Minutes of the 2014 Annual General Meeting of Shareholders
Of The SCB Life Assurance Public Company Limited
Held on Friday 25 April 2014
at Lert Wanalai Ballroom, Swissôtel Nai Lert Park,
No. 2 Wireless Road, Khet Pathumwan, Bangkok

Khunying Jada Wattanasiritham, Chairman of the Board of Directors, presided as the Chairman of the meeting. The directors, executives, and auditor who attended the meeting are as follows:

Eleven directors who attended the meeting were:

1. Khunying Jada Wattanasiritham  Chairman of the Board and Independent Director
2. Mr. Yol Phokasub  Vice Chairman of the Board
3. Mr. Utid Tamwatin  Independent Director, Chairman of the Audit Committee, and Member of the Nomination, Compensation and Corporate Governance Committee
4. Mr. Weerawong Chittmittrapap  Independent Director, Chairman of the Nomination, Compensation and Corporate Governance Committee, and Member of the Audit Committee
5. Mr. Arthid Nanthawithaya  Director and Chairman of the Investment Committee
6. Miss Amornthip Chansrichawla  Independent Director and Member of the Audit Committee
7. Mr. Verachai Tantikulwa  Director and Member of the Nomination, Compensation and Corporate Governance Committee
8. Mr. Deepak Sarup  Director and Member of the Investment Committee
9. Mr. Narong Srichukrin  Director
10. Miss Phanporn Kongyingyong  Director
11. Mr. Vipon Vorasowharid  Managing Director, Chairman of the Risk Management Committee, and Member of the Investment Committee

Five senior executives who attended the meeting were:

1. Mr. Lee Tse Tiong  Chief Financial Officer
2. Miss Pornpimon Trongtiengdham  Executive Vice President (SCB Business Group)
3. Mr. Krit Chitrakritapawong (Acting) Executive Vice President (Special Markets Business Group)
4. Mr. Pongchai Koohachaiskun  Executive Vice President (Life Insurance Administration Group)
5. Miss Apiwan Chatrapongporn  Executive Vice President (Marketing Group)

The auditor from KPMG Phoomchai Audit Limited was:
Mr. Supot Singhasaneh  License no. 2826

The Chairman expressed her appreciation to the shareholders for attending the meeting and informed the meeting that 77 shareholders were present in person and by proxy, altogether holding 63,557,047 shares equivalent to 95.57 percent of the total issued shares, thus constituting a quorum of the meeting pursuant to the Articles of Association of the Company. The Chairman then declared the 2014 Annual General Meeting of Shareholders open.

The meeting was commenced at 14:00 hours.

The Chairman introduced to the meeting the directors, the senior executives, and an auditor, who attended this meeting, and also informed the meeting that SCG Legal Counsel Limited was assigned by the Company to review and inspect the accuracy of proxy appointment, quorum and vote casting of this meeting.
The Chairman asked the Company Secretary (Mrs. Siribunchong Uthayophas) to inform the meeting the procedural guidelines applied as the rules for vote casting on each agenda, which could be summarized as follows:

- According to Article 48 of the Company's Articles of Association, a decision or resolution of the shareholders meeting shall be made by voting, and one share shall be counted as one vote notwithstanding the manner of voting.
- Shareholders, who wish to disapprove or abstain their voting in any agenda item, must, on an agenda item by item basis, identify themselves by raising their hands after the Chairman asked whether there is any shareholder who wishes to disapprove or abstain the vote (as the case may be) so that the Company's officers will then collect the ballots from such shareholders and record the number of votes contained therein. It will be deemed that shareholders, who fail to raise their hands or deliver the ballots to the Company’s officers, cast their approval votes on such item of agenda.
- In the event where a shareholder appoints a proxy to attend and vote on its behalf pursuant to its intention to vote for approval, disapproval, or abstention as marked in the proxy form for the relevant agenda item, the Company will not hand over the ballots to the proxy in respect of such agenda item because the Company has already recorded such votes as marked or specified by the shareholder in advance in the proxy form.
- The vote counting in each agenda item in this meeting could be divided into 2 categories according to the Public Limited Companies Act, B.E. 2535 (A.D. 1992) as follows:
  1. In the event of an agenda item for which a simple majority vote of the shareholders who attend the meeting and cast their votes is required, which are agenda nos. 1, 3, 4, 6 and 7, only the number of approval and disapproval votes cast by the shareholders will be applied as the base number of votes for calculation purpose excluding the number of abstention votes.
  2. In the event of an agenda item for which a vote of not less than two-thirds of the total number of votes of shareholders who attend the meeting is required, which is agenda no. 5, the total number of votes of the shareholders who attend the meeting will be applied as the base number of votes for calculation purpose in where all of the approval, disapproval, and abstention votes will be included.

In this regard, the total number of shareholders or proxies in each agenda item may vary since some shareholders or proxies may attend the meeting late or leave early.

The Chairman then proposed to the meeting to consider the matters on the following agenda:

**Agenda No. 1 To consider and adopt the Minutes of the 2013 Annual General Meeting of Shareholders held on 26 April 2013**

The Chairman requested the meeting of shareholders to consider and adopt the Minutes of the 2013 Annual General Meeting of Shareholders held on 26 April 2013, the copy of which was submitted to all shareholders together with the Notice of the 2014 Annual General Meeting of Shareholders (pages 7 – 30). There was no shareholder posing any question or proposing any amendment.

The Chairman then proposed to the meeting to adopt the Minutes of the 2013 Annual General Meeting of Shareholders held on 26 April 2013.
After due consideration, the meeting, with the unanimous votes of the shareholders who attended the meeting and cast their votes, resolved that the Minutes of the 2013 Annual General Meeting of Shareholders held on 26 April 2013 be adopted pursuant to the following numbers of votes:

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<thead>
<tr>
<th></th>
<th>Votes</th>
<th>Equivalent To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval votes</td>
<td>63,568,810</td>
<td>100.00%</td>
</tr>
<tr>
<td>Disapproval votes</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Abstention votes</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Thereafter, the Chairman informed the meeting that in the following meetings of shareholders, there would not be an agenda item for adoption of minutes of the previous shareholder meeting since any resolution passed in the meeting is legally effective immediately upon the end of such meeting without having to propose to the shareholders for adoption in the next meeting. Furthermore, there is no requirement under any applicable law that the Company has to obtain a resolution passed for adoption of the previous shareholder meeting. In this regard, the minutes of the meeting would be disseminated and made available to the shareholders at the Company’s website within 14 days from the meeting date, which the shareholders may inquire or give any comment thereon through the Company Secretary. Additionally, copies of the minutes of the previous shareholders meeting would be submitted to be used as reference to all shareholders together with the notice of the following shareholders meeting.

**Agenda No. 2 To acknowledge the Annual Report of the Board of Directors**

The Chairman requested the meeting of shareholders to consider the published Annual Report of the Board of Directors, comprising the report of the Company’s operational results in the financial year 2013 and other important information, as shown in the Company’s Annual Report which had been distributed to the shareholders together with the notice for calling this meeting. In light of this, the Chairman asked the Managing Director (Mr. Vipon Vorasowharid) to present the 2013 performance, which could be summarized as follows:

The Managing Director reported that the Company ended 2013 as No. 4 of the life insurance industry in terms of its total year premiums which stood at Baht 45,496 million, representing a 9% growth, and achieved a market share of 10.3 percent. The Company was among top-3 leaders in the market in terms of its new business premiums which stood at Baht 18,233 million, decreasing 2 percent from the previous year and representing a market share of 12.3 percent.

The Company’s total year premiums had consistently grown by more than 53 times in the past 13 years from Baht 843 million in 2000 to Baht 45,469 million in 2013. The bancassurance channel accounted for 86% of the total premiums, increasing 8 percent year-on-year while the total year premiums from the agency and special market channels were 8 percent (14 percent growth), and 6 percent (3 percent growth), respectively. The new business premiums had grown 60 times in the past 13 years. In 2013, new business premiums from the bancassurance, agency and special market channels accounted for 92 percent (2 percent decrease), 5 percent (26 percent growth), and 3 percent (34 percent decrease), respectively. The negative growth of 2 percent in 2013 new business premiums was attributable to the Company’s decision to slow down its efforts on life insurance products with short-term payment plans offered in 2012 and focus more on life insurance products with longer payment terms which offered more attractive long-term returns.
Overall, the profitability of each distribution channel remained strong, particularly the agency channel despite an agent decrease. A key contributor to the success was the Company’s agency transformation which resulted in better growth of the agency channel. With respect to special market channel, as it was small, the Company must be very careful with the selection of business deals. The Company decided to slow down the businesses which presented high risks such as group insurance.

The Company’s 2014 strategic directions:
- Customer centricity: The competition in the life insurance business had intensified and customer insight was a key to business success as the market leader. The Company would move forward as a customer centric organization and increase its product excellence to meet the customers’ actual needs for every life stage.
- Multi-distribution channels: The Company aspired to achieve excellence in distribution and utilize channels presented in SCB’s various customers and businesses such as deposit and loan businesses. The Company also aimed to drive growth of the agency channel, focusing on improving agent service quality rather than expanding the agency network.
- Seamless operations: The Company was committed to achieving operational excellence by enhancing its services and systems and concurrently minimizing costs in order to achieve the highest level of returns and customer satisfaction.

There were shareholders raising questions, and the Managing Director clarified as follows:

1. A shareholder inquired about the performance of the short-term product offered via the bancassurance channel which the Company decided to slow down.

   The Managing Director explained that the short-term product distributed via the bancassurance channel in 2012 was called the 1/1 plan which offered 1-year payment term and 1-year protection. The product’s features were almost similar to deposit products and its margin was rather thin. Even though the product did not cause loss, it was not profitable in the long run. Therefore, the Company decided to slow down the product sale.

2. A shareholder requested information about the number of active agents of the Company and asked whether the sales growth was driven by an increasing number of agents or higher sales per agent.

   The Managing Director answered that in 2011 the Company had approximately 8,000 agents and 15 percent of them were active agents. In 2012, the number of agents decreased to around 3,000 and active agents accounted for 40 percent of total agents. Despite the decrease, the total sales were close to those of 2011. The fact indicated that the ratio of active agents and the sales per agent increased.

3. A shareholder inquired about the micro-insurance performance in 2013 and the level of associated risks.

   The Managing Director explained that micro-insurance program was initiated in response to the government’s attempt to promote wider access to basic life insurance. Micro-insurance was not the Company’s core business but should be beneficial for the Company in the long run as it would help the public familiarize with the Company’s life insurance products. The Company was only a participant in the micro-insurance promotion campaign led by the government representatives. In addition, the products were improved to lessen associated risks.

4. A shareholder inquired about advantages and disadvantages of life insurance products with no medical examination for the Company.
The Managing Director explained that generally the premiums of life insurance without health examination were more expensive than the premiums of life insurance with medical examination because health examination helped screen buyers’ qualifications. In this regard, the non-medical examination feature was typically offered by only life insurance products which had low risks and waiting period on condition that insurance buyers would be entitled to receive only the premium plus its interest if they were diagnosed with certain diseases during the waiting period.

5. A shareholder asked whether the Company had a plan to launch new products with higher profit margins like other life insurers or to partner with other life insurers in profit sharing programs.

The Managing Director responded that the Company would not venture in businesses presenting high loss ratio because the Company treated shareholder return as a top priority and aimed to optimize margin rather than maximizing margin. Effective management of 3 combinations which were risks, investments and costs was a key to success. In addition, to grow sustainably, it was essential for the Company to balance the benefits of the Company and its customers.

Since there was no further question raised by any shareholder, the Chairman then proposed to the meeting of shareholders to acknowledge the Annual Report of the Board of Directors without having to pass resolution.

The meeting acknowledged the Annual Report of the Board of Directors as proposed.

**Agenda No. 3 To consider and approve the financial statements for the year ended 31 December 2013**

The Chairman proposed the meeting of shareholders to consider and approve the Company’s financial statements for the year ended 31 December 2013 as shown in the Annual Report, which had already been audited by the auditors, and distributed to the shareholders together with the notice for calling this meeting. The Chairman then asked the Chief Financial Officer (Mr. Lee Tse Tiong) to present the financial statements for the year ended 31 December 2013, which could be summarized as follows:

The Chief Financial Officer provided explanations as follows:

- **Statements of financial positions as of 31 December 2013**: The Company recorded the total assets of Baht 140.6 billion, increasing 21 percent year-on-year. The asset portfolio was mainly comprised of investment assets which totaled Baht 131.1 billion (24 percent growth). With respect to total liabilities and equity, life insurance liabilities were major expenses and totaled Baht 125.5 billion (increasing 24 percent) while the shareholders’ equity stood at Baht 11.5 billion (increasing 4 percent).

- **Statement of comprehensive income for 2013**: The Company’s income totaled Baht 51.5 billion, increasing 11 percent year-on-year. Net life premium income was Baht 45.0 billion (8 percent growth) while investment income plus other income amounted to Baht 6.5 billion (34 percent growth). The Company’s total expenses were Baht 45.6 billion, of which Baht 43.0 billion (an increase of 9 percent) were insurance expenses and Baht 2.6 billion (an increase of 9 percent) were operating expenses and contributions paid to the Office of Insurance Commission (OIC).
• Key Financial Highlights

<table>
<thead>
<tr>
<th>Item</th>
<th>2013</th>
<th>2012</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit after tax (Million Baht)</td>
<td>4,734</td>
<td>3,447</td>
<td>37</td>
</tr>
<tr>
<td>Earning per share (Baht)</td>
<td>71.2</td>
<td>51.8</td>
<td>37</td>
</tr>
<tr>
<td>Book value per share (Baht)</td>
<td>172.6</td>
<td>165.9</td>
<td>4</td>
</tr>
<tr>
<td>Return on Equity (ROE) (%)</td>
<td>42</td>
<td>36</td>
<td>Change 6%</td>
</tr>
<tr>
<td>Capital Adequacy Ratio (CAR) (%)</td>
<td>282</td>
<td>294</td>
<td>Change (11%)</td>
</tr>
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</table>

There were shareholders raising questions, and the Chairman, the Managing Director, and the Chief Financial Officer jointly clarified as follows:

1. A shareholder asked why the Company’s Capital Adequacy Ratio (CAR) dropped from 296 percent as of the end of Q3/2013 to 282 percent at the end of 2013 even before the dividend payment.

   The Chief Financial Officer clarified that the decreasing CAR was caused by mark-to-market losses on the Company’s investments.

   The Chairman added that, from another angle, the CAR decrease was attributable to the concurrence in the Company’s asset size and the decreasing capital caused by mark-to-market losses of the equity portfolio.

   The Managing Director explained that the Company’s CAR, though fell to 282 percent, was still higher than the OIC’s minimum requirement which was set at 100 percent. The Company’s internal risk appetite was set at a conservative level of 225 percent.

2. A shareholder questioned whether the exceptional increase in policy benefit expense of Q4/2013 resulted from the insurance product sold in 2012 and whether 2014 would see the high policy benefit expense as Q4/2013.

   The Managing Director responded that the increase in the policy benefit expense seen in Q4/2013 was partly driven by the policy benefit worth approximately Baht 3 billion of the maturing 1/1 insurance product which was offered in 2012. The Company already set aside reserve for the expense which was a known factor. As mentioned earlier, the Company decided to slow down the 1/1 product.

Since there was no further question raised by any shareholder, the Chairman then proposed to the meeting of shareholders to approve the financial statements for the year ended 31 December 2013 as per the details above.

After due consideration, the meeting of shareholders, with the unanimous votes of the shareholders who attended the meeting and cast their votes, resolved that the financial statements for the year ended 31 December 2013 be approved pursuant to the following number of votes:

| Approval votes | 63,599,673 | equivalent to 100.00% |
| Disapproval votes | 0 | equivalent to 0.00% |
| Abstention votes  | 0 |
Agenda No. 4 To consider and approve the allocation of profit from the Company’s operational results for the year 2013 and the dividend payment

The Chairman informed the meeting that, according to the Company’s financial statements, the Company had net profit for the year end 31 December 2013 in the amount of Baht 4,734 million and has no accumulated loss. Therefore, the Company can pay dividend to the shareholders pursuant to Section 115 of the Public Limited Companies Act, B.E.2535 (A.D. 1992) and Article 56 of the Company’s Articles of Association.

In this connection, the Company has a policy to pay dividend in any year in which the Company reports a profit without accumulated loss and after setting aside all statutory and other reserves, provided that it is able to maintain adequate capital funds both in compliance with regulatory requirements and in order to meet the capital needs arising from the prevailing economic environment and/or business opportunities in the period ahead. For the past 2 years, dividend payments in comparison with those being proposed for 2013, are as follows:

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<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit (Million Baht)</td>
<td>4,734</td>
<td>3,447</td>
<td>2,499</td>
</tr>
<tr>
<td>Dividend (Baht/Share)</td>
<td>35.60</td>
<td>45.11</td>
<td>30.00</td>
</tr>
<tr>
<td>Total Dividend Payment (Million Baht)</td>
<td>2,367</td>
<td>3,000</td>
<td>1,995</td>
</tr>
<tr>
<td>Dividend Pay-out Ratio (% of net profit)</td>
<td>50.0</td>
<td>87.0</td>
<td>79.8</td>
</tr>
</tbody>
</table>

Remarks: 1. The dividend paid in 2012 was an interim dividend from operational results of the 9-month-period ended 30 September 2012.
2. Net profit of 2012 has been restated under the financial reporting standard enforced in the 2013 accounting period.

After due consideration the Board proposed the meeting of shareholders to consider and approve the dividend payment from the Company’s operational results in year 2013 to holders of ordinary shares at the rate of Baht 35.60 per share amounting to a total of Baht 2,367 million, which is equivalent to the pay-out ratio of 50 percent.

Such payment of dividend will be made only to the shareholders whose names appear in the shareholder register book as of the date on which the list of shareholders entitled to dividend are determined, which is 9 May 2014. The list of shareholders shall be collected in accordance with Section 225 of the Securities and Exchange Act, B.E. 2535 (A.D. 1992) by closing the shareholders register book for suspension of share transfer on 12 May 2014. The dividend payment shall be made on 23 May 2014. In this regard, the Office of Insurance Commission (OIC) has already granted permission of the dividend payment at the specified amount.

There were shareholders raising questions and giving comments, and the Chairman and the Managing Director jointly made clarification as follows:

1. A shareholder asked why this year’s dividend payment rate was inferior to that of the prior year and whether it was because the Company partially earmarked earnings for other undertakings.

The Chairman explained that, according to the Company’s policy as stated earlier, the dividend payment rate was based on Thailand’s overall economic conditions and the Company’s business imperatives. The Company’s dividend rate represented 50 percent of its net profit and was above the market average which ranged from 20-25 percent of net profit. The Company’s dividend rates in the prior 2 years, when there was a change in the Company’s major shareholder, were considered exceptionally high after several years of non-payment of dividend.

The Managing Director added that the Company’s dividend rate was also subject to prior approval from the OIC. Applicable consideration criteria of the OIC included, for example, adequacy of the Company’s investment reserve and the Company’s long-term business strategy.
2. A shareholder shared that some companies separated their dividends into normal dividend and special dividend. Special dividend was distributed when the Company wanted to pay dividend at rates higher than those specified in their dividend policies. By this means, the companies could signal their shareholders that sustained increase of dividend at exceptional rates should not be expected for subsequent years.

The Chairman thanked the shareholder for the suggestions and mentioned that the Company would deliberate on the approach.

As there was no further question raised by any shareholder, the Chairman then proposed to the meeting of shareholders to approve the dividend payment from the 2013 operational results as per the details above.

After due consideration, the meeting of shareholders, with the unanimous votes of the shareholders who attended the meeting and cast their votes, resolved that such dividend payment from the 2013 operational results be approved pursuant to the following number of votes:

<table>
<thead>
<tr>
<th>Approval votes</th>
<th>63,599,673</th>
<th>equivalent to 100.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disapproval votes</td>
<td>0</td>
<td>equivalent to 0.00%</td>
</tr>
<tr>
<td>Abstention votes</td>
<td>0</td>
<td></td>
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**Agenda No. 5  To consider and approve the directors’ remuneration for the year 2014 and the directors’ bonus based on the year 2013 operational results.**

The Chairman informed the meeting that the Board assigned the Nomination, Compensation and Corporate Governance Committee to consider the directors’ remuneration for the year 2014, and the director’s bonus based on the year 2013 operational results in order to propose to shareholders meeting. Chairman of the Nomination, Compensation and Corporate Governance Committee (Mr. Weerawong Chittmittrapap) was therefore requested to give presentation to the meeting.

Chairman of the Nomination, Compensation and Corporate Governance Committee then proposed to the meeting of shareholders to consider and approve 3 categories of the directors’ remuneration for 2014, i.e. remuneration of directors, remuneration of members of the Board Committees for 2014, and the director’s bonus based on the 2013 operational results as per the following details:

1. **2014 Remuneration of Directors:** proposed the same rates as those of the present, i.e. Baht 240,000 per director per year (Baht 20,000 each per month), and, in case of the Chairman of the Board, Baht 480,000 per year (Baht 40,000 per month), to be paid monthly.

2. **2014 Remuneration of Board Committee Members:**
   2.1 **The Audit Committee:** proposed the same rates as those of the present as follows:
      Monthly Fee:
      - Chairman: Baht 30,000 per month
      - Member: Baht 15,000 per month per member

   2.2 **The Nomination, Compensation and Corporate Governance Committee:** proposed the same rates as those of the present as follows:
      Monthly Fee:
      - Chairman: Baht 16,000 per month
      - Member: Baht 12,000 per month per member
2.3 The Investment Committee: proposed the same rates as those of the present as follows:
   Monthly Fee:
   o Chairman  Baht 20,000 per month
   o Member     Baht 10,000 per month per member

3. Directors’ bonus for 2013 operational results:
   o Chairman  Baht 550,000 (increased by Baht 50,000 from the previous year)
   o Member     Baht 330,000 (increased by Baht 30,000 from the previous year)

The directors representing The Siam Commercial Bank Public Company Limited, the major shareholder of the Company, waive theirs rights to the aforesaid directors’ remuneration and bonus in accordance with the Bank’s policy.

In this connection, the Board of Directors had considered and concurred with the Nomination, Compensation and Corporate Governance Committee’s recommendation that the meeting of shareholders should consider and approve the rates of remuneration of members of the Board and the Board’s committees for the year 2014 and director bonus based on the year 2013 operational results as recommended since they are appropriate and reflect duties and responsibilities of members of the Board and the Board’s committees, and are commensurate with the Company’s profit in 2013 which is higher than that of 2012.

Since there was no shareholder raising any question, the Chairman then proposed to the meeting to approve the said remuneration of members of the Board and the Board’s committees for the year 2014 and bonus based on the 2013 operational results as per the details above.

After due consideration, the meeting of shareholders, with the votes of not less than two-thirds of the number of the shareholders who attended the meeting, resolved that such proposed directors’ remuneration for 2014, and bonus based on the 2013 operational results be approved pursuant to the following number of votes:

| Approval votes | 63,596,173   | equivalent to 99.99% |
| Disapproval votes | 3,500        | equivalent to 0.01%   |
| Abstention votes | 0            | equivalent to 0.00%   |
| And Ineligible to vote | 0         | equivalent to 0.00%   |

Agenda No. 6 To consider and elect the directors in replacement of those retiring by rotation

The Chairman informed the meeting of the voting procedures in this agenda item that each director would be proposed to the meeting at the same time. Thereafter, the shareholders and proxies, who wish to disapprove or abstain their voting, would have to mark on the ballots previously distributed to shareholders and proxies prior to attending the meeting and identify themselves by raising their hands so that the Company’s officers would then collect the ballots and record their votes to elect directors on an individual by individual basis.

In this connection, the Board of Directors had assigned the Nomination, Compensation and Corporate Governance Committee to nominate the directors in replacement of those to retire by rotation for approval by shareholders’ meeting. The Chairman of the meeting then asked Chairman of the Nomination, Compensation and Corporate Governance Committee (Mr. Weerawong Chittmittrapap) to inform the meeting regarding the the details of this agenda item.

Chairman of the Nomination, Compensation and Corporate Governance Committee presented to the meeting on the election of directors in replacement of those to retire by rotation that there were 3 directors who were to retire by rotation namely:
The Company had made an arrangement for allowing minority shareholders to nominate qualified candidates for the directorship. However, no minority shareholder had nominated any qualified individual for consideration.

After due consideration, the Nomination, Compensation and Corporate Governance Committee proposed to the Board to propose to the meeting of the shareholders that the following 3 retiring directors should be re-elected to continue their office, namely (1) Mr. Yol Phokasub; (2) Mr. Arthid Nanthawithaya; and (3) Mr. Deepak Sarup.

The Board of Directors (without participation by any director having interests therein) had considered the proposal from the Nomination, Compensation and Corporate Governance Committee and concurred that the 3 directors to retire by rotation in the year 2014 should be re-elected to continue their office, namely (1) Mr. Yol Phokasub; (2) Mr. Arthid Nanthawithaya; and (3) Mr. Deepak Sarup.

Since there was no shareholder raising any question, the Chairman then proposed to the meeting of shareholders to elect directors in replacement of those to retire by rotation.

After due consideration, the meeting of shareholders resolved that such proposed 3 directors be re-elected pursuant to the following number of votes on an individual per individual basis:

1. Mr. Yol Phokasub: The meeting resolved and approved to re-elect him to continue his office with the unanimous votes of the shareholders who attended the meeting and cast their votes as follows:
   Approval votes 63,599,673 equivalent to 100.00%
   Disapproval votes 0 equivalent to 0.00%
   Abstention votes 0

2. Mr. Arthid Nanthawithaya: The meeting resolved and approved to re-elect him to continue his office with the majority votes of the shareholders who attended the meeting and cast their votes as follows:
   Approval votes 63,566,623 equivalent to 99.95%
   Disapproval votes 33,050 equivalent to 0.05%
   Abstention votes 0

3. Mr. Deepak Sarup: The meeting resolved and approved to re-elect him to continue his office with the unanimous votes of the shareholders who attended the meeting and cast their votes as follows:
   Approval votes 63,599,673 equivalent to 100.00%
   Disapproval votes 0 equivalent to 0.00%
   Abstention votes 0
Agenda No. 7 To consider and appoint the auditors and fix the audit fee.

The Chairman informed the meeting that the Board had assigned the Audit Committee to consider, select and propose to the shareholders in this meeting for approval on the appointment of external auditors and fixing the audit fee. The Chairman also requested Chairman of the Audit Committee (Mr. Utid Tamwatin) to inform the meeting regarding the details of this agenda item.

Chairman of the Audit Committee proposed to the meeting of shareholders to consider and appoint the auditors and fix the audit fee for the financial year 2014, as follows:

1. Appointment of the Auditors from KPMG Phoomchai Audit Limited, namely: Mr. Winid Silamongkol, license no. 3378, or Mr. Charoen Phosamritlert, license no. 4068, or Miss Pantip Gulsantithamrong, license no. 4208, as the auditors of the Company for the financial year 2014.

Mr. Supot Singhasaneh, the former auditor, was not re-nominated as the auditor for 2014 because he had served as the auditor of The Siam Commercial Bank Public Company Limited for five consecutive years, which is the specified term required by the Securities and Exchange Commission for the rotation of auditors. The Company decided to use audit services from the same auditors as the Bank for the efficiency of audit activities.

The said auditors and KPMG Phoomchai Audit Limited had not had any relationship or interest or transaction with the Company that may create a conflict of interest with the Company, executives, major shareholders or any persons related thereto.

2. To consider fixing the Company's audit fee for 2014 at Baht 1.90 million, and acknowledging other service fee for 2014 in the amount of Baht 1.99 million.

Having considered the matter, the Board of Directors concurred with the proposal of the Audit Committee that the meeting of the shareholders should approve such appointment of the auditors for the financial year 2014 and fix the audit fee as stated.

Since there was no shareholder raising any question, the Chairman proposed to the meeting of shareholders to approve such appointment of the auditors and the proposed audit fees for the financial year 2014 as per the details above.

After due consideration, the meeting of shareholders, with a majority vote of the shareholders who attended and cast their votes, resolved that such appointment of the auditors and audit fees for the year 2014 be approved pursuant to the following number of votes:

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<thead>
<tr>
<th>Approval votes</th>
<th>63,596,923</th>
<th>equivalent to</th>
<th>99.99%</th>
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<tr>
<td>Disapproval votes</td>
<td>3,500</td>
<td>equivalent to</td>
<td>0.01%</td>
</tr>
<tr>
<td>Abstention votes</td>
<td>0</td>
<td></td>
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The Chairman thereafter informed the meeting that all items of the agenda as specified in the notice for calling the meeting were completely considered, and invited the shareholders to raise any question or give recommendation.

There were shareholders raising questions and giving comments, and the Chairman, the Managing Director, Director and Chairman of the Investment Committee (Mr. Arthid Nanthawithaya), and the auditor (Mr. Supot Singhasaneh) jointly made clarifications which could be summarized as follows:
1. A representative of the Thai Investors Association commended the Company’s directors and executives for the Company’s participation in the Private Sector Collective Action Coalition Against Corruption which the Thai Institute of Directors Association acted as a secretary and supporting organization to implement the project’s activities. In this regard, the representative would like to know the Company’s direction and future relevant actions.

The Chairman responded that the Company was one of more than 200 companies which had signed the Declaration of Intent in View of Establishing Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC). As a next step, the Company would enter the CAC membership certification process and fulfill the prerequisite requirements established by the CAC. In this regard, the Company would proceed in line with SCB and other companies in SCB Group.

2. A shareholder inquired about the Company’s new business premium and total year premium targets for each distribution channel in 2014.

The Managing Director clarified that the Company’s business targets would be considered in 3 dimensions: 1) Year-on-year growth; 2) Growth against targets, and 3) Growth against peers. Overall, the Company would strive to grow in the range of 20 percent and outperform the market. The growth rates of the bancassurance and agency channels were expected at 15-20 percent and 5-10 percent, respectively. The growth of special market was difficult to predict because it was volatile.

3. A shareholder asked about the Company’s sales forecasts or targets for the next 5-10 years for the bancassurance, agency and special market channels.

The Managing Director responded that, at present, the bancassurance channel generated 85 percent of the total year premiums while premiums from other channels accounted for 15% of the total year premiums. 90 percent of the new business premiums were from the bancassurance channel while another 10 percent were from other channels. The Company aimed to sustain the ratio of distribution via bancassurance channel to other channels at 85:15. Generally, the growth of the bancassurance channel was higher than other channels. Thus, it was difficult for other channels to grow on par with the bancassurance channel.

4. A shareholder questioned whether the growth of life insurance business would continue to be healthy, given Thailand’s dull economic outlook.

The Managing Director clarified that Thailand’s life insurance access rate was the foremost factor for the Company. At present, the access rate was still low and the public sector attempted to promote micro-insurance policies in order to improve the public’s access to life insurance coverage. Therefore, the life insurance market still had strong potential for growth. The Company viewed that domestic GDP should not be indicative of the life insurance business growth as the business could prosper despite low GDP. In the 2011 flood crisis, the life insurance business did not stagnate as forecast but grew unexpectedly due to higher level of the public awareness and interest in insurance products. The life insurance business was expected to grow by 10-15 percent over the next 4 - 5 years or until the insurance access rate in Thailand reached 40-50 percent before the growth started to decelerate.

5. A shareholder mentioned that the approaching ASEAN Economic Community (AEC) integration would come with the liberalization of financial and insurance market and more foreign entrants; and asked whether the Company had assessed potential impact of new entrants in the life insurance market, especially the impact on underwriting fees which might drop.

The Managing Director responded that the key principle of the life insurance business laid in risk assessment and pricing which must reflect the assessed risks. Underwriting advantages enjoyed by foreign insurers were from the differences in mortality rate tables of each country. As a result, underwriting fees in countries which had lower mortality rates than Thailand were less expensive. Insurers were obliged to adopt mortality rate tables of particular countries in
which they operated. In this regard, there were 2 different strategies for handling the effects of liberalization in AEC integration, i.e. the defensive strategy, which meant continuing business in domestic markets, and the offensive strategy, which meant entering foreign markets. According to the current strategy, the Company would opt for the defensive strategy and focus on protecting its business. Despite the putative liberalization, the regulatory underwriting guidelines and requirements with which foreign insurers must comply with might vary by country. In addition, agency proved to be a key element of the insurance business. As Thai language was used as a primary language in Thailand, not English which was widely used in some other countries, foreign insurers would be forced to build and develop their local resources. Overall, the competitive advantages would lie in operational efficiency and the strength of distribution network.

6. A shareholder asked about the Company’s market share and the positive implications for the Company in respect of a significant market share decline recently happened to a major insurer.

The Managing Director answered that the Company had the largest bancassurance network. As the bancassurance channel recorded the highest growth, the Company ranked first in the market in terms of growth. However, for SCB Life, market share was an element of business and a growth indicator. In reality, besides the market share, elements like profitability and cost management were also important for the life insurance business. In addition, market share evaluation for the life insurance business was rather complex than other businesses because it was based only on the new business premiums and single premiums, not the renewal premiums. In addition, it was important to consider whether the premiums were from short-term or long-term plans. The insurance terms would depend on each insurer’s strategy. In this regard, SCB Life had a clear direction to achieve a balanced portfolio mix.

7. A shareholder asked about the Company’s direction for its free float which currently did not meet the SEC’s requirements and whether the Company planned to delist.

The Chairman responded that the Company’s board of directors and management were well aware of the free float issue. However, there was no clear solution to the issue yet and the Company would subsequently inform the shareholders of its solution, once finalized.

8. A shareholder recommended that the Company should include the overview of life insurance business and market in its presentation slides as previously did; and inquired about the proportion of the ordinary life insurance sold through the bancassurance channel. According to the shareholder’s understanding, the said product must be offered by licensed agents. The shareholder also asked about the proportion of credit life insurance premiums to total revenue in 2013.

The Managing Director responded that the Company would consider the shareholder’s recommendation regarding the slide presentation. The ordinary life insurance premium comprised more than 80 percent of the total premium while credit life insurance accounted for 20 percent. Credit life insurance premium was single premium and its growth was relative to loan growth of banks.

9. A shareholder asked whether there would be changes to accounting standards or reserve requirements imposed by OIC in the next 5 years which would affect the Company’s financial statements in relation to the net profit.

The auditor explained that the regulators of insurance and banking businesses were careful with the enforcement of new rules and readiness of Thailand for new rule adoption was an important consideration. In this regard, there was no foreseeable change with material impact on financial statements.
10. A shareholder raised that the Company’s D/E ratio suggested by its balance sheet was relatively high, compared to another company, and inquired about the Company’s investment policy for the free float portfolio as well as potential impact of the world’s upward interest rate trend on the portfolio and its risks.

The Chairman answered that the Company’s investments were comprised of protection reserve funds and shareholders’ equity. In this regard, the Chairman invited the Director and Chairman of the Investment Committee to provide explanations regarding interest income and returns on the investment.

The Director and Chairman of the Investment Committee explained that insurance policies and premiums were assets and invested by the Company. Good investments would generate short-term and long-term profits for the Company. Previously, the Company had implemented risk-averse investment strategies to avoid risks from interest rates and asset investments, etc. However, the investment directions were altered following the change in the Company’s shareholding structure. At present, the Company aimed to balance the risks and returns for both the shareholders and policy holders. At the same time, the Company strived to increase the rate of return on investment. More than 50 percent of the Company’s assets were invested in lowest-risk government bonds and the remaining assets were invested in private bonds which had low risk level and high credit rating. In recent years, the Company started to diversify its investments into Thai stocks, yet at a small proportion. It was the Company’s principle to engage external firms with proper qualifications and expertise in managing investments which were outside the scope of the Company’s expertise. However, the investment policies, directions and portfolio balance were still decided by the Company’s Investment Committee.

11. A shareholder inquired whether the Company defined a maximum threshold for its equity investments and how the Company would handle the maximum threshold breach resulting from mark-to-market evaluation. Also, if the investments fell below the minimum threshold, would the Company increase the proportion? What were asset management companies providing outsourcing services to SCB Life?

The Director and Chairman of the Investment Committee clarified that the Company strictly controlled its investments within the maximum threshold as well as closely monitored and supervised mark-to-market evaluation and impact of equity price swings. As regards outsourcing, the Company outsourced its investment management to more than one companies in order to diversify risks and promote competition. In addition, the Company maintained diversified investment portfolio with a view to mitigating risks and ensuring its tolerance for uncertainties.

Since there was no other question raised by any shareholder, the Chairman then expressed her appreciation to the shareholders for attending the meeting and for their view and suggestion given in the meeting which the Board would take into consideration, and then declared the meeting closed.

The meeting was adjourned at 16:30 hours.

Chairman

(Khunying Jada Wattanasiritham)

Company Secretary

(Mrs. Siribunchong Uthayophas)