



ANNUAL REPORT 2016
BANGKOK INSURANCE PUBLIC COMPANY LIMITED



กรุงเทพประกันภัย
Bangkok Insurance

VISION

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

We will strive to progress with:

- Quality products and services to meet our customers' needs
- Fast and responsive service to maximize our customers' satisfactions
- Exceptional personnel with superior insurance expertise
- Tradition and culture of corporate integrity

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IN REMEMBRANCE OF HIS MAJESTY KING BHUMIBOL ADULYADEJ



The year 2016 is regarded as the year of the greatest loss for the Thai people nationwide when His Majesty King Bhumibol Adulyadej who is the most beloved King of the entire Thai people, passed away on October 13, 2016.

Throughout the 70-year period of his reign, His Majesty King Bhumibol Adulyadej had carried out activities generating tremendous contributions to the people and nation. All groups of Thais have, accordingly, lived happily under His Majesty's charisma throughout.

Bangkok Insurance Public Company Limited has humbly and extremely appreciated that His Majesty had bestowed, on April 26, 2004, the Royal Garuda Emblem to the Company, which has been regarded as the greatest auspices and honor for the Company, the management and all employees. The Company will be aware of the value of receiving His Majesty's greatest graciousness on this occasion and will further maintain its good reputation.

To display its loyalty to and humble appreciation of His Majesty King Bhumibol Adulyadej's graciousness, the Company has organized memorial services in remembrance of His Majesty as the following:

Paying Homage in Memory of His Majesty Ceremony

October 18, 2016

The Company organized a ceremony of paying homage to His Majesty King Bhumibol Adulyadej's portrait in appreciation and remembrance of his graciousness, with the Company's management and staff, reporters and staff of companies located in Bangkok Insurance's building taking part in the ceremony, apart from opening up an opportunity for the general public to collectively sign their names in memory of His Majesty at Bangkok Insurance's Headquarters.



Mourning Ceremony Marking the 50th Day of the Passing of His Majesty King Bhumibol Adulyadej

December 1, 2016

Bangkok Insurance's management and staff, both at its headquarters and regional branches, as well as staff of companies located in Bangkok Insurance's building participated in a ceremony of merit-making by offering alms to 89 monks, as a Mourning Ceremony Marking the 50th Day of the Passing of His Majesty King Bhumibol Adulyadej, besides a ceremony of appreciation of his graciousness and in his remembrance through singing the royal anthem in the area at the front of Bangkok Insurance's building.



Mourning Ceremony Marking the 100th Day of the Passing of His Majesty King Bhumibol Adulyadej

January 20, 2017

The Company organized a ceremony of merit-making by offering alms to 89 monks, as Mourning Ceremony Marking the 100th Day of the Passing of His Majesty King Bhumibol Adulyadej, with the Company's management and staff, both at its headquarters and regional branches, as well as staff of companies located in Bangkok Insurance's building participating in the ceremony in the area at the front of Bangkok Insurance's building.



Bangkok Insurance and Bangkok Insurance Foundation Jointly Hosted the Prayer Ceremony for the King Bhumibol Adulyadej

March 16, 2017

Bangkok Insurance and Bangkok Insurance Foundation jointly hosted the prayer ceremony dedicated to the benevolence of the passing His Majesty King Bhumibol Adulyadej. The ceremony was led by Mr. Chai Sophonpanich, on behalf of the chairman of Bangkok Insurance and Bangkok Insurance Foundation, together with 100 members of their management taking part in the ceremony held at the Dusit Maha Prasat Throne Hall in the Grand Palace.



Toilet Constructions for Schools in Rural Areas

FINANCIAL HIGHLIGHTS

	2016 (Baht'000)	2015 (Baht'000) (Restated)	Change %	2016 (USD'000)
For The Year				
Premium Written	16,031,324	15,867,370	1.0	447,419
Income on Underwriting	2,553,177	2,477,660	3.0	71,256
Operating Expenses	1,012,932	961,248	5.4	28,270
Finance Cost	3,768	4,031	(6.5)	105
Net Underwriting Profit	1,536,477	1,512,381	1.6	42,881
Net Investment Income	1,285,418	1,233,517	4.2	35,875
Income before Income Tax	2,821,895	2,745,898	2.8	78,756
Income Tax	396,107	403,572	(1.9)	11,055
Net Income	2,425,788	2,342,326	3.6	67,701
At Year-end				
Unearned Premium Reserve	7,399,141	7,271,856	1.8	206,503
Shareholders' Equity	33,253,729	34,456,170	(3.5)	928,079
Per Share	(Baht)	(Baht)		
Basic Earnings Per Share	22.78	22.00	3.6	-
Ordinary Share (Shares)	106.47 Million	106.47 Million	-	-
Dividends	14.00	12.00	-	-
Book Value	312.33	323.62	(3.5)	-
Market Price (High-Low)	366-335	375-349	-	-
Market Price at Year-end	344	359	(4.2)	-

USD 1 = Baht 35.8307

GBP 1 = Baht 44.0356

EUR 1 = Baht 37.7577

JPY 100 = Baht 30.7951

PRIDE IN 2016



It is Bangkok Insurance Public Company Limited's pride and mark of success to be presented with honorable awards from various leading foreign organizations, reflecting the Company's sound service quality and tremendous reputation, which have been accepted internationally, emphasizing its leadership in the non-life insurance industry. In 2016, the Company received the following award.

Honorable Award

The "Best Insurance Solutions Advisory Team - Thailand 2016" award from the Insurance Award 2016, organized by Capital Finance International magazine, a European magazine covering business, economy and finance. The award is presented to an outstanding and world-renowned financial institution, whether financial and banking institutions, securities companies or insurance companies. In this connection, the Company is the first and only non-life insurance company in Thailand to receive the award for the 2 consecutive years due to its efficient maintenance of the working procedure standard. In addition, the Company has also constantly and effectively developed its work management system as well as concentrated on its security, credibility and excellent potential in all respects. Similarly, the Company is also a non-life insurance company giving top priority to providing the best service to its customers throughout.

Financial Strength Rating

Bangkok Insurance derived, on October 17, 2016, Financial Strength Rating of A-/Stable from the Standard and Poor's Institution (S&P), a leading global credit rating organization, reflecting the Company's leadership in the non-life insurance industry having competitiveness, with sound operating results and stable funds and assets, apart from possessing a fund management at a satisfactory level.

Additionally, the A.M. Best Company, another leading global credit rating organization, had ranked, on May 26, 2016, the Company's Financial Strength Rating with the score of A- (Excellent), reflecting its stable funds and financial stability.

Financial Strength Rating Standard & Poor's Institution	October 17, 2016
Counterparty Credit Rating Local Currency	A- (Strong)
Financial Strength Rating Local Currency	A- (Strong)
ASEAN Regional Scale	axAA
Outlook	Stable
A.M. Best Company	May 26, 2016
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



The year 2016 witnessed significant and historic events in Thailand, both the passing away of His Majesty King Bhumibol Adulyadej (Rama IX) and the ascension to the throne of King Maha Vajiralongkorn Bodindradebayavarangkun (Rama X) of the Chakri Dynasty.

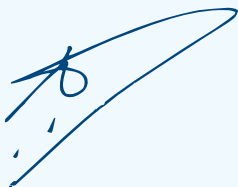
For the global economy and general situation, there have been significant changes, for instance, the United Kingdom's people's resolution to separate the country from the European Union (EU), or Brexit plans, which triggered off other countries' currents of resistance to globalization and the demand for a separation from EU, undermining EU's stability. In addition, the situation in the United States stemming from Donald Trump's victory in the general election as the forty-fifth American President, through his "America First" policy, had caused anxieties among various countries, particularly over the trade barrier policy. In 2016, we were also informed of terrorism news and the occurrence of violent natural catastrophes in numerous continents worldwide, whether an earthquake, a flood risk, a hurricane, or a blizzard, all causing loss of life and property.

For Thailand, though it has been affected by myriad factors, whether problems of domestic drought, decreasing prices of agricultural produce, declining rice prices, or negative exports continued for several months, the economy in 2016 still had a trend of better recovery over the previous year and expects a continuous growth in 2017 through such positive factors as the economic recovery of Thailand's significant trading partners, speeding up of the reimbursement of the government sector, serious investment in communication infrastructure projects, as well as the benefit of the tourism sector's growth, all contributing to an amelioration in the industrial sector and investment in the private sector.

In spite of the economic fluctuation, coupled with a confrontation with a variety of new patterns of challenges, such as a new generation's lifestyle, the advent of a digital economy era, or an alteration in financial technology (FinTech), Bangkok Insurance Public Company Limited, throughout its 69-year performance, is still able to retain its market share and constantly generate positive performance, as a consequence of the Company's giving priority to various aspects, whether the work procedure, personnel or information technology systems, in response to different risks and generating the greatest satisfaction for customers and business partners.

As to a guideline for its business transaction in the next year, besides the development of products with potential of a market expansion and development of the work procedure on the underwriting and claims, personnel development is regarded as a significant tactic of driving its business, the Company is, therefore, still determined to retain its performance philosophy in respect of a fair, honest, accurate and quick service, apart from creating an impression, confidence and trust by its professional work team in response to customers' demand, including a realization of its responsibility to society. Such philosophy has been instilled in and transferred to all the Company's employees from generation to generation, leading to its stable and sustainable growth as it is nowadays.

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 shareholders, customers and business allies for their constant and staunch trust and support to the Company. Finally, I would also like to thank the Company's management and all our employees for their utmost dedication to performance in order to submit the best products and services to customers and business partners, aimed at emphasizing Bangkok Insurance's being "the preferred non-life insurer in Thailand" and further moving towards its 70-year performance gracefully.



Mr. Chattri Sophonpanich

MESSAGE FROM THE CHAIRMAN



In 2016, the non-life insurance industry experienced fierce competition, as continued from the year before, and was confronted with such multiple challenges as an economic slowdown of trading partners affecting Thailand's exports, financial institutions' strict credit scheme, a contraction of total car sales, consumers' cautious spending despite a trend of the Thai economy's higher growth rate, including a continuously low level of an insurance premium rate in the global market. Nonetheless, there were also positive factors in support of the non-life insurance industry's continued growth, for instance, the government sector's speeding up of the reimbursement of the budget and investment in infrastructure projects, an expansion of tourism, the government sector's support of an introduction of the insurance system to risk management for the country's significant projects, etc.

Over the past year, Bangkok Insurance Public Company Limited conducted its business transactions based on the principle of generating a balance in its work extension in parallel with the maintenance of operating performance standards, having constant development of a work system for both underwriting and claims, having a strict process of risk management for quality work insurance, apart from giving priority to retaining a current customer base together with an expansion of a new customer base in all channels. Most recently, the Company has opened new branches in Surin and Chumphon, bringing the total number of regional branches to 34, and when combined with all 25 BKI Care Stations across the country, it has displayed the Company's determination to provide all-inclusive non-insurance services to its customers and business partners. Additionally, in response to a business opportunity incurred by the opening of the Asean Economic Community (AEC), the Company has collaborated with its foreign allies, who are experts in the non-life insurance industry, in establishing Bangkok Insurance (Lao) Company Limited in Vientiane, Lao People's Democratic Republic.

The Company has introduced the information technology system in support of its business and steadily given importance to the generation and maintenance of information security, which allowed the Company to be certified, in 2016, with the quality standard ISO/IEC 27001:2013. In this connection, the Company has improved and developed products and services that increasingly meet all customers' need, for example, an issuance of non-life insurance products with differentiated pricing by region, development and addition of more car inspection functions, prior to a purchase of insurance, through the Application BKI iCare, aimed at the use via a smart phone, etc.

For sustainable growth towards the future, the Company has given priority to its personnel development so they become quality staff who are knowledgeable and skillful in insurance work and capable of being advisers providing advice to customers and business partners, apart from injecting and fostering a sound conscious mind in its staff. In addition, the Company has also attached to its business transactions based on the principle of good corporate governance, ready to constantly continue, in each year, its activities benefiting society and the general public, whether education, public health, relief of public disasters, development of communities and the environment, religion, arts and culture. As a consequence of its growing business transactions on non-life insurance, retaining the standard of quality services, coupled with its work procedures of international standards, the Company was awarded the "Best Insurance Solutions Advisory Team - Thailand

2016” award from the Insurance Awards 2016, organized by CFI.co (Capital Finance International Magazine). The Company has been the first and only non-life insurance company in Thailand to receive such an award for 2 consecutive years.

For the Company’s performance in 2016, its total written premium rose by 1.0 percent to Baht 16,031.3 million. The Company’s earnings before tax were Baht 2,821.9 million, an increase of 2.8 percent, comprising of the income from underwriting of Baht 1,536.5 million as well as earnings from investment and other income of Baht 1,285.4 million, resulting in a net income of Baht 2,425.8 million, a rise of 3.6 percent, or earnings per share of Baht 22.78, compared to Baht 22.0 in the previous year. The Company’s Board of Directors’ meeting on February 24, 2017, has approved a final dividend payment of Baht 5 per share for the year 2016. Therefore, in 2016, the Company had made total dividend payments of Baht 14 per share. The Company possesses robust financial standing and sufficient fund, as reflected by the Capital Adequacy Ratio (CAR) as at the end of September 2016 as high as 234.9 percent. Besides, the Standard and Poor’s (S&P) and the A.M. Best Institution have ranked the Company’s financial strength rating with the scores of A-Stable (as at October 2016) and A- (Excellent) Outlook Stable (as at May 2016), respectively.

In 2017, the Company will move forward to its 70th year of business transactions and is still determined to develop its excellent products and services, apart from having a strong intention of development toward an organization of sound morality, attaching to His Majesty King Bhumibol Adulyadej’s resolution as a guideline for the Company’s quality-work development in parallel with sound morality. Additionally, the Company has set up such special projects, to create underprivileged people’s sound hygiene, as the “Ventilators Donations to Hospitals in Need” project, the “Construction of Heart Disease Building” project, the “70th Anniversary Cancer Insurance Policy” project, with partial proceeds as an additional contribution to the National Cancer Institution, a support of schools with sound morality in cooperation with the Foundation of Virtuous Youth, apart from blood donation to the Thai Red Cross Society, etc.

Finally, on behalf of the Chairman of the Board of Directors, I would like to extend my sincere thanks to our customers, business partners, shareholders and business allies for their great trust and support of the Company, both for its business and their participation in activities carried out by the Company. I would also like to sincerely thank all the Company’s management and employees for their cooperation and concerted efforts to help push forward the organization, aimed at providing sound services to customers and business partners, including performance in compliance with rules and regulations, bringing reputation, success and sound performance for the Company throughout.



Mr. Chai Sophonpanich

TYPE OF BUSINESS TRANSACTIONS

Marketing and Competition

1. Policy on Marketing of Products and Services

In 2016, the competition in the non-life insurance industry still focused on personal lines business, particularly motor insurance because a premium from the communication infrastructure projects had not entered the insurance system as much as insurance companies had expected, including the continuously low level of the reinsurance premium rate in the global market, resulting in a property premium's inability to achieve a fair growth rate. Nevertheless, people's ongoing low purchasing power due to various negative factors dating back to 2014 and 2015, for instance, a slowdown in the private sector's investment and employment, a high level of household debt, diminishing agricultural produce prices, and drought problems have all forced insurance companies to resort to intensive use of price strategies such as an issuance of the single premium rate and other campaign premiums covering numerous models and brands of cars, apart from an attempt to retain, as much as possible, customers' insurance policy renewal rate via a price strategy to attract customers having a good claim record, including an extension of a car repair period.

In addition, a number of insurance companies have tried to raise a wide variety of their insurance products through the segmentation of customers with an approximate level of risk or coverage demand, and then issue a policy or offer a coverage package specific for each customer group's demand, for example, the duration of car use, the insured's age with different levels of risk, or the different demand for coverage.

Many insurance companies have still given importance to development towards digital insurance via constant development of an application through a smart phone. In 2016, most applications were intended to provide convenience to a surveyor to quickly reach an accident scene, besides making a more rapid claims consideration. This was developed apart from an application allowing customers to make a claims report or claims implementation by themselves.

Bangkok Insurance Public Company Limited still retains a policy of not engaging in the competition of a too-low premium rate or use of a strategy of high-remuneration provision in order to motivate its customers and agents, but rather focuses on generating value-added products and services, with prominence and customer centricity, to retain, as much as possible, current customers' insurance policy renewal rate, including an extension of a new-customer base, especially a potential group. In 2016, the Company's trend of market expansion is listed below.

- An extension of the insurance business to other countries in AEC in support of a business opportunity stemming from the opening of AEC. In 2016, the Company expanded its business to Lao People's Democratic Republic by opening Bangkok Insurance (Lao) Company Limited in Vientiane, and extending provincial branches in Surin and Chumphon.

- With grave competition in the insurance market, price competition is inevitable. However, the Company will engage in price competition only in the segmentation it has analyzed still yields sound remuneration, for instance, a car used in a low-risk area, under the concept of Differentiated Pricing by Region.

- Development of insurance products and services which can respond to consumers' demand and lifestyle, under the concept of Lifestyle Insurance Provider, listed below.

- An issuance and improvement of new policies such as a policy for working-age people both in the agricultural and the industrial sector, as well as an improvement of "2+" motor policy, for its being more interesting, in which customers can make an adjustment of coverage as required. If less coverage is selected, a premium is reduced accordingly.

- Steady development of the information technology providing convenience to customers. In 2016, the Tele Photo Claims system was developed to facilitate sending and receiving a motor claims report and photos via a Line application or other channels convenient for customers, including providing an e-policy service or electronic insurance policy, allowing customers to obtain a policy more conveniently and rapidly, compared to an original paper policy.

- Development of the BKI Telematics system so that customers installing it will gain more advantages, namely deriving a discount based on a driving distance, with a maximum of 20%, calculated from customers' driving distance over the past year.

- Giving priority to an extension of business via the Internet channel, which has achieved a continuous growth rate, in response to a new generation of consumers who favor a purchase of goods and services online. To achieve this goal, the Company has allied itself with more broker companies which specifically distribute their insurance through the Internet.

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 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

	2016 (%)	2015 (%)	2014 (%)
Ratio of First 10 Major Customers	8.9	7.5	7.8

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 Channel

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

4.1 Agents

The Company had, at 2016 year-end, agents totaling 2,002 people scattered in all regions of the country who are regarded as tremendously significant distribution channels because they closely provide advice on non-life insurance to customers, resulting in customers through this channel having a trend of being the Company's long-term customers, higher than a contribution of business partners via other channels. As a consequence, the Company has given priority to the development of a technological system in support of its agents' convenient and quick performance. Meanwhile, agents are able to conduct transactions themselves anywhere and at any time without having to call the Company's officers. Additionally, the Company has also conducted an activity retaining sound relationship with its agents, besides providing efficient development of their knowledge. In this regard, agents are classified into groups so that the most appropriate relationship-maintaining activity and potential development program will be conducted for each group.

4.2 Brokers

The Company had, at 2016 year-end, a total of 308 juristic persons, both as ones in the country and ones of multinational companies having a customer base of large business with great complexity of insurance, for instance, petrochemical factories, airplanes, including juristic persons emphasizing a policy distribution via an online channel who have increasingly become the Company's allies. In this connection, brokers will provide an all-inclusive service to customers, ranging from an introduction of the type of insurance, being a representative of the insured in a request for claims, to a premium collection on behalf of the Company, which has a technological system in support of its performance and activities retaining a close relationship with brokers, like those for agents.

4.3 Financial Institutions

The Company has sold insurance policies through Bangkok Bank, car dealers and leasing companies. The distribution of insurance policies via Bangkok Bank's Bancassurance has steadily attained a very high growth rate. The Company has developed its policies to be appropriate to target groups, having the coverage and premium rate which are not complicated but easy for bank officers to sell, besides providing training 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	2,002	19.2
Brokers	308	21.7
Financial Institutions	31	25.3
Direct Customers	-	33.8

Competition in 2016

In 2016, the non-life insurance industry had a total of 61 companies, most of which were medium and small. The insurance companies, with the first 10 highest-ranking premiums, had direct premium written ratio of 60.3 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

	2016 (Preliminary) (Before Restarted)	2015	2014 (Baht : Million)
Bangkok Insurance Public Company Limited			
Remium Written	15,479.4	15,295.8	15,155.4
Growth Rate (%)	1.2	0.9	0.6
Non-Life Insurance Market			
Premium Written	211,813.4	209,278.5	205,367.7
Growth Rate (%)	1.2	1.9	1.1

The Company's Market Share over the Past 3 Years

Types of Insurance	Rank	2016 (Preliminary) (Before Restarted)	Rank	2015	Rank	2014
Fire	2	14.2	2	14.7	2	14.4
Marine	4	6.7	5	6.3	5	6.4
Motor	5	5.4	4	5.8	4	5.7
Miscellaneous	2	9.5	2	8.8	2	9.2
Total	3	7.3	3	7.3	3	7.4

Source : Office of Insurance Commission

Status of and Potential for Competition

Though the non-life insurance industry has a number of companies doing business, causing fierce competition, Bangkok Insurance Public Company Limited is still able to maintain its status of being a leading insurance company over a long period of time since the Company has advantages in the competition, compared to its competitors, as the following:

1. Financial Stability

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

2. Having Robust Business Allies

The Company is a business ally of Bangkok Bank Public Company Limited, which is the country's largest bank and when measured based on the magnitude of its properties, with nearly 1,200 branches nationwide and a customer base of over 17 million accounts, it can be seen to offer tremendously significant channels for insurance business expansion, both for a premium for the insurance of large-scale assets from customers who are companies and industrial plants, and for a premium for personal lines business via Bangkok Bank's Bancassurance. Furthermore, Bangkok Bank also has 17 branches in ASEAN which is favorable to the Company's business extension to those countries benefiting from an economic growth following the opening of AEC.

3. Robustness of Bangkok Insurance Brand

The Company has steadily launched a public relations campaign both for its insurance products and organization through myriad media by communicating the Company's outstanding features and creating obvious brand identity, resulting in the name of Bangkok Insurance being an insurance company which consumers can recognize and has a sound image, reflected from the consequence of a survey of insurance companies which consumers can recognize most and have the most confidence in, conducted by various market research agencies, from which the Company has been on the top rank throughout.

4. Employees' Knowledge and Competency

The Company regards its employees as its most valuable resource and thus gives importance to the consistent development of employees' knowledge and skills, as well as retains competent employees with the organization. The Company has a very low turnover rate, compared to the industry's average, contributing to the Company's majority of employees' long working experiences and ability to constantly transfer knowledge and experiences from generation to generation, resulting in efficient customer services.

5. Advanced Information Technology System

For over a decade the Company has constantly given priority to the investment in its information technology in order to develop the quality of services to customers and business partners, and reduce the Company's operating costs, including development of a technological system to safeguard customers' personal data from a cyber attack. Moreover, the Company has also invested in a system of data storage and spare operation base, aimed at creating its business continuity in case of a crisis, generating confidence among customers and business partners no matter when an unexpected event occurs, to ensure the Company's retained potential of continuous business transactions and services.

Nonetheless, the Company's focus on its service quality rather than price competition has caused it to lose an opportunity to extend the market to a group of customers demanding insurance products with low financial coverage and a low premium. The Company realizes the significance of a market extension to these target groups and concentrates on its attempt to provide products which can respond to the target groups' demands.

Important Factors Affecting Opportunities or Limitations of Business Transactions in 2016

1. An approval of construction and tender of communications infrastructure construction projects has been delayed later than the expect plan, resulting in the premium from the infrastructure construction underwriting being not so much as anticipated.

2. The purchasing power of agriculturists, who make up the majority of the country's population, was still low due to a constant drop in the price of significant agricultural produce such as rice, rubber and tapioca, apart from a severe drought at the beginning of the year, affecting a comprehensive agricultural area, both influencing the purchasing power in the region which has principally relied on the agricultural sector.

3. The alteration in consumers' behavior from conducting business transactions at a bank counter to conducting it more via a smart phone or digital banking, causing a decline in the number of service users in each of the Company's branches, and a diminishing rate of a rise in the number of newly opened branches, directly impacting the Company's distribution of its policies via Bangkok Bank's counters.

4. The impact of the government's first-car policy led to a high rise in total car sales between 2012 and 2013 and influenced the purchasing power on new cars in the following years. The total car sales in 2016 dropped by -3.9 percent (source: Toyota Motor Thailand), compared to the year before, which made a negative growth rate for four consecutive years, significantly contributing to an expansion of motor insurance work which represented 43 percent of the Company's total premium.

5. The insurance market has experienced fierce price competition, particularly motor insurance owing to an economic slowdown, resulting in consumers' more cautious spending, while a premium has become a principal factor in their consideration and decision making to purchase insurance. Meanwhile, the Company's policy still focuses on the provision of quality services rather than on low-premium competition. In addition, numerous consumers have adjusted their purchase of "first-class motor insurance" to "2+" and "3+" insurance which has a lower premium rate, contributing to a drop in an average amount of premium for a customer.

6. The property/casualty premium rate has dropped due to a continuous decline in the reinsurance premium rate in the global market owing to the fact that there has been no great natural disaster in Thailand since a tremendous deluge in 2011, including the global reinsurance market's fierce price competition on account of a slowdown of the global economy and the Alternative Reinsurance Capital having entered into the reinsurance market in addition to existing reinsurance companies, with the constantly rising global reinsurance's market share.

Ability to Maintain Ratios Based on Business Type

In 2016, the Company had a total written premium of Baht 16,031.3 million, with premium growth in miscellaneous insurance and cargo insurance, while fire insurance, hull insurance and motor insurance experienced a negative growth. The miscellaneous premium had a ratio of 46.4 percent of the total written premium, a rise from the year before, due to the growth of the premium in the Broker Business Unit and an extension of business via corporate customer channel. The motor premium had a ratio of 41.2 percent of the total written premium, a drop over the previous year. Meanwhile, a total written premium for other classes of insurance, except motor insurance and miscellaneous insurance, accounted for 12.4 percent, a slight decline compared to the year before.

Written Premium Classified by Types of Insurance

Type	(Baht : Million)					
	2016	Distribution %	2015	Distribution %	2014	Distribution %
Fire	1,604.6	10.0	1,723.9	10.9	1,781.5	11.3
Hull	38.1	0.3	47.2	0.3	41.7	0.3
Cargo	341.5	2.1	328.0	2.0	354.7	2.2
Motor	6,607.6	41.2	6,967.1	43.9	6,698.0	42.5
Miscellaneous	7,439.5	46.4	6,801.2	42.9	6,902.9	43.7
Total	16,031.3	100.0	15,867.4	100.0	15,778.8	100.0

Concerning the Company's loss ratio in 2016, it was 50.3 percent, slightly lower than that in 2015, which was 50.6 percent. The diminishing loss ratio was a consequence of motor claims' decreasing loss ratio on underwriting.

Loss Ratio on Underwriting

Type	(Baht : Million)								
	2016			2015			2014		
	Earned Premium	Claims	Loss Ratio %	Earned Premium	Claims	Loss Ratio %	Earned Premium	Claims	Loss Ratio %
Fire	1,068.3	60.6	5.7	1,056.8	(38.7)	(3.7)	1,064.6	248.4	23.3
Hull	8.0	3.2	39.8	15.9	4.0	25.2	15.4	8.9	57.8
Cargo	189.4	30.0	15.9	195.3	31.7	16.2	209.0	62.0	29.7
Motor	6,484.8	4,137.8	63.8	6,765.0	4,513.6	66.7	6,378.3	4,222.9	66.2
Miscellaneous	3,311.1	1,331.7	40.2	3,160.8	1,149.9	36.4	3,160.5	1,234.1	39.0
Total	11,061.6	5,563.3	50.3	11,193.8	5,660.5	50.6	10,827.8	5,776.3	53.3

POLICY ON AND THE OVERALL BUSINESS TRANSACTION

Bangkok Insurance Public Company Limited has been engaged in all categories of the non-life insurance business, fire insurance, marine insurance, motor insurance, miscellaneous insurance, and 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 70th year and possesses the paid-up capital of Baht 1,064.7 million, consisting of stocks of 106.47 million shares valued at Baht 10 per share.

Vision

The Company's vision is "Bangkok Insurance aims to be the most preferred non-life insurer in Thailand". The Company will assuredly move forward with products and services that meet all customers' needs, fast and responsive service to ensure maximum customers satisfaction, and exceptional staff with expertise in the insurance business. The Company has carried out its business with great attention to its shareholders, customers and business partners, employees, and agencies overseeing it, including society and the environment.

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

Shareholders, Customers and Business Partners

The Company is strongly determined to perform honest and fair business, focusing on the principles of good corporate governance for its work management in order to generate and maintain constant confidence and faith in the Company among its customers and business partners. In this regard, the Company has obviously declared its policies on anti-corruption and whistle-blowing, as well as on anti-money laundering, with which all employees have to comply, including development of the quality of service with a continuous increase in swiftness and efficiency. The Company is the first insurance company in Thailand and the Asian region to receive the ISO 9002, in respect of the motor insurance services, from the Bureau Veritas Quality International (BVQI), by the United Kingdom Accreditation Service (UKAS), a quality certification institution, in 1997. In addition, the Company had been certified for the quality of all work systems of its headquarters and branches, as well as Bangkok and peripheral offices in 2000. Furthermore, the Company was certified with the quality work management ISO 9001:2000, for all work systems of the organization, in 2002, apart from receiving the ISO 9001:2008, for all work systems of the organization, from BVQI and the British Standards Institution (BSI), in 2009 and 2015, respectively, as a consequence of the Company's continuous preservation of the service quality standard.

Due to the fact that the cyber attack has become a significant risk and caused damage to numerous businesses, particularly the insurance industry, which has become a major target of such attack since it has stored a considerable amount of customers' personal data, the Company gives priority to protecting its customers' personal data through an arrangement of the Information Security Management system of international standards, enhancing security for the Company's data and information. The Company was certified with its Information Security Management system from various organizations, for instance, the quality standard ISO/IEC 27001:2005 from AJA Registras Company in 2014. Most recently, it was certified with the quality standard ISO/IEC 27001:2013 on June 3, 2016 from SGS Company (Thailand).

The Company's Quality Control Center received the "Consumer Protection Thailand Call Center Award 2015" from the Office of the Consumer Protection Board. Additionally, in 2016, the Company established the High Loss or Complicated Claims Committee in order to consider damages of Baht 50 million and over, aimed at an efficient and quick solution to problems for all levels of the Company's customers.

Employees

The Company is determined to select knowledgeable and capable staff, with high potential for self-development, and provide them with training and development for a steady rise in their knowledge and competency, both knowledge of their professions and that of sound morality and rule of conduct. In this connection, the Company has a concept of encouraging all levels of its management and employees to attach to sound morality and rules of conduct, based on His Majesty King Bhumibol Adulyadej's initiatives, as a guideline for their performance, and driving the organization towards an organization of sound morality. All the Company's departments have to formulate a plan on sound morality development and make a serious evaluation of an implementation in compliance with the plan.

Furthermore, the Company has also created its knowledge-based culture robust in emphasizing customer centricity, as well as encouraged its employees' participation in expressing their opinions for the organization development, including a transfer of knowledge, skills and experiences from an employee to others, whether at the Company's headquarters or branches, via the equipment connecting live-broadcast signals to its branches across the country.

To maintain quality staff, the Company has mapped out succession plans for its management and an individual development plan for its staff so as to be in conformity with each individual's different capability. In addition, the Company also has a fair and systematic evaluation of its staff's performance, provides fair and motivating remuneration and welfare, and has an apparent career path and an opportunity for staff's career advancement.

Regulators

The Company has practices in complete conformity with rules, regulations and orders which the Office of Insurance Commission (OIC) has defined, over both the Company's financial standing and fund higher than that defined in the criteria, including its financial statements and accounting system which is straightforward and transparent. Moreover, the Company has given cooperation in its practices in compliance with the laws relating to the anti-money laundering and prevention of terrorism, and safeguarding customers' information security, apart from establishing a good relationship with all branches of media by occasionally arranging for a press conference and interview of the Company's management in order to constantly communicate the organization's information to customers, business partners and shareholders.

Society and the Environment

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, whether education, public health, relief of public disasters, development of communities and the environment, or preservation of religion, arts and culture, all of which have been carried out by the Company itself, or in collaboration with its allies such as Bumrungrad International Hospital and Bangkok Life Assurance. With respect to education, the Company has provided its support through the foundations under His Majesty King Bhumibol Adulyadej's initiatives since 1982 till now, namely the Ananda Mahidol Foundation, the Chai Pattana Foundation and the "Graduates Go Home" project.

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

In 2016, the Company had targeted its total written premium of Baht 16,665 million, a growth of 5 percent, through its principal operating strategy of maintaining the highest rate of insurance policy renewal due to an economic slowdown and a high price competition, making it difficult to extend new work. For new work, the Company still maintains its policy on taking only the underwriting work with acceptable risk and having an opportunity to generate sound operating performance, through strict preparation of a Risk Survey. Concerning price competition, the Company will compete only in the segmentation which it has analyzed can still make profits.

Besides, the Company has also given importance to development of insurance products and services which are able to respond to consumers' demand and in line with their lifestyle, based on the Company's Lifestyle Insurance Provider concept, for instance, cooperation with allies for an issuance of a policy for the target working-age group, development of the Tele-Photo Claims system that is a contact for receiving and sending motor claims and photo data via a Line application or other channels convenient for customers, provision of e-policy services or electronic insurance policy services delivered to customers for their convenience, including a rise in the privilege of a premium discount based on a driving distance of customers who have installed the BKI Telematics system.

Significant Change and Development

- A Change of Authority in Controlling the Company

Over the past 4 years, the Company has had no change of its authority in controlling the Company.

- Type of Business over the Previous Year

The Thai economy in 2016 experienced a GDP growth rate of 3.2 percent, compared to 2015, which experienced a growth rate of 2.9 percent (source: the National Economic and Social Development Board), which was regarded a satisfactory growth rate when such negative factors affecting the Thai economy were taken into account, for instance, a slowdown of the global economy and Thailand's significant trading partners' economy, causing exports, a major driving force of the Thai economy, failing to grow, a continuous decline in agricultural product prices, apart from a slowdown of the private sector's investment and employment, coupled with a high level of the household sector's debts, significantly affecting the people's purchasing power. In this regard, the Thai economy also experienced a positive factor from a steady rise in tourism, including a low level of oil prices, as continued from the year before, causing a low inflation rate. Similarly, there was also a low level of interest rates, apart from the government sector's spending in investment in communications infrastructure.

Though the growing Thai economy, coupled with the government policy supporting agriculturists' rice field premium, positively impacted the non-life insurance industry in 2016 but it achieved the direct premium written growth rate of 1.2 percent (source: the Office of Insurance Commission), a decrease of 1.9 percent from 2015. The motor premium and fire premium achieved a growth rate of 1.5 percent and -2.4 percent, respectively, while marine premium and miscellaneous premium experienced -1.4 percent and 1.5 percent growth, respectively. In contrast, such negative factors as the constantly diminishing property premium rate incurred by foreign reinsurance companies' high competition, a lack of occurrence of enormous disasters in Thailand since the great deluge in 2011, as well as the total car sales in the country still experiencing a negative growth rate for 4 consecutive years had significantly impacted motor insurance, which had the highest proportion of premium in the non-life insurance industry.

In 2016, the Company was able to achieve an operating result approximate to that of 2015, with the total written premium increasing by 1.0 percent to Baht 16,031.3 million, a slight rise compared to 2015. Nevertheless, in 2016, the Company's net underwriting profit was Baht 1,536.5 million. When combined with the net investment income and other income of Baht 1,285.4 million, the Company's earnings before tax were Baht 2,821.9 million, while its net income was Baht 2,425.8 million, an increase of 3.6 percent, or earnings per share of Baht 22.78, a rise from the previous year, which was Baht 22.00. The Company's Board of Directors has approved, on February 24, 2017, a final dividend payment of Baht 5.00 per share. In 2016, the total dividend payment was Baht 14.00 per share.

With its robust financial standing, the Company's Capital Adequacy Ratio (CAR), as at the end of September 2016, was 234.9 percent (standard criteria: not less than 140.0 percent). Moreover, two of the world's leading rating institutions, namely, the Standard and Poor's Institution (S&P) and the rating institution A.M. Best Company, have ranked the Company's financial strength rating as robust as that of the previous year, reflecting the Company's ability to generate sound operating results and constantly maintain robust financial status.

- The Corporation's Shareholdings Structure

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

1. Asia Insurance (Cambodia) Plc., with the investment capital ratio of 22.92 percent. The Company has appointed its Board's directors and executives to be directors of this company to take part in defining the latter's policy as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.

2. Asia Insurance International (Holding) Limited, with the investment capital ratio of 41.7 percent. The company has invested in insurance companies in the region, such as Asia Insurance (Philippines) Corporation and Cambodian Reinsurance Company. Some of the Company's Board directors are directors of this company.

3. Bangkok Insurance (Lao) Company Limited, with the investment capital ratio of 45.0 percent. The Company has appointed its directors and executives to be directors of this company to take part in defining the latter's policy as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.

RISK FACTORS

The Company still encounters 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, with the Company's Board of Directors overseeing the Company's overall business to ensure its proper risks. In addition, the Company has appointed committees overseeing risks, both for its insurance business and investment, for instance, underwriting and claims 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 instance, based on the government sector's investment in flood prevention project, an opportunity for a great deluge like that in 2011 has significantly diminished. As a consequence, the Company has to specifically define and review its guideline for underwriting of the flood risk in order to be in conformity with current situations and actual risk.

The Company also takes into consideration the concentration of underwriting and reinsurance by dispersing its risk from underwriting from different customer groups and transferring the risk to 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 an underwriting and claims committee defining the policy on claims management, the scope of claims authority, as well as supervising and following up the status of a claims request, such as defining the policy and quick steps of claims payments, while cautiously and completely considering those claims in order to generate fairness for customers, including overseeing to ensure that the Company has sufficiently established the claims reserve, apart from resolving various problems and obstacles so that the quality of the claims payment service is satisfactory to the Company's customers and business partners.

1.2 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 risks stemming from a certain number of reinsurance companies being able to take reinsurance with a less amount of coverage, owing to their degraded credit rating, or by reinsurers' desire not to conduct underwriting, or do it but only in a limited amount.

To manage the risk, the Company has defined the amount of money possessed and the reinsurance collateral, with a guideline for collecting the unearned premium reserve under all major contracts. The Company has also considered the financial status and credit rating of all reinsurance companies, and a guideline for premium recollection, and purchased reinsurance policies from many trustworthy companies that are capable of reinsurance, which helps distribute the risk. In addition, it has cautiously scrutinized the reinsurance conditions through its department that is well versed in the reinsurance business, including having its legal department consider legal issues, in order to minimize such risk.

- Difficulties in Premium Collection

Premium collection risk is a risk when the insured may not 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

The year 2016 was another year of investment volatility risk which can be listed as below.

2.1 Credit Risk

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

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

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

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

2.2 Concentration Risk

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

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

2.3 Liquidity Risks

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

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

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

2.4 Market Risk

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

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

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

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

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

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

3. The Company's Other Risk

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

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 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 the 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 its external factors, which may include risk when the Company does not perform in complete compliance with the laws, rules and regulations issued by the regulator.

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

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

With respect to its performance in compliance with laws, the Company has defined its performance guideline in line with rules and regulations, including communicating all the rules and regulations made by the regulator to all its employees for acknowledgement and strict performance based on them.

REPORT OF THE COMPANY'S OPERATIONS

(Baht : Million)

	2016	2015 (Restated)	Change %	2016 Distribution %
Premium Written				
Types of Insurance				
Fire	1,604.6	1,723.9	(6.9)	10.01
Marine	379.6	375.2	1.2	2.37
Motor	6,607.6	6,967.1	(5.2)	41.22
Miscellaneous	7,439.5	6,801.2	9.4	46.40
Total	16,031.3	15,867.4	1.0	100.00
Income on Underwriting				
Types of Insurance				
Fire	548.2	670.7	(18.3)	21.47
Marine	127.2	126.3	0.7	4.98
Motor	758.0	483.6	56.7	29.69
Miscellaneous	1,119.8	1,197.1	(6.5)	43.86
Total	2,553.2	2,477.7	3.0	100.00
Operating Expenses	1,012.9	961.3	5.4	39.67
Finance Cost	3.8	4.0	(6.5)	0.15
Net Underwriting Profit	1,536.5	1,512.4	1.6	60.18

(Baht : Million)

	2016	2015	Change %
Net Investment Income			
Interest	332.5	380.3	(12.6)
Dividends	793.4	745.1	6.5
Gain on Sale of Securities and Assets	55.5	44.4	25.0
Rental and Other Income	165.1	161.9	2.0
Share of Income from Associated Accounted for under the Equity Method	8.7	11.6	(25.0)
Gain (Loss) from Reversal Impairment of Investment	17.5	(22.4)	178.1
	1,372.7	1,320.9	3.9
Investment Expenses	87.3	87.4	(0.1)
Net Investment Income	1,285.4	1,233.5	4.2
Operating Results			
Net Underwriting Profit	1,536.5	1,512.4	1.6
Net Investment Income	1,285.4	1,233.5	4.2
Income before Income Tax	2,821.9	2,745.9	2.8
Income Tax	396.1	403.6	(1.9)
Net Income	2,425.8	2,342.3	3.6
Basic Earnings Per Share (Baht)	22.78	22.00	3.6
Ordinary Share (Shares)	106.47 Million	106.47 Million	-
Par (Baht)	10.00	10.00	-

REVENUE STRUCTURE

(Baht : Million)

	2016	Distribution		2015	Distribution		2014	Distribution
Premium Written		%	(Restated)		%	(Restated)		%
Types of Insurance								
Fire	1,604.6	10.01	1,723.9	10.87	1,781.5	11.29		
Marine	379.6	2.37	375.2	2.36	396.4	2.51		
Motor	6,607.6	41.22	6,967.1	43.91	6,698.0	42.45		
Miscellaneous	7,439.5	46.40	6,801.2	42.86	6,902.9	43.75		
Total	16,031.3	100.00	15,867.4	100.00	15,778.8	100.00		
Income on Underwriting								
Types of Insurance								
Fire	548.2	21.47	670.7	27.07	533.2	22.78		
Marine	127.2	4.98	126.3	5.10	102.5	4.38		
Motor	758.0	29.69	483.6	19.52	576.2	24.62		
Miscellaneous	1,119.8	43.86	1,197.1	48.31	1,128.7	48.22		
Total	2,553.2	100.00	2,477.7	100.00	2,340.6	100.00		
Operating Expenses	1,012.9	39.67	961.3	38.80	812.4	34.71		
Finance Cost	3.8	0.15	4.0	0.16	3.8	0.16		
Net Underwriting Profit	1,536.5	60.18	1,512.4	61.04	1,524.4	65.13		
Net Investment Income								
Interest	332.5	24.22	380.3	28.79	397.1	31.59		
Dividends	793.4	57.80	745.1	56.41	668.1	53.16		
Gain (Loss) on Sale of Securities and Assets	55.5	4.04	44.4	3.36	11.5	0.91		
Rental and Other Income	165.1	12.03	161.9	12.26	154.4	12.29		
Share of Income from Associated								
Accounted for under the Equity Method	8.7	0.63	11.6	0.88	10.8	0.86		
Gain (Loss) from Revesal Impairment of Investment	17.5	1.28	(22.4)	(1.70)	15.0	1.19		
	1,372.7	100.00	1,320.9	100.00	1,256.9	100.00		
Investment Expenses	87.3	6.36	87.4	6.62	90.6	7.21		
Net Investment Income	1,285.4	93.64	1,233.5	93.38	1,166.3	92.79		



Mobile Medical Service

REPORT OF THE COMPANY'S OPERATIONS

Summary of Operating Performance for the Year 2016

Operation and Financial Status of the Company

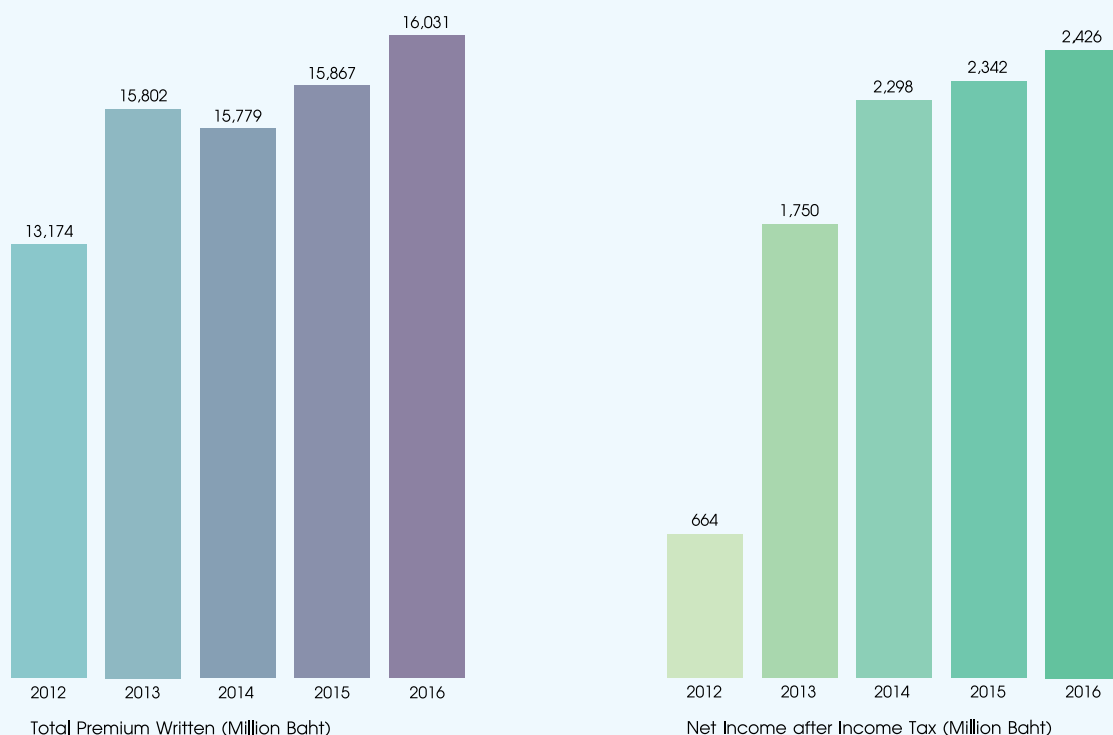
Based on the financial statements as at December 31, 2016, the total assets of the Company amounted to Baht 57,332.6 million, a decline of 3.2 percent from Baht 59,251.3 million in the previous year. This was accompanied by a significant decrease in assets, particularly net investments in securities, net loans and net reinsurance assets of Baht 1,775.8 million, 400.6 million and 111.6 million, respectively. In contrast, net premium receivables rose by Baht 165.7 million.

Liabilities at 2016 year-end totaled Baht 24,078.9 million, a drop of Baht 716.2 million, or 2.9 percent, over 2015. A significant change was a decline in net deferred tax liabilities and insurance contract liabilities of Baht 551.8 million and 474.3 million, respectively, as well as a rise in premiums received in advance, accrued expenses and other liabilities of Baht 90.1 million, 62.4 million and 85.5 million, respectively.

Owners' equity on December 31, 2016, equaled Baht 33,253.7 million, a drop from Baht 34,456.2 million, or 3.5 percent, in 2015. Significant components were a decrease of Baht 2,274.1 million, or 9.3 percent, in other component of owners' equity and a growth of Baht 1,071.7 million in Unappropriated retained earnings.

For 2016, the premium written income for all classes of insurance rose by 1.0 percent to Baht 16,031.3 million, compared to 2015. Personal accident insurance and other miscellaneous insurance achieved the highest growth rates of 17.9 percent and 7.3 percent, respectively, compared to 2015.

In 2016, the net underwriting experienced a return of Baht 1,536.5 million, an increase of Baht 24.1 million, or 1.6 percent, over 2015, due mainly to the fact that in 2016, there was a reduction in expenses ratio of 0.4 percent, compared to the year before. Similarly, there was the underwriting loss ratio of 50.3 percent in 2016, a drop of 0.3 percent, compared to 2015.



The net investment income and other income in 2016 was Baht 1,285.4 million, a rise of 4.2 percent, over 2015. When combined with a profit from underwriting, the Company's total income before income tax deduction was Baht 2,821.9 million, a rise of 2.8 percent. After income tax deduction, the net income totaled Baht 2,425.8 million, an increase of 3.6 percent, compared to 2015, or Baht 22.78 per share, compared to Baht 22.00 per share in 2015.

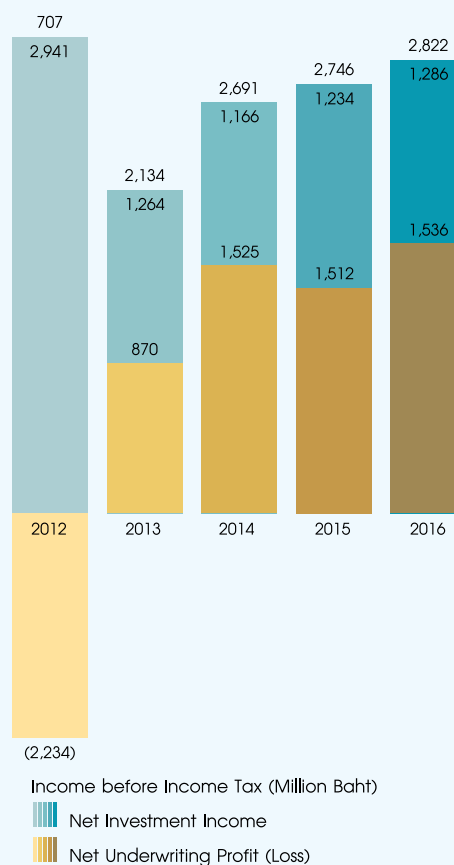
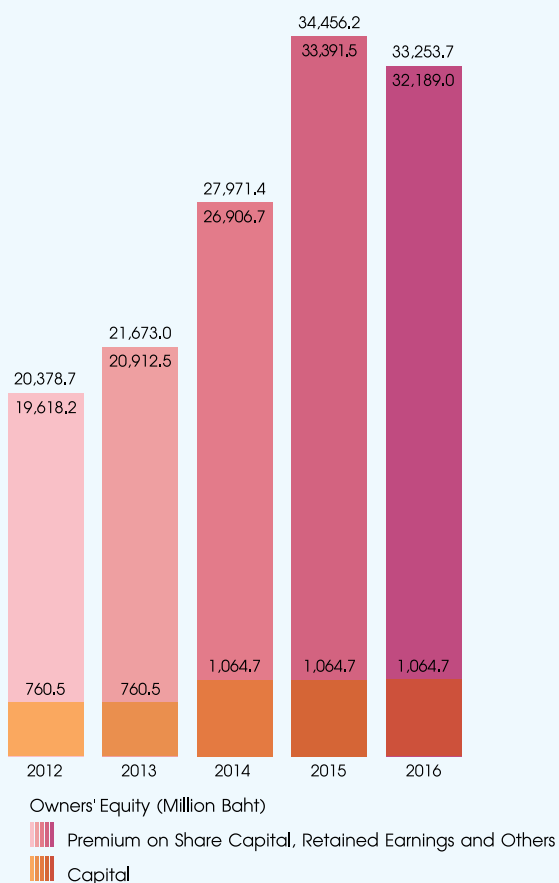
The Company's Board of Directors has approved a final dividend payment of Baht 5.00 per share for the year 2016. Nevertheless, during the past three quarters, the Company has already made three interim dividend payments of Baht 3.00 per share. Therefore, the total dividend payment was Baht 14.00 per share, higher than Baht 12.00 per share in 2015.

Operating Performance by Classes of Business for the Year 2016

Fire Insurance

In 2016, the Company registered Baht 1,604.6 million in written fire insurance premium, a decline of 6.9 percent over 2015. The drop in premium written was due mainly to a reduction in premium growth in many channels, particularly Commercial Lines Business Unit and Financial Institution Business Unit, with medium-sized and large-sized customers resorting to buying All Risks Insurance.

The net premium written amounted to Baht 1,078.3 million, a slight increase of 0.6 percent, with the Company taking a growing retention of 67.2 percent, compared to 62.2 percent in 2015. The loss ratio in 2016 was 5.7 percent, a rise from 2015, which was -3.7 percent. As a result, the Company's underwriting returns in 2016 dropped by Baht 118.6 million, or 21.3 percent, to Baht 438.6 million, compared to 2015.



Marine Insurance

- **Hull** In 2016, the Company registered a total of Baht 38.1 million in written marine hull insurance premium, a decline of 19.2 percent over 2015. This was due mainly to a drop in the premium from Financial Institution Business Unit and Commercial Lines Business Unit.

The net premium written amounted to Baht 4.9 million, a decrease of 62.1 percent from 2015. This was thanks to the Company's retention of 12.9 percent in 2016, compared to 27.6 percent in the previous year. The loss incurred in 2016 dropped by Baht 0.8 million to Baht 3.2 million, compared to the year before. As a consequence of the Company's underwriting in 2016, the loss ratio was 39.8 percent, a rise of 14.5 percent over 2015, resulting in a return of Baht 7.9 million and a decline in underwriting profit of Baht 6.2 million from the previous year.

- **Cargo** In 2016, the Company registered Baht 341.5 million in written marine cargo insurance premium, a rise of 4.1 percent over the year before. This was due to an augmentation in the premium from all channels except Branch Network and Ventures.

The net premium written totaled Baht 190.2 million, a decrease of 2.2 percent, due to the Company's retention reduction from 59.3 percent in 2015 to 55.7 percent in 2016. The loss ratio in 2016 dropped to 15.9 percent, compared to 16.2 percent in 2015, resulting in the Company's underwriting profit of Baht 95.5 million in 2016, a growth of 7.3 percent from the year before.

Motor Insurance

In 2016, the Company registered Baht 6,607.6 million in written motor insurance premium, a drop of 5.2 percent over 2015. This was due mainly to a reduction in premium growth in several channels, especially Financial Institution Business Unit and Telemarketing work via Personal Lines Business Unit.

The net premium written amounted to Baht 6,400.7 million, a decrease of 4.9 percent over 2015. In 2016, the Company's retention was 96.9 percent, a slight increase from 2015, which was 96.7 percent. The loss ratio diminished from 66.7 percent in 2015 to 63.8 percent in 2016, resulting in the Company's underwriting profit of Baht 344.1 million in 2016, a growth of Baht 278.0 million from the previous year.

Miscellaneous Insurance

Miscellaneous insurance consists of five major categories: General Accident, Engineering, Personal Insurance, Aviation, and All Risks. In 2016, the Company registered Baht 7,439.5 million in written miscellaneous insurance premium, a rise from Baht 6,801.2 million, or 9.4 percent, in 2015. The growth in the direct premium written was partly due to personal accident insurance through Personal Lines Business Unit, and accident insurance via Commercial Lines Business Unit.

The net premium written for all categories totaled Baht 3,421.8 million, an increase of 8.4 percent over 2015. The Company's retention was 46.0 percent in 2016, a slight diminution from 2015, which was 46.4 percent. The overall loss ratio rose from 36.4 percent in 2015 to 40.2 percent in 2016. Consequently, the Company's underwriting profit in 2016 diminished by 17.2 percent to Baht 650.4 million, compared to 2015.

Underwriting Expenses

The Company's underwriting expenses totaled Baht 10,548.5 million, representing a drop of 1.4 percent over 2015. The claims and expenses on claims management incurred during 2016 diminished by 1.7 percent from the previous year, while other expenses dropped by 5.9 percent and operating expenses increased by 5.4 percent over the year before, due mainly to the Company's personnel expenses.

In 2016, the Company's all classes of direct premium written amounted to Baht 15,479.4 million, a growth of 1.2 percent over 2015. The Company's market share in 2016 was 7.3 percent, equal to that in 2015 and could retain the third rank in market share as in the year before. The ratio of 45.7 percent from the miscellaneous insurance premium

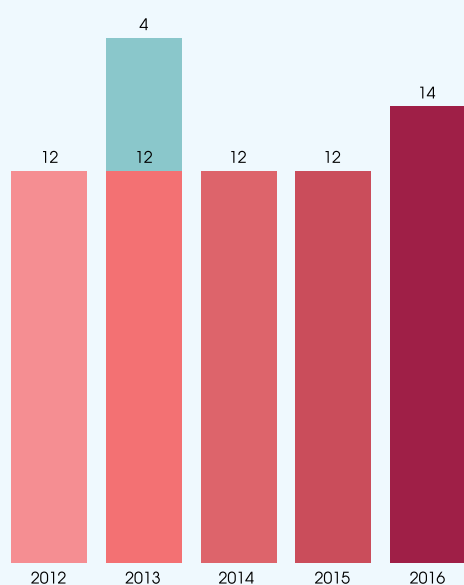
had a growth rate of 9.7 percent, resulting in 9.5 percent miscellaneous premium market share in 2016, an increase from 2015 which was 8.8 percent. Marine insurance's market share increased from 6.3 percent in 2015 to 6.7 percent in 2016, while fire insurance and motor insurance had market shares of 14.2 percent and 5.4 percent, respectively.

Future Projects

The Company has introduced the Telematics technology to provide services on motor insurance for the first time in Thailand, aimed at creating comfort and developing the safe driving standard for its customers through such functions as a display of the car location, a warning service when a car goes beyond the defined area, and the processing of driving behavior data into a score. In 2016, the Company has added the "Pay As You Drive" (PAYD) project to give a discount to its customers when there is a renewal of an insurance policy in the following year because the system can store driving distance data, from which driving risk directly varies with the distance of car use.

In addition, the Company also has a plan to apply Analytic Tools in Data Analytics by increasing skills in the use of data for the predictive managerial performance (Predictive Analytics) through using in-depth data, aimed at enhancing an ability to analyze customers' behavior so as to develop new products appropriate for a specific customer group, apart from enabling an analysis of data jointly with the data within the organization, allowing executives to use them for decision-making for an efficient performance.

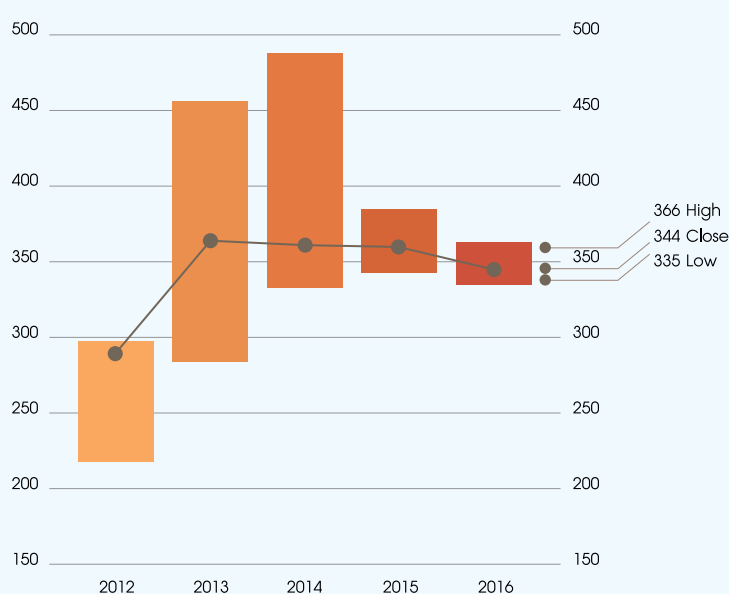
Besides applying various technologies to assist in the development of the underwriting task and data analysis, the Company has also given priority to the security of customer data on a payment of the insurance premium via a credit card. Similarly, to provide its customers with more confidence in the security of their credit card data, the Company has established the "Payment Card Industry - Data Security Standard" (PCI - DSS) project, which is the standard of safeguarding the storage of data of a credit card holder. The PCI — DSS standard enables agencies receiving a payment via a credit card to prevent a fraud by controlling data and closing the door on access to credit card data by an outsider based on the universal standard.



Dividends and Stock Dividends (Baht)

Stock Dividends

Dividends



Development of Share Prices

INVESTMENT INCOME

The Company's investment portfolio at 2016 year-end had increased by Baht 736.2 million, or 3.8 percent, to Baht 20,055.6 million. For the portfolio allocation, the Baht 12,504.4 million fixed income investment accounted for 62.3 percent of the total investment portfolio, while the remaining Baht 7,551.2 million, or 37.7 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 587.3 million, or 7.8 percent, from the previous year to Baht 8,090.7 million, or 40.3 percent of the total investment portfolio. Government bonds increased by Baht 218.9 million, or 13.1 percent, from the year before to Baht 1,894.3 million, representing 9.4 percent of the total investment portfolio. Debentures dropped by Baht 20.7 million, or 1.9 percent, from the previous year to Baht 1,092.0 million, representing 5.4 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 dropped by Baht 402.4 million, or 22.0 percent, to Baht 1,424.0 million, or 7.1 percent of the total investment portfolio.

For the investment in equity securities in 2016, the Company's investments in listed securities rose by Baht 233.9 million, or 5.6 percent, to Baht 4,411.5 million, or 22.0 percent of the total investment portfolio, compared to 2015. 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 118.8 million, or 18.1 percent, from the previous year to Baht 775.4 million, representing 3.9 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 8.8 million, or 4.4 percent, to Baht 207.4 million, representing 1.0 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 holding companies investing in insurance companies, as well as investments in insurance companies in Cambodia and Lao PDR, that enhanced the Company's opportunity to make business transactions with foreign companies. Those associated companies had growth potential in terms of business expansion and returns, as well as being able to pay a dividend to the Company.

Additionally, investments in funds investing in debt securities amounted to Baht 540.2 million, representing 2.7 percent of the total investment portfolio, unchanged from the year before. Similarly, investments in funds investing in non-marketable equity securities totaled Baht 270.0 million, or 1.4 percent of the total investment portfolio, a decrease of Baht 107.8 million, or 28.5 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 99.0 million, or 7.9 percent, to Baht 1,346.7 million, representing 6.7 percent of the total investment portfolio.

Net investment income in 2016 amounted to Baht 1,355.2 million. This comprised Baht 332.5 million from the interest, a decline of 12.6 percent; Baht 793.4 million from dividends, a rise of 6.5 percent; Baht 55.5 million profit from stocks and assets sale, a growth of 25.0 percent; Baht 165.1 million from rents and others, an increase of 2.0 percent; Baht 8.7 million of profit share from investments in associated companies, a decline of 25.0 percent. In 2016, the Company's investment expenses dropped by 0.1 percent to Baht 87.3 million and profit on impairment of investments of Baht 17.5 million, while its net investment incomes amounted to Baht 1,285.4 million.

At 2016 year-end, the SET index closed at 1,542.94, a rise of 254.92, or 19.8 percent, from 2015, which closed at 1,288.02. The price of consumer goods such as oil increased at 2016 year-end, while the money market experienced a very high fluctuation stemming from global economic activities. Many countries' central banks still retained their policy interest rates at a low level, while global economies expanded gradually. For the Thai economy, it also witnessed a trend of slightly higher adjustment due to the government sector's policy of encouraging more investments in infrastructure. The tourism and service sector had also played a significant role in stimulating the Thai economy. Meanwhile, a higher adjustment of the agricultural product price and the Baht depreciation boosted up a slight recovery of exports, compared to the year before. Nevertheless, the Company still had a higher surplus on revaluation of share values in the SET, totaling Baht 27,218.9 million, a drop of Baht 3,033.7 million, or 10.0 percent, over 2015.



Ventilator Donations to Hospitals in Need

INVESTMENT

(Baht : Million)

	Year end 2016	Year end 2015	Change %	Distribution % 2016
Composition of Investment Portfolio (At Cost)				
Fixed Interest Bearing Securities				
Deposits at Banks	8,090.7	7,503.4	7.8	40.3
Collateralised Loans	1,424.0	1,826.4	(22.0)	7.1
Bonds	1,894.3	1,675.4	13.1	9.4
Investment and Other Loans	1,095.4	1,115.6	(1.8)	5.5
Total Fixed Interest Bearing Securities	12,504.4	12,120.8	3.2	62.3
Shares Listed on the SET	4,411.5	4,177.6	5.6	22.0
Unlisted Shares	775.4	656.6	18.1	3.9
Investment in Associated	207.4	198.6	4.4	1.0
Unit of Closed-end Fund Listed on the SET	1,375.7	1,076.7	27.8	6.9
Unit of Closed-end Fund	781.2	1,089.1	(28.3)	3.9
Total Investment Portfolio	20,055.6	19,319.4	3.8	100.0

(Baht : Million)

Composition of Investment Portfolio (At Cost and Market Value)	Year end 2016			
	At Cost	Market Value	Surplus on Changes in Values of Investments	Allowance for Impairment/Allowance for Doubtful Account
Fixed Interest Bearing Securities				
Deposits at Banks	8,090.7	8,090.7	-	-
Collateralised Loans	1,424.0	1,424.0	-	-
Bonds	1,894.3	1,901.5	7.2	-
Investment and Other Loans	1,095.4	1,119.2	23.8	-
Total Fixed Interest Bearing Securities	12,504.4	12,535.4	31.0	-
Shares Listed on the SET	4,411.5	31,630.5	27,219.0	-
Unlisted Shares	775.4	687.2	-	(88.2)
Investment in Associated	207.4	207.4	-	-
Unit of Closed-end Fund Listed on the SET	1,375.7	1,596.9	221.2	-
Unit of Closed-end Fund	781.2	894.2	113.0	-
Total Investment Portfolio	20,055.6	47,551.6	27,584.2	(88.2)

INVESTMENTS IN SECURITIES

Investments in Listed Securities as at December 31, 2016, 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	159.00	5,422
Bumrungrad Hospital	Health Care Services	14.65	9.61	1,026	180.50	19,270
Bangkok Life Assurance	Insurance	4.61	5.83	458	51.75	4,068
Thai Reinsurance	Insurance	1.89	2.47	196	2.08	165
Charoong Thai Wire & Cable	Industrial Material and Machinery	6.82	6.69	181	10.40	282
Thaire Life Assurance	Insurance	1.70	12.82	131	9.65	98
Furukawa Metal (Thailand)	Industrial Material and Machinery	8.87	23.41	100	36.25	154
Intouch Holdings	Information and Communication Technology	0.02	70.13	48	49.75	34
Ticon Industrial Connection	Property Development	0.53	7.26	42	16.50	96
Bangkok Expressway and Metro	Transportation and Logistics	0.07	4.01	41	7.40	75
Bangkok Aviation Fuel Services	Energy and Utilities	1.16	5.30	39	36.25	269
Chumporn Palm Oil Industry	Agro and Food Industry	5.28	1.13	38	2.68	90
Nonthavej Hospital	Health Care Services	3.18	7.06	36	50.00	254
Airports of Thailand	Transportation and Logistics	0.01	259.96	30	398.00	46
Major Cineplex Group	Media and Publishing	0.24	13.71	29	32.75	69
Union Plastic	Petrochemicals and Chemicals	8.37	13.31	28	23.20	49
Asia Sermkij Leasing	Finance and Securities	0.91	7.89	25	23.00	74
Electricity Generating	Energy and Utilities	0.03	150.80	25	198.50	33
Sri Ayudhya Capital	Insurance	0.28	36.12	25	32.50	23
Ramkhamhaeng Hospital	Health Care Services	0.53	394.52	25	3,350.00	212
Samart Corporation	Information and Communication Technology	0.10	23.83	24	12.40	12
Ratchaburi Electricity Generating Holding	Energy and Utilities	0.04	43.29	24	50.00	28
TTW	Energy and Utilities	0.07	7.85	23	10.70	31
Khonburi Sugar	Food and Beverage	0.41	9.10	22	8.15	20
ThaiTheparos	Food and Beverage	0.99	6.19	22	23.80	85
Glow Energy	Energy and Utilities	0.02	69.62	22	79.00	25
Crown Seal	Packaging	1.54	25.38	20	58.00	46
PTT Global Chemical	Petrochemicals and Chemicals	0.01	65.31	20	63.00	20
CH. Karnchang	Construction Services	0.04	27.99	20	30.75	22
Saha-Union	Fashion	0.46	13.01	18	38.75	53
Total 30 Listed Companies				4,110		31,125
Other 45 Listed Companies				302		506
Unit trust				2,157		2,491
Warrant				0		0
Total				6,569		34,122

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(Baht'000)

Quarterly Results of Operations	2016				2015 (Restated)			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Premium Written	4,152,541	3,661,365	3,674,048	4,543,370	4,218,545	3,695,109	3,690,429	4,263,287
Income on Underwriting	508,517	713,440	763,698	567,522	630,205	464,863	694,392	688,200
Operating Expenses	283,093	202,290	256,658	270,891	231,118	237,612	248,939	243,579
Finance Cost	976	931	898	963	888	999	1,077	1,067
Net Underwriting Profit	224,448	510,219	506,142	295,668	398,199	226,252	444,376	443,554
Net Investment Income	342,079	373,402	378,837	135,592	317,834	353,135	363,046	155,154
Gain on Sale of Securities and Assets	31,257	15,354	4,349	4,548	17,320	20,576	4,846	1,606
Income before Income Tax	597,784	898,975	889,328	435,808	733,353	599,963	812,268	600,314
Income Tax	75,644	130,792	123,053	66,618	109,609	65,956	113,989	114,018
Net Income	522,140	768,183	766,275	369,190	623,744	534,007	698,279	486,296
Per Share					(Baht)			
Basic Earnings Per Share	4.90	7.21	7.20	3.47	5.86	5.02	6.56	4.56
Ordinary Share (Shares)	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million
Dividends	3.00	3.00	3.00	5.00	2.75	2.75	2.75	3.75
Market Price								
High	366	362	362	348	374	375	375	366
Low	353	353	341	335	359	363	355	349
Par Value	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

FIVE YEARS REVIEW

(Baht'000)				
	2016	2015	2014	2013
For the Year		(Restated)	(Restated)	(Restated)
Premium Written	16,031,324	15,867,370	15,778,825	15,802,449
Income (Loss) on Underwriting	2,553,177	2,477,660	2,340,595	2,074,904
Operating Expenses	1,012,932	961,248	812,429	1,200,266
Finance Cost	3,768	4,031	3,744	4,680
Net Underwriting Profit (Loss)	1,536,477	1,512,381	1,524,422	869,958
Net Investment Income	1,229,910	1,189,169	1,154,806	1,095,377
Gain on Sale of Securities and Assets	55,508	44,348	11,495	168,984
Income before Income Tax	2,821,895	2,745,898	2,690,723	2,134,319
Income Tax	396,107	403,572	392,932	384,055
Net Income	2,425,788	2,342,326	2,297,791	1,750,264
At Year-end				
Unearned Premium Reserve	7,399,141	7,271,856	7,333,611	7,110,475
Shareholders' Equity	33,253,729	34,456,170	27,971,353	21,673,018
Per Share				(Baht)
Basic Earnings Per Share	22.78	22.00	21.58	23.01
Ordinary Share (Shares)	106.47 Million	106.47 Million	106.47 Million	76.05 Million
Dividends	14.00	12.00	12.00	12.00
Stock Dividends	-	-	-	4.00
Book Value	312.33	323.62	262.72	284.98
Market Price				
High	366.00	375.00	490.00	456.00
Low	335.00	349.00	337.00	288.00
Market Price at Year-end	344.00	359.00	366.00	371.00
Par Value	10.00	10.00	10.00	10.00
Number of Employees	1,507	1,507	1,446	1,386



Blood Donation to Thai Red Cross Society

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

Age 73 Years old

Date of Appointment
April 25, 1968

Family Relationship with Other Directors and Members of Management

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

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

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

Work Experiences

Positions in Listed Companies

- Chairman, Bangkok Insurance Public Co., Ltd. (Aug 2, 1978 - present)
- Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Director and President, Bangkok Insurance Public Co., Ltd. (1976 - 2009)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 25, 1968 - Jul 1978)
- Chairman, Thai Reinsurance Public Co., Ltd. (Feb 25, 2016 - present)
- Vice Chairman, Thai Reinsurance Public Co., Ltd. (1991 - Feb 25, 2016)
- 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)
- Director, Bangkok Life Assurance Public Co., Ltd. (1968 - Mar 17, 2016)

Positions in Non-listed Companies

- Chairman, The Federation of Thai Insurance Organization (2006 - 2008)
- President, The Thai General Insurance Association (1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007)
- Director, International Insurance Society, Inc., New York, U.S.A. (2009 - 2015)
- 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)



Tdvc. Col. Plengsakdi Prakaspesat
Independent Director
and Chairman of the Audit Committee

Age 74 Years old

Date of Appointment
April 7, 1999

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

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

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

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



Miss Potjaneer Thanavarant
Independent Director and Director
of the Audit Committee

Age 70 Years old

Date of Appointment
February 27, 2007

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

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

Work Experiences

Positions in Listed Companies

- Director of the Audit Committee, Bangkok Insurance Public Co., Ltd. (Mar 1, 2007 - present)
- Independent Director, Bangkok Insurance Public Co., Ltd. (Feb 27, 2007 - present)
- Chairman of the Board (Independent Director), Audit Committee Member and Chairman of the Compensation and Nominating Committee, Univentures Public Co., Ltd. (present)
- Independent Director and Audit Committee Member, Thai Reinsurance Public Co., Ltd. (present)
- Director of the Remuneration and Nominating Committee, Thai Reinsurance Public Co., Ltd. (Jun 2012 - Apr 2014)
- Chairman of the Remuneration Committee, Chairman of the Good Governance Committee, Independent Director and Audit Committee Member, OISHI Group Public Co., Ltd. (present)
- Independent Director and Chairman of the Audit Committee, Bank of Ayudhaya Public Co., Ltd. (present)
- Independent Director and Chairman of the Audit Committee, Big C Supercenter Public Co., Ltd. (present)
- Independent Director, Berli Jucker Public Co., Ltd. (Jun 2009 - Mar 21, 2016)

Positions in Non-listed Companies

- Director, Thai Investors Association (Mar 24, 2017 - present)
- Member of the Council of State (present)
- Qualified Member of the Committee, The Federation of Thai Insurance Organization (present)
- Member of The National Reform Council (Oct 2, 2014 - Sep 6, 2015)
- Director, BJC Logistics and Warehouse Co., Ltd (Apr 2010 - Jul 2013)
- Chairman of the Public Sector Audit and Evaluation Committee for Ministry of Commerce (Nov 2008 - Mar 2013)
- Second Vice-President of the National Legislative Assembly (Oct 2006 - Mar 2008)
- Adviser to the Commerce Ministry (Oct 2006 - Feb 2008)
- Economic Adviser, The Council for National Security (Sep 2006 - Feb 2008)
- Sub Commissioner, the Sub-commission on the Development and Promotion of Public Organization and Other Organizations under Governmental Supervision, The Public Sector Development Commission (2005 - May 2011)
- Chairman, Thailand Insurance Institute (2002 - 2007)
- Member of the Financial Institution Policy Committee, The Bank of Thailand (2001 - Aug 2008)
- Director - General, Department of Insurance, Ministry of Commerce (2001 - 2006)
- Inspector - General, Ministry of Commerce (1999 - 2001)
- Deputy Director General, Department of Insurance, Ministry of Commerce (1994 - 1999)



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

Age 64 Years old

Date of Appointment
February 28, 2006

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

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

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

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



Mr. Singh Tangtaswas

Independent Director and Chairman of the Remuneration and Nomination Committee

Age 74 Years old

Date of Appointment
April 26, 2004

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 0/2000

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

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



Mr. Suvarn Thansathit

Independent Director and Director of the Remuneration and Nomination Committee

Age 72 Years old

Date of Appointment
April 26, 2005

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 63/2005

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

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



M.R. Supadis Diskul

Independent Director and
Director of the Remuneration and
Nomination Committee

Age 67 Years old

Date of Appointment
April 26, 2013

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

- Master of Community and Regional Planning, North Dakota State University, U.S.A.
- B.Sc. Medical Technology, Mahidol University
- The Joint state-Private Sector Class 15, The National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Finance for Non-Finance Director (FND) Class 1/2001 and Class 14/2004
- Director Accreditation Program (DAP) Class 12/2004
- Director Certification Program (DCP) Class 51/2004
- Role of the Compensation Committee Program (RCC) Class 4/2007
- Role of the Chairman Program (RCP) Class 16/2007

- Successful Formulation and Execution of Strategy (SFE) Class 5/2009
- Anti-Corruption for Executive Program (ACEP) 11/2014

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

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



Mr. Virasak Sutanthavibul

Independent Director and Chairman
of the Corporate Governance Committee
and Director of the Remuneration and
Nomination Committee

Age 59 Years old

Date of Appointment
April 26, 2005

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 21/2003

Work Experiences

Positions in Listed Companies

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

Positions in Non-listed Companies

- Director, Bualuang Ventures Ltd. (2016 - present)
- Director, The Grand - UB Co., Ltd. (2008 - 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

Age 51 Years old

Date of Appointment
April 23, 2010

Family Relationship with Other Directors and Members of Management

- Granddaughter-in-law of Mr. Chai Sophonpanich

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 40/2005

Work Experiences

Positions in Listed Companies

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

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

Positions in Non-listed Companies

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



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

Age 64 Years old

Date of Appointment
April 22, 2011

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

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

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 129/2010

Work Experiences

Positions in Listed Companies

- Director and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Director and President, Bangkok Insurance Public Co., Ltd. (2011 - 2015)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 22, 2011 - present)
- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 25, 2011 - present)
- President, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (1993 - 2000)
- Director and Member of the Nominating and Remuneration Committee, Bangkok Life Assurance Public Co., Ltd. (Apr 26, 2016 - present)

Positions in Non-listed Companies

- Vice Chairman, Marine and Transport Insurance Sub-committee, the Thai General Insurance Association (1994 - 1996, 1999 - 2000)



Mr. Shota Mori
Independent Director

Age 51 Years old

Date of Appointment
August 14, 2015

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

- Bachelor of Economics, Meiji University, Japan

Thai Institute of Directors Association (IOD) Training Program

- None -

Work Experiences

Positions in Listed Companies

- Independent Director, Bangkok Insurance Public Co., Ltd.
(Aug 14, 2015 - present)

Positions in Non-listed Companies

- Group Leader of Planning Group, International Business Department, Aioi Nissay Dowa Insurance Co., Ltd.
(Apr 2013 - present)

- Deputy General Manager, International Business Department, Aioi Nissay Dowa Insurance Co., Ltd. (Apr 2011 - Apr 2013)

- Manager, Corporate Planning Department, Aioi Insurance Co., Ltd. (Apr 2004 - Apr 2011)

- Deputy Manager, Domestic Sales Department, The Dai - Tokyo Fire and Marine Insurance Co., Ltd. (Apr 2000 - Apr 2004)



Dr. Apisit Anantanatarat
Director and President

Age 53 Years old

Date of Appointment
April 22, 2016

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines

- M.A. (Industrial and Organization Psychology), Thammasat University

- M.S. (Insurance), University of Hartford, U.S.A.

- Diploma of Financial Service (General Insurance), ANZIF (Senior Associate), Australia

- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.

- Thailand Insurance Leadership Program class 3/2013

- 28th East Asian Insurance Congress 2016, Macau

- CIO VMware World Conference 2015, Spain

- Enterprise Risk Management Workshop 2015, Germany

- Telematics Update Conference 2014, England

- 14th Asia CEO Insurance Summit 2014, Indonesia

- 17th Insurance Congress of Developing Countries 2013, Sri Lanka

- East Asian Insurance Congress 2012, Malaysia

- Asian Insurance Congress 2011, Singapore

- 7th Insurance Executives' Summit for Strategy, Operation & Technology 2011, Taiwan

- Asian Insurance Congress 2010, Singapore

- Simplified Strategic Planning 2010, Malaysia

- New Forms of Risk Sharing and Risk Engineer, SCOR, France

- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland

- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Thai Institute of Directors Association (IOD) Training Program

- None -

Work Experiences

Positions in Listed Companies

- Director, Bangkok Insurance Public Co., Ltd. (Apr 22, 2016 - present)

- Director and President, Bangkok Insurance Public Co., Ltd. (Apr 22, 2016 - present)

- President, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)

- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Apr 2012 - Dec 2015)

- Senior Vice President, Marketing and Communications Department, Bangkok Insurance Public Co., Ltd. (2011 - Apr 2012)

- Senior Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2009 - Mar 2014, Oct 2015 - May 2016)

- Senior Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - 2015)

- First Vice President, Personal Lines Division, Bangkok Insurance Public Co., Ltd. (2006 - 2007)

- First Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2005 - 2009)

- Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2002 - 2006)

- Assistant Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2000 - 2002)

Positions in Non-listed Companies

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



Mr. Voravit Rojrapitada

Director

Age 72 Years old

Date of Appointment
April 29, 1981

Family Relationship with Other Directors and Members of Management

- None -

Education/Training

- Certificate, Assumption Commercial College
- Mini M.B.A., Thammasat University
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Skandia Insurance Management, Philippines

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 27/2003

Work Experiences

Positions in Listed Companies

- Director, Bangkok Insurance Public Co., Ltd. (Apr 29, 1981 - present)
- Adviser, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Company Secretary, Bangkok Insurance Public Co., Ltd. (2008 - May 2015)
- Director and 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)

Positions in Non-listed Companies

- None

BOARD OF DIRECTORS

Board of Directors

Chairman

Mr. Chai Sophonpanich

Directors

Tdvc. Col. Plengsakdi Prakaspesat

Miss Potjaneer Thanavarani

Mr. Chor.nun Petpaisit

Mr. Singh Tangtaswas

Mr. Suvarn Thansathit

M.R. Supadis Diskul

Mr. Virasak Sutanthavibul

Mrs. Nintira Sophonpanich

Mr. Panus Thiravanitkul

Mr. Shota Mori

Dr. Apisit Anantanatarat

Mr. Voravit Rojrapitada

Company Secretary

Mrs. Srichitra Pramojaney

Audit Committee

Chairman

Tdvc. Col. Plengsakdi Prakaspesat

Members

Miss Potjaneer Thanavarani

Mr. Chor.nun Petpaisit

Remuneration and Nomination Committee

Chairman

Mr. Singh Tangtaswas

Members

Mr. Suvarn Thansathit

M.R. Supadis Diskul

Corporate Governance Committee

Chairman

Mr. Virasak Sutanthavibul

Members

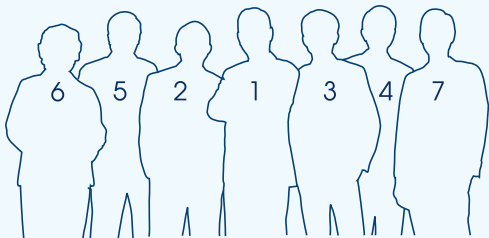
Mrs. Nintira Sophonpanich

Mr. Panus Thiravanitkul

MANAGEMENT COMMITTEE AND MANAGEMENT COMMITTEE PROFILE

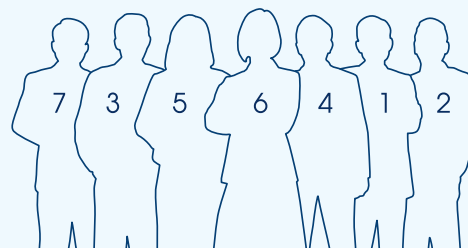


- 1. Mr. Chai Sophonpanich
- 2. Mr. Panus Thiravanitkul
- 3. Dr. Apisit Anantanatarat
- 4. Mr. Anon Vangvasu
- 5. Mr. Suphat Yookongbandhu
- 6. Mrs. Srichittra Pramojaney
- 7. Mr. Chawan Sophonpanich





1. Mr. Jakkrit Chewanuntapornchai
2. Mr. Suchart Chirayuwat
3. Mr. Lert Vongchai
4. Mr. Aree Vanairlor
5. Miss Paveena Juchuan
6. Miss Lasa Sophonpanich
7. Mr. Weerachai Sripetcharakul



Mr. Chai Sophonpanich

Chairman

Commence

February 1968

Family Relationship with Other Directors and Members of Management

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

Education

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

Thai Institute of Directors Association (IOD) Training Program

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

Work Experiences

- Chairman, Bangkok Insurance Public Co., Ltd. (Aug 2, 1978 - present)
- Chief Executive Office, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Director and President, Bangkok Insurance Public Co., Ltd. (1976 - 2009)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 25, 1968 - Jul 1977)
- Chairman, Thai Reinsurance Public Co., Ltd. (Feb 25, 2016 - present)
- Vice Chairman, Thai Reinsurance Public Co., Ltd. (1991 - Feb 25, 2016)
- 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)
- Director, Bangkok Life Assurance Public Co., Ltd. (1968 - Mar 17, 2016)
- Director, International Insurance Society, Inc., New York, U.S.A. (2009 - 2015)
- Chairman, The Federation of Thai Insurance Organization (2006 - 2008)
- President, The Thai 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)

Mr. Panus Thiravanitkul

Director and Director of the Corporate Governance Committee and Chief Executive Officer

Commence

May 1973

Family Relationship with Other Directors and Members of Management

- None -

Education

- B.Sc. (Economics), Thammasat University
- M.B.A., Chulalongkorn University

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 129/2010

Training

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

Work Experiences

- Director and Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Chief Executive Officer, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Director and President, Bangkok Insurance Public Co., Ltd. (2011 - 2015)
- Director, Bangkok Insurance Public Co., Ltd. (Apr 22, 2011 - present)
- Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd. (Feb 25, 2011 - present)
- President, Bangkok Insurance Public Co., Ltd. (2010 - 2015)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (2007 - 2009)
- Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (2000 - 2001)
- Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd. (1993 - 2000)
- Director and Member of the Nomination and Remuneration Committee, Bangkok Life Assurance Public Co., Ltd (Apr 26, 2016 - present)
- Vice Chairman, Marine and Transport Insurance Sub-committee, The Thai General Insurance Association (1994 - 1996, 1999 - 2000)

Dr. Apisit Anantanarat

Director and President

Commence

April 1985

Family Relationship with Other Directors and Members of Management

- None -

Education

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

Thai Institute of Directors Association (IOD) Training Program

- None -

Training

- 28th East Asian Insurance Congress 2016, Macau
- CIO VMware World Conference 2015, Spain
- Enterprise Risk Management Workshop 2015, Germany
- Telematics Update Conference 2014, England
- 14th Asia CEO Insurance Summit 2014, Indonesia
- 17th Insurance Congress of Developing Countries 2013, Sri Lanka
- East Asian Insurance Congress 2012, Malaysia

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

Work Experiences

- Director, Bangkok Insurance Public Co., Ltd. (Apr 22, 2016 - present)
- Director and President, Bangkok Insurance Public Co., Ltd. (Apr 22, 2016 - present)
- President, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Apr 2012 - Dec 2015)
- Senior Vice President, Marketing and Communications Department, Bangkok Insurance Public Co., Ltd. (2011 - Apr 2012)
- Senior Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2009 - Mar 2014 and Oct 2015 - May 8, 2016)
- Senior Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - 2015)
- First Vice President, Personal Lines Division, Bangkok Insurance Public Co., Ltd. (2006 - 2007)
- First Vice President, Information Technology Department, Bangkok Insurance Public Co., Ltd. (2005 - 2009)
- Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2002 - 2006)
- Assistant Vice President, Human Resources Development Division, Bangkok Insurance Public Co., Ltd. (2000 - 2002)
- Director, Thai ORIX Leasing Co., Ltd (May 24, 2016 - present)

Mr. Anon Vangvasu

Executive Vice President

Commence

December 1976

Family Relationship with Other Directors and Members of Management

- None -

Education

- LL.B., Ramkhamhaeng University

Training

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

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. (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 Thai General Insurance Association (2013 - present)
- Secretary General, The Thai General Insurance Association (2009 - 2013)
- President of the Board, Road Accident Victims Protection Co., Ltd. (2015-present)
- Vice President of the Board, Road Accident Victims Protection Co., Ltd. (1998 - 2015)
- President of the Board, Thai Insurers Datanet Co., Ltd. (2015 - present)

Mr. Suphat Yookongbandhu

Executive Vice President

Commence

August 1980

Family Relationship with Other Directors and Members of Management

- None -

Education

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

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 - 2016)
- First Vice President, Broker Division, Bangkok Insurance Public Co., Ltd. (2005 - 2007)
- Vice President, Broker Division, Bangkok Insurance Public Co., Ltd. (2001 - 2005)
- Vice President, Miscellaneous Insurance Department, Bangkok Insurance Public Co., Ltd. (1994 - 2001)

Mrs. Srichittra Pramojaney

Executive Vice President (Appointed on June 1, 2016)
and Company Secretary

Commence

January 2006

Family Relationship with Other Directors and Members of Management

- None -

Education

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

Training

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

Work Experiences

- Executive Vice President, Bangkok Insurance Public Co., Ltd. (Jun 2016 - present)
- Company Secretary, Bangkok Insurance Public Co., Ltd. (Jun 2015 - present)
- Senior Vice President, Accounting and Treasury Department, Bangkok Insurance Public Co., Ltd. (2006 - present)

Thai Institute of Directors Association (IOD) Training Program

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

Mr. Jakkrit Chewanuntapornchai

Senior Vice President

Commence

August 1982

Family Relationship with Other Directors and Members of Management

- None -

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, Financial Institution Business Unit, Bangkok Insurance Public Co., Ltd. (Oct 2015 - present)
- Senior Vice President, Commercial Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - Sep 2015)
- Vice President, Direct Customer Division, Bangkok Insurance Public Co., Ltd. (2001 - 2007)
- Vice President, Non-Motor Claims Department, Bangkok Insurance Public Co., Ltd. (1998 - 2001)

Mr. Suchart Chirayuwat

Senior Vice President

Commence

August 2010

Family Relationship with Other Directors and Members of Management

- None -

Education

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

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. Aree Vanairlor

Senior Vice President

Commence

August 1989

Family Relationship with Other Directors and Members of Management

- None -

Education

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

Training

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

Work Experiences

- Senior Vice President, Agent Business Unit, Bangkok Insurance Public Co., Ltd. (Oct 2015 - present)
- Senior Vice President, Financial Institution Business Unit, Bangkok Insurance Public Co., Ltd. (2007 - Sep 2015)
- 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)
- Vice President, Marketing Department, Bangkok Insurance Public Co., Ltd. (1995 - 2001)

Mr. Lert Vongchai

Senior Vice President

Commence

September 1980

Family Relationship with Other Directors and Members of Management

- None -

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)

Miss Paveena Juchuan

Senior Vice President

Commence

August 1992

Family Relationship with Other Directors and Members of Management

- None -

Education

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

Training

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

Work Experiences

- Senior Vice President, Commercial Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2016 - present)
- First Vice President, Commercial Lines Business Unit, Bangkok Insurance Public Co., Ltd. (Nov 2013 - 2015)
- Vice President, Special Risk Business Unit, Bangkok Insurance Public Co., Ltd. (Oct 2010 - Oct 2013)

Mr. Chawan Sophonpanich

Senior Vice President

Commence

March 2004

Family Relationship with Other Directors and Members of Management

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

Education

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

Training

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

Work Experiences

- Senior Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2016 - present)
- Vice President, Office of President, Bangkok Insurance Public Co., Ltd. (Mar 2014 - 2015)
- Vice President, Personal Lines Business Unit, Bangkok Insurance Public Co., Ltd. (2012 - Mar 2014)

Miss Lasa Sophonpanich

Senior Vice President

(Appointed on January 1, 2017)

Commence

April 2011

Family Relationship with Other Directors and Members of Management

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

Education

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

Training

- Reinsurance Seminar of the TOA, Japan
- P&C Reinsurance, France
- Munich Reinsurance Company - DART, Singapore
- 13th Singapore International Reinsurance Conference 2015, Singapore
- Business Interruption/Contingent BI, France
- 28th EAIC East Insurance Congress, Macau

Work Experiences

- Senior Vice President, Broker Business Unit, Bangkok Insurance Public Co., Ltd. (Jan 2017 - present)
- Vice President, Broker Business Unit, Bangkok Insurance Public Co., Ltd. (2016)
- Assistant Vice President, Treaty Operations Office, Bangkok Insurance Public Co., Ltd. (Jul 2014 - 2015)
- Assistant Vice President, Broker Business Unit, Bangkok Insurance Public Co., Ltd. (Apr 2012 - Jun 2014)

Mr. Weerachai Sripetcharakul

Senior Vice President

(Appointed on February 16, 2017)

Commence

February 16, 2017

Family Relationship with Other Directors and Members of Management

- None -

Education

- Bachelor of Arts (Political Science), Kasetsart University

Training

- Human Resource Management Program, The Siam Cement PLC.
- Management Development Program (TMA-MDP), Thailand Management Association
- Personnel Management Laws, Faculty of Law, Thammasart University
- Change Leader for Labour Development Program, Ministry of Labour

- Labour Relations Consultant, Ministry of Labour
- Thai Labour-Standard: TLS-8001 Auditor, Ministry of Labour
- 10th World HR Congress, Singapore

Work Experiences

- Senior Vice President, Human Resources Department, Bangkok Insurance Public Co., Ltd. (Feb 16, 2017 - present)
- Director, The Association Change Leader for Labour Development Association, Ministry of Labour (2016 - present)
- Manager, Human Resource Department, Bangkok Synthetics Co., Ltd. (2004 - 2017)
- Personnel Manager Operations, Siam Cement (Ta luang) Co.,Ltd. (2004)
- Welfare and Employee Relations Manager, Cementthai Distribution Co.,Ltd. (2002 - 2003)
- Welfare Department Manager, Corporate Human Resources Division, The Siam Cement PLC. (2000 - 2001)
- Training and Recruitment Manager, Human Resources Division, Construction Material Group, The Siam Cement PLC. (1998 - 1999)
- Personnel Department Manager, Siam Fiberglass Co.,Ltd. (1992 - 1998)

Miss Pimjai Luemrung

(Retired on January 1, 2017)

Dr. Chatchai Thnarudee

(Resigned as from December 1, 2016)

FIRST VICE PRESIDENT AND VICE PRESIDENT



- | | |
|----------------------------------|----------------------------------|
| 1. Mr. Alonggorn Gradtip | 26. Mr. Sarayuth Apaipim |
| 2. Mr. Anant Pongpoon | 27. Miss Sirirahit Ojarutip |
| 3. Mr. Anawaj Saibang | 28. Mr. Sithikul Arayavechakit |
| 4. Mrs. Anutra Chanprasartsuk | 29. Mr. Somchai Chiaranaiphaisan |
| 5. Mr. Athapol Anansajakul | 30. Mr. Songkiat Nualon |
| 6. Miss Chanaphan Rattanaivibul | 31. Miss Sujinda Teplertboon |
| 7. Mr. Charun Jongudomporn | 32. Mrs. Sumana Trongtranon |
| 8. Mr. Ekamol Aungkavattana | 33. Mr. Surasak Xuto |
| 9. Mr. Jeravat Payakarasamit | 34. Miss Sutida Malila |
| 10. Mr. Jirawong Thantachote | 35. Mrs. Suwannee Sithisukh |
| 11. Mr. Kannasootr Homjan | 36. Mr. Tawee Kvanthong |
| 12. Mr. Kiettisak Sirilikitchai | 37. Mr. Teerawat Jaturavit |
| 13. Mr. Natthajak Santatillokkul | 38. Mr. Tirak Krutvecho |
| 14. Mrs. Netnapit Poolsap | 39. Miss Tusaneeya Uppalawanna |
| 15. Mr. Pairin Chaibenjapol | 40. Miss Umaporn Hualbuttar |
| 16. Mr. Paitoon Chanpanorak | 41. Mr. Varit Unprasertporn |
| 17. Miss Pantita Panyamee | 42. Mr. Vichien Moleewon |
| 18. Miss Paviga Rawdyoo | 43. Mrs. Waraporn Dhanisornkul |
| 19. Mr. Peerapat Thawornniti | 44. Mr. Wera Virojsirasak |
| 20. Miss Pisamai Wiphatkrut | 45. Mr. Werapol Banchongchay |
| 21. Mr. Pisit Kidcharoensuk | 46. Mr. Wichai Pongsethpaisal |
| 22. Mr. Pitiphong Chaochaikhong | 47. Miss Wilai Lertritpuwadol |
| 23. Miss Pranee Komonkawin | 48. Mr. Winai Kunpraserd |
| 24. Mr. Prayudh Jatarupamaya | 49. Mr. Wiwat Panyakiattikun |
| 25. Miss Rataya Singh | |

Remarks:

- | | |
|-------------------------------------|----------------------------|
| 1. Mr. Prasit Wanichodom | Retired on October 1, 2016 |
| 2. Mrs. Jurairat Pipattanapongsopon | Retired on January 1, 2017 |
| 3. Miss Saranya Luenglertvorakul | Retired on January 1, 2017 |
| 4. Mr. Suthi Chathanakul | Retired on January 1, 2017 |

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.

A Guideline for the Treatment of Stakeholders

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

Stakeholder	Procedure	Demand/Expectation	Response
Shareholders	<ul style="list-style-type: none">• Shareholders' annual general meeting• Annual report• Policy on good corporate governance• Presentation of information to the public• Inquiry of data, receive recommendations or complaints via website	<ul style="list-style-type: none">• Have good corporate governance• All shareholders have equal rights and receive equal treatment• Sound operating consequences and returns	<ul style="list-style-type: none">• Sound and continuous returns rate• Transparently disclose data
Employees	<ul style="list-style-type: none">• Employee orientation• Training, seminar, scholarships to increase skills and knowledge• Presentation of information via intranet, newsletter and website• Carrying out activities benefiting society for employees' participation• Performance evaluation• Survey of the organization's health• Reception of recommendations or complaints	<ul style="list-style-type: none">• Proper welfare and remuneration• Advancement and security in career path• Development of personnel's potential• Data and knowledge useful for work performance• Well-being and safety in work performance	<ul style="list-style-type: none">• Respect for human rights and equal treatment• Having proper welfare, salary and position promotion• Plan for employee development and training• Provide for working environment so that it is safe, hygienic and favorable for effective performance• Carry out activities generating employees' engagement

	<ul style="list-style-type: none"> • Policy on good corporate governance • The Company's corporate conduct • Employees' manual 		
Customers	<ul style="list-style-type: none"> • A survey of customers' satisfaction • Create a channel for communicating with customers via online media as website and LINE application • Carrying out activities to meet customers • Inquiry of data and receive recommendations or complaints 	<ul style="list-style-type: none"> • Quality products and services • Receiving a quick service • A convenient channel for contact, buying insurance and premium payment • An efficient communication of data • Protection of customers' data and secrets • The Company's confidence and stability 	<ul style="list-style-type: none"> • Conduct a program on sales promotion • Develop products and services in response to customers' demands • Have a measure in protecting customers' data and secrets • Training of employees to provide customers with excellent services • Develop an IT system steadily contacting customers
Business Partners	<ul style="list-style-type: none"> • Meeting and training to provide knowledge to business partners • A survey of business partners' satisfaction • Inquiry of data and receive recommendations or complaints 	<ul style="list-style-type: none"> • Sustainable growth • Fair and equal treatment of business partners • Protection of business partners' data and secrets 	<ul style="list-style-type: none"> • Perform in compliance with trade conditions and agreements • Have a measure in protecting business partners' data and secrets • Training of products, services and rules of conduct for business partners • Have clear criteria in the selection and assessment of business partners • Develop an IT system in support of business partners' performance
Competitors	<ul style="list-style-type: none"> • Jointly create fair competition conditions • Knowledge Sharing through the Thai General Insurance Association's club 	<ul style="list-style-type: none"> • Conduct a fair and transparent business transaction and competition • Keep trading secrets under laws and regulations concerned • Avoid getting data from competitors dishonestly and unfairly 	<ul style="list-style-type: none"> • Perform in line with sound competition rules • Have rules of conduct for fair and transparent business transactions
Creditors	<ul style="list-style-type: none"> • Joint meeting • Annual report 	<ul style="list-style-type: none"> • Performance in conformity with conditions and agreements given to creditors • Not conceal actual financial status • Pay interest and make debt payment in due time 	<ul style="list-style-type: none"> • Pay debt and interest within the time defined • Have a fair policy and responsibility to creditors

Society and the Environment	<ul style="list-style-type: none"> • Carry out activities benefiting society and the environment • An annual report • Promote an efficient use of energy • Policy on Corporate Social Responsibility 	<ul style="list-style-type: none"> • Perform business with responsibilities to society and consideration of mutual benefits • Promote health and hygiene in work performance and help preserve the environment 	<ul style="list-style-type: none"> • Provide for service-minded employees to take part in activities benefiting society and the environment • Morally perform business in parallel with participation in CSR activities • Encourage activities in the Company to campaign for and promote the environment preservation
The Government Sector	<ul style="list-style-type: none"> • Meeting and participating in activities organized by government agencies • Providing data to regulators accurately and on time • Receive an inspection from regulators 	<ul style="list-style-type: none"> • Give cooperation and support to the government sector's projects • Performance in compliance with the government sector's policies, orders, rules and regulations 	<ul style="list-style-type: none"> • Performance in accordance with the policies, orders, rules and regulations relating to correct and transparent business transactions • Providing data to regulators accurately and quickly • Improve work processes based on regulators' recommendations

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.

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

1. Be determined to generate satisfaction and confidence among customers as well as pay attention and be responsible to customers in order for them to receive quality products and services at a reasonable price, apart from the development to constantly raise the Company's standard of products and services, and strictly complying with the conditions and agreements made to customers so as to seriously and steadily maintain a good and sustainable relation with them. Similarly, customers' data will not be used for the benefit of the Company and people concerned.

2. Select business partners, evaluate their performance and provide an opportunity for them to express their opinions and recommendations for mutual business transactions, all on an equal basis, apart from providing them with equal data and information and treating their secrets as strictly confidential.

3. Be determined to perform with an excellent operating result so as to generate shareholders' satisfaction through the sound and continuous returns, maintenance of the Company's leadership in the non-life insurance industry with constant profit growth, and maintenance of its good reputation.

4. Select and engage employees having skills and experiences pertinent to the Company's work, without regard to sex, race, religion or institutional difference as limitations to their participation in the Company's work. In addition, the Company will take care of its employees' remuneration and welfare schemes so that they are at an appropriate level, as well as provide them with an opportunity to fully develop themselves in order to be prepared to move forward.

5. Compete commercially in conformity with international principles under the laws defined, based on an equal commitment to sound competition rules, while not violating business competitors' commercial secrecy with a dishonest and inappropriate method. Also not prevent others from entering a business competition and not damage business competitors' reputation or act in a way that is unfair to a competition.

6. Treat all creditors on a fair, equal and honest basis and strictly honour a promise and commitment made to them. Also manage funds so that they possess proper structure to support the Company's business transactions and retain its creditors' confidence.

7. Raise awareness of the Company's management and employees at all levels so that they fully realize the significance of self-practices that benefit society, support social activities and provide assistance to the underprivileged. Also create awareness in preserving natural resources and sustainably developing the environment.

8. Carry out business transactions under the requirements of laws and give cooperation in providing data and information requested by the regulator, aimed at displaying the transparency and creating the confidence and trust in one another.

9. Give priority to the transparency and take into account an honest practice by attaching to a performance based on international human rights principles. Also not violate the intellectual property rights or copyrights, while being against a corrupt practice of all forms to prevent taking benefits, both directly and indirectly, for oneself and others.

Anti-Corruption Policy

The Company is determined to carry out its business transactions on a transparent, accurate and fair basis, in strict conformity with the principle of good corporate governance, besides fully and continuously realizing the significance of the anti-corruption practice. As a consequence, the Company has displayed its determination to take part in the Collective Anti-Corruption (CAC).

The Company was approved by the Board of Directors' resolution on its 1/2016 meeting on February 27, 2015 to request for the certification to take part in the Collective Action Coalition (CAC).

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

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

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

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

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

1. A procedure in an assessment of corruption risk

The Company has provided for a risk management system appropriate for its business transaction, by identifying an event of a high risk of corruption which may occur from a business transaction, and making an evaluation of the level of risk, apart from defining a measure suitable to the risk evaluated and keeping an eye on an assessment of the implementation based on the risk management plan.

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

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

- Provide for an audit procedure, make an assessment of an internal control system and a risk management system covering significant work systems in order to prevent and follow up risk stemming from corruption, as well as provide recommendations in relation to a proper corrective guideline.
- Provide for a channel for receiving the report on data, clues or complaints of violation, and acts against the laws or the Company's code of ethics. Also have a policy on providing protection to those giving data or clue, and treating their data as confidential, apart from having a measure for an inspection for fact verification.

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

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

- Assign the Internal Audit Office to have duties on the audit and assessment of systems of internal control by conducting an audit in line with an annual audit plan approved by the Audit Committee, and making a report on audit consequences to the Audit Committee.
- Assign the Compliance Office to take charge of a steady assessment of corruption risk to ensure an effective implementation of the anti-corruption measure. An assessment result will be presented to the Company's Risk Management Committee, followed by a report to the Board of Directors.
- If it is found that the data derived from complaints or audit consequences has evidence reasonable to believe that there are transactions or acts which may significantly affect the Company's financial standing and operating performance, as well as violations and acts against the laws or the Company's business ethics, the Audit Committee will report to the Board of Directors for acknowledgement, as well as an improvement and correction within the time the former thinks appropriate.

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

Respect of Human Rights

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

Core Issue	Focused Issue	Implementation
Employees' Rights and Participation	<ul style="list-style-type: none">• Give importance to a discussion• Employees' participation in collective negotiation	<ul style="list-style-type: none">• The Company typically has all its employees acknowledge its work policy from the organization's senior executives early each year so that they move in the same direction.• Organize a party for all employees each year for their accord.

	<ul style="list-style-type: none"> • Rights to be equally informed of data and information both inside and outside the organization • Generate all levels of employees' relationship and participation 	<ul style="list-style-type: none"> • Have an annual organizational health survey by allowing employees to take part in expressing 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 quick and convenient access to the Company's data, rules and regulations 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 and Regulation, HR News, Upcoming Events, News Update, Photo Releases, etc.
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Fair Treatment of Labor

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

Core Issue	Focused Issue	Implementation
Employment	<ul style="list-style-type: none"> • Perform in compliance with laws related to employment • Not use forced or child labor • No discrimination on employment 	<ul style="list-style-type: none"> • Have fair treatment to 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. • 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 and Promotion of Employees	<ul style="list-style-type: none"> • Have a Guideline for development of skills and training for an equal chance to make progress of employees without discrimination 	<ul style="list-style-type: none"> • In 2016, the Company provided innumerable training courses to its staff, with an average of 5.87 training days per staff per year, concentrating on development of all staff's multi skills so that they have potential, knowledge, capability and skills in response to the Company's vision and annual goals, which are offered in different patterns to be in accordance with a learning organization, for instance, <ul style="list-style-type: none"> - On-the-job training and coaching by one's superior and colleague - Self-learning via an E-learning system

		<ul style="list-style-type: none"> - Classroom training - Expert Sharing by staffs who are skillful or expert in their work. - Overseas training and study trip. - Job rotation. - Job transfer. <ul style="list-style-type: none"> •The Company provides, constantly and every year, scholarships for a master's degree study to staff studying in the field supporting the Company's business transaction. •The Company also has a mentor system, in which more experienced staff act as mentors for new staff to guide the latter in the performance of their work to develop work potential, and an adjustment of their attitude and practices to be in line with the Company's culture, creating a friendly working atmosphere.
Health and Safety	<ul style="list-style-type: none"> •Give priority to the health and safety in work performance of both the staff and employees 	<ul style="list-style-type: none"> •The Company has established the Safety, Health and Environmental Committee to define policies and oversee an implementation of activities regarding working safety of employees, contractors and outsiders who come in to work for or use the service in the Company's premises. The activities carried out in 2016 were, for example, the 5s activity, air quality measurement in the workplace, a sanitizer service in the office building, training on fire escape and a demonstration of use of extinguishers. •Provide for employees to have knowledge and understanding of first aid when an accident arises in the workplace, including a possible illness, aimed at employees' knowing how to give first aid to themselves and others. •In 2016, there were no accidents nor serious sickness.
Welfare	<ul style="list-style-type: none"> •Oversee and give importance to staff's personal life and family for a balanced personal life and working life, feeling happy in their work performance. 	<ul style="list-style-type: none"> •The Company has provided welfare based on the concept of Happy Workplace, an organization of happiness, to create Work Life Balance, having balanced working life, personal life and family, as the following: <ul style="list-style-type: none"> - Provide for the staff's annual physical examination from a service of Bumrungrad International Hospital, a leading local hospital. - Provide for Aerobic dance, yoga, badminton court and football field to encourage and promote staff's exercise. - Provide for the "Good Health Good Life" project, for the staff to pay more attention and take better care of their health, resulting in a more robust body and reducing risk incurred by various diseases. The project consisted of a wide variety of extraordinary lectures and activities such as a weight loss contest, heart artery: life blood vessel, office syndrome - silent risk for office workers, life-changing behavior, health screening and malignant hyper-cholesterol risk,

		<p>how much sweetness is enough, chair yoga, how health check-up tells about our health, workshop on “non-toxic vegetable growing”, and exercise of a nine-window table.</p> <ul style="list-style-type: none"> - Provide training for employees on knowledge of “Have to Make a Financial Plan”, aimed at their ability to make a financial plan to achieve the goal defined, via such topics as “Salaried Men Can Be Wealthy”, “Financial Management after One’s Retirement” and “Basic Investment in Collective Funds”. - Organize New Year’s staff party to repay their devotion to work throughout the previous year, aimed at staff’s relaxed working atmosphere and getting together. - Carry out Bhappy³ activity on “Ruam Jai Sam Tor Sed Tha Kit Por Pieng” to continue the sufficiency economy philosophy at Ban Na E-sam Border Patrol Policeman School in Chachoengsao, by the public-minded staff volunteering to conduct the activity, with an aim to encourage them to have a mind to help others without expecting anything in return, via such activities as tree growing, wall painting and bamboo piggy bank making. - Carry out an activity to make a study tour, for the 4th 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 60 participants 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. - Organize, for 4 times, the “Mind Spa” activity at a meditation practice school outside the Company in order for staff to practice meditation and calm their mind. - Organize, for 2 times, the “Words of the Buddha” activity comprising Dharma listening and meditation practice in Chachoengsao and Pathum Thani. - Organize, for 6 times, the “Sipping Tea and Talking Dharma” activity consisting of a Dharma exchange and talk at the Company’s Headquarters. - The Company and its employees have hosted a merit-making ceremony of an off-season offering of robes and other needs to monks. - Establish a provident fund which employees save and use during retirement, while they can select a maximum cumulative rate of 15 percent. - Have a loan for employees at a lower interest rate than that in the market to help them in such necessary incidents as house construction, house buying, and medical expenses of employees’ father, mother, child, or spouse. - Constantly provide for a temperature measurement as well as fungi, bacteria and viruses sanitizer in its employees’ workplace to ensure its cleanness and safety. - On each floor of the Company’s offices, an open, beautiful and ventilated space has been provided which is good for relaxation after work, or a meeting among staff during an afternoon break at 3 p.m., with a free refreshment service all day, such as well-filtered drinking water, tea, coffee and herbal drinks.
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Development of Products and Innovations

With the realization of and attention to its customers in every step, the Company has continuously created new innovations via the development of products, services and working procedures so as to be in conformity with the current situation and generate benefits to customers, business partners and consumers in response to their demand and greatest satisfaction. In 2016, the Company developed the following products and service innovations.

- **BKI Telematics**

The comprehensive motor insurance with Telematics technology which is a genius innovation developed for safety. Such technology can report on the insured's car location via a GPS system, apart from providing such other services as car use recording, a warning when a car goes out of an area, a display of driving report, and the processing of a driving score.

In 2016, the Company had upgraded its development of a new pattern of the BKI Telematics project under a new project name called, "Pay As You Drive (PAYD)" through a premium discount for customers' policy renewal year, which was a special discount calculated from the distance of car use as defined, with a maximum of additional 20 percent over a regular discount, which is in compliance with the condition for motor insurance policy renewal. In this connection, the "Pay As Your Drive (PAYD)" project will give a premium discount rate in the renewal year for customers who buy a new policy or renew their policy from June 1, 2016 onwards. Customers have to install the new equipment throughout the policy term or not less than 9 months, and when they renew the policy with the Company in the following year, a premium discount will be provided to them based on the car use distance.

- **PA Happy Valentine**

Bangkok Insurance has issued its personal accident insurance policy called PA Happy Valentine which provides coverage on injury, loss of organs and loss of life stemming from an accident, including additional coverage for riding or taking a motorcycle, along with receiving a teddy bear, with a premium of Baht 800. The Company sold such a policy between February 8-29, 2016 at 17 BKI care stations in department stores in Bangkok and its periphery.

- **Tele-Photo Claim**

Bangkok Insurance thinks of its customers' current lifestyle and has thus developed a pattern of motor claims which really accesses and responds to customers' demand with its Tele-Photo Claim via a smart phone, a new form of motor claims which enables customers to feel warm and receive convenience when their car has an accident without the party. Customers can report on an incident at the phone number 1620, by which an officer will give advice on how to make a Tele-Photo Claim, a contact for sending/receiving motor claims data via a Line application or other channels such as e-mail, as required by and convenient for customers, through the following uncomplicated steps.

1. Customers take photos of parts of a car damaged and then send them to an officer for a consideration of items and level of damage for customers completely and accurately, which helps decrease the problem of a later additional report on a repair item.

2. After the officer has already made a consideration, an evidence of a car repair report will be delivered to the customer via a Line application or other channels required by him/her, who can immediately take his/her car to a garage.

- **New Features of BKL iCare Application**

Bangkok Insurance is determined to develop its quality products, services and personnel in order to provide confidence and comfort to customers with a hope that they will be taken the best care for every step. Most recently, the car inspection and i-Claim features have been added to the application.

Car Inspection Process

1. Customers call the Company's officer to report on their wish to buy insurance and submit car photos to make a car inspection by themselves via a BKL iCare application.

2. The Company's officer submits a reference number in supplement to a photo submission via e-mail and SMS.

3. After receiving a reference number, customers login a BKL iCare application and select the function "Car Inspection".

4. Enter the reference number derived from the Company and then take photos of car parts as identified in the application, and press a button to send data. Data will be immediately submitted to the Company.

Following the Company's reception of data, an officer will call back and implement the following steps. It is expected that such a service will help provide convenience to customers with respect to time saving when they make an appointment with the Company's officer for a car inspection.

i-Claim Process

When customers select the "Claim" menu, an "i-Claim" function will be found which provides an online claim service consisting of only 6 easy steps identifying necessary data such as 1. a car policy 2. informant data 3. driver data 4. incident details and photos of parts of a car damaged 5. select a garage, and 6. submit claims report data.

In this connection, an i-Claim service is a service for a comprehensive motor insurance policy in which a claims report can be made only in the case that an insured car is a right party and have evidence of responsibility of the other party, and/or in the case that an insured car is a fault party and there is no party to be responsible for. The damage is limited to no more than 6 pieces of work, while an incident detail of no more than 4 incidents may be reported.

- **Car Accident Compensation Campaign**

Bangkok Insurance, together with Counter Service, has launched a Car Accident Compensation, emphasizing a relief from an accident occurrence in the form of compensation. Customers can purchase the insurance from a counter service channel in all branches of 7-Eleven stores throughout the country. An outstanding point of this insurance policy is a relief of burdens incurred by an impact of a car accident through maximum compensation of Baht 220,000, with an annual premium of only Baht 750.

Virtually the "Car Accident Compensation Campaign" is not motor insurance but covers an accident caused by car use, whether a driver or car passenger (a maximum of 7 persons). In the case that a victim is an inpatient, he/she will receive a compensation, for daily income, of Baht 1,000 per person but not exceeding 30 days for each accident, apart from compensation for car repair of Baht 5,000/accident, with a maximum of 2 accidents each year, all through uncomplicated claims steps. When an accident occurs, a customer only calls to make a claims report, without having to wait for a surveyor to come to an accident scene, and is able to make a reimbursement of compensation by just showing a receipt for car repair of Baht 10,000 and over, or a receipt as evidence of being a patient. He or she will immediately obtain compensation in accordance with the condition.



- **Online Motor Insurance Partner**

Bangkok Insurance, in cooperation with Frank.co.th Company or E-Direct (Thailand), has raised a channel of selling its online motor insurance via the website at Frank.co.th as a new option for consumers, who want to buy motor insurance from Bangkok Insurance, to be able to purchase it round the clock via 3 steps such as 1. Notify car information 2. Select an insurance plan, and 3. Make a payment and immediately receive coverage.



- **Extension of Premium Payment via “easyBills”**

Bangkok Insurance, in collaboration with 2C2P (Thailand) Co., Ltd., has increased convenience for its customers through a service of premium payments via a mobile payment system under an “easyBills” application, a channel that effectively responds to the lifestyle of people in a digital era. Customers can be confident of a safety standard of PCI DSS Level 1, a maximum security level, through uncomplicated steps. Customers just download and enter a main page of an “easyBills” application and then select an insurance type and services they require such as paying premium for a renewal year or paying premium for the first year. They have to completely fill in related data, whether a policy number, their ID card number, temporary receipt number, or a premium amount or they can choose to scan a barcode to help save their time, besides filling in their credit card data in order to enter a payment system which will submit payment evidence to customers via e-mail. In addition, customers can also select a function for credit card recording when connecting a Facebook account, from which they can choose to retroactively inspect a payment item or add the type of regular payment in their favorite item for quickness of the next payment.

Responsibility to Customers and Business Partners

- **Data Disclosure**

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

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

- **Reception of Complaints and Recommendations**

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

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

To generate the confidence for its customers using a credit card to pay for premiums, the Company has implemented a measure for preventing a leak of credit card data in conformity with the Payment Card Industry Data Security Standard (PCI DSS) defined by a group of major global companies providing a credit card service, such as Visa, Mastercard and JCB. Under this Standard, the Company has to perform based on the measure established

to ensure that customers' credit card data is strictly and safely kept, while only the concerned officer can have access to such data, for example, the determination of employees' rights to access credit card data, examination of a criminal record of staff having to involve with credit card data, arrangement of a restricted area for keeping credit card data documents, and improvement of an IT system to prevent a cyber-attack. These measures will cover all channels in which the customer uses a credit card to make a payment, whether a payment of premiums at the counter of the Company's Accounting and Treasury Department and Bangkok Bank's counter or a payment via the Internet.

Environmental Management Implementation

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

1. Energy Management

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

A working committee on the energy management has successfully implemented and coordinated the work in conformity with the policy defined, by rallying the energy preservation for the Company's staff's awareness of the significance of collective energy conservation, apart from making a continuous dissemination of information and knowledge to staff. In 2016, the Company had a project for a sustainable diminution in energy use, as the following.

1.1 A project on a change in the use of its light bulbs from fluorescent to LED ones at restroom areas within its buildings, enabling a reduction in energy use by 292 kw/week.

1.2 A study of an energy-saving project, which is expected to decrease energy use in 3 aspects.

1.2.1 A study of the project on a change of fluorescent light bulbs to LED ones on all floors of Bangkok Insurance's building.

1.2.2 A study of the project on an installation of a VSD air-conditioning system.

1.2.3 A study of the project on an installation of a VSD aeration and ventilation.

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.

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

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, apart from frequently providing a sanitizer service, etc.

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

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 Set up an Emergency Rescue Team (ERT) having passed a training for preparedness to preliminarily quell an incident and help victims.
- 5.3 Provide a training course on the knowledge of basic fire extinguishment to employees.
- 5.4 Provide a training course on first aid.
- 5.5 Monitoring annually the safety in the building in accordance with the Building Control Act.
- 5.6 Provide a training course on self-defense against a fire or an earthquake.

Participation in the Development of Communities, Society and the Environment

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

In 2016, the Company had conducted activities supporting education, religion and art and culture, public health, relief of public disasters, development of communities and the environment, and development of the quality of life, with the following details.

Education

Contributions to Foundations under Royal Patronage

- A contribution of Baht 3 million to the Ananda Mahidol Foundation as scholarships for students having academic capabilities to have an opportunity to further their studies at the highest level in a foreign country so as to apply the knowledge learned to the development of the country for its progress.
- A contribution of Baht 2 million to the Chai Pattana Foundation to implement the royal initiative projects assisting people in such aspects as education, the environment and social development.
- A contribution of Baht 1 million to the "Graduates Go Home" project as scholarships for students under the royal patronage.



Contributions to Foundations under Royal Patronage

Bangkok Insurance Scholarship Project

The Company has, since 1994 to present, granted scholarships to outstanding but poor students for their university education, totaling 498 scholarships or a grant of Baht 85,236,700. In 2016, 25 scholarships were granted to students, 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 2016, the following activities were carried out.

- Rural development volunteer camp aimed at encouraging BKI scholarship students to have a public mind to help society. In 2016, 61 BKI scholarship students had developed and adjusted the landscape around the school library building and painted the school building on 8-9 June 2016, while the Company provided a grant for the school library construction and presented books to promote students' reading habit, amounting to Baht 309,000 at Non Thabchang school, Amphoe Vanon Nivas, Sakon Nakhon

- Set up a Dharma camp for BKI scholarship students, totaling 67 students, who made merit by offering alms to monks, practiced Dharma and helped in the temple's work at Wat Doi Dharma Chedi, Sakon Nakhon between 13-15 July 2016.



Promote Students' Reading Habit Project

The Company has supported 102 schools, under the supervision of Mukdahan and Sakon Nakhon Primary Educational Service Areas 1, 2 and 3, participating in the reading habit project in terms of textbooks, school books and learning equipment, totaling Baht 1,741,200.



Rally Road Safety

The Company has made 350 helmets and submitted them to 3 schools, namely, Wat Chong Nonsee school, Suan Lumpini school and Thung Mahamek School for the Deaf, all of which are close to Bangkok Insurance's building, under a project on the road safety rally within the organization concerning the prevention and avoidance of an accident that may occur, the advantages of wearing a safety hat, including paying attention and being conscious when using a car or road.

Promotion of Vocational Education Morality toward Public Activities

The Company, in cooperation with Ubon Ratchathani Technical College, had submitted, on January 30, 2016, a project on the promotion of vocational education morality toward public activities constructing sheds for pig and chicken rearing and a drinking water system for a border patrol police school at Ban Ta-em, Amphoe Nam Khun, Ubon Ratchathani. A budget of Baht 250,000 was spent on the project.

Public Health

Mobile Medical Service

The Company, in collaboration with Bumrungrad International 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 2016, the activity was carried out free of charge at Phra Ajarn Ban Thanakaro Hospital, Amphoe Phu Phan, Sakon Nakhon and at Wat Suanpa Rimtham, Amphoe Dong Luang, Mukdahan, with over 6,300 people coming for treatment.



Make a Contribution for Operation of Children with Congenital Heart Disease

The Company has made a contribution for the Rak Jai Thai (Healing Hearts) of the Bumrungrad International Hospital Foundation to help in an operation of underprivileged children suffer from congenital heart defects. A contribution of Baht 30,000 was made on behalf of Bangkok Insurance, apart from Baht 100,000 and Baht 100,000 on behalf of the Bangkok Insurance Foundation and the Chai-Nutchanart Sophonpanich Foundation, respectively.

Relief of Public Disasters

Donate to Help Disaster Victim Project

In 2016, the Company provided assistance to disaster victims suffering from floods as the following:

- Collectively submit 500 sets of survival bags and drinking water to relieve the suffering of flood victims in Tambon Rang Jarake, Amphoe Sena, Phra Nakhon Si Ayutthaya.
- The Company, in collaboration with the Bangkok Insurance Foundation, Representative Office of Khun Thanyarat Sumanarujirang and the Royal Thai Army (Military Circle 15, Phetchaburi), and BKI public-minded staff, made a site visit to distribute 3,600 bottles of drinking water to relieve the suffering of flood victims in Amphoe Muang, Phetchaburi.
- BKI service-minded staff and non-life insurance agents in the southern region made a site visit to distribute drinking water and dried food to flood victims in Amphoes Thung Song and Cha-auad, Nakhon Si Thammarat, Amphoes Kao Chai Son and Ranod, Songkhla, and Amphoe Kuan Kanun, Phatthalung.
- The Company distributed 700 kilograms of rice to the center for flood relief in the South belonging to Thai PBS, TV broadcasting station in order to further forward it to flood victims in the southern region



Development of Communities and the Environment

Bhappy³ Project

The Company, in collaboration with Bumrungrad International Hospital and Bangkok Life Assurance Public Company Limited, has organized the “Bhappy³” 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 2016, the 9th time “Ruam Rang Ruam Jai Kub Bhappy³” activity on “Ruam Jai Sam Tor Sed Tha Kit Por Pieng” was held and led by over 200 members of the 3 aforementioned organizations’ management and public-minded staff who collectively grew trees, painted the building walls and made piggy banks for students, besides submitting learning equipment and making a contribution, totaling Baht 390,000, and distributing 350 kilos of rice to a border patrol police school at Ban Na E-sarn in Chachoengsao.



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-color 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 million has been spent annually to promote the project. In 2016, a training course of Decoupage technique on Admit Kit baskets was provided to a group of handicraft housewives at Ban Non Sung Si and students of Ban Non Sung Si in Mukdahan to create value for goods and to spend their time usefully, with a total of 21 people participating in the project.

Support the Rajapruek Institute Foundation

The Company has supported the Rajchapruek 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 2016, the Company made a contribution of Baht 150,000 and submitted personal accident insurance policies to the foundation’s staff and members who conducted activities for 3 times.

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 good deeds in a wider circle for other people.



Support Jasmine Rice for Agriculturists

The Company has collectively supported a direct purchase of jasmine rice from agriculturists who grow rice in accordance with the “Insurance Companies Giving Rice as a Gift” project, in which the Company distributes rice to agencies of both the government and the private sector who can make an all-inclusive use of it as the following:

- The Dharmaraksa Foundation of Wat Phrabatnampu - a total of 2,000 kilos for use in consumption of patients with AIDS viruses or of HIV-infected ones, and orphans whose parents dying of such diseases.
- The shelter for needy orphans of Wat Botworadit, which is a shelter for over 300 educationally underprivileged orphans, at Wat Phrabatnampu in Amphoe Muang, Lopburi and Wat Botworadit in Amphoe Pa Mok, Ang Thong, totaling 1,000 kilos.
- The Border Patrol Police Bureau, amounting to 1,000 kilos for use in activities of border patrol police schools scattering across the country, at the Border Patrol Police Bureau in Bangkok.

Religion, Art and Culture

Mind Spa Project

The Company has encouraged and opened an opportunity for all levels of its employees to participate in studying Dharma and practicing meditation to generate happiness and develop the quality of work and daily life. In 2016, the project was organized for 6 times, 4 of which were at Sangtham Pakchong, Nakhon Ratchasima, and at Buddhawajana Training Center at Klong 4 in Pathum Thani and Buddhawajana Meditation Center Bangpakong in Chachoengsao for 1 time each.

Sip Tea Discussing Dharma

The Company has continued its “All about Dharma” project which opens up an opportunity for staff to take part in a study of interesting items relating to Buddhism and detailed Dharma principles and Buddhist disciplinary rules from Lord Buddha’s statements in the form of Dharma discussion and meditation practice through the “Sip Tea Discussing Dharma” project, which was conducted once each month in 2016.

Pha-pa Ceremony

The Company's management, together with its staff, agents and business partners, had collectively organized a merit-making ceremony of Pha-pa for 2016 at Wat Wangperm - Phrapavana at Ban Sok Noi in Amphoe Pak Chong, Nakhon Ratchasima, with merit money of Baht 1,432,991.



Special Projects Marking Bangkok Insurance's 70th Anniversary

On a special occasion of the 70th anniversary of its operation, the Company has conducted projects and activities focusing on giving importance to people's well-being in terms of sound hygiene, aimed at promoting a good quality of life of socially underprivileged people so that they have robust health and better standard of living. These extraordinary projects and activities have an implementation plan from 2016 to 2017, apart from other projects regularly implemented annually.

1. Clean Drinking Water for Student in Rural Area Project

The Company has arranged the "Clean Drinking Water for Student in Rural Area" project by installing a water filtering system for students in schools where drinking water is unhygienic, with an aim to install it in 70 schools.



2. Toilet Constructions for Schools in Rural Areas Project

The Company has had a policy of upgrading the cleanness standard of a toilet of schools in remote areas so that it is up to the standard, aimed at creating the values and urging students and young people to have a conduct on using a toilet accurately, focusing on development with respect to cleanness, sufficiency and safety for a sound hygiene through a construction of toilets in schools and targeting such a construction covering 70 schools.



3. Construction of Heart Disease Building Project

The Company made a contribution of Baht 35 million for a construction of a "Heart Disease Building" for Sakon Nakhon Hospital in Sakon Nakhon in comprehensive support of patients in Sakon Nakhon and neighboring areas.



4. Mobile Medical Service

On the special occasion of Bangkok Insurance's seventieth anniversary, it continues to provide a mobile medical service in underprivileged areas lacking access to medical and health services. The Company, via its management and Bumrungrad International Hospital's doctors and nurses, has provided a medical service and distributed basic necessities to people coming for treatment and donated items.



5. Ventilator Donations to Hospitals in Need

Since the Company fully realizes that currently, hospitals throughout the country still lack necessary medical equipment, Ventilators which are tremendously essential for sustaining one's body to overcome a critical period and expanding treatment for him/her to return to a normal life, it has arranged a project on submitting ventilators to provincial hospitals across the country. In 2016, the Company distributed 5 sets of ventilators to Chaiyaphum Hospital, Udon Thani Hospital and Sakon Nakhon Hospital, apart from being prepared to continuously submit them to other hospitals in 2017.



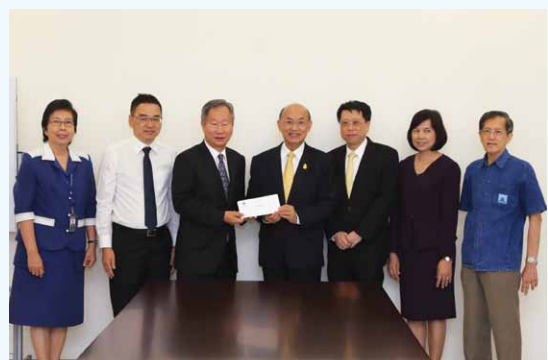
6. Support the Sirindhorn National Medical Rehabilitation Institute

In 2016, the Company made a contribution of Baht 1 million to the Sirindhorn National Medical Rehabilitation Institute through the "All-inclusive Rehabilitation Service Unit for the Disable" project, besides bringing the Company's public-minded staff, in collaboration with Debaratana Vejjanukula Hospital Commemorating Her Royal Highness Princess Maha Chakri Sirindhorn 60th Birthday Anniversary, to distribute equipment assisting incapacity, such as wheelchairs for the disable, walking-aid equipment, manually operated vehicles for cripples, ankle supplementary equipment and back-support device, to 350 handicapped persons coming for the service in order to present as royal merit to His Majesty the King Bhumibol at the community hall in Amphoe Mae Chaem, Chiang Mai.



7. Support the Foundation of Virtuous Youth

The Company distributed Baht 1 million to the Foundation of Virtuous Youth to use for conducting activities of schools with sound morality in compliance with royal consideration, concentrating on the development of teachers' potential relating to learning innovations and an integration of knowledge and virtue, aimed at developing righteousness and morality among students.



8. 70th Anniversary Cancer Insurance Policy Project

The Company has arranged the cancer insurance policy by contributing part of its income from selling such cancer insurance as a contribution for the National Cancer Institute for further utilization in its work performance.

9. Group Ordination Project

The Company has arranged the group ordination project to offer as royal merit to His Majesty King Bhumibol Adulyadej, with 33 members of the Company's management and employees taking part in the ordination at Rama IX Golden Jubilee Temple.



10. Blood Donation to the Thai Red Cross Society Project

The Company's management, employees, customers and business partners have donated blood to the Thai Red Cross Society, apart from persuading people in all regions of the country, carried out by 34 Company's regional branches, to donate blood so that there is enough blood for treatment of patients in hospitals nationwide, while part of it will be kept as a reserve for emergency use, with a target for a donation reception of 7,000,000 c.c. of blood.



All of the above-mentioned activities have arisen out of the Company's public-minded staff's concerted effort and cooperation, all having the same goals and objectives of having the overall society living happily and harmoniously as well as having sustainable and sound quality of life, under the Company's encouragement and support of its employees to take "Your care is our care" into consideration, apart from being quality people and having sound morality and righteousness. Additionally, the Company firmly believes that its business transaction with responsibility to all groups of stakeholders, such as the Company's customers, business partners, shareholders, competitors, employees, and society at large, is a significant foundation leading to the Company's stable and sustainable business growth throughout.

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 Tdvc. Col. Plengsakdi Prakaspesat, Committee Chairman, and Miss. Potjanee Thanavaranit and Mr. Chor.nun Petpaisit, Committee Members.

In 2016, the Audit Committee convened 4 meetings, attended by the President, Executive Vice President of Accounting and Treasury Department and Company Secretary, and First Vice President of Internal Audit Office. It further convened another meeting with the Corporate Governance Committee, and another 3 meetings without the attendance of the Company's management to implement duties assigned by the Board of Directors as summarized below:

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

2. Supervising the Company's Internal Control System and Performance Corresponding to the Provisions of Law. The Audit Committee has examined and approved the audit plan of the Internal Audit Office for 2016, 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 Mrs. Ratana Jala of EY Office Limited as auditors for the year 2016, with the remuneration of Baht 2,300,000.

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. Furthermore, it, in collaboration with the Corporate Governance Committee, has defined an additional practice guideline concerning the more rigorous use of insider information.

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



(Tdvc. Col. Plengsakdi Prakaspesat)
Chairman of the Audit Committee

REPORT OF THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee has been assigned the duty to ensure that the Company has an appropriate structure of the Board of Directors, as well as the appropriate number of its members necessary for the Company to carry on its business activities and objectives. With such assignment, the Committee has pursued the process of identifying, evaluating, selecting and nominating candidates to serve as Company Director, the Chief Executive Officer and the President as well as other senior officers when their terms are expired or they ceased to serve due to resignation or other reasons.

The Committee has also been assigned to ensure that the Company has well-defined compensation policies and benefits for its directors and officers to perform their duties effectively and efficiently.

Realizing that the nomination of competent persons to the Company's key positions has efficiently helped push forward to achieve its vision and policies, coupled with the fact that proper remuneration is a factor generating an incentive for one to perform effectively, the Board of Directors, in 2016, had appointed one additional director to the Board to oversee the Company's administration, apart from generating the operating performance benefiting shareholders and all groups of stakeholders, through the nomination of the Company's insiders.

The Remuneration and Nomination Committee has performed duties assigned to it in a prudent, cautious and reasonable manner, taking into account the remuneration based on both the internal and external factors, compared to the Company's defined targets. As a consequence, for consideration of Board members' remuneration in 2016, the remuneration was defined, at the shareholders' meeting, at Baht 12,500,000, equal to that in the year before.

In 2016, the Remuneration and Nomination Committee convened 1 meeting and disclosed the remuneration of the Company's Board members and management in the Company's annual report for transparency of an examination.



(Mr. Singh Tangtaswas)

Chairman of the Remuneration and Nomination Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

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

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

In 2016, the Corporate Governance Committee had arranged meetings to follow up the Company's performance on good corporate governance, risk management, responsibilities to society and the environment, as well as sustainable development. A summary of its activities is listed below.

1. To consider, review and approve of an improvement of the Company's policy on good corporate governance so that it is up-to-date and universal and is in line with the SET's principles of good corporate governance, including the recommendations and suggestions from the IOD's Corporate Governance Assessment Report, which has been improved to be in accordance with the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard).

2. To consider and review the Company's ethics of business transactions, aimed at being a strict performance guideline for the Company's Board directors, executives and employees, apart from the training on knowledge of the Company's ethics of business transactions for all levels of the Company's employees.

3. To consider the performance consequence of the Company's risk management through a formulation of the policy on risk management in order to submit it to the Office of Insurance Commission (OIC), including a consideration of the organization's risk management evaluation consequence, verification of the data on financial ratio used in the advance risk warning signal system, verification of the fund maintenance based on the risk level, verification of a risk analysis prior to the development and design of products, and preparation for operational risk management.

4. Consider the performance consequence of the Company's responsibilities to society and the environment by providing recommendations on carrying out activities to help society and the environment, which is part of good corporate governance displaying the Company's responsibilities to society and the environment, which should get support and a rally for further public relations.

With a strong determination and intention of its performance based on transparency and fairness, for the greatest benefit to all groups of stakeholders, the Company received in 2016 an assessment from the Thai Investors Association a score of 100 out of a total of 100, or Excellence and Appropriate As an Example, in a quality evaluation of the Company's shareholders' general meeting (AGM Checklist) in 2016.

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



(Mr. Virasak Sutanthavibul)

Chairman of the Corporate Governance Committee

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

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

The Board of Directors also provides and maintains an 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, 2016. 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

REPORT OF INDEPENDENT AUDITOR

To the Shareholders of Bangkok Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements of Bangkok Insurance Public Company Limited (“the Company”), which comprise the statement of financial position, in which the equity method is applied, as at December 31, 2016, and the related statements of comprehensive income, changes in owner’s equity and cash flows, in which the equity method is applied, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and also audited the separate financial statements of Bangkok Insurance Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Insurance Public Company Limited as at 31 December 2016, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matters

I draw attention to the matters as described in Notes 2 and 3.1 to the financial statements relating to classification of line items in the Company’s financial statements in accordance with the new format as specified in the Notification of the Office of Insurance Commission dated 4 March 2016, which became effective as from 1 January 2016 onwards, and the adoption of the revised and new accounting standards as issued by the Federation of Accounting Professions. My opinion is not qualified in respect of these matters.

Key Audit Matters

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

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

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

Gross Premium Written

The Company has gross premium written amounting to Baht 16,031 million, representing 87 percent of total revenues before premium ceded to reinsurers. The Company has accepted insurance from retail customers through brokers and agents and there have been a large number of insurance policies written. Calculation and recognition of gross premium written are dependent upon the information technology (IT) systems. I therefore focused on examining that gross premium written was correctly recognized as actually incurred.

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

Loss Reserves

The Company has loss reserves of Baht 6,082 million (presented as a part of insurance contract liabilities), representing 25 percent of total liabilities. Loss reserves include both claims incurred and reported and claims incurred but not yet reported. Such reserves were calculated using actuarial method, which involves certain assumptions that require the management to exercise a high level of considerable judgment in estimation of such reserves. I therefore focused on adequacy of loss reserves.

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

Allowance for Doubtful Accounts

The Company has outstanding balances on premium receivables, reinsurance assets (loss reserves refundable from reinsurers), and reinsurance receivables totaling Baht 5,194 million, representing 9 percent of total assets. In estimating allowance for doubtful accounts on such assets, the management is required to exercise judgement on certain assumptions used in calculation of losses that may be incurred on uncollectible debts. I therefore focused on adequacy of allowance for doubtful accounts.

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

Allowance for Impairment on Investments

The Company has investments in associates and general investments, stated at cost less allowance for impairment in the separate financial statements, totaling Baht 910 million, which are material. In consideration of allowance for impairment, the management is required to exercise a high level of considerable judgment in selection of valuation methods and assumptions used for valuation such as discounted rate, growth rate, and expected future revenue. Such assessment of fair value relates to an estimation of future cash flows each entity will generate, which are uncertain. I therefore focused on adequacy of allowance for impairment on investments.

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

Other Information

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Rachada Yongsawadvanich.



(Miss Rachada Yongsawadvanich)

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: February 22, 2017

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2016 and 2015

(Baht'000)

	Financial Statements in which the Equity Method is Applied			Separate Financial Statements		
Assets	December 31, 2016	December 31, 2015 (Restated)	January 1, 2015	December 31, 2016	December 31, 2015 (Restated)	January 1, 2015
Cash and Cash Equivalent (Note 6)	412,484	306,703	304,422	412,484	306,703	304,422
Premium Receivables - net (Note 7)	2,301,968	2,136,246	2,329,060	2,301,968	2,136,246	2,329,060
Accrued Investment Income	54,217	81,130	65,772	54,217	81,130	65,772
Reinsurance Assets - net (Note 8)	4,886,344	4,997,917	6,192,398	4,886,344	4,997,917	6,192,398
Reinsurance Receivables - net (Note 9)	131,231	165,240	383,282	131,231	165,240	383,282
Investment Assets						
Investments in Securities - net (Note 10)	45,656,858	47,432,611	39,430,726	45,656,858	47,432,611	39,430,726
Loans - net (Note 11)	1,427,371	1,827,970	1,892,720	1,427,371	1,827,970	1,892,720
Investments in Associates (Note 12.1)	207,373	198,655	154,896	134,395	134,395	102,256
Investment Properties - net (Note 13)	186,896	204,173	221,402	186,896	204,173	221,402
Premises and Equipment - net (Note 14)	1,157,711	1,201,813	1,140,605	1,157,711	1,201,813	1,140,605
Intangible Assets - net (Note 15)	277,358	248,136	178,772	277,358	248,136	178,772
Other Assets						
Land and Building						
Leasehold Rights - net	53,968	58,995	64,008	53,968	58,995	64,008
Others	578,824	391,681	398,775	578,824	391,681	398,775
Total Assets	57,332,603	59,251,270	52,756,838	57,259,625	59,187,010	52,704,198

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

(Baht'000)

Liabilities and Owners' Equity	Financial Statements in which the Equity Method is Applied			Separate Financial Statements		
	December 31, 2016	December 31, 2015 (Restated)	January 1, 2015	December 31, 2016	December 31, 2015 (Restated)	January 1, 2015
Liabilities						
Insurance Contract Liabilities (Note 17)	13,480,672	13,954,972	15,364,800	13,480,672	13,954,972	15,364,800
Due to Reinsurers (Note 18)	1,931,712	1,920,424	2,155,211	1,931,712	1,920,424	2,155,211
Income Tax Payable	132,440	132,099	19,024	132,440	132,099	19,024
Employee Benefit Obligations (Note 19)	318,971	295,278	250,970	318,971	295,278	250,970
Deferred Tax Liabilities - net (Note 16.1)	4,773,816	5,325,617	3,920,982	4,759,221	5,312,765	3,913,086
Other Liabilities						
Premiums Received in Advance	1,705,263	1,615,134	1,468,291	1,705,263	1,615,134	1,468,291
Commission Payables	381,759	342,188	372,513	381,759	342,188	372,513
Accrued Expenses	515,149	452,782	430,303	515,149	452,782	430,303
Liabilities under Finance Lease Agreements	68,685	71,730	56,606	68,685	71,730	56,606
Others	770,407	684,876	746,785	770,407	684,876	746,785
Total Liabilities	24,078,874	24,795,100	24,785,485	24,064,279	24,782,248	24,777,589
Owners' Equity						
Share Capital (Note 20)						
Registered, Issued and Paid up 106,470,000 Ordinary Shares of Baht 10 each	1,064,700	1,064,700	1,064,700	1,064,700	1,064,700	1,064,700
Share Premium	1,442,500	1,442,500	1,442,500	1,442,500	1,442,500	1,442,500
Retained Earnings						
Appropriated						
Statutory Reserve (Note 21)	106,470	106,470	106,470	106,470	106,470	106,470
Other Reserve	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Unappropriated	5,472,712	4,401,023	3,335,769	5,414,329	4,349,615	3,291,025
Other Component of Owners' Equity	22,067,347	24,341,477	18,921,914	22,067,347	24,341,477	18,921,914
Total Owners' Equity	33,253,729	34,456,170	27,971,353	33,195,346	34,404,762	27,926,609
Total Liabilities and Owners' Equity	57,332,603	59,251,270	52,756,838	57,259,625	59,187,010	52,704,198

STATEMENTS OF COMPREHENSIVE INCOME

For the Years ended December 31, 2016 and 2015

	Financial Statements which the Equity Method is Applied		(Baht'000) Separate Financial Statements	
	2016	2015 (Restated)	2016	2015 (Restated)
Profit or Loss:				
Revenues				
Gross Premium Written	16,031,324	15,867,370	16,031,324	15,867,370
Less: Premium Ceded to Reinsurers	(4,935,501)	(4,698,297)	(4,935,501)	(4,698,297)
Net Premium Written	11,095,823	11,169,073	11,095,823	11,169,073
Add (Less): Unearned Premium Reserves (Increased) Decreased from Prior Year	(34,241)	24,721	(34,241)	24,721
Earned Premium	11,061,582	11,193,794	11,061,582	11,193,794
Fee and Commission Income	1,023,441	1,016,289	1,023,441	1,016,289
Shares of Profits from Investments in Associates, Accounted for under the Equity Method (Note 12.2)	8,719	11,620	-	-
Net Investment Revenue	1,125,896	1,125,439	1,125,896	1,125,439
Gains on Investments	69,834	20,922	69,834	20,922
Other Income	168,305	162,909	168,305	162,909
Total Revenues	13,457,777	13,530,973	13,449,058	13,519,353
Expenses				
Gross Claims	7,056,051	6,869,521	7,056,051	6,869,521
Less: Claim Recovery from Reinsurers	(1,492,752)	(1,209,044)	(1,492,752)	(1,209,044)
Commission and Brokerage Expenses	2,161,996	2,152,153	2,161,996	2,152,153
Other Underwriting Expenses	1,806,551	1,919,793	1,806,551	1,919,793
Operating Expenses (Note 23)	1,012,932	961,248	1,012,932	961,248
Investment Expenses	87,336	87,373	87,336	87,373
Finance Costs	3,768	4,031	3,768	4,031
Total Expenses	10,635,882	10,785,075	10,635,882	10,785,075
Profits before Income Tax Expenses	2,821,895	2,745,898	2,813,176	2,734,278
Less: Income Tax Expenses (Note 16.2)	(396,107)	(403,572)	(394,363)	(398,616)
Profits for the Years	2,425,788	2,342,326	2,418,813	2,335,662
Other Comprehensive Income (Loss):				
Items to be Recognised in Profit or Loss in Subsequent Periods:				
Gains (Losses) on revaluation of Available-for-sale Investments	(2,842,663)	6,774,454	(2,842,663)	6,774,454
Add (Less): Income Taxes	568,533	(1,354,891)	568,533	(1,354,891)
Items to be Recognised in Profit or Loss in Subsequent Periods - Net of Income Taxes	(2,274,130)	5,419,563	(2,274,130)	5,419,563
Items Not to be Recognised in Statements of Income in Subsequent Periods:				
Actuarial Gains	4,242	710	4,242	710
Less: Income Taxes	(849)	(142)	(849)	(142)
Items Not to be Recognised in Statements of Income in Subsequent Periods - Net of Income Taxes	3,393	568	3,393	568
Other Comprehensive Income (Loss) for the Years	(2,270,737)	5,420,131	(2,270,737)	5,420,131
Total Comprehensive Income for the Years	155,051	7,762,457	148,076	7,755,793
Earnings Per Share: (Note 26)				
Basic Earnings Per Share				
Profits for the Years	22.78	22.00	22.72	21.94

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

STATEMENTS OF CASH FLOWS

For the Years ended December 31, 2016 and 2015

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	2016	2015 (Restated)	2016	2015 (Restated)
Cash Flows from (Used in) Operating Activities				
Direct Premium Written	15,401,688	15,632,511	15,401,688	15,632,511
Cash Paid for Reinsurance	(2,123,062)	(1,918,120)	(2,123,062)	(1,918,120)
Interest Income	360,433	363,135	360,433	363,135
Dividend Income	793,164	744,951	793,164	744,951
Other Investment Income	81,244	74,368	81,244	74,368
Other Income	22,466	27,503	22,466	27,503
Losses Incurred on Direct Insurance	(6,989,769)	(6,938,995)	(6,989,769)	(6,938,995)
Commissions and Brokerages on Direct Insurance	(1,998,233)	(2,045,925)	(1,998,233)	(2,045,925)
Other Underwriting Expenses	(2,052,149)	(2,142,546)	(2,052,149)	(2,142,546)
Operating Expenses	(730,052)	(752,813)	(730,052)	(752,813)
Income Taxes	(381,091)	(241,305)	(381,091)	(241,305)
Investments in Securities	(514,673)	(668,163)	(514,673)	(668,163)
Loans	400,306	64,240	400,306	64,240
Investment in Associates	-	(32,139)	-	(32,139)
Deposits at Financial Institutions	(507,257)	(535,336)	(507,257)	(535,336)
Net Cash Provided by Operating Activities	1,763,015	1,631,366	1,763,015	1,631,366
Cash Flows from (Used in) Investing Activities				
Cash Flows from				
Premises and Equipment	4,189	2,473	4,189	2,473
Cash Provided by Investing Activities	4,189	2,473	4,189	2,473
Cash Flows Used in				
Premises and Equipment	(209,322)	(285,371)	(209,322)	(285,371)
Intangible Assets	(94,609)	(68,548)	(94,609)	(68,548)
Cash Used in Investing Activities	(303,931)	(353,919)	(303,931)	(353,919)
Net Cash Used in Investing Activities	(299,742)	(351,446)	(299,742)	(351,446)
Cash Flows from (Used in) Financing Activities				
Dividends Paid	(1,357,492)	(1,277,639)	(1,357,492)	(1,277,639)
Net Cash Used in Financing Activities	(1,357,492)	(1,277,639)	(1,357,492)	(1,277,639)
Net Increase in Cash and Cash Equivalents	105,781	2,281	105,781	2,281
Cash and Cash Equivalents at Beginning of the Years	306,703	304,422	306,703	304,422
Cash and Cash Equivalents at End of the Years	412,484	306,703	412,484	306,703

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

STATEMENTS OF CHANGES IN OWNERS' EQUITY

For the years ended December 31, 2016 and 2015

Financial Statements in which the Equity Method is Applied	Issued and Paid-up Share Capital	Premium on Share Capital
Balance as at January 1, 2015	1,064,700	1,442,500
Dividend Paid (Note 27)	-	-
Profit for the Year	-	-
Other Comprehensive Income for the Year	-	-
Balance as at December 31, 2015	1,064,700	1,442,500
Balance as at January 1, 2016	1,064,700	1,442,500
Dividend Paid (Note 27)	-	-
Profit for the Year	-	-
Other Comprehensive Income for the Year	-	-
Balance as at December 31, 2016	1,064,700	1,442,500

Separate Financial Statements	Issued and Paid-up Share Capital	Premium on Share Capital
Balance as at January 1, 2015	1,064,700	1,442,500
Dividend Paid (Note 27)	-	-
Profit for the Year	-	-
Other Comprehensive Income for the Year	-	-
Balance as at December 31, 2015	1,064,700	1,442,500
Balance as at January 1, 2016	1,064,700	1,442,500
Dividend Paid (Note 27)	-	-
Profit for the Year	-	-
Other Comprehensive Income for the Year	-	-
Balance as at December 31, 2016	1,064,700	1,442,500

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

Retained Earnings			(Baht,000)	
Appropriated		Unappropriated	Other Component of Owners' Equity	Total
Statutory Reserve	Other Reserve		Revaluation Surplus on Available-for-sale Investments - Net of Income Taxes	
106,470	3,100,000	3,335,769	18,921,914	27,971,353
-	-	(1,277,640)	-	(1,277,640)
-	-	2,342,326	-	2,342,326
-	-	568	5,419,563	5,420,131
106,470	3,100,000	4,401,023	24,341,477	34,456,170
106,470	3,100,000	4,401,023	24,341,477	34,456,170
-	-	(1,357,492)	-	(1,357,492)
-	-	2,425,788	-	2,425,788
-	-	3,393	(2,274,130)	(2,270,737)
106,470	3,100,000	5,472,712	22,067,347	33,253,729

Retained Earnings			(Baht,000)	
Appropriated		Unappropriated	Other Component of Owners' Equity	Total
Statutory Reserve	Other Reserve		Revaluation Surplus on Available-for-sale Investments - Net of Income Taxes	
106,470	3,100,000	3,291,025	18,921,914	27,926,609
-	-	(1,277,640)	-	(1,277,640)
-	-	2,335,662	-	2,335,662
-	-	568	5,419,563	5,420,131
106,470	3,100,000	4,349,615	24,341,477	34,404,762
106,470	3,100,000	4,349,615	24,341,477	34,404,762
-	-	(1,357,492)	-	(1,357,492)
-	-	2,418,813	-	2,418,813
-	-	3,393	(2,274,130)	(2,270,737)
106,470	3,100,000	5,414,329	22,067,347	33,195,346

NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2016 and 2015

1. Corporate Information

Bangkok Insurance Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company's major shareholder is Bangkok Bank Public Company Limited whereby as at December 31, 2016 and 2015, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company's registered office is located at No. 25, Bangkok Insurance Building, Sathon Tai Road, Tung Ma Ha Mek, Sathon, Bangkok.

2. Basis for Preparation of Financial Statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission ("OIC"), and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission ("OIC") regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies dated 4 March 2016, which has become effective as from January 1, 2016 onwards. Such format of financial statements has been changed from that specified in the former Notification and as a result, reclassification of certain line items in the prior year's statements of financial position, comprehensive income, and cash flows, presented as comparative information, is required to conform to the current year's classification and the statement of financial position as at January 1, 2015 is also presented as comparative information.

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 such financial statements in Thai language.

2.1 The Financial Statements in Which the Equity Method is Applied

The Company prepares the financial statements, in which equity method is applied, which has present investment in an associate under the equity method.

2.2 Separate Financial Statements

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

3. Revised and New Financial Reporting Standards

3.1 Financial Reporting Standards that Became Effective in the Current Year

During the year, the Company has adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2016 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. The revised financial reporting standards which related to the Company are presented as below.

TFRS 4 (Revised 2015) Insurance Contracts

The objective of Thai Financial Reporting Standard No. 4 (TFRS 4) is to specify the financial reporting for insurance contracts (including reinsurance contracts) issued by any entity and the reinsurance contracts held by an entity, and to provide limited amendments in accounting for insurance contracts until the second phase of the project on the financial reporting standard regarding insurance contracts is completed. In particular, this standard requires disclosure that identifies and explains the amounts in an insurer's financial statements arising from insurance contracts and prohibits provisions for possible claims under contracts that are not in existence at the end of the reporting period. It also requires insurers to test for the adequacy of recognised insurance contract liabilities and perform an impairment test for reinsurance assets, including the requirement for the insurers to maintain insurance contract liabilities in their financial statements until their obligations under insurance contracts are discharged, cancelled, or expire, and to present insurance contract liabilities without offsetting them against related reinsurance assets. Moreover, this standard temporarily exempts insurers from some requirements of other standards, including the requirement to consider the framework in selecting accounting policies for insurance contracts.

In addition to stipulating the treatment of insurance contracts, this standard cover consideration of the characteristics of insurance contracts and also requires the disclosure of additional information regarding insurance contracts related to the assets, liabilities, revenues and expenses recognised in the financial statements and the nature and extent of the insurance risk arising from insurance contracts.

The first time adoption of this standard has no significant impact on the Company's financial statements since the Company's management has already considered and reviewed the classification of insurance contracts (including reinsurance contracts) and reinsurance contracts held by the Company and can be concluded that all of its insurance contracts meet the definition of insurance contracts under this standard. Furthermore, the recognition of loss reserves, the liability adequacy test of recognised insurance contract liabilities, the impairment test for reinsurance assets and the recognition of insurance contract liabilities have no impact on the Company's financial statements since the Company already implemented the similar treatment before this standard became effective.

3.2 Financial Reporting Standard that will Become Effective in the Future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after January 1, 2017. 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 standards.

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

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively. At present, the management of the Company is determining and evaluating the impact of this standard to the financial statements of the option that applied in such revised standard when it is adopted.

4. Significant Accounting Policies

4.1 Revenue Recognition

(a) Gross Premium Written

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

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

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

(b) Commission and Brokerage Fee Income

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

(c) Investment Revenues

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

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

(d) Gains (Losses) on Investments

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

4.2 Expenses Recognition

(a) Premium Ceded to Reinsurers

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

(b) Gross Claims

Gross claims consist of claims and losses adjustment expenses of direct insurance and reinsurance of both reported and not reported, 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.

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

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

(c) Commission and Brokerage Expenses

Commission and brokerages expenses are expended when incurred.

(d) Other Underwriting Expenses

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

(e) Operating Expenses

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

4.3 Product Classification

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

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

4.4 Cash and Cash Equivalents

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

4.5 Premium Receivables and Allowance of Doubtful Accounts

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

4.6 Reinsurance Assets

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

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

4.7 Reinsurance Receivables and Due to Reinsurers

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

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

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

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

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

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

4.8 Investment Assets

(a) Investments in Securities

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

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

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

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

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

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

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

(b) Loans

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

(c) Investment in Associates

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

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

(d) Investment Properties

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

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

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

4.9 Premises and Equipment and Depreciation

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

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

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

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

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

4.10 Intangible Assets and Amortisation

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

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

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

4.11 Impairment of Assets

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

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

4.12 Insurance Contract Liabilities

Insurance contract liabilities consist of loss reserve and premium reserves.

(a) Loss Reserves

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

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

(b) Premium Reserves

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

(1) Unearned Premium Reserves

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

- | | |
|--|--|
| - Fire, marine, transportation (hull), motor and miscellaneous | - Monthly average basis (the one-twenty fourth basis) |
| - Transportation (cargo), 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 |
| - Bail bond | - 70% of premiums as from the effective date of the inforce policies over the insurance coverage period |

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

(2) Unexpired Risk Reserves

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

4.13 Employee Benefits

(a) Defined Contribution Plan

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

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

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

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

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.14 Provisions

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

4.15 Long-Term Leases

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

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

4.16 Foreign Currencies

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

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

4.17 Income Taxes

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

(a) Current Income Taxes

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

(b) Deferred Income Taxes

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

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

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

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

4.18 Related Party Transactions

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

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

4.19 Fair Value Measurement

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

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

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

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

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

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

5. Significant Accounting 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

In determining an allowance for doubtful accounts on premium receivables, reinsurance assets, and reinsurance receivables 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 on Investments

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 their 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

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

5.5 Deferred Tax Assets

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

5.6 Loss Reserves

At the end of the reporting periods, the Company has to estimate loss reserves taking into account two parts, which are the claims incurred and reported, and the claims incurred but not yet reported (IBNR), the latter of which 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 the best estimate of the claims expected to incur over the remaining coverage period of the insurance contracts. Estimating the reserves requires the management to exercise judgment, with reference to historical data and the best estimate available at the time.

5.8 Provisions for Employee Benefits

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

5.9 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use 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.

5.10 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 periods.

5.11 Recognition and Derecognition of Assets and Liabilities

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

5.12 Fair Value of Financial Instruments

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

6. Cash and Cash Equivalents

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015
Cash on hand	2,851	2,701
Deposits at banks with no fixed maturity date	149,633	124,002
Deposits at banks with fixed maturity date	260,000	180,000
Total cash and cash equivalents	412,484	306,703

As at December 31, 2016 and 2015, saving deposits and fixed deposits carried interests at the rates between 0.38 and 1.00 percent per annum and 0.38 and 1.80 percent per annum, respectively.

7. Premium Receivables

As at December 31, 2016 and 2015, the balances of premium receivables from direct insurance are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015 (Restated)
Not yet due	1,698,669	1,685,324
Overdue not longer than 30 days	288,854	200,488
Overdue 31 days to 60 days	111,378	101,510
Overdue 61 days to 90 days	85,243	54,176
Overdue 91 days to 1 year	117,823	94,748
Overdue longer than 1 year	22,982	22,160
Total	2,324,949	2,158,406
Less: Allowance for doubtful accounts	(22,981)	(22,160)
Premium receivables - net	2,301,968	2,136,246

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

8. Reinsurance Assets

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015 (Restated)
Insurance reserves refundable from reinsurers		
Loss reserves	2,807,288	3,017,171
Unearned premium reserves	2,124,623	2,031,578
Total	4,931,911	5,048,749
Less: Allowance for doubtful accounts	(45,567)	(50,832)
Reinsurance assets - net	4,886,344	4,997,917

As at December 31, 2016 and 2015, Insurance reserves refundable from reinsurers include insurance reserves refundable from reinsurers due to flood situation in 2011 amounting to Baht 145.0 million and Baht 181.6 million, respectively.

9. Reinsurance Receivables

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015 (Restated)
Amounts deposited on reinsurance	37,689	39,071
Amounts due from reinsurers	205,543	456,072
Total	243,232	495,143
Less: Allowance for doubtful accounts	(112,001)	(329,903)
Receivables on reinsurance contracts - net	131,231	165,240

As at December 31, 2016 and 2015, amounts due from reinsurers are classified by aging as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015
Not over 12 months	167,278	190,769
Overdue from 1 year to 2 years	10,377	121,281
Overdue longer than 2 years	27,888	144,022
Total amounts due from reinsurers	205,543	456,072
Less: Allowance for doubtful accounts	(112,001)	(329,903)
Amounts due from reinsurers - net	93,542	126,169

10. Investments In Securities

10.1 Classified by Type of Investment

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	December 31,			
	2016		2015	
	Cost/ Amortised Cost	Fair Value	Cost/ Amortised Cost	Fair Value
Available-for-sale investments				
Government and state enterprise securities	1,894,340	1,901,523	1,675,387	1,708,235
Private sector debt securities	1,092,028	1,115,813	1,112,692	1,149,436
Equity securities	6,568,477	34,121,693	6,343,343	36,700,598
Total	9,554,845	37,139,029	9,131,422	39,558,269
Add: Unrealised gains	27,584,184	-	30,426,847	-
Total available-for-sale investments	37,139,029	37,139,029	39,558,269	39,558,269
Held-to-maturity investments				
Deposits at financial institutions which matured over 3 months	7,830,656		7,323,399	
Total held-to-maturity investments	7,830,656		7,323,399	
General investments				
Domestic equity securities	609,235		490,479	
Foreign equity securities	166,120		166,120	
Total	775,355		656,599	
Less: Allowance for impairment	(88,182)		(105,656)	
General investments - net	687,173		550,943	
Investment in securities - net	45,656,858		47,432,611	

10.2 Remaining Periods to Maturity of Debt Securities

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements as at December 31,							
	2016				2015			
	Period to Maturity				Period to Maturity			
	1 year	1 - 5 years	Over 5 years	Total	1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investment								
Government and state enterprise securities	1,370,034	324,306	200,000	1,894,340	648,809	1,026,578	-	1,675,387
Private enterprise debt securities	148,148	893,880	50,000	1,092,028	220,000	812,692	80,000	1,112,692
Total	1,518,182	1,218,186	250,000	2,986,368	868,809	1,839,270	80,000	2,788,079
Add (less): Unrealised gains (losses)	7,448	30,443	(6,923)	30,968	4,472	62,930	2,190	69,592
Total available-for-sale investments	1,525,630	1,248,629	243,077	3,017,336	873,281	1,902,200	82,190	2,857,671
Held-to-maturity investments								
Deposits at financial institutions which mature over 3 months	7,830,656	-	-	7,830,656	7,323,399	-	-	7,323,399
Total held-to-maturity investments	7,830,656	-	-	7,830,656	7,323,399	-	-	7,323,399

10.3 Revaluation Surplus on Available-for-sale Investments

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Year Ended December 31,	
	2016	2015
Revaluation surplus on available-for-sale investments - beginning of the years	30,426,847	23,652,393
Gains (losses) on revaluation during the years	(2,797,440)	6,782,817
Gains on sales of available-for-sale investments during the years transferred to be recognised in profit or loss	(45,223)	(8,363)
Revaluation surplus on available-for-sale investments - end of the years	27,584,184	30,426,847
Less: Income taxes	(5,516,837)	(6,085,369)
Revaluation surplus on available-for-sale investments - net of income taxes	22,067,347	24,341,478

10.4 Investments Subject to Restriction

As at December 31, 2016 and 2015, the Company placed some investments as a security with the Registrar and had some investments placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described in Note 29 and 30 to the financial statements.

11. Loans and Interest Receivables

As at December 31, 2016 and 2015, the balances of loans and interest receivables, classified by overdue years, are as follows:

(Baht'000)

Overdue Years	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	December 31, 2016						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest	Principal	Accrued Interest	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	1,264,559	1,009	3,380	-	1,267,939	1,009	1,268,948
Overdue							
Less than 3 months	-	-	-	-	-	-	-
3 - 6 months	108,494	2,493	-	-	108,494	2,493	110,987
7 - 12 months	848	-	-	-	848	-	848
Longer than 12 months	50,090	-	-	-	50,090	-	50,090
Loans and interest receivables	1,423,991	3,502	3,380	-	1,427,371	3,502	1,430,873

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

(Baht'000)

Overdue Years	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	December 31, 2015						
	Mortgaged Loans		Other Loans		Total		
	Principal	Accrued Interest	Principal	Accrued Interest	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	1,663,633	144	2,909	-	1,666,542	144	1,666,686
Overdue							
Less than 3 months	2,999	8,004	-	-	2,999	8,004	11,003
3 - 6 months	2,764	49	-	-	2,764	49	2,813
7 - 12 months	18,990	-	-	-	18,990	-	18,990
Longer than 12 month	137,982	-	-	-	137,982	-	137,982
Total	1,826,368	8,197	2,909	-	1,829,277	8,197	1,837,474
Less: Allowance for doubtful accounts	(1,307)	-	-	-	(1,307)	-	(1,307)
Loans and Interest receivables - net	1,825,061	8,197	2,909	-	1,827,970	8,197	1,836,167

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

Credit limits granted to each employee under the Company's employee welfare plan are not exceeding Baht 450,000 for personal guarantee loans, interest is charged at the rate of 3.0% per annum, and not exceeding 40 times of employee's salary for mortgaged loans, interest is charged at the rate of 2.5% per annum.

As at December 31, 2016 and 2015, the balances of employee loans were Baht 39.8 million and Baht 38.1 million, respectively.

12. Investments in Associates

12.1 Details of Associates

Company's Name	Nature of Business	Country of Incorporation	Paid-up Share Capital as at		Shareholding	
			December 31,	December 31,	December 31,	December 31,
			2016	2015	2016	2015
			(USD)	(USD)	(%)	(%)
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	7,000,000	7,000,000	22.92	22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Limited	Non-life insurance	Lao	2,000,000	2,000,000	45.00	45.00

(Baht'000)

Company's Name	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	December 31,		December 31,	
	2016	2015	2016	2015
Asia Insurance (Cambodia) Plc.	69,862	59,519	30,202	30,202
Asian Insurance International (Holding) Limited	109,468	109,561	72,054	72,054
Bangkok Insurance (Lao) Limited	28,043	29,575	32,139	32,139
Total	207,373	198,655	134,395	134,395

12.2 Shares of Profits (Losses) and Dividends Income

(Baht'000)

Company's Name	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	Share of Profits (Losses) from Investments in Associates For the Years Ended December 31,		Dividend Received During the years Ended December 31,	
	2016	2015	2016	2015
Asia Insurance (Cambodia) Plc.	10,343	9,771	-	-
Asian Insurance International (Holding) Limited	(92)	4,413	-	-
Bangkok Insurance (Lao) Limited	(1,532)	(2,564)	-	-
Total	8,719	11,620	-	-

12.3 Summarised Financial Information of Associates

(a) Summarised Information about Financial Position

(Baht : Million)

	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Limited	
	December 31,		December 31,		December 31,	
	2016	2015	2016	2015	2016	2015
Total assets	415.6	368.2	232.3	302.6	76.4	68.9
Total liabilities	(59.5)	(56.3)	-	-	(13.7)	(3.0)
Net assets	356.1	311.9	232.3	302.6	62.7	65.9
Shareholding percentage (%)	22.9	22.9	41.7	41.7	45.0	45.0
Shares of net assets	81.6	71.5	96.9	126.2	28.2	29.7
Carrying amounts of the associates based on the equity method	69.9	59.5	109.5	109.6	28.0	29.6

(b) Summarised Information about Comprehensive Income

(Baht : Million)

	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Limited	
	For the Years Ended December 31,		For the Years Ended December 31,		For the Years Ended December 31,	
	2016	2015	2016	2015	2016	2015
Revenue	108.9	98.1	0.3	8.4	13.6	1.0
Profit (loss) for the years	45.1	43.8	(0.2)	7.9	(2.9)	(5.5)
Total comprehensive income (loss) for the years	45.1	43.8	(0.2)	7.9	(2.9)	(5.5)

As at December 31, 2016 and 2015, the Company recorded investment in an associate under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associate's management. However, the Company obtained the 2015 financial statements of the associate, which were audited by the associate's auditor, and showed the amounts that are not significantly different from the financial information prepared by the associate's management used in recognition of equity in that year.

13. Investment Properties

The investment properties of the Company, which are offices for rent, as at December 31, 2016 and 2015 are presented below.

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015
Cost	533,653	533,653
Less: Accumulated depreciation	(346,757)	(329,480)
Net book value	186,896	204,173

A reconciliation of the net book value of investment properties for the years ended December 31, 2016 and 2015 is presented below.

(Baht'000)		
	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Net book value at beginning of the years	204,173	221,402
Depreciation charged	(17,277)	(17,229)
Net book value at end of the years	186,896	204,173

The fair value of the investment properties as at December 31, 2016 and 2015 stated below:

(Baht : Million)		
	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016	2015
Office building for rent	241.7	351.4

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

Revenues and expenses related to investment properties are recognised in profits or losses as below:

(Baht'000)		
	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Year Ended December 31,	
	2016	2015
Rental income	141,267	131,345
Direct operating expenses which caused rental income	66,368	68,971
Direct operating expenses which uncaused rental income	289	-
Total expenses	66,657	68,971

14. Premises and Equipment

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements						
	Land	Buildings	Condominium Units	Furniture, Fixture and Office Equipment	Motor Vehicles	Construction in Progress	Total
Cost							
January 1, 2015	191,380	808,725	8,751	1,318,114	108,518	32,269	2,467,757
Additions	14,752	19,581	-	170,156	52,257	72,216	328,962
Disposals	-	-	-	(7,943)	(22,081)	-	(30,024)
Transfers in (out)	-	-	-	32,217	-	(32,217)	-
December 31, 2015	206,132	828,306	8,751	1,512,544	138,694	72,268	2,766,695
Additions	-	-	-	180,012	29,427	28,464	237,903
Disposals	-	-	-	(39,376)	(23,803)	-	(63,179)
Transfers in (out)	-	-	-	57,249	-	(57,249)	-
December 31, 2016	206,132	828,306	8,751	1,710,429	144,318	43,483	2,941,419
Accumulated depreciation							
January 1, 2015	-	478,699	8,321	779,140	60,992	-	1,327,152
Depreciation for the year	-	27,355	203	213,176	25,543	-	266,277
Depreciation for the disposals	-	-	-	(7,905)	(20,642)	-	(28,547)
December 31, 2015	-	506,054	8,524	984,411	65,893	-	1,564,882
Depreciation for the year	-	27,807	197	226,467	26,494	-	280,965
Depreciation for the disposals	-	-	-	(38,475)	(23,664)	-	(62,139)
December 31, 2016	-	533,861	8,721	1,172,403	68,723	-	1,783,708
Net book value							
December 31, 2015	206,132	322,252	227	528,133	72,801	72,268	1,201,813
December 31, 2016	206,132	294,445	30	538,026	75,595	43,483	1,157,711
Depreciation for the year:							
2015							266,277
2016							280,965

As at December 31, 2016 and 2015, certain equipment items were fully depreciated but are still in use. The original cost before deducting accumulated depreciation of those assets amounted to Baht 851.9 million and Baht 635.4 million, respectively.

As at December 31, 2016 and 2015, the Company had vehicles under finance lease agreements with net book values amounting to Baht 65.4 million and Baht 64.7 million, respectively.

15. Intangible Assets

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	Computer Softwares	Computer Aoftwares Under Development	Total
Cost			
January 1, 2015	354,065	21,650	375,715
Addition	74,399	23,962	98,361
Transfer in (out)	1,931	(1,931)	-
December 31, 2015	430,395	43,681	474,076
Addition	77,490	2,212	79,702
Transfer in (out)	19,390	(19,390)	-
December 31, 2016	527,275	26,503	553,778
Accumulated amortisation			
January 1, 2015	171,961	-	171,961
Amortisation	28,997	-	28,997
December 31, 2015	200,958	-	200,958
Amortisation	50,480	-	50,480
December 31, 2016	251,438	-	251,438
Allowance for impairment loss			
December 31, 2015	24,982	-	24,982
December 31, 2016	24,982	-	24,982
Net book value			
December 31, 2015	204,455	43,681	248,136
December 31, 2016	250,855	26,503	277,358
Amortisation for the years			
2015			28,997
2016			50,480

As at December 31, 2016 and 2015, certain computer softwares were fully amortised but are still in use. The original cost before deducting accumulated amortisation of those assets amounted to Baht 111.1 million and Baht 92.2 million, respectively.

16. Deferred Tax Asset/Liabilities and Income Tax Expenses

16.1 Deferred Tax Assets/Liabilities

As at December 31, 2016 and 2015, the components of deferred tax assets and liabilities are as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Changes in Deferred Tax Assets and Liabilities for the Year Ended	
	as at December 31,		December 31,	
	2016	2015	2016	2015
Deferred tax assets arose from:				
Allowance for impairment on investments	17,636	21,131	(3,495)	4,486
Premium reserves	167,238	154,530	12,708	(22,976)
Loss reserves of claims incurred and reported	428,915	466,156	(37,241)	(34,586)
Loss reserves of claims incurred but not yet reported	69,120	59,412	9,708	(1,320)
Provision for long-term employee benefits	64,785	59,198	5,587	9,004
Others	10,912	12,319	(1,407)	747
Total	758,606	772,746		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	5,516,837	6,085,369	568,533	(1,354,891)
Actuarial gains	990	142	(849)	(142)
Shares of profits from investments in associates	14,595	12,852	(1,744)	(4,956)
Total	5,532,422	6,098,363		
Deferred tax liabilities - net	4,773,816	5,325,617		
Total change			551,800	(1,404,634)
Change are recognized:				
- in profit or loss			(15,884)	(49,602)
- in other comprehensive income			567,684	(1,355,032)
			551,800	(1,404,634)

(Baht'000)

	Separate Financial Statements as at December 31,		Changes in Deferred Tax Assets and Liabilities for the Year Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Deferred tax assets arose from:				
Allowance for impairment on investments	17,636	21,131	(3,495)	4,486
Premium reserves	167,238	154,530	12,708	(22,976)
Loss reserves of claims incurred and reported	428,915	466,156	(37,241)	(34,586)
Loss reserves of claims incurred but not yet reported	69,120	59,412	9,708	(1,320)
Provision for long-term employee benefits	64,785	59,198	5,587	9,004
Others	10,912	12,319	(1,407)	747
Total	758,606	772,746		
Deferred tax liabilities arose from:				
Gains on revaluation of available- for-sale investments	5,516,837	6,085,369	568,533	(1,354,891)
Actuarial gains	990	142	(849)	(142)
Total	5,517,827	6,085,511		
Deferred tax liabilities - net	4,759,221	5,312,765		
Total change			553,544	(1,399,678)
Change are recognized:				
- in profit or loss			(14,140)	(44,646)
- in other comprehensive income			567,684	(1,355,032)
			553,544	(1,399,678)

16.2 Income Tax Expenses

Income tax expenses for the years ended December 31, 2016 and 2015 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,	
	2016	2015	2016	2015
Current income taxes:				
Corporate income tax charge	(380,223)	(353,970)	(380,223)	(353,970)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	(15,884)	(49,602)	(14,140)	(44,646)
Income tax expenses reported in profit or loss	(396,107)	(403,572)	(394,363)	(398,616)

Reconciliations between income tax expenses and the product of accounting profits for the years ended December 31, 2016 and 2015 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,	
	2016	2015	2016	2015
Accounting profits before income tax expenses	2,821,895	2,745,895	2,813,176	2,734,278
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(564,379)	(549,180)	(562,635)	(546,856)
Net tax effect on tax-exempted revenues and non tax-deductible expenses	168,289	148,310	168,289	148,310
Others	(17)	(2,702)	(17)	(70)
Income tax expenses reported in profit or loss	(396,107)	(403,572)	(394,363)	(398,616)

17. Insurance Contract Liabilities

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2016		
	Insurance Contract Liabilities	Reinsurance on Liabilities	Net
Loss reserves			
Claims incurred and reported	5,717,487	(2,743,279)	2,974,208
Claims incurred but not reported and unallocated loss adjustment expenses	364,044	(18,443)	345,601
Premium reserves			
Unearned premium reserves	7,399,141	(2,124,623)	5,274,518
Total	13,480,672	(4,886,345)	8,594,327

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		
	December 31, 2015		
	Insurance Contract Liabilities	Reinsurance on Liabilities	Net
	(Restated)	(Restated)	(Restated)
Loss reserves			
Claims incurred and reported	6,361,464	(2,941,746)	3,419,718
Claims incurred but not reported	321,652	(24,592)	297,060
Premium reserves			
Unearned premium reserves	7,271,856	(2,031,579)	5,240,277
Total	13,954,972	(4,997,917)	8,957,055

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

17.1 Loss Reserves

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Beginning balances	6,683,116	8,031,188
Claim expenses for the years	7,156,501	7,101,254
Change in loss reserve	(151,777)	(131,775)
Changes in assumption for calculating loss reserve	(11,773)	(18,591)
Claims and loss adjustment expenses paid during the years	(7,594,536)	(8,298,960)
Ending balances	6,081,531	6,683,116

As at December 31, 2016 and 2015, the Company, which is a reinsurer under the reinsurance contracts, had loss reserves and outstanding claims under such contracts totaling Baht 403.5 million and Baht 566.4 million, respectively.

As at December 31, 2016 and 2015, loss reserves and outstanding claims included loss reserves and outstanding claims incurred as a result of the flood situation in 2011 amounting to Baht 177.3 million and Baht 222.6 million, respectively.

17.2 Claims Development Table

(a) Gross claims table

(Baht : Million)								
Accident Year/ Reporting Year	Prior Year 2011	2011	2012	2013	2014	2015	2016	Total
Outstanding claim provision:								
- as at accident year/ Reporting year		33,735	8,244	5,097	6,854	7,101	7,157	
- Next one year		37,618	9,127	5,562	7,358	7,382		
- Next two years		35,918	8,584	5,928	6,846			
- Next three years		34,789	8,397	5,709				
- Next four years		33,421	8,334					
- Next five years		33,384						
Cumulative claim estimates		33,384	8,334	5,709	6,846	7,333	7,424	
Cumulative payment to date		(33,103)	(8,157)	(5,626)	(6,455)	(6,470)	(4,415)	
Total	729	281	177	83	391	863	3,009	5,533
Inward treaty								441
Unallocated loss adjustment expenses								108
Total loss reserves								6,082

(b) Net claims table

(Baht : Million)								
Accident Year/ Reporting Year	Prior Year 2011	2011	2012	2013	2014	2015	2016	Total
Outstanding claim provision:								
- as at accident year/ Reporting year		7,130	3,554	4,251	5,082	5,414	5,415	
- Next one year		6,726	3,784	4,521	5,267	5,720		
- Next two years		6,360	3,712	4,500	5,119			
- Next three years		6,198	3,701	4,283				
- Next four years		6,110	3,566					
- Next five years		6,095						
Cumulative claim estimates		6,095	3,566	4,283	5,118	5,670	5,665	
Cumulative payment to date		(6,073)	(3,543)	(4,249)	(4,944)	(5,237)	(3,812)	
Total	232	22	23	34	174	433	1,853	2,771
Inward treaty								441
Unallocated loss adjustment expenses								108
Total loss reserves								3,320

17.3 Key Assumption

Assumptions are used for assets, liabilities, revenues, and expenses which from insurance contract as below;

(a) Assumptions of claims experience

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

(b) Assumptions of related expenses

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

17.4 Unearned Premium Reserves

(Baht'000)		
	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Beginning balances	7,271,856	7,333,611
Premium written during the years	16,031,324	15,867,370
Premium earned during the years	(15,904,039)	(15,929,125)
Ending balances	7,399,141	7,271,856

17.5 Unexpired Risk Reserves

(Baht'000)		
	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Beginning balances	4,320,167	4,320,556
Estimated claims for the years	2,855,251	2,841,677
Risk expired during the years	(2,895,936)	(2,842,066)
Ending balances	4,279,482	4,320,167

18. Due to Reinsurers

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Amounts withheld on reinsurance	1,019,925	867,715
Amounts due to reinsurers	911,787	1,052,709
Total due to reinsurers	1,931,712	1,920,424

19. Employee Benefit Obligations

Provision for long-term employee benefits compensations on employee retirement as at December 31, 2016 and 2015 was as follows:

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Defined benefit obligations at beginning of the year	295,278	250,970
Included in statements of income:		
Current service costs	31,229	22,428
Interest costs	11,811	10,039
Other	-	24,317
Included in statements of comprehensive income:		
Actuarial (gain) loss arising from:		
- Demographic assumptions changes	2,886	2,396
- Experience adjustments	(7,128)	(3,106)
Benefits paid during the year	(15,105)	(11,766)
Defined benefit obligations at end of the year	318,971	295,278

As at December 31, 2016 and 2015, the Company expect to pay Baht 12.9 million and Baht 10.5 million of long-term employee benefits during the next year, respectively.

As at December 31, 2016 and 2015, the weighted average duration of the liabilities for long-term employee benefit is 11.7 years.

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

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	December 31,	
	2016 (%)	2015 (%)
Discount rates	4.0	4.0
Average of future salary incremental rates	6.0	6.0
Employee turnover rates (depending on age)	1.2 - 25.0	1.5 - 26.0

The result of sensitivity analysis for significant assumptions are summarised below:

(Baht : Million)

	Increase (decrease) in Provision for Employee Benefits as at December 31, 2016	
	Increase from assumption by 1 %	Decrease from assumption by 1 %
Discount rate	(32.4)	38.2
Salary increase rate	34.8	(30.2)
Turnover rate	(12.9)	14.3

(Baht : Million)

	Increase (decrease) in Provision for Employee Benefits as at December 31, 2015	
	Increase from assumption by 1 %	Decrease from assumption by 1 %
Discount rate	(30.1)	35.4
Salary increase rate	32.2	(28.0)
Turnover rate	(12.2)	13.5

20. Share Capital

As at December 31, 2016 and 2015, the Company's registered, issue and paid-up share capital consists of 106,470,000 shares with par value of Baht 10 per share.

21. Statutory Reserve

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

22. Segment Information/Major Customers

22.1 Segment Information Reporting

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

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

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

(Baht'000)

	Financial Statements in which Equity Method is Applied				
	For the Year Ended December 31, 2016				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	1,604,620	379,618	6,607,605	7,439,481	16,031,324
Less: Premium ceded to reinsurers	(526,349)	(184,498)	(206,944)	(4,017,710)	(4,935,501)
Net premium written	1,078,271	195,120	6,400,661	3,421,771	11,095,823
Add (less): Unearned premium reserve (increase) decrease from prior year	(9,962)	2,281	84,143	(110,703)	(34,241)
Earned premium	1,068,309	197,401	6,484,804	3,311,068	11,061,582
Fee and commission income	201,205	76,386	54,437	691,413	1,023,441
Total underwriting income	1,269,514	273,787	6,539,241	4,002,481	12,085,023
Underwriting expenses					
Net claims	60,564	33,222	4,137,773	1,331,740	5,563,299
Commissions and brokerages	400,695	43,312	964,753	753,236	2,161,996
Other underwriting expenses	260,115	70,090	678,678	797,668	1,806,551
Total underwriting expenses	721,374	146,624	5,781,204	2,882,644	9,531,846
Profit from underwriting	548,140	127,163	758,037	1,119,837	2,553,177
Shares of profits from investments in associates					8,719
Net investment revenue					1,125,896
Gains on investments					69,834
Other income					168,305
Operating expenses					(1,012,932)
Investment expenses					(87,336)
Finance cost					(3,768)
Profit before income tax expenses					2,821,895
Less: Income tax expenses					(396,107)
Profit for the year					2,425,788

(Baht'000)

	Financial Statements in which Equity Method is Applied				
	For the Year Ended December 31, 2015				
	Fire	Marine and Transportation	Motor	Miscellaneous	Total (Restated)
Underwriting revenues					
Gross premium written	1,723,937	375,147	6,967,070	6,801,216	15,867,370
Less: Premium ceded to reinsurers	(651,843)	(167,722)	(233,342)	(3,645,390)	(4,698,297)
Net premium written	1,072,094	207,425	6,733,728	3,155,826	11,169,073
Add (less): Unearned premium reserve (increase) decrease from prior year	(15,299)	3,809	31,290	4,921	24,721
Earned premium	1,056,795	211,234	6,765,018	3,160,747	11,193,794
Fee and commission income	224,468	69,362	61,340	661,119	1,016,289
Total underwriting income	1,281,263	280,596	6,826,358	3,821,866	12,210,083
Underwriting expenses					
Net claims (reversal)	(38,738)	35,685	4,513,613	1,149,917	5,660,477
Commissions and brokerages	362,141	47,599	1,043,617	698,796	2,152,153
Other underwriting expenses	287,217	71,005	785,555	776,016	1,919,793
Total underwriting expenses	610,620	154,289	6,342,785	2,624,729	9,732,423
Profit from underwriting	670,643	126,307	483,573	1,197,137	2,477,660
Shares of profits from investments in associates					11,620
Net investment revenue					1,125,439
Gains on investments					20,922
Other income					162,909
Operating expenses					(961,248)
Investment expenses					(87,373)
Finance cost					(4,031)
Profit before income tax expenses					2,745,898
Less: Income tax expenses					(403,572)
Profit for the year					2,342,326

The following table presents the Company's operating segment assets as at December 31, 2016 and 2015.

(Baht'000)

	Financial Statements in which the Equity Method is Applied						
	Fire	Marine and Transportation	Motor	Miscellaneous	Total Segments	Unallocated Assets	Financial Statements
Assets							
As at December 31, 2016	718,721	218,169	933,041	5,406,723	7,276,654	50,055,949	57,332,603
As at December 31, 2015 (Restated)	975,098	208,777	874,236	5,195,174	7,253,285	51,997,985	59,251,270
Liabilities							
As at December 31, 2016	3,441,908	339,952	5,574,198	7,578,961	16,935,019	7,143,855	24,078,874
As at December 31, 2015 (Restated)	3,765,783	331,137	5,962,406	7,242,446	17,301,772	7,493,327	24,795,099

22.2 Geographic Information

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

22.3 Major Customers

In 2016 and 2015, the Company has no major customer contributing revenue of 10 percent or more of the Company's total revenues.

23. Operating Expenses

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Year Ended December 31,	
	2016	2015
Personnel expenses	412,905	346,032
Premises and equipment expenses	384,468	376,367
Taxes and duties	712	3,291
Bad debts and doubtful accounts (reversal)	(2,084)	6,674
Other operating expenses	216,931	228,884
Total operating expenses	1,012,932	961,248

24. Expenses by Nature

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Year Ended December 31,	
	2016	2015
Net claims	5,192,863	5,320,265
Commissions and brokerage expenses	2,161,996	2,152,153
Other underwriting expenses	502,555	535,472
Personnel expenses	1,081,019	1,025,725
Premises and equipment expenses	782,831	765,934
Other operating expenses	909,403	981,001
Investment expenses	1,447	494
Finance costs	3,768	4,031
Total	10,635,882	10,785,075

25. Provident Fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed to by both the employees and the Company on a monthly basis, at rates ranging from 5% to 10% of the employees' basic salaries, based on the length of employment. The fund is managed by a fund manager which has been approved by the Ministry of Finance. During the years ended December 31, 2016 and 2015, the Company recognised the contributed Baht 54.6 million and Bath 50.5 million, respectively, to the fund.

26. Earnings Per Share

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

27. Dividends Paid

Dividend declared during the years ended December 31, 2016 and 2015 are as follow:

	Approved by	Total Dividend (Million Baht)	Dividend Per Share (Baht)
The third interim dividend for 2016	Meeting No. 4/16 of Board of Directors on November 11, 2016	319.4	3.00
The second interim dividend for 2016	Meeting No. 3/16 of Board of Directors on August 15, 2016	319.4	3.00
The first interim dividend for 2016	Meeting No. 2/16 of Board of Directors on May 13, 2016	319.4	3.00
Final dividend for 2015	Annual General Meeting No. 23 of the Shareholders on April 22, 2016	399.3	3.75
Total dividend for the year 2016		1,357.5	
The third interim dividend for 2015	Meeting No. 4/15 of Board of Directors on November 13, 2015	292.8	2.75
The second interim dividend for 2015	Meeting No. 3/15 of Board of Directors on August 14, 2015	292.8	2.75
The first interim dividend for 2015	Meeting No. 2/15 of Board of Directors on May 15, 2015	292.8	2.75
Final dividend for 2014	Annual General Meeting No. 22 of the Shareholders on April 24, 2015	399.2	3.75
Total dividend for the year 2015		1,277.6	

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
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Limited	Non-life insurance	Associate
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
Bumrungrad Hospital Pcl.	Health care services	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
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 Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd.	Manufacture of Textiles	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited	Holding company	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Thaire Life Assurance Pcl. ⁽¹⁾	Life insurance	Related by way of shareholding
AIOL Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company

(1) This entity had been considered a related party until March 10, 2016, which was the date they start to have percentage of cross-shareholding of less than 5% of the issued and paid-up share capital.

28.2 Significant Related Party Transactions

During the years ended December 31, 2016 and 2015, 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:

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements		(Baht'000)
			Pricing Policy
	For the Years Ended December 31,		
	2016	2015	
Revenues			
Premium written	377,363	291,956	Normal commercial terms for underwriting
Interest income ⁽¹⁾	108,778	127,730	Similar rates as financial institutions and related companies offer to their general customers
Dividend income ⁽¹⁾	589,189 ⁽⁴⁾	553,317	The declared amount
Rental income ⁽²⁾	2,007	2,842	Similar rates the Company offered to general customers
Expenses			
Premium ceded to reinsurers	294,473	306,918	Normal commercial terms for reinsurance depending on types of insurance and reinsurance contracts
Management fee for private fund ⁽³⁾	312	365	Similar rates which the related party offered to general customers
Fee for trading securities ⁽³⁾	315	226	Similar rates which the related party offered to general customers

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

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

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

(4) The Company currently still has significant transactions with Thaire Life Assurance Plc. However, the Company disclosed transactions with it until March 10, 2016 in this Note to financial statements since the Company did not treat such company as its related party since that date as described in Note 28.1 to the financial statements.

28.3 Outstanding Balances

As at December 31, 2016 and 2015, the Company had the following significant balances with its related companies.

	(Baht'000)	
	December 31,	
	2016	2015
Transactions with associated companies		
General investments - equity securities	72,978	64,260
Transactions with related companies		
Deposits at financial institutions	6,038,766	5,183,188
Premium receivables	32,920	41,325
Accrued interest receivables - debentures (including in accrued investment income)	151	287
Reinsurance Assets		
Amounts deposited on reinsurance	5,116	4,087
Amounts due from reinsurers	9,953	19,725
Available-for-sale investments		
Equity securities	29,645,183	32,938,824
Debentures	104,936	208,779
General investments - equity securities	692,474	558,654
Loans	258,978	259,578
Other assets		
Deposits and golf club membership fees	37,919	38,273
Due to reinsurers		
Amounts withheld on reinsurance	114,884	129,500
Amounts due to reinsurers	38,556	52,001
Insurance contract liabilities		
Loss reserves and outstanding claims	7	9
Other Liabilities		
Liabilities under finance lease agreements	920	9,982
Accounts payable on purchases of securities	209	7,910

28.4 Directors' and Key Management's Benefits

During the years ended December 31, 2016 and 2015, the Company had employee benefit expenses incurred on their directors and key management as below.

	(Baht : Million)	
	For the Years Ended December 31,	
	2016	2015
Short-term benefits	89.0	87.1
Post-employment benefits	6.5	6.4
Total	95.5	93.5

29. Assets Pledged and Reserved with the Registrar

As at December 31, 2016 and 2015, the Company had the following assets pledged with the Registrar of the Office of Insurance Commission in accordance with the Non-life Insurance Act.

(Baht : Million)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	December 31,			
	2016		2015	
	Cost	Fair Value	Cost	Fair Value
Assets pledged				
Government bonds	14.0	14.6	14.0	15.1
Assets reserve as non-life insurance reserve				
Ordinary shares	35.2	152.6	35.2	146.4
Government bonds	856.0	863.0	906.0	931.2
Debentures	150.0	156.1	250.0	260.7
Total assets reserve as non-life insurance reserve	1,041.2	1,171.7	1,191.2	1,338.3

30. Other Assets with Restrictions and Commitments

As at December 31, 2016 and 2015, the Company had pledged the following assets as collateral.

(Baht : Million)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements			
	December 31,			
	2016		2015	
	Cost	Fair Value	Cost	Fair Value
Placed with the bank to secure bank overdraft facilities				
Deposited at financial institutions	30.0	30.0	30.0	30.0
Placed as required in the normal course of business				
Government and state enterprise bonds	204.1	204.1	195.6	195.6
Placed to letter of guarantee				
Deposited at financial institutions	20.0	20.0	20.0	20.0

31. Contribution to The General Insurance Fund

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the Years Ended December 31,	
	2016	2015
Accumulated contribution at the beginning of the years	197,902	159,663
Contribution during the years	38,699	38,239
Accumulated contribution at the end of the years	236,601	197,902

32. Commitments and Contingent Liabilities

32.1 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 33 years for land and more than 3 years for office building space.

As at December 31, 2016 and 2015, future minimum lease payments required under those non-cancellable operating lease contracts were as follows.

Payable	(Baht : Million)	
	December 31,	
	2016	2015
Within 1 year	25	24
Over 1 year and not over 5 years	98	96
Over 5 years	145	170

32.2 Capital Commitments

As at December 31, 2016 and 2015, there were outstanding capital commitments contracted for decoration, construction building, and computer software development amounting to Baht 42.2 million and Baht 49.6 million, respectively.

32.3 Litigation

As at December 31, 2016 and 2015, the Company had litigation claims totaling approximately Baht 2,146.9 million and Baht 2,881.1 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 1,482.8 million and Baht 1,843.3 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 429.4 million and Baht 467.2 million, respectively, which were already recognised in "Insurance contract liabilities" in the statements of financial position as at those dates.

33. Risks of non-life Insurance Company

33.1 Insurance Risk

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

	(Baht'000)					
	December 31,					
	2016			2015		
	Gross Premium Reserves	Outward Premium Reserves	Net	Gross Premium Reserves	Outward Premium Reserves	Net
Fire	842,300	(271,262)	571,038	894,122	(333,046)	561,076
Marine and transportation	111,887	(53,438)	58,449	113,385	(52,655)	60,729
Motor	3,408,341	(102,155)	3,306,186	3,499,495	(109,165)	3,390,330
Miscellaneous	3,036,613	(1,697,768)	1,338,845	2,764,854	(1,536,712)	1,228,142
Total	7,399,141	(2,124,623)	5,274,518	7,271,856	(2,031,579)	5,240,277

(Baht'000)

	December 31,					
	2016			2015		
	Gross Loss Reserves	Outward Loss Reserves	Net	Gross Loss Reserves	Outward Loss Reserves	Net
Fire	739,576	(268,335)	471,241	1,054,630	(390,717)	663,913
Marine and transportation	182,155	(101,082)	81,073	168,993	(94,940)	74,053
Motor	2,102,714	(50,481)	2,052,233	2,371,479	(72,649)	2,298,830
Miscellaneous	3,057,086	(2,341,824)	715,262	3,088,014	(2,408,033)	679,981
Total	6,081,531	(2,761,722)	3,319,809	6,683,116	(2,966,339)	3,716,777

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

(Baht : Million)

	December 31, 2016				
	Assumption Change	Increase (Decrease) in Provision for Gross Claim Liabilities	Increase (Decrease) in Provision for Net Claim Liabilities	Increase (Decrease) in Profit Before Taxes	Increase (Decrease) in Owner's Equity
Average claim expenses	+10 %	715.7	541.5	(541.5)	(433.2)
Average claim expenses	-10 %	(715.7)	(541.5)	541.5	433.2
Average number of claim	+10 %	715.7	541.5	(541.5)	(433.2)
Average number of claim	-10 %	(715.7)	(541.5)	541.5	433.2

(Baht : Million)

	December 31, 2015				
	Assumption Change	Increase (Decrease) in Provision for Gross Claim Liabilities	Increase (Decrease) in Provision for Net Claim Liabilities	Increase (Decrease) in Profit Before Taxes	Increase (Decrease) in Owner's Equity
Average claim expenses	+10 %	710.1	541.4	(541.4)	(433.1)
Average claim expenses	-10 %	(710.1)	(541.4)	541.4	433.1
Average number of claim	+10 %	710.1	541.4	(541.4)	(433.1)
Average number of claim	-10 %	(710.1)	(541.4)	541.4	433.1

33.2 Financial Instruments and 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.

(a) Credit Risk

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

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

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

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

(b) Interest Rate Risk

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

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

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

As at December 31, 2016 and 2015, significant financial assets and liabilities classified by type of interest rate are summarised in the table below;

(Baht'000)

	December 31, 2016						
	Fixed Interest Rates			Floating	Non-Interest	Total	Effective
	Maturity Date or Repricing Date			Interest Rate	Bearing		Interest rate
	Within 1 year	1-5 years	Over 5 years				(% per annum)
Financial Assets							
Cash and cash equivalents	260,000	-	-	149,633	2,851	412,484	0.38 - 1.00
Premium receivables	-	-	-	-	2,301,968	2,301,968	-
Reinsurance assets							
- loss reserves	-	-	-	-	2,761,722	2,761,722	-
Reinsurance receivables	-	-	-	-	131,231	131,231	-
Investments in securities							
Government and state enterprise securities	1,376,320	334,067	191,136	-	-	1,901,523	1.49 - 4.50
Private enterprise debt securities	149,310	914,562	51,941	-	-	1,115,813	2.52 - 4.71
Deposits at financial institutions	7,830,656	-	-	-	-	7,830,656	1.25 - 2.00
Loans	-	-	39,828	1,387,543	-	1,427,371	4.00 - 7.00
Financial Liabilities							
Insurance contract liabilities							
- loss reserves	-	-	-	-	6,081,531	6,081,531	-
Due to reinsurers	-	-	-	-	1,931,712	1,931,712	-

(Baht'000)

	December 31, 2015						
	Fixed Interest Rates			Floating	Non-Interest	Total	Effective
	Maturity Date or Repricing Date			Interest Rate	Bearing		Interest rate
	Within 1 year	1-5 years	Over 5 years				(% per annum)
Financial Assets							
Cash and cash equivalents	180,000	-	-	124,002	2,701	306,703	0.90 - 1.80
Premium receivables	-	-	-	-	2,136,246	2,136,246	-
Reinsurance assets							
- loss reserves	-	-	-	-	2,966,339	2,966,339	-
Reinsurance receivables	-	-	-	-	165,240	165,240	-
Investments in securities							
Government and state enterprise securities	649,158	1,059,077	-	-	-	1,708,235	2.80 - 5.13
Private enterprise debt securities	224,123	843,123	82,190	-	-	1,149,436	2.52 - 5.00
Deposits at financial institutions	7,323,399	-	-	-	-	7,323,399	1.38 - 3.50
Loans	-	-	-	1,827,970	-	1,827,970	6.50 - 7.00
Financial Liabilities							
Insurance contract liabilities							
- loss reserves	-	-	-	-	6,683,116	6,683,116	-
Due to reinsurers	-	-	-	-	1,920,424	1,920,424	-

(c) Foreign currency risk

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

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

As at December 31, 2016 and 2015, 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,	
	2016	2015	2016	2015	2016	2015
	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Baht per 1 foreign currency unit)	
US dollar	331.5	10.8	324.6	8.9	35.784	36.042
Philippines pesos	-	-	-	-	0.722	0.765
Japanese yen	0.2	2.4	-	-	0.307	0.299
HK dollar	14.7	2.6	-	-	4.613	4.651
Indonesian rupiahs	1.9	865.3	-	236.7	0.003	0.003
English euro	-	-	1.2	-	37.707	39.386

(d) Equity Position Risk

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

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

As at December 31, 2016 and 2015, the Company has risk from its investments in equity securities of which the price will change with reference to market conditions.

(e) Liquidity Risk

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

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

Counting from the financial position date, the periods to maturity of financial assets and liabilities held as at December 31, 2016 and 2015 are as follows:

(Baht'000)

	December 31, 2016					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	152,484	260,000	-	-	-	412,484
Premium receivables	-	2,301,968	-	-	-	2,301,968
Reinsurance assets						
- loss reserves	-	1,157,590	838,728	765,404	-	2,761,722
Reinsurance receivables	-	131,231	-	-	-	131,231
Investments in securities	-	9,356,286	1,248,629	243,077	34,808,866	45,656,858
Loans	-	641,04	324,494	461,833	-	1,427,371
Financial liabilities						
Insurance contract liabilities						
- loss reserves	-	3,548,528	2,533,003	-	-	6,081,531
Due to reinsurers	-	1,931,712	-	-	-	1,931,712

(Baht'000)

	December 31, 2015					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	126,703	180,000	-	-	-	306,703
Premium receivables	-	2,136,246	-	-	-	2,136,246
Reinsurance assets						
- loss reserves	-	1,151,290	1,289,360	525,689	-	2,966,339
Reinsurance receivables	-	165,240	-	-	-	165,240
Investments in securities	-	8,196,680	1,902,200	82,190	37,251,541	47,432,611
Loans	-	620,555	771,945	435,470	-	1,827,970
Financial liabilities						
Insurance contract liabilities						
- loss reserves	-	3,905,350	2,777,766	-	-	6,683,116
Due to reinsurers	-	1,920,424	-	-	-	1,920,424

33.3 Fair Value of Financial Instruments

As of December 31, 2016 and 2015, the Company had the following financial assets and liabilities that were measured at fair value or cost but fair value are disclosed by using different levels of inputs as follows:

(Baht'000)

	December 31, 2016				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Investments in securities					
Government and state enterprise securities	1,901,523	-	1,901,523	-	1,901,523
Private enterprise debt securities	1,115,813	-	1,115,813	-	1,115,813
Equity securities	34,121,693	33,227,492	894,201	-	34,121,693
Financial asset for which fair value are disclosed					
Cash and cash equivalent	412,484	412,484	-	-	412,484
Premium receivables	2,301,968	-	2,301,968	-	2,301,968
Reinsurance assets - loss reserves	2,761,722	-	2,761,722	-	2,761,722
Reinsurance receivables	131,231	-	131,231	-	131,231
Investment in securities					
Held-to-maturity investments	7,830,656	7,830,656	-	-	7,830,656
Other investments - net	687,173	23,468	895,975	1,422,347	2,341,790
Loans - net	1,427,371	-	-	1,377,316	1,377,316
Investment properties - net	186,896	-	-	241,701	241,701
Financial liabilities for which fair value are disclosed					
Insurance contract liabilities - loss reserves	6,081,531	-	6,081,531	-	6,081,531
Due to reinsurers	1,931,712	-	1,931,712	-	1,931,712

(Baht'000)

	December 31, 2015				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Investments in securities					
Government and state enterprise securities	1,708,235	-	1,708,235	-	1,708,235
Private enterprise debt securities	1,149,436	-	1,149,436	-	1,149,436
Equity securities	36,700,598	35,595,055	1,105,543	-	36,700,598
Financial asset for which fair value are disclosed					
Cash and cash equivalent	306,703	306,703	-	-	306,703
Premium receivables	2,136,246	-	2,136,246	-	2,136,246
Reinsurance assets - loss reserves	2,966,339	-	2,966,339	-	2,966,339
Reinsurance receivables	165,240	-	165,240	-	165,240
Investment in securities					
Held-to-maturity investments	7,323,399	7,323,399	-	-	7,323,399
Other investments - net	550,943	-	-	2,286,116	2,286,116
Loans - net	1,827,970	-	-	1,796,741	1,796,741
Investment properties - net	204,173	-	-	351,439	351,439
Financial liabilities for which fair value are disclosed					
Insurance contract liabilities - loss reserves	6,683,116	-	6,683,116	-	6,683,116
Due to reinsurers	1,920,424	-	1,920,424	-	1,920,424

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

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

- Financial assets and liabilities, which have short-term maturity, including cash and cash equivalents, are presented at fair value, which approximate their carrying values as stated in the statements of financial position.
- Investments in equity securities are presented at fair value, which is derived from market price. In case of non-marketable equity securities, the fair value is determined using price per book value or discount cash flow techniques discounted by Weighted Average Cost of Capital (WACC) appropriate to each securities, except for investment units, which are not listed on the Stock Exchange of Thailand, their fair values are determined using the net asset value per unit announced by the fund managers.
- Investments in debts securities are presented at market prices or determined using the yield curve as announced by the Thai Bond Market Association.
- Long-term loans are presented at fair value, which is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- Investment properties are presented at fair values, which are appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee.
- Fair value of loss reserves in premium receivables, loss reserves in reinsurance assets, reinsurance receivables, due to reinsurers, and loss reserves in insurance contract liabilities are measured at book value which matured within 1 year.

34. Capital Management

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

35. Reclassification

The Company reclassified certain line items in the prior year's financial statements, presented as comparative information, to conform to the current year's classification as already described in Note 2 to the financial statements. The reclassification does not have any impact on previously reported profit or owner's equity. Reclassification is summarised below:

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	December 31, 2015		December 31, 2015	
	As Reclassified	As Previously Reported	As Reclassified	As Previously Reported
Statements of financial position				
Assets:				
Premium receivables - net	2,136,246	2,216,691	2,136,246	2,216,691
Reinsurance assets - net	4,997,917	5,082,711	4,997,917	5,082,711
Receivables on reinsurance contracts - net	165,240	-	165,240	-
Investment assets - net	47,432,611	-	47,432,611	-
Available-for-sale investments - net	-	39,558,270	-	39,558,270
Held-to-maturity investments	-	7,323,399	-	7,323,399
General investments - net	-	550,943	-	550,943
Deferred tax assets	-	772,747	-	772,747
Total	54,732,014	55,504,761	54,732,014	55,504,761
Liabilities:				
Insurance contract liabilities	13,954,972	-	13,954,972	-
Loss reserves and outstanding claims	-	6,683,117	-	6,683,117
Premium reserves	-	7,271,856	-	7,271,856
Employee benefit obligations	295,278	427,779	295,278	427,779
Deferred tax liabilities	5,325,617	6,098,363	5,312,765	6,085,511
Other liabilities - others	684,876	552,375	684,876	552,375
Total	20,260,743	21,033,490	20,247,891	21,020,638
Net	34,471,271	34,471,271	34,484,123	34,484,123

(Baht'000)

(Baht'000)

	Financial Statements in which the Equity Method is Applied		Separate Financial Statements	
	January 1, 2015		January 1, 2015	
	As Reclassified	Previous Brought Forward Balances	As Reclassified	Previous Brought Forward Balances
Statements of financial position				
Assets:				
Premium receivables - net	2,329,060	2,412,889	2,329,060	2,412,889
Reinsurance assets - net	6,192,398	6,491,851	6,192,398	6,491,851
Receivable on reinsurance contracts - net	383,282	-	383,282	-
Investment assets - net	39,430,726	-	39,430,726	-
Available-for-sale investments - net	-	32,076,089	-	32,076,089
Held-to-maturity investments	-	6,788,062	-	6,788,062
General investments - net	-	566,575	-	566,575
Deferred tax assets	-	817,392	-	817,392
Total	48,335,466	49,152,858	48,335,466	49,152,858
Liabilities:				
Insurance contract liabilities	15,364,800	-	15,364,800	-
Loss reserves and outstanding claims	-	8,031,188	-	8,031,188
Premium reserves	-	7,333,611	-	7,333,611
Employee benefit obligations	250,970	367,613	250,970	367,613
Deferred tax liabilities	3,920,982	4,738,375	3,913,086	4,730,479
Other liabilities - others	746,785	630,142	746,785	630,142
Total	20,283,537	21,100,929	20,275,641	21,093,033
Net	28,051,929	28,051,929	28,059,825	28,059,825

(Baht'000)

	Financial Statements in which the Equity Method is Applied and Separate Financial Statements	
	For the year ended December 31, 2015	
	As Reclassified	As Previously Reported
Statements of comprehensive income		
Profit or loss:		
Revenues		
Gross premium written	15,867,370	-
Less: Premium ceded to reinsurers	(4,698,297)	-
Add: Unearned premium reserves decreased from prior year	24,721	-
Net earned premium	-	11,193,794
Net investment revenue	1,125,439	1,038,066
Expenses		
Gross claims	(6,869,521)	(5,660,478)
Less: Claim recovery from reinsurers	1,209,044	-
Other underwriting expenses	(1,919,793)	(1,811,725)
Contributions to Road Accident Victims Protection Company Limited	-	(33,501)
Contributions to the Office of Insurance Commission	-	(33,592)
Contributions to the General Insurance Fund	-	(38,239)
Contributions to the Victims Compensation Fund	-	(2,735)
Investment expenses	(87,373)	-
Total	4,651,590	4,651,590

36. Approval of Interim Financial Statements

These financial statements were authorised for issue by the Company's Executive Directors on February 22, 2017.

COMPANY'S FINANCIAL STATUS

Assets

As at December 31, 2016, the Company's total assets amounted to Baht 57,332.6 million, a decrease of Baht 1,918.7 million, or 3.2 percent, over 2015. Significant components of the assets are described below.

- Net Investments in securities dropped by Baht 1,775.8 million, or 3.7 percent, to Baht 45,656.9 million, compared to 2015. Investments in securities are comprised of available-for-sale investments of Baht 37,139.0 million, or 64.8 percent of the total assets, held-to-maturity investments (deposits at financial institutions with amounts maturing in due 3 months) of Baht 7,830.7 million, or 13.7 percent of the total assets, and other investments of Baht 687.2 million, or 1.2 percent of the total assets.
- Net reinsurance assets totaled Baht 4,886.3 million, a decline of Baht 111.6 million, or 2.2 percent, over 2015.
- Premium receivables rose by Baht 165.7 million, or 7.8 percent, to Baht 2,302.0 million, compared to 2015.
- Net loans dropped by Baht 400.6 million, or 21.9 percent, to Baht 1,427.4 million, compared to 2015.
- Premises and equipment, including investment properties declined by Baht 61.4 million, or 4.4 percent, to Baht 1,344.6 million, compared to 2015.
- Cash and cash equivalent increased by Baht 105.8 million, or 34.5 percent, to Baht 412.5 million, over 2015.

Liabilities

The Company's total liabilities at 2016 year-end dropped by Baht 716.2 million, or 2.9 percent, to Baht 24,078.9 million, compared to 2015. Significant elements of liabilities include the following:

- Insurance contract liabilities dropped by Baht 474.3 million, or 3.4 percent, to Baht 13,480.7 million, compared to 2015.
- Due to reinsurers increased by Baht 11.3 million, or 0.6 percent, to Baht 1,931.7 million, over 2015.
- Premium received in advance rose by Baht 90.1 million, or 5.6 percent, to Baht 1,705.3 million, compared to 2015.

Owners' Equity

The Company's owners' equity at 2016 year-end dropped by Baht 1,202.5 million, or 3.5 percent, to Baht 33,253.7 million, over 2015. Important components of the owners' equity are listed below.

- Unappropriated retained earnings amounted to Baht 5,472.7 million, a rise of Baht 1,071.7 million, or 24.4 percent, compared to 2015.
- Net income for 2016 rose by Baht 83.5 million, or 3.6 percent, to Baht 2,425.8 million, over 2015.
- Dividend paid for 2016 totaled Baht 1,357.5 million (Baht 12.75 per share).
- Items not to be recognized in statement of income in subsequent periods 3.4 million.
- Other comprehensive income for the years (a surplus on revaluation of investments in securities for sale based on income taxes) diminished by Baht 2,274.1 million, or 9.3 percent, to Baht 22,067.3 million, compared to 2015.

Assets Quality

Debtors (Premium receivables)

As at December 31, 2016, premium receivables had increased by Baht 165.8 million, or 7.8 percent, to Baht 2,302.0 million, over 2015. They can be classified by aging as follows:

(Baht : Million)

Overdue	2016			2015		
	From the Insured	From Agent and Broker	Total	From the Insured	From Agent and Broker	Total
Not Yet Due	559.6	1,139.1	1,698.7	629.9	1,055.4	1,685.3
Overdue not longer than 30 days	153.7	135.2	288.9	107.0	93.5	200.5
Overdue 31 days - 60 days	37.2	74.2	111.4	40.5	61.0	101.5
Overdue 61 days - 90 days	32.3	52.9	85.2	17.2	37.0	54.2
Overdue 91 days - 1 year	40.5	77.3	117.8	35.8	58.9	94.7
Overdue longer than 1 year	2.9	20.1	23.0	2.2	20.0	22.2
Total overdue	826.2	1,498.8	2,325.0	832.6	1,325.8	2,158.4
Less: Allowance for Doubtful Accounts	(2.9)	(20.1)	(23.0)	(2.2)	(20.0)	(22.2)
Premium Receivables - Net	823.3	1,478.7	2,302.0	830.4	1,305.8	2,136.2

Debtors, within a grace period and overdue less than 30 days, for premium receivables amounted to Baht 1,987.6 million, representing 85.5 percent of the uncollected total premium of Baht 2,325.0 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, 2016, the Company's total loans dropped by Baht 400.6 million, or 21.9 percent, to Baht 1,427.4 million. They were mortgage loans or those having a person as collateral security. Out of the Company's total loan amount, Baht 148.0 million, or 10.4 percent, was housing loans, while the remaining Baht 1,279.4 million, or 89.6 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:

(Baht : Million)

Outstanding Period	2016			2015		
	Principal		Total	Principal		Total
	Mortgage	Others		Mortgage	Others	
Current	1,264.6	3.4	1,268.0	1,663.6	2.9	1,666.5
Overdue						
Less than 3 months	-	-	-	3.0	-	3.0
3 - 6 months	108.5	-	108.5	2.8	-	2.8
7 - 12 months	0.8	-	0.8	19.0	-	19.0
Over 12 months	50.1	-	50.1	138.0	-	138.0
Total	1,424.0	3.4	1,427.4	1,826.4	2.9	1,829.3
Less: Allowance for Doubtful Accounts	-	-	-	(1.3)	-	(1.3)
Loans and Interest Due and Uncollected - Net	1,424.0	3.4	1,427.4	1,825.1	2.9	1,828.0

Investments in Securities

The overall global economy in 2016 experienced the tremendous volatility of the financial market, for instance, the Chinese stocks exchange crisis, the Bank of Japan's negative interest rate policy, the consequence of the United Kingdom's Brexit plans, financial institution crises in Europe, the U.S. presidential election result, and an adjustment of the U.S Federal Reserve's policy interest rates at the end of 2016.

The Thai economy had a trend of gradual recovery, with the government and tourism sector's spending being a principal factor, which was playing a more significant role, influencing other related businesses. The overall private sector's investment was fairly low, reflecting in the business sector's sensitive confidence, and being in accordance with the global market's demand. Exports had recovered in a more distributed manner in various industries, with supportive factors from agricultural products' price and some categories of industries, including diminishing Baht value. Nevertheless, the household and business sectors' ability to pay debts still dropped, observed from a higher proportion of the non-performing loan (NPL).

For the Company, its overall investment income in 2016 had risen, compared to the previous year. The interest and dividends grew by Baht 0.5 million, or 0.1 percent, to Baht 1,125.9 million. A return from stocks sale increased by Baht 9.0 million, or 20.8 percent, to Baht 52.4 million. Therefore, the total investment income in 2016 augmented by Baht 51.9 million, or 4.2 percent, to Baht 1,285.4 million. When combined with a return from the underwriting, the Company's net return in 2016 amounted to Baht 2,425.8 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 2016 financial statements, which were displayed as a surplus on revaluation of investments amounting to Baht 22,067.3 million, a drop of Baht 2,274.1 million, or 9.3 percent, compared to 2015.

When classified in detail, as at December 31, 2016, the Company's investment capital for significant securities included the following. Bonds amounted to Baht 1,894.3 million, with a fair value of Baht 1,901.5 million, while listed securities including warrant totaled Baht 4,411.5 million, with a fair value of Baht 31,630.5 million, and unlisted securities equaled Baht 775.4 million, with a fair value of Baht 687.2 million. Similarly, the investment capital in associated companies totaled Baht 207.4 million.

The investment capital in investments in funds amounted to Baht 2,156.9 million, with a fair value of Baht 2,491.1 million, which were classified into investments in funds, debt securities funds, equity securities funds and real estate funds, trust for real estate investments and infrastructure funds.

Liquidity

Cash Flows

As at December 31, 2016, the Company's cash and cash equivalents rose by Baht 105.8 million, or 34.5 percent, to Baht 412.5 million. The Company's net cash on its activities were as follows:

		(Baht : Million)
	2016	2015 (Restated)
Net Cash from (used in) Operating Activities	1,763.0	1,631.3
Net Cash from (used in) Investing Activities	(299.7)	(351.4)
Net Cash from (used in) Financing Activities	(1,357.5)	(1,277.6)
Increase (Decrease) in Net Cash and Cash Equivalents	105.8	2.3

- Net cash from operating activities totaled Baht 1,763.0 million, which came mainly from direct premium written and interest and dividend investment income.
- Net cash used in investing activities totaled Baht 299.7 million, which was mainly used in property, premises and equipment, including non-existent assets.
- Net cash used in financing activities totaled Baht 1,357.5 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 2016, 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 2016, the Company's investment expenses on property, premises and equipment amounted to Baht 205.1 million, and non-existent assets of Baht 94.6 million.

Sources of Funds

As at December 31, 2016, the Company's liabilities were Baht 24,078.9 million, while owners' equity was Baht 33,253.7 million. Thus, the debt to equity ratio was 0.7 times. In 2016, the Company's total liabilities had declined by Baht 716.2 million, or 2.9 percent, compared to 2015, due to a decrease in insurance contract liabilities and deferred tax liabilities. Owners' equity dropped by Baht 1,202.5 million, or 3.5 percent, over 2015. A significant factor was a decline in the owners' equity's other components, which experienced a decrease of Baht 2,274.1 million, or 9.3 percent, in a surplus on revaluation of investments, and an increase in unappropriated retained earnings of Baht 1,071.7 million, or 24.4 percent, compared to 2015.

FINANCIAL RATIO

Financial Ratio		2016	2015 (Restated)	2014 (Restated)
Liquidity Ratio				
Current Ratio	(Times)	0.70	0.63	0.66
Receivable Turnover	(Times)	7.22	7.11	6.76
Collection Period	(Days)	49.83	50.65	53.23
Profitability Ratio				
Retention Rate	(%)	100.31	99.78	101.07
Loss Ratio	(%)	50.29	50.57	53.35
Profit Margin	(%)	13.88	13.58	13.96
Underwriting and Operation Expenses Ratio	(%)	35.82	35.92	32.57
Return on Investment	(%)	2.69	2.70	2.97
Net Premium Ratio	(Times)	0.33	0.36	0.44
Net Profit Margin	(%)	19.65	18.85	19.16
Return on Equity	(%)	7.17	7.50	9.26
Efficiency Ratio				
Return on Assets	(%)	4.84	4.90	5.25
Fixed Assets Turnover	(Times)	8.98	8.98	9.16
Total Assets Turnover	(Times)	0.21	0.22	0.23
Financial Ratio				
Debt to Equity Ratio	(Times)	0.72	0.72	0.89
Policy Liability to Capital Fund	(Times)	0.41	0.41	0.55
Equity/Net Premium Income	(Times)	3.00	3.08	2.56
Equity/Net Outstanding Claims	(Times)	5.47	5.16	3.48
Equity/Assets	(Times)	0.58	0.58	0.53
Unearned Premium Reserve to Equity	(Times)	0.22	0.21	0.26
Unearned Premium Reserve/Total Assets	(%)	12.91	12.27	13.90
Payout Ratio	(%)	61.46	54.55	55.61
Per Share				
Par Value	(Baht)	10.00	10.00	10.00
Book Value	(Baht)	312.33	323.62	262.72
Basic Earnings	(Baht)	22.78	22.00	21.58
Dividends	(Baht)	14.00	12.00	12.00
Growth Rate				
Premium Written	(%)	1.03	0.56	(0.15)
Income on Underwriting	(%)	1.57	(0.77)	74.72
Net Investment Income	(%)	4.21	5.76	(7.76)
Income before Income Tax	(%)	2.77	2.05	26.07
Income Tax	(%)	(1.85)	2.71	2.31
Net Income	(%)	3.56	1.94	31.28
Total Assets	(%)	(3.24)	12.31	6.25

RELATED PARTIES TRANSACTIONS

Types of Related Parties Transactions

A portion of the Company's business deals with related parties, where the relationship may be by shareholding or by companies having the same group of shareholders or directors. In considering the relationship between individuals or enterprises, attention is directed to the substance of the relationship, and not merely to the legal form or the basis of commitments. Transactions are determined on the basis of conditions in the normal course of business and according to market value. In addition to the related-transaction disclosure in Note 12 and 28 of the financial statements for the year 2016, the Company would like to reveal additional information for cross-over transaction as follows:

(Baht: million)				
Transaction with Related Party	Related Party	Relationship	2016	2015
Investment in Associated Companies	Disclosure in Note 12	-	207.4	198.6
Investments in Listed Securities	Disclosure in Note 28	-	29,645.2	32,938.8
Investment in Non-Listed Securities	Disclosure in Note 28	-	692.5	558.6
Premiums Written	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	245.5	162.7
Premium Due and Uncollected	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	20.1	29.4
Interest Income*	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	88.6	106.9
Dividend Income	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	221.6	221.6
Bank Deposits	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	6,038.8	5,183.1

* 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.

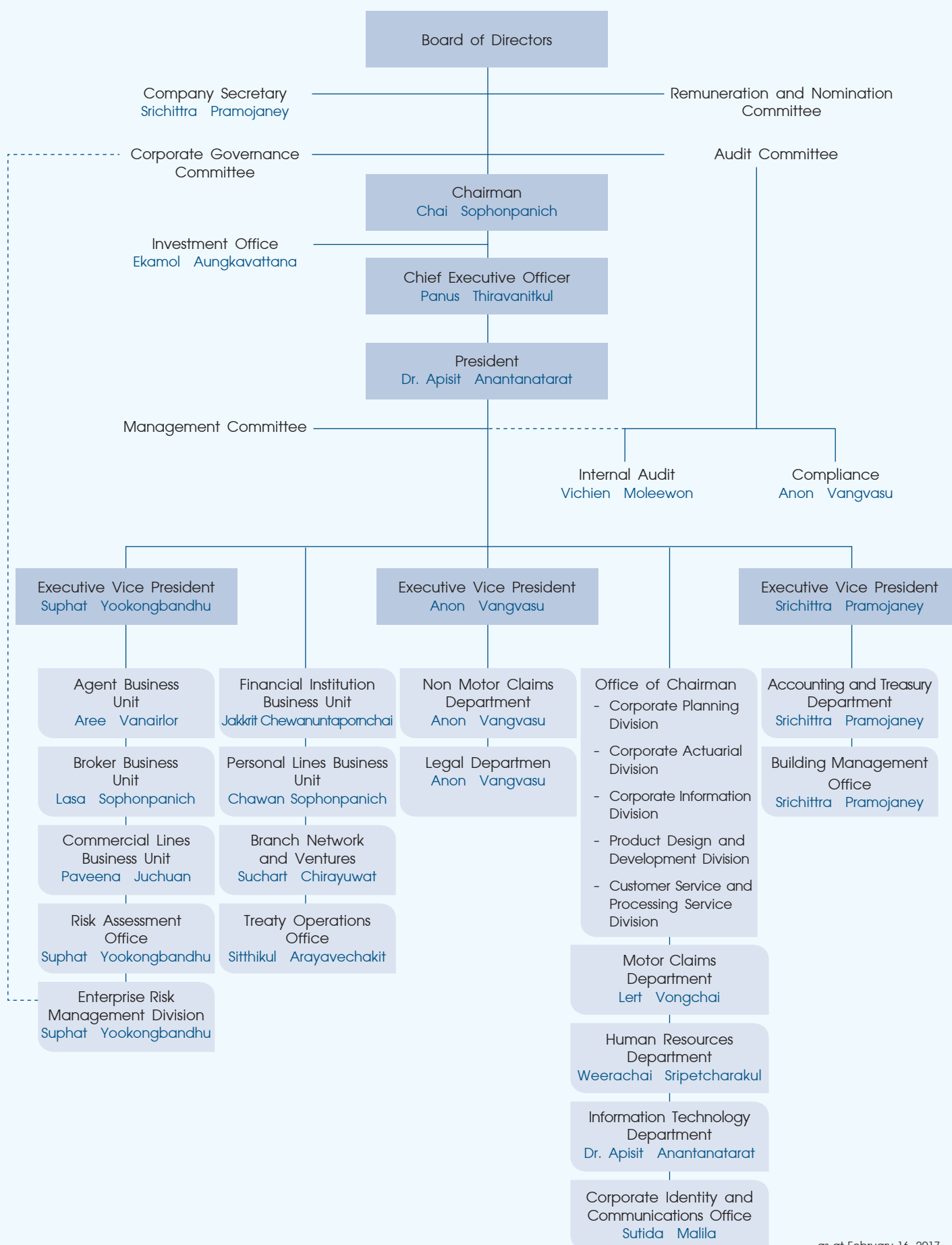
It is the intention of the Company, however, to continue its business in a clear and transparent manner, which is fair to its business partners, customers and shareholders, and is in keeping with the highest standards of benefit to the Company.

SHAREHOLDING IN OTHER COMPANIES

Investment in Companies at 10 percent or more of Paid-up capital as at December 31, 2016

No.	Company/Address	Line of Business	Type of Shares	No. of Shares Held	% of Company's Paid-up Capital
1	Bangkok Insurance (Lao) Co., Ltd. 321/1-2 Unit 18, Phonsavanh Neua Village, Sisattanak, Vientiane Capital, Lao PDR	Insurance	Ordinary	450,000	45.00
2	Asian Insurance International (Holding) Ltd. Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Insurance	Ordinary	23,936	41.70
3	Asia Insurance (Cambodia) Plc. No. 5, Street 13, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia"	Insurance	Ordinary	1,604,470	22.92
4	Asia Insurance (Investments) Ltd. 16/F, Worldwide House, 19 Des Voeux Road Central, Hong Kong	Insurance	Ordinary	15,210,000	19.50
5	EMCS Thai Co., Ltd. Regent House 10 th Fl., 183 Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330	Professional Service	Ordinary	1,159,950	19.33
6	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
7	P C T Asia Insurance Co., Ltd. 43-47 Lanexang Ave. Chanthabuly Dt. Vientiane, Laos	Insurance	Ordinary	237,500	19.00
8	Sorachai Vivatn Co., Ltd. 23 Soi Sukhumvit 63, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110	Property Development	Ordinary	405,000	15.00
9	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
10	Bumrungrad Hospital Public Co., Ltd. 33 Sukhumvit Soi 3 (Nana Nua), Klongtoey Nua, Watthana Bangkok 10110	Health Care Services	Ordinary	106,760,417	14.65
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
12	Bangkok Chayoratr Co., Ltd. 25 Bangkok Insurance/Y.W.C.A. Building, 10 th Fl., Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok 10120	Insurance Broker	Ordinary	10,000	10.00

ORGANIZATION STRUCTURE



as at February 16, 2017

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 8 committees, which directly report to the Management, consisting of the Risk Management Committee, the Sustainable Development Committee, the Investment Committee, the Insurance and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee and the High Loss or Complicated Claims 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, 2016) comprises 13 members as the following:

1. Executive directors consist of 3 members.
2. Non-executive directors consist of 10 members, 9 of whom are independent directors, amounting to more than one-third of all Board members.

The names of the Board of Directors, including their meeting attendance and remuneration in 2016 are given below.

Name	Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****
		1	2	3	4	
1) Executive Directors						
1. Mr. Chai Sophonpanich	Chairman	4/4	-	-	-	1,440,000
2. Mr. Panus Thiravanitkul	Director and Director of the Corporate Governance Committee and Chief Executive Officer (Appointed on January 1, 2016)	4/4 -	- -	- -	- 3/3	720,000 90,000
3. Dr. Apisit Anantanatarat	Director and President (President appointed on January 1, 2016) (Director and President appointed on April 22, 2016)	3/3	-	-	-	540,000
2) Non-Executive Directors						
4. Mr. Voravit Rojrapitada	Director	4/4	-	-	-	720,000
5. Mr. Shota Mori	Independent Director	3/4	-	-	-	720,000

Name	Position	No. of Attendance/ Invitation				Annual Remuneration (Baht)****
		1	2	3	4	
2.1 The Audit Committee*						
6. Tdvc. Col. Plengsakdi Prakaspesat	Independent Director and Chairman of the Audit Committee	4/4	-	-	-	720,000
		-	8/8	-	-	360,000
7. Miss Potjane Thanavaranit	Independent Director and Director of the Audit Committee	4/4	-	-	-	720,000
		-	8/8	-	-	360,000
8. Mr. Chor.nun Petpaisit	Independent Director and Director of the Audit Committee	4/4	-	-	-	720,000
		-	7/8	-	-	360,000
2.2) The Remuneration and Nomination Committee**						
9. Mr. Singh Tangtaswas	Independent Director and Chairman of the Remuneration and Nomination Committee	4/4	-	-	-	720,000
		-	-	1/1	-	90,000
10. Mr. Suvarn Thansathit	Independent Director and Director of the Remuneration and Nomination Committee	4/4	-	-	-	720,000
		-	-	1/1	-	90,000
11. M.R. Supadis Diskul	Independent Director and Director of the Remuneration and Nomination Committee	4/4	-	-	-	720,000
		-	-	1/1	-	90,000
2.3) The Corporate Governance Committee***						
12. Mr. Virasak Sutanthavibul	Independent Director, Chairman of the Corporate Governance Committee and Director of the Remuneration and Nomination Committee	4/4	-	-	-	720,000
		-	-	-	3/3	90,000
		-	-	1/1	-	90,000
13. Mrs. Nintira Sophonpanich	Independent Director and Director of the Corporate Governance Committee	4/4	-	-	-	720,000
		-	-	-	3/3	90,000
Total		4 Times	8Times	1 Time	3 Times	11,610,000

Notes: Meeting Attendance/Number of Meeting Invitations.

- The Board of Directors' meeting.
 - The Audit Committee's meeting in 2016: the Audit Committee convened 8 meetings, 3 of which were attended by the independent auditor and without the attendance of the Company's Management, and 1 of which was a special meeting with the attendance of the Corporate Governance Committee.
 - The Remuneration and Nomination Committee's meeting.
 - The Corporate Governance Committee's meeting in 2016: the Corporate Governance Committee convened 3 meetings, 1 of which was a special meeting with the attendance of the Audit Committee.
- * The Audit Committee, consisting of the 3 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 3 Audit Committee members possesses comprehensive knowledge and vast experience in the verification of the Company's financial statements. Details of their educational background and working experience, particularly in the verification of financial statements, are revealed in the history of the Board directors.
- ** The Remuneration and Nomination Committee consists of 4 members, 3 of whom, namely, Mr. Singh Tangtaswas, M.R. Supadis Diskul and Mr. Suvarn Thansathit were appointed by the Board's resolution on August 15, 2016, and effective from August 18, 2016, for a three-year term. The Committee's term will be due on August 18, 2019. The Board's resolution also extended the term of Mr. Virasak Sutanthavibul, who is a director of the Remuneration and Nomination Committee, and his term will be due on August 18, 2019 as well.
- *** The Corporate Governance Committee was appointed by the Board's 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 2016 was approved by shareholders' 23rd general meeting on April 22, 2016, in the amount not exceeding Baht 12,500,000.

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

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

1. To consider and define the policy on good corporate governance, policy on anti-corruption, and policy on whistle blowing, all 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

1. The Company's Board of Directors has determined in advance its meeting a minimum of 4 times a year so that each Board member will be informed of and set aside time for the Board's meeting. Nevertheless, there may be an additional extraordinary meeting as the Board thinks necessary.

2. The meeting invitation letters, including an agenda and other relevant documents, will be delivered, no less than 7 days prior to the date of the meeting, to all the Board members. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company Secretary.

3. For each meeting, the Chairman of the meeting is in charge of providing time for presentations of related information, discussions and interrogations, as well as for each Board member to make a comprehensive comment.

4. In consideration of the agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda.

5. The Board may ask the Chairman or the Company Secretary for additional explanations and examination of relevant documents.

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

Directors Authorized to Bind the Company to Any Decision

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

2. Management Committee

Management Committee

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

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

Name of the Management Committee

The term "The Company's Management Committee", as defined in the Office of Securities and Exchange Commission's notices, includes the first four executive members following the manager. In compliance with the Company's organizational structure, the Company's Management Committee is made up of the first four executive members following the Chairman and Chief Executive Officer. The Management Committee (as at January 1, 2017) is comprised of 13 executive members whose names are listed below.

Name of the Management Committee	Position
1. Mr. Chai Sophonpanich	Chairman
2. Mr. Panus Thiravanitkul	Director and Chief Executive Officer
3. Dr. Apisit Anantanatarat	Director and President
4. Mr. Anon Vangvasu	Executive Vice President
5. Mr. Suphat Yookongbandhu	Executive Vice President
6. Mrs. Srichitra Pramojaney (Appointed on June 1, 2016)	Executive Vice President and Company Secretary
7. Mr. Jakkrit Chewanuntapornchai	Senior Vice President
8. Mr. Suchart Chirayuwat	Senior Vice President

Name of the Management Committee	Position
9. Mr. Aree Vanairlor	Senior Vice President
10. Mr. Lert Vongchai	Senior Vice President
11. Miss Paveena Juchuan	Senior Vice President
12. Mr. Chawan Sophonpanich	Senior Vice President
13. Miss Lasa Sophonpanich (Appointed on January 1, 2017)	Senior Vice President
Miss Pimjai Luemrung (Retired on January 1, 2017)	Senior Vice President
Dr. Chatchai Thnarudee (Resigned as from December 1, 2016)	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.
2. To verify, before presenting to the Board of Directors for consideration, the procurement or disposal of the Company's major assets.
3. To ensure that the Company has an implementation based on its policy on corporate governance, as well as an evaluation of its consequences, including suggestions for the Corporate Governance Committee's consideration.
4. To conduct any duties assigned to them by the Board of Directors.
5. To periodically follow up and report on the Company's performance to the Board of Directors.

3. The Company Secretary

The Company's Board of Directors' meeting (No.2/2015) held on May 15, 2015, passed a resolution appointing Mrs. Srichittra Pramojaney, who is currently the Company's Executive Vice President and has been working with the Company since 2006, as the Company Secretary, effective from June 1, 2015, in order to oversee, coordinate and facilitate the Board's meeting and shareholders' meeting so that they are in compliance with the laws, rules and regulations concerned. The Company secretary is a qualified person besides having comprehensive knowledge and capability to perform his or her duty and assume the position. The Company has defined its secretary qualifications and scope of duties and authority as the following:

The Qualification of Company Secretary

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

The Scope of Duties and Authority of the Company Secretary

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 2016, the Company paid the Board's attendance fee to the Board directors, totaling Baht 11,610,000. The payment procedure has to go through a consideration of the Remuneration and Nomination Committee, while the annual remuneration amount, which does not exceed Baht 12,500,000, has been approved by shareholders' meeting. Details of remuneration criteria are given below.

The Board of Directors	The Board's Attendance Fee (Baht/Person/Time)
Chairman of the Board of Directors	360,000
The Board Directors	180,000
The Audit Committee	90,000
The Remuneration and Nomination Committee	90,000
The Corporate Governance Committee	90,000

(b) As at December 31, 2016, the Company's executive directors comprised 13 members, who were paid a total remuneration of Baht 75,257,904 consisting of salary, bonus, motor and telephone expenses, as well as the employer's contribution to the social security fund. Out of 13 executive directors, three are executive members. The paid remuneration does not exceed the amount which has been approved by directors and shareholders and it was taken into consideration based on such factors as the executives' performance and the Company's operations such as insurance premium's growth, the Company's income, the asset growth compared to the other insurance companies in the country, the potential of business development, the improvement of performance efficiency, and the development of the Company's staff. The Chief Executive Officer's short-term remuneration comprises salary, bonus, telephone expenses and the employer's contribution to the social security fund, while the long-term remuneration comprises the provident fund.

4.2 Other Remuneration

In 2016, other remuneration, such as provident fund, totaling Baht 6,749,580, was paid to 13 Company executive directors and executive members.

Accordingly, in 2016, a total remuneration, both in the form of money (as in 4.1 – b) and others (as in 4.2), of Baht 82,007,484 was paid.

5. Personnel

Total Employees

As at December 31, 2016, the Company had a total of 1,507 employees, comprising 1,090 employees working on the Company's core business lines, and 417 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	78
Broker Business Unit	77
Commercial Lines Business Unit	79
Financial Institution Business Unit	80
Personal Lines Business	68
Branch Network and Ventures	289
Treaty Operations Office	13
Risk Assessment Office	9
Non-Motors Claims Department	55
Motor Claims Department	342
Total	1,090

Total Remuneration and Characteristic of Remuneration for Employees

In 2016, the Company's employees were paid a total remuneration of Baht 988,448,785 consisting of salary, bonus, employer's contributions to the social security fund, overtime, motor and telephone expenses, provident funds and severance pay upon retirement. The paid remuneration was taken into consideration based on such factors as the insurance premium's growth, the Company's income, the country's economic condition, the cost of living, and the individual employee performance's assessment through a performance measurement tool called Performance Fact Sheet. The Performance Fact Sheet is comprised of key performance indicators (KPIs), projects and assignments, the consequences of which have been defined to be in conformity with the Company's goals, including consideration of the outcome of employees' performance competency, focusing on their working behavior which is in compliance with the Company's knowledge-based culture.

Policy on Personnel Development

The Company has constantly given priority to its personnel development at all levels, emphasizing its being a learning organization and all the Company's staff's being able to apply their knowledge to their work performance, apart from developing their potential to become persons possessing comprehensive and intensive knowledge, in line with the organization's goals and strategies, as well as being in response to changing circumstances which may occur, aimed at a sustainable growth of both the staff and organization. The processes of development of staff's knowledge and capability implemented by the Company include the following.

- For training of its staff, besides providing for training on insurance knowledge, which is basic knowledge everyone in the organization has to know, the Company also encourages training in the form of Insurance Camp, in which the staff learn the underwriting consideration, including knowledge of claims payment processes, taught by experts from each department, both in theory and practice. In addition, the Company has also provided for its staff to learn about courses on D&O Liability Insurance, which is specific insurance knowledge, and Risk Survey, which is both theoretical and practical training on accurate risk survey and analysis, which is beneficial to insurance officers' risk consideration. Furthermore, the Company has provided for Knowledge Sharing, which is a transfer of knowledge and performance guideline from senior executives to younger staff from generation to generation, which will give performance inspiration and good ideas to the latter.

- For training of the Company's team leaders, they are provided with the Leadership Development Program, enabling them to know their role and viewpoint, besides giving them a guideline for good leadership, possessing knowledge and understanding of the management of jobs, personnel and team in order to fulfill the Company's goals. Additionally, team leaders have been offered a course on ISO9001, in order to be in compliance with the Company's policy focusing on performing and providing services of the international standard, which has to be constantly improved.

- For training of its executives, the Company has given priority to the development of their knowledge and potential so that they are able to manage their routine job and strategic work and have a sound business viewpoint. The training courses provided include Insurance Business Simulation, Interview Technique, etc. Similarly, the Company also encourages Knowledge Sharing, by which its executives transfer knowledge derived from their long working experiences to the Company's staff.

Concerning the development of personnel for their apparent advancement, the Company has arranged Branch Executive Development Program aimed at generating the personnel who are prepared to become branch executive in the future, since each year the Company has extended its regional branches to various regions of the country in response to its business expansion and customer services covering broader areas. In addition, the Company has also had the Multi Skill project, concentrating on the development of myriad skills, for instance, on-the-job-training, mentoring, job rotation, job transfer and so on, in order for staff to learn new work and develop their own career path.

Apart from the in-house training, the Company has also encouraged its staff to attend training/seminar organized by institutions both within and without the country, with a hope that they will transfer the knowledge gained from it to the Company's staff as well as share their experience with the latter, both in the form of Tea Time Talk Show, including storing, in electronic forms, the knowledge incurred by the activity or provided by staff, as a knowledge base within the organization in order for staff to access it later. Likewise, in response to the new generation's lifestyle, the Company's staff can also view live broadcast of such an activity via a smartphone.

Concerning other forms of personnel development, the Company has each year granted scholarships to staff to study for a master degree in universities both in the country and abroad so that they can obtain knowledge, attitude and ideas for their work performance and business transactions through prestigious educational institutions, and in line with a rapidly changing era.

For its personnel development in 2016, the Company provided its staff with a total of 189 in-house training courses, and 215 external training courses held both inside and outside the country, totaling 404 training courses, apart from 2 scholarships for staff to study for a master degree in leading local and foreign universities. The Company provided an average of 5.87 day/staff/year, while the budget spent on the Company's staff training and development amounted to Baht 9 million.

SHAREHOLDINGS STRUCTURE

Breakdown of Shareholdings

As at November 25, 2016 (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	1,700	73.37	3,107,887	2.92
10,001 - 50,000	386	16.66	8,847,283	8.31
50,001 - 150,000	131	5.65	11,408,684	10.71
150,001 Up	100	4.32	83,106,146	78.06
	2,317	100.00	106,470,000	100.00

Thai Shareholders 82.25% Non - Thai Shareholders 17.75%

Major Shareholders and Numbers of Shareholdings as at November 25, 2016 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at Nov 25, 2016	%
1. Bangkok Bank Public Co., Ltd.	10,613,194	9.97
2. HWIC ASIA FUND*	6,752,114	6.34
3. Mr. Chai Sophonpanich**	3,473,026	3.26
4. Chin Sophonpanich Foundation	3,370,934	3.17
5. C.R. Holding Co., Ltd.	3,332,934	3.13
6. Aioi Insurance Co., Ltd.	2,989,599	2.81
7. Mr. Choedchu Sophonpanich	2,819,217	2.65
8. Mr. Chatri Sophonpanich	2,514,033	2.36
9. Mr. Niti Osathanugrah	2,224,362	2.09
10. Mr. Charn Sophonpanich	2,197,977	2.06
11. HWIC ASIA FUND A/C CLASS C2 SHARES*.	1,696,191	1.59
12. Glory Hope Limited*	1,658,517	1.56
13. VAYUPAK FUND 1 Krung Thai Asset Management Public Co., Ltd.	1,589,203	1.49
14. VAYUPAK FUND 1 MFC Asset Management Public Co., Ltd.	1,589,203	1.49
15. Aberdeen Growth Fund	1,412,913	1.33
16. Rabil Holding Co., Ltd.	1,406,071	1.32
17. Bangkok Rinvest Co., Ltd.	1,282,100	1.20
18. Aberdeen Small Cap Fund	1,246,900	1.17
19. Thai Reinsurance Public Co., Ltd.	1,231,041	1.16
20. Aberdeen Long Term Equity Fund	1,198,480	1.13

Remarks: * 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 665,746 Shares

Shareholding of the Board of Directors, as at November 25, 2016 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at Nov 25, 2016	Number of Shares As at Nov 27, 2015	Change
1. Mr. Chai Sophonpanich* ¹	3,473,026	3,473,026	-
2. Tdvc. Col. Plengsakdi Prakaspesat	-	-	-
3. Mr. Singh Tangtaswas	153,600	153,300	300
4. Miss Potjanee Thanavaranit	-	-	-
5. Mr. Chor.nun Petpaisit	-	-	-
6. Mr. Suvarn Thansathit	-	-	-
7. Mr. Virasak Sutanthavibul	-	-	-
8. Mrs. Nintira Sophonpanich* ²	2,949	2,949	-
9. M.R. Supadis Diskul	-	-	-
10. Mr. Shota Mori	-	-	-
11. Mr. Panus Thiravanitkul* ³	35,247	30,747	4,500
12. Mr. Voravit Rojrapitada	68,140	68,140	-
13. Dr. Apisit Anantanatarat	4,613	4,613	-
(Appointed on April 22, 2016)			

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

*1. Spouse - Mrs. Nuchanart Sophonpanich 665,746 Shares

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

*3. Spouse - Mrs. Suporn Thiravanitkul 5,600 Shares

Shareholding of Management Committee, as at November 25, 2016 (The Record Date) for the right to attend the meeting and to receive the dividend payment:

Name	Number of Shares As at Nov 25, 2016	Number of Shares As at Nov 27, 2015	Change
1. Mr. Chai Sophonpanich ^{*1}	3,473,026	3,473,026	-
2. Mr. Panus Thiravanitkul ^{*2}	35,247	30,747	4,500
3. Dr. Apisit Anantanatarat	4,613	4,613	-
4. Mr. Anon Vangvasu ^{*3}	48,655	48,655	-
5. Mr. Suphat Yookongbandhu ^{*4}	61,009	58,309	2,700
6. Mrs. Srichittra Pramojaney	3,560	560	3,000
7. Mr. Jakkrit Chewanuntapornchai	-	-	-
8. Mr. Suchart Chirayuwat	-	-	-
9. Mr. Aree Vanairlor	3,395	3,395	-
10. Mr. Lert Vongchai	1,596	1,596	-
11. Miss Paveena Juchuan	-	-	-
12. Mr. Chawan Sophonpanich	438,181	438,181	-
13. Miss Lasa Sophonpanich (Appointed on January 1, 2017)	450,925	447,625	3,300
Miss Pimjai Luemrung (Retired on January 1, 2017)	14,515	14,515	-
Dr. Chatchai Thnarudee (Resigned as from December 1, 2016)	-	-	-

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

- *1. Spouse - Mrs. Nuchanart Sophonpanich 665,746 Shares
- *2. Spouse - Mrs. Suporn Thiravanitkul 5,600 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	
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
23/2016	2015	2.75	2.75	2.75	3.75	-	12
24/2017	2016	3.00	3.00	3.00	5.00	-	14

Remarks: * 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

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, fair and transparent management system generating income and increasing the long-term value for investors, apart from creating confidence among all parties of stakeholders and supporting and promoting the Company's sustainable growth of competitiveness.

The Section on Shareholders' Rights The Company has a policy on supporting the shareholders' fundamental rights, for instance, the right to purchase, sell or transfer shares; right to receive the Company's profit share; right to obtain sufficient data and information so as to attend shareholders' general meeting to appoint or discharge a Board director; right to appoint an auditor and review an issue affecting the Company, for example, the allocation of dividends, determination or revision of the Company's requirements or memorandum of association for reducing or increasing the capital and approval of a special item, and right to know, at appropriate time, the regulations and methods of attending the meeting, and adequate data and information for consideration in each meeting agenda prior to the meeting, apart from having an opportunity to ask Board directors questions both during the meeting and submitting questions in advance.

The Section on Equal Treatment of Shareholders The Company's encouragement of equal treatment of all shareholders are, for instance, its policy on providing an opportunity to the minority of shareholders to nominate, at appropriate time, the Board's director in advance, giving an opportunity to a shareholder who cannot attend a meeting to exercise his/her rights by giving a mandate to another person to attend the meeting and vote on his/her behalf, and giving an opportunity to the minority of shareholders to add a meeting agenda in advance prior to the shareholders' meeting day; determination of measures preventing the Company's Board directors and executives from using insider information to seek any advantage for themselves or others illegally, including determination of Board directors' and executives' disclosure of data on their stakeholding and that of other concerned people.

The Section on Consideration of Stakeholders' Role The Company has defined a policy for each group of stakeholders such as customers, employees, business partners, shareholders or investors, communities, society or the government sector, including competitors. The determination of the policy on corporate social responsibility, particularly the issues having a direct impact on the Company's business transactions, is aimed at generating confidence among parties concerned that the Company's business performance has taken into account social and environmental factors based on sustainable development, has a performance guideline which does not violate intellectual properties or copy rights, a policy on anti-corruption practices and notification of a suspicion of corrupt practices and protection of suspicion reporters' rights, and provision of a channel for each group of stakeholders to give suggestions and comments or file a complaint to the Company's Board of Directors.

The Section on Data Disclosure and Transparency The Company has a policy on accurate, complete, adequate, reliable and timely disclosure of significant data and information relating to the Company so that the shareholders are equally informed of it. The important data the Company has to disclose includes shareholders structure, financial situation and the Company's operations, Board of Directors and executives, report on the Company's purchase-sale/possession of securities, report on Board directors' stakeholding, determination of those responsible for data disclosure to shareholders, investors and securities analysts, and arrangements of an Investors Relations to equally and fairly communicate with related outsiders, apart from those responsible for disseminating data and information of the Company's performance and returns to the public through various media and the Company's website.

The Section on the Board of Directors' Responsibilities The Company has defined the qualifications of its Board directors, independent directors and directors of the Audit Committee. The Company's Board of Directors consists of directors possessing vision, leadership, knowledge, expertise, experiences, specific capabilities and a variety of skills useful to the Company, besides defining the structure of the Board as well as its roles, duties and responsibilities, the Board's meeting, and the sub-committees.

In 2016, 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 4.85, 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, consists of 8 committees, namely the Risk Management Committee, the Sustainable Development Committee, the Investment Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee*, the Information Security Management Committee** and The High Loss or Complicated Claims Committee***.

Note: * The 6 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 (2015/023) dated July 9, 2015, entitled "the Appointment of Committees", which became effective from July 9, 2015 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 (2015/023) dated July 9, 2015, entitled "the Appointment of Committees", which became effective from July 9, 2015 onward.

*** The High Loss or Complicated Claims Committee was appointed by the resolution of the Company's management's meeting on August 15, 2016 and made into the Company's declaration (2016/015) dated August 24, 2016.

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 and includes the following components and scope of duties and authority.

1.1 The Audit Committee

The Audit Committee (as at December 31, 2016) is comprised of 3 independent Board directors, namely,

1. Tdvc. Col. Plengsakdi Prakaspesat Independent Director and Chairman of the Audit Committee
2. Miss Potjaneer 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.

The Audit Committee's Meeting

A minimum of four meetings a year is defined.

1.2 The Remuneration and Nomination Committee

The Remuneration and Nomination Committee (as at December 31, 2016) 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.

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, 2016) 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. Nintira 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 8 committees, which directly report to the Management, consisting of the Risk Management Committee, the Sustainable Development Committee, the Investment Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee and the Complicated or High Damages Complaint Committee. In this regard, the Management Committee members have been appointed to the 8 committees to help verify significant issues so as to enable the Company's performance and activities to go in compliance with the OIC's laws and regulations and be implemented efficiently. Each committee has the following components and scope of duties and authority.

2.1 The 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 oversee the Company's implementation of its risk management in line with its strategies and business goals.
2. To define the policy on risk management to be presented to the Corporate Governance Committee.
3. To report risk management consequences to the Corporate Governance Committee at least once a year, and to the Company's Management Committee at least twice a year.
4. To provide recommendations on a guideline for the follow-up and evaluation of risk management to the Enterprise Risk Management Division.
5. To support the performance of the Enterprise Risk Management Division so as to fulfill the organization's risk management goals.

2.2 The Sustainable Development Committee comprises at least 7 executives from various business units, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To oversee and support the implementation of CSR activities under the guideline of sustainable development, in cooperation with the Bangkok Insurance Foundation, in order to perform connectively and fulfill the Company's CSR goals.
2. To consider new activities or projects leading to the organization development and responsibilities to society and the environment, aimed at the Company's sustainable development.

3. Encourage all employees to give importance to their work performance and provide services on an honest, fair and responsible basis and based on the Company's principles of good corporate governance and code of corporate conduct, including policies on anti-corruption and notification of suspicion of corrupt practice, and giving collaboration to the government sector as requested or in accordance with the laws.

4. To oversee and support the implementation of activities promoting the Company's sustainable culture, such as

- BKI Spirit (Cool, Agile, Friendly)
- The culture "Your Caring Partner"

5. Communicate with all levels of employees, business partners and other people concerned so that they may understand and be aware of CSR.

6. Provide suggestions on presenting a plan to develop the work efficiency and key performance index (KPI) of business units.

7. To consider and present to the Company to nominate for awards organized by external agencies, and control them till the goal is accomplished.

8. To make a report on the performance consequence to the Management Committee at least twice a year.

2.3 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 Board for consideration for approval.

2. To consider and give approval for rules and orders and practice procedures of the Company's investment.

3. To consider for approval of investment in an amount of over Baht 500 million per investment.

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.

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

1. To define the policy on underwriting, reinsurance and claim management appropriate and flexible to changing conditions, with a consideration of risks and related laws, before presenting them to the Management Committee.

2. To consider for approval of a guideline for defining premium rates.

3. To consider for approval of rules and orders and practice procedures of the Company's underwriting, reinsurance and claim consideration.

4. To consider for approval of the scope of authority of underwriting and claim.

5. To verify and adjust the policy on underwriting, reinsurance and claim management so that it is appropriate for changing circumstances.

6. To make a report on the performance consequence to the Management Committee at least twice a year.

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

1. To define the policy and strategy on the utilization of the information technology in the work performance and support of the Company's strategy.
2. To consider for approval of the new work plans or projects relating to the use of the information technology in support of the work performance.
3. To consider for approval, in principle, the work plans or projects, including the budget concerned with the information technology.
4. To consider for approval of the procurement on the information technology work to generate the greatest benefit to the organization.
5. To follow up the success of the utilization of the information technology in various projects or work plans.
6. To review the policy and strategy on the use of the information technology in the work performance if they are not in accordance with the objectives.
7. To make a report on the performance consequence to the Management Committee at least twice a year.

2.6 The Safety, Health and Environmental Committee consists of 12 members, including 1 representative of the employer, 5 representatives of the superior level, and 6 representatives of operational employees, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To make a survey, at least once a month, on safety, hygiene and working environment.
2. To make a report and 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 work safety standards of a manufacturing establishment, and present them to the employer.
5. To formulate policies and annual work plans on projects or activities on safety, hygiene and working environment, 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 working environment, apart from the training on roles, duties and responsibilities for a safety issue of employees, work chiefs, executives, employers and all levels of staff in order to present it to the employer.
7. To follow up the progress of the issue presented to the employer.
8. To report to the employer on the annual performance consequence, including problems, impediments and suggestions for the Committee's performance when the one-year duty performance period is due.
9. To perform other duties related to safety, hygiene and working environment, as assigned by the employer.
10. To carry out the effective 5s activity and practice it constantly.

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

1. To define the policy, objectives, structure and duties and responsibilities regarding information security.
2. To push forward and encourage the organization to give priority to the fulfillment of objectives of information security, practices in conformity with the policies and laws, including a necessity for a steady improvement and development of information security within the organization.
3. To make a risk evaluation and define a measure on risk management related to information security.
4. To support resources for an implementation of the information security work.
5. To follow up, measure and assess a policy on the performance and criteria of information security.
6. To be a centre of the management of the information security event.
7. To make a report on the performance consequence to the Management Committee at least twice a year.

2.8 The High Loss or Complicated Claims Committee performs in the form of a committee and comprises executives having authority on making judgment on a complaint filed to the Company, with those responsible from claims payment unit, underwriting unit, legal unit and compliance unit, each having a two-year term, with the following scope of duties and authority.

1. To scrutinize and make judgment on complicated issues or ones having high damages of Baht 50 million and over. A complaint consideration has to be completed within 30 days, starting from the date the complaint is filed or additional documents are provided (if any).
2. To make a report on the performance consequence to the Management Committee at least once a year.

3. The Nomination and Appointment of Senior Executives

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

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

1.1 Qualifications of Directors

The Company's Board directors, without regard to their gender, possess comprehensive knowledge, experience and specific capability to perform their duties. Besides, they have a good understanding of their responsibilities and the characteristic of the Company's business transactions, including having readiness to independently express their opinions on decision-making on any issue, with a consideration of the Company's greatest benefit and a fair treatment to each group of stakeholders. Similarly, the Board directors, in their capacity as director, can fully devote their time and effort to the Company.

1.1.1 Qualifications of Independent Directors

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

1. Have no more than 0.5 percent of all the eligible votes in the Company, corporations, affiliated companies, associated companies or juristic persons that are the Company's major shareholders or have authority to control. This includes shares held by any party concerned.

2. Have nothing to do with the Company's administration, nor are they its employees or advisers with a regular salary, nor do they have authority to control, all for no less than two years prior to an appointment. Nonetheless, such prohibited attributes do not include the case of having been government officials or the government sector's advisers who have authority to control.

3. Have no blood line relationship or through a registration in the manner of father, mother, spouse, brother, sister and offspring, including spouse of offspring's, executives, major shareholders, any party having authority to control, or person who will be nominated the management or party having authority to control the Company or affiliated companies.

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

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

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

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

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

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

1.1.2 Qualifications of the Audit Committee Members

The Audit Committee members shall have the following qualifications:

1. Have all the qualifications of independent directors.
2. Are not directors assigned by the Company's Board of Directors to make decisions on the operation of the Company, corporations, affiliated companies, associated companies, affiliated companies in the same order, or juristic persons that are the Company's major shareholders or party having authority to control.
3. Are not directors of corporations, affiliated companies, or affiliated companies in the same order, particularly those listed in the SET.
4. A minimum of one Audit Committee member has knowledge and experience sufficient to verify the Company's financial statements' reliability.
5. Be able to sufficiently devote their time and express opinions in the performance of their work as the Audit Committee directors.

1.2 Procedure for Directors and Independent Directors Nomination

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

1. The Board of Directors shall comprise at least 5 directors, and no less than half shall reside within the Kingdom.
2. No less than three-fourths of the directors must be of Thai nationality.
3. The directors shall be elected at the shareholders' meeting. Each shareholder shall have a number of votes equal to the number of shares held. Decisions shall be made by a majority vote. In the event of a tied vote, the chairman of the meeting shall have the casting vote.
4. At every annual general meeting, one-third of the directors shall retire. Directors who vacate office may be re-elected.
5. The shareholders' meeting may pass a resolution removing any director from office, prior to retirement, by reason of the expiration of the director's term of office, by a vote of not less than three-fourths of the number of shareholders attending the meeting, who have the right to vote and who hold shares totaling not less than half the number of shares held by shareholders attending the meeting and having the right to vote.

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

Minor Shareholders' Rights to Appoint Directors

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

2. Qualifications and Procedure for the Management Nomination

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

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

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

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

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

The Company's Board of Directors' Requirements on a Succession Plan and Development of Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to be responsible for selecting a qualified person appropriate for assuming the position of the Chief Executive Officer and the President, by nominating an insider first or an outsider in case of necessity, including taking charge of formulating a plan for a succession by reducing the risk or impact of a lack of successors as much as possible. Consequently, there has to be a plan for steadily developing successors in order to be prepared for the qualifications for a succession to a higher position via the following policy.

1. The Remuneration and Nomination Committee gives a policy on selecting the qualifications of a successor of the Chief Executive Officer and the President to the Chief Executive Officer for consideration and implementation.

2. The Chief Executive Officer defines the qualifications, knowledge, capability and competency of a successor of the Chief Executive Officer, the President, including the senior executives of departments, based on the organization structure.

3. The President has a duty on making an assessment of the knowledge, ability and consequence of performance according to competency of departments' senior executives, apart from formulating an individual development plan in accordance with the principle of personnel development, through controlling and overseeing to ensure that there is complete development in compliance with the plan defined, and making an evaluation of the development progress by providing a concrete feedback.

4. The Chief Executive Officer reports the consequence of development of executives who are successors of the Chief Executive Officer and the President to the Remuneration and Nomination Committee every time there is an annual meeting of the Remuneration and Nomination Committee. The report will be presented to the Company's Board of Directors at its annual meeting.

Appointment of Executives

The Company's Board has assigned the Remuneration and Nomination Committee to consider an appointment of the Chief Executive Officer and the President and to propose for approval to the Board at its annual meeting, while the Board will subsequently propose for approval to the shareholders' annual general meeting.

For an appointment of head of departments based on the organization structure, it is the duty of the Company's Chief Executive Officer and/or President to make a selection and appointment later.

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

For overseeing the operating performance of affiliated companies and associated companies, the Company possesses only 3 associated companies. To oversee its associated companies' operating performance, the Company has appointed some people as the associated companies' board directors. The Company's Board of Directors will nominate board directors to its associated companies and propose to the Chairman of the Board for approval. Those appointed as associated companies' board directors have duties to perform to the best advantage of the companies. Similarly, they have to get approval from the Company's Board prior to making a resolution on a significant issue, at the same level as that which has to derive approval from its Board if carried out by the Company itself.

5. Control over the Use of Insider Information

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 or related people, 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 2016, the Company had improved its use of insider information, forbidding its Board directors, executives and employees, informed of data substantial to securities price alteration, to purchase or sell the Company's stocks during the period defined until such insider information is revealed to the general public and it is beyond twenty-four hours starting from the date the data is displayed.

6. Remuneration for the Auditor

In 2016, the Company paid remuneration to its auditor as follows:

	(Baht)
1. Remuneration for audit of annual financial statements and review of quarterly financial statement	1,750,000
2. Remuneration for review of a Risk-Based Capital (RBC) report for 2016 and audit in accordance with a jointly agreed method of the second quarterly RBC report for 2016	550,000
Total	<u>2,300,000</u>

7. Practices Based on the Policy on Good Corporate Governance

In 2016, the Company had performed in compliance with its policy on good corporate governance as the following:

1. The Section on Shareholders' Rights

1.1 Awareness of Significance of Shareholders' Rights

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

1.2 Promotion of Shareholders' Rights

- The shareholders' meeting, normally held once a year, is regarded as a good opportunity for shareholders to exercise their rights in making a decision regarding the Company's performance on various issues. Generally, the meeting is held within 4 months of the Company's accounting year-end, or when there is an urgent need on special issues affecting or involving shareholders' interests, or relating to conditions or regulations and laws that have to be approved by shareholders. In these cases, the extraordinary shareholders' meeting will be convened.

- The Company will, 14 days in advance of every meeting, send out invitation letters to all shareholders, informing them of the date, time and place of the meeting, meeting agenda and the Board's recommendations, together with the necessary documents and information to guide their decisions on voting on significant issues. In this regard, the Company will disseminate the news in an invitation letter for the meeting through the SET and the Company's website.

- In the case a shareholder cannot attend the meeting, he/she can still exercise his/her rights by giving a mandate to any person or the Board's independent director, who also sits on the Audit Committee and whose name is identified in the mandate, to attend the meeting and vote on his/her behalf. The Company has also notified the independent director of its nomination of him to receive a shareholder's mandate so that the latter (director) can attend the meeting.

- For every shareholder's meeting, all 12 directors of the Company's Board, including the chairman of a sub-committee, and the Company's Management Committee attend the meeting in order to answer shareholders' questions on related issues.

- The Company also facilitates registration in advance. Before a meeting the Company secretary will inform the shareholders of the practice method for shareholders' general meeting, including the method of vote counting. Furthermore, the Company also arranges for the minority of shareholders to act as observers for vote counting.

- During the meeting, all shareholders can fully exercise their rights through a debate, interrogation and expression of opinion for all items on the agenda. Details of the meeting will be recorded and open to shareholders' examination.

- For a report on shareholders' general meeting, there is a notification of the names of directors attending the meeting and taking a leave of absence, and recording of an explanation of the practice method of vote casting for each agenda and the method of score result presentation to shareholders prior to the meeting, including giving them an opportunity to raise issues or ask questions but nobody asks questions. Similarly, voting results for each agenda of shareholders' meeting, whether agreed, or disagreed or abstention, are also recorded.

In 2016, the Company held a general meeting of shareholders on April 22, 2016, at 2.00 p.m. at room 1105, on the 11th floor of the Bangkok Insurance Building, 25 Sathon Tai Road, Sathon, Bangkok. All the 12 Board directors attended the meeting, while the meeting proceeded absolutely in accordance with the policy defined. Through the procedure of holding shareholders' meeting in a manner that promotes an equal exercise of every shareholder's rights, the Thai Investors Association gave a full score of 100 in a quality evaluation of the Company's shareholders' general meeting for 2016.

2. The Section on Equality of Shareholders

The Company realizes the significance of every shareholder and attempts to generate the equality among all groups of shareholders, whether major or minor, institution investors or foreign shareholders, particularly minor shareholders, as the following:

- The Company informs of the meeting and meeting agenda and the Board's recommendations to the SET and disseminate them on the Company's website 30 days in advance of shareholders' general meeting.
- At the meeting, the Company Secretary has informed shareholders of regulations used in the meeting, phases of vote casting, including the right to vote based on each category of share.
- The Company prepares invitation letters for shareholders' general meeting, together with the necessary documents in the English language to be submitted to foreign shareholders.
- The Company has allowed all shareholders to propose any important issues that should be put on the agenda of the Company's shareholders' annual meeting, including nominating, prior to the meeting, a new director who is of high proficiency and appropriate for appointment as a Board member.
- In order to have control over the use of insider information, access to the Company's information is limited to those directly concerned with the work performance only. A policy on the use of insider information for Board directors, executives and employees, informed of data substantial to stocks price alteration, has been defined for their implementation. The Company has also formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, reporting methodology, and reporting time, including the quarterly report to the Company's Board for its acknowledgement, have been defined so that they will be strictly complied with.

3. The Section on Stakeholders' Rights

The Company is fully cognizant of its stakeholders' rights and obviously defines its treatment of each group of stakeholders since it believes that the stakeholders' support benefits the Company's good reputation and ability to compete in the market, as well as helps build up the Company's profit in the long term. A guideline for the Company's treatment classified by group of stakeholders is summarized below.

Shareholders

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

Employees

The Company will treat its employees at all levels equally on the basis of moral and fairness principles in order to encourage them to work efficiently, without regard to sex, race, religion or institutional differences as limitations to their career advancement. All employees are also consistently urged and trained to develop their skills and knowledge

necessary to the successful implementation of their work, as well as the generation of the utmost satisfaction for customers. In this respect, various training programs are offered in conformity with the Company's business transaction strategies in order to upgrade the employees' ability to carry out their jobs professionally. The programs organized are, for instance, insurance training, development of quality management system, human resources management, development of working efficiency, etc. Besides, all levels of employees are encouraged to study or seek new branches of knowledge via the Company's scholarships and support on conferences with leading domestic and foreign institutions. Similarly, different patterns of learning are created to enable all employees to learn by themselves, which will finally lead to the Company's knowledge-based culture. The policy on development of the Company's employees, including a budget spent in 2016, is revealed under the item "Policy on Employees' Development". Apart from fair remuneration, all other welfare schemes are, of course, higher than the requirements of the Ministry of Labour, i.e. provident fund scheme, life and health insurance coverage, 5s and relaxation programs, as well as the maintenance of a good working atmosphere and the protection of employees' health and safety.

Customers

The Company 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. In this connection, the Company has clearly defined the criteria for selecting its business partners and an assessment of their performance in its performance manual in order for all employees to use it as a guideline for their performance. These business partners will be given opportunities to comment and propose suggestions concerning any and all joint business issues. To ensure that the rights of business partners are protected, the Company will treat business partners' secrets as strictly confidential.

Competitors

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

Creditors

The Company is strongly committed to a fair and equal treatment of all its creditors on an honest and fair basis for both sides, and will therefore follow all agreed conditions with its creditors. If the conditions agreed upon cannot be honored or there is a cause of default on its payment, the Company will notify its creditors in advance without concealing the fact so as to jointly find quick and fair solutions, apart from seeking for the capital management with appropriate structure to support the Company's business performance and retain the confidence among its creditors.

Society and Environment	<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, developed the museum at the archaeological sites of Ban Promthintai in Lopburi, established a budget for promoting the merit of vocational education towards service-minded activities, as well as preserved natural resources and developed the environment under the "BKI Collaborate on No Foam with Magic Eyes" project, and engaged in the "Sathon Model" project. Furthermore, the Company has also offered various training programs and activities to its management and staff so that they can participate, as well as realize the significance of conducting themselves in a way that would benefit society. All activities and projects have been continuously implemented for the true and sustainable benefit to society.</p> <p>Details of activities performed in 2016 can be viewed on the Company's website at www.bangkokinsurance.com.</p>
The Government Sector	<p>The Company has strictly carried out its business transactions under the requirements defined by laws, rules and regulations concerned, apart from cooperating and maintaining a good relation with the government agencies and the agencies overseeing it, through providing accurate, Complete and sufficient data and information requested by them in order to display its transparency, as well as generating mutual confidence and trust.</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 the 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 programs. This is aimed not only at benefiting business, but also at developing employees' potential. Nevertheless, any work which the Company's employees have created during the time they worked with it, whether assigned by the Company, or by use of the Company's data, or the work learned from the Company, is regarded as the Company's sole ownership, while such data, including the Company's confidential business data and other confidential data, must not be disclosed to outsiders without the Company's permission. In addition, the Company has also defined policies and practice regulations to prevent violations of copyright laws and an act on the computer offense commission, as well as notified them to the Company's employees. Besides, the Company has an efficient control process for its employees' practices in compliance with rules and regulations.</p>

Convention against Corruption

The Company has a policy on anti-corruption for its Board directors, management and employees to strictly abide by it by banning them from demanding, practicing or accepting corrupt practices of all forms, exploiting their authority, whether directly or indirectly, to seek any advantage for themselves or others, offering unlawful interests to any other person as an incentive, accepting or giving gifts or giving a reception beyond necessity, besides forbidding them to lend their support in the form of money or other benefits, whether directly or indirectly, to political parties, and to donate money or provide financial support to other people or agencies as a channel for paying a bribe. Additionally, the Company has also steadily provided training to all its new employees, while the Internal Audit Office has inspected and made an assessment of the implementation in compliance with the Company's anti-corruption policy.

Communications with Stakeholders and Receiving Complaints

The Company has also arranged for channels to provide convenience to each group of stakeholders to communicate or file a complaint on matters that may cause damage to the Company, acts violating laws, orders, regulations and code of ethics, including frauds and corruption, to its Board of Directors through the Audit Committee, the Company secretary, the Internal Audit Office and Quality Control Centre. The complaints may be directly filed verbally or in writing, sent as a letter via an e-mail or the Company's website. Details of the method of complaint filing can be studied from the Company's policy on a report on corrupt practice clues revealed on its website at www.bangkokinsurance.com.

4. Data Disclosure and Transparency

The Company's Board has given priority to the information disclosure since it is a matter affecting the decision of investors and stakeholders, and thus has had a policy for the Company to disclose both its financial and non-financial data, as defined by the SEC, SET and other government agencies. Data disclosure focuses on transparency, accuracy, completeness and timelessness, through press conferences and the channels of the SET, as well as the Company's annual report and the annual report presentation form (Form 56-1). Additionally, the data is disclosed both in Thai and English via the Company's website, and continually updated for reliability and easy and equal access by shareholders and other related persons. The following is a summary of the significant disclosed data.

1. Disclosure of financial and non-financial data accurately, completely and in time.
2. Preparation for a report on the Board of Directors' responsibility for financial statements.
3. Preparation for a summary report on the policy on good corporate governance, code of corporate conduct, policy on risk management and CSR policy as approved, as well as the consequence of performance based on those policies.
4. Disclosure of audit remuneration and remuneration for other services provided by the auditor.
5. Disclosure of the roles and duties of the Board and sub-committees, numbers of meetings and meeting attendance of each Board director in the previous year.
6. The constant training and development of occupational knowledge of the Board.

7. Data disclosure on the Company's website and updating data listed below.
- (a) The Company's vision and mission.
 - (b) The type of the Company's business transactions.
 - (c) A name list of the Board directors and executives.
 - (d) The Company's financial statements and a report on its operations both at present and of the year before.
 - (e) The annual report presentation form (Form 56-1) and the annual report, which can be downloaded.
 - (f) The shareholding structure of major shareholders and the proportion of shareholding.
 - (g) Invitation letters for shareholders' general meeting.
 - (h) A report on shareholders' general meeting.
 - (i) The Company's rules and regulations.
 - (j) The policy on good corporate governance.
 - (k) The code of ethics for the Company's Board directors and employees.
 - (l) The policy on anti-corruption.
 - (m) The policy on a report on corrupt practices clues (whistle blowing)
 - (n) The organization's structure.
 - (o) The data on contacting sections or persons responsible for Investor Relations work.

4.1 Policy on Good Corporate Governance and Its Implementation Consequences

Throughout 2016, the Company performed in accordance with its policy on good corporate governance, except for the following issues.

1. The Company's Chairman 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 performance of 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 is not an independent director, the ratio of the Company's Board comprises more than half of the Board, giving rise to a concise and transparent checks-and-balance mechanism of the performance.

2. The Company does not limit the number of companies in which its Board directors and senior management members may hold office, including an independent director's consecutive office term, because it is afraid that it will lose an opportunity of getting quality people to sit on the Board. However, the Board has constantly reviewed the number of companies in which each Board member holds office. In the case a Board director's term of office is renewed, the Board has cautiously scrutinized the necessity, as well as his/her skill, experience and specialized expertise benefiting the Company.

4.2 Remuneration for Directors and Management

It has been reported in Remuneration for Directors and Management section in "the Management".

4.3 The Board of Directors' Responsibilities for Financial Statements

The Company's Board of Directors is responsible for the accuracy of the Company's financial statements preparation, which should display details of its financial data sufficiently, transparently and correctly, while significant data is adequately and steadily disclosed in notes of the financial statements in accordance with appropriate accounting standards. The Company's financial statements are audited by a public accountant, certified by the SEC and/or related agencies, as well as verified by the Audit Committee. The Company's Board has also prepared the report on its responsibilities for financial statements in the Company's annual report and the annual report presentation form (Form 56-1).

4.4 Role and Duty Performance of the Board of Directors

The Company reveals the names and history of each Board director, including the roles and duties of the Board of Directors, the Audit Committee, the Corporate Governance Committee and the Remuneration and Nomination Committee, along with details of their duty performance of the previous year in the section "Management Structure", so that the shareholders and the people concerned may know about the knowledge, capabilities, experience and other significant data of the directors, who contribute to the Company's success in its business transactions.

4.5 Investment Relations

Apart from communicating its information through various channels, the Company has established an Investor Relations in charge of communicating the Company's information and data with investors and outsiders, besides treating them equally and fairly, as well as in a well-arranged manner.

In this regard, investors can ask for more investment data at the phone number and 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 "Corporate Social Responsibility" 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 bangkokinsurance.com.

(3) Qualifications of Independent Directors

It has been reported in the section Qualifications and Procedure for Nomination of the Board Directors.

5.2 The Sub-Committee

It has been reported in the section Sub-Committees.

5.3 The Board of Directors' Roles, Duties and Responsibilities

(1) Leadership and Vision of the Board of Directors

The Company's Board of Directors consists of knowledgeable and experienced persons from various fields who are supportive of the Company's administration. All directors take part in cautiously defining, giving approval to and annually reviewing all important vision and policy statements, missions, strategies and business goals of the Company. They also ensure that the Company's management's performance will, as a matter of principle, be presented to the Board of Directors every three months. In addition, the Board also occasionally plays a role in giving approval to the performance guidelines of the various sub-committees, such as the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee. In 2016, the Board had reviewed, improved and approved the Company's vision, missions and strategies.

Exercise of authority in the performance of the Company's Board will strictly and honestly comply with laws, regulations and shareholders' meeting resolutions based on sound morality and rule of conduct. This is to ensure that the Management's performance will ultimately fulfill the Company's goals and generate the utmost benefits for shareholders.

(2) Approval of Policy on Corporate Governance

In 2005, the Board of Directors approved for the first time, in writing, the formulation of the Company's policy on corporate governance, as well as approved the policy modification 6 times. In this regard, the Board has assigned the Company's management to take charge of a follow up of the policy implementation in order to report recommendations to the Corporate Governance Committee for an improvement of the policy in order that it is updated and appropriate for the changing situations, and increasingly has a practice guideline of international standard. In 2016, there was an update of data so that it was in accordance with the laws, practice regulations and principles of good corporate governance that had been improved in conformity with the ASEAN CG Scorecard.

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. In 2016, there was an update of data so that it was in line with a practice guideline on anti-corruption in which the Company had defined an anti-corruption policy.

Details of the Company's code of ethics can be viewed on the Company's website at www.bangkokinsurance.com.

(4) Conflict of Interest

The Company's Board of Directors has taken measures to impede conflicts of interest and the seeking of one's self-interest by defining this as a principle in the rule of conduct for both Board directors and staff. Additionally, the Board has assigned the Audit Committee to oversee and report to it on crossover transactions and those with conflicts of interest. These have been cautiously considered for appropriateness, with honesty, justification and independence based on the defined code of ethics, in the best interests of the Company, all of which is performed in the same manner as transactions made with outsiders. Furthermore, the Audit Committee has also performed in accordance with the SET's criteria in reporting on and disclosing such information each quarter in the Company's annual report and the annual report presentation form (Form 56-1).

- Control over the Use of Insider Information

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

(5) Controlling System, Internal Audit and Risk Management

Observing the important internal controls at both the managerial and operational levels, the Company's Board of Directors has set out the responsibilities of executives and employees in writing, and also requires that the executives assess the adequacy of internal controls at least once a year. Furthermore, the Internal Audit Office is encouraged to work independently, void of any intervention, which will effectively promote internal control systems, leading to transparent administration that goes in compliance with the Company's policy on good corporate governance, which will in turn benefit each group of its stakeholders. Additionally, the Company has established the Compliance Office and the Enterprise Risk Management Division, with the following duties and responsibilities.

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 steadily overseeing and following up the matter.

Enterprise Risk Management Division, which directly reports to the Executive Vice President, is in charge of defining the strategy and guideline for the Company's risk management operation, along with the Risk Management Committee, determining the framework and guideline for risk management, apart from establishing KPIs together with other departments and giving suggestions and recommending steps of risk management operations to the Company's all departments.

Additionally, the Company's Board of Directors has assigned the Risk Management Committee to be responsible for defining the policy on risk management, while such a policy on risk management will be annually presented to the Board for a consideration for approval. Similarly, the Risk Management Committee will follow up the Company's risks so that they are at an acceptable level, including reviewing the sufficiency and efficiency of the Company's performance in line with its policy and procedure on risk management, and communicating with concerned staff for their acknowledgement. The report on risk management consequence to the Board of Directors has to be made at least once a year.

In 2016, the Risk Management Committee had reviewed the policy on risk management and presented it to the Board for a consideration for approval on February 26, 2016, and submitted it to the Office of Insurance Commission (OIC) on March 22, 2016.

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 2016, the Board of Directors' meeting proceeded according to the schedule planned, resulting in the Board members' average meeting attendance of over 80 percent of all the Board's plenary meetings.

(2) **The Consideration of Meeting Agenda Determination** To define the meeting agenda, the Company secretary will compile significant issues to be put on the agenda and propose to the Company's Chairman of the Board of Directors for approval, and then arrange them as the meeting agenda, including other relevant documents to be scrutinized for each agenda. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company secretary.

(3) **The Delivery of Meeting Documents** For the delivery of the Board's meeting documents, the Company secretary will send out meeting invitation letters, including an agenda and other relevant documents, no less than 7 days prior to the date of the meeting, to all the Board members to ensure that they have sufficient time to scrutinize the data before the meeting. In 2016, meeting invitation letters and other relevant documents were submitted to each Board member in time for all meetings.

(4) **The Meeting Procedure** For each meeting, the Chairman of the Board of Directors allows each director to comment and ask questions about business performance, risk management, internal control systems, and all other matters without prescribed time limit. In consideration of agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda. In 2016, the Company had arranged examiners of vote counting at the shareholders' meeting. The Company secretary will report on the minutes of the meeting and the meeting's resolution for the Board's approval at the next meeting. In addition, for each meeting, a meeting report will also be systematically kept by the secretary as a convenient reference or for examination by the Board and other related people.

(5) **The Invitation of Executives for Meeting Attendance** In 2016, for each of the Board of Directors' meetings, senior executives, namely, Director and Chief Executive Officer, Director and President, 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 Chief Executive Officer or secretary for additional explanations and examination of relevant documents.

(7) **The Meeting of Non-Executive Directors** For the meeting of non-executive directors, in 2006, the Board approved a policy encouraging its non-executive directors to convene a meeting among themselves, and assigned the Company secretary to facilitate such a meeting. Nonetheless, through 2016, 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 2016 is given in the section "The Management" with respect to the Board of Directors.

5.5 Procedure on the Determination and Appropriateness of Remuneration

The Company's Board of Directors has a policy to determine the Board directors' remuneration to the amount paid to other listed companies' directors of similar businesses or companies with approximate returns. The Board thus assigns the Remuneration and Nomination Committee to determine the Board directors' remuneration based on the scope of their roles and responsibilities, including the benefits to be derived from them, before proposing it to the shareholders' general meeting for approval. Furthermore, the Remuneration and Nomination Committee has annually made an assessment of the performance of the Company's head of department and senior executives in order to be used for the determination of their remuneration, and presentation to the Board for a consideration for approval.

In 2016, the Remuneration and Nomination Committee had made an evaluation of the performance of the Company's head of department and senior executives and presented it to the Board of Directors for a consideration for approval of the remuneration.

5.6 Development of the Board of Directors and Executives

The Company's Board of Directors has a policy of promoting and supporting directors, executives and other staff, relating to the Company's corporate governance system, to receive regular training with an aim to constantly improve their performance 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.

For 2016, the Company's Board directors had received development and training in the following courses.

Name	Position	Course
1. Miss Potjaneer Thanavaranit	Independent Director and Director of the Audit Committee	<ul style="list-style-type: none"> - Driving Company Success with IT Governance (ITG), Class 2/2016 - CG Forum 2/2016 entitled "Honesty, Cautiousness - A Shield Protecting Board Directors"
2. Tdvc Col. Plengsakdi Prakaspesat	Independent Director and Chairman of the Audit Committee	<ul style="list-style-type: none"> - The UK Experience on Implementing the Enhanced Auditor Reporting

INTERNAL CONTROL AND RISK MANAGEMENT

1. Internal Control System

The Company has established an efficient and effective internal control and risk management system. The Company's Board of Directors and management have duties and responsibilities for arranging and preserving an internal control and risk management system which enables the Company's operating performance to fulfill its established goals and objectives.

The meeting of the Board of Directors (No.4/2016) held on November 11, 2016, 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. Vichien Moleewon, whose qualifications the Audit Committee is of the opinion that are proper to perform his work efficiently, while the Company's Head of Compliance Office is under the supervision of Miss Umaporn Hualbuttar.

An appointment, dismissal or transfer of the Company's head of Internal Audit Office must be approved by the Audit Committee. Detailed data on the qualifications of the Company's head of Internal Audit Office and Compliance Office are as follows:

Details of the Qualifications of the Company's Head of Internal Audit Office

Mr. Vichien Moleewon

Department	Internal Audit Office
Position	First Vice President
Education	B.B.A., Ramkhamhaeng University
Work Experiences	<ul style="list-style-type: none"> - First Vice President, Internal Audit Office Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present) - Vice President, Internal Audit Office Bangkok Insurance Public Co., Ltd. (May - Dec 2015) - Vice President, Compliance Office Bangkok Insurance Public Co., Ltd. (2014 - May 2015) - Head of Compliance and Enterprise Risk Management Bangkok Insurance Public Co., Ltd. (2007 - 2014)
Training	<ul style="list-style-type: none"> - Anti-Corruption: The Practical Guide - Integrated Risk Management & Strategy - Investment Strategy for Insurance Business - GRC: Governance Risk Compliance

Details of the Qualifications of the Company's Head of Compliance Office

Miss Umaporn Hualbuttar

Department	Compliance Office
Position	Vice President
Education	<ul style="list-style-type: none"> - B.Ac., Chulalongkorn University - M.P.P.M., National Institute of Development Administration - Certificate of Computer English Program, Sukhothai Thammathirat University - Certified Professional Internal Auditor (CPIA)
Work Experiences	<ul style="list-style-type: none"> - Vice President, Compliance Office Bangkok Insurance Public Co., Ltd. (2015 - present) - Vice President, Organization Risk Management Bangkok Insurance Public Co., Ltd. (2015 - present) - Vice President, Operations Audit Bangkok Insurance Public Co., Ltd. (2014 - 2015) - Head of Operations Audit Bangkok Insurance Public Co., Ltd. (2007 - 2014) - Assistant Vice President, Internal Audit Department Bangkok Insurance Public Co., Ltd. (2004 - 2006)
Training	<ul style="list-style-type: none"> - Governance as a driving force for business sustainability - Risk Oversight: High Priority of the Board - KPI KRI and KCI and Risk Management - Risk & Capital Management - Organization Risk Management - Anti-Money Laundering and Anti-Financial Support of Terrorism for Concerned Officials

GENERAL INFORMATION

Name of Company	Bangkok Insurance Public Co., Ltd.
Registration No.	0107536000625
Established	1947
Principal Lines of Business	Non-Life Insurance
Accounting Period Ended	December 31, 2016
Location : Head Office	Bangkok Insurance Building 25 Sathon Tai Road, Bangkok 10120 Tel. 0 2285 8888 Fax: 0 2610 2100 Accident Notification Tel. 1620 www.bangkokinsurance.com

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Chachoengsao

665/7 Suk Prayoon Road, Na Mueang, Mueang Chachoengsao, Chachoengsao 24000
Tel. 0 3898 1389-91 Fax: 0 3898 1397

Chanthaburi

555/7-8 Moo 5, Raksakchamun Road, Tha Chang, Mueang Chanthaburi, Chanthaburi 22000
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Chiang Mai

102 Chiang Mai - Lampang Road, Chang Phueak, Mueang Chiang Mai, Chiang Mai 50300
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124/9 Moo 4, Rim Kok, Mueang Chiang Rai, Chiang Rai 57100
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209/21-22 Moo 3, Phraya Satcha Road, Samet, Mueang Chonburi, Chonburi 20000
Tel. 0 3312 3545 Fax: 0 3312 3592

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168/1-2 Moo 5, Wang Phai, Mueang Chumphon, Chumphon 86000
Tel. 0 7765 8734-7 Fax: 0 7765 8738

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 3252 2090-4, 0 3252 2099 Fax: 0 3252 2099

Kanchanaburi

591, 593 Saeng Chuto Tai Road, Pak Praek, Mueang Kanchanaburi, Kanchanaburi 71000
Tel. 0 3451 7565 Fax: 0 3451 3391

Kanchanaphisek

9/30 Moo 8, Kanchanaphisek Road, Bang Phai, Bang Khae, Bangkok 10160
Tel. 0 2865 3300 Fax: 0 2865 3311

Khon Kaen

345 Moo 4, Prachasamosorn Road, Nai Mueang, Mueang Khon Kaen, Khon Kaen 40000
Tel. 0 4324 1090-4 Fax: 0 4324 1095

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 4261 4245 Fax: 0 4261 4249

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 4424 5288-93 Fax: 0 4424 5500

Nakhon Sawan

49/52-53 Moo 5, Krairat Road, Nakhon Sawan Tok, Mueang Nakhon Sawan, Nakhon Sawan 60000
Tel. 0 5688 2341-5 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 7577 4636-9 Fax: 0 7577 4640

Pattaya

131/27-28 Moo 9, Sukhumvit Road, Nong Prue, Bang Lamung, Chonburi 20150
Tel. 0 3841 1213-8 Fax: 0 3842 5209

Phra Nakhon Si Ayutthaya

138/5-6 Moo 3, Phai Ling, Phra Nakhon Si Ayutthaya 13000
Tel. 0 3532 3191 Fax: 0 3532 3173

Phitsanulok

362/19 Moo 3, Mittraphab Road, Aranyik, Mueang Phitsanulok, Phitsanulok 65000
Tel. 0 5530 4291-5 Fax: 0 5530 4296

Phuket

101/9 Moo 1, Chalerm Prakiat Rama IX Road, Kathu, Phuket 83120
Tel. 0 7630 4055-8 Fax: 0 7630 4059

Rangsit

52/18 Moo 2, Rangsit - Pathum Thani Road, Bang Phun, Mueang Pathum Thani, Pathum Thani 12000
Tel. 0 2567 1121 Fax: 0 2567 2180

Ratchaburi

159/27-28 Phetkasem Road, Na Mueang, Mueang Ratchaburi, Ratchaburi 70000
Tel. 0 3232 8016 Fax: 0 3232 8017

Rayong

313/6-7 Moo 5, Sukhumvit Road (Bypass 36), Choengnoen, Mueang Rayong, Rayong 21000
Tel. 0 3891 5818, 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 4351 2521-4 Fax: 0 4351 2530

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, Makham Tia, Mueang Surat Thani, Surat Thani 84000
Tel. 0 7727 3806-9 Fax: 0 7727 3805

Surin

369/1-2 Moo 16, Salakdai, Mueang Surin, Surin 32000
Tel. 0 4455 8620-1, 0 4455 8654-5, 0 4455 8661-2 Fax: 0 4455 8662

Trang

50/17-18 Moo 10, 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 4531 2081-4 Fax: 0 4531 2085

Udon Thani

154/6 Moo 2, Na Di, Mueang Udon Thani, Udon Thani 41000
Tel. 0 4293 1585-7, 0 4293 1609 Fax: 0 4293 1610

Uttaradit

2/48-49 Charoentham Road, Tha It, Mueang Uttaradit, Uttaradit 53000
Tel. 0 5541 6560-3 Fax: 0 5541 6564

Micro Branches

Kaset - Nawamin

111/19 Moo 4, Soi Prasert Manukitch 23, 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

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

The Boutique 171/1, Suksawat 1 Road, Phra Bat, Mueang Lampang, Lampang 52000
Accident Notification: 1620

Lop Buri

JRD Grand Place Part., Ltd., 109/3 Moo 3, Pa Tan, Mueang Lop Buri, Lop Buri 15000
Accident Notification: 1620

Narathiwat

Bangkok Insurance Public Co., Ltd., Agent Office, 366 Phichit Bamrung Road, Bang Nak, Mueang Narathiwat, Narathiwat 96000
Accident Notification: 1620

Pattani

Bangkok Insurance Public Co., Ltd., Agent Office, 7/39 Nong Chik Road, Sabarang, Mueang Pattani, Pattani 94000
Accident Notification: 1620

Pran Buri

Bangkok Insurance Public Co., Ltd., Agent Office, 267 Moo 12, Phetkasem Road, Nong Ta Taem, Pran Buri, Prachuap Khiri Khan 77120
Accident Notification: 1620

Ranong

Ranong River View, 116/27 Moo2, Bangrin, Mueang Ranong, Ranong 85000
Accident Notification: 1620

BKI Care Station

CentralFestival Phuket 2nd Floor

Tel. 0 7624 8084, 08 1737 0053
Fax: 0 7624 8084

CentralPlaza Chaengwattana 3rd Floor

Tel. 0 2835 3261, 08 1833 6402
Fax: 0 2835 3261

CentralPlaza Chiang Rai 2nd Floor

Tel. 0 5317 9841, 08 1702 0610
Fax: 0 5317 9841

CentralPlaza Chonburi 1st Floor

Tel. 0 3805 3947, 08 1934 4416
Fax: 0 3805 3947

CentralPlaza Grand Rama IX 5th Floor

Tel. 0 2160 3808, 09 0197 3925
Fax: 0 2160 3808

CentralPlaza Khon Kaen 2nd Floor

Tel. 0 4328 8136, 08 5485 7593
Fax: 0 4328 8136

CentralPlaza Lardprao 2nd Floor

Tel. 0 2937 0187, 08 1172 9459
Fax: 0 2937 0187

CentralPlaza Phitsanulok 3rd Floor

Tel. 0 5533 8485, 09 0197 3924
Fax: 0 5533 8485

CentralPlaza Pinklao 4th Floor

Tel. 0 2884 8282, 08 4751 7179
Fax: 0 2884 8282

CentralPlaza RAMA II 3rd Floor

Tel. 0 2872 4060, 08 1373 8400
Fax: 0 2872 4060

CentralPlaza RAMA III 4th Floor

Tel. 0 2673 5512, 08 9967 7455
Fax: 0 2673 5512

CentralPlaza Ramindra G Floor

Tel. 0 2970 5726, 08 4360 7400
Fax: 0 2970 5726

CentralPlaza Rattanathibet 2nd Floor

Tel. 0 2525 4566, 08 1875 0203
Fax: 0 2525 4566

CentralPlaza Surat Thani 3rd Floor

Tel. 0 7760 2705, 08 1902 4875
Fax: 0 7760 2705

CentralPlaza Ubon Ratchathani 3rd Floor

Tel. 0 4542 2400, 08 1172 9608
Fax: 0 4542 2400

CentralPlaza Udon Thani 3rd Floor

Tel. 0 4292 1473, 08 4388 3129
Fax: 0 4292 1473

Central World 4th Floor

Tel. 0 2646 1850, 08 1833 6254
Fax: 0 2646 1850

Fashion Island 1st Floor

Tel. 0 2947 5670, 08 1373 7951
Fax: 0 2947 5670

Future Park Rangsit BF Floor

Tel. 0 2958 0787, 08 1832 7767
Fax: 0 2958 0787

Paradise Park 2nd Floor

Tel. 0 2746 0315, 08 5485 7592
Fax: 0 2746 0315

Silom Complex 4th Floor

Tel. 0 2632 0194, 08 9204 9798
Fax: 0 2632 0194

The Mall Bangkhae 3rd Floor

Tel. 0 2454 5348, 08 4360 7375
Fax: 0 2454 5348

The Mall Bangkok 1st Floor

Tel. 0 2363 3157, 08 4874 3926
Fax: 0 2363 3157

The Mall Ngamwongwan 2nd Floor

Tel. 0 2550 1327, 08 9967 7451
Fax: 0 2550 1327

The Mall Thapra 1st Floor

Tel. 0 2477 7013, 08 4360 7380
Fax: 0 2477 7013

LINES OF BUSINESS

Fire Insurance

- Fire Insurance
- Leasehold Insurance
- Business Interruption Fire Insurance
- Fire Dwelling House Insurance Policy (Microinsurance)

Marine Insurance

- Marine Cargo Insurance
- Marine Hull Insurance
- Carriers' Liability Insurance

Motor Insurance

- Compulsory Motor Insurance
- Voluntary Motor Insurance

Miscellaneous Insurance

Personal 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)
- Travel Accident for Tour Operators and Guides Insurance
- Personal Accident Boat Insurance
- PA 200 (Microinsurance)
- Cancer Plus Personal Accident Insurance

Property Insurance

- Industrial All Risks Insurance
- Burglary Insurance
- All Risks Insurance
- Plate Glass Insurance
- Money Insurance
- Neon-Sign Insurance
- Jewelry Block Insurance
- Terrorism Insurance
- Gold Shop Insurance
- Political Violence for Property Insurance Policy
- Extended Warranty Insurance
- Motorcycle Insurance

Engineering Insurance

- Contract Works Insurance
- Erection All Risks Insurance
- Boiler & Pressure Vessel Insurance
- Electronic Equipment Insurance
- Contractors' Plant and Equipment Insurance
- Machinery Breakdown Insurance

Liability Insurance

- Public Liability Insurance
- Employer's Liability Insurance
- Medical Malpractice Liability Insurance
- Medical Malpractice Insurance (Institution)
- Professional Liability Insurance Architects and Engineers
- Directors and Officers Liability Insurance
- Workmen's Compensation Insurance
- General Public Liability Insurance for the Controlled Business Category 3
- Building Inspector Insurance Policy
- Legal Liability Insurance from Unsafe Product
- Transportation of Hazard Material Liability Insurance

Other Insurance

- Fidelity Guarantee Insurance
- Bail Bond Insurance
- Trade Credit Insurance
- Event Cancellation Insurance
- Home Multicover Insurance
- Golfer's Indemnity Insurance
- Shop Multicover Insurance
- Aircraft Hull, Spares & Liability Insurance
- Aviation Personal Accident Insurance
- Surety Bond Insurance
- Motor Accident Compensation Insurance

OTHER REFERENCE PERSONS

Securities Registra

Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building,
Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Tel. 0 2009 9000
Fax: 0 2009 9991
SET Contact Center: : 0 2009 9999
email: SETContactCenter@set.or.th
www.set.or.th/tsd

Trustee

-None-

Auditor

Miss Rachada Yongsawadvanich
Certified Public Accountant (Thailand) No. 4951
EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Ratchadaphisek Road,
Klongtoey, Bangkok 10110
Tel. 0 2264 0777
Fax: 0 2264 0789-90
email: ernstyoung.thailand@th.ey.com
www.ey.com

Legal Adviser

Manukit Law Office
59/6 Suapa Road, Bangkok 10100
Tel. 0 2221 3466
Fax: 0 2221 3191

Financial Adviser

-None-

Principal Financial Institution

Bangkok Bank Public Co., Ltd.



Bangkok Insurance Building 25 Sathon Tai Road, Bangkok 10120
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