

### **Director and Independent Director Selection Procedure**

The Remuneration, Nomination and Corporate Governance Committee will nominate new directors who shall replace those retiring on rotation or otherwise based on the following procedures:

#### **Policy and Criterion**

- 1) The Board of Directors should consist of directors with diverse qualifications in terms of skills, experience and professional expertise that benefit the company, including the willingness to devote sufficient time to the board and the ability to perform his/her duty to strengthen the board.
- 2) Having nominees who are independent and qualified to serve as members of the board, at least for those who serve as independent directors.
- 3) In determining whether to recommend a director for re-election, there should be an evaluation process of the director's performance. Such process promotes the accountability among board members and ascertains that only well qualified directors will be re-appointed.

#### **Quality of the Director**

- 1) Directors must possess the qualifications as specified by the Public Limited Company Act, the Securities and Exchange Act and the Non-life Insurance Act, etc.
- 2) Directors should be competent with skills and extensive experience to benefit the company's operations. Director must have willingness and good ethical business practices.
- 3) Directors should have the ability to exercise sound and independent judgments, free from any conflict of interest from the management and other interest groups.
- 4) Directors could dedicate appropriate time to the company that he/she serves as director and perform his/her duty with due care.

Shareholders can also propose the qualified candidates to be nominated as directors from the Company's Website.

## Credentials and Backgrounds of Nominated Persons to be Directors

### 1. Credentials and backgrounds of the nominated person



#### 1.1 Mr. Suchin Wanglee

<b>Nominated Director Type</b>	Director
<b>Age</b>	78
<b>Nationality</b>	Thai
<b>Appointment as NKI's Director</b>	29 April 1993 (21 years)
<b>Highest Education Degree</b>	Bachelor Degree in Electronic Engineering, Northrop Institute of Technology, USA
<b>Director Training Program</b>	<ul style="list-style-type: none"> <li>- Director Accreditation Program, Thai Institute of Directors Association</li> <li>- Role of the Chairman Program, Thai Institute of Directors Association</li> </ul>
<b>Directorship in other Listed Company</b>	<ul style="list-style-type: none"> <li>- Chairman, Thai Reinsurance Plc.</li> <li>- Chairman, Thaire Life Assurance Plc.</li> <li>- Vice Chairman/ Chairman of the Compensation Committee/ Member of the Audit Committee, Sermasuk Plc.</li> <li>- Vice Chairman/ Chairman of the Remuneration and Nomination Committee, Thai Metal Drums MFG. Plc.</li> <li>- Director/ Member of the Audit Committee, BTS Group Holding Plc.</li> <li>- Director, Varopakorn Plc.</li> </ul>
<b>Other Business</b>	<ul style="list-style-type: none"> <li>- Chairman, Sathorn Thani Co., Ltd.</li> <li>- Chairman, Rangsit Plaza Co., Ltd.</li> <li>- Chairman, The Falcon Insurance Plc.</li> <li>- Director, Aqua Infinite Co., Ltd.</li> <li>- Director, Wanglee Pattana Co., Ltd.</li> <li>- Director, Rajadamri Hotel Plc.</li> <li>- Director, Nuchapon Co., Ltd.</li> <li>- Director, The Pet Co., Ltd.</li> <li>- Director, Wanglee Co., Ltd.</li> </ul>

**Previous Experience**

- Chairman, Thai General Insurance Association
- Director, Thai-Petchaboon Co., Ltd.
- Director, Thai General Insurance Association
- Director, Thai-German Ceramics Industry Plc.

**NKI Shareholding  
(As of 7 March 2014)**

4,027,471 shares or 13.42% of the total shares  
(Inclusive of relative's stock under Section 258)

**Meeting Attendance**

- The Board of Directors meeting: 5/5 times
- The Non-Executive Directors meeting: 1/1 times
- The Investment Committee meeting: 2/2 times
- The Executive Board meeting: 46/49 times



## 1.2 Mr. Pitiphong Bisalputra

<b>Nominated Director Type</b>	Director
<b>Age</b>	50
<b>Nationality</b>	Thai
<b>Appointment as NKI's Director</b>	25 April 2002 (12 years)
<b>Highest Education Degree</b>	Master Degree in Business Administration, University of Hartford, USA
<b>Director Training Program</b>	<ul style="list-style-type: none"> <li>- Successful Formulation &amp; Execution of Strategy, Thai Institute of Directors Association</li> <li>- Director Certification Program, Thai Institute of Directors Association</li> </ul>
<b>Directorship in other Listed Company</b>	- None -
<b>Other Business</b>	<ul style="list-style-type: none"> <li>- Director, Thai General Insurance Association</li> <li>- Director, Thanapisal Co., Ltd.</li> <li>- Director, Praphai and Sons Co., Ltd.</li> <li>- Director, Rangsit Ruampatana Co., Ltd.</li> <li>- Director, Thanasarn Sombat (Thai) Co., Ltd.</li> <li>- Director, Thamrongsup Co., Ltd.</li> </ul>
<b>NKI Shareholding (As of 7 March 2014)</b>	114,897 shares or 0.38% of the total shares (Inclusive of relative's stock under Section 258)
<b>Meeting Attendance</b>	<ul style="list-style-type: none"> <li>- The Board of Directors meeting: 5/5 times</li> <li>- The Risk Management Committee meeting: 4/4 times</li> <li>- The Investment Committee meeting: 2/2 times</li> <li>- The Executive Board meeting: 48/49 times</li> </ul>



### 1.3 Mr.Kiet Srichomkwan

<b>Nominated Director Type</b>	Independent Director
<b>Age</b>	77
<b>Nationality</b>	Thai
<b>Appointment as NKI's Director</b>	23 November 1999 (15 years)
<b>Highest Education Degree</b>	Bachelor Degree in Business Administration, New Mexico University, USA
<b>Director Training Program</b>	<ul style="list-style-type: none"> <li>- Role of the Chairman Program, Thai Institute of Directors Association</li> <li>- Role of the Nomination and Governance Committee, Thai Institute of Directors Association</li> <li>- Monitoring the System of Internal Control and Risk Management Thai Institute of Directors Association</li> <li>- Monitoring Fraud Risk Management Thai Institute of Directors Association</li> <li>- Monitoring the Internal Audit Function, Thai Institute of Directors Association</li> <li>- Monitoring the Quality of Financial Reporting, Thai Institute of Directors Association</li> <li>- Improving the Quality of Financial Reporting, Thai Institute of Directors Association</li> <li>- Audit Committee Program, Thai Institute of Directors Association</li> <li>- Finance for Non-Finance Director Thai Institute of Directors Association</li> <li>- Director Accreditation Program, Thai Institute of Directors Association</li> <li>- Director Certification Program, Thai Institute of Directors Association</li> </ul>
<b>Directorship in other Listed Company</b>	- None -

**Other Business**

- Chairman, Alinkij Siam Co., Ltd.
- Chairman, Toyota Petchaboon Toyota's Dealer Co., Ltd.
- Chairman, Benja Rungrueng Co., Ltd.
- Director, Pen Sook Co., Ltd.
- Director, Suan Petchaboon Co., Ltd.
- Director, Din Prasit Co., Ltd.
- Director, Thai Petchaboon Co., Ltd.
- Director, Silver Beach Resort Co., Ltd.

**NKI Shareholding  
(As of 7 March 2014)**

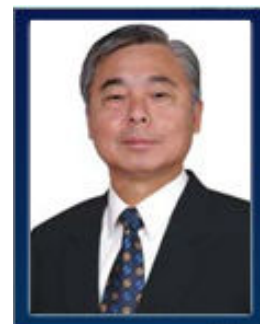
35,823 shares or 0.12% of the total shares  
(Inclusive of relative's stock under Section 258)

**Meeting Attendance**

- The Board of Directors meeting: 5/5 times
- The Non-Executive Directors meeting: 1/1 times
- The Audit Committee meeting: 10/10 times
- The Remuneration, Nomination and Corporate Governance Committee meeting: 3/3 times

**The reason to propose an independent director who was the Company's independent director over 9 years to serve another term in the Board**

He is competent with skills, qualifications and extensive experience to benefit the Company's operations, could dedicate appropriate time to the Company that he serves as director and perform his duty with due care.



#### 1.4 Mr. Phornpong Phornprapha

<b>Nominated Director Type</b>	Independent Director
<b>Age</b>	64
<b>Nationality</b>	Thai
<b>Appointment as NKI's Director</b>	26 April 2007 (7 years)
<b>Highest Education Degree</b>	Bachelor Degree in Business Administration, California State University, USA
<b>Director Training Program</b>	- None -
<b>Directorship in other Listed Company</b>	- None -
<b>Other Business</b>	<ul style="list-style-type: none"> <li>- Director/ President, Siam Calsonic Co., Ltd.</li> <li>- Director/ Honorary Chairman, EXEDY (Thailand) Co., Ltd.</li> <li>- Director/ Honorary Chairman, KYB (Thailand) Co., Ltd.</li> <li>- Director/ Senior Executive Vice President, Siam Motors Co., Ltd.</li> <li>- Director/ Vice Honorary Chairman, Siam NGK Spark Plug Co., Ltd.</li> <li>- Director/ President, Siam Chita Co., Ltd.</li> <li>- Director/ President, Siam Hitachi Automotive Product Co., Ltd.</li> <li>- Director/ President, Siam Autopart Co., Ltd.</li> <li>- Director/ President, Siam Riken Industrial Co., Ltd.</li> <li>- Director/ President, Siam International Corp., Ltd.</li> </ul>
<b>NKI Shareholding (As of 7 March 2014)</b>	242 shares or 0.0008% of the total shares (Inclusive of relative's stock under Section 258)
<b>Meeting Attendance</b>	<ul style="list-style-type: none"> <li>- The Board of Directors meeting: 5/5 times</li> <li>- The Non-Executive Directors meeting: 1/1 times</li> <li>- The Remuneration, Nomination and Corporate Governance Committee meeting: 2/3 times</li> </ul>



### 1.5 Mr.Kaet Wanglee

<b>Nominated Director Type</b>	Director
<b>Age</b>	35
<b>Nationality</b>	Thai
<b>Appointment as NKI's Director</b>	10 May 2012 (2 years)
<b>Highest Education Degree</b>	Master Degree in Science (Hospitality Management), New York University, USA
<b>Director Training Program</b>	- None -
<b>Directorship in other Listed Company</b>	- None -
<b>Other Business</b>	<ul style="list-style-type: none"> <li>- Director, Rangsit Plaza Co., Ltd.</li> <li>- Director, Shopping Center Services Co., Ltd.</li> <li>- Director, Rangsit Ruampattana Co., Ltd.</li> <li>- Director, Pipatanasin Co., Ltd.</li> <li>- Manager, Baan Suan Maak Co., Ltd.</li> </ul>
<b>Previous Experience</b>	- Asset Manager, The Erawan Group Plc.
<b>NKI Shareholding (As of 7 March 2014)</b>	60,500 shares or 0.20% of the total shares (Inclusive of relative's stock under Section 258)
<b>Meeting Attendance</b>	<ul style="list-style-type: none"> <li>- The Board of Directors meeting: 5/5 times</li> <li>- The Non-Executive Directors meeting: 1/1 times</li> </ul>



**2. Information of holding a directorship in listed company or other rival incorporation/ any related business with the Company**

Nominated Persons	Listed Company		Other Businesses	Other rival incorporation/ any related business with the Company
	Number	Type of Director		
1. Mr. Suchin Wanglee	6	<ul style="list-style-type: none"> <li>• Director, Thai Reinsurance Plc.</li> <li>• Director, Thaire Life Assurance Plc.</li> <li>• Director, Thai Metal Drums MFG Plc.</li> <li>• Independent Director, Sermasuk Plc.</li> <li>• Independent Director, BTS Group Holding Plc.</li> <li>• Independent Director, Varopakorn Plc.</li> </ul>	9	<ul style="list-style-type: none"> <li>• Chairman, The Falcon Insurance Plc. (Company representative as the board of directors of joint venture)</li> <li>• Chairman, Thai Reinsurance Plc. (Company that transfer risk from domestic insurance company)</li> </ul>
2. Mr. Pitiphong Bisalputra	-	-	6	None
3. Mr. Kiet Srichomkwan	-	-	8	None
4. Mr. Phornpong Phornprapha	-	-	10	None
5. Mr. Kaet Wanglee	-	-	5	None

### 3. Relationship characteristics of nominated person qualified as independent directors

Relationship Characteristics	Name of nominated person qualified as independent directors	
	Mr. Kiet Sirchomkwan	Mr. Phornpong Phornprapha
Holding of NKI share - Amount	35,823	242
- Ratio of issued shares having voting rights	0.12	0.0008
Being close relatives to executive/ major shareholders of NKI/ controlling person/ or person to be nominated as executive/ controlling person of company and its subsidiaries	- None -	- None -
Having relationship in any of these characteristics to NKI/ parent company/ subsidiary company/ associate company/ major shareholder/ or controlling person either at present or during the past 2 years		
- Being an executive director, staff, employee or advisor who receives salary	- None -	- None -
- Being a professional service provider such as auditor or legal consultant	- None -	- None -
- Having business relationship (such as buy/ sell raw materials/ products/ services/ lending/ borrowing) – specify transaction size	Have*	- None -

\*Note: The value of business between the company and the entity which the independent director is a major shareholders and executive is approximately 45.09 million Baht. Those business transactions divided into 3 categories; 1) purchased of insurance policy by Mr. Kiet Sirchomkwan, the value of 526,210 Baht 2) premiums arise from sales promotions that Toyota Motor (Thailand) Company Limited give in addition to its customers and the insurance company has been identified by the customers, the value of 11.79 million Baht and 3) the Company paid the auto repair fees to his Toyota Service Center for the Toyota Care Project's members and for the customers who got their vehicles repaired at his service center that beyond control, the value of 32.7 million Baht. Such transactions are normal business and supporting according to the general trade agreement. These business relations do not interfere with the act of expressing independent opinion as of independent directors. The company uses the directors' knowledge and experience in the vehicle business to offer suggestions and advices beneficial to automobile insurance business.

### **Definition of Independent Director**

**A director shall be considered independent, if:**

- 1) Shall not hold shares exceeding 1% of the total number of voting share of the Company, its parent company, subsidiary, associate, major shareholders or controlling person, including shares held by related persons of such independent director.
- 2) Shall neither be nor have ever been a director with management authority, employee, staff member, advisor who receives a salary or is a controlling person of the Company, its parent company, subsidiary, associate, same-tier subsidiary company, major shareholder or controlling person unless the foregoing status has ended not less than 2 years prior to the date of becoming a director.
- 3) Shall not be a person related by blood relation or legal registration as father, mother, spouse, sibling, or child, including spouse of child, of an executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary.
- 4) Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person. The term of business relationship being subject to indebtedness payable to the other party in amount of 3% or more of the net tangible assets of the Company or 20 million Baht or more, whichever is lower, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director
- 5) Shall not be nor have ever been an auditor of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director.
- 6) Shall not be nor have ever been a provider of any professional services including legal advisor or financial advisor who receives service fees exceeding 2 million Baht per year from the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of becoming an independent director.
- 7) Shall not be a director appointed as representative of the Board of directors, major shareholder or shareholder who is related to a major shareholders of the Company.
- 8) Shall not undertake any business in the same nature and in competition with the business of the Company or its subsidiary, nor be a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or hold shares exceeding 1% of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.
- 9) Shall not have any other characteristic that limits his/her ability to express independent opinions regarding the Company's operations.

Note: The definition of independent directors as well prescribed by the Office of Securities and Exchange Commission