credit rating is not lower than the investment grade, as well as select debt instruments issuers' types of businesses and industries, apart from having a steady review of the issuer's financial standing and ability to pay the principal and interest.

2.2 Concentration Risk

Concentration risk is a risk incurred when the Company does not distribute the investment through choosing to invest too much in a financial instrument, a company or a business. Thus when there is a negative impact on such groups, it will create tremendous damage to the Company.

To manage the risk, the Company has dispersed its investments across numerous types of assets and chosen to invest in different industries, under the requirements relating to risk based on the criteria defined by the regulator.

2.3 Liquidity Risk

Liquidity risk is a risk that may be incurred when the Company's assets cannot be realized as cash, or adequate cash cannot be acquired, or sufficient cash can be acquired but at a high cost.

Regarding its investment, the Company emphasizes investment in stocks required by the market, with high liquidity and an ability to be changed into cash conveniently, as well as at the value approximate to the fair value.

Furthermore, the Company has procured capital reserve sources such as overdrawn amounts or short-term loans from commercial banks, including using the data on cash flow management, as well as financial reception and payment based on its obligations and commitments, enabling it to know the amount of cash to be used daily.

2.4 Market Risk

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

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

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

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

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

3. The Company's Other Risk

3.1 Asset and Liability Management Risk

The Company has risk incurred by the fact that the duration and amount of investment assets have no relation with the duration and debt amount to which the Company is obliged, for instance, claims reserve, unearned premiums and premiums received in advance. As a consequence, the Company has managed these risks by defining the duration and investment capital in accordance with the two types of the Company's major liability mentioned earlier.

3.2 Strategic Risk

This refers to risk that arising from the formulation of strategic plans and their implementation which are not in accordance with the Company's internal factors such as its organizational structure and goals, including external factors, such as the economic condition and the competition, which may influence the Company's financial standing, investment fund and income, including risk stemming from dependence on the Company's major business partners.

Strategic risk includes the premium written amount not reaching the target planned, fierce competition from both domestic and foreign insurance companies, income ratio not living up to the plan, and too much dependence on premiums from one particular channel.

The Company has managed strategic risk by defining its strategic plan in compliance with the Company's vision and planned its implementation from the organizational level to departmental level, apart from summarizing the Company's implementation of the strategic plan defined and, at an appropriate time, displaying the status of an achievement of the plans, including giving a warning signal in the case that an implementation

consequence has a trend of not being in line with the plan defined so that the plans can be adjusted in conformity with external factors and changing circumstances, such as the economic and political alteration, the competitive condition, related rules and regulations, etc. In this regard, the Company has formulated its internal work system, including organizational structure, personnel, budget, data and information system, and the follow-up and performance control system so as to suit and support the implementation strategy and efficiently achieve the target defined, apart from informing the Company's employees of the strategic plans for their acknowledgement and performance in the same direction.

Additionally, the Company has also taken into consideration risk stemming from the opening of free trade and Asean Economic Community (AEC), which may have an impact on the Company's business transactions due to an increasing number of foreign insurance companies which come to do business in the country, particularly those highly established and having robust financial standing, resulting in a fiercer business competition and possible reduction in the Company's underwriting income or an income less than expected. The Company has been prepared by continuously extending its branches, especially in the provinces close to the border, including developing a wide variety of products and formulating marketing plans to enhance its capability to access target customers and retain its customer base in the country, besides investing in insurance business in foreign countries in order to increase the Company's potential in business transaction.

3.3 Operational Risk

This is a risk that is incurred in the performance of all the Company's sections due to the unpreparedness, insufficiency or deficiency of the Company's personnel, working process, and information technology system, as well as legal risk and risk incurred by external factor.

To manage its operational risk, the Company has arranged for a sound internal control system, through a constant control and inspection of work performance of all the Company's sections, provided for a sufficient workforce qualified for each job description, procured experts in each field for an efficient work system, as well as initiated a system in which staff can work as substitutes for others, whether temporarily or permanently, allowing for the Company's steady performance, apart from providing training to its employees so that they have knowledge and understanding of all disciplines relating to the Company's insurance business and products, including continuously developing and improving its work system so as to keep pace with changes. Similarly, the Company has assigned all levels of its sections to be in charge of their own operational risk management, besides injecting knowledge and understanding of operational risk among its employees, including providing them with concrete training.

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

REPORT OF THE COMPANY'S OPERATIONS

(Baht : Million)

	2014	2013	Change %	2014 Distribution %
Premium Written				
Types of Insurance				
Fire	1,781.5	1,958.2	(9.0)	11.29
Marine	396.4	417.9	(5.1)	2.51
Motor	6,698.0	6,694.5	0.1	42.45
Miscellaneous	6,902.9	6,731.8	2.5	43.75
Total	15,778.8	15,802.4	(0.1)	100.00
Income on Underwriting				
Types of Insurance				
Fire	584.4	97.2	501.2	24.14
Marine	131.6	111.8	17.7	5.43
Motor	527.9	712.2	(25.9)	21.81
Miscellaneous	1,177.1	1,225.2	(3.9)	48.62
Total	2,421.0	2,146.4	12.8	100.00
Operating Expenses	809.4	1,201.0	(32.6)	33.43
Contribution and Finance Cost	77.4	77.7	(0.4)	3.20
Net Underwriting Profit (Loss)	1,534.2	867.7	76.8	63.37

(Baht : Million)

	2014	2013	Change %
Net Investment Income			
Interest	397.1	340.4	16.7
Dividends	668.1	703.1	(5.0)
Gain (Loss) on Sale of Securities and Assets	11.5	169.1	(93.2)
Rental and Other Income	154.4	142.9	8.0
Share of Income from Associated Accounted for under the Equity Method	10.8	4.0	170.0
Gain (Loss) from Reversal Impairment of Investment	15.0	(5.3)	383.0
	1,256.9	1,354.2	(7.2)
Investment Expenses	90.4	89.8	0.7
Net Investment Income	1,166.5	1,264.4	(7.7)
Operating Results			
Net Underwriting Profit	1,534.2	867.7	76.8
Net Investment Income	1,166.5	1,264.4	(7.7)
Income before Income Tax	2,700.7	2,132.1	26.7
Income Tax	394.9	383.6	2.9
Net Income	2,305.8	1,748.5	31.9
Basic Earnings Per Share (Baht)*	21.66	16.42	31.9
Ordinary Share (Shares)	106.47 Million	106.47 Million	-
Par (Baht)	10.00	10.00	-

Remarks : * Basic earnings per share is determined by dividing net earnings for the period by the number of ordinary shares after the issue of stock dividends in 2013. (106.47 million shares)

REVENUE STRUCTURE

(Baht : Million)

	2014	Distribution %	2013	Distribution %	2012	Distribution %
Premium Written						
Types of Insurance						
Fire	1,781.5	11.29	1,958.2	12.39	1,571.0	11.92
Marine	396.4	2.51	417.9	2.65	437.2	3.32
Motor	6,698.0	42.45	6,694.5	42.36	5,099.7	38.71
Miscellaneous	6,902.9	43.75	6,731.8	42.60	6,066.4	46.05
Total	15,778.8	100.00	15,802.4	100.00	13,174.3	100.00
Income on Underwriting						
Types of Insurance						
Fire	584.4	24.14	97.2	4.53	(2,718.1)	(181.08)
Marine	131.6	5.43	111.8	5.21	119.0	7.93
Motor	527.9	21.81	712.2	33.18	702.3	46.79
Miscellaneous	1,177.1	48.62	1,225.2	57.08	395.7	26.36
Total	2,421.0	100.00	2,146.4	100.00	(1,501.1)	(100.00)
Operating Expenses	809.4	33.43	1,201.0	55.95	668.4	44.53
Contribution and Finance Cost	77.4	3.20	77.7	3.62	64.9	4.32
Net Underwriting Profit (Loss)	1,534.2	63.37	867.7	40.43	(2,234.4)	(148.85)
Net Investment Income						
Interest	397.1	31.59	340.4	25.14	276.9	9.13
Dividends	668.1	53.16	703.1	51.92	577.2	19.03
Gain (Loss) on Sale of Securities and Assets	11.5	0.91	169.1	12.49	2,021.5	66.65
Rental and Other Income	154.4	12.29	142.9	10.55	140.1	4.62
Share of Income from Associated Accounted for under the Equity Method	10.8	0.86	4.0	0.30	8.4	0.28
Gain (Loss) from Reversal Impairment of Investment	15.0	1.19	(5.3)	(0.40)	9.0	0.29
	1,256.9	100.00	1,354.2	100.00	3,033.1	100.00
Investment Expenses	90.4	7.19	89.8	6.63	91.5	3.02
Net Investment Income	1,166.5	92.81	1,264.4	93.37	2,941.6	96.98

REPORT OF THE COMPANY'S OPERATIONS

Summary of Operating Performance for the Year 2014

Operation and Financial Status of the Company

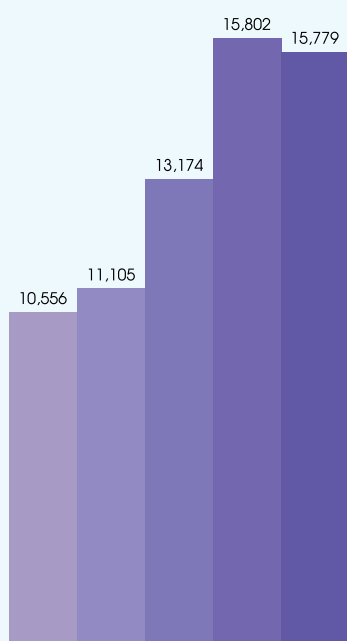
Based on the financial statements as at December 31, 2014, the total assets of the Company amounted to Baht 53,574.2 million, a rise of 5.7 percent from Baht 50,706.9 million in the previous year. This was accompanied by a significant increase in assets, particularly investments in available-for-sale securities and held-to-maturity securities, of Baht 6,395.3 million and 2,939.7 million, respectively. In contrast, due from reinsurers, deferred tax assets, and cash and cash equivalents dropped by Baht 6,094.7 million, 237.2 million and 213.1 million, respectively.

Liabilities at 2014 year-end totaled Baht 25,602.9 million, a decrease of Baht 3,431.0 million, or 11.8 percent, over 2013. A significant change was a decline in loss reserves and outstanding claims of Baht 4,798.4 million, as well as a rise in deferred tax liabilities of Baht 1,290.7 million.

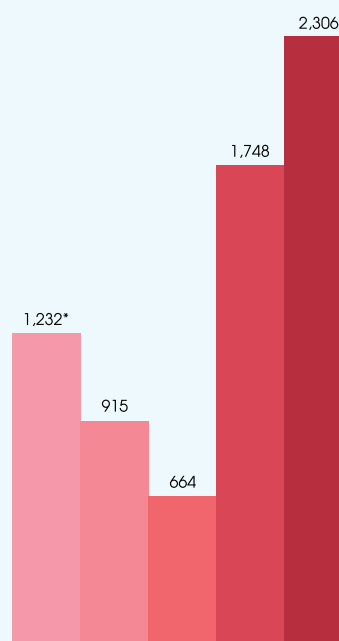
Owners' equity on December 31, 2014, equaled Baht 27,971.4 million, a rise from Baht 21,673.0 million, or 29.1 percent, in 2013. Significant components were an increase of Baht 5,156.2 million, or 37.5 percent, in other component of equity, and a growth of Baht 807.6 million in retained earnings. Similarly, the issued and paid-up capital and reserved retained earnings rose by Baht 304.2 million and 30.4 million, respectively.

For 2014, the premium written income for all classes of insurance dropped by 0.1 percent to Baht 15,778.8 million, compared to 2013. Miscellaneous insurance and motor insurance achieved the highest growth rates of 2.5 percent and 0.1 percent, respectively, compared to 2013.

In 2014, the net underwriting experienced a return of Baht 1,611.6 million, an increase by Baht 666.2 million, or 70.5 percent, over 2013, due mainly to a decline in unearned premium reserve of Baht 701.2 million, incurred by a drop of the premium written for 2014, resulting in a rise in the earned premium of Baht 771.7 million.



Total Premium Written (Million Baht)



Net Income after Income Tax (Million Baht)

Remark : * Before restate financial statements
on TAS No. 12 Income Taxes

The net investment income and other income in 2014 was Baht 1,166.5 million, a drop of 7.7 percent, over 2013. When combined with a profit from underwriting after contribution to Office of Insurance Commission, to Non-Life Guarantee Fund, and to Road Victims Protection Fund), the Company's total income before income tax deduction was Baht 2,700.7 million, a rise of 26.7 percent. After income tax deduction, the net income totaled Baht 2,305.8 million, an increase of 31.9 percent, compared to 2013, or Baht 21.66 per share, compared to Baht 16.42 per share in 2013.

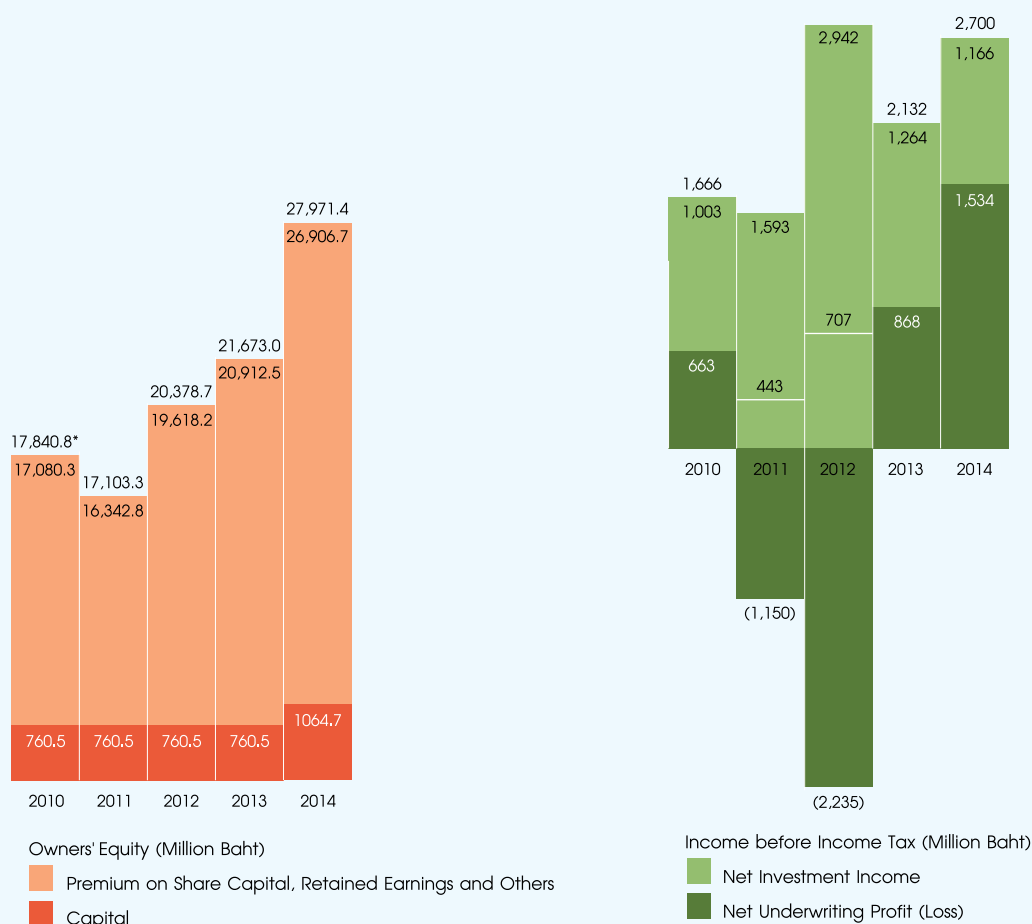
The Company's Board of Directors has approved a final dividend payment of Baht 3.75 per share for the year 2014. Nevertheless, during the past three quarters, the Company has already made three interim dividend payments of Baht 2.75 per share. Therefore, in 2014, the total dividend payment was Baht 12 per share, a decrease of Baht 4 per share, compared to Baht 16 per share in 2013.

Operating Performance by Classes of Business for the Year 2014

Fire Insurance

In 2014, the Company registered Baht 1,781.5 million in written fire insurance premium, a decline of 9.0 percent over 2013. The drop in premium written was due mainly to a reduction in premium growth in many channels, particularly Commercial Line Business Unit.

The net premium written amounted to Baht 1,074.5 million, a rise of 0.4 percent, with the Company taking a growing retention of 60.3 percent, compared to 54.7 percent in 2013. The loss ratio in 2014 was 23.2 percent, a decrease from 2013, which was 66.8 percent. The drop in the loss came mainly from a termination in 2014 of damage caused by the great flood in the fourth quarter of 2011 in respect of reinsurance which had an impact in 2013. As a result, the Company's underwriting returns in 2014 rose by 403.1 percent to Baht 494.7 million, compared to 2013, which witnessed underwriting returns of Baht 657.9 million.



Remark : * Before restate financial statements

Marine Insurance

- **Hull** In 2014, the Company registered a total of Baht 41.7 million in written marine hull insurance premium, a diminution of 8.4 percent over 2013. This was due mainly to a decline in the premium from Broker Business Unit and Financial Institution Business Unit.

The net premium written amounted to Baht 16.0 million, a rise of 11.1 percent from 2013. This was thanks to the Company's retention of 38.4 percent in 2014, compared to 31.6 percent in the previous year. The loss incurred in 2014 dropped by Baht 8.5 million to Baht 9.0 million, compared to the year before. As a consequence of the Company's underwriting in 2014, the loss ratio was 58.4 percent, resulting in a return of Baht 4.2 million and an increase in underwriting profit of Baht 12.0 million from the previous year.

- **Cargo** In 2014, the Company registered Baht 354.7 million in written marine cargo insurance premium, a drop of 4.8 percent over the year before. This was due mainly to a reduction in the reinsurance premium.

The net premium written totaled Baht 203.5 million, a decrease of 10.2 percent, due to the Company's retention diminution from 60.8 percent in 2013 to 57.4 percent in 2014. The loss ratio in 2014 dropped to 32.9 percent, compared to 39.4 percent in 2013, resulting in the Company's underwriting profit of Baht 112.7 million in 2014, a growth of 16.8 percent from the year before.

Motor Insurance

In 2014, the Company registered Baht 6,698.0 million in written motor insurance premium, a rise of 0.1 percent over 2013. This was due mainly to an expansion of its business through Branch Network and Ventures which have entered the project with some of the Company's business partners, apart from an extension of its customer base via the Bancassurance channel.

The net premium written amounted to Baht 6,448.2 million, a rise of 0.2 percent over 2013. In 2014, the Company's retention was 96.3 percent, a slight increase from 2013, which was 96.2 percent. The loss ratio grew from 61.7 percent in 2013 to 66.2 percent in 2014, resulting in the Company's underwriting profit of Baht 133.1 million in 2014, a drop of 65.6 percent from the previous year.

Miscellaneous Insurance

Miscellaneous insurance consists of five major categories: Personal Accident, Engineering, Personal Insurance, Aviation, and All Risks. In 2014, the Company registered Baht 6,902.9 million in written miscellaneous insurance premium, a rise from Baht 6,731.8 million, or 2.5 percent, in 2013. An increase in the direct premium written stemmed from the growth of all risks insurance owing to an expansion of business in Broker Business Unit, Commercial Line Business Unit and Financial Institution Business Unit.

The net premium written for all categories totaled Baht 3,201.5 million, a rise of 2.5 percent over 2013. The Company's retention was 46.4 percent in 2014, equal to that in 2013. The overall loss ratio slightly increased from 37.0 percent in 2013 to 38.9 percent in 2014. However, the underwriting expenses amounted to Baht 2,909.2 million, a decline of Baht 112.6 million over the year before. Consequently, the Company's underwriting profit in 2014 went up by 36.8 percent to Baht 866.9 million, compared to 2013.

Underwriting Expenses The Company's underwriting expenses totaled Baht 10,299.0 million, representing a slight growth of 1.4 percent over 2013. The claims and expenses on claims management incurred during 2014 went up by 5.5 percent from the previous year, while other expenses rose by 11.6 percent and operating expenses dropped by 32.6 percent over the year before, owing to the Company's provision, in 2013, of an allowance for doubtful accounts for some foreign reinsurance companies expected to be bad debts, while in 2014, there was a transfer back of some portion of an allowance for doubtful accounts.

In 2014, the Company's all classes of direct premium written amounted to Baht 15,155.4 million, a growth of 0.6 percent over 2013. The Company's market share in 2014 was 7.4 percent, equivalent to that in 2013, and

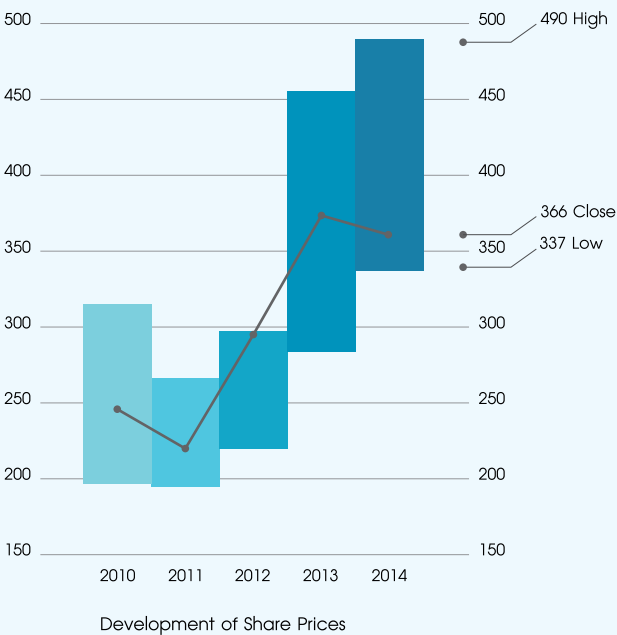
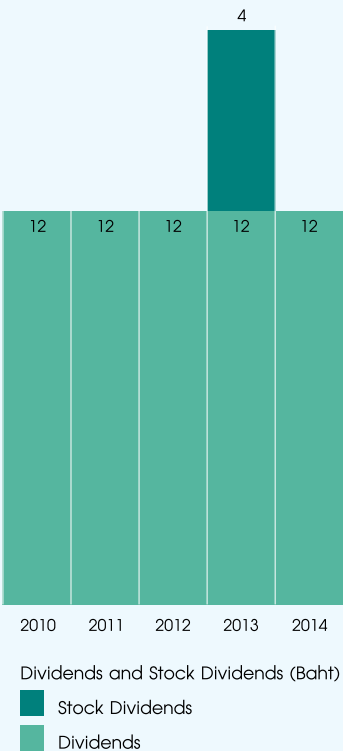
could retain the third rank in market share as in the year before. The ratio of 44.1 percent from the motor insurance premium had a growth rate of 0.1 percent, resulting in 5.7 percent motor premium market share in 2014, a rise from 2013. Fire insurance had 14.4 percent market share, while marine insurance and miscellaneous insurance had market shares of 6.4 percent and 9.2 percent, respectively.

Future Projects

In 2015, the Company has introduced Telematics Technology for an advantage of adjusting its customers’ driving behavior, aimed at higher safety. Telematics comprises of the equipment “Dongle” installed in a car’s body, having both GPS and sensor systems which can instantly connect a signal for communication between the car and the Company’s accident report centre, enhancing drivers’ comfort and confidence. The Telematics System will provide a service of reporting a danger warning and sending a signal to the Company in the case that a car is detected to have a bump harder than normal so that a claims officer can immediately provide assistance to the driver, particularly when he or she is injured or unconscious during an accident. This also includes a service of following up a car that goes out of its way, viewing driving conduct, checking use of gasoline per kilometer, etc., all via the monitoring on the Mobile Application screen on a cell phone of IOS and Android systems, or on the Company’s website www.bangkokinsurance.com.

For data of the driving behavior derived from the Telematics System, it can be used to assess the risk level influencing a future evaluation appropriate for each customer, apart from allowing a driver to know his driving conduct so as to adjust it for the sake of his own safety and that of other drivers or pedestrians. In the future, Telematics Technology will be continuously developed, for instance, the Mobile Application will be developed, replacing the installed equipment, to connect a signal instead, including the development of a working system and step to suit the business need.

In addition, the Company has also developed a work system utilizing the Service-Oriented Architecture, which helps facilitate the transmission of business data between the Company and its business partners, independent of the different platform, besides significantly increasing higher security.



INVESTMENT INCOME

The Company's investment portfolio at 2014 year-end had increased by Baht 2,705.7 million, or 17.6 percent, to Baht 18,110.0 million. For the portfolio allocation, the Baht 11,456.6 million fixed income investment accounted for 63.3 percent of the total investment portfolio, while the remaining Baht 6,653.4 million, or 36.7 percent, was invested in both listed and unlisted common stocks and fund units.

Fixed income investments consisted of deposits at commercial banks and government bonds. Deposits with commercial banks rose by Baht 2,764.7 million, or 65.5 percent, from the previous year to Baht 6,988.1 million, or 38.6 percent of the total investment portfolio. Government bonds decreased by Baht 1,439.8 million, or 46.4 percent, from the year before to Baht 1,664.8 million, representing 9.2 percent of the total investment portfolio. Debentures rose by Baht 530.2 million, or 139.5 percent, from the previous year to Baht 910.2 million, representing 5.0 percent of the total investment portfolio.

Apart from fixed income investment, the Company also has mortgaged loans, another type of its fixed income capital, which rose by Baht 1.7 million, or 0.1 percent, to Baht 1,888.9 million, or 10.4 percent of the total investment portfolio.

For the investment in equity securities in 2014, the Company's investments in listed securities increased by Baht 596.6 million, or 16.1 percent, to Baht 4,297.4 million, or 23.7 percent of the total investment portfolio, compared to 2013. The Company focused on long-term investments, with an investment concept that in the long run the stocks' sound fundamentals will be the main factor contributing to the long-term growth of the Company's values, reflected through prices from the demand for those stocks. The concept of long-term investments will help prevent the fluctuation of stock prices and stock exchanges from significantly affecting the Company's long-term incomes and investment goals.

Investments in non-listed securities rose by Baht 7.1 million, or 1.1 percent, from the previous year to Baht 649.8 million, representing 3.6 percent of the total investment portfolio. The increase was due to an additional investment in non-listed securities. In fact, most non-listed securities were regarded as strategic investments in order to generate business relationships with others and support the Company's business transactions.

Investment capital in associated companies rose by Baht 10.8 million, or 7.5 percent, to Baht 154.9 million, representing 0.9 percent of the total investment portfolio, the increase stemming from the acknowledgement of income in those associated companies. It was shareholding which ranged from 20.0 percent and over, and comprised overseas investments such as investments in insurance companies in Cambodia, that enhanced the Company's opportunity to make business transactions with foreign companies. Those associated companies had growth potential in terms of business expansion and returns, as well as being able to pay a dividend to the Company.

Additionally, investments in funds investing in debt securities amounted to Baht 540.2 million, representing 3.0 percent of the total investment portfolio, unchanged from the year before. Similarly, investments in funds investing in non-marketable equity securities totaled Baht 247.9 million, or 1.3 percent of the total investment portfolio, a rise of Baht 70.1 million, or 39.4 percent, over the previous year, while investments in listed real estate funds, and trust funds for investments in real estate, including investments in listed infrastructure funds rose by 165.9 million, or 27.8 percent, to Baht 763.2 million, representing 4.2 percent of the total investment portfolio.

Net investment income in 2014 amounted to Baht 1,241.9 million. This comprised Baht 397.1 million from the interest, an increase of 16.7 percent; Baht 668.1 million from dividends, a decline of 5.0 percent; Baht 11.5 million profit from stocks and assets sale, a drop of 93.2 percent; Baht 154.4 million from rents and others, an increase of 8.0 percent; Baht 10.8 million of profit share from investments in associated companies, a rise of 170.0 percent. In 2014, the Company's investment expenses rose by 0.7 percent to Baht 90.4 million and returns on impairment of investments of Baht 15.0 million, while its net investment incomes amounted to Baht 1,166.5 million.

At 2014 year-end, the SET index closed at 1,497.67, a rise of 198.96, or 15.3 percent, from 2013, which closed at 1,298.71, due to an economic slowdown in countries in Europe, Japan and China, while the United States' economy had a slightly better trend. For the Thai economy, it also witnessed a trend of slightly higher adjustment, resulting in the Company having a higher surplus on revaluation of share values in the SET, totaling Baht 23,505.5 million, an augmentation of Baht 6,378.5 million, or 37.2 percent, over 2013.

INVESTMENT

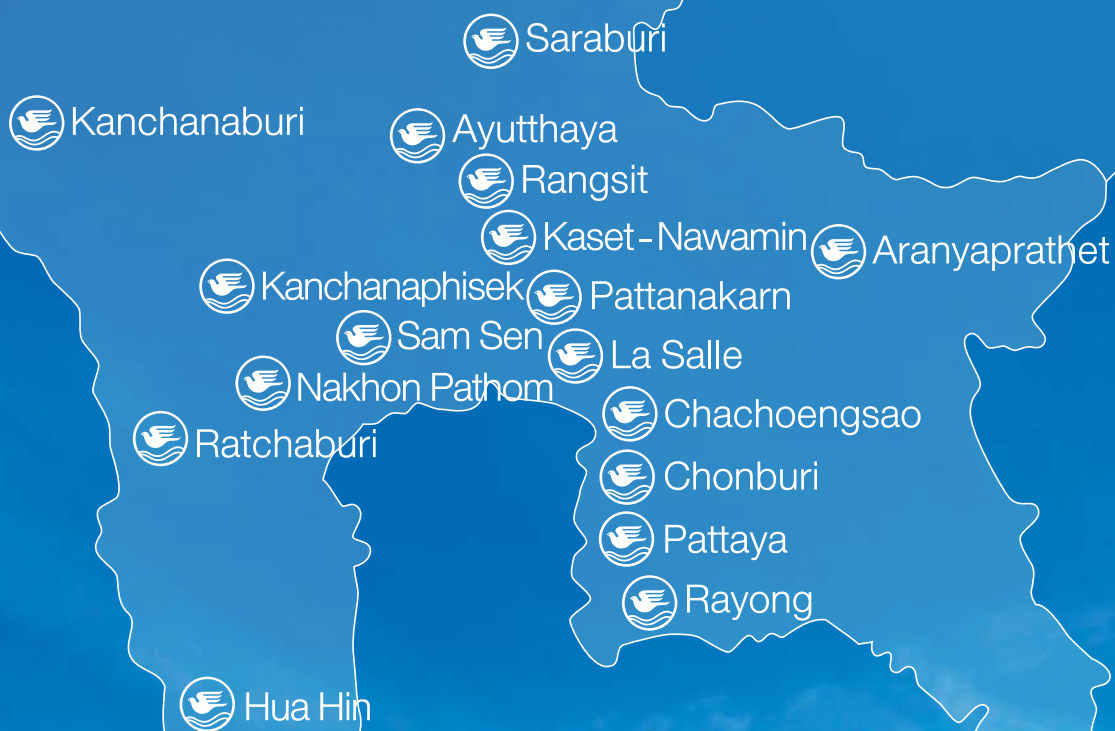
(Baht : Million)

	Year end 2014	Year end 2013	Change %	Distribution % 2014
Composition of Investment Portfolio (At Cost)				
Fixed Interest Bearing Securities				
Deposits at Banks	6,988.1	4,223.4	65.5	38.6
Collateralised Loans	1,888.9	1,887.2	0.1	10.4
Bonds	1,664.8	3,104.6	(46.4)	9.2
Investment and Other Loans	914.8	386.2	136.9	5.1
Total Fixed Interest Bearing Securities	11,456.6	9,601.4	19.3	63.3
Shares Listed on the SET	4,297.4	3,700.8	16.1	23.7
Unlisted Shares	649.8	642.7	1.1	3.6
Investment in Associated	154.9	144.1	7.5	0.9
Unit of Closed-end Fund Listed on the SET	592.2	406.3	45.8	3.2
Unit of Closed-end Fund	959.1	909.0	5.5	5.3
Total Investment Portfolio	18,110.0	15,404.3	17.6	100.0

(Baht : Million)

	Year end 2014			
	At Cost	Market Value	Surplus on Changes in Values of Investments	Allowance for Impairment/Allowance for Doubtful Account
Composition of Investment Portfolio At Cost and Market Value				
Fixed Interest Bearing Securities				
Deposits at Banks	6,988.1	6,988.1	-	-
Collateralised Loans	1,888.9	1,888.1	-	(0.8)
Bonds	1,664.8	1,698.2	33.4	-
Investment and Other Loans	914.8	938.7	23.9	-
Total Fixed Interest Bearing Securities	11,456.6	11,513.1	57.3	(0.8)
Shares Listed on the SET	4,297.4	27,804.3	23,506.9	-
Unlisted Shares	649.8	566.6	-	(83.2)
Investment in Associated	154.9	154.9	-	-
Unit of Closed-end Fund Listed on the SET	592.2	658.2	66.0	-
Unit of Closed-end Fund	959.1	981.2	22.1	-
Total Investment Portfolio	18,110.0	41,678.3	23,652.3	(84.0)

Set to serve the nation – Bangkok Insurance in the Central Region



INVESTMENTS IN SECURITIES

Investments in Listed Securities as at December 31, 2014, consist of following :

Name of Company	Line of Business	Percentage of Holding (%)	Book Value		Market Value	
			Per Share (Baht)	Amount (Baht : Million)	Per Share (Baht)	Amount (Baht : Million)
Bangkok Bank	Banking	1.79	40.23	1,372	193.00	6,581
Bumrungrad Hospital	Health Care Services	14.62	9.61	1,026	140.50	15,000
Bangkok Life Assurance	Life Assurance	4.64	5.24	413	46.00	3,620
Thai Reinsurance	Reinsurance	1.87	2.47	195	3.14	248
Charoong Thai Wire & Cable	Electrical Cables	6.74	6.66	179	10.80	290
Furukawa Metal (Thailand)	Copper Tube	8.84	23.38	99	19.50	83
Thaire Life Assurance	Reinsurance	1.05	14.42	91	13.90	88
Intouch Holdings	Information & Communication Technology	0.02	70.13	48	78.50	54
Ticon Industrial Connection	Property Development	0.53	7.26	42	18.10	106
Bangkok Expressway	Transportation & Logistics	0.15	34.68	41	39.00	46
Bangkok Aviation Fuel Services	Energy	1.23	5.67	35	31.25	195
Nonthavej Hospital	Health Care Services	3.40	6.26	34	30.00	163
The Siam Cement	Construction Materials	0.01	441.54	29	446.00	29
Union Plastic	Plastics	8.37	13.31	28	36.00	75
Airports of Thailand	Transportation & Logistics	0.00	249.38	26	282.00	30
Sri Ayudhya Capital	Insurance	0.28	36.12	25	34.00	23
Ramkhamhaeng Hospital	Health Care Services	0.53	394.52	25	1,916.00	121
Major Cineplex Group	Cinema Complex	0.25	11.05	25	27.50	62
Samart Corporation	Information & Communication Technology	0.10	23.83	24	39.25	39
Ratchaburi Electricity Generating Holding	Power Generation	0.04	43.29	24	58.75	32
Muang Thai Insurance	Insurance	0.30	135.63	24	145.00	25
Asia Sermkij Leasing	Leasing	0.95	6.97	23	18.80	63
Electricity Generating	Energy & Utilities	0.03	147.73	23	165.00	26
TTW	Energy & Utilities	0.07	7.85	23	11.60	34
Eternal Energy	Renewable Energy	0.69	1.17	22	1.38	26
Khonburi Sugar	Sugar	0.41	9.10	22	9.50	23
ThaiTheparos	Food	0.99	6.19	22	24.90	89
Glow Energy	Energy	0.02	69.62	22	89.00	28
Dynasty Ceramic	Construction Materials	0.09	56.47	22	56.00	22
PTT Global Chemical	Petrochemicals & Chemicals	0.01	65.31	20	51.25	16
Total 30 Listed Companies				4,004		27,237
Other 33 Listed Companies				290		562
Unit trust				1,551		1,639
Warrant				4		6
Total				5,849		29,444

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(Baht'000)

Quarterly Results of Operations	2014				2013			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Premium Written	3,897,031	3,882,664	3,650,983	4,348,147	4,231,741	3,584,610	3,665,600	4,320,498
Income on Underwriting	656,806	243,942	919,500	600,773	246,945	488,931	779,755	630,736
Operating Expenses	236,483	126,926	197,575	248,402	188,839	288,396	377,239	346,480
Contribution and Finance Cost	20,630	18,867	17,472	20,432	22,657	17,338	17,504	20,174
Net Underwriting Profit (Loss)	399,693	98,149	704,453	331,939	35,449	183,197	385,012	264,082
Net Investment Income	305,246	346,730	326,426	176,537	277,038	394,096	308,536	115,677
Gain (Loss) on Sale of Securities and Assets	31,945	(7,861)	1,846	(14,435)	128,324	39,714	345	601
Income before Income Tax	736,884	437,018	1,032,725	494,041	440,811	617,007	693,893	380,360
Income Tax	109,693	25,269	169,569	90,390	51,309	90,736	143,794	97,766
Net Income	627,191	411,749	863,156	403,651	389,502	526,271	550,099	282,594
Per Share					(Baht)			
Basic Earnings Per Share*	5.89	3.87	8.11	3.79	3.66	4.94	5.17	2.65
Ordinary Share (Shares)	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million
Dividends	2.75	2.75	2.75	3.75	2.75	2.75	2.75	3.75
Stock Dividends	-	-	-	-	-	-	-	4.00
Dividends and /or Stock Dividends (Full Year)	2.75	2.75	2.75	3.75	2.75	2.75	2.75	7.75
Market Price								
High	490	354	361	376	404	456	414	390
Low	344	337	337	354	293	361	288	360
Par Value	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

Remarks : * Basic earnings per share is determined by dividing net earnings for the period by the number of ordinary shares after the issue of stock dividends in 2013. (106.47 million shares)

FIVE YEARS REVIEW

(Baht'000)

	2014	2013	2012	2011	2010
For the Year			(Restated)	(Restated)	
Premium Written	15,778,825	15,802,449	13,174,316	11,104,916	10,555,676
Income on Underwriting	2,421,021	2,146,367	(1,501,042)	(482,141)	1,297,429
Operating Expenses	809,386	1,200,954	668,436	616,934	591,161
Contribution and Finance Cost	77,401	77,673	64,890	50,801	42,874
Net Underwriting Profit (Loss)	1,534,234	867,740	(2,234,368)	(1,149,876)	663,394
Net Investment Income	1,154,939	1,095,347	920,058	935,991	813,044
Gain (Loss) on Sale of Securities and Assets	11,495	168,984	2,021,515	656,531	190,160
Income before Income Tax	2,700,668	2,132,071	707,205	442,646	1,666,598
Income Tax	394,921	383,605	43,253	(472,231)	434,241*
Net Income	2,305,747	1,748,466	663,952	914,877	1,232,357*
At Year - end					
Unearned Premium Reserve	7,333,611	7,110,475	5,920,355	5,051,044	5,358,997
Shareholders' Equity	27,971,353	21,673,018	20,378,749	17,103,291	17,840,758*
Per Share					(Baht)
Basic Earnings Per Share	21.66	22.99	8.73	12.03	16.20*
Ordinary Share (Shares)	106.47 Million	76.05 Million	76.05 Million	76.05 Million	76.05 Million
Dividends	12.00	12.00	12.00	12.00	12.00
Stock Dividends	-	4.00	-	-	-
Book Value	262.72	284.98	267.97	224.90	234.59*
Market Price					
High	490.00	456.00	295.00	266.00	312.00
Low	337.00	288.00	220.00	195.00	197.00
Market Price at Year-end	366.00	371.00	292.00	220.00	249.00
Par Value	10.00	10.00	10.00	10.00	10.00
Number of Employees	1,446	1,386	1,278	1,211	1,148

Remarks : * Before restate financial statements on Thai Accounting Standard 12 Income taxes

ADVISORY BOARD



Mr. Chatri Sophonpanich
Chairman



Mr. Damrong Krishnamara
Adviser



Mr. Piti Sithi-amnuai
Adviser

BOARD OF DIRECTORS AND BOARD OF DIRECTORS PROFILE



Mr. Chai Sophonpanich
Chairman



Mr. Plengsakdi Prakaspesat
Independent Director and Chairman
of the Audit Committee



Mr. Singh Tangtaswas
Independent Director and Chairman of
Remuneration and Nomination Committee

Education

- B.Sc., University of Colorado, U.S.A.
- Advanced Management Program, the Wharton School
- The Joint State - Private Sectors Class 6, the National Defence College of Thailand
- Director Certification Program (DCP) Class 16/2002, Thai Institute of Directors Association
- Chairman 2000 Class 10/2004, Thai Institute of Directors Association

Work Experiences

- Chairman and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (2010 - present)
- Chairman, Bangkok Insurance Public Co., Ltd. (1978 - present)
- President, Bangkok Insurance Public Co., Ltd. (1976 - 2009)
- Chairman, Furakawa Metal (Thailand) Public Co., Ltd. (1988 - present)
- Chairman, Charoeng Thai Wire & Cable Public Co., Ltd. (1986 - present)
- Chairman, Bumrungrad Hospital Public Co., Ltd. (1979 - present)
- Vice Chairman, Thai Reinsurance Public Co., Ltd. (1978 - present)
- Director, Bangkok Life Assurance Public Co., Ltd. (1968 - present)
- Director, International Insurance Society, Inc., New York, U.S.A. (2009 - present)
- Chairman, The Federation of Thai Insurance Organization (2006 - 2008)
- President, The General Insurance Association (1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007)
- Chairman, Asean Reinsurance Corp., Ltd. Singapore (1988 - 1992)
- Chairman, Asean Insurance Council, Jakarta (1987 - 1989)
- President, The East Asian Insurance Congress (1984 - 1986, 2004 - 2006)

Education

- Graduate in Commerce from Ross College (Dublin), Ireland
- Ph.D. (Honoris Causa) on Mass Communication, Ramkhamhaeng University
- Ph.D. (Honoris Causa) on Arts, Rajabhat Institute Lampang
- Certificate of the Course for Top Executives, The Association for Overseas Technical Scholarship (AOTS), Japan
- The Joint State - Private Sector Class 1, The National Defence College of Thailand
- Director Accreditation Program (DAP) Class 27/2003, Thai Institute of Directors Association
- The Characteristics of Effective Directors Class 1/2006, Thai Institute of Directors Association
- Audit Committee Program (ACP) Class 17/2007, Thai Institute of Directors Association

Work Experiences

- Chairman of the Audit Committee, Bangkok Insurance Public Co., Ltd. (2005 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (1999 - present)
- Director of Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (2004 - 2005)
- Director of Audit Committee, Bangkok Insurance Public Co., Ltd. (1999 - 2005)
- Independent Director and Member of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Co., Ltd. (Jul 2010 - present)
- Member of the Compensation and Corporate Governance Committee, ACL Bank Public Co., Ltd. (2007 - Apr 2010)
- Independent Director and Member of the Audit Committee, ACL Bank Public Co., Ltd. (2005 - Jun 2010)
- Territorial Volunteer Defence Corps Colonel and Vice President of the Foundation of The Volunteers Defence Under The Royal Patronage of Her Majesty The Queen (2009 - present)
- Adviser, United Flour Mill Public Co., Ltd. (2001 - present)
- Vice Chairman, United Flour Mill Public Co., Ltd. (1980 - 2001)
- Senior Adviser, Thai Central Chemical Public Co., Ltd. (1997 - present)
- Qualified Committee, Assumption University (1987 - present)
- Member Experts of Fertilizer Committee, The Ministry of Agriculture and Cooperatives (2010 - 2011, 2012 - 2013)
- Corporate Chairman, MC. Industrial Chemical Co., Ltd. (1997 - 2005)
- Honorary Chairman, Asia Pacific Potash Corporation Ltd. (1984 - 2006)

Education

- B.A. (Economics), Thammasat University
- M.B.A. (Finance), the Wharton School of Finance and Commerce, University of Pennsylvania
- Certificate of Management Development Program, the Wharton School
- Certificate of Executive Development Program, Harvard Business School
- Director Certification Program (DCP) Class 0/2000, Thai Institute of Directors Association

Work Experiences

- Independent Director and Chairman of Remuneration & Nomination Committee, Bangkok Insurance Public Co., Ltd. (2004 - present)
- Director, Thai Institute of Directors Association (2010 - present)
- Executive Director, Bangkok Bank Public Co., Ltd. (2005 - present)
- Chairman of Risk Management Committee, Bangkok Bank Public Co., Ltd. (2005 - present)
- Managing Director, Bangkok Bank Public Co., Ltd. (2006 - 2010)
- Independent Director and Chairman of the Audit Committee, Thai Optical Group Public Co., Ltd. (2004 - present)
- Independent Director, TWZ Corporation Public Co., Ltd. (2005 - 2013)
- Adviser, Corporate Governance Center, The Stock Exchange of Thailand (2002 - 2009)
- President and Chief Executive Director, Krung Thai Bank Public Co., Ltd. (1999 - 2001)



Miss Potjanee Thanavaranit
Independent Director and Director
of the Audit Committee



Mr. Chor.nun Petpaisit
Independent Director and Director
of the Audit Committee



Mr. Suvann Thansathit
Independent Director and Director
of the Remuneration and Nomination Committee

Education

- B.B.A. (Accounting), Chulalongkorn University
- M.B.A., Syracuse University, New York, U.S.A.
- Certificate of Advanced Course in General Insurance, Swiss Insurance Training Center, Switzerland
- Certificate of Advanced Management Program, Australian Management College, Australia
- Certificate of Executive Development Program Class 18, Office of the Civil Service Commission
- National Defence College, Class 42
- Director Certification Program (DCP) Class 17/2002, Thai Institute of Directors Association
- Role of the Chairman Program (RCP) Class 13/2006, Thai Institute of Directors Association
- Role of the Compensation Committee Program (RCC) Class 4/2007, Thai Institute of Directors Association
- Audit Committee Program (ACP) Class 32/2010, Thai Institute of Directors Association
- Financial Institutions Governance Program (FGP) Class 2/2011, Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) Class 10/2013, Thai Institute of Directors Association
- Anti - Corruption for Executive Program (ACEP) Class 7/2013, Thai Institute of Directors Association
- Director Certification Program Update (DCPU) Class 1/2014, Thai Institute of Directors Association
- Certificate of Top Executive Program Class 8, Capital Market Academy
- Certificate of Top Executive Program in Commerce and Trade Class 3, Commerce Academy
- Advance Security Management Program Class 2, The National Defence College of Thailand

Work Experiences

- Independent Director and Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (2007 - present)
- Member of The National Reform Council (present)
- Chairman of the Board (Independent Director), Audit Committee Member and Chairman of the Compensation & Nominating Committee, Univentures Public Company Limited (present)
- Member of the Council of State (Group 3 - Monetary Laws) (present)
- Qualified Member of the Committee, The Federation of Thai Insurance Organization (present)
- Independent Director and Audit Committee Member, Thai Reinsurance Public Co., Ltd. (present)
- Director of Remuneration and Nominating Committee, Thai Reinsurance Public Co., Ltd. (Jun 2012 - Apr 2014)
- Chairman of the Remuneration Committee, Chairman of the Good Governance Committee, Independent Director and Audit Committee Member, OISHI Group Public Co., Ltd. (present)
- Independent Director, Brel Jucker Public Co., Ltd. (present)
- Independent Director and Chairman of the Audit Committee, Bank of Ayudhaya Public Co., Ltd. (present)
- Director, BJC Logistic and Warehouse Co., Ltd (Apr 2010 - Jul 2013)
- Chairman of the Public Sector Audit and Evaluation Committee for Ministry of Commerce (Nov 2008 - Mar 2013)
- Second Vice - President of the National Legislative Assembly (Oct 2006 - 2008)
- Adviser to the Commerce Ministry (Oct 2006 - Jan 2008)
- Economic Adviser, the Council for National Security (Sep 2006 - Jan 2008)
- Sub Commissioner, the Sub - Commission on the Development and Promotion of Public Organization and other Organizations under Governmental Supervision, the Public Sector Development Commission (2005 - May 2011)
- Chairman, Thailand Insurance Institute (2002 - 2007)
- Member of the Financial Institution Policy Committee, the Bank of Thailand (2001 - Aug 2008)
- Director - General, Department of Insurance, Ministry of Commerce (2001 - 2006)
- Inspector - General, Ministry of Commerce (1999 - 2001)
- Deputy Director General, Department of Insurance, Ministry of Commerce (1994 - 1999)

Education

- B.B.A. (Accounting), Thammasat University
- Director Accreditation Program (DAP) Class 28/2004, Thai Institute of Directors Association
- Director Certification Program (DCP) Class 76/2006, Thai Institute of Directors Association
- Audit Committee Program (ACP) Class 28/2009, Thai Institute of Directors Association
- Successful Formulation & Execution of Strategy (SFE) Class 8/2010, Thai Institute of Directors Association
- Financial Institutions Governance Program (FGP) Class 4/2012, Thai Institute of Directors Association

Work Experiences

- Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (2009 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (2006 - present, 2002 - 2004)
- Inspector General, Ministry of Finance (2011 - 2012)
- Director, Government Savings Bank (2011 - 2012)
- Director, The Government Pharmaceutical Organization (2009 - 2012)
- Director, Tourism Authority of Thailand (2010 - 2011 , 2005 - 2006)
- Director, Government Housing Bank (2010 - 2011, 2006 - 2008)
- Principal Adviser on Performance Improvement, The Revenue Department, Ministry of Finance (2008 - 2011)
- Policy and Plan Expert, The Revenue Department , Ministry of Finance (2001 - 2008)
- Director, Bureau of Tax Audit Operation, The Revenue Department, Ministry of Finance (2000 - 2001)
- Director, National Science Museum (2005 - 2007)

Education

- M.Sc. in Commerce, University of Santo Tomas, Philippines
- Director Certification Program (DCP) Class 63/2005, Thai Institute of Directors Association
- The Joint State - Private Sector Class 355, The National Defence College of Thailand

Work Experiences

- Independent Director and Director of the Remuneration & Nomination Committee, Bangkok Insurance Public Co., Ltd. (2005 - present)
- Executive Director and Senior Executive Vice President, Bangkok Bank Public Co., Ltd. (2006 - present)
- Senior Executive Vice President, Bangkok Bank Public Co., Ltd. (1996 - 2006)
- Executive, Bangkok Bank Public Co., Ltd. (1973 - 1996)
- Chairperson, Sinnsuptawee Asset Management Co., Ltd. (2006 - present)
- Independent Director and Chairman of the Audit Committee, Lalin Property Public Co., Ltd. (2002 - present)



Mr. Virasak Sutanthavibul

Independent Director and Chairman of the Corporate Governance Committee and Director of the Remuneration and Nomination Committee
(Appointed on February 27, 2015)

Education

- B. Eng., Chulalongkorn University
- M. Eng., Texas A&M University, Texas, U.S.A.
- The Joint State - Private Sectors Class 18/2005, The National Defence College of Thailand
- Director Accreditation Program (DAP) Class 21/2003, Thai Institute of Directors Association
- Certificate, Capital Market Academy (CMA), Class 10/2010
- Certificate, Thailand Energy Academy (TEA), Class 1/2012
- Certificate of Completion and Graduation Pin, Justice Administration Batch 17 National Justice Academy (2012 - 2013)
- Certificate, Harvard University, Advanced Management Program, U.S.A.
- Certificate, Harvard University, Financial Institution for Private Enterprise Development, U.S.A.

Work Experiences

- Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (Feb 2015 - present)
- Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (2011 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (2005 - present)
- Senior Executive Vice President, in charge of Commercial Banking, Bangkok Bank Public Co., Ltd. (2012 - present)
- Executive Vice President, Head of Metropolitan Commercial Banking, Bangkok Bank Public Co., Ltd. (2002 - 2012)
- Director and Audit Committee Member, Bangpakong Terminal Public Co., Ltd. (2012 - present)
- Director, The Grand - UB Co., Ltd. (2008 - present)
- Independent Director and Audit Committee Member, T.Krungthai Industries Public Co., Ltd. (2004 - present)
- Director, Toyota Leasing (Thailand) Co., Ltd. (2001 - present)
- Director, Thai Indo Cordsa Co., Ltd. (2001 - present)
- Director, Asia Lamp Industry Co., Ltd. (2001 - present)



Mrs. Nintira Sophonpanich

Independent Director and Director of the Corporate Governance Committee

Education

- B.Sc. Economics (Hon.) London School of Economics and Political Sciences, England
- M.B.A., Cass Business School, City University London, England
- Financial Executive Development Program (FINEX V)
- Director Accreditation Program (DAP) Class 40/2005, Thai Institute of Directors Association

Work Experience

- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 2011 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Apr 2010 - present)
- Director, Asia Plus Advisory Co., Ltd. (2008 - present)
- Director, Bangkok BTMU Ltd. (2000 - present)
- Director, Asia Plus Group Holdings Securities Public Co., Ltd. (1994 - present)
- Executive Director, Asia Plus Group Holdings Securities Public Co., Ltd. (1994 - 2008)
- Director and Treasurer, The Queen's Gallery Foundation (2003 - present)
- Director, Foundation for the Welfare of the Crippled (2002 - present)
- Director and Treasurer, The PAN Pacific and Southeast Asia Women's Association of Thailand (1999 - present)
- Investment Director, Citi Capital Co., Ltd. (1991 - 1994)
- Manager, Citicorp (Thailand) Ltd. (1987 - 1990)



M.R. Supadis Diskul

Independent Director and Director of Remuneration and Nomination Committee

Education

- Master of Community and Regional Planning, North Dakota State University, U.S.A.
- B.Sc., Medical Technology, Mahidol University
- Certificate, National Defence College, The National Defence Course for the Joint State - Private Sectors, Class 15
- Finance for Non - Finance Director (FND) Class 1/2001, Thai Institute of Directors Association
- Director Accreditation Program (DAP) Class 12/2004, Thai Institute of Directors Association
- Director Certification Program (DCP) Class 51/2004, Thai Institute of Directors Association
- Role of the Compensation Committee Program (RCC) Class 4/2007, Thai Institute of Directors Association
- Role of Chairman Program (RCP) Class 16/2007, Thai Institute of Directors Association
- Successful Formulation and Execution of Strategy (SFE) Class 5/2009, Thai Institute of Directors Association
- Anti - Corruption for Executive Program (ACEP) 11/2014, Thai Institute of Directors Association

Work Experiences

- Independent Director and Director of Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd. (Apr 2013 - present)
- Executive Chairman, Bangkok Aviation Fuel Services Public Co., Ltd. (May 2013 - present)
- Director, Bangkok Aviation Fuel Services Public Co., Ltd. (1983 - present)
- Managing Director, Bangkok Aviation Fuel Services Public Co., Ltd. (1983 - 2014)
- Chairman, Fuel Pipeline Transportation Ltd. (2006 - present)
- Managing Director, Fuel Pipeline Transportation Ltd. (1991 - 2006)
- Director, JP-One Asset Co., Ltd. (2004 - 2014)
- Managing Director, JP-One Asset Co., Ltd. (2004 - 2011)
- Director, Thai Aviation Refuelling Co., Ltd. (1996 - present)
- Managing Director, Thai Aviation Refuelling Co., Ltd. (1996 - 2011)
- Chairman, Intoplane Services Co., Ltd. (1993 - present)
- Director, BAFS International Limited (2011 - Dec 2013)
- Executive Vice President, Corporate Development and Support Department, Thai Airways International Public Co., Ltd. (1997 - 2003)



Mr. Hideyoshi Kamigata
Independent Director



Mr. Panus Thiravanitkul
Director and Director of the Corporate Governance Committee



Mr. Voravit Rojrapitada
Director and Company Secretary and Adviser

Education

- Graduated with the degree of Bachelor of Laws, Chuo University, Japan

Work Experiences

- Independent Director, Bangkok Insurance Public Co., Ltd. (Aug 2013 - present)
- Director, Asia Insurance (Cambodia) PLC. (Oct 2014 - present)
- Director, Aioi Nissay Dowa Insurance Company of Europe Limited (Apr 2014 - present)
- General Manager, Oversea Operations Department, Aioi Nissay Dowa Insurance Co., Ltd. (Japan) (Apr 2013 - present)
- Director, Aioi Nissay Dowa Insurance Company of America (Apr 2013 - Mar 2014)
- Director, DTRIC Insurance Company, Limited (Apr 2013 - Mar 2014)
- Director, DTRIC Insurance Underwriters, Limited (Apr 2013 - Mar 2014)

Education

- B.Sc. (Economics), Thammasat University
- M.B.A., Chulalongkorn University
- Director Certification Program (DCP) Class 129/2010, Thai Institute of Directors Association
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Marine Consequential Loss Insurance, Germany
- Insurance School of Japan

Work Experiences

- President, Bangkok Insurance Public Co., Ltd. (2011 - present)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 2011 - present)
- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 2011 - present)
- President, Bangkok Insurance Public Co., Ltd. (2010 - present)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (1993 - 2000)
- Vice Chairman, Marine and Transport Insurance Sub - committee, the General Insurance Association (1994 - 1996, 1999 - 2000)

Education

- Certificate, Assumption Commercial College
- Mini M.B.A., Thammasat University
- Director Certification Program (DCP) Class 27/2003, Thai Institute of Directors Association
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Skandia Insurance Management, Philippines

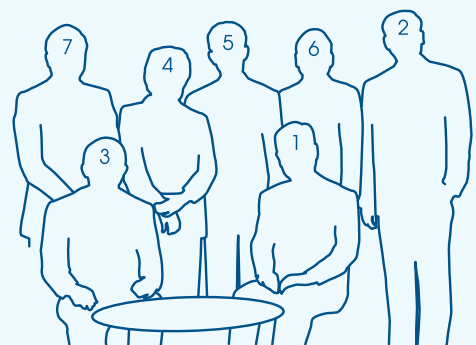
Work Experiences

- Director and Adviser, Bangkok Insurance Public Co., Ltd. (2008 - present)
- Company Secretary, Bangkok Insurance Public Co., Ltd. (2008 - present)
- Director, Bangkok Insurance Public Co., Ltd. (1981 - present)
- Senior Executive Vice President, Bangkok Insurance Public Co., Ltd. (2000 - 2009)
- Secretary to the Board of Directors, Bangkok Insurance Public Co., Ltd. (1992 - 2008)
- Assistant Managing Director, Bangkok Insurance Public Co., Ltd. (1982 - 1999)
- Independent Director, Audit Committee and Risk Management Committee, Khonburi Sugar Public Co., Ltd. (2013 - present)
- Director, Chumporn Palm Oil Industry Public Co., Ltd (1999 - Feb 2014)
- Chairman of the Audit Committee, Chumporn Palm Oil Industry Public Co., Ltd. (2003 - 2005)
- Audit Committee, Chumporn Palm Oil Industry Public Co., Ltd. (1999 - 2002, 2006 - 2008)

MANAGEMENT COMMITTEE AND MANAGEMENT COMMITTEE PROFILE

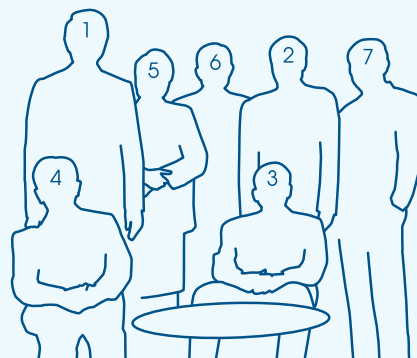


1. Mr. Chai Sophonpanich
2. Mr. Voravit Rojrapitada
3. Mr. Panus Thiravanitkul
4. Mrs. Srichitra Pramojaney
5. Dr. Apisit Anantanatarat
6. Mr. Suchart Chirayuwat
7. Mr. Natdanai Pornchaisiriarun (Appointed on April 1, 2014)





1. Mr. Anon Vangvasu
2. Mr. Suphat Yookongbandhu
3. Mr. Satit Liptasiri
4. Mr. Aree Vanairlor
5. Miss Pimjai Luemrung
6. Mr. Jakkrit Chewanuntapornchai
7. Mr. Lert Vongchai



Mr. Chai Sophonpanich
Chairman and Chief Executive Officer

Mr. Panus Thiravanitkul
President

Mr. Anon Vangvasu
Executive Vice President

Commence

February 1968

Education

- B.Sc., University of Colorado, U.S.A.
- Advanced Management Program, the Wharton School
- The Joint State - Private Sectors Class 6, the National Defence College of Thailand
- Director Certification Program (DCP) Class 16/2002, Thai Institute of Directors Association
- Chairman 2000 Class 10/2004, Thai Institute of Directors Association

Work Experiences

- Chairman and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (2010 - present)
- Chairman, Bangkok Insurance Public Co., Ltd. (1978 - present)
- President, Bangkok Insurance Public Co., Ltd. (1976 - 2009)
- Chairman, Furukawa Metal (Thailand) Public Co., Ltd. (1988 - present)
- Chairman, Charoong Thai Wire & Cable Public Co., Ltd. (1986 - present)
- Chairman, Bumrungrad Hospital Public Co., Ltd. (1979 - present)
- Vice Chairman, Thai Reinsurance Public Co., Ltd. (1978 - present)
- Director, Bangkok Life Assurance Public Co., Ltd. (1968 - present)
- Director, International Insurance Society, Inc. New York, U.S.A. (2009 - present)
- Chairman, The Federation of Thai Insurance Organization (2006 - 2008)
- President, The General Insurance Association (1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007)
- Chairman, Asean Reinsurance Corp., Ltd. Singapore (1988 - 1992)
- Chairman, Asean Insurance Council, Jakarta (1987 - 1989)
- President, The East Asian Insurance Congress (1984 - 1986, 2004 - 2006)

Commence

May 1973

Education

- B.Sc. (Economics), Thammasat University
- M.B.A., Chulalongkorn University
- Director Certification Program (DCP) Class 129/2010, Thai Institute of Directors Association

Training

- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Marine Consequential Loss Insurance, Germany
- Insurance School of Japan

Work Experiences

- President, Bangkok Insurance Public Co., Ltd. (2011 - present)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 2011 - present)
- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 2011 - present)
- President, Bangkok Insurance Public Co., Ltd. (2010 - present)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (1993 - 2000)
- Vice Chairman, Marine and Transport Insurance Sub - committee, the General Insurance Association (1994 - 1996, 1999 - 2000)

Commence

December 1976

Education

- LL.B., Ramkhamhaeng University

Training

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

Work Experiences

- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Apr 2012 - present)
- Senior Vice President, Non-Motor Claims Department, Bangkok Insurance Public Co., Ltd. (Sep 2010 - present, 2003 - 2005)
- Senior Vice President, Motor Claims Department, Bangkok Insurance Public Co., Ltd. (2006 - 2012)
- Senior Vice President, Legal Department, Bangkok Insurance Public Co., Ltd. (2000 - present)
- President, The General Insurance Association (2013 - present)
- Secretary General, The General Insurance Association (2009 - 2012)
- Vice Chairman, Motor Insurance Sub - committee, The General Insurance Association (2001 - present)
- Vice Chairman of The Board, Road Accident Victims Protection Co., Ltd. (1998 - present)

Mr. Suphat Yookongbandhu
Executive Vice President

Dr. Apisit Anantanatarat
Executive Vice President

Mr. Satit Liptasiri
Senior Vice President

Commence

August 1980

Education

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

Training

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

Work Experiences

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

Commence

April 1985

Education

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines
- M.A. (Industrial and Organization Psychology), Thammasat University
- M.S. (Insurance), University of Hartford, U.S.A.
- Diploma of Financial Service (General Insurance), ANZIF (Senior Associate), Australia
- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.

Training

- Telematics Update Conference in London, England
- CIO VMware World Conference in Barcelona, Spain
- 14th Asia CEO Insurance Summit, Indonesia
- 17th Insurance Congress of Developing Countries 2013, Sri Lanka
- East Asian Insurance Congress 2012, Malaysia
- Asian Insurance Congress 2011, Singapore
- Simplified Strategic Planning, Malaysia
- 7th Insurance Executives' Summit for Strategy, Operation & Technology 2011
- Asian Insurance Congress 2010, Singapore
- New Forms of Risk Sharing and Risk Engineer, SCOR, France
- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland
- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Work Experiences

- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Apr 2012 - present)
- Senior Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2009 - Mar 2014)
- Senior Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - present)
- Senior Vice President, Marketing and Communications Department, Bangkok Insurance Public Co., Ltd. (2011 - Apr 2012)
- First Vice President, Personal Lines Division, Bangkok Insurance Public Co., Ltd. (2006 - 2007)
- First Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2005 - 2009)
- Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2002 - 2006)
- Assistant Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2000 - 2002)

Commence

October 1977

Education

- Diploma (Accounting), Perth Technical College, Australia

Training

- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Risk Assessment Workshop for Asian Fire Underwriters, Switzerland
- Insurance Management Development Program (IMDP)

Work Experiences

- Senior Vice President, Agent Business Unit, Bangkok Insurance Public Co., Ltd. (2009 - present)
- Senior Vice President, Non-Motor Claims Department, Bangkok Insurance Public Co., Ltd. (2006 - Jan 2010)
- Senior Vice President, Branch Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2005)
- General Manager, Fire Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Fire Insurance Department, Bangkok Insurance Public Co., Ltd. (1995 - 2000)
- Vice Chairman, the Property Insurance Sub - committee, The General Insurance Association (1998 - 2002)

Mrs. Srichitra Pramojaney
Senior Vice President

Commence

January 2006

Education

- B.B.A. (Accounting), Thammasat University
- M.B.A., University of North Texas, U.S.A.
- Company Secretary Program (CSP)
Class 61/2015, Thai Institute of Directors Association
- Effective Minute Taking (EMT)
Class 31/2015, Thai Institute of Directors Association

Work Experiences

- Senior Vice President, Accounting Department and Treasury Department, Bangkok Insurance Public Co., Ltd. (2006 - present)
- Chief Financial Officer, Henkel Thai (1999) Ltd. (2004 - 2005)
- Corporate Financial and Accounting Controller, Motorola (Thailand) Ltd. (2002 - 2004)
- Corporate General Manager, Office of Financial Management, Mitsubishi Motors (Thailand) Ltd. (1997 - 2002)

Mr. Jakkrit Chewanuntapornchai
Senior Vice President

Commence

August 1982

Education

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

Training

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

Work Experiences

- Senior Vice President, Commercial Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - present)
- Vice President, Direct Customer Division, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- Manager, Non-Motor Claims Department, Bangkok Insurance Public Co., Ltd. (1998 - 2001)

Miss Pimjai Luemrung
Senior Vice President

Commence

January 1979

Education

- B.Ed (Secondary Education), Srinakharinwirot University
- B.B.A. (General Management), Sukhothai Thammathirath University
- M.P.A., Chulalongkorn University

Training

- HR Senate, Philippines
- Chiyoda Insurance Seminar, Japan
- Human Resources Conference, Hong Kong
- Role of compensation committee (RCC), Thai Institute of Directors Association
- Grid Instructor Preparation
- Leadership & Corporate Coaching, Certification Programme, Marcus Evans
- Strategic HR Measurement & Metrics
- Leadership Development with the Enneagram
- Engage Employees, Hewitt

Work Experiences

- Senior Vice President, Human Resource Department, Bangkok Insurance Public Co., Ltd. (Aug 2010 - present)
- First Vice President, Human Resource Department, Bangkok Insurance Public Co., Ltd. (2007 - Jul 2010)
- Vice President, Human Resource Department, Bangkok Insurance Public Co., Ltd. (1995 - 2007)

Mr. Suchart Chirayuwat
Senior Vice President

Commence

August 2010

Education

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

Work Experiences

- Senior Vice President, Branch Network and Ventures, Bangkok Insurance Public Co., Ltd. (Aug 2010 - present)
- Regional Manager, Bangkok Bank Public Co., Ltd. (2006 - 2010)

Mr. Natdanai Pornchaisiriarun

Senior Vice President
(Appointed on April 1, 2014)

Commence

June 2011

Education

- Bachelor of Science, Bellevue University, U.S.A.
- Master of Science, Claremont Graduate University, U.S.A.
- Master of Arts, Bellevue University, U.S.A.

Training

- LAN/WAN Engineer Program - CCNA, CCNP, CCIP in Irvine, California, U.S.A.
- Oracle Open World Conference San Francisco, California, U.S.A.
- Collaboration Center and Cloud Computing Technology, Cisco Customer Briefing Center, London, England
- Redesigning IT with future business demands and Cloud Computing Conference, Jakarta, Indonesia
- Telematics Update Conference, London, England
- CIO VMWare World Conference, Barcelona, Spain

Work Experiences

- Senior Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (Apr 2014 - present)
- First Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2011 - Mar 2014)

Mr. Aree Vanairlor
Senior Vice President

Commence

August 1989

Education

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

Training

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

Work Experiences

- Senior Vice President, Financial Institution Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - present)
- First Vice President, Agent Division Bangkok Insurance Public Co., Ltd. (2006 - 2007)
- First Vice President, Financial Institution Division, Bangkok Insurance Public Co., Ltd. (2005 - 2006)
- Vice President, Financial Institution Division, Bangkok Insurance Public Co., Ltd. (2001 - 2005)
- Manager, Marketing Department, Bangkok Insurance Public Co., Ltd. (1995 - 2001)

Mr. Lert Vongchai
Senior Vice President

Commence

September 1980

Education

- B.B.A., Srinakharinwirot University

Training

- ICICI Lombard, India
- General Insurance Residential Program for Executive, Singapore
- Insurance Management Development (IMDP)
- Sumitomo Management Seminar, Japan

Work Experiences

- Senior Vice President, Motor Claims Department, Bangkok Insurance Public Co., Ltd. (Feb 2013 - present)
- First Vice President, Motor Claims Contact Center, Bangkok Insurance Public Co., Ltd. (2009 - 2012)
- First Vice President, Motor Claims Assessment, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Vice President, Motor Claims Support, Bangkok Insurance Public Co., Ltd. (2002 - 2007)
- Vice President, Motor Claims Division, Bangkok Insurance Public Co., Ltd. (1995 - 2001)

FIRST VICE PRESIDENT AND VICE PRESIDENT



1. Mr. Alonggorn Gradtip
2. Mr. Anant Pongpoo
3. Mrs. Anutra Chanprasartsuk
4. Mr. Athapol Anansajakul
5. Mr. Charun Jongudomporn
6. Mr. Chawan Sophonpanich
7. Mr. Ekamol Aungkavattana
8. Mrs. Jariya Pattamachaiyant
9. Mr. Jerawat Payakarasamit
10. Mr. Jirawong Thantachote
11. Mrs. Jurairat Pipattanapongsopon
12. Mr. Kiettsak Sirilikitchai
13. Mr. Natthajak Santatilokkul
14. Mrs. Netnapit Poolsap
15. Mr. Pairin Chaibenjapol
16. Mr. Paitoon Chanpanorrak
17. Miss Paveena Juchuan
18. Mr. Peerapat Thawornniti
19. Mr. Perasak Nakasriarun
20. Miss Pisamai Wiphatkrut
21. Mr. Pisit Kidcharoensuk
22. Mr. Pitiphong Chaochaikhong
23. Miss Pranee Komonkawin
24. Mr. Prasit Wanichodom
25. Mr. Prayudh Jatarupamaya
26. Mr. Preecha Sornmanee
27. Mrs. Rataya Singh
28. Miss Saranya Luenglertvorakul
29. Mr. Sarayuth Apaipim
30. Miss Siriratt Ojarutip
31. Mr. Somchai Chiaranaiphaisan
32. Mr. Songkiat Nualon
33. Miss Sujinda Teplertboon
34. Mrs. Sumana Trongtranon
35. Mr. Surasak Xuto
36. Mr. Suthi Chathanakul
37. Miss Sutida Malila
38. Mrs. Suwannee Sithisukh
39. Mr. Tawee Kvanthong
40. Mr. Thitipong Kittiprapas
41. Mr. Trirak Krutvecho
42. Miss Umaporn Hualbuttar
43. Mr. Varit Unprasertporn
44. Mr. Vichien Moleewon
45. Mr. Virat Akaraboonlertyot
46. Mrs. Waraporn Dhanisornkul
47. Mr. Werapol Banchongchoy
48. Mr. Werawut Ratananate
49. Mr. Wichai Pongsethpaisal
50. Mr. Winai Kunpraserd
51. Mr. Wiwat Panyakiattikun

Set to serve the nation - Bangkok Insurance in the South



CORPORATE SOCIAL RESPONSIBILITY

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

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

Good Corporate Governance

It has been reported in the section "Good Corporate Governance".

Fair Business Transaction

The Company has carried out its business transactions on an equal, fair and honest basis, in strict compliance with the laws defined, apart from having business ethics based on the principle of good corporate governance.

The Company is strongly committed to a fair and equal treatment of all its customers and business partners on a basis of fair reception of a financial return for their business transactions, without expecting other benefits derived from an operation not in line with the principle of good corporate governance. The management and operations of the Company include the following:

- Be determined to generate satisfaction and confidence among customers as well as pay attention and be responsible to customers, while customers must receive quality products and services at a reasonable price and in accordance with the standard defined, including strictly complying with the conditions and agreements made to customers. Besides, the Company's product standard will be constantly raised, while a good and sustainable relation with customers will be seriously and steadily maintained. Similarly, customers' data will not be used for the benefit of the Company and people concerned.
- Do business on a fair, equal and honest basis, without taking advantage over other people, apart from strictly complying with the laws and rules collectively defined. Also have business ethics and not ask for, receive or pay any dishonest benefit, based on the principle of good corporate governance.
- Treat business competitors in conformity with international principles under the laws defined, based on an equal commitment to sound competition rules. Also not prevent others from entering a business competition and not damage business competitors' reputation or act in a way that is unfair to a competition.
- Give priority to the transparency and take into account an honest practice for a business contact with officials or government agencies in order to avoid any practice which is against the principle of good corporate governance.

Anti-Corruption Policy

The Company is determined to carry out its business transactions on a transparent, accurate and fair basis, in strict conformity with the principle of good corporate governance, besides fully and continuously realizing the significance of the anti-corruption practice since it will yield a good result and promote the country's socio-economic development. As a consequence, the Company has displayed its determination to take part in the Collective Action Coalition (CAC).

In 2014, the Thaipat Institute had an announcement on progress level assessment of Thai Listed Companies' anti-corruption. The Company attained level 2 which demonstrated the commitment to refrain from corruption.

Since the Company fully realizes the importance of the ant-corruption practice, it has proposed the Certification Process from the Thai Institute of Directors Association to the Company's management, the Audit Committee and the Board of Directors. The Company was approved by the Board of Directors' unanimous resolution on its 1st meeting on February 27, 2015 to request for the aforesaid Certification Process.

Respect of Human Rights

Core issue	Focused issue	BKI's implementation
Employees' rights and participation	<ul style="list-style-type: none"> • Give importance to a discussion • Employees' participation in collective negotiation • Rights to be equally informed of data & information both inside & outside the organization • Generate all levels of employees' relationship and participation 	<ul style="list-style-type: none"> • Provide training on practical guidelines on human rights via the Company's code of conduct for all employees • Have the Employees' Welfare Committee to generate a participation in a collective discussion of employees and the Company to provide the former with proper welfare • Have a continuous and annual engagement survey of all employees, which is another channel in which employees may express their opinions on the Company with regard to themselves, to be used as data for an improvement and development in response to employees' demand, aimed at creating an incentive for them • Prepare the Intranet system under the name BKI Connect, as a channel for employees to have access to the the Company's data and interesting data outside the Company, besides being a channel in which employees can express their opinions on the Company or conveniently exchange data among themselves, consisting of such items as Me IDEA2Solution, BKI Knowledge, Law & Regulation, HR News, News Update, etc.

Fair Treatment of Labour

Core issue	Focused issue	BKI's implementation
Employment	<ul style="list-style-type: none"> • Perform in compliance with laws related to employment • Not use forced or child labour • No discrimination on employment 	<ul style="list-style-type: none"> • Have fair treatment to labour and in strict compliance with related laws, for instance, the Labour Protection Act (No. 2, B.E. 2551), Labour Relations Act, B.E. 2518, Workmen's Compensation Act, B.E. 2537, Social Security Act, B.E. 2553, Provident Fund Act (No. 3, B.E. 2550), the Ministry of Labour's Declaration on Employees' Working Safety and Minimum Wage, Code of Civil Laws on Labour Engagement, etc.

		<ul style="list-style-type: none"> • Does not engage persons under 18 in employment. • Employees are employed without regard to sex, race or religion. They have an equal chance for a selection through a written examination and a competency-based interview in accordance with the Company's standard.
Development & promotion of employees	<ul style="list-style-type: none"> • Have a guideline for development of skills & training for an equal chance to make progress of employees without discrimination 	<ul style="list-style-type: none"> • In 2014, the Company provided innumerable training courses to its staff, with an average of 7.37 training days per staff per year, concentrating on development of all staff so that they have potential, knowledge, capability and skills in response to the Company's vision and annual goals, which are offered in different patterns to be in accordance with a learning organization, for instance, <ul style="list-style-type: none"> • Classroom training • On-the-job training • Self-learning via an E-learning system • Expert Sharing by staffs who are skillful or expert in their work. • Overseas training and study trip. • The Company provides, constantly and every year, scholarships for a master degree study to staff studying in the field supporting the Company's business transaction. • The Company also has a mentor system, in which older staff act as mentors for younger staff to guide the latter in the performance of their work, and an adjustment of their attitude and practices to be in line with the Company's culture, creating a friendly working atmosphere.
Health & safety	<ul style="list-style-type: none"> • Give priority to the health & safety in work performance of both the staff and employees 	<ul style="list-style-type: none"> • The Company has established the Safety, Health and Environmental Committee to define policies and oversee an implementation of activities regarding working safety of employees, contractors and outsiders who come in to work for or use the service in the Company's premises. The activities carried out in 2014 were, for example, the 5s activity, an air quality monitoring in the workplace, a sanitizer service in the office building. • In 2014, there were no accidents nor serious sickness.

Welfare	<ul style="list-style-type: none"> • Oversee & give importance to staff's personal life and family for a balanced personal life and working life, feeling happy in their work performance. 	<ul style="list-style-type: none"> • The Company has provided welfare based on the concept of Happy 8 Workplace, an organization of happiness, to create Work Life Balance, having balanced working life, personal life and family, as the following: <ul style="list-style-type: none"> Happy Body <ul style="list-style-type: none"> - The Company has provided for the staff's annual physical examination from a service of Bumrungrad Hospital, a leading local hospital. - Provide for aerobic dance, yoga, badminton court and football field to encourage and promote staff's exercise. - Implement the "Good Health Good Life" project for the staff who is overweight to be on a diet under the supervision of Bumrungrad Hospital. - Provide a self-defence training. - Provide for training on how to control one's blood pressure/cholesterol - Provide for a workshop "Change Your Look" advising the staff's proper make-up, hairdo and dressing so that they have good personality. Happy Heart <ul style="list-style-type: none"> - The Company has carried out its D.I.Y (Do It Yourself) activity by having the staff make a hand-work book so that they are proud of their work and happy to give the books to rural school children. - The Company has carried out its Bhappy³ activities on "Tam Phan Pan Yim Phua Nong" to modify and repair the buildings of Nongphaikaeo school in Phanat Nikhom in Chon Buri, and on "Ploy Pu Plug Pa Pa Ploen" in support of the preservation of the environment and nature at the Sirindhorn International Environment Park in Cha-am in Phetchaburi, all by the public-minded staff volunteering to conduct those activities, with an aim to encourage them to have a mind to help others without expecting anything in return. Happy Relax <ul style="list-style-type: none"> - The Company has established a welfare of 4 resorts, located in Chon Buri and Rayong, for its staff to take a rest there. - The Company has carried out its activities on how to avoid Office Syndrome, and provided a training on "Positive Thinking, Positive Life".
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		<ul style="list-style-type: none"> - Provide, every month, for a "Lucky Draw Birthday" activity for staff, to present them with a gift on their birthday. <p>Happy Brain</p> <ul style="list-style-type: none"> - Apart from innumerable welfares identified in the section on "Development and Promotion of Staff" mentioned earlier, the Company has also conducted the "Me IDEA2Solution" project for its staff for a thinking drill and presentation on a modification, aimed at creative development of work and other related matters, and accumulating scores in exchange for rewards. - Provide for training on how to train one's brain to prevent Alzheimer. <p>Happy Soul</p> <ul style="list-style-type: none"> - The Company has provided activities for its executives, ranging from team leader upward, to make a study tour, for the second year, for merit following the footsteps of Lord Buddha at the Holy Land in India and Nepal in order to have more access and faith in Buddhism, creating one's peace of mind and ability to consciously adapt it to one's work and personal life. Additionally, the executives have learned from their 9-day-and-night stay together, causing an understanding and tolerance among themselves, which helps reduce the gap between each one of them and incur smoother work performance. The activity has been held twice, with a total of 60 participants. - Organize, every 3 months, the "Mind Spa" activity at a meditation practice school outside the Company in order for staff to practice meditation and calm their mind. The activity has been organized 4 times (batches). - Organize, for 12 times, activities relating to Buddhism, Dhamma listening and meditation practice at the Company's headquarters. - The Company and its employees have hosted a merit-making ceremony of Kathin every year. <p>Happy Money</p> <ul style="list-style-type: none"> - The Company has established a provident fund which employees save and use during retirement and is contributed to monthly by the Company, at the same amount and rate of 5 -10 percent.
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		<ul style="list-style-type: none"> - Have a loan for employees at a lower interest rate than that in the market to help them in such necessary incidents as house construction, housing purchase, children's tuition fees, and medical expenses of employees' father, mother, child, or spouse. - Provide training for employees on saving knowledge of "Investment for Young Gen" and "How to Pay Taxes to Raise One's Savings" to advise them on a guideline for saving, besides a tax reduction channel so that they possess increasing financial stability. - The Company has coordinated with the Government Savings Bank and Islam Bank in refinancing the debts from employees' credit card which has a high interest rate in order that they receive a much lower interest rate, which is convenient for them to pay debts to only one bank instead of a number of creditors. <p>Happy Family</p> <ul style="list-style-type: none"> - Carry out a narrative activity on "Increase Young Kids' Brain Potential with a Board Game" as a guideline for the promotion and development of learning for employees' children. <p>Happy Society</p> <ul style="list-style-type: none"> - The Company has constantly provided for a temperature measurement and viruses sanitizer in its employees' workplace to ensure its cleanness and safety. - On each floor of the Company's offices, an open, beautiful and ventilated space has been provided which is good for relaxation after work, or a meeting among staff during an afternoon break at 3 p.m., with a free refreshment service all day, such as well-filtered drinking water, tea, coffee and herbal drinks.
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Responsibility to Consumers

- Products and Access to Them
 - Develop insurance products and underwriting channels

The Company has made an analysis of a change in various groups of consumers' behaviour in order to invent and develop its insurance products in better response to customers' new demands, including initiating and developing communication channels to which customers can have convenient access, while reducing their expenses. For instance, in the sending of a customer's copy of his identification card to certify his identity so as to purchase insurance in accordance with anti-money laundering laws; previously, a customer had to make a photocopy and send a fax or email to the Company, which most customers typically found it difficult to find a fax machine and had an

expense on fax sending. Accordingly, to raise customers' convenience in such a matter, coupled with the fact that most people currently possess a smart phone, the Company has opened a channel for sending data via a LINE application, having its department which has a contact with customers establish an LINE account of the department and install the LINE programme on an employee's computer. When a customer sends in a document file, there will be a warning flashing signal on the computer for the employee's acknowledgement and instantly recording such a file in the system for a further implementation.

With respect to access to its insurance products, the Company has increasingly developed online policies and a system of the online insurance purchase for fire insurance for residential products, apart from other classes of insurance, such as the Rak Baan package, which provides coverage for fire, lightning, explosion, storms, with compensation for temporary accommodation since fire insurance is generally bought in a package for general people's residence, with not too high risks, reducing the difficulty of steps of the underwriting consideration. In this connection, the Company has developed its information technology system for a sale on its website. Customers just fill in data concerning the house details and then click on "Calculate Premiums" to consider the premium. In case customers are interested and buy insurance, they can conveniently make a payment of the premium and receive an online policy within only a few minutes.

In addition, the Company has still constantly developed its micro insurance via such channels as the counter service, Thai Post and new business partners to promote access to fundamental insurance for the general public. In 2014, the Company, in collaboration with the Counter Service, had developed a sale of online Compulsory Motor Insurance through the counter service in all branches of 7 - Eleven stores, while the insured can obtain policies at a selling point and immediately use them to renew their car registration, all through submitting real time customer data from the Company to the Office of Insurance Commission, providing convenience to customers via another channel.

- Set up Corporate Contact Center

In 2014, the Company had set up the Corporate Contact Center to enhance its efficiency in providing services to customers via telephone, apart from improving the service quality for more convenience and swiftness. Most important, the Company is able to generate the utmost satisfaction for customers and business partners. The Corporate Contact Center's staff have undergone good training, whether on data within the organization, insurance knowledge or claims services, and are able to immediately answer questions and provide data to customers and business partners, besides helping accurately and precisely transfer the line to a department with which customers need to have a contact. In case it is necessary to transfer a customer's line to a department concerned, the Corporate Contact Center's staff will compile the data received from the customer and send it via the Customer Relationship Management (CRM) system, enabling the staff to know who the customer making a phone call is, including his or her name, surname, phone number and contact place, in addition to know what kind of insurance the customer used to purchase, what problems he or she used to encounter, what problems have already been resolved, and what problems have yet to be resolved and how far they have progressed, apart from also having data of history of activities conducted between customers and the Company.

● Claims Service Management

The Company has managed its claims service for customers and business partners to alleviate damage or loss of life and property through a correct, swift and fair consideration of claims based on the coverage condition of insurance policies in compliance with the concept of "Your Caring Partner", which has been injected into all levels of the Company's employees for a strict and steady practice with regard to their work performance. Furthermore, the Company has given priority to an introduction of advanced technology for its claims management in order to continuously provide a convenient and quick service to customers in a critical circumstance, through the following services:

- Electronic Motor Claims Solution e-Claim (EMCS e-Claim) System

The Company has been the first company to introduce the EMCS e-Claim system to garages across the country, which is a system of management and control of motor claims expenses, consisting of the systems of accident report, damage inspection, service to customers having an accident and damage assessment, of which all steps are processed via a computer network linking data between the Company and garages. The advanced system has been extended through the development of the E-Document system such as E-Spare parts and E-Billing.

- Teleclaims

Since the Company well realizes that customers' time is significant, it has added a claims service by phone or Teleclaim, or a notification of the car accident by phone. In the case a car has an accident and there is no other party, the customer just makes a phone call to report the incident at telephone number 1620 and can immediately bring the car to a garage without having to wait for a surveyor to arrive at the accident scene, thus enhancing the customer's convenience, besides saving his or her time.

- Smart Girl Surveyor

The Company has made a difference in its service to customers, as another new option of the motor claims service, by upgrading its female personnel who have considerable capability and expertise derived from their experience in motor claims services, called "Smart Girl Surveyor", which provides an external car accident survey service at the scene, focusing on efficient service, with warmth and confidence, so as to provide customers with the greatest satisfaction.

- E-Surveyor (Electronic Surveyor)

The Company has raised the potential of its motor claims service by introducing the Personal Digital Assistance (PDA) to the service of conveniently connecting the motor claims service system between the Company (its headquarters and branches across the country) and a surveyor at an accident scene. The system will report on the position of a customer's car accident occurrence so that a surveyor closest to the scene can quickly travel to it to give a service to the customer. In addition, the surveyor can also record data in an automatic system and then print a claim slip for the customer to immediately bring the car to a garage. Recently, in 2014, there has been a change of equipment set from PDA to an "iPad" and "Sumsung Galaxy Note 3", which has more advanced technology in response to customers' service both at present and in the future.

- Smart Claims

The Company has upgraded the quality of its motor claims service through making the Smart Claims by oneself via a smart phone to enhance convenience by an easy and uncomplicated step, while quickly obtaining a claim slip via a smart phone. In the case of a customer's car having an accident with not too much damage (not over 6 pieces) and there are no casualties, and it can be identified who is right or wrong, without regard to whether there is a party or not, the customer just makes a phone call at the telephone number 1620 or 0 2285 8000, and a surveyor will inquire about the convenience of making a Smart Claims by classifying it into 2 channels, namely, use of the application "LINE" or linking the Company's email to a text box on the insured's smart phone, and the insured will send back data and photos of damage through the aforesaid channel. Subsequently, the surveyor will immediately send a claim slip via a channel convenient for the insured and the party through a smart phone.

- Planning in Response to Crisis Management

To be ready to provide services to its customers and business partners in response to a crisis that may occur, the Company has formulated a business continuity plan by systematically and obviously defining stages of management, including reaching an understanding in advance with practitioners and people concerned so that they use it as a guideline for rapid collective work performance in case of a critical occurrence, which will help avoid or reduce damage that may happen, and enable such an incident to return to normal quickly. Most importantly, this will command trust and confidence among customers, business partners and stakeholders in the Company's business and service.

- Consumers' Rights

- Data Disclosure

The Company has disclosed its data and information, activities and movements via such channels as BKL News, e-mail, annual report and the Company's website at www.bangkokinsurance.com so as to disseminate the Company's data on various issues for all parties concerned to access them at all times, for instance, the Company's operations, financial status, board of directors, management committee, organization structure and activities, apart from a wide variety of insurance products. Customers or interested persons can immediately download detailed documents of policies for a consideration of the coverage detail prior to a decision to buy insurance.

Additionally, the Company has more closely accessed its customers by launching a service of data and information through such social media as Facebook in order to disseminate the Company's activities, information and movement, as well as other contents and benefits, including facilitating the provision of advice and consultancy on insurance which can be rapidly communicated between each other.

- Opening Channels to Receive Opinions

The Company has established a Quality Control Center to take charge of receiving, from all channels, complaints and listening to opinions and suggestions from customers and business partners, under its management based on the ISO 9001 : 2008. Similarly, the Company has made an External Customer Complaint Report, informing departments concerned for an improvement of the quality and development of more efficient working procedures and services, which can respond to customers' demand and provide them with the greatest satisfaction. Moreover, the Quality Control Center is also responsible for making a phone call and following up and enquiring about customers' satisfaction after obtaining the Company's service.

Implementations on Environmental Management

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

1. Energy Management

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

The Company has appointed a working committee on energy management to successfully implement and coordinate the work in conformity with the policy defined. The committee has conducted activities and rallied the energy preservation for the Company's staff's awareness of the significance of collective energy conservation, for example, activities on "A Competition of an Idea of Decreasing the Energy Use within a Building" and "A Competition of Power Saving", and other activities which promote and rally sustainable energy saving. Moreover, there has been a continuous dissemination of information and knowledge to staff. In 2014, the Company had a project on a change in the use of its light bulbs from fluorescent to LED ones at its parking areas, fire exit, and corridor, which was a sustainable diminution in energy use.

2. Hygienic and Environmental Management

For its management of water and water quality, the Company has applied technology on water quality preservation ozone to the storage and raise of drinking water quality by adequately installing drinking water filters, and has steadily maintained and changed filtering equipment, as well as strictly monitoring, at each checking period, the quality of both drinking and non-drinking water based on the Metropolitan Waterworks Authority's standards, apart from daily checking the amount of water used, to control an appropriate and non-wasteful use of water resources. In addition, there has been an examination, twice a year, of the quality of air inside the office to ensure that it has the Department of Disease Control's standard value, aimed at the prevention and correction in case of a risk that may occur.

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

3. Air Quality Management

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

4. Garbage Management

The Company has given priority to its 5s (clear up, clean, convenient, sanitary and habitual) activity and has therefore consistently arranged it every year to promote sound hygiene and the most beneficial and efficient use of office resources in order to reduce the amount of garbage in the office, which has an impact on the pollution and atmosphere in the workplace. Likewise, rubbish bins have been provided to sort out different kinds of garbage before dumping, for example, general rubbish, recycled rubbish and wet rubbish, such as food and drinks, so that usable garbage or materials will be subsequently reused and/or recycled materials will be sold to purchasers.

5. Incident Prevention Management

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

- 5.1 Formulate a plan on the strict maintenance/inspection of machinery, the electrical system, fire alarm system, fire extinguishment system and other systems to enhance the efficiency of the prevention of an incident within the building.
- 5.2 Establish an Emergency Rescue Team (ERT) having passed a training for preparedness to preliminarily quell an incident and help victims.
- 5.3 Provide a training course on the knowledge of basic fire extinguishment to general employees.
- 5.4 Provide a training course on first aid.

Participation in the Development of Communities, Society and the Environment

The Company fully realizes that responsibilities to society and the environment are a significant duty to be carried out in parallel with its business transactions in order to live in harmony, with a good quality of life, and achieve simultaneous balanced and sustainable growth. The Company has thus, continuously and for a long time, injected a sound conscious mind at all levels of its management and employees to be aware of their conduct which benefits society, and regard it as their duty to take part in activities that help develop communities, society and the environment, both directly and in cooperation with the Bangkok Insurance Foundation, through its budgets and manpower, as well as encouraging its employees to participate in those activities, establishing a public-minded culture, with the awareness of "Your Caring Partner", helping other people without expecting any benefits in return, so that the culture may expand extensively to the Company's customers, business partners and a network of business alliances. In this connection, all levels of the Company's employees have performed in compliance with its policy on corporate social responsibility, which is clearly defined.

In 2014, the Company had conducted activities supporting education, religion and art and culture, public health, relief of public disasters, development of communities and the environment, and development of the quality of life.

Education

Contributions to Foundations under Royal Patronage

- A contribution of Baht 2.0 million to the Ananda Mahidol Foundation as scholarships for students having academic capabilities to further their studies at the highest level so as to apply the knowledge learned to the development of the country after graduation.
- A contribution of Baht 2.0 million to the Chai Pattana Foundation to implement royal projects and help people in, for instance, education, environmental conservation, social development, etc.
- A contribution of Baht 1.0 million to the "Graduates Go Home" project, as scholarships for students under royal patronage.



Contributions to Foundations under Royal Patronage

Bangkok Insurance Scholarship Project

The Company has granted scholarships to outstanding but poor students for their university education. In 2014, 119 scholarships were granted to students totaling Baht 6,509,550. The grants included tuition fees, as well as expenses for food, accommodation and others. Additionally, the Company also had a project on injecting ethics, righteousness and public mindedness into those students. In 2014, the following activities were carried out:

- Rural development volunteer camp by over 80 of the Company's public-minded staff and BKI scholarship students collectively developing and adjusting the landscape around the library building and painting the school building, as well as making a contribution for the library construction and giving books to promote reading at Ban Khummued school, Nam Phong, Khon Kaen, with a total donation of over Baht 400,000.

- Set up a Dhamma camp for BKI scholarship students classes 19 - 21, totaling 48 students at Wat Doi Dhamma Chedi, Sakon Nakhon. There was a practice of Dhamma, Dhamma listening and helping in the temple's work.

Promote Students' Reading Habit Project

The Company has supported 11 schools participating in the reading habit project in 8 provinces in Samut Songkhram, Kanchanaburi, Lop Buri, Suphan Buri, Khon Kaen, Sakon Nakhon, Nakhon Phanom, and Buri Ram in terms of textbooks, school books and learning equipment, including developing school libraries, besides offering teacher training to establish standard for holding the "Promote Students' Reading Habit" activity, encouraging and injecting into students the steady reading habit and the value of reading. In 2014, a budget of over Baht 256,000 was spent on it.



Public Health

Mobile Medical Unit Service

The Company, in collaboration with Bumrungrad Hospital, through the former's staff and the latter's doctors and nurses, has, every year since 1988, continuously provided a mobile medical service for the treatment of sick people in remote and poverty-stricken areas, who generally lack an opportunity to receive such a service, including distributing basic necessities to those coming for the service, with a hope that they will have a better quality of life and stronger health. In 2014, the activity was carried out free of charge at Phra Ajarn Ban Thanakaro Hospital in Phu Phan, Sakon Nakhon, with over 6,800 people coming for treatment.



Support the Wishing Well Foundation

The Company has supported the Wishing Well Foundation, beginning in 2011 and continuing till now, which transfers assistance and support to 17 hospitals treating children with cancer. In 2014, the Company's public-minded staff of the BKI Care Club, and its Bangkok Insurance Foundation, in collaboration with the Wishing Well Foundation, conducted the "BKI Pha Nong Chom Vi Thi Thai Nai Suan Sam Pran" activity to allow those children to have a contact with nature and make a study trip of the Thai way of life in order for them to have new experiences at Sam Pran Riverside in Nakhon Pathom.



BKI's Contribution Helping to Operate on Kids with Congenitally Disabled Hearts

The Company has made a contribution to the "Rak Jai Thai" project of the Bumrungrad Hospital Foundation to provide operations to impoverished children suffer from congenital heart defects at no cost on behalf of Bangkok Insurance Public Company Limited, the Bangkok Insurance Foundation and the Chai-Nuchanart Sophonpanich Foundation, totaling Baht 30,000, 100,000 and 100,000, respectively.

Relief of Public Disasters

Donation to Help Earthquake Victims

The Company has provided assistance to the people suffering from an earthquake through purchasing construction materials for a distribution to earthquake victims in Mae Lao, Chiang Rai.

Development of Communities and the Environment

"Bhappyy³" Project

The Company, in collaboration with Bumrungrad Hospital and Bangkok Life Assurance Public Company Limited, has organized the "Bhappyy³" project, with the aim to have staff of the 3 organizations carry out activities benefiting society and the environment, including creating unity and good relations among themselves. In 2014, the fifth-time "Ruam Rang Ruam Jai Kub Bhappyy³" activity on "Tam Phan Pan Yim Phua Nong" was held, which was led by over 250 members of the management and public-minded staff, modifying the school building, nursing room and toilet, apart from improving the landscape and environment of the school and distributing educational and sports equipment to students of Ban Nongphaikaeo school in Chon Buri, as well as the sixth time on "Ploy Pu Plug Pa Pa Ploen", carried out by the Company's management and employees who visited the site to release the fathering and mothering breeds of blue swimming crabs, grow mangrove forests, besides making a financial contribution to the Sirindhorn International Environment Park, for use in its environmental activities, at the Park in Phetchaburi.



Promote Handicraft Occupation for Villagers in Mukdahan Project

The Company has initiated the "Promotion of Handicraft Occupation for Villagers in Mukdahan" project, started in 1995 and continuing till now, in which villagers are trained to weave baskets from plastic fiber, weave kok mats and hand-weave natural-colour bathing cloth. In addition, there is the provision of experts in teaching, development of a production method, and a search for raw materials and production outlets. This is aimed at encouraging people in areas with supplementary occupations to augment their incomes, leading to better and sustainable living. A budget of Baht 1,365,000 has been annually spent to promote the project.



Support the Rajapruek Institute Foundation

The Company has supported the Rajapruek Institute Foundation's activities since 1986 till now. It has made a contribution in support of tree preservation and reforestation activities and other aspects of the environment, including steadily having its public-minded staff take part in the foundation's activities. In 2014, the Company contributed over Baht 132,800 to the Rajapruek Institute Foundation to support the latter's activities.

Lost and Found Project

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

Clean Drinking Water for Kids Project

The Company, in collaboration with its Bangkok Insurance Foundation, has arranged the "Clean Drinking Water for Kids" project by installing a water filtering system for students in 25 schools, where drinking water is unhygienic, in Sa Kaeo, Ang Thong, Uttaradit, Nakhon Ratchasima and Ratchaburi, with a budget spent on the project totaling Baht 1,142,534.



Religion, Art and Culture

Support "Siam Through the Lens of John Thomson" Exhibition

The Company has supported the "Siam Through the Lens of John Thomson" (1865 - 1866), amounting to Baht 274,000, which is held at the National Gallery Bangkok on Chao Fa Road. The exhibition is about the photographs taken from 1865 - 1866 by Thomson, one of the most significant photography pioneers in Siam, aimed at a collective rally for a dissemination of Thailand's historic events to the general public for their acknowledgement of past accounts, including celebrating the 60th anniversary of Princess Sirindhorn's Birthday.

Develop Quality of Life for Happiness in Working Project

The Company has encouraged and opened an opportunity for all levels of its employees to participate in studying Dharma and practicing meditation to generate happiness and develop the quality of work and daily life. In each year, the project is organized every 3 months at a meditation practice school at Samnak Patibutdhamma Sangdhamsongchevit, Pak Chong branch, Nakhon Ratchasima.

Buddhawajana Project

The Company has supported the Nongtongbuddhawajana Foundation in publishing the Basic Dharma 20 Suttras, a book used in the Nongtongbuddhawajana competition, apart from granting scholarships to 10 schools receiving an award at the regional level. In addition, the Company has, for 3 times, arranged the "Mind Spa@Buddhawajana" project for all levels of its employees to apply to take part in studying Dharma in line with Lord Buddha's statements at Soon Patibut Buddhavajana of Buddhavajana Institute in Klong Luang, Pathumthani.

All about Dharma Project

In 2014, the Company had continued its “All about Dharma” project which opens up an opportunity for staff to take part in a study of interesting items on Buddhism and detailed Dharma principles and Buddhist disciplinary rules from Lord Buddha’s statements in the form of Dharma discussion and meditation practice. Such an activity was carried out once each month.

Annual Kathin

The Company has arranged a merit-making ceremony of Kathin every year so that its management, employees and business partners may have an opportunity to take part in supporting Buddhism for its eternal longevity. In 2014, the Company organized a Kathin at Wat Wangperm - Phrapavana (Luangpu Ban Thanakaro) in Nakhon Ratchasima, while a budget spent on the activity totaled Baht 1,810,839.

All of the above-mentioned activities have arisen out of the Company’s public-minded staff’s concerted efforts and cooperation, all having the same goals and objectives, under the Company’s encouragement and support of their employees to conduct their lives and perform their work through their taking “Your Caring Partner” into consideration, including strict, transparent and verifiable practices in compliance with laws, regulations and business standards in order to further maintain the Company’s sound corporate citizenship of society. In addition, the Company firmly believes that its business transaction with responsibility to all groups of stakeholders, such as the Company’s customers, employees, business partners, shareholders, competitors, and society at large, is a significant foundation leading to the Company’s stable and sustainable business growth throughout.



Innovations and Their Dissemination

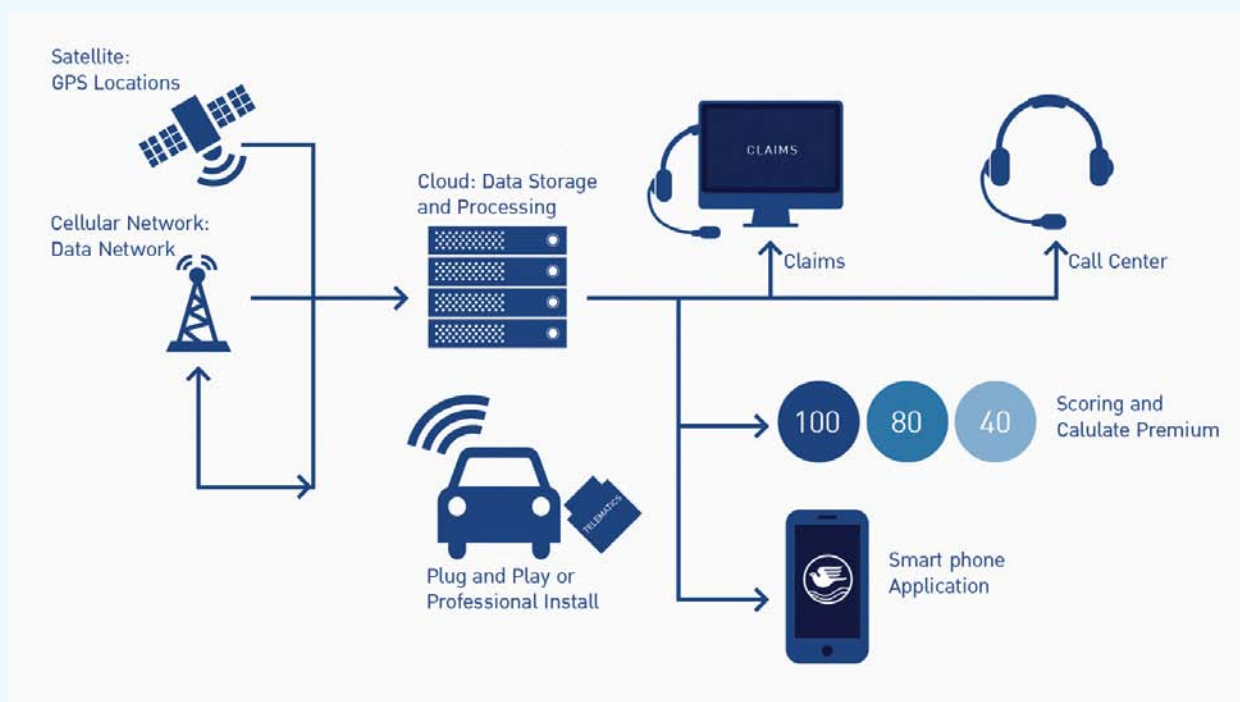
With full awareness of its responsibility to customers, business partners and society, the Company has constantly created new innovations, whether the development of products, services or working procedures, in order that they are in conformity with the current situation and benefit groups of customers, business partners and consumers the greatest, which can meet their demands and generate the greatest satisfaction. In 2014, the Company developed the following service innovations:

- **BKI Insurance Telematics**

Bangkok Insurance has studied the motor insurance market both inside and outside the country for the development leading to an injection of awareness of safe driving for society, through an introduction of Telematics Technology to help compile customers’ driving data and present a guideline which helps raise safety for each customer’s driving. The Company has applied Telematics Technology to the study and presentation of a driving conduct to each customer for his/her sake in a change in a driving conduct for higher safety, besides enabling the Company to assess the risk level influencing the determination of premium rates appropriate for each customer.



Telematics is a system used to measure one’s driving conduct via the “Dongle” equipment installed in the car body, which may be easily done by oneself. The system consists of GPS and sensor for measuring a car’s speed, acceleration rate, abrupt lane change, a bump, etc., and then sending a signal to the server, after which there is the processing into a driving score. The insured can view their own driving score through an application on a mobile phone of the IOS and Android systems, or examine via the Company’s website at www.bangkokinsurance.com.



Moreover, the Telematics System also helps the Company create more customer engagement in conformity with its slogan “Your Caring Partner” since as the insured are driving their car, the system will link a signal between the Company and the insured’s car all the time, allowing the former to provide a quicker service to the latter.

- Care for Customers’ Safety

Because the Telematics System helps the Company connect with its customer’s car during the time of his/her driving (Always Connect, Always Assist), it can instantly help him/her, which is an addition services, such as the eCall service which gives a warning when the system detects a bump harder than normal (G Force higher than normal), for instance, falling down a pit or having a violent bump, which can indicate that an insured car may have an accident. In this case, the system will send a signal to the Company, along with the customer data such as the policy number, accident scene (identify the location of the car) mobile phone number, enabling the Company’s staff receiving the accident report to contact the customer, apart from enquiring to provide assistance immediately, without having to wait for the customer to phone in to notify the accident.

- Care for the Concern of One’s Family

Through the function “Location and Trip log”, which can identify the position and driving route of a car, including other driving details, such as a hard turning point, speed applied, and the distance and driving time spent on each trip, the log book can be collected with detailed routes of a car for each day or trip. A customer will always be informed of the movement of the loved one or a member of his/her concern in the family via a smart phone, increasing comfort for a father and a mother since they know their kid’s whereabouts and driving conduct. Similarly, a corporate company can also install this equipment on its cars to be informed of the cars’ location and drivers’ driving conduct.

- Care for Your Assets

Via the function “Out of Areas Alert” reporting an SMS warning in the case a car goes out of the area defined by a customer, he/she will set a value suitable for a regular driving route, and on when to give a warning, for instance, a warning when the car goes out of the province or a region, even the borders of Thailand. In case of the car loss, a customer will also be informed of its whereabouts. This function can warn a customer in the case he/she is not the driver or does not use the car, while the customer is suddenly informed of an incident.

For data on a driving conduct derived from the Telematics System, it will be processed into a score. In the first year when the project is initiated, the Company will apply the former premium rate of each car batch and a customer will be given additional Telematics equipment for an installation by himself/herself. The Company will use a customer's driving data compiled during the time defined, for its consideration, along with an actuarial claims projection technique, as a guideline for consideration of the premium in the renewal year in accordance with the driving conduct. Additionally, the insured can also be informed of his/her own driving conduct in order to adjust it for his/her own safety or that of other drivers or pedestrians, reducing accident and loss statistics through another channel.

- **Join Thai Airways to Increase Insurance Sales Channel**

The Company, in cooperation with Thai Airways International Public Company Limited, has developed a sale system for both travel accident and comprehensive travel accident insurance on the latter's website, through which a customer can purchase travel accident insurance, pay the premium and immediately receive an online policy.

- **Development of Products in Response to Customers' Demand**
Motor Accident Compensation Insurance

During the time when a customer has to bring his/her car to a garage for a repair, though there is motor insurance, it has been frequently found that the coverage does not include such related expenses as traveling expenses during the period when the car is out use, etc. As a consequence, the Company has developed motor insurance products compensating for the benefit from a car accident by adding the coverage on other expenses which may occur but are beyond the existing motor insurance coverage, for example, compensation for daily income from an accident in case of having medical treatment in a hospital (Hospital Cash Plan), as well as compensation for excess money and car tyres blown out due to an accident, etc.

- Motor Insurance for SUV Group**

The Company has launched the Comprehensive motor insurance for multipurpose cars or Sport Utility Vehicle (SUV), with coverage on all types of accidents, such as a car crash, loss or fire, flood, including damage caused by terrorism, apart from auto assistance service, classified into 2 types as the following:

- "Comprehensive Motor Insurance SUV Special DG" Underwriting for cars aged between 2 - 5, with coverage from Baht 450,000 - 690,000 and an equal premium of Baht 21,200; coverage from Baht 700,000 - 990,000 and an equal premium of Baht 21,800; and coverage from Baht 1,000,000 - 1,250,000 and an equal premium of Baht 22,400, besides the confidence in the service of the dealer garages.

- "Comprehensive Motor Insurance SUV Special GG" Underwriting for cars aged between 2 - 5, with coverage from Baht 450,000 - 690,000 and an equal premium of Baht 19,700; coverage from Baht 700,000 - 990,000 and an equal premium of Baht 20,400; and coverage from Baht 1,000,000 - 1,250,000 and an equal premium of Baht 21,000; and cars aged between 6 -12, with coverage from Baht 200,000 - 490,000 and an equal premium of Baht 17,500, and coverage from Baht 500,000 - 700,000 and an equal premium of Baht 18,500, apart from the confidence in the service of the Company's guaranteed garages.

- iPhone 6, iPhone 6 Plus Insurance**

Bangkok Insurance, in collaboration with iStudio by Copperwired and iStudio by UFicon, has raised comfort for users of iPhone 6 and iPhone 6 Plus through proposing its all risks insurance policy with coverage on loss or damage incurred by such an accident as dropping, bumping and getting wet. Furthermore, the Company also increases the policy coverage in respect of a loss from theft with a trace of breaking in at the entrance or exit of the building or storage, covering 24 hours and worldwide, with a coverage period of one year, excluding looting, robbery and snatching and running. In case of a total loss, customers are responsible for 10 percent of the device's price, with a premium of only Baht 1,350. Persons interested in iPhone 6 and iPhone 6 Plus can buy the insurance at any branches of iStudio by Copperwired and iStudio by UFicon.

Happy Healthy Plan

Bangkok Insurance has launched its Happy Healthy Plan, a health insurance, in which customers can choose the coverage amount for both IPD and OPD patients, appropriate for each individual's need, from 5 optional plans. For instance, customers can select the IPD coverage plan 5, along with the OPD coverage plan 1, which could not be done previously. In addition, there is no maximum coverage limit to the disease or injury through the policy period, with the underwriting beginning since the insured are born till 55 years old, without having to obtain a physical examination prior to buying the insurance.

Furthermore, the Company has also launched new insurance products in response to customers' demand via numerous channels, for example, the personal accident insurance of the "Bua Luang Rak Krob Krua" project, and Business Property Insurance 1st, both sold through the Bancassurance channel; the Hospital Cash Plan; Zero Accident Plan, Family Accident Plan, All Gen PA; Zero Cancer Plan and Cancer Worry Free; and Medical Expenses insurance "All In One", all sold through the Telemarketing channel; and PA 200 micro insurance, sold via the post office, etc.

REPORT OF THE AUDIT COMMITTEE

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

In 2014, the Audit Committee convened 4 meetings, attended by the Director and Company Secretary, the President, Senior Vice President of Accounting and Treasury Department and First Vice President of Internal Audit Office. It further convened another 2 meetings without the attendance of the Company's management to implement duties assigned by the Board of Directors as summarized below:

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

2. Supervising the Company's Internal Control System and Performance Corresponding to the Provisions of Law. The Audit Committee has examined and approved the audit plan of the Internal Audit Office for 2014, examined the report on audit consequences based on the plan, as well as made suggestions for the efficiency and effectiveness of the Internal Audit Office's performance, in addition to exchanging opinions and providing advice to the Company's management in order to follow up with improvement on significant issues according to an audit report. This is to ensure that the Company has a good internal control system and practices that comply with the relevant laws and regulations.

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

4. Selecting and Proposing an Appointment of Auditor. The Audit Committee has considered and proposed to the Company's Board of Directors for approval from the shareholders' meeting for the appointment of Miss Rachada Yongsawadvanich and/or Miss Somjai Khunapasut and/or Miss Ratana Jala of EY Office Limited as auditors for the year 2014, with the remuneration of Baht 1,959,000.

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

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



(Mr. Plengsakdi Prakaspesat)
Chairman of the Audit Committee

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

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

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

The Company's Board of Directors is of the opinion that the overall internal control system of the Company is satisfactory and generates justified confidence in the reliability of the Company's financial statements as at December 31, 2014. The Company's independent auditor has also audited in accordance with generally accepted auditing standards and is of the opinion that the Company's financial statements referred to above present fairly, in all material respects, its financial position and operational consequences in accordance with financial statements standards.



(Mr. Chai Sophonpanich)

Chairman and Chief Executive Officer

REPORT OF INDEPENDENT AUDITOR

I have audited the accompanying financial statements of Bangkok Insurance Public Company Limited, which comprise the statement of financial position, in which the equity method is applied as at December 31, 2014, and the related statements of comprehensive income, changes in owners' equity and cash flows, in which the equity method is applied, for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Bangkok Insurance Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Insurance Public Company Limited as at December 31, 2014, and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



(Miss Rachada Yongsawadvanich)

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok:

February 18, 2015

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2014

(Baht'000)

[illegible]

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

As at December 31, 2014

(Baht'000)

Liabilities and Equity	Financial Statements in which the equity method is applied		Separate Financial Statements	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Liabilities				
Income Tax Payable	19,024	-	19,024	-
Due to Reinsurers (Note 16, 28)	2,155,211	2,528,048	2,155,211	2,528,048
Insurance Contract Liabilities				
Loss Reserves and Outstanding Claims (Note 17, 28)	8,031,189	12,829,596	8,031,189	12,829,596
Premium Reserves (Note 18)	7,333,611	7,110,475	7,333,611	7,110,475
Employee Benefit Obligations (Note 19)	367,613	375,508	367,613	375,508
Commission Payables	372,513	373,201	372,513	373,201
Deferred Tax Liabilities (Note 15.1)	4,738,375	3,447,717	4,730,479	3,441,440
Other Liabilities				
Premiums Received in Advance	1,468,291	1,267,447	1,468,291	1,267,447
Liabilities Under Finance Lease Agreements (Note 20, 28)	56,606	69,839	56,606	69,839
Accrued Expenses	430,303	475,996	430,303	475,996
Others	630,142	556,083	630,142	556,083
Total Liabilities	25,602,878	29,033,910	25,594,982	29,027,633
Owners' Equity				
Share Capital				
Registered, Issued and Paid-up 106,470,000 Ordinary Shares of Baht 10 each (31 December 2013: 76,050,000 Ordinary Shares of Baht 10 each) (Note 21)	1,064,700	760,500	1,064,700	760,500
Premium on Share Capital	1,442,500	1,442,500	1,442,500	1,442,500
Retained Earnings				
Appropriated				
Statutory Reserve (Note 21, 23)	106,470	76,050	106,470	76,050
Other Reserve	3,100,000	3,100,000	3,100,000	3,100,000
Unappropriated	3,335,769	2,528,207	3,291,025	2,492,640
Other Component of Equity				
Revaluation Surplus on Available-for-sale Investments - net of Income Taxes (Note 9.5)	18,921,914	13,765,761	18,921,914	13,765,761
Total Owners' Equity	27,971,353	21,673,018	27,926,609	21,637,451
Total Liabilities And Owners' Equity	53,574,231	50,706,928	53,521,591	50,665,084

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2014

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	2014	2013	2014	2013
Profit or Loss:				
Revenues				
Net Earned Premium (Note 24, 28)	10,827,807	10,056,060	10,827,807	10,056,060
Fees and Commission Income (Note 24)	1,082,789	1,048,462	1,082,789	1,048,462
Total Revenues	11,910,596	11,104,522	11,910,596	11,104,522
Expenses				
Underwriting				
Claims and Losses Adjustment Expenses (Note 24)	5,773,987	5,470,972	5,773,987	5,470,972
Commissions and Brokerages (Note 24)	2,228,405	2,150,686	2,228,405	2,150,686
Other Underwriting Expenses (Note 24)	1,457,077	1,306,074	1,457,077	1,306,074
Contribution to Road Accident Victims Protection Company Limited (Note 24)	30,106	30,423	30,106	30,423
Operating Expenses (Note 24, 25)	809,386	1,200,954	809,386	1,200,954
Total Underwriting Expenses	10,298,961	10,159,109	10,298,961	10,159,109
Profits from Underwriting	1,611,635	945,413	1,611,635	945,413
Net Investment Revenue	974,752	953,722	974,752	953,722
Gains on Investments	24,044	161,442	24,044	161,442
Share of Profits from Associates (Note 11.2)	10,796	4,023	-	-
Other Income	156,842	145,144	156,842	145,144
Profits from Operations	2,778,069	2,209,744	2,767,273	2,205,721
Contribution to the Office of Insurance Commission	33,311	33,004	33,311	33,004
Contribution to the General Insurance Fund (Note 31)	37,888	37,505	37,888	37,505
Contribution to the Victims Compensation Fund	2,458	2,484	2,458	2,484
Finance Costs	3,744	4,680	3,744	4,680
Profits before Income Tax Expenses	2,700,668	2,132,071	2,689,872	2,128,048
Less Income Tax Expenses (Note 15.2)	394,921	383,605	393,302	383,002
Profits for the Year	2,305,747	1,748,466	2,296,570	1,745,046
Other Comprehensive Income or Loss				
Gains on Revaluation of Available-for-sale Investments	6,445,191	572,988	6,445,191	572,988
Less Income Taxes (Note 15.2)	(1,289,038)	(114,598)	(1,289,038)	(114,598)
Other Comprehensive Income for the Year	5,156,153	458,390	5,156,153	458,390
Total Comprehensive Income for the Year	7,461,900	2,206,856	7,452,723	2,203,436
Earnings Per Share (Note 27)				
Basic Earnings Per Share				
Profits For The Year	21.66	16.42	21.57	16.39

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

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2014

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	2014	2013	2014	2013
Cash Flows from Operating Activities				
Direct Premium Written	15,377,164	14,785,037	15,377,164	14,785,037
Cash Received (paid) for Reinsurance	(959,634)	5,110,362	(959,634)	5,110,362
Losses Incurred on Direct Insurance	(6,587,408)	(12,796,889)	(6,587,408)	(12,796,889)
Commissions and Brokerages on Direct Insurance	(2,060,997)	(1,915,333)	(2,060,997)	(1,915,333)
Other Underwriting Expenses	(1,788,627)	(1,642,483)	(1,788,627)	(1,642,483)
Net Investment Revenue	1,000,511	952,781	1,000,511	952,781
Other Income	154,420	142,891	154,420	142,891
Operating Expenses	(834,111)	(687,829)	(834,111)	(687,829)
Income Taxes	(111,031)	(160,630)	(111,031)	(160,630)
Net Cash provided by Operating Activities	4,190,287	3,787,907	4,190,287	3,787,907
Cash Flows from Investing Activities				
Cash Flows from				
Investments in Securities	2,085,891	7,372,320	2,085,891	7,372,320
Investments in Fixed Deposits	5,398,921	1,595,239	5,398,921	1,595,239
Loans	843,525	558,981	843,525	558,981
Premises and Equipment	3,092	2,668	3,092	2,668
Cash from Investing Activities	8,331,429	9,529,208	8,331,429	9,529,208
Cash Flows used in				
Investments in Securities	(2,001,997)	(8,502,344)	(2,001,997)	(8,502,344)
Investments in Fixed Deposits	(8,338,624)	(4,234,907)	(8,338,624)	(4,234,907)
Loans	(843,655)	(342,160)	(843,655)	(342,160)
Intangible Assets	(49,978)	(46,068)	(49,978)	(46,068)
Land Leasehold Rights	(5,400)	-	(5,400)	-
Premises and Equipment	(331,588)	(318,434)	(331,588)	(318,434)
Cash used in Investing Activities	(11,571,242)	(13,443,913)	(11,571,242)	(13,443,913)
Net Cash provided by Investing Activities	(3,239,813)	(3,914,705)	(3,239,813)	(3,914,705)
Cash Flows from Financing Activities				
Cash Dividend Paid to Shareholders	(1,163,565)	(912,587)	(1,163,565)	(912,587)
Net Cash used in Financing Activities	(1,163,565)	(912,587)	(1,163,565)	(912,587)
Net Decrease in Cash and Cash Equivalents	(213,091)	(1,039,385)	(213,091)	(1,039,385)
Cash and Cash Equivalents at Beginning of the Year	517,513	1,556,898	517,513	1,556,898
Cash and Cash Equivalents at End of the Year (Note 6)	304,422	517,513	304,422	517,513

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

STATEMENTS OF CHANGES IN OWNERS' EQUITY

Statements of Changes in Owners' Equity

For the year ended December 31, 2014

Financial Statements in which the Equity Method is Applied	Issued and Fully Paid-up Share Capital	Premium on Share Capital
Balance as at January 1, 2013	760,500	1,442,500
Cash Dividend Paid (Note 22.2)	-	-
Total Comprehensive Income for the Year	-	-
Balance as at December 31, 2013	760,500	1,442,500
Balance as at January 1, 2014	760,500	1,442,500
Appropriated to Statutory Reserve (Note 21)	-	-
Stock Dividend Issued (Note 22.1)	304,200	-
Cash Dividend Paid (Note 22.2)	-	-
Total Comprehensive Income for the Year	-	-
Balance as at December 31, 2014	1,064,700	1,442,500

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

Retained Earnings			(Baht'000)	
Appropriated		Unappropriated	Other Components of Equity	Total
Statutory Reserve	Other Reserve		Revaluation Surplus on Available-for-Sale Investments-net of Income Taxes	
76,050	3,100,000	1,692,328	13,307,371	20,378,749
-	-	(912,587)	-	(912,587)
-	-	1,748,466	458,390	2,206,856
76,050	3,100,000	2,528,207	13,765,761	21,673,018
76,050	3,100,000	2,528,207	13,765,761	21,673,018
30,420	-	(30,420)	-	-
-	-	(304,200)	-	-
-	-	(1,163,565)	-	(1,163,565)
-	-	2,305,747	5,156,153	7,461,900
106,470	3,100,000	3,335,769	18,921,914	27,971,353

STATEMENTS OF CHANGES IN OWNERS' EQUITY

Statements of Changes in Owners' Equity

For the year ended December 31, 2014

Separate Financial Statements	Issued and Fully Paid-up Share Capital	Premium on Share Capital
Balance as at January 1, 2013	760,500	1,442,500
Cash Dividend Paid (Note 22.2)	-	-
Total Comprehensive Income for the Year	-	-
Balance as at December 31, 2013	760,500	1,442,500
Balance as at January 1, 2014	760,500	1,442,500
Appropriated to Statutory Reserve (Note 21)	-	-
Stock Dividend Issued (Note 22.1)	304,200	-
Cash Dividend Paid (Note 22.2)	-	-
Total Comprehensive Income for the Year	-	-
Balance as at December 31, 2014	1,064,700	1,442,500

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

Retained Earnings			(Baht'000)	
Appropriated		Unappropriated	Other Components of Equity	Total
Statutory Reserve	Other Reserve		Revaluation Surplus on Available-for-Sale Investments-net of Income Taxes	
76,050	3,100,000	1,660,181	13,307,371	20,346,602
-	-	(912,587)	-	(912,587)
-	-	1,745,046	458,390	2,203,436
76,050	3,100,000	2,492,640	13,765,761	21,637,451
76,050	3,100,000	2,492,640	13,765,761	21,637,451
30,420	-	(30,420)	-	-
-	-	(304,200)	-	-
-	-	(1,163,565)	-	(1,163,565)
-	-	2,296,570	5,156,153	7,452,723
106,470	3,100,000	3,291,025	18,921,914	27,926,609

NOTES TO FINANCIAL STATEMENTS

1. General Information

1.1 Corporate Information

Bangkok Insurance Public Company Limited ("the Company") is a public company incorporated under Thai Law and domiciled in Thailand. The Company is principally engaged in the provision of non-life insurance. The Company's registered office is located at No. 25 Bangkok Insurance Building, South Sathon Road, Bangkok.

1.2 Severe Flood Situation

In the fourth quarter of 2011, there was severe flooding in Thailand. The floods materially affected the financial statements of the Company. The Company has recognised such impact in its financial statements until December 31, 2014 as follows:

		(Baht : Million)	
	Gross Claims	Claims Recoverable from Reinsurers	Net Claims
Loss Reserves	1,831.56	(1,422.33)	409.23
Claims	32,728.34	(25,219.43)	7,508.91
Total	34,559.90	(26,641.76)	7,918.14
Claims Recoverable from Reinsurers under the Excess of Loss Contracts			(2,151.43)
Net Claims Recognised in Profit or Loss			5,766.71
Reconciliation of Net Claims Recognised in Profit or Loss:			
Net Claims - Recognised as Expense from 2011 to End of 2013			5,924.83
Net Claims - Recognised as Revenue During the Year Ended December 31, 2014 ⁽¹⁾			(158.12)
Net Claims Recognised in Profit or Loss			5,766.71

(1) Recognised as a deduction item in "Claims and losses adjustment expenses" in the statement of comprehensive income.

The Company sets aside loss reserves and insurance reserve refundable from reinsurers based on best estimates, with reference to supporting documentation and surveyors' reports.

2. Basis of Preparation

2.1 Basis for Preparation of Financial Statements in which the Equity Method is Applied

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission (OIC). The presentation of the financial statements has been made in compliance with the Declaration of the Insurance Commission dated 27 May 2010.

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

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

2.2 Separate Financial Statements

The separate financial statements, which present investments in associates under the cost method, have been prepared solely for the benefit of the public.

3. New Financial Reporting Standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

3.1 Financial Reporting Standards that Became Effective in the Current Accounting Year

Conceptual Framework for Financial Report (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

The above-mentioned financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. The Company's management has assessed the effects of these financial reporting standards and believe that they are not relevant to the Company's business or they do not have any significant impact on these financial statements.

3.2 Financial Reporting Standards that will Become Effective in the Future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after January 1, 2015 onwards. 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 provision of interpretations and accounting guidance to users of accounting standards. The Company's management believe that they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of the financial reporting standards involve changes to key principles and are relevant to the Company's business and its financial statement preparation. Those standards are summarised below.

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income or loss, or to recognise them gradually in profit or loss.

At present, the Company immediately recognises actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company is that when the revised standard is applied in 2015 and the method of recognising those gains and losses is changed to immediately recognise them in other comprehensive income or loss, there will not have any significant impact on the Company's financial statements.

TFRS 4 Insurance Contracts

The objective of TFRS 4 is to specify the financial reporting for insurance contracts issued by any entity until the second phase of its project on "Insurance Contracts" is completed. This TFRS requires disclosure that identifies and explains the amounts in an insurer's financial statements arising from insurance contracts and prohibits provisions for claim reserves on events not yet incurred at the end of the reporting period. In addition, it requires an adequacy test on recognised insurance contract liabilities and an impairment test on reinsurance assets. However, this TFRS exempts an insurer temporarily from some requirements of other TFRSs, including the requirement to consider the framework in selecting accounting policies for insurance contracts.

The Company's management is still evaluating the first-year impact of TFRS 4 to the financial statements for the year in which TFRS 4 will be adopted and has yet to reach a conclusion.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Company and its subsidiary have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company believes that this standard will not have any significant impact on its financial statements.

IFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard has therefore no impact on the Company's financial statements.

IFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

4. Summary of Significant Accounting Policies

4.1 Revenue Recognition

(a) Premium Income

Premium income consists of direct premium and reinsurance premium less premium of the canceled policies and premium refunded to the policy holders and adjust with unearned premium reserve. Direct premium is recognised as revenue when the insurance policy comes into effect. For long-term insurance policies with a coverage period of longer than 1 year, premiums are recorded as premiums received in advance and will be gradually recognised as revenue on a yearly basis over the coverage period.

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

(b) Commission and Brokerage Fee Income

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

(c) Investment Revenues

Interest income on investments is recognised as revenue on an accrual basis based on the effective interest rate. Interest income on loans is recognised as revenue over the term of the loans based on the amount of outstanding principal. No accrual is made for loans with interest default over six continuous months. Interest income on deposits is recognised as revenue over the term of deposits on an accrual basis. Dividends on investments are recognised as revenue when the right to receive the dividend is established.

(d) Gains (Losses) on Investments

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

4.2 Expenses Recognition

(a) Ceded Premium

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

(b) Commission and Brokerage Fee Expenses

Commission and brokerages fee expenses are expended when incurred

(c) Claims and Losses Adjustment Expenses

Claims and losses adjustment expenses consist of claims and losses adjustment expenses 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.

Claims and losses adjustment expenses of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy.

Claims and losses adjustment expenses of reinsurance are recognised as expenses when the reinsurer places the loss advice with the Company.

4.3 Cash and Cash Equivalents

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

4.4 Premium Receivables and Allowance of Doubtful Accounts

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

4.5 Reinsurance Assets and Due to Reinsurers

4.5.1 Reinsurance Assets

Reinsurance assets are stated at the outstanding balances of (a) amount due from reinsurers, (b) amounts deposited on reinsurance, and (c) insurance reserves refundable from reinsurers. Amounts due from reinsurers consist of accrued commission and brokerage income, claims and various other items receivable from reinsurers, excluding reinsurance premium receivable, 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 as at the end of the reporting period. Insurance reserves refundable from reinsurers are estimated based on the related reinsurance contracts of premium reserves and loss reserves and outstanding claims in accordance with the regulation regarding insurance reserve calculation.

4.5.2 Due to Reinsurers

Due to reinsurers are stated at the outstanding balance of (a) amounts due to reinsurers, which consist of outward premium payables and other reinsurance payables to reinsurers, excluding claims, and (b) amounts withheld on reinsurance.

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

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

(2) The Company intends to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

4.6 Investments in Securities

The Company measures investments in securities according to classification of investments as follows:

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

(b) Investments in held-to-maturity debt securities are recorded at amortised cost. The premium/discount is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.

- (c) Investments in non-marketable equity securities, which the Company classifies them as general investments, are stated at cost net of allowance for impairment loss (if any).

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

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

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

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

4.7 Loans and Allowance for Doubtful Accounts

Loans are stated at net realisable value. Allowance for doubtful accounts on loans is provided for the estimated losses that may be incurred in collection of loans based on an evaluation of the current status of the debtors taking into consideration the recovery risk and the value of collateral.

4.8 Investment in Associates

4.8.1 Financial Statements in which the Equity Method is Applied

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

4.8.2 Separate Financial Statements

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

4.9 Investment Properties

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

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

4.10 Premises and Equipment and Depreciation

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

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

- | | |
|-------------------------------------------|-------------------------------------------------|
| - Buildings | - 20 years and 30 years (over the lease period) |
| - Condominium units | - 20 years |
| - Office furniture, fixture and equipment | - 3 years and 5 years |
| - Motor vehicles | - 5 years |

Depreciation is recognised in profit or loss.

No depreciation is provided for land and construction in progress.

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

4.11 Intangible Assets and Amortisation

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

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

4.12 Impairment of Assets

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

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

4.13 Premium Reserves

As at the end of the reporting period, the Company compares the amounts of unexpired risk reserve with unearned premium reserves, and if unexpired risk reserve is higher than unearned premium reserve, the difference is recognised and the unexpired risk reserves are therefore presented in the financial statements.

(a) Unearned Premium Reserve

Unearned premium reserve is calculated based on direct premium before deducting premium ceded as follows:

- | | |
|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| - Fire, marine, transportation (hull),
motor and miscellaneous | - Monthly average basis
(the one-twenty fourth basis) |
| - Transportation (cargo),
travelling accident with coverage
periods of not over six-months | - 100% of premiums as from the effective date
of the inforce policies over the insurance
coverage period |

(b) Unexpired Risk Reserves

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

4.14 Loss Reserves and Outstanding Claims

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

The Company sets aside additional reserves for claims incurred but not yet reported (IBNR) to the Company, 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 period for both reported and not reported losses, and net of recorded claims.

4.15 Employee Benefits

4.15.1 Short-term Employee Benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

4.15.2 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 when incurred.

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 treats these severance payment obligations as a defined benefit plan.

The obligations under the defined benefit plan are determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

The obligations under the defined benefit plan comprise the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

4.16 Provisions

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

4.17 Long-term Leases

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

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.18 Foreign Currencies

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

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

4.19 Income Taxes

Income tax expense represents the sum of corporate income taxes currently payable and deferred income taxes.

Current Income Taxes

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

Deferred Income Taxes

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

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

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

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

4.20 Related Party Transactions

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

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

5. Significant Accounting Judgments and Estimates

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

5.1 Allowance for Doubtful Accounts on Premium Receivables and Amounts Due from Reinsurers

In determining an allowance for doubtful accounts on premium receivables and amounts due from reinsurers, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

5.2 Allowance for Impairment Loss on Investments in Equity Securities

The Company treats available-for-sale investments, general investments and investments in associates as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires the management judgment.

5.3 Premises and Equipment and Depreciation

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

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

5.4 Intangible Assets and Allowance for Impairment Loss

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

5.5 Deferred Tax Assets

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

5.6 Loss Reserves and Outstanding Claims

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

5.7 Unexpired Risk Reserves

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

5.8 Obligations Under the Defined Benefit Plan

The obligations under the defined benefit plan are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

5.9 Litigation

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

5.10 Leases

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

5.11 Fair Value of Financial Instruments

In determining the fair value of financial instruments that are not traded in an open market or for which quoted market prices are not readily available, the management exercises judgment in estimating the fair value of such financial instruments, using the generally accepted valuation method. The inputs used in such fair value calculation are comparable to those from the observable markets, taking into consideration of liquidity and correlation and long-term volatility in value of financial instruments.

6. Cash and Cash Equivalents

	(Baht'000)	
	December 31,	
	2014	2013
Cash on hand	2,735	1,769
Deposits at banks with no fixed maturity date	101,636	140,744
Deposits at banks with fixed maturity date	6,988,113	4,223,359
Total cash and deposits at financial institutions	7,092,484	4,365,872
Less Deposits at banks with an original maturity period of longer than 3 months	(6,738,062)	(3,798,359)
Deposits at banks subject to withdrawal restrictions	(50,000)	(50,000)
Cash and cash equivalents	304,422	517,513

As at December 31, 2014 and 2013, fixed deposits of Baht 50 million were placed with a bank to secure bank overdraft facilities.

As at December 31, 2014 and 2013, the Company's saving accounts, fixed deposits and short-term investments carried interests between 0.38 and 3.50 percent per annum and between 0.50 and 3.35 percent per annum, respectively.

7. Premium Receivables

The balances as at December 31, 2014 and 2013 of premium receivables are classified by aging from the due date in accordance with the law of the premium collection as follows:

	(Baht'000)			
	December 31, 2014			
	Due from Insured	Due from Agents and Brokers	Due from Reinsurers	Total
Not yet due	710,335	1,104,439	50,224	1,864,998
Not over 30 days	111,368	91,591	5,318	208,277
Overdue 31 days to 60 days	57,993	57,310	5,444	120,747
Overdue 61 days to 90 days	29,119	26,856	7,434	63,409
Overdue 91 days to 1 year	17,345	113,533	15,286	146,164
Overdue longer than 1 year	14,388	16,545	901	31,834
Total premium receivables	940,548	1,410,274	84,607	2,435,429
Less Allowance for doubtful accounts	(5,256)	(16,506)	(778)	(22,540)
Total premium receivables, net	935,292	1,393,768	83,829	2,412,889

(Baht'000)

	December 31, 2013			
	Due from Insured	Due from Agents and Brokers	Due from Reinsurers	Total
Not yet due	770,497	1,116,740	55,408	1,942,645
Not over 30 days	106,725	103,583	13,992	224,300
Overdue 31 days to 60 days	55,787	53,641	10,589	120,017
Overdue 61 days to 90 days	8,843	28,476	6,557	43,876
Overdue 91 days to 1 year	25,243	69,007	11,824	106,074
Overdue longer than 1 year	9,594	28,266	3,113	40,973
Total premium receivables	976,689	1,399,713	101,483	2,477,885
Less Allowance for doubtful accounts	(10,092)	(29,254)	(1,286)	(40,632)
Total premium receivables, net	966,597	1,370,459	100,197	2,437,253

For premium receivables due from agents and brokers, the Company has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Company has taken the legal process with such agents and brokers on a case by case basis.

8. Reinsurance Assets

(Baht'000)

	December 31,	
	2014	2013
Amounts deposited on reinsurance	58,962	99,284
Amounts due from reinsurers	489,365	2,583,543
Insurance reserves refundable from reinsurers	6,320,871	10,355,050
Reinsurance assets	6,869,198	13,037,877
Less Allowance for doubtful accounts	(377,347)	(451,371)
Reinsurance assets, net	6,491,851	12,586,506

Insurance reserves refundable from reinsurers as at December 31, 2014 and 2013 include insurance reserves refundable from reinsurers due to flood situation as described in Note 1.2 to the financial statements amounting to Baht 1,442.1 million and Baht 4,704.9 million, respectively.

As at December 31, 2014 and 2013, amounts due from reinsurers are classified by aging as follows:

(Baht'000)

	December 31,	
	2014	2013
Not over 12 months	257,466	1,844,960
Over 1 year to 2 years	169,784	710,408
Over 2 years	62,115	28,175
Total amounts due from reinsurers	489,365	2,583,543
Less Allowance for doubtful accounts	(248,875)	(451,371)
Amounts due from reinsurers, net	240,490	2,132,172

9. Investments in Securities

9.1 Available-for-sale Investments

(Baht'000)

	December 31, 2014					December 31, 2013				
	Cost	Unrealised Gains	Unrealised Losses	Fair Value	Percentage of Investments to Total Assets	Cost	Unrealised Gains	Unrealised Losses	Fair Value	Percentage of Investments to Total Assets
Government and State Enterprise Securities										
Thai government bonds	1,310,649	22,762	-	1,333,411	2.49	2,699,439	7,987	(1,054)	2,706,372	5.34
State enterprise bonds	354,150	10,654	-	364,804	0.68	405,137	4,383	(1,757)	407,763	0.80
Total	1,664,799	33,416	-	1,698,215	3.17	3,104,576	12,370	(2,811)	3,114,135	6.14
Private Sector debt Securities										
Debentures	910,240	23,900	-	934,140	1.74	380,000	4,741	-	384,741	0.76
Equity securities	4,293,109	23,544,308	(38,820)	27,798,597	51.89	3,696,482	17,207,259	(62,918)	20,840,823	41.10
Investment units	1,551,261	149,500	(61,371)	1,639,390	3.06	1,315,347	120,560	(71,769)	1,364,138	2.69
Warrants	4,287	1,461	-	5,748	0.01	4,287	542	(772)	4,057	0.01
Total	6,758,897	23,719,169	(100,191)	30,377,875	56.70	5,396,116	17,333,102	(135,459)	22,593,759	44.56
Less Allowance for impairment	-	-	-	-	-	(27,113)	-	-	(27,113)	(0.05)
Net	6,758,897	23,719,169	(100,191)	30,377,875	56.70	5,369,003	17,333,102	(135,459)	22,566,646	44.51
Available-for-sale investments - net	8,423,696	23,752,585	(100,191)	32,076,090	59.87	8,473,579	17,345,472	(138,270)	25,680,781	50.65

9.2 Held-to-maturity Investments

(Baht'000)

	December 31, 2014		December 31, 2013	
	Cost/ Amortised Cost	Percentage of Investments to total Assets	Cost/ Amortised Cost	Percentage of investments to total Assets
Deposits at financial institutions with an original maturity period of longer than 3 months				
Deposits with commercial banks	6,788,062	12.67	3,848,359	7.59
Total held-to-maturity investment	6,788,062	12.67	3,848,359	7.59

9.3 General Investments

	(Baht'000)	
	December 31, 2014	
	Cost	Percentage of Investments to Total Assets
Investments in non-marketable equity securities - domestic	483,681	0.90
Investments in non-marketable equity securities - overseas	166,120	0.31
Total	649,801	1.21
Less Allowance for impairment loss	(83,226)	(0.15)
General investments, net	566,575	1.06

9.4 Remaining Periods to Maturity of Debt Securities

	(Baht'000)			
	December 31, 2014			
	Period to Maturity			Total
	Within 1 year	1 - 5 years	Over 5 years	
Available-for-sale investment				
Government and state enterprise securities				
Thai government bonds	485,083	825,566	-	1,310,649
State enterprise bonds	-	354,150	-	354,150
Total	485,083	1,179,716	-	1,664,799
Add Unrealised gains	3,904	29,512	-	33,416
Total	488,987	1,209,228	-	1,698,215
Private sector debt securities				
Debentures	-	910,240	-	910,240
Total	-	910,240	-	910,240
Add Unrealised gains	-	23,900	-	23,900
Less Allowance for impairment loss	-	-	-	-
Net	-	934,140	-	934,140
Available-for-sale investments - Net	488,987	2,143,368	-	2,632,355
Held-to-maturity investments				
Deposits at commercial banks	6,598,062	190,000	-	6,788,062
Total held-to-maturity investments	6,598,062	190,000	-	6,788,062

As at December 31, 2014 and 2013, government and state enterprise bonds totaling Baht 186.2 million and Baht 211.9 million, respectively, have been placed as collateral in the normal course of business of the Company.

The Company placed its securities with the Registrar as described in Notes 29 and 30 to the financial statements.

9.5 Revaluation Surplus on Available-For-Sale Investments

(Baht'000)

	For the years ended December 31,	
	2014	2013
Revaluation surplus on available-for-sale investments - beginning of the year	17,207,202	16,634,214
Gains on revaluation during the year	6,481,429	704,578
Gains on sales of available-for-sale investments during the year transferred to be recognised in profit or loss	(36,238)	(131,590)
Revaluation surplus on available-for-sale investments - end of the year	23,652,393	17,207,202
Less Income taxes	(4,730,479)	(3,441,440)
Revaluation surplus on available-for-sale investments, net of income taxes	18,921,914	13,765,762

10. Loans and Accrued Interest Income

As at December 31, 2014 and 2013 the balances of loans and accrued interest income are aged by principal and accrued interest income as follows:

(Baht'000)

Outstanding Period	December 31, 2014						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest income	Principal	Accrued Interest income	Principal	Accrued Interest income	Total
Not yet due	1,858,200	383	4,622	-	1,862,822	383	1,863,205
Overdue							
Less than 3 months	6,440	53	-	-	6,440	53	6,493
3 - 6 months	1,989	32	-	-	1,989	32	2,021
Over 12 months	22,266	1,656	-	-	22,266	1,656	23,922
Total	1,888,895	2,124	4,622	-	1,893,517	2,124	1,895,641
Less Allowance for doubtful accounts	(797)	-	-	-	(797)	-	(797)
Loans and accrued Interest, net	1,888,098	2,124	4,622	-	1,892,720	2,124 ⁽¹⁾	1,894,844

(1) Included as a part of "Accrued investment income" in statements of financial position

(Baht'000)

Outstanding Period	December 31, 2013						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest income	Principal	Accrued Interest income	Principal	Accrued Interest income	Total
Not yet due	1,840,924	74	6,202	-	1,847,126	74	1,847,200
Overdue							
Less than 3 months	5,025	39	-	-	5,025	39	5,064
3 - 6 months	545	9	-	-	545	9	554
Over 12 months	40,690	2,829	-	-	40,690	2,829	43,519
Total	1,887,184	2,951	6,202	-	1,893,386	2,951	1,896,337
Less Allowance for doubtful accounts	(302)	-	-	-	(302)	-	(302)
Loans and accrued Interest, net	1,886,882	2,951	6,202	-	1,893,084	2,951 ⁽¹⁾	1,896,035

(1) Included as a part of "Accrued investment income" in statements of financial position

Loans provided to employees under the employee's welfare plan grant a credit line of Baht 300,000 or less for personal guarantee loans and a credit line of not exceeding 40 times each employee's salary for mortgaged loans. The interest rates are charged at the rates of 4.00% per annum. As at December 31, 2014 and 2013, loans to employees amounted to Baht 39.8 million and Baht 42.8 million, respectively.

11. Investments in Associates

11.1 Details of Associates

Company's Name	Nature of Business	Country of Incorporation	Paid-up Share Capital		Shareholding Percentage (%)	
			December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	USD 4,200,000	USD 4,200,000	22.92	22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	USD 5,740,000	USD 5,740,000	41.70	41.70

(Baht'000)

Company's Name	Financial Statements in which the equity method is applied		Separate Financial Statements	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Asia Insurance (Cambodia) Plc.	49,749	44,695	30,202	30,202
Asian Insurance International (Holding) Limited	105,147	99,405	72,054	72,054
Total	154,896	144,100	102,256	102,256

11.2 Share of Profits and Dividend Income

(Baht'000)

Company's Name	Financial Statements in which the equity method is applied		Separate Financial Statements	
	Share of Profits from Investments in Associates		Dividend Received During the Years	
	For the years Ended December 31,		For the years Ended December 31,	
	2014	2013	2014	2013
Asia Insurance (Cambodia) Plc.	5,054	2,722	-	-
Asian Insurance International (Holding) Limited	5,742	1,301	-	-
Total	10,796	4,023	-	-

11.3 Summarised Financial Information of Associates

(Million Baht)

Company's Name	Total Assets as at December 31,		Total Liabilities as at December 31,		Total Revenues for the Years Ended December 31,		Profits for the Years Ended December 31,	
	2014	2013	2014	2013	2014	2013	2014	2013
Asia Insurance (Cambodia) Plc.	291.6	280.2	46.7	58.6	69.7	51.8	22.3	10.4
Asian Insurance International (Holding) Limited	266.6	251.5	-	-	14.4	3.4	13.9	3.3

As at December 31, 2014 and 2013, the Company recorded its investments in associates under the equity method (in the financial statements in which the equity method is applied), based on the financial information as prepared by the associates' management, which had yet been audited by their external auditors.

The Company received the 2013 financial statements of Asia Insurance (Cambodia) Plc. and Asian Insurance International (Holding) Limited, which were audited by those associates' auditors. The operating performance information as shown in those audited financial statements was not significantly different from the financial information, as prepared by the associates' management, that were used to recognise share of profits from associates in that year.

12. Investment Properties

The investment properties of the Company, which are offices for rent, as at December 31, 2014 and 2013 are presented below.

	(Baht'000)	
	December 31, 2014	December 31, 2013
Cost	533,653	533,653
Less Accumulated depreciation	(312,251)	(291,586)
Net book value	221,402	242,067

A reconciliation of the net book value of investment properties for the years ended December 31, 2014 and 2013 is presented below.

	(Baht'000)	
	For the years ended December 31,	
	2014	2013
Net book value at beginning of the year	242,067	264,458
Depreciation charged	(20,665)	(22,391)
Net book value at end of the year	221,402	242,067

As at December 31, 2014 and 2013, the fair values of the investment properties amounting to Baht 391.5 million and Baht 431.6 million, respectively, which were appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are a yield rate, an inflation rate, a long-term vacancy rate and a long-term growth rate in rental fee.

13. Premises and Equipment

(Baht'000)						
Land	Buildings	Condominium Units	Office Furniture, Fixture and Equipment	Motor Vehicles	Construction in Progress	Total
Cost						
January 1, 2013	158,092	780,632	8,751	803,712	109,206	67,958
1,928,351						
Additions	9,693	5,311	-	165,901	13,839	64,552
259,296						
Disposals	-	-	-	(15,707)	(4,928)	-
(20,635)						
Transfers in/(out)	-	-	-	41,289	-	(41,289)
-						
December 31, 2013	167,785	785,943	8,751	995,195	118,117	91,221
2,167,012						
Additions	23,595	22,782	-	250,932	17,736	31,899
346,944						
Disposals	-	-	-	(17,652)	(27,335)	-
(44,987)						
Adjust	-	-	-	-	-	(1,212)
(1,212)						
Transfers in/(out)	-	-	-	89,639	-	(89,639)
-						
December 31, 2014	191,380	808,725	8,751	1,318,114	108,519	32,269
2,467,757						
Accumulated Depreciation						
January 1, 2013	-	411,823	7,916	536,652	46,141	-
1,002,532						
Depreciation for the disposals	-	-	-	(15,619)	(4,601)	-
(20,220)						
Depreciation for the year	-	34,954	202	111,893	22,131	-
169,180						
December 31, 2013	-	446,777	8,118	632,926	63,671	-
1,151,492						
Depreciation on disposals	-	-	-	(17,313)	(27,004)	-
(44,317)						
Depreciation for the year	-	31,922	203	163,527	24,325	-
219,977						
December 31, 2014	-	478,699	8,321	779,140	60,992	-
1,327,152						
Net Book Value						
December 31, 2013	167,785	339,166	633	362,269	54,446	91,221
1,015,520						
December 31, 2014	191,380	330,026	430	538,974	47,526	32,269
1,140,605						
Depreciation for the Year						
2013						
169,180						
2014						
219,977						

As at December 31, 2014 and 2013, certain equipment items were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to Baht 609.5 million and Baht 478.5 million, respectively.

As at December 31, 2014 and 2013, the Company had vehicles under finance lease agreements with net book values amounting to Baht 117.0 million and Baht 63.1 million, respectively.

14. Intangible Assets

			(Baht'000)
	Computer Softwares	Computer Softwares Under Development	Total
Cost			
January 1, 2013	248,729	30,940	279,669
Addition	41,868	4,200	46,068
Transfer in/out	19,942	(19,942)	-
December 31, 2013	310,539	15,198	325,737
Addition	41,978	8,000	49,978
Transfer in/out	1,548	(1,548)	-
December 31, 2014	354,065	21,650	375,715
Accumulated Amortisation			
January 1, 2013	119,119	-	119,119
Amortisation	26,686	-	26,686
December 31, 2013	145,805	-	145,805
Amortisation	26,156	-	26,156
December 31, 2014	171,961	-	171,961
Allowance for Impairment Loss			
January 1, 2013	24,982	-	24,982
Increase during the year	-	-	-
December 31, 2013	24,982	-	24,982
Increase during the year	-	-	-
December 31, 2014	24,982	-	24,982
Net Book Value			
December 31, 2013	139,752	15,198	154,950
December 31, 2014	157,122	21,650	178,772
Amortisation for the Years			
2013			26,686
2014			26,156

15. Deferred Tax Assets and Liabilities/Income Tax Expenses

15.1 Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities arose from the following temporary differences.

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Deferred Tax Assets Arose From				
Allowance for impairment loss on investments	16,645	19,639	16,645	19,639
Premium reserves	177,506	159,974	177,506	159,974
Reserves for losses incurred but not yet reported (IBNR)	60,732	49,011	60,732	49,011
Loss reserves	500,743	764,475	500,743	764,475
Provision for employee benefits	50,194	46,715	50,194	46,715
Others	11,572	14,731	11,572	14,731
Total deferred tax assets	817,392	1,054,545	817,392	1,054,545
Deferred Tax Liabilities Arose From				
Revaluation gains on available-for-sale investments	4,730,479	3,441,440	4,730,479	3,441,440
Share of profits from investments in associates	7,896	6,277	-	-
Total	4,738,375	3,447,717	4,730,479	3,441,440

15.2 Income Tax Expenses

Income tax expenses for the years ended December 31, 2014 and 2013 are made up as follows:

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2014	2013	2014	2013
Current Income Taxes				
Current corporate income tax charge	156,149	120,794	156,149	120,794
Deferred Income Taxes				
Relating to origination and reversal of temporary differences	238,772	262,811	237,153	262,208
Income Tax Expense Reported in Profit or Loss	394,921	383,605	393,302	383,002

The amounts of income tax relating to each component of other comprehensive income for the years ended December 31, 2014 and 2013 are as follows:

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2014	2013	2014	2013
Deferred Income Taxes Relating to Revaluation surplus on investments during the year	1,296,286	140,916	1,296,286	140,916
Gains on sales of available- for-sale investments during the year transferred to be recognised in profit or loss	(7,248)	(26,318)	(7,248)	(26,318)
Income taxes as reported in other comprehensive income	1,289,038	114,598	1,289,038	114,598

Reconciliations between income tax expenses and the product of accounting profits for the years ended December 31, 2014 and 2013 and the applicable tax rate are as follows:

(Baht'000)

	Financial Statements in which the equity method is applied		Separate Financial Statements	
	For the Years Ended December 31,		For the Years Ended December 31,	
	2014	2013	2014	2013
Accounting profits before income tax expenses	2,700,668	2,132,071	2,689,872	2,128,048
Applicable tax rate	20%	20%	20%	20%
Accounting profit before income tax expenses multiplied by applicable tax rate	540,134	426,414	537,975	425,609
Adjustment in respect of current income tax of prior year	2	21	2	21
Net tax effect on income or expenses that are not taxable or not tax-deductible in determining taxable profits	(144,675)	(42,628)	(144,675)	(42,628)
Other	(540)	(202)	-	-
Income tax expenses reported in profit or loss	394,921	383,605	393,302	383,002

16. Due to Reinsurers

(Baht'000)

	December 31,	
	2014	2013
Outward premium payables	847,469	792,713
Amounts withheld on reinsurance	888,096	830,412
Other reinsurance payables	419,646	904,923
Total due to reinsurers	2,155,211	2,528,048

17. Loss Reserves and Outstanding Claims

(Baht'000)

	For the Years Ended December 31,	
	2014	2013
Beginning balances	12,829,596	21,746,508
Claims and loss adjustment expenses for the year	5,602,986	6,362,851
Claims and loss adjustment expenses paid during the year	(10,401,393)	(15,279,763)
Ending balances	8,031,189	12,829,596

As at December 31, 2014 and 2013, the Company, which is a reinsurer under the reinsurance contracts, had loss reserves and outstanding claims under such contracts of Baht 954.0 million and Baht 2,340.6 million, respectively.

As at December 31, 2014 and 2013, loss reserves and outstanding claims included loss reserves and outstanding claims amounting to Baht 1,831.56 million and Baht 5,985.9 million as a result of flood situation as described in Note 1.2 to the financial statements.

18. Premium Reserves

18.1 Unearned Premium Reserves

(Baht'000)

	For the Years Ended December 31,	
	2014	2013
Beginning balances	7,110,475	5,920,355
Premium written for the year	15,778,825	15,802,449
Premium earned for the current year	(15,555,689)	(14,612,329)
Ending balances	7,333,611	7,110,475

18.2 Unexpired Risk Reserves

(Baht'000)

	For the Years Ended December 31,	
	2014	2013
Beginning balances	4,164,841	3,515,786
Estimated claims for the year	2,862,025	2,817,321
Risk expired during the year	(2,706,310)	(2,168,266)
Ending balances	4,320,556	4,164,841

19. Employee Benefit Obligations

(Baht'000)

	December 31,	
	2014	2013
Short-term employee benefits	116,643	141,936
Long-term employee benefits	250,970	233,572
Employee benefit obligations	367,613	375,508

As at December 31, 2014 and 2013, provision for long-term employee benefits compensations on employee retirement, was as follows:

	(Baht'000)	
	For the Years Ended December 31,	
	2014	2013
Defined benefit obligations at beginning of the year	233,573	212,303
Current service costs	18,942	17,122
Interest costs	9,343	8,492
Benefits paid during the year	(943)	(6,593)
Actuarial (gains) losses	(9,945)	2,248
Defined benefit obligations at end of the year	250,970	233,572

Long-term employee benefit expenses included in profit or loss for the years ended December 31, 2014 and 2013 consist of:

	(Baht'000)	
	For the Years Ended December 31,	
	2014	2013
Current service costs	18,942	17,122
Interest costs	9,343	8,492
Actuarial (gains) losses recognised during the year	(9,945)	2,248
Total expense recognised in profit or loss	18,340	27,862

The key assumptions used for calculation of the defined benefit obligations were summarised below:

	For the Years Ended December 31,	
	2014	2013
Discount rates	4.0%	4.0%
Average of future salary incremental rates	6.0%	6.0%
Employee turnover rates (depending on age)	2 - 26%	1 - 23%

Amounts of defined benefit obligations and experience adjustments on the obligations for the current and previous years are as follows:

	(Baht'000)	
	Defined benefit obligations as at the end of the years for the years	Experience adjustments on the obligations
Year 2014	250,970	(9,945)
Year 2013	233,573	2,248
Year 2012	212,303	868
Year 2011	195,163	-
Year 2010	172,704	-

20. Liabilities Under Finance Lease Agreements

	(Baht'000)	
	December 31,	
	2014	2013
Liabilities under finance lease agreements	60,927	76,025
Less Deferred interest expenses	(4,321)	(6,186)
Total	56,606	69,839
Less Portion due within one year	(23,520)	(27,120)
Liabilities under finance lease agreements, net of current portion	33,086	42,719

As at December 31, 2014 and 2013, the Company entered into the finance lease agreements with leasing companies for rental of equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are on an average of 5 years.

As at December 31, 2014 and 2013, Future minimum lease payments required under the finance lease agreements were as follows:

	(Million Baht)		
	December 31, 2014		
	within 1 year	1-5 years	Total
Future minimum lease payments	26.08	34.85	60.93
Deferred interest expenses	(2.56)	(1.76)	(4.32)
Present value of future minimum lease payments	23.52	33.09	56.61

	(Million Baht)		
	December 31, 2013		
	within 1 year	1-5 years	Total
Future minimum lease payments	30.48	45.55	76.03
Deferred interest expenses	(3.36)	(2.83)	(6.19)
Present value of future minimum lease payments	27.12	42.72	69.84

21. Share Capital

Movement in the registered, issued and paid-up share capital during the year ended December 31, 2014 as a result of stock dividend payment as described in Note 22.1 to the financial statements is as follows:

	Number of shares	Amount Baht
Balance as at January 1, 2014	76,050,000	760,500,000
Share capital registered, issued and paid-up during the year	30,420,000	304,200,000
Balance as at December 31, 2014	106,470,000	1,064,700,000

During the year end December 31, 2014, the Company appropriated its net income totaling Baht 30,420,000 or 10% of the increased portion of the Company's registered share capital to be statutory reserve due to stock dividend payment as described in Note 22.1 to the financial statements.

22. Stock and Cash Dividend

22.1 Stock dividend

The Annual General Meeting No. 21 of the Company's shareholders held on April 25, 2014 resolved to set aside retained earnings of Baht 304.2 million to be registered share capital by issuing 30.4 ordinary million shares for payment of stock dividend at the ratio of 5 existing shares to 2 dividend shares at Baht 10 each according to the par value of Baht 10 when the Company arranges to register the increased share capital completely. In case that there is a fraction of shares remaining from the calculation of stock dividend, the Company will pay those shares in cash at Baht 4 per share. If there is remaining shares unallotted from stock dividend payment, they will be offered to sell to "The Registered provident fund of Bangkok Insurance Public Company Limited Group" at Baht 10 per share.

22.2 Dividend paid

Dividend declared during the years 2014 and 2013 consist of the following:

Approved by		Total dividend (Million Baht)	Dividend per share (Baht)
The Third Interim Dividend for 2014	Meeting of Board of Directors 4/14 on November 14, 2014	292.8	2.75
The Second Interim Dividend for 2014	Meeting of Board of Directors No. 3/14 on August 13, 2014	292.8	2.75
The First Interim Dividend for 2014	Meeting of Board of Directors No. 2/14 on May 14, 2014	292.8	2.75
Final Dividend for 2013	Annual General Meeting of the Shareholders No. 21 on April 25, 2014	285.2	3.75
Total Dividend for the Year 2014		1,163.6	
The Third Interim Dividend for 2013	Meeting of Board of Directors 5/13 on November 11, 2013	209.1	2.75
The Second Interim Dividend for 2013	Meeting of Board of Directors No. 4/13 on August 14, 2013	209.1	2.75
The First Interim Dividend for 2013	Meeting of Board of Directors No. 2/13 on May 13, 2013	209.1	2.75
Final Dividend for 2012	Annual General Meeting of the Shareholders No. 20 on April 26, 2013	285.2	3.75
Total Dividend for the Year 2013		912.5	

23. Statutory Reserve

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

24. Underwriting Information Reported by Insurance Categories

Underwriting information classified by insurance categories for the years ended December 31, 2014 and 2013 is as follows:

	(Baht'000)					
	For the year ended December 31, 2014					
	Fire	Marine and Transportation	Motor	Personal Accident	Miscellaneous	Total
Underwriting Income						
Premium Written	1,781,477	396,452	6,698,005	1,387,837	5,515,054	15,778,825
Less Premium Ceded	(707,026)	(176,918)	(249,800)	(60,874)	(3,640,533)	(4,835,151)
Net Premium Written	1,074,451	219,534	6,448,205	1,326,963	1,874,521	10,943,674
Add (less) Unearned Premium Reserve	(9,828)	4,863	(69,915)	(10,272)	(30,715)	(115,867)
Earned Premium	1,064,623	224,397	6,378,290	1,316,691	1,843,806	10,827,807
Fee and Commission Income	333,935	71,258	61,964	16,275	599,357	1,082,789
Total Underwriting Income	1,398,558	295,655	6,440,254	1,332,966	2,443,163	11,910,596
Underwriting Expenses						
Losses and Losses						
Adjustment Expenses	246,928	77,792	4,221,041	471,444	756,782	5,773,987
Commissions and Brokerages	405,350	58,707	1,026,343	213,647	524,358	2,228,405
Other Underwriting Expenses	161,835	27,588	634,856	293,353	339,445	1,457,077
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	30,106	-	-	30,106
Operating Expenses	89,764	14,583	394,838	79,493	230,708	809,386
Total Underwriting Expenses	903,877	178,670	6,307,184	1,057,937	1,851,293	10,298,961

	(Baht'000)					
	For the year ended December 31, 2013					
	Fire	Marine and Transportation	Motor	Personal Accident	Miscellaneous	Total
Underwriting Income						
Premium Written	1,958,164	417,937	6,694,563	1,347,123	5,384,662	15,802,449
Less Premium Ceded	(887,887)	(177,005)	(256,829)	(56,951)	(3,550,621)	(4,929,293)
Net Premium Written	1,070,277	240,932	6,437,734	1,290,172	1,834,041	10,873,156
Add (less) Unearned Premium Reserve	(7,450)	8,099	(721,502)	42,738	(138,981)	(817,096)
Earned Premium	1,062,827	249,031	5,716,232	1,332,910	1,695,060	10,056,060
Fee and Commission Income	292,299	68,320	60,489	14,907	612,447	1,048,462
Total Underwriting Income	1,355,126	317,351	5,776,721	1,347,817	2,307,507	11,104,522
Underwriting Expenses						
Losses and Losses						
Adjustment Expenses	709,641	110,577	3,529,194	473,093	648,467	5,470,972
Commissions and Brokerages	403,868	66,953	997,677	214,437	467,751	2,150,686
Other Underwriting Expenses	144,404	27,969	507,273	257,293	369,135	1,306,074
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	30,423	-	-	30,423
Operating Expenses	260,385	23,168	325,800	66,056	525,545	1,200,954
Total Underwriting Expenses	1,518,298	228,667	5,390,367	1,010,879	2,010,898	10,159,109

For the year 2014 and 2013, the Company has no major customer with revenue of 10 percent or more of the Company's revenues.

25. Operating Expenses

	(Baht'000)	
	For the years ended December 31,	
	2014	2013
Personnel expenses which are not expenses for underwriting and claims	324,680	316,499
Premises and equipment expenses which are not expense for underwriting	343,056	259,004
Taxes and duties	672	610
Bad debts and doubtful accounts	(86,847)	460,677
Other operating expenses	227,825	164,164
Total operating expenses	809,386	1,200,954

26. Employee Expenses

	(Baht'000)	
	For the years ended December 31,	
	2014	2013
Salary and wages	829,375	807,693
Social security fund	12,894	9,573
Contribution to provident fund	46,888	43,301
Defined benefit plans	17,397	21,269
Total employee expenses	906,554	881,836

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed to by both the employees and the Company on a monthly basis, at rates ranging from 5% to 10% of the employees' basic salaries, based on the length of employment. The fund is managed by a fund manager which has been approved by the Ministry of Finance. During the years ended December 31, 2014 and 2013, the Company contributed approximately Baht 48.8 million and Baht 45.1 million, respectively, to the fund.

27. Earnings Per Share

Basic earnings per share for the year ended December 31, 2014 is calculated by dividing profit for the year (excluding other comprehensive income or loss) by the number of ordinary shares in issue during the year, and additionally adjusted by the number of ordinary shares in issue as a result of the distribution of stock dividend on April 25, 2014 as described in Note 22.1 to the financial statements. Moreover, the number of ordinary shares of the prior year was also adjusted as if the stock dividend had been distributed at the beginning of the earliest period reported.

	Financial Statements In Which the Equity Method is Applied					
	For the Years Ended December 31,					
	Profits for the Years		Number of Ordinary Shares		Earnings Per Shares	
	2014	2013	2014	2013	2014	2013
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic Earnings Per Share						
Profits for the years	2,305,747	1,748,466	106,470	106,470	21.66	16.42

	Separate Financial Statements					
	For the Years Ended December 31,					
	Profits for the Years		Number of Ordinary Shares		Earnings Per Shares	
	2014	2013	2014	2013	2014	2013
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic Earnings Per Share						
Profits for the years	2,296,570	1,745,046	106,470	106,470	21.57	16.39

28. Related Party Transactions

28.1 Nature of relationship

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

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

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

28.2 Related Party Transactions

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

(Baht'000)

	For the years ended December 31,		Pricing Policy
	2014	2013	
Transactions With Related Companies			
Premium written	255,617	194,586	Normal commercial terms for underwriting
Interest income	75,958	70,285	Same as financial institutions and related companies offer to general customers
Dividend income	488,416	540,417	As declared
Premium ceded	318,463	288,208	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Rental income	1,477	837	The rates as offered to general customers

28.3 Outstanding Balances

As at December 31, 2014 and 2013, the Company had the following significant balances of assets and liabilities with its related companies.

(Baht'000)

	December 31, 2014		December 31, 2013	
	Cost	Fair Value	Cost	Fair Value
Transactions with Related Companies				
Available-for-sale investments				
Equity securities	3,419,025	26,120,933	3,237,373	19,566,028
Debentures	200,000	207,994	200,000	203,578

(Baht'000)

	December 31,	
	2014	2013
Transactions with Related Companies		
General investments - equity securities	528,987	343,497
Deposits at financial institution	3,633,537	2,483,561
Loans	259,978	360,591
Accrued interest income - debentures (including in accrued investment income)	8,720	8,720
Premium receivables	15,308	20,784
Reinsurance Assets		
Amounts deposited on reinsurance	4,494	7,047
Amounts due from reinsurers	59,353	218,990
Deposits and golf club membership fees (including in other assets)	38,626	93,380
Due to reinsurers		
Outward premium payables	122,746	110,516
Amounts withheld on reinsurance	141,146	111,724
Others reinsurance payables	18,372	47,177
Loss reserves and outstanding claims	4,241	23,376
Liabilities under finance lease agreements	17,564	24,773
Account payables on purchases of securities (including in other liabilities)	4,900	-

28.4 Directors and Key Management's Remuneration

During the years ended December 31, 2014 and 2013, the Company had employee benefit expenses incurred on its directors and key management as below.

	(Million Baht)	
	For the years ended December 31,	
	2014	2013
Short-Term Employee Benefits	81.8	74.6
Post-employment Benefits	5.2	9.5
Total	87.0	84.1

29. Assets Placed with the Registrar

As at December 31, 2014 and 2013, the following assets have been placed with the Registrar in accordance with the Non-Life Insurance Act.

	(Million Baht)			
	December 31, 2014		December 31, 2013	
	Cost	Fair value	Cost	Fair value
Government Banks	14.0	15.2	14.0	14.7

30. Assets Reserved with the Registrar

As at December 31, 2014 and 2013, the following assets have been placed as policy reserves with the Registrar in accordance with the Non-Life Insurance Act.

	(Million Baht)			
	December 31, 2014		December 31, 2013	
	Cost	Fair value	Cost	Fair value
Equity Securities	35.1	185.2	27.8	134.9
Government Bonds	1,021.0	1,042.5	1,001.0	1,013.1
Debentures	200.0	208.0	220.0	223.7
Total	1,256.1	1,435.7	1,248.8	1,371.7

31. Contribution to the General Insurance Fund

	(Baht'000)	
	For the years ended December 31,	
	2014	2013
Accumulated contribution at the beginning of the years	121,775	84,270
Contribution during the years	37,888	37,505
Accumulated contribution at the end of the years	159,663	121,775

32. Operating Lease Commitments

The Company has entered into several lease agreements in respect of the lease of land and office building space. The terms of the agreements are 30 years for land and 1 year office building space.

As at December 31, 2014 and 2013, future minimum lease payments required under those non-cancellable operating lease contracts were as follows.

Payable within	(Million Baht)	
	December 31,	
	2014	2013
Within 1 year	22	23
Over 1 year and not over 5 years	93	89
Over 5 years	195	130

33. Bank Guarantees

As at December 31, 2014 and 2013, there were outstanding bank guarantees of Baht 5.2 million and Baht 4.1 million, respectively, issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company.

34. Litigation

As at December 31, 2014 and 2013, the Company had litigation claims totaling approximately Baht 3,262.9 million and Baht 3,526.6 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totalling Baht 1,966.4 million and Baht 2,655.2 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 490.2 million and Baht 594.6 million, respectively, which were already recognised in the financial statements on those dates.

35. Segment Information

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

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

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

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

For the years 2014 and 2013, the Company has no major customer with revenue of 10 percent or more of the total revenues.

The following tables present revenue and profit information regarding the Company's operating segments for the years ended December 31, 2014 and 2013, respectively

(Baht'000)

	For the Year Ended December 31, 2014				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total
Underwriting Revenues					
Premium Written	1,781,477	396,452	6,698,005	6,902,891	15,778,825
Less Premium Ceded	(707,026)	(176,918)	(249,800)	(3,701,407)	(4,835,151)
Net Premium Written	1,074,451	219,534	6,448,205	3,201,484	10,943,674
Add (less) Unearned Premium Reserve	(9,828)	4,863	(69,915)	(40,987)	(115,867)
Earned premium	1,064,623	224,397	6,378,290	3,160,497	10,827,807
Fee and Commission Income	333,935	71,258	61,964	615,632	1,082,789
Total Underwriting Income	1,398,558	295,655	6,440,254	3,776,129	11,910,596
Underwriting Expenses					
Losses and Losses Adjustment Expenses	246,928	77,792	4,221,041	1,228,226	5,773,987
Commissions and Brokerages	405,350	58,707	1,026,343	738,005	2,228,405
Other Underwriting Expenses	161,835	27,588	634,856	632,798	1,457,077
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	30,106	-	30,106
Contribution to the Office of Insurance Commission	3,472	757	14,313	14,769	33,311
Contribution to the General Insurance Fund	3,913	865	16,460	16,650	37,888
Contribution to the Victims Compensation Fund	-	-	2,458	-	2,458
Operating Expenses	89,764	14,583	394,838	310,201	809,386
Finance Costs	488	95	1,644	1,517	3,744
Total Underwriting Expenses	911,750	180,387	6,342,059	2,942,166	10,376,362
Profit from Underwriting	486,808	115,268	98,195	833,963	1,534,234
Net Investment Revenue					974,752
Gains on Investments and Share of Profits from Associates					34,840
Other Income					156,842
Profit before Income Tax Expenses					2,700,668
Less Income Tax Expenses					394,921
Profit for the Year					2,305,747

(Baht'000)

	For the Year Ended December 31, 2013				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total (Restated)
Underwriting Revenues					
Premium Written	1,958,164	417,937	6,694,563	6,731,785	15,802,449
Less Premium Ceded	(887,887)	(177,005)	(256,829)	(3,607,572)	(4,929,293)
Net Premium Written	1,070,277	240,932	6,437,734	3,124,213	10,873,156
Add (Less) Unearned Premium Reserve	(7,450)	8,099	(721,502)	(96,243)	(817,096)
Earned Premium	1,062,827	249,031	5,716,232	3,027,970	10,056,060
Fee and Commission Income	292,299	68,320	60,489	627,354	1,048,462
Total Underwriting Income	1,355,126	317,351	5,776,721	3,655,324	11,104,522
Underwriting Expenses					
Losses and Losses Adjustment Expenses	709,641	110,577	3,529,194	1,121,560	5,470,972
Commissions and Brokerages	403,868	66,953	997,677	682,188	2,150,686
Other Underwriting Expenses	144,404	27,969	507,273	626,428	1,306,074
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	30,423	-	30,423
Contribution to the Office of Insurance Commission	3,672	732	14,356	14,244	33,004
Contribution to the General Insurance Fund	4,214	828	16,661	15,802	37,505
Contribution to the Victims Compensation Fund	-	-	2,484	-	2,484
Operating Expenses	260,385	23,168	325,800	591,601	1,200,954
Finance Costs	600	130	2,065	1,885	4,680
Total Underwriting Expenses	1,526,784	230,357	5,425,933	3,053,708	10,236,782
Profit (Loss) from Underwriting	(171,658)	86,994	350,788	601,616	867,740
Net Investment Revenue					953,722
Gains on Investments and Share of Profits from Associates					165,465
Other Income					145,144
Profit before Income Tax Expenses					2,132,071
Less Income Tax Expenses					383,605
Profit for the Year					1,748,466

The following table presents segment assets of the Company's operating segments as at December 31, 2014 and 2013.

(Baht'000)						
	Fire	Marine and Transportation	Motor	Miscellaneous	Total Segments	Unallocated Assets
Assets						
As at December 31, 2014	819,181	216,699	1,012,014	6,453,707	8,501,601	45,072,630
As at December 31, 2013	1,414,839	291,626	1,061,599	10,123,281	12,891,345	37,815,583
Liabilities						
As at December 31, 2014	3,906,568	360,826	5,720,155	8,581,107	18,568,656	7,034,222
As at December 31, 2013	5,206,803	450,380	5,253,949	11,919,512	22,830,644	6,203,266

36. Financial Instruments

36.1 Financial Risk Management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, premiums receivable, investments and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit Risk

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

Concentrations of the credit risk with respect to secured loans are considered low due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand. In addition the values of the securities placed as collateral are adequate for the Company to receive complete payment of debt and the ratio of loans to collateral values is in accordance with the notification of the OIC.

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

Interest Rate Risk

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

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

As at December 31, 2014 and 2013 financial assets classified by type of interest rate are summarised in the table below:

(Baht'000)

	December 31, 2014		December 31, 2013	
	Floating Interest Rate	Fixed Interest Rate	Floating Interest Rate	Fixed Interest Rate
Cash Equivalents	101,636	200,051	140,744	375,000
Investments in Securities				
Government and State Enterprise Securities	-	1,698,215	-	3,114,135
Private Sector Debt Securities	-	934,140	-	374,741
Deposits at Banks	-	6,788,062	-	3,848,359
Loans	1,892,720	-	1,893,084	-
Total	1,994,356	9,620,468	2,033,828	7,712,235

As at December 31, 2014 and 2013, the financial assets that carry fixed interest rates are further classified based on the maturity date, or the repricing date if this occurs before the maturity date as follow:

(Baht'000)

	December 31, 2014				
	Within 1 year	1 - 5 years	Over 5 years	Total	Average Interest Rates (% per annum)
Cash Equivalents	200,051	-	-	200,051	2.100 - 2.500
Investments in Securities					
Government and State Enterprise Securities	488,988	1,209,227	-	1,698,215	2.800 - 5.125
Private Sector Debt Securities	-	934,140	-	934,140	3.320 - 4.710
Deposits at Banks	6,598,062	190,000	-	6,788,062	1.375 - 3.500
Total	7,287,101	2,333,367	-	9,620,468	

(Baht'000)

	December 31, 2013				
	Within 1 year	1 - 5 years	Over 5 years	Total	Average Interest Rates (% per annum)
Cash Equivalents	375,000	-	-	375,000	3.150 - 3.200
Investments in Securities					
Government and State Enterprise Securities	1,742,969	1,371,166	-	3,114,135	2.795 - 4.500
Private Sector Debt Securities	70,110	304,631	-	374,741	3.900 - 4.590
Deposits at Banks	3,832,359	16,000	-	3,848,359	2.000 - 3.350
Total	6,020,438	1,691,797	-	7,712,235	

Foreign Currency Risk

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

As at December 31, 2014 and 2013, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign Currency	Financial Assets as at December 31,		Financial Liabilities as at December 31,		Average Exchange Rate as at December 31,	
	2014	2013	2014	2013	2014	2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	10.5	9.6	10.4	9.2	32.919	32.764
Philippines pesos	-	0.5	0.1	-	0.730	0.733
Japanese yen	0.7	0.7	2.0	11.9	0.273	0.313
HK dollar	3.6	2.5	-	-	4.244	4.223
Indonesian rupiahs	1,875.9	3,037.0	33.9	1,709.7	0.003	0.003

36.2 Fair Values of Financial Instruments

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The methodology of fair value measurement depends upon the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique such as discounted cash flow.

The Company has estimated the fair value of financial instruments as follows:

The method used for determining the fair value is dependent upon the characteristics of the financial instruments. The fair values of financial assets including cash and cash equivalents and deposits at financial institutions are presented as the amounts as stated in the statements of financial position, which are considered to approximate their respective carrying value since the financial instruments are predominantly subject to market interest rates. The fair values of financial instruments that have standard terms and conditions and are traded on an active and liquid market, such as investments in securities, are their market value. The fair value of deposits at financial institutions, and notes with maturity periods of less than 90 days is based on their carrying value. For those with maturity periods of longer than 90 days, fair value is estimated using a discounted cash flow analysis based on the current interest rate and the remaining period to maturity. For floating interest rate loans with no significant credit risk, fair value is based on carrying value. The fair value of fixed interest rate loans is estimated using a discounted cash flow analysis based on the current interest rate.

As of December 31, 2014 and 2013, there are no material differences between the fair value and the carrying value of financial instruments of the Company.

37. Capital Management

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

38. Approval of Financial Statements

These financial statements were authorised for issue by the Company's Executive Director on February 18, 2015.

COMPANY'S FINANCIAL STATUS

Assets

As at December 31, 2014, the Company's total assets amounted to Baht 53,574.2 million, an increase of Baht 2,867.3 million, or 5.7 percent, over 2013. Significant components of the assets are described below.

- Investments in securities rose by Baht 9,329.9 million, or 31.0 percent, to Baht 39,430.7 million, compared to 2013. Investments in securities are comprised of available-for-sale investments of Baht 32,076.1 million, or 59.9 percent of the total assets, held-to-maturity investments (deposits at financial institutions with amounts maturing in due 3 months) of Baht 6,788.0 million, or 12.7 percent of the total assets, and other investments of Baht 566.6 million, or 1.1 percent of the total assets.
- Net assets from reinsurance totaled Baht 6,491.9 million, a decline of Baht 6,094.7 million, or 48.4 percent, over 2013.
- Loans dropped by Baht 0.4 million, or 0.0 percent, to Baht 1,892.7 million, compared to 2013.
- Premium due and uncollected dropped by Baht 24.4 million, or 1.0 percent, to Baht 2,412.9 million, compared to 2013.
- Cash and cash equivalents decreased by Baht 213.1 million, or 41.2 percent, to Baht 304.4 million, over 2013.
- Property, premises and equipment, including real estate for net investments rose by Baht 104.4 million, or 8.3 percent, to Baht 1,362.0 million, compared to 2013.

Liabilities

The Company's total liabilities at 2014 year-end dropped by Baht 3,431.0 million, or 11.8 percent, to Baht 25,602.9 million, compared to 2013. Significant elements of liabilities include the following:

- Loss reserve and outstanding claims decreased by Baht 4,798.4 million, or 37.4 percent, to Baht 8,031.2 million, over 2013.
- Premium reserve rose by Baht 223.1 million, or 3.1 percent, to Baht 7,333.6 million, compared to 2013.
- Due to reinsurers decreased by Baht 372.8 million, or 14.7 percent, to Baht 2,155.2 million, over 2013.
- Premium received in advance rose by Baht 200.8 million, or 15.8 percent, to Baht 1,468.3 million, compared to 2013.

Owners' Equity

The Company's owners' equity at 2014 year-end increased by Baht 6,298.4 million, or 29.1 percent, to Baht 27,971.4 million, over 2013. Important components of the owners' equity are listed below.

- Paid-up capital increased by Baht 304.2 million, or 40.0 percent, to Baht 1,064.7 million, over 2013.
- Retained earning not allocated amounted to Baht 3,335.8 million, a rise of Baht 807.6 million, or 31.9 percent, compared to 2013.
- Net income for 2014 rose by Baht 557.3 million, or 31.9 percent, to Baht 2,305.7 million, over 2013.
- Dividend paid for 2014 totaled Baht 1,163.6 million (Baht 12 per share).
- Other components of owners' equity (a surplus on revaluation of investments in securities for sale) increased by Baht 5,156.2 million, or 37.5 percent, to Baht 18,921.9 million, compared to 2013.

Assets Quality

Debtors (Premium due and uncollected)

As at December 31, 2014, premium due and uncollected had decreased by Baht 24.4 million, or 1.0 percent, to Baht 2,412.8 million, over 2013. They can be classified by aging as follows:

Overdue	2014				2013			
	From the Insured	From Agent & Broker	From Reinsurance	Total	From the Insured	From Agent & Broker	From Reinsurance	Total
Not Due	710.3	1,104.5	50.2	1,865.0	770.5	1,116.7	55.4	1,942.6
Under 30 days	111.4	91.6	5.3	208.3	106.7	103.6	14.0	224.3
30 days - 60 days	58.0	57.3	5.4	120.7	55.8	53.6	10.6	120.0
60 days - 90 days	29.1	26.9	7.4	63.4	8.8	28.5	6.6	43.9
90 days - 1 year	17.3	113.5	15.3	146.1	25.2	69.0	11.8	106.0
Over 1 year	14.4	16.5	1.0	31.9	9.6	28.3	3.1	41.0
Total Overdue	940.5	1,410.3	84.6	2,435.4	976.6	1,399.7	101.5	2,477.8
Less Allowance for Doubtful Accounts	(5.2)	(16.5)	(0.8)	(22.5)	(10.0)	(29.3)	(1.3)	(40.6)
Premium Due and Uncollected - net	935.3	1,393.8	83.8	2,412.9	966.6	1,370.4	100.2	2,437.2

Debtors, within a grace period and overdue less than 30 days, for premium due and uncollected amounted to Baht 2,073.3 million, representing 85.1 percent of the uncollected total premium of Baht 2,435.4 million. Most of them were within a grace period offered by the Company. Nonetheless, the Company has constantly developed an efficient debt management procedure, premium collections and debt follow-up, which make the uncollected premium's value estimation ratio meet the requirement of OIC.

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

Loans

As at December 31, 2014, the Company's total loans rose by Baht 0.1 million, or 0.0 percent, to Baht 1,893.5 million. They were mortgage loans or those having a person as collateral security. Out of the Company's total loan amount, Baht 190.2 million, or 10.0 percent, was housing loans, while the remaining Baht 1,703.3 million, or 90.0 percent, was loans extended to real estate developers and other industrial entrepreneurs.

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

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

Outstanding Period	(Baht : Million)			
	2014		2013	
	Principal	Interest	Principal	Interest
Current	1,858.2	0.3	1,840.9	0.1
Overdue				
Less than 3 months	6.4	0.1	5.0	-
3 - 6 months	2.0	-	0.5	-
Over 12 months	22.3	1.7	40.7	2.8
Total	1,888.9	2.1	1,887.1	2.9
Less Allowance for Doubtful Accounts	(0.8)	-	(0.3)	-
Loans & Interest Due & Uncollected - net	1,888.1	2.1	1,886.8	2.9

Investments in Securities

The overall global economy in 2014 was in a period of a gradual recovery, with only the United States economy having an outstanding revival signal, while that of the European Union was expected to recover slowly. The Chinese economy was less outstanding, compared to the year before, since the Chinese government had adjusted its economic policy, focusing on relying on domestic consumption as a main mechanism instead of the export. Japan's economy did not experience a recovery as earlier anticipated due mainly to a negative impact in the wake of an adjustment of a higher rate of consumer tax.

The Thai economy attained a growth rate much less than projected owing to a significant decline in the domestic demand from both the public and the private sectors, particularly the household sector's consumption both at the intermediate and low levels which have been confronted with an increasing debt burden and diminishing income incurred by a reduction in agricultural produce prices, resulting in decreasing domestic purchasing power. Meanwhile, the export sector has slowed down due to the global economic revival which is slower than anticipated. Concerning the country's tourism industry in the first half of 2014, it had been greatly affected by the problems of political conflict and turmoil within the country. Nevertheless, in the latter half of the same year, it could slightly recover on account of the government's tourism promotion policy. In addition, the public sector's investment in mega projects, which had experienced a slowdown in the first half of the year, started to materialize more obviously in the latter half of the year.

For the Company, its investment income in 2014 had diminished, compared to the year before. The interest and dividends rose by Baht 21.7 million, or 2.1 percent, to Baht 1,065.2 million. A return from stocks sale dropped by Baht 157.7 million, or 94.5 percent, to Baht 9.1 million. Therefore, the total investment income in 2014 diminished by Baht 97.9 million, or 7.7 percent, to Baht 1,166.5 million. When combined with a return from the underwriting, the Company's net return in 2014 amounted to Baht 2,305.8 million.

Furthermore, the Company's fair value of the overall securities investment was higher than its costs, which was indicated by other components of owners' equity in the 2014 financial statements, which were displayed as a surplus on revaluation of investments amounting to Baht 23,652.4 million, a rise of Baht 6,445.3 million, or 37.5 percent, compared to 2013.

When classified in detail, as at December 31, 2014, the Company's investment capital for significant securities included the following. Bonds amounted to Baht 1,664.8 million, with a fair value of Baht 1,698.2 million, while listed securities including warrant and less allowance for impairment loss totaled Baht 4,297.4 million, with a fair value of Baht 27,804.3 million, and unlisted securities equaled Baht 649.8 million, with a fair value of Baht 566.6 million. Similarly, the investment capital in associated companies totaled Baht 154.9 million.

The investment capital in investments in funds amounted to Baht 1,551.3 million, with a fair value of Baht 1,639.4 million, which were classified into investments in funds in debt securities funds, equity securities funds and real estate funds, or trust for real estate investments or infrastructure funds, that had values at their costs totaling Baht 540.2, 247.9 and 763.2 million, respectively, or with fair values of Baht 530.1, 208.4 and 900.9 million, respectively.

Liquidity

Cash Flows

As at December 31, 2014, the Company's cash and cash equivalents declined by Baht 213.1 million, or 41.2 percent, to Baht 304.4 million. The Company's net cash on its activities were as follows:

		(Baht : Million)
	2014	2013
Net Cash from (used in) Operating Activities	4,190.3	3,787.9
Net Cash from (used in) Investing Activities	(3,239.8)	(3,914.7)
Net Cash from (used in) Financing Activities	(1,163.6)	(912.6)
Increase (Decrease) in Net Cash and Cash Equivalents	(213.1)	(1,039.4)

- Net Cash from Operating Activities totaled Baht 4,190.3 million, which came mainly from direct premium written and net investment income.

- Net Cash used in Investing Activities totaled Baht 3,239.8 million, which was mainly used in deposits at financial institutions as well as property, premises and equipment.

- Net Cash used in Financing Activities totaled Baht 1,163.6 million, which was entirely used in dividend payment.

Other Liquidity Assets

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

Investment Expenses

In 2014, the Company's major investment expenses were on an information technology system, building rehabilitation, and office equipment and decoration which were aimed at improving the Company's modern outlook and efficiency of customer services.

In 2014, the Company's investment expenses on property, premises and equipment amounted to Baht 331.6 million.

Sources of Funds

As at December 31, 2014, the Company's liabilities were Baht 25,602.9 million, while owners' equity was Baht 27,971.4 million. Thus, the debt to equity ratio was 0.9 time. In 2014, the Company's total liabilities had declined by Baht 3,431.0 million, or 11.8 percent, compared to 2013, due to a decrease in loss reserve and outstanding claims. If owners' equity is considered, it had increased by Baht 6,298.4 million, or 29.1 percent, over 2013. A significant factor was an augmentation of the paid-up capital of Baht 304.2 million, a rise of appropriated retained earnings as legal reserve of Baht 30.4 million, or 40.0 percent, the owners' equity's other components, which experienced a rise of Baht 5,156.2 million, or 37.5 percent, in a surplus on valuation of available-for-sale investments from income tax, and an increase of unappropriated retained earnings of Baht 807.6 million, or 31.9 percent, compared to 2013.

FINANCIAL RATIO

Financial Ratio		2014	2013 (Restated)	2012 (Restated)
Liquidity Ratio				
Current Ratio	(Times)	0.68	0.73	0.80
Receivable Turnover	(Times)	6.51	7.11	7.09
Collection Period	(Days)	55.33	50.64	50.81
Profitability Ratio				
Retention Rate	(%)	101.07	108.13	107.88
Loss Ratio	(%)	53.33	54.40	90.97
Profit Margin	(%)	14.73	8.69	(24.11)
Underwriting and Operation Expenses Ratio	(%)	32.51	36.97	35.82
Return on Investment	(%)	2.56	3.72	10.09
Net Premium Ratio	(Times)	0.44	0.52	0.48
Net Profit Margin	(%)	19.22	15.45	5.88
Return on Equity	(%)	9.29	8.32	3.54
Efficiency Ratio				
Return on Assets	(%)	5.18	3.97	1.29
Fixed Assets Turnover	(Times)	9.16	9.25	9.91
Total Assets Turnover	(Times)	0.23	0.21	0.21
Financial Ratio				
Debt to Equity Ratio	(Times)	0.92	1.34	1.79
Policy Liability to Capital Fund	(Times)	0.55	0.92	1.36
Equity/Net Premium Income	(Times)	2.56	1.99	2.26
Equity/Net Outstanding Claims	(Times)	3.48	1.69	0.94
Equity/Assets	(Times)	0.52	0.43	0.36
Unearned Premium Reserve to Equity	(Times)	0.26	0.33	0.29
Unearned Premium Reserve/Total Assets	(%)	13.69	14.02	10.42
Payout Ratio	(%)	55.40	97.44	192.31
Per Share				
Par Value	(Baht)	10.00	10.00	10.00
Book Value	(Baht)	262.72	203.56	191.40
Basic Earnings*	(Baht)	21.66	16.42	6.24
Dividends	(Baht)	12.00	12.00	12.00
Stock Dividends	(Baht)	-	4.00	-
Growth Rate				
Premium Written	(%)	(0.15)	19.95	18.63
Income on Underwriting	(%)	70.47	143.58	(97.39)
Net Investment Income	(%)	(7.74)	(57.02)	84.71
Income before Income Tax	(%)	26.67	201.48	59.77
Income Tax	(%)	2.95	786.89	109.16
Net Income	(%)	31.87	163.34	(27.43)
Total Assets	(%)	5.65	(10.77)	6.81

Remarks : * Basic earning per share is determined by dividing net earnings for the period by the number of ordinary shares after the issue of stock dividends in 2013.
(106.47 million shares)

RELATED PARTIES TRANSACTIONS

Types of Related Parties Transactions

A portion of the Company's business deals with related parties, where the relationship may be by shareholding or by companies having the same group of shareholders or directors. In considering the relationship between individuals or enterprises, attention is directed to the substance of the relationship, and not merely to the legal form or the basis of commitments. Transactions are determined on the basis of conditions in the normal course of business and according to market value. In addition to the related-transaction disclosure in Note 11 and 28 of the financial statements for the year 2014, the Company would like to reveal additional information for cross-over transaction as follows:

(Baht : million)				
Transaction with Related Party	Related Party	Relationship	2014	2013
Investment in Associated Companies	Disclosure in Note 11	-	154.9	144.1
Investments in Listed Securities	Disclosure in Note 28	-	26,120.9	19,566.0
Investment in Non-Listed Securities	Disclosure in Note 28	-	528.9	343.5
Premiums Written	Bangkok Bank PCL.	Having Common Directors and Shareholding	108.3	101.2
Interest Income*	Bangkok Bank PCL.	Having Common Directors and Shareholding	58.4	48.5
Interest Payment*	Bangkok Bank PCL.	Having Common Directors and Shareholding	-	-
Dividend Income	Bangkok Bank PCL.	Having Common Directors and Shareholding	221.6	221.6
Bank Deposits	Bangkok Bank PCL.	Having Common Directors and Shareholding	3,633.5	2,483.6
Premium Due and Uncollected	Bangkok Bank PCL.	Having Common Directors and Shareholding	4.7	5.3

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

Necessity and Justification of the Items

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

Procedures for Approval of Interrelated Items

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

Policy of Making Interrelated Items in the Future

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

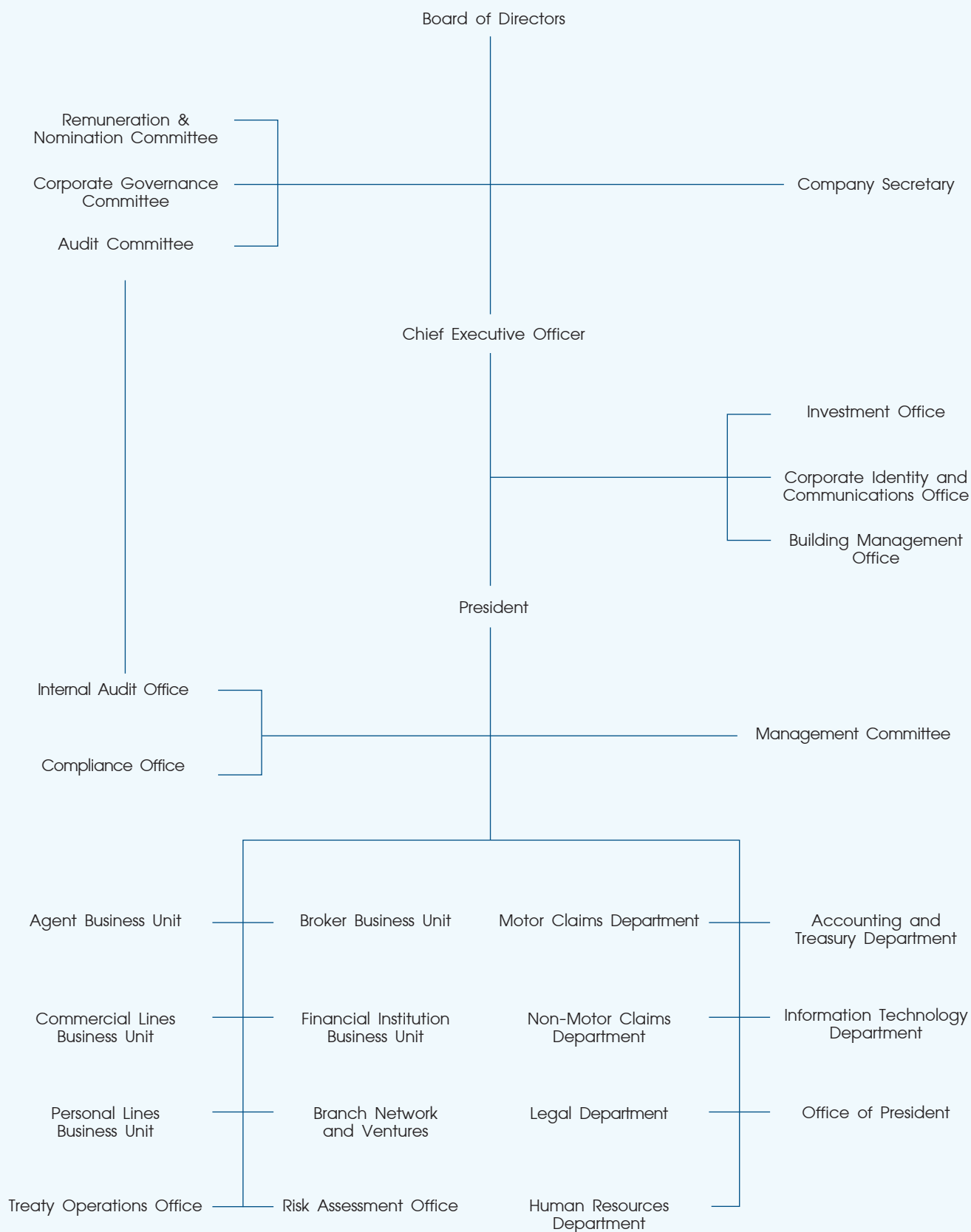
It is the intention of the Company, however, to continue its business in a clear and transparent manner, which is fair to its business partners, customers and shareholders, and is in keeping with the highest standards of benefit to the Company.

SHAREHOLDING IN OTHER COMPANIES

Investment in Companies at 10% or more of Paid-up capital as at December 31, 2014

No.	Company / Address	Line of Business	Type of Shares	No. of Shares Held	% of Company's Paid-up Capital
1	Asian Insurance International (Holding) Ltd. Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Insurance	Ordinary	23,936	41.70
2	Asia Insurance (Cambodia) Plc. No. 5, Street 13, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia	Insurance	Ordinary	962,683	22.92
3	Asia Insurance (Investments) Ltd. 16/F, Worldwide House, 19 Des Voeux Road Central, Hong Kong	Insurance	Ordinary	15,210,000	19.50
4	EMCS Thai Co., Ltd. Regent House 10 th Fl, 183 Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330	Professional Service	Ordinary	1,159,950	19.33
5	PT. Asian International Investindo Ltd. Wisma Asia Lt. 12A, Jl. Letjen S. Parman Kav. 79, Slipi - Jakarta Barat.	Insurance	Ordinary	6,080,000	19.00
6	P C T Asia Insurance Co., Ltd. 43-47 Lanexang Ave. Chanthabuly Dt. Vientiane, Laos	Insurance	Ordinary	237,500	19.00
7	Sorachai Vivatn Co., Ltd. 23 Soi Sukhumvit 63, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110	Property Development	Ordinary	405,000	15.00
8	Union Sime Darby (Thailand) Co., Ltd. Vanissa Building, 20 th Fl, 29 Soi Chidlom, Lumpini, Pathumwan, Bangkok 10330	Insurance Broker	Ordinary	6,000	15.00
9	Bumrungrad International Hospital Public Co., Ltd. 33 Sukhumvit Soi 3, Khlong Toei, Wattana, Bangkok 10110	Health Care Services	Ordinary	106,760,417	14.62
10	Bangkok Chayorath Co., Ltd. 25 Bangkok Insurance/Y.W.C.A. Building, 10 th Fl. Sathon Tai Road, Tungmahamek, Sathon, Bangkok 10120	Insurance Broker	Ordinary	10,000	10.00
11	Bangkok Mitsubishi UFJ Lease Co., Ltd. Sethiwan Tower, 8 th Fl, 139 Pan Road, Silom, Bangrak, Bangkok 10500	Leasing	Ordinary	60,000	10.00

ORGANIZATION STRUCTURE



MANAGEMENT STRUCTURE

Management Structure

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

1. The Board of Directors and 3 committees, which directly report to the Board, comprise the Audit Committee, the Remuneration and Nomination Committee and the Corporate Governance Committee, and
2. The Company's Management, together with 9 committees, which directly report to the Management, consists of the Risk Management Committee, the Investment Committee, the Underwriting Committee, the Claims Management Committee, the Information Technology Committee, the Organization Development and CSR Committee, the Safety, Health and Environmental Committee, the Employees' Welfare Committee and the Information Security Management Committee.

1. Board of Directors

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

Names of the Board of Directors

The Board of Directors (as at December 31, 2014) comprises 12 members as the following:

1. Executive directors consist of 2 members, while other directors include 1 member of the Company's adviser.
2. Non-executive directors consist of 9 members, all of whom are independent directors, amounting to more than one-third of all Board members.

The names of the Board of Directors, including their meeting attendance and remuneration in 2014 are given below.

Name		Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****
			1	2	3	4	
1) Executive Directors and Adviser							
1.	Mr. Chai Sophonpanich	Chairman and Chief Executive Officer	4/4	-	-	-	622,500
2.	Mr. Panus Thiravanitkul	President and Director of the Corporate Governance Committee	4/4 -	- -	- -	- 1/1	622,500 75,000
3.	Mr. Voravit Rojrapitada	Director and Company Secretary and Adviser	4/4	-	-	-	622,500
2) Non-Executive Directors							
4.	Mr. Hideyoshi Kamigata	Independent Director	4/4	-	-	-	622,500

Name		Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****
			1	2	3	4	
2.1) The Audit Committee*							
5.	Mr. Plengsakdi Prakaspesat	Independent Director and Chairman of the Audit Committee	4/4	-	-	-	622,500
			-	6/6	-	-	309,000
6.	Miss Potjane Thanavaranit	Independent Director and Director of the Audit Committee	4/4	-	-	-	622,500
			-	5/6	-	-	309,000
7.	Mr. Chor.nun Petpaisit	Independent Director and Director of the Audit Committee	4/4	-	-	-	622,500
			-	6/6	-	-	309,000
2.2) The Remuneration and Nomination Committee**							
8.	Mr. Singh Tangtaswas	Independent Director and Chairman of the Remuneration and Nomination Committee	3/4	-	-	-	622,500
			-	-	1/1	-	72,000
9.	Mr. Suvarn Thansathit	Independent Director and Director of the Remuneration and Nomination Committee	4/4	-	-	-	622,500
			-	-	1/1	-	72,000
10.	M.R. Supadis Diskul	Independent Director and Director of the Remuneration and Nomination Committee	4/4	-	-	-	622,500
			-	-	1/1	-	72,000
2.3) The Corporate Governance Committee***							
11.	Mr. Virasak Sutanthavibul	Independent Director and Chairman of the Corporate Governance Committee and Director of the Remuneration and Nomination Committee (Appointed on February 27, 2015)	4/4	-	-	-	622,500
			-	-	-	1/1	75,000
12.	Mrs. Ninthira Sophonpanich	Independent Director and Director of the Corporate Governance Committee	2/4	-	-	-	622,500
			-	-	-	1/1	75,000
Total number of meetings in 2014			4 Times	6 Times	1 Time	1 Time	8,838,000

Notes : Meeting Attendance/Number of Meeting Invitations

1. The Board of Directors' meeting

2. The Audit Committee's meeting in 2014, the Audit Committee convened 6 meetings, the 2 of 6 meetings were attended by the independent auditor and without the attendance of the Company's Management.

3. The Remuneration and Nomination Committee's meeting

4. The Corporate Governance Committee's meeting

* The Audit Committee, consisting of the three aforementioned independent members who are non-executive directors, was appointed by the Board's resolution on November 14, 2014, and effective from November 17, 2014, for a three-year-term. The Committee's term will be due on November 16, 2017. Each of the three Audit Committee members possesses comprehensive knowledge and vast experience in the verification of the Company's financial statements. Details of their educational background and working experience, particularly in the verification of financial statements, are revealed in the history of the Board directors.

** The Remuneration and Nomination Committee was appointed by the Board's resolution on August 14, 2013, and effective from August 18, 2013, for a three-year term. The Committee's term will be due on August 18, 2016. Mr.Virasak Sutanthavibul was appointed as a Committee by the Board's resolution on February 27, 2015, for a three-year-term and his term will be due on February, 2018.

*** The Corporate Governance Committee was appointed by the Board of Directors' resolution on February 28, 2014, and effective from February 28, 2014, for a three-year term. The Committee's term will be due on February 27, 2017.

**** The Board Directors' Remuneration for 2014 was approved by the shareholders' 21th general meeting on April 25, 2014, in the amount not exceeding Baht 9.0 million.

The Scope of Duties and Authority of the Company's Board of Directors

The Company's Board of Directors plays a role in overseeing the Company's administration to ensure that its management has implemented all the Company's policies and fulfilled its performance goals as proposed to the Board, including having a strong determination to achieve an excellent work performance for the benefit of the Company's shareholders and all groups of stakeholders. The Company's Board's scope of duties and authority also includes the following:

1. To consider and define the policy on good corporate governance for the management's implementation. This includes a review and evaluation of such implementation consequences so that the management can make improvements and make a report in the Company's annual report.

2. To consider the appropriateness of, as well as make suggestions on and approve the vision of, strategies and performance goals of the Company, as proposed by the management, including following up and assessing performance achievement.

3. To oversee the Company's performance so that it has appropriate systems of risk management, internal control and audit.

4. To generate effective selection procedures and succession plans for the Company's Board of Directors and executive management. The Board will appoint the Chief Executive Officer and the President as head of the executive management team to take responsibility for the Company's business performance under the Board's supervision.

5. To ensure that the Company has a practical guideline concerning the morality of its business performance, as well as the Board's and employees' good practices, including an effective communication mechanism for the acknowledgement of the parties concerned.

6. To consider the appropriateness of an appointment and define the scope of duties and responsibilities of sub-committees.

7. To consider an appropriate authorization to the Chief Executive Officer and the President for a swift performance of normal business.

8. To make a report explaining the Company's Board's responsibility for financial statements preparation, which shall be disclosed in the Company's annual report.

9. To consider a performance evaluation of the Company's Board of Directors, the Chief Executive Officer and the President, including overseeing an arrangement of an effective procedure for an assessment of the Company's executives' duty performance.

10. To consider the appropriateness of an appointment of the Company secretary and define the scope of his/her duties and responsibilities.

11. To provide a channel for the Company's stakeholders to communicate with the Company's Board in order to inform on useful information or advice to the Company for consideration and implementation in accordance with the defined procedures.

12. To conduct any duties so that they are in accordance with laws, orders and the Company's shareholders' resolutions.

The Board of Directors' Meeting

The Company's Board of Directors has determined in advance its meeting a minimum of 4 times a year so that each Board member will be informed of and set aside time for the Board's meeting. Nevertheless, there may be an additional extraordinary meeting as the Board thinks necessary. The meeting invitation letters, including an agenda and other relevant documents, will be delivered, no less than 7 days prior to the date of the meeting, to all the Board members. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company secretary. For each meeting, the Chairman of the meeting is in charge of providing time

for presentations of related information, discussions and interrogations, as well as for each Board member to make a comprehensive comment. In consideration of the agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda. In addition, the Board may ask the Chairman or the Company secretary for additional explanations and examination of relevant documents.

The Board encourages its non-executive directors to convene a meeting among themselves, and assigns the Company secretary to facilitate such a meeting upon request from non-executive directors.

Directors Authorized to Bind the Company to Any Decision

The Company's Board directors who are authorized to bind the Company to any decision are two out of the three directors, namely Mr. Chai Sophonpanich, Mr. Panus Thiravanitkul or Mr. Voravit Rojrapitada, who must sign together and affix the Company's seal.

2. Management Committee

Management Committee

The Management Committee consists of senior executives appointed by the Company's Chief Executive Officer. The Management is authorized by the Board's resolution to act on behalf of the Company in its daily missions and other general missions related to the Company's business transactions, which is aimed at alleviating the Board's missions, apart from the flexibility of the performance of any of the Company's work, to achieve the targets and goals defined, prior to reporting to the Board for acknowledgement. Nevertheless, an exercise of such authority of the Management Committee is infeasible if it is a stakeholder or has conflicts of interest, in any form, with the Company.

For any performance related to the Company's internal affairs, for instance, an issuance of circular letters, the determination of rules, regulations, orders and any other proclamations, the Company's Chief Executive Officer or President will be authorized to sign them, using the same practice procedure as those of other private companies of similar business, while also considering the Company's benefit as principal.

Name of the Management Committee

The term "The Company's Management Committee", as defined in the Office of Securities and Exchange Commission's notices, includes the first four executive members following the manager. In compliance with the Company's organizational structure, the Company's Management Committee is made up of the first four executive members following the Chairman and Chief Executive Officer. The Management Committee (as at December 31, 2014) is comprised of 13 executive members whose names are listed below.

Name of the Management Committee	Position
1. Mr. Chai Sophonpanich	Chairman and Chief Executive Officer
2. Mr. Panus Thiravanitkul	President
3. Mr. Anon Vangvasu	Executive Vice President
4. Mr. Suphat Yookongbandhu	Executive Vice President
5. Dr. Apisit Anantanatarat	Executive Vice President
6. Mr. Satit Liptasiri	Senior Vice President
7. Mrs. Srichittra Pramojaney	Senior Vice President
8. Mr. Jakkrit Chewanuntapornchai	Senior Vice President
9. Miss Pimjai Luemrung	Senior Vice President
10. Mr. Suchart Chirayuwat	Senior Vice President
11. Mr. Aree Vanairlor	Senior Vice President
12. Mr. Lert Vongchai	Senior Vice President
13. Mr. Natdanai Pornchaisiriarun (Appointed on April 1, 2014)	Senior Vice President

The Scope of Duties and Authority of Management Committee

1. To verify, before presenting to the Board of Directors for consideration, the Company's vision, strategies, business goals, and annual budget, as well as policy on risk management.
2. To verify, before presenting to the Board of Directors for consideration, the procurement or disposal of the Company's major assets.
3. To ensure that the Company has an implementation based on its policy on corporate governance, as well as an evaluation of its consequences, including suggestions for the Corporate Governance Committee's consideration.
4. To conduct any duties assigned to them by the Board of Directors.
5. To periodically follow up and report on the Company's performance to the Board of Directors.

3. The Company Secretary

The Company's Board of Directors' meeting (No.3/2008) held on August 14, 2008, passed a resolution appointing Mr. Voravit Rojrapitada as the Company Secretary, effective from August 14, 2008 until now, in order to oversee, coordinate and facilitate the Board's meeting and shareholders' meeting so that they are in compliance with the laws, rules and regulations concerned. The Company Secretary is a qualified person besides having comprehensive knowledge and capability to perform his or her duty and assume the position. The Company has defined its Secretary qualifications and scope of duties and authority as the following:

The Qualification of Company Secretary

1. Have comprehensive knowledge and understanding of the Company's business, including roles and duties related to the work of the Company secretary, for instance, duties of the Board and the Company, as well as possess sound knowledge of related laws and regulations, including the continuous pursuit of knowledge and follow-up of data and information for the development of work implementation.
2. Perform duties in accordance with laws, rules and the Company's regulations, with responsibility, caution, integrity and determination, including lending support for the Company's operation, based on the Company's principles of good corporate governance and code of ethics, so that the Company may fulfill its goals.
3. Strictly adhere to virtue and morality, as well as take into account all groups of stakeholders, while not acting in a way that will cause damage to the Company's reputation and good image.
4. Not aim at self-interest out of the Company's business opportunities, and well maintain the Company's secrecy.
5. Have good human relations and an ability to coordinate with other departments and sections both inside and outside the Company.

The Scope of Duties and Authority of the Company Secretary

The Company Secretary's duties are to oversee, coordinate and facilitate the Board's meeting and shareholders' meeting. Other duties and authority include the following:

1. Provide preliminary suggestions on the Company's laws and orders to the Board of Directors and follow up to ensure that they are implemented accurately and steadily, including making a report to the Board on a significant change in those laws and orders.
2. Hold a meeting of the Company's shareholders or Board in accordance with the laws and the Company's regulations and requirements.
3. Record shareholders' and the Board's meeting reports, including following up to ensure that their meetings' resolutions are implemented accordingly.
4. Prepare and maintain the Board's registration, the Company's annual report, as well as shareholders' and the Board's meeting invitation letters and meeting reports.
5. Keep a report on stakeholding as reported by the Company's Board or management, including making a copy and submitting it, within 7 working days starting from the day the report is received, to the chairman of the Board and the chairman of the Audit Committee for acknowledgement.
6. To ensure that there is disclosure of related data and an information report to agencies supervising the Company, based on the government's orders and requirements.

7. Get in touch and communicate with general shareholders so that they are informed of their rights and the Company's information.
8. Oversee the Company's Board of Directors' activities.
9. Carry out other activities defined by the Capital Market Commission.

4. Remuneration for Directors and Management

4.1 Remuneration in the Form of Money

(a) In 2014, the Company paid the Board's meeting allowance to the Board directors, totaling Baht 8,838,000. The payment procedure has to go through a consideration of the Remuneration and Nomination Committee, while the annual remuneration amount, which does not exceed Baht 9 million, has been approved by shareholders' meeting. Details of remuneration criteria are given below.

The Board of Directors	Annual Remuneration (Baht/Person)	Payment made each quarter (Baht/Person)
The Board Directors	630,000	157,500
The Audit Committee	312,000	78,000
The Remuneration and Nomination Committee	75,000	-
The Corporate Governance Committee	75,000	-

(b) As at December 31, 2014 the Company's executive directors comprised 13 members, who were paid a total remuneration of Baht 72,944,350 consisting of salary, bonus, motor and telephone expenses, as well as the employer's contributions to the social security fund. Out of the 13 executive directors, two are executive members.

4.2 Other Remuneration

In 2014, other remuneration, such as providence fund, totaling Baht 4,425,880, was paid to 13 Company executive directors and executive members.

Accordingly, in 2014, a total remuneration, both in the form of money (as in 4.1 - b) and others (as in 4.2), of Baht 77,370,230 was paid.

5. Personnel

Total Employees

As at December 31, 2014, the Company had a total of 1,446 employees, comprising 1,069 employees working on the Company's core business lines, and 377 employees working on supporting business lines.

The number of employees working on each core business line is listed below.

Type of Core Business	Number of Employees (Person)
Agent Business Unit	70
Broker Business Unit	75
Commercial Lines Business Unit	82
Financial Institution Business Unit	76
Personal Lines Business	83
Branch Network and Ventures	268
Treaty Operations Office	13
Risk Assessment Office	9
Non - Motors Claims Department	52
Motor Claims Department	341
Total	1,069

Total Remuneration and Characteristic of Remuneration for Employees

In 2014, the Company's employees were paid a total remuneration of Baht 886,852,968 consisting of salary, bonus, employer's contributions to the social security fund, overtime, motor and telephone expenses, providence funds and severance pay upon retirement.

Policy on Personnel Development

The Company has constantly given priority to its personnel development, with a firm belief that "Personnel are a valuable resource for the organization". Therefore, the Company has concentrated on developing the quality of its personnel both for their managerial competency and technical proficiency with a view to creating personal/interpersonal effectiveness, enabling the Company to fulfill the objective of its business transactions, including generating their own opportunity for career advancement, along with the Company's progress and prosperity, through a procedure of intensive, systematic and continuous training and development in myriad patterns, both for vocational knowledge such as insurance knowledge, and knowledge necessary for work performance, for instance, proactive insurance market and sale, insurance consultative sale, skills on job presentation, negotiation and bargaining, including developing all levels of employees' managerial skills. This has been carried out in collaboration with NIDA Business School offering a Mini MBA course, aimed at developing the management's skills, apart from cooperating with Development Outsourcing (Thailand) in providing the Company's employees with the leadership development training program in order to develop their leadership skills, besides giving a training course and activity on language skill development, in order to develop its staff to acquire professionalism and have a long vision, and be prepared for international business rivalry. In addition, the Company has encouraged its staff to receive foreign training or seminar, apart from continuously providing scholarships for a master degree study in leading local and foreign educational institutions.

In 2014, the Company provided its staff with a total of 269 training courses, held both within and without the Company's premises. Concerning the development of its employees' knowledge and skills, the Company provided an average of over 7 day/staff/year, with 25 scholarships granted to staff for training/seminar overseas, while the budget spent on the Company's staff training and development amounted to over Baht 9.0 million.

Since the Company gives significance to the development of its executives, aimed at the ability to administer its business constantly and efficiently, it has formulated a succession plan for its senior executives by defining a plan for systematic development of senior executives, including the development of the Company's office and branch administrators and other officers concerned in response to the expansion of its regional branches so that they can provide all-inclusive and efficient services to customers in response to their demands, besides generating the greatest satisfaction for them and the Company's business partners. Furthermore, the Company has also encouraged job rotation, both a transfer within one's work unit and across one's line of work, so that staff will have an opportunity to develop their skills on learning new issues, causing them to possess a broader working viewpoint and be ready for changes, including having an ability to better manage details of their work.

Similarly, the Company has also made determined efforts to attain sustainable development of its organization through promoting knowledge management within it, and encouraging its experienced and knowledgeable executives and staff in the DNA Trainer group to take part in a transfer and exchange of knowledge and experience via such procedures as,

- Act as a lecturer for a lecture on knowledge of insurance, through both theoretical and practical training in the form of Insurance Camp, for staff.
- Arrange for a stage for discussions and exchanges of experiences from the Company's best practices.
- Write an article on knowledge from working experiences and training/seminar both inside and outside the country for dissemination within the Company.
- Compile and disseminate knowledge from various media, for example, narrative sound media, VDO media, printed materials, e-learning texts, etc.

All knowledge data will be collected and kept in the Company's knowledge-based system so that its staff may have easy and quick access to it and study by themselves, including adapting it to their work performance to enhance the Company's potential in its business competition and development toward a learning organization, or living organization, that can properly and coherently adapt itself to changing circumstances.

SHAREHOLDINGS STRUCTURE

Breakdown of Shareholdings

As at November 28, 2014 (The Record Date)

Issued and Fully Paid-up Share Capital: Baht 1,064.7 Million

Class of Share : Ordinary Shares at Baht 10 per Share

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 10,000	1,624	72.99	3,044,146	2.86
10,001 - 50,000	368	16.54	8,155,794	7.66
50,001 - 150,000	135	6.07	11,994,217	11.27
150,001 Up	98	4.40	83,275,843	78.21
	2,225	100.00	106,470,000	100.00

Thai Shareholders 81.78% Non - Thai Shareholders 18.22%

Major Shareholders and Numbers of Shareholdings as at November 28, 2014 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at Nov 28, 2014	%
1. Bangkok Bank Public Co., Ltd.	10,613,194	9.97
2. HWIC ASIA FUND*	6,752,114	6.34
3. Mr. Chai Sophonpanich**	4,273,026	4.01
4. Chin Sophonpanich Foundation	3,370,934	3.17
5. C.R. Holding Co., Ltd.	3,370,934	3.17
6. Aioi Insurance Co., Ltd.	2,989,599	2.81
7. Mr. Choedchu Sophonpanich	2,691,452	2.53
8. Mr. Chatri Sophonpanich	2,514,033	2.36
9. Mr. Niti Osathanugrah	2,224,362	2.09
10. Mr. Charn Sophonpanich	2,104,025	1.98
11. HWIC ASIA FUND A/C CLASS C2 SHARES*.	1,696,191	1.59
12. GLORY HOPE LIMITED*	1,658,517	1.56
13. VAYUPAK FUND 1 Krung Thai Asset Management Public Co., Ltd.	1,589,203	1.49
14. VAYUPAK FUND 1 MFC Asset Management Public Co., Ltd.	1,589,203	1.49
15. Rabil Holding Co., Ltd.	1,406,071	1.32
16. Bangkok Rinvest Co., Ltd.	1,282,100	1.20
17. Thai Reinsurance Public Co., Ltd.	1,253,413	1.18
18. Aberdeen Growth Fund	1,237,241	1.16
19. Khunying Chodchoy Sophonpanich	1,139,374	1.07
20. Aberdeen Small Cap Fund	1,090,200	1.02

Remark : * Shareholders in the 2, 11 and 12 order is Nominee Account or Custodian (The Company has audited with Thailand Securities Depository Company Limited) so the Company cannot disclose the Ultimate Shareholders.

** Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows: Spouse - Mrs. Nuchanart Sophonpanich 465,746 Shares

Shareholding of the Board of Directors, as at November 28, 2014 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at Nov 28, 2014	Number of Shares As at Nov 26, 2013	Change
1. Mr. Chai Sophonpanich ^{*1}	4,273,026	3,026,462	1,246,564
2. Mr. Plengsakdi Prakaspesat	-	-	-
3. Mr. Singh Tangtaswas	153,300	109,000	44,300
4. Miss Potjanee Thanavaranit	-	-	-
5. Mr. Chor.nun Petpaisit	-	-	-
6. Mr. Suvarn Thansathit	-	-	-
7. Mr. Virasak Sutanthavibul	-	-	-
8. Mrs. Ninthira Sophonpanich ^{*2}	2,949	2,107	842
9. M.R. Supadis Diskul	-	-	-
10. Mr. Hideyoshi Kamigata	-	-	-
11. Mr. Panus Thiravanitkul ^{*3}	22,247	14,891	7,356
12. Mr. Voravit Rojrapitada	68,140	48,672	19,468

Remark : * Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

*1. Spouse - Mrs. Nuchanart Sophonpanich 465,746 Shares

*2. Spouse - Mr. Chartsiri Sophonpanich 2,949 Shares

*3. Spouse - Mrs. Suporn Thiravanitkul 4,200 Shares

Shareholding of Management Committee, as at November 28, 2014 (The Record Date) for the right to attend the meeting and to receive the dividend payment:

Name	Number of Shares As at Nov 28, 2014	Number of Shares As at Nov 26, 2013	Change
1. Mr. Chai Sophonpanich ^{*1}	4,273,026	3,026,462	1,246,564
2. Mr. Panus Thiravanitkul ^{*2}	22,247	14,891	7,356
3. Mr. Anon Vangvasu ^{*3}	48,655	34,754	13,901
4. Mr. Suphat Yookongbandhu ^{*4}	58,309	40,936	17,373
5. Dr. Apisit Anantanatarat	4,613	3,295	1,318
6. Mr. Satit Liptasiri	11,230	8,022	3,208
7. Mrs. Srichittra Pramojaney	560	-	560
8. Mr. Jakkrit Chewanuntapornchai	-	-	-
9. Miss Pimjai Luemrung	14,515	10,368	4,147
10. Mr. Suchart Chirayuwat	-	-	-
11. Mr. Aree Vanairlor	3,395	2,425	970
12. Mr. Lert Vongchai	1,596	1,140	456
13. Mr. Natdanai Pornchaisiriarun (Appointed on April 1, 2014)	-	-	-

Remark : * Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

*1. Spouse - Mrs. Nuchanart Sophonpanich 465,746 Shares

*2. Spouse - Mrs. Suporn Thiravanitkul 4,200 Shares

*3. Spouse - Mrs. Thunyaporn Vangvasu 15,015 Shares

*4. Spouse - Mrs. Warunee Yookongbandhu 43,399 Shares

Dividend Payment Policy

Since it is anticipated that business will expand consistently, the Company will try to maintain the level of dividend to be paid to shareholders at about 50.0 percent of its net income after income tax deduction, and pay the dividend four times a year. In this regard, the Company will consider paying the dividend based on its performance consequence and in accordance with the country's economic situation.

The Company's data on dividend payment over the past five years:

Shareholders' Meeting Time/Year	Year of Payment	Dividend and Stock Dividend					Total
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Stock Dividend	
18/2011	2010	2.75	2.75	2.75	3.75	-	12
19/2012	2011	2.75	2.75	2.75	3.75	-	12
20/2013	2012	2.75	2.75	2.75	3.75	-	12
21/2014	2013	2.75	2.75	2.75	3.75	4*	16
22/2015	2014	2.75	2.75	2.75	3.75	-	12

Remark : * For the shareholders' 21st general meeting on April 25, 2014, the Company was approved by the meeting to increase its paid-up capital from Baht 760.5 million to Baht 1,064.7 million, by issuing shares to be paid as stock dividends to shareholders at the rate of 5 existing shares per 2 share of stock dividend. In case of a share fraction, a dividend payment is made, in the portion of this share fraction, to shareholders at Baht 4 per share.

PRINCIPLES OF GOOD CORPORATE GOVERNANCE

1. The Policy on Good Corporate Governance

The Bangkok Insurance Public Company Limited Board of Directors fully realizes the significance of good corporate governance based on transparency, accuracy and fairness, generating the greatest benefit for all stakeholders, and has thus defined the policy on good corporate governance so that the Company's Board of Directors, management and all employees will use it as a standard for the best performance of work under their responsibility. This, of course, will result in the Company's business having a standard management system and developed to prosperity and progress, generating much confidence and trust among shareholders, investors and the general public.

In 2014, the Company had performed according to the principles of good corporate governance, with details described below.

The Section on Shareholders' Rights The Company has performed completely in accordance with the principle of good corporate governance, for instance, a proposal for a Board director's remuneration of all kinds at the shareholders' annual meeting for their approval; a proposal for shareholders' acknowledgement of clear policies and principles concerning the determination of a Board director's remuneration. The Company has also given an opportunity to shareholders to vote for a Board director individually, propose the meeting agenda in advance, as well as submit questions in advance to the Company prior to the meeting day. Additionally, the Company also presents to the shareholders a general meeting invitation letter and the history and details of a person nominated for a Board member, details of the Company's auditor appointment in the general meeting invitation letter, including facts and the Board's recommendations and arguments on each agenda of shareholders' general meeting. Similarly, the Company informs shareholders before a general meeting of the law to vote and the method of vote counting; gives them an opportunity to ask questions during the meeting and has the questions and answers recorded in the general meeting's minutes; records voting results for each agenda of shareholders' general meeting, whether agreed, or disagreed or abstention, as well as has the names of Board directors attending shareholders' meeting recorded. Likewise, any agenda that is not defined in the shareholders' general meeting invitation letter will not be considered.

The Section on Equal Treatment of Shareholders The Company's practices of equal treatment of shareholders based on the principle of good corporate governance are, for instance, provision of the minority of shareholders' rights to propose the meeting agenda and nominate the Board's director, through the criteria and procedures propagated on the Company's website; presentation of shareholders' general meeting invitation letter; explanation of details of documents to be used for mandate-giving, as well as promoting an equal exercise of every shareholder's right based on the number of shares he or she holds, including formulation of a policy of strict control over the use of inside information, and notification of the issue to the Company's Board and management for acknowledgement.

The Section on Consideration of Stakeholders' Role The Company's policy for each group of stakeholders has been defined. Furthermore, the Company has provided a channel for each group of stakeholders to give suggestions and comments or file a complaint to the Company's Board of Directors through the Company Secretary and Quality Control Center on the Company's website at www.bangkokinsurance.com.

The Section on Data Disclosure and Transparency The Company discloses such significant data as its policy on corporate governance and its implementation consequences, shareholders structure and structure of each committee as well as its history and roles, along with the Company's business transactions and returns. The disclosure has been made accurately and steadily through the channels of the SET, as well as the Company's annual report and website, and also a press conference, given each quarter, concerning the Company's financial statements. Additionally, the Company has established an Investor Relations in order to provide the Company's information and data to investors, in particular via the phone numbers and e-mail address displayed on the Company's website at www.bangkokinsurance.com.

The Section on the Board of Directors' Responsibilities The Company has strictly complied with its Board of Directors' principles of good corporate governance covering the Board's roles and duties, qualifications, meetings, self-evaluation, and remuneration, including the development of the Company's Board and management.

In 2014, the Company's Board made a self-evaluation on its work performance. The evaluation was divided into 6 sections, including those on the Board's policy, duty performance, structure, performance guideline, meeting and arrangement, and qualifications. With regard to the methodology of the Board's self-evaluation, each Board director gave a score to himself or herself independently in each section. Then all directors' scores in each section were added up and divided by the number of directors. It was found that the average score, derived from the sum in all sections, was 4.84, representing 97.0 percent of the total 5 scores, approximate to an evaluation consequence in the previous year. In this connection, the Company's Board had assigned the Corporate Governance Committee to contemplate the evaluation result in order to appropriately improve its performance subsequently.

Details of the Company's policy on good corporate governance may be viewed on its website at www.bangkokinsurance.com.

2. Sub-Committees

The Company's management structure consists of 2 major groups of committees as the following:

1. Committees which directly report to the Board, comprise 3 committees, namely the Audit Committee, the Remuneration and Nomination Committee and the Corporate Governance Committee*.

2. Committees which directly report to the Management Committee, consist of 9 committees, namely the Risk Management Committee, the Investment Committee, the Underwriting Committee, the Claims Management Committee, the Information Technology Committee, the Organization Development and CSR Committee, the Safety, Health and Environmental Committee, the Employees' Welfare Committee** and the Information Security Management Committee***.

Note: * The Corporate Governance Committee was appointed by the resolution of the Board of Directors' meeting on February 25, 2011 as a Committee from the two existing committees, namely, the Audit Committee and the Remuneration and Nomination Committee.

** The 8 committees were appointed by the resolution of the Board of Directors' meeting on February 25, 2011, which was recently additionally improved by the resolution of the Company's management's meeting and made into the Company's declaration (2013/010) dated July 1, 2013, entitled "the Appointment of Committees", which became effective from July 1, 2013 onward.

*** The Information Security Management Committee was appointed by the resolution of the Company's management's meeting and made into the Company's declaration (2013/008) dated February 1, 2013, which was recently additionally improved by the resolution of the Company's management's meeting and made into the Company's declaration (2013/010) dated July 1, 2013, entitled "the Appointment of Committees", which became effective from July 1, 2013 onward.

1. Committees Directly Reporting to the Board

The Company's Board of Directors has appointed 3 committees, which directly report to the Board, comprising the Audit Committee, the Remuneration and Nomination Committee and the Corporate Governance Committee. In this regard, Board directors and executives, excluding the Chairman, have been appointed as members of the 3 committees in order to help consider significant work cautiously and in compliance with the Company's policy on good corporate governance and the OIC's laws and regulations. Each committee has a three-year term, including the following components and scope of duties and authority.

1.1 The Audit Committee

The Audit Committee (as at December 31, 2014) is comprised of 3 independent Board directors, namely,

1. Mr. Plengsakdi Prakaspesat Independent Director and Chairman of the Audit Committee
2. Miss Potjanee Thanavaranit Independent Director and Director of the Audit Committee
3. Mr. Chor.nun Petpaisit Independent Director and Director of the Audit Committee

Each director of the Audit Committee has skills, knowledge, understanding and working experiences in accounting and finance. All 3 directors of the Audit Committee possess sufficient knowledge and experience to verify the reliability of the Company's financial statements.

The Scope of Duties and Authority of the Audit Committee

The Audit Committee has the following scope of duties and authority:

1. To verify the Company's financial statements to ensure that they are completely, accurately and reliably established in accordance with Thai Accounting Standards, while significant data is sufficiently disclosed.

2. To verify and make an assessment of the Company's systems of internal control, internal audit and risk management to ensure their appropriateness, effectiveness and compactness, based on the framework accepted by international standards, including defining the Internal Audit Office's duties, responsibilities, authority and independence, and an approval for the appointment, reshuffle and employment termination of the head of the Internal Audit Office.

3. To verify the Company's practices to ensure that they are in compliance with the Security Act and Security Exchange Act, the SET requirements, Non-Life Insurance Act, the OIC requirements, and other laws related to the Company's business.

4. To consider a selection and proposal for an appointment and employment termination of an independent person who acts as the independent auditor, and fix his/her remuneration, including attending a meeting, at least once a year, with the auditor but without the Management in attendance.

5. To oversee crossover transactions and those with conflicts of interest so that they are in compliance with laws and the SET requirements, and bring about maximum benefits to the Company.

6. To provide recommendations to the Management for its efficient and effective overseeing of the Company's operations, and report to the Board of Directors for an improvement within the time the Audit Committee sees appropriate, in the case the Audit Committee has found or become suspicious of the following transactions or acts:

- (a) Transactions with conflicts of interest.
- (b) Malfeasance, abnormality or significant deficiency in the internal control system.
- (c) Violation of laws on non-life insurance or other laws related to the Company's business.

7. To prepare the Audit Committee's report, which shall be included in the Company's annual report.

The report must be signed by the Chairman of the Audit Committee and consist of a minimum of the following data:

- (a) An opinion on the Company's financial statements' accuracy, completeness and reliability.
- (b) An opinion on the Company's adequacy and effectiveness of internal control systems.
- (c) An opinion on the practices in accordance with the Security Act, the SET requirements or other laws related to the Company's business.
- (d) An opinion on the Company's auditor's appropriateness.
- (e) An opinion on transactions with conflicts of interest.
- (f) The number of the Audit Committee's meetings and each committee member's meeting attendance.
- (g) An overall opinion or note that the Audit Committee has received due to its duty performance based on the Charter.
- (h) Other items which the Audit Committee thinks that the Company's shareholders and general investors should know, within the scope of duties and responsibilities assigned to it by the Board of Directors.

8. Any other implementations assigned to the Audit Committee by the Board of Directors, with an approval of the former*.

Note:* The Audit Committee's scope of duties and authority was recently additionally improved by the resolution of the Company's Board of Directors' meeting on November 14, 2014.

The Audit Committee's Meeting

A minimum of 4 meetings a year is defined.

1.2 The Remuneration and Nomination Committee

The Remuneration and Nomination Committee (as at February 27, 2015) comprises 4 members, namely,

1. Mr. Singh Tangtaswas Independent Director and Chairman of the Remuneration and Nomination Committee
2. Mr. Suvarn Thansathit Independent Director and Director of the Remuneration and Nomination Committee
3. M.R. Supadis Diskul Independent Director and Director of the Remuneration and Nomination Committee
4. Mr. Virasak Sutanthavibul* Independent Director and Director of the Remuneration and Nomination Committee

The committee chairman and at least one of its members have to be independent directors. Every time there is an appointment of a new Board director, the Remuneration and Nomination Committee is responsible for a review of the Board of Directors' qualifications in order to define appropriate qualifications of a new Board director, who will strengthen the Board of Directors.

Note: Mr. Virasak Sutanthavibul was appointed by the resolution of the Board of Directors' meeting on February 27, 2015 as a director of the Remuneration and Nomination Committee, effective from February 27, 2015, for a three-year term. His term will be due on February 2018.

The Scope of Duties and Authority of the Remuneration and Nomination Committee

The scope of duties and authority of the Remuneration and Nomination Committee includes the following.

1. To ensure that the number and proportion, as well as the components of the Board of Directors are appropriate to the organization.
2. To select a suitable and qualified person to replace a Board member in case of his completing his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board for consideration and appointment, based on the case and in accordance with the Company's regulations.
3. To select a suitable and qualified person to supersede the Chief Executive Officer and the President in case of an expiry of their term, resignation or other reasons, besides nominating a new person for the Board's scrutiny and appointment.
4. To oversee and define policies on remuneration and other benefits of the Board of Directors, the Chief Executive Officer and the President that are appropriate to their duties and responsibilities.
5. To ensure that there is a plan for a succession to the position of the Chief Executive Officer and the President.

The Remuneration and Nomination Committee's Meeting

It is a specific purpose meeting which is convened when necessary but shall be no less than once a year.

1.3 The Corporate Governance Committee

The Corporate Governance Committee (as at December 31, 2014) comprises 3 members, who are directors and/or executives, namely,

1. Mr. Virasak Sutanthavibul Independent Director and Chairman of the Corporate Governance Committee
2. Mrs. Ninthira Sophonpanich Independent Director and Director of the Corporate Governance Committee
3. Mr. Panus Thiravanitkul Director and Director of the Corporate Governance Committee

The committee chairman has to be an independent director.

The Scope of Duties and Authority of the Corporate Governance Committee

The scope of duties and authority of the Corporate Governance Committee includes the following:

1. To consider, define and review in order to improve the Company's policy on good corporate governance so that it appropriately goes in accordance with the principles of good corporate governance.
2. To consider, define and review in order to improve the requirements concerning the morality of business performance and good practices of the Company's Board directors, executives and employees.
3. To follow up the consequence of a continuous and appropriate implementation of the Company's policy on good corporate governance and code of corporate conduct.
4. To make a report on the performance consequence to the Company's Board of Directors concerning the Company's good corporate governance policy, including giving an opinion on the practical guideline, and making a suggestion in order to modify or improve the policy based on appropriateness.

The Corporate Governance Committee's Meeting

It is a specific purpose meeting which is convened when necessary but shall be no less than once a year.

2. Committees Directly Reporting to the Management Committee

The Company's Management Committee has appointed 9 committees, which directly report to the Management, consisting of the Risk Management Committee, the Investment Committee, the Underwriting Committee, the Claims Management Committee, the Information Technology Committee, the Organization Development and CSR Committee, the Safety, Health and Environmental Committee, the Employees' Welfare Committee and the Information Security Management Committee. In this regard, the Management Committee members have been appointed to the 9 committees to help verify significant issues so as to mitigate the Management Committee's missions and decentralize the authority on the verification of important matters, in conformity with the Company's policy on good corporate governance and the government agencies' supervisory laws and regulations. Each committee has the following components and scope of duties and authority.

2.1 The Risk Management Committee consists of at least 5 directors and/or executives, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To consider and define the policy on overall risk management, covering different categories of the Company's significant risks, in order to present to the Board for consideration.
2. To consider and define strategies in accordance with a policy on risk management, including following up and overseeing the Company's risks so that they are at an appropriate level.
3. To review the adequacy of the policy on and the procedure of risk management, including the effectiveness of such a policy and policy implementation.
4. To make a report on the performance consequence to the Board every six months.

2.2 The Investment Committee is composed of at least 3 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of investment, money market and capital market, with the following scope of duties and authority.

1. To define an investment policy appropriate and flexible to changing situations, with a consideration of risks and related laws, before presenting it to the Management Committee for approval.
2. To consider and give approval for rules and orders and practice procedures of the Company's investment.
3. To consider for approval of investment based on the level of approval authority.
4. To oversee the status of the Company's investment capital.
5. To verify and adjust the Company's investment policy to ensure its appropriateness to changing circumstances.

2.3 The Underwriting Committee consists of at least 3 executives, each having a two-year term and at least one meeting every two months, having knowledge, expertise and understanding of underwriting and a consideration of each category of risks, including reinsurance, with the following scope of duties and authority.

1. To define the underwriting and reinsurance policy appropriate and flexible to changing conditions, with a consideration of risks and related laws, before presenting it to the Management Committee for approval.
2. To act to ensure that the Company has implemented its underwriting work in accordance with the policy approved by the Management Committee.
3. To consider for approval of premium rates.
4. To consider for approval of an authorized list of reinsurers.
5. To consider for approval of rules and orders and practice procedures of the Company's underwriting and reinsurance.
6. To consider for approval of underwriting based on the level of approval authority.
7. To verify and adjust the policy on underwriting and reinsurance so that it is appropriate for changing circumstances.
8. To oversee the business units' planning and consider the appropriateness of key performance index (KPI), goals and budget to be spent on the plan, including following up progress, and resolving problems and impediments to ensure that the goals on the business units' strategies and work plans are accomplished.
9. To make a report on the underwriting consequence to the Board every six months.

2.4 The Claims Management Committee comprises at least 3 executives, each having a two-year term and at least one meeting every two months, having knowledge, expertise and understanding of claims management, with the following scope of duties and authority.

1. To define a policy on claim management.
2. To oversee the status of a claim demand, and act to ensure that the Company has arranged for an adequate and complete amount of claim reserve or insurance reserve.
3. To settle a dispute incurred by a claim demand, including managing and correcting in case of a claim fraud.
4. To oversee, follow up and resolve the problems and obstacles to ensure that the quality of claims services is satisfactory to customers and business partners.

2.5 The Information Technology Committee is composed of at least 5 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of the information technology and work system, with the following scope of duties and authority.

1. To define the policy and main work plans on the information technology and work systems concerned.
2. To define appropriate key performance index (KPIs) and technological strategies.
3. To follow up, oversee and resolve the problems and obstacles to ensure that the goals on technological strategies and work plans are achieved.
4. To diagnose and decide on new projects, work systems, procurement and expansion of a computer network and equipment.
5. To follow up and study an upcoming trend of information technology change, and notify it to the departments concerned to realize such change which may have an impact on the Company's business transactions.
6. To support all sections to utilize information technology to their utmost capability so as to enhance the Company's employees' duty performance efficiency.
7. To give advice and coordinate for the development of a computer system and administrative data.

2.6 The Organization Development and CSR Committee comprises at least 7 executives from various sections, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To initiate and verify strategies to develop the organization so as to keep pace with changes and achieve sustainable development.
2. To develop the pattern of or create supporting activities in order for the organization to achieve its goals in a concrete and united manner.
3. To oversee the organization's annual plan to enhance the efficiency and development of personnel, including considering the appropriateness of key performance index (KPI), goals and budget to be spent on the plan.
4. To initiate and verify CSR strategies and carry out activities, to ensure concrete consequences, which follow in the same direction throughout the organization and agencies (alliances) concerned.
5. To oversee and campaign for the promotion of the Company's sustainable culture "Your Caring Partner" among the Company's employees.
6. To make a report on the performance consequence to the Board at least once a year.

2.7 The Safety, Health and Environmental Committee consists of 9 members, including 1 representative of the employer, 4 representatives of the superior level, and 4 representatives of operational employees, each having a two-year term and at least one meeting every month, with the following scope of duties and authority.

1. To make a survey, at least once a month, on safety, hygiene and working environment.
2. To make a report and suggestion to the employer on the measure or guideline for improvement so that it is in compliance with the law on work safety and/or work security standards, aimed at the safety for work performance of employees, contractors and outsiders who come in to work for or use the service of a manufacturing establishment.
3. To encourage and support activities on safety, hygiene and working environment of a manufacturing establishment.
4. To define safety regulations and working safety standards of a manufacturing establishment, and present them to the employer.
5. Formulate policies and annual work plans on projects or activities on safety, hygiene and working environment, off-duty time, in order to prevent and reduce accidents, hazards or illness stemming from work, or work insecurity, and present them to the employer.
6. To carry out a project or plan on training related to safety, hygiene and work environment, apart from the training on roles, duties and responsibilities for a safety issue of employees, work chiefs, executives, employers and all levels of staff in order to present it to the employer.
7. To follow up the progress of the issue presented to the employer.
8. Perform other duties related to safety, hygiene and work environment, as assigned by the employer.
9. To carry out the effective 5s activity and practice it constantly.
10. To report to the employer on the annual performance consequence, including problems, impediments and suggestions for the Committee's performance when the one-year duty performance period is due.

2.8 The Employees' Welfare Committee is composed of at least 7 executives from various sections, each having a two-year term and at least one meeting every three months, with the following scope of duties and authority.

1. To consult the employer to arrange for the welfare for employees.
2. To give consultancy and provide opinions to the employer concerning establishing the welfare of employees.
3. To inspect, control and oversee the welfare provided to employees by the employer.
4. To give the Welfare Committee opinions and guidelines for the welfare arrangement useful to employees.

2.9 The Information Security Management Committee* is composed of at least 3 executives, each having a two-year term and at least one meeting every two months, having knowledge, expertise and understanding of an information system within the organization, with the following scope of duties and authority.

1. To define the policy, objectives, structure and duties and responsibilities regarding information security.
2. Encourage the organization to give priority to the fulfillment of objectives of information security, practices in conformity with the policies and laws, including a necessity for a steady improvement and development of information security within the organization.
3. Support resources for an establishment, use, management, monitoring, review, maintenance and improvement of the information security management system.

Note: * Revoke the Company's declaration (2013/008) dated February 1, 2013, entitled "The Management Committee and Management Representatives for Information Security" and use the declaration (2013/010) dated July 1, 2013, entitled "The Appointment of Committees" (only Item 9 - The Information Security Management Committee) instead.

3. The Nomination and Appointment of Senior Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to take care of the issue of the proportion, number and components of the Board of Directors, as well as to nominate a qualified person, with sound knowledge and proficiency, to supersede a director, Chief Executive Officer or President in case of the expiry of his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board for consideration and appointment, based on the case and in accordance with the Remuneration and Nomination Committee's duties and authority specified in "The Remuneration and Nomination Committee" section. In this connection, appropriate qualifications and nomination procedures for a selection of a new Board director and senior executive, including minor shareholders' rights to appoint Board directors, are defined as follows:

1. Qualifications and Procedure for Nominations of the Board Directors and Independent Directors

1.1 Qualifications of Directors

The Company's Board directors possess comprehensive knowledge to perform their duties. Besides, they have a good understanding of their responsibilities and the characteristic of the Company's business transactions, including having readiness to independently express their opinions on decision-making on any issue, with a consideration of the Company's greatest benefit and a fair treatment to each group of stakeholders. Similarly, the Board directors, in their capacity as director, can fully devote their time and effort to the Company.

1.1.1 Qualifications of Independent Directors

Apart from having sound qualifications of the Company's Board directors, independent directors must possess the following additional qualifications.

1. Have no more than 0.5 percent of all the eligible votes in the Company, corporations, affiliated companies, associated companies or juristic persons that are the Company's major shareholders or have authority to control. This includes shares held by any party concerned.
2. Have nothing to do with the Company's administration, nor are they its employees or advisers with a regular salary, nor do they have authority to control, all for no less than two years prior to an appointment. Nonetheless, such prohibited attributes do not include the case of having been government officials or the government sector's advisers who have authority to control.
3. Have no blood line relationship or through a registration in the manner of father, mother, spouse, brother, sister and offspring, including spouse of offspring's, executives, major shareholders, any party having authority to control, or person who will be nominated the management or party having authority to control the Company or affiliated companies.

4. Have no or did not use to have business relationship, through which the value ranges from 3 percent of all net assets or from Baht 20 million and over, depending on which is the lesser amount, with the Company, corporations, affiliated companies, associated companies, major shareholders or any party having authority to control. Neither are they nor used to be major shareholders or the party, who has authority to control, of those having business relations with the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control of those having a business relationship with the Company's corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

5. Are not or did not use to be the auditor of the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders or the party having authority to control. Nor are they major shareholders, the party having authority to control or partner of the auditing office to which the auditors of the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders, or the party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

6. Are not or did not use to be providers of any professional services, for example, legal advisers, financial advisers, asset evaluators, etc. who derived a service fee of over Baht 2 million per year from the Company, corporations, affiliated companies, associated companies, juristic persons that are major shareholders, or the party having authority to control. Nor are they major shareholders, the party having authority to control, or partner of those professional service providers except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

7. Are not directors appointed to become representatives of the boards of major shareholding companies or shareholders related to the Company's major shareholders.

8. Do not have the same business transaction as, and a significant competition with the Company's or affiliated companies' business. Neither are they other companies' partner owning significant partnership, nor directors taking part in their administration, nor their employees, staff and advisers with a regular salary, nor have 1 percent of all the eligible votes in other companies having the same business transaction as, and a significant competition with the Company or affiliated companies.

9. Possess no other property that prevents them from independently expressing their opinions.

1.1.2 Qualifications of the Audit Committee Members

The Audit Committee members shall have the following qualifications.

1. Have all the qualifications of independent directors.

2. Are not directors assigned by the Company's Board of Directors to make decisions on the operation of the Company, corporations, affiliated companies, associated companies, affiliated companies in the same order, or juristic persons that are the Company's major shareholders or party having authority to control.

3. Are not directors of corporations, affiliated companies, or affiliated companies in the same order, particularly those listed in the SET.

4. A minimum of one Audit Committee member has knowledge and experience sufficient to verify the Company's financial statements' reliability.

5. Be able to sufficiently devote their time and express opinions in the performance of their work as the Audit Committee directors.

1.2 Procedure for Directors and Independent Directors Nomination

To appoint a new director of the Board replacing a director whose term is due, the Remuneration and Nomination Committee will nominate the qualified person to the Company's Board for consideration before proposing to the shareholders' general meeting for appointment approval. However, this has to be endorsed by the majority of shareholders at the meeting. The following are the criteria for the appointment of directors, as defined in the Company's rules and regulations.

1. The Board of Directors shall comprise at least 5 directors, and no less than half shall reside within the Kingdom.

2. No less than three-fourths of the directors must be of Thai nationality.

3. The directors shall be elected at the shareholders' meeting. Each shareholder shall have a number of votes equal to the number of shares held. Decisions shall be made by a majority vote. In the event of a tied vote, the chairman of the meeting shall have the casting vote.

4. At every annual general meeting, one-third of the directors shall retire. Directors who vacate office may be re-elected.

5. The shareholders' meeting may pass a resolution removing any director from office, prior to retirement, by reason of the expiration of the director's term of office, by a vote of not less than three-fourths of the number of shareholders attending the meeting, who have the right to vote and who hold shares totaling not less than half the number of shares held by shareholders attending the meeting and having the right to vote.

For an appointment of a new director of the Board superseding a director who quits the job for a reason other than his/her term is due, it has to be approved by the Board's meeting, with the votes of no less than three-fourths of the remaining Board directors. A new Board director appointed has a term equal to the remaining term of the director leaving his/her position.

Minor Shareholders' Rights to Appoint Directors

To protect minor shareholders' rights, with an aim to have all shareholders treated equally, the Company has provided an opportunity for all of them to nominate a new Board director who is of high proficiency and appropriate for an appointment as a Board member. This is carried out in advance from October 1 to December 31 of each year. In this regard, the Company has notified its shareholders through the SET's information report channel and the Company's website at www.bangkokinsurance.com. Similarly, the criteria for nomination of a new Board director are defined in advance, along with the nomination form, and also displayed on the website.

2. Qualifications and Procedure for the Management Nomination

The Chief Executive Officer is authorized by the Board to make a consideration and appointment of a person of high proficiency, knowledge and experience in the non-life insurance industry as the Company's top management in order to perform his/her duties and operate the Company's business to fulfill the goals and objectives defined. The nomination procedure is based on the Company's regulations on its human resources management, and subsequently reported to the Board for acknowledgement.

Data on Transaction Related to Business Relations or Provision of Occupational Services between Independent Directors and Companies, Affiliated Companies, Associated Companies or a Party that May Have Conflicts

Through the effective procedure of the Board directors' nomination, the Company's independent directors are appropriately qualified and truly independent. Furthermore, they do not occupy the position of independent directors or members of corporations, affiliated companies or affiliated companies in the same order.

In addition, the Company has no commercial agreements or transactions related to business relations or provision of occupational services between the Company and its Board directors, independent directors, management, including corporations, affiliated companies, associated companies or any party that may have conflicts, which has a value exceeding that defined by the Securities and Exchange Commission (SEC).

Nonetheless, the Board of Directors' meeting (No.3/2008) held on August 14, 2008, had approved in principle, the permission for companies, associated companies and affiliated companies to do business which may have a related transaction with the Company's Board of Directors, management or any party concerned, both the transaction that was made earlier and/or one that will be made in the future. This is based on the condition that such a business transaction has commercial agreements in the same way as a reasonable man will treat a general party to a contract in the same situation, through the commercial bargaining power without the influence of his/her status as the Company's Board director, management or any party concerned. Please see more details in the section "Related Parties Transactions".

4. The Overseeing of Operating Performance of Affiliated Companies and Associated Companies

For overseeing the operating performance of affiliated companies and associated companies, the Company possesses only 2 associated companies. To oversee its associated companies' operating performance, the Company has appointed some people as the associated companies' board directors. The Company's Board of Directors will nominate board directors to its associated companies and propose to the Chairman of the Board for approval. Those appointed as associated companies' board directors have duties to perform to the best advantage of the companies. Similarly, they have to obtain approval from the Company's Board prior to making a resolution on a significant issue, at the same level as that which has to derive approval from its Board if carried out by the Company itself.

5. Control over the Use of Insider Information

In order to have control over the use of insider information, access to the Company's information is limited to executives and employees, and all computerized data is available only to those entitled to be entrusted with a password. The Board of Directors and the Management will not, as fundamental to their management principles, disclose the Company's performance data to outsiders, or exploit their authority or opportunities at work to seek any advantage for themselves, before the data is revealed to the general public. In the case of violations of disciplinary rules and regulations, the Company will rule on their penalties in accordance with its policy.

The Company has formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, reporting methodology, and reporting time, including the report to the Company's Board, have been defined so that the Board, management and the people concerned will strictly comply with them. This is intended not only to create a correct understanding for those taking charge of reporting, but also to be a measure for effectively overseeing the use of insider information.

For 2014, the Company had strictly abided by the regulations defined.

6. Remuneration for the Auditor

In 2014, the Company paid remuneration to its auditor as follows:

	(Baht)
1. Remuneration for audit of annual financial statements and review of quarterly financial statement	1,439,000.00
2. Remuneration for review of a Risk-Based Capital (RBC) report for 2014 and audit in accordance with a jointly agreed method of the second quarterly RBC report for 2014	<u>520,000.00</u>
Total	<u>1,959,000.00</u>

7. Practices Based on the Principles of Good Corporate Governance

1. The Section on Shareholders' Rights

1.1 Awareness of Significance of Shareholders' Rights

The Company has given priority to and respected the rights of all shareholders, who are regarded as the business's owners. Thus, all shareholders, either major or minor, are encouraged to exercise their rights equally based on the criteria defined by law, which is identified in the Company's rules and regulations, and policy on good corporate governance, for instance, the right to purchase, sell or transfer shares; right to receive the Company's profit share; right to attend shareholders' general meeting; right to give a mandate to any person to attend the meeting instead and vote on his/her behalf; right to nominate a Board director; right to vote for a Board director and determine his remuneration; right to propose the meeting agenda; right to appoint an auditor and determine audit remuneration, and right to obtain sufficient data and information. In addition, shareholders will be equally and transparently provided with accurate, complete and updated information at every meeting. Details of shareholders' rights are given in the Company's policy on good corporate governance, and rules and regulations.

1.2 Promotion of Shareholders' Rights

The shareholders' meeting is regarded as a good opportunity for shareholders to exercise their rights in making a decision regarding the Company's performance on various issues. The Company will, 14 days in advance of every meeting, which is normally held once a year at an appropriate date, time and place, send out invitation letters to all shareholders, informing them of the meeting agenda and the Board's recommendations, together with the necessary documents and information to guide their decisions on voting on significant issues. Generally, the meeting is held within 4 months of the Company's accounting year-end, or when there is an urgent need on special issues affecting or involving shareholders' interests, or relating to conditions or regulations and laws that have to be approved by shareholders. Based on the above cases, an extraordinary shareholders' meeting will be convened. In this regard, the Company will disseminate the news in an invitation letter for the meeting through the SET and the Company's website. Nevertheless, if a shareholder cannot attend the meeting, he/she can still exercise his/her rights by giving a mandate to any person or the Board's independent director, who also sits on the Audit Committee and whose name is identified in the mandate, to attend the meeting and vote on his/her behalf. The Company has also notified the independent director of its nomination of him to receive a shareholder's mandate so that the latter (director) can attend the meeting.

For every shareholder's meeting, the Company's Board has a policy of having all of its members, particularly the chairman of a sub-committee and the Company's senior management, attend the meeting in order to answer shareholders' questions. The Company also facilitates registration in advance. Before a meeting, the chairman will inform the shareholders of all rules and regulations, including the method of vote counting. An item that is not informed in advance will not be added to the agenda, especially a significant one for which shareholders need time to study before making a decision. Similarly, during the meeting, all shareholders can fully exercise their rights through a debate, interrogation and expression of opinion for all items on the agenda. Details of the meeting will be recorded and open to shareholders' examination.

In 2014, the Company held a general meeting of shareholders on April 25, 2014, at 2.00 p.m. at room 1105, on the 11th floor of the Bangkok Insurance Building, 25 Sathon Tai Road, Sathon, Bangkok. The Board directors, 10 out of 12 members, and 12 management members attended the meeting, while the meeting proceeded absolutely in accordance with the policy defined. Through the procedure of holding shareholders' meeting in a manner that promotes an equal exercise of every shareholder's rights, the Thai Investors Association gave a score of 97.63 out of a total 100 in a quality evaluation of the Company's shareholders' general meeting for 2014.

2. The Section on Equality of Shareholders

2.1 Equal Treatment of Shareholders

The Company realizes the significance of every shareholder's rights and expects all of them to be treated equally. Details are explained in the section on shareholders' rights under the item "Promotion of Shareholders' rights".

2.2 Rights of Minor Shareholders

The Company has allowed all shareholders to propose any important issues that should be put on the agenda of the Company's shareholders' annual meeting, including nominating a new director who is of high proficiency and appropriate for appointment as a Board member. This is done prior to the meeting so that the Company's Board can later verify and is well prepared to define the issues proposed by shareholders as the items on the agenda of the Company's shareholders' annual meeting. The criteria and practice on this matter are clearly defined on the Company's website, and became effective from the shareholders' 2007 annual general meeting onwards.

As for the consequence of an implementation on this issue over the past 8 years (2007 - 2014), though the Company has campaigned to have shareholders know their rights in the matter, it appears that no shareholders have ever nominated a new director for appointment as a Board member or proposed any significant issues that should be put on the agenda of the Company's shareholders' annual meeting.

2.3 The Use of Insider Information

This has been reported in the section on "Control over the Use of Insider Information".

3. The Section on Stakeholders' Rights

The Company is fully cognizant of its stakeholders' rights and believes that the stakeholders' support benefits the Company's good reputation and ability to compete in the market, as well as helps build up the Company's profit in the long term. Hence the Company realizes its responsibilities for each stakeholder group that has a different perspective, and has therefore adopted the following practices with the principles of morality and integrity to insure that their rights are always respected:

Shareholders

The Company is determined to be a good representative of shareholders by taking good care of their benefits and providing them with the greatest satisfaction through high and continuous remuneration. Likewise, all reliable insurance-related business information will be disseminated to them accurately, completely and transparently in conformity with generally accepted standards.

Employees

The Company will treat its employees at all levels equally on the basis of moral and fairness principles in order to encourage them to work efficiently, without regard to sex, race, religion or institutional differences as limitations to their career advancement. All employees are also consistently urged and trained to develop their skills and knowledge necessary to the successful implementation of their work, as well as the generation of the utmost satisfaction for customers. In this respect, various training programmes are offered in conformity with the Company's business transaction strategies in order to upgrade the employees' ability to carry out their jobs professionally. The programmes organized are, for instance, insurance training, development of quality management system, human resources management, development of working efficiency, etc. Besides, all levels of employees are encouraged to study or seek new branches of knowledge via the Company's scholarships and support on conferences with leading domestic and foreign institutions. Similarly, different patterns of learning are created to enable all employees to learn by themselves, which will finally lead to the Company's knowledge-based culture. The policy on development of the Company's employees, including a budget spent in 2014, is revealed under the item "Policy on Employees' Development". Apart from fair remuneration, all other welfare schemes are, of course, higher than the requirements of the Ministry of Labour, i.e. providence fund scheme, life and health insurance coverage, 5s and relaxation programmes, as well as the maintenance of a good work atmosphere and the protection of employees' health and safety.

Customers

The Company offers various quality insurance products according to international standards, providing suitable coverage at a reasonable price, and indemnification made on a fair basis. In addition, customers will be fully advised about the nature of these products, while the Company has specifically established a work unit to receive their complaints and comments.

Business Partners

The Company treats its business partners fairly in evaluating their performance. These business partners will be given opportunities to comment and propose suggestions concerning any and all joint business issues. To ensure that the rights of business partners are protected, the Company will treat business partners' secrets as strictly confidential.

Competitors

While maintaining its accepted professional business standards based on the benefit, the Company intends to maintain its position in the market and compete effectively, while refraining from damaging the reputation of any business competitor for its own benefit. The Company emphasizes the quality and efficiency of its services, stressing the greatest benefit to our customers and the standing of the insurance industry as a whole.

Creditors

The Company is strongly committed to a fair and equal treatment of all its creditors on an honest and fair basis for both sides, and will therefore follow all agreed conditions with its creditors, or find suitable and quick solutions to their mutual benefit.

Society and Environment	<p>The Company realizes its responsibilities to society and to the preservation of the environment. As a consequence, it has supported many activities that benefit the community, such as the development of society through employing disabled labour. It also provides support and assistance to communities jointly with other agencies both in the government and the private sector. For instance, the Company's management has offered a mobile medical service to treat people in poverty-stricken areas, granted scholarships to poor students, as well as established a fund for the rehabilitation of historical sites, and the preservation of natural resources and development of the environment. Furthermore, the Company has also offered various training programmes and activities to its management and staff so that they can participate, as well as realize the significance of conducting themselves in a way that would benefit society. All activities and projects, which are unending, have been continuously implemented and effectively carried out.</p> <p>Details of activities performed in 2014 can be viewed on the Company's website at www.bangkokinsurance.com.</p>
The Government Sector	<p>The Company has carried out its business transactions under the requirements defined by laws, maintained a good relation with the agencies overseeing it, through an open coordination, and has been prepared to cooperate in providing data and information requested by the agencies overseeing it in order to display its transparency, as well as generating mutual confidence and trust.</p>
Practices according to Human Rights Principles	<p>The Company is determined to abide by universal human rights principles by promoting knowledge and understanding of the issue among its employees so that they can appropriately apply human rights principles to the performance of their work and duties.</p>
Intellectual Property or Copyright	<p>The Company constantly encourages its employees to initiate and develop new products, whether development of a work manual, product design or computer programmes. This is aimed not only at benefiting business, but also at developing employees' potential. Nevertheless, any work which the Company's employees have created during the time they worked with it, whether assigned by the Company, or by use of the Company's data, or the work learned from the Company, is regarded as the Company's sole ownership, while such data, including the Company's confidential business data and other confidential data, must not be disclosed to outsiders without the Company's permission. In addition, the Company has also defined policies and practice regulations to prevent violations of copyright laws and an act on the computer offense commission, as well as notified them to the Company's employees. Besides, the Company has an efficient control process for its employees' practices in compliance with rules and regulations.</p>
Convention against Corruption	<p>The Company has a policy on forbidding its employees to exploit their authority, whether directly or indirectly, so as to seek illegally any advantage for themselves or others, including banning employees from offering unlawful interests to any other person as an incentive in order to derive the Company's business interests.</p>
Communications with Stakeholders	<p>The Company has also arranged for channels to provide convenience to each group of stakeholders to communicate, make suggestions and comments or file a complaint, on matters that may cause damage to the Company, or to its Board of Directors, through the Company Secretary and Quality Control Center on the Company's website.</p>

4. Data Disclosure and Transparency

The Company's Board has had a policy for the Company to disclose both its financial and non-financial data, as defined by the SEC and SET. Data disclosure focuses on transparency, accuracy, completeness and timelessness, through the channels of the SET, as well as the Company's annual report and the annual report presentation form (Form 56-1). Additionally, the data is disclosed both in Thai and English via the Company's website, and continually updated for reliability and easy and equal access by shareholders and other related persons. The following is a summary of the significant disclosed data.

4.1 Policy on Good Corporate Governance and Its Implementation Consequences

Throughout 2014, the Company performed in accordance with its policy on good corporate governance, except for the following issues.

(1) The Company's Chairman is also its Chief Executive Officer, who is not an independent director since the non-life insurance industry strongly needs a knowledgeable and capable person with long business experience to lead the Company to its established goals. Nonetheless, the Company and its Board of Directors is based on the principles of good corporate governance and in line with those of the SET. Therefore, though the Chairman and Chief Executive Officer is the same person, in practice, the Chairman of the Board will not exercise his authority on behalf of the Board of Directors, all under the Company's rules and regulations. Similarly, the Chief Executive Officer's performance must be approved by the Company's Board of Directors, comprising independent members, who make up more than half of the Board, giving rise to a concise and transparent checks-and-balance mechanism of the performance. Furthermore, any authorization given to the Chief Executive Officer will not allow him to approve any transaction in which he is involved as a stakeholder, or which may engender a conflict of interest with the Company, subsidiary companies or associated companies. Likewise, the Company has appointed Mr. Panus Thiravanitkul as its President, representing the beginning of separating the position of the Company's Chairman of the Board of Directors from its President so that it increasingly proceeds in accordance with the principle of sound practice.

(2.) The Company does not limit the number of companies in which its Board and senior management may hold office because it is afraid that it will lose an opportunity of getting quality people to sit on the Board. However, it constantly reviews the number of companies in which each Board member holds office.

4.2 Remuneration for Directors and Management

It has been reported in Remuneration for Directors and Management section in "The Management".

4.3 The Board of Directors' Responsibilities for Financial Statements

The Company's Board of Directors is responsible for the accuracy of the Company's financial statements preparation, which should display details of its financial data sufficiently, transparently and correctly, while significant data is adequately and steadily disclosed in notes of the financial statements in accordance with appropriate accounting standards. The Company's financial statements are audited by a public accountant, certified by the SEC and/or related agencies, as well as verified by the Audit Committee. The Company's Board has also prepared the report on its responsibilities for financial statements in the Company's annual report and the annual report presentation form (Form 56-1).

4.4 Role and Duty Performance of the Board of Directors

The Company reveals the names and history of each Board director, including the roles and duties of the Board of Directors, the Audit Committee and the Remuneration and Nomination Committee, along with details of their duty performance of the previous year in the section "Management Structure", so that the shareholders and the people concerned may know about the knowledge, capabilities, experience and other significant data of the directors, who contribute to the Company's success in its business transactions.

4.5 Investment Relations

Apart from communicating its information through various channels, the Company has established an Investor Relations in charge of communicating the Company's information and data with investors and outsiders, besides treating them equally and fairly, as well as in a well-arranged manner.

In this regard, investors can ask for more investment data at the phone number and e-mail address displayed on the Company's website.

4.6 Policy on Responsibilities to Society and the Environment and Implementation Consequence

This has been reported in the "Society and Environment" in Stakeholders' Rights section.

5. The Section on the Board of Directors' Responsibilities

The Company's Board fully realizes its roles and responsibilities as the shareholders' representative, principally responsible for making decisions on the Company's significant policies and strategies. In addition, the Board will see to it that the Company's management has implemented the policies and strategies defined for the Company's utmost benefit. To fulfill this goal, the Board has implemented the principles of good corporate governance as the following:

5.1 The Board of Directors' Structure

(1) Components of the Board

It has been reported in the section "Management Structure".

(2) The Board of Directors' Term of Office

The Company has clearly defined the Board of Directors' term of office in its rules and regulations, no.23, which is proclaimed on the Company's website at www.bangkokinsurance.com.

(3) Qualifications of Independent Directors

It has been reported in the section "Qualifications and Procedure for Nomination of the Board Directors".

5.2 The Sub-Committee

It has been reported in the section "Sub-Committees".

5.3 The Board of Directors' Roles, Duties and Responsibilities

(1) Leadership and Vision of the Board of Directors

The Company's Board of Directors consists of knowledgeable and experienced persons from various fields who are supportive of the Company's administration. All directors take part in cautiously defining and giving approval to all important vision and policy statements, missions, strategies and business goals of the Company. They also ensure that the Company's management's performance will, as a matter of principle, be presented to the Board of Directors every three months. In addition, the Board also occasionally plays a role in giving approval to the performance guidelines of the various sub-committees, such as the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee.

Exercise of authority in the performance of the Company's Board will strictly and honestly comply with laws, regulations and shareholders' meeting resolutions based on sound morality and rule of conduct. This is to ensure that the Management's performance will ultimately fulfill the Company's goals and generate the utmost benefits for shareholders.

(2) Approval of Policy on Corporate Governance

In 2005, the Board of Directors approved for the first time, in writing, the formulation of the Company's policy on corporate governance, as well as approved the policy modification 4 times in 2006, 2008, 2009 and 2011, so that it was in accordance with the laws and principles of good corporate governance that had altered. In this regard, the Board has assigned the Company's management to take charge of a follow-up of the policy implementation in order to report recommendations to the Corporate Governance Committee for an improvement of the policy in order that it is updated and appropriate for the changing situations, and increasingly has a practice guideline of international standard.

Details of the Company's policy on good corporate governance may be viewed on the Company's website at www.bangkokinsurance.com

(3) Business Code of Ethics

The Company's Board of Directors has approved the publication of the Company's code of ethics (rules of conduct) to be presented to the Board and staff, including propagating the code of ethics on the Company's Intranet. This aims at communicating good practices to the Company's Board and staff so that they will use them as a principle for their work performance. In this connection, it is the duty of all levels of management to make sure that their subordinates know, understand and actually perform according to the Company's code of ethics. In addition, the Company has steadily offered a training course on its code of ethics to all new staff.

Details of the Company's code of ethics can be viewed on the Company's website at www.bangkokinsurance.com.

(4) Conflict of Interest

The Company's Board of Directors has taken measures to impede conflicts of interest and the seeking of one's self-interest by defining this as a principle in the rule of conduct for both directors and staff. Additionally, the Board has assigned the Audit Committee to oversee and report to it on crossover transactions and those with conflicts of interest. These have been cautiously considered for appropriateness, with honesty, justification and independence based on the defined code of ethics, in the best interests of the Company, all of which is performed in the same manner as transactions made with outsiders. Furthermore, the Audit Committee has also performed in accordance with the SET's criteria in reporting on and disclosing such information each quarter in the Company's annual report and the annual report presentation form (Form 56-1).

- Control over the Use of Insider Information

It has been reported in the section "Control over the Use of Insider Information".

(5) Controlling System, Internal Audit and Risk Management

Observing the important internal controls at both the managerial and operational levels, the Company's Board of Directors has set out the responsibilities of executives and employees in writing, and also requires that the executives assess the adequacy of internal controls at least once a year. Furthermore, the Internal Audit Office encouraged to work independently, void of any intervention, which will effectively promote internal control systems, leading to transparent administration, which will in turn benefit each group of the Company's stakeholders. Similarly, in order to have its administration going in compliance with its policy on good corporate governance, the Company had made a declaration (2014/003), entitled "Restructuring of Department" which separated the work on overseeing the Company's corporate governance and risk management from the Internal Audit Office and established 2 new departments, which became effective from April 1, 2014, with the following detail.

- The Compliance Office, which directly reports to the Audit Committee, takes charge of the determination of a guideline for all departments performance in compliance with laws, an assessment of the appropriateness of the Company's performance approach, including following up immediately when the deficiency or inappropriateness is detected, besides making an analysis and study on the problem, providing advice on laws, regulations, requirements and practices to ensure all sections' performance in conformity with laws, and departments overseeing and following up the matter.

- Enterprise Risk Management Division, which directly reports to the Office of President is in charge of defining the strategy and guideline for the Company's risk management operation, along with the Risk Management Committee, determining the framework and guideline for risk management, apart from establishing KPIs together with other departments and giving suggestions and recommending steps of risk management operations to the Company's all departments.

Additionally, the Company's Board of Directors has assigned the Risk Management Committee to be responsible for defining the policy on risk management and following up the Company's risks so that they are at an acceptable level, including reviewing the sufficiency and efficiency of the Company's performance in line with its policy and procedure on risk management, and communicating with concerned staff for their acknowledgement. The report on risk management consequence to the Board of Directors has to be made at least once a year.

5.4 The Board of Directors' Meeting

(1) The Meeting Schedule The Company's Board of Directors will meet a minimum of once every three months. Nonetheless, there may be an additional extraordinary meeting as the Board thinks appropriate. Each Board member will be informed of the Board's meeting agenda in advance so that he/she may set aside time for the meeting. In 2014, the Board of Directors' meeting proceeded according to the schedule planned, resulting in the Board members' average meeting attendance of over 80 percent of all the Board's plenary meetings.

(2) The Consideration of Meeting Agenda Determination To define the meeting agenda, the Company secretary will compile significant issues to be put on the agenda and propose to the Company's Chairman of the Board of Directors and Chief Executive Officer for approval, and then arrange them as the meeting agenda, including other relevant documents to be scrutinized for each agenda. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company secretary.

(3) The Delivery of Meeting Documents For the delivery of the Board's meeting documents, the Company secretary will send out meeting invitation letters, including an agenda and other relevant documents, no less than 7 days prior to the date of the meeting, to all the Board members to ensure that they have sufficient time to scrutinize the data before the meeting. In 2014, meeting invitation letters and other relevant documents were submitted to each Board member in time for all meetings.

(4) The Meeting Procedure For each meeting, the Chairman of the Board of Directors allows each director to comment and ask questions about business performance, risk management, internal control systems, and all other matters without prescribed time limit. In consideration of agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda. The Company secretary will report on the minutes of the meeting and the meeting's resolution for the Board's approval at the next meeting. In addition, for each meeting, a meeting report will also be systematically kept by the secretary as a convenient reference or for examination by the Board and other related people.

(5) The Invitation of Executives for Meeting Attendance In 2014, for each of the Board of Directors' meetings, at least the Company's 4 senior executives, namely, the Chief Executive Officer, President, Director and the Company secretary, and Senior Vice President of Accounting and Treasury Department, would attend the meeting in order to answer the Board directors' questions and doubts.

(6) Information Access For access to information, since the Board of Directors' meeting is not convened every month, the report on the Company's performance is presented to each Board director each month, starting from April 2007 onwards. This is aimed at allowing the Board to continuously oversee and control the Company's management's performance. Besides, the Board may ask the Company's President or secretary for additional explanations and examination of relevant documents.

(7) The Meeting of Non-Executive Directors For the meeting of non-executive directors, in 2006, the Board approved a policy encouraging its non-executive directors to convene a meeting among themselves, and assigned the Company secretary to facilitate such a meeting. Nonetheless, through 2014, apart from the meetings of the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee for an implementation of the missions assigned to them, the non-executive directors had never convened a meeting among themselves.

A summary of each Board director's meeting attendance in 2014 is given in the section "the Management" with respect to the Board of Directors.

5.5 Procedure on the Determination and Appropriateness of Remuneration

The Company's Board of Directors has a policy to determine the Board directors' remuneration to the amount paid to other listed companies' directors of similar businesses or companies with approximate returns. The Board thus assigns the Remuneration and Nomination Committee to determine the Board directors' remuneration based on the scope of their roles and responsibilities, including the benefits to be derived from them, before proposing it to the shareholders' general meeting for approval.

5.6 Development of the Board of Directors and Executives

The Company's Board of Directors has a policy of promoting and supporting directors, executives and other staff, relating to the Company's corporate governance system, to receive regular training with an aim to constantly improve their performance every time there is a change in the Board. In addition, the Company has assigned its secretary to arrange for a new Board director orientation and submit documents and data beneficial to a new director's duty performance.

INTERNAL CONTROL AND RISK MANAGEMENT

1. Internal Control System

The Company has established an efficient and effective internal control and risk management system. The Company's Board of Directors and management have duties and responsibilities for arranging and preserving an internal control and risk management system which enables the Company's operating performance to fulfill its goals and objectives established.

The meeting of the Board of Directors (No.4/2014) held on November 14, 2014, with all three members of the Audit Committee in attendance, reviewed the efficiency of the internal control system using the SEC's assessment questionnaire as a guideline, which covered the following issues:

Control Environment

1. The organization displays its attachment to the merit of integrity and ethics.
2. The Company's Board of Directors is independent of its management and is in charge of overseeing and developing an implementation of an internal control.
3. The Company's management has arranged the reporting line structure, and the determination of command authority and appropriate responsibilities to enable the organization to achieve its objectives under the Board of Directors' overseeing.
4. The organization reveals its determination to motivate, develop and preserve knowledgeable and capable employees.
5. The organization defines its employees' duties on and responsibilities for an internal control so as to fulfill its objectives.

Risk Assessment

6. The organization obviously and adequately defines its objectives to enable the identification and assessment of various risks relating to its objective fulfillment.
7. The organization makes all-inclusive identification and analysis of all types of risks which may have an impact on its objective fulfillment
8. The organization has considered the opportunity for a possible corrupt practice in its risk assessment aimed at achieving its objectives.
9. The organization is able to identify and assess a change which may affect an internal control system.

Control Activities

10. The organization has a control measure which helps reduce a risk of not achieving its objectives to an acceptable level.
11. The organization chooses and develops general control activities through a technological system in support of its objective fulfillment.
12. The organization carries out control activities via its policy which defines what is expected and implementation steps so that the policy defined can lead to an implementation.

Information and Communication

13. The organization has related and quality data to enable an internal control to go on as defined.
14. The organization communicates internal data, including objectives of and responsibilities for an internal control so that it can go on as planned.
15. The organization communicates with external agencies relating to issues that may have an impact on an internal control.

Monitoring Activities

16. The organization follows up and evaluates its internal control to ensure that an internal control still resumes completely and properly.
17. The organization timely evaluates and communicates the deficiency of an internal control upon the person responsible, including the Company's management and Board of Directors, as appropriate.

The Company's Board of Directors has reviewed the Company's internal control system and unanimously agreed that its internal control system and risk management is sufficient and appropriate, without any deficiency of its internal control system, having a control and protection of the Company's properties, as well as adequate personnel to efficiently implement the system.

2. The Audit Committee's Opinion

The Audit Committee has reviewed the efficiency of the Company's internal control system using the SEC's assessment questionnaire as a guideline, and has unanimously agreed as the Company's Board of Directors that the Company has established a proper and effective internal control system and efficient risk management, as well as having a sound control and protection of the Company's assets, apart from sufficient personnel to efficiently implement the system.

3. The Company's Head of Internal Audit Office and Compliance Office

The Company's Head of Internal Audit office is under the supervision of Mr. Preecha Sommanee, whose qualifications the Audit Committee is of the opinion that they are proper to perform his work efficiently, while the Company's Head of Compliance Office is under the supervision of Mr. Vichien Moleewon.

An appointment, dismissal or transfer of the Company's head of Internal Audit Office must be approved by the Audit Committee. Detailed data on the qualifications of the Company's head of Internal Audit Office and Compliance Office are as follows:

Details of the Qualifications of the Company's Head of Internal Audit Office

Mr. Preecha Sommanee

Department	Internal Audit Office
Position	First Vice President
Education	B.B.A., Ramkhamhaeng University M.P.P.M., National Institute of Development Administration
Work Experiences	<ul style="list-style-type: none">- First Vice President, Internal Audit Office Bangkok Insurance Public Co., Ltd. (2014 - present)- Head of System and Data Audit, Internal Audit Department Bangkok Insurance Public Co., Ltd. (2007 - 2014)- Assistant Vice President, Internal Audit Department Bangkok Insurance Public Co., Ltd. (2002 - 2007)
Training	<ul style="list-style-type: none">- Anti - Corruption: The Practical Guide- Investment Strategy for Insurance Business- Change Management- The Change of Economic Perspective for Executive- Internal Auditing: Current Trend & Best Practice- Internal Audit & IT Internal Audit- COBIT: An Overview of the Framework- Sustainable Organization Development

Details of the Qualifications of the Company's Head of Compliance Office

Mr. Vichien Moleewon

Department	Compliance Office
Position	Vice President
Education	B.B.A., Ramkhamhaeng University
Work Experiences	<ul style="list-style-type: none">- Vice President, Compliance Office Bangkok Insurance Public Co., Ltd. (2014 - present)- Head of Compliance and Enterprise Risk Management, Internal Audit Department Bangkok Insurance Public Co., Ltd. (2007 - 2014)
Training	<ul style="list-style-type: none">- Anti - Corruption: The Practical Guide- Integrated Risk Management & Strategy- Investment Strategy for Insurance Business- GRC: Governance Risk Compliance
Duties & Responsibilities	<ul style="list-style-type: none">- Define a guideline for all sections' law compliance, an assessment of the appropriateness of the work performance method inside the Company and following up immediately when any deficiency or inappropriateness is found.- Study, analyze and provide suggestions on laws, practices, regulations and orders so that all sections may perform accurately in accordance with those laws, apart from steadily overseeing and following up.- Act as the Company's representative in coordinating with other compliance office

GENERAL INFORMATION

Name of Company	Bangkok Insurance Public Co., Ltd.
Registration No.	0107536000625
Established	1947
Principal Lines of Business	Non-Life Insurance
Accounting Period Ended	December 31, 2014
Location : Head Office	Bangkok Insurance Building 25 Sathon Tai Road, Bangkok 10120 Tel. 0 2285 8888 Fax: 0 2610 2100 Accident Notification Tel. 1620 www.bangkokinsurance.com

Branches

Aranyaprathet

4-5 Thana Withi Road, Aranyaprathet, Aranyaprathet, Sa Kaeo 27120
Tel. 0 3723 2673-6 Fax: 0 3723 2822

Ayutthaya

138/5-6 Moo 3, Phai Ling, Phra Nakhon Si Ayutthaya 13000
Tel. 0 3532 3191 Fax: 0 3532 3173

Chachoengsao

665/7 Suk Prayoon Road, Na Mueang, Mueang Chachoengsao, Chachoengsao 24000
Tel. 0 3898 1389-91 Fax: 0 3898 1397

Chiang Mai

102 Chiang Mai - Lampang Road, Chang Phueak, Mueang Chiang Mai, Chiang Mai 50300
Tel. 0 5341 0334-8 Fax: 0 5322 3644

Chiang Rai

124/9 Moo 4, Rim Kok, Mueang Chiang Rai, Chiang Rai 57100
Tel. 0 5371 7291-4 Fax: 0 5371 7295

Chonburi

209/22 Moo 3, Phraya Sajja Road, Samet, Mueang Chonburi, Chonburi 20000
Tel. 0 3878 3292-5 Fax: 0 3878 3297

Hat Yai

830 Phetkasem Road, Hat Yai, Songkhla 90110
Tel. 0 7422 0961 Fax: 0 7423 2576

Hua Hin

66/115-116 Phetkasem Road, Hua Hin, Prachuap Khiri Khan 77110
Tel. 0 3254 7577 Fax: 0 3254 7544

Kanchanaburi

591 Saeng Chuto Tai Road, Pak Praek, Mueang Kanchanaburi, Kanchanaburi 71000
Tel. 0 3451 7565 Fax: 0 3462 3391

Kanchanaphisek

9/30 Moo 8, Kanchanaphisek Road, Bang Phai, Bang Khae, Bangkok 10160
Tel. 0 2865 3300, 0 2865 3445 Fax: 0 2865 3311

Khon Kaen

345 Moo 4, Prachasamosorn Road, Nai Mueang, Mueang Khon Kaen, Khon Kaen 40000
Tel. 0 4333 8900-4 Fax: 0 4333 8905

La Salle

1043 La Salle Road, Bang Na, Bangkok 10260
Tel. 0 2745 8805-6 Fax: 0 2745 8817

Mae Sot

11/32-33 Sai-Asia Road, Mae Sot, Tak 63110
Tel. 0 5553 6517-20 Fax: 0 5553 6521

Mukdahan

81/6 Mukdahan - Don Tan Road, Si Bun Rueang, Mueang Mukdahan, Mukdahan 49000
Tel. 0 4263 2784-7 Fax: 0 4263 2788

Nakhon Pathom

176, 178 Songphol Road, Lamphaya, Mueang Nakhon Pathom, Nakhon Pathom 73000
Tel. 0 3427 3055-8 Fax: 0 3427 3060

Nakhon Ratchasima

22/6 Mittraphab Road, Nai Mueang, Mueang Nakhon Ratchasima, Nakhon Ratchasima 30000
Tel. 0 4426 9224-8 Fax: 0 4426 9223

Nakhon Sawan

49/52-53 Moo 5, Krairat Road, Nakhon Sawan Tok, Mueang Nakhon Sawan, Nakhon Sawan 60000
Tel. 0 5688 2341-5 Fax: 0 5688 2347

Nakhon Si Thammarat

6/33-34 Soi Twin Lotus, Pattanakarn Khukhwang Road, Nai Mueang, Mueang Nakhon Si Thammarat, Nakhon Si Thammarat 80000
Tel. 0 7532 4898-9 Fax: 0 7532 4897

Pattaya

131/27-28 Sukhumvit Road, Nong Prue, Bang Lamung, Chonburi 20150
Tel. 0 3837 6303 Fax: 0 3837 6462

Phitsanulok

362/19 Moo 3, Mittraphab Road, Aranyik, Mueang Phitsanulok, Phitsanulok 65000
Tel. 0 5522 1760 Fax: 0 5522 1764

Phuket

101/9 Moo 1, Kathu, Phuket 83120
Tel. 0 7630 4055-8 Fax: 0 7630 4059

Rangsit

52/18 Moo 2, Rangsit - Pathum Thani Road, Bangpoorn, Mueang Pathum Thani, Pathum Thani 12000
Tel. 0 2567 1121 Fax: 0 2567 2180

Ratchaburi

159/27-28 Phetkasem Road, Na Mueang, Mueang Ratchaburi, Ratchaburi 70000
Tel. 0 3232 8016 Fax: 0 3232 8017

Rayong

313/6, 313/7 Moo 5, Sukhumvit Road (Bypass 36), Choengnoen, Mueang Rayong, Rayong 21000
Tel. 0 3891 5818, 0 3891 5825-7 Fax: 0 3891 5808

Roi Et

295, 295/1 Tawapiban Road, Nai Mueang, Mueang Roi Et, Roi Et 45000
Tel. 0 4352 2336-9 Fax: 0 4352 2340

Saraburi

36/1 Moo 1 Dao Ruang, Mueang Saraburi, Saraburi 18000
Tel. 0 3671 3713-6 Fax: 0 3671 3718

Surat Thani

84/25 Moo 2, Surat - Phunphin Road, Makhom Tia, Mueang Surat Thani, Surat Thani 84000
Tel. 0 7726 4337-40 Fax: 0 7726 4336

Trang

50/17-18 Moo10 Trang - Palian Road, Khok Lo, Mueang Trang, Trang 92000
Tel. 0 7558 2848-51 Fax: 0 7558 2847

Ubon Ratchathani

949/9 Chayangkun Road, Nai Mueang, Mueang Ubon Ratchathani, Ubon Ratchathani 34000
Tel. 0 4528 3301-4 Fax: 0 4528 3305

Udon Thani

154/6 Moo 2, Na Di, Mueang Udon Thani, Udon Thani 41000
Tel. 0 4234 8750-3 Fax: 0 4234 8754

Uttaradit

2/48 Charoentharn Road, Tha It, Mueang Uttaradit, Uttaradit 53000
Tel. 0 5544 1350-3 Fax: 0 5544 1354

Micro Branches

Kaset - Nawamin

111/19 Moo 4, Kaset - Nawamin Road, Chorakhe Bua, Lad Phrao, Bangkok 10230
Tel. 0 2553 3171-3 Fax: 0 2553 3170

Pattanakarn

148 Soi Pattanakarn 20, Pattanakarn Road, Suan Luang, Bangkok 10250
Tel. 0 2717 8600-3 Fax: 0 2717 8660

Sam Sen

45/11 Setsiri Road, Sam Sen Nai, Phaya Thai, Bangkok 10400
Tel. 0 2279 5075-7, 0 2279 6615 Fax: 0 2279 6616

Motor Claims Service Center

Burirum

Rungnathee Place Building, 296 Rop Mueang Road, Isan, Mueang Burirum, Burirum 31000
Accident Notification: 1620

Chanthaburi

Thapthimchan Tower 24/1116 Yannavirot Road, Chanthanimit, Mueang Chanthaburi, Chanthaburi 22000
Accident Notification: 1620

Chumphon

Bangkok Insurance Public Co., Ltd., Agent Office, 188/90 Saladaeng Road, Tha Taphao, Mueang Chumphon, Chumphon 86000
Accident Notification: 1620

Ko Samui

Bangkok Insurance Public Co., Ltd., Agent Office, 163/45 Moo 1, Mae Nam, Ko Samui, Surat Thani 84330
Accident Notification: 1620

Krabi

Bangkok Insurance Public Co., Ltd., Agent Office, 54/75 Si Phang-Nga Road, Krabi Yai, Mueang Krabi, Krabi 81000
Accident Notification: 1620

Lampang

At Home Apartment, 163 Suksawat 1 Road, Soi 15, Phra Bat, Mueang Lampang, Lampang 52000
Accident Notification: 1620

Pattani

Bangkok Insurance Public Co., Ltd., Agent Office, 7/39 Nong Chik Road, Sabarang, Mueang Pattani, Pattani 94000
Accident Notification: 1620

Prachuap Khiri Khan

Bangkok Insurance Public Co., Ltd., Agent Office, 267 Moo 12, Phetkasem Road, Nong Ta Taem, Pran Buri, Prachuap Khiri Khan 77120
Accident Notification: 1620

BKI Care Station

Central Chiang Rai 2nd Floor
Tel. 0 5317 9841, 08 1702 0610

Central Phuket 2nd Floor
Tel. 0 7624 8084, 08 1737 0053

Central World 4th Floor
Tel. 0 2646 1850, 08 1833 6254

Central Grand Rama IX 5th Floor
Tel. 0 2160 3808, 09 0197 3925

Central Khon Kaen 2nd Floor
Tel. 0 4328 8136, 08 5485 7593

Central Chaengwattana 4th Floor
Tel. 0 2835 3261, 08 1833 6402

Central Chonburi 1st Floor
Tel. 0 3805 3947, 08 1934 4416

Central Pinklao 4th Floor
Tel. 0 2884 8282, 08 4751 7179

Central Rama II 3rd Floor
Tel. 0 2872 4060, 08 1373 8400

Central Rama III 4th Floor
Tel. 0 2673 5512, 08 9967 7455

Central Phitsanulok 3rd Floor
Tel. 0 5533 8485, 09 0197 3924

Central Rattanathibet 2nd Floor
Tel. 0 2525 4566, 08 1875 0203

Central Ramindra G Floor
Tel. 0 2970 5726, 08 4360 7400

Central Lardprao 2nd Floor
Tel. 0 2937 0187, 08 1172 9459

Central Surat Thani 3rd Floor
Tel. 0 7760 2705, 08 1902 4875

Central Udon Thani 3rd Floor
Tel. 0 4292 1473, 08 4388 3129

Central Ubon Ratchathani 3rd Floor
Tel. 0 4542 2400, 08 1172 9608

The Mall Bangkok 1st Floor
Tel. 0 2363 3157, 08 4874 3926

The Mall Bangkhae 3rd Floor
Tel. 0 2454 5348, 08 4360 7375

The Mall Ngamwongwan 2nd Floor
Tel. 0 2550 1327, 08 9967 7451

The Mall Thapra 1st Floor
Tel. 0 2477 7013, 08 4360 7380

Paradise Park 2nd Floor
Tel. 0 2746 0315, 08 5485 7592

Future Park Rangsit BF
Tel. 0 2958 0787, 08 1832 7767

Fashion Island 1st Floor
Tel. 0 2947 5670, 08 1373 7951

Silom Complex 4th Floor
Tel. 0 2632 0194, 08 9204 9798

LINES OF BUSINESS

Fire Insurance

- Leasehold Insurance
- Business Interruption Fire Insurance
- Fire Insurance Econ (Micro)

Marine Insurance

- Marine Cargo Insurance
- Marine Hull Insurance
- Carriers' Liability Insurance

Motor Insurance

- Compulsory Motor Insurance
- Voluntary Motor Insurance

Miscellaneous Insurance

Personal Lines Insurance

- Personal Accident Insurance (Group)
- Personal Accident Insurance (Individual)
- Personal Accident Insurance (Student Group)
- Travel Accident Insurance for Individual or Group of Tourist
- Travel Accident Insurance (Comprehensive)
- Hospital Cash Benefit Insurance
- Cancer Insurance
- Accident and Health Insurance (Group)
- Accident and Health Insurance (Individual)
- Critical Illness Insurance
- Travel Accident for Tour Operators and Guides Insurance
- Personal Accident Boat Insurance
- Micro Insurance (200)

Property Insurance

- Industrial all Risks Insurance
- Burglary Insurance
- All Risks Insurance
- Plate Glass Insurance
- Money Insurance
- Neon-sign Insurance
- Jewellery Block Insurance
- Terrorism Insurance
- Gold Shop Insurance
- Political Violence for Property Insurance
- Extended Warranty Insurance
- Motorcycle Insurance

Engineering Insurance

- Contractors' all Risks Insurance
- Erection all Risks Insurance
- Boiler & Pressure Vessel Insurance
- Electronic Equipment Insurance
- Contractors' Plant and Equipment Insurance
- Machinery Breakdown Insurance

Legal Liability Insurance

- General Public Liability Insurance
- Employer's Liability Insurance
- Medical Malpractice Liability Insurance
- Medical Malpractice Insurance (Institution)
- Professional Liability Insurance Architects and Engineers
- Directors and Officers Liability Insurance
- Workmen's Compensation Insurance
- Oil Service Station Insurance
- Building Inspector Insurance
- Legal Liability Insurance From Unsafe Product
- Transportation of Hazard Material Liability Insurance

Others Insurance

- Fidelity Guarantee Insurance
- Bail Bond Insurance
- Trade Credit Insurance
- Contingency Cancellation and Abandonment Insurance
- Home Owners Insurance
- Golfer's Indemnity Insurance
- Shop Multicover Insurance
- Unemployment Insurance
- Aircraft Hull,spares & Liability Insurance
- Aviation Personal Accident Insurance
- Surety Bond Insurance
- Motor Accident Compensation Insurance
- Wedding Insurance

OTHER REFERENCE PERSONS

Securities Registra

Thailand Securities Depository Co., Ltd.
62 The Stock Exchange of Thailand Building,
Rajadapisek Road, Klongtoey, Bangkok 10110
Tel. 0 2229 2800, 0 2654 5599
Fax: 0 2654 5427
Call Center: 0 2229 2888
email: TSDCallCenter@set.or.th
www.tsd.co.th

Trustee

-None-

Auditor

Miss Rachada Yongsawadvanich
Certified Public Accountant (Thailand) No. 4951
EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
Tel. 0 2264 9090
Fax: 0 2264 0789-90
email: ernstyoung.thailand@th.ey.com
www.ey.com

Legal Adviser

Manukit Law Office
59/6 Suapa Road, Bangkok 10100
Tel. 0 2221 6226
Fax: 0 2221 3191

Financial Adviser

-None-

Principal Financial Institution

Bangkok Bank Public Co., Ltd.



Bangkok Insurance Building 25 Sathon Tai Road, Bangkok 10120
Tel. 0 2285 8888 Fax: 0 2610 2100
www.bangkokinsurance.com