



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES

ANNUAL REPORT 2019

REHABILITATION FOR COOPERATIVES AND FARMER CLIENTS, WORK SYSTEM DEVELOPMENT,
MAINTAINING SMAEs, PROVIDING GOOD SERVICE FROM OUR HEART



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Rehabilitation for Cooperatives and Farmer Clients,
Work System Development, Maintaining **SMAEs**,
Providing Good Service from Our Heart

3,016 

Happiness communities
nationwide



Support credit
for agricultural reform

(with technology and innovation)

22,435



million Baht



Create immunity for farmers

Agricultural crop insurance of



32.18 million Rai

Life support deposits



2.06 million policies

Alleviated problems for
facing emergency disasters

2.33
million farmers



Improve and enhance income
level of **130,803** state



welfare card holders



BAAC A-Mobile with

1,411,373 users



Total number of

38,051,542 transactions

Home
Stay





Key Financial Information Fiscal Year 2019



Deposits
1,673,272 MB
 Year on Year
 increase 3.43 percent



Total Assets
1,958,856 MB
 Year on Year
 increase 4.51 percent



BIS
11.69 percent
 By Basel II criteria



Net Profit
9,951 MB
 Year on Year
 increase 0.64 percent



Loans
1,498,876 MB
 Year on Year
 increase 3.41





Key Financial Information Fiscal Year 2015-2019

Description	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019
Financial Position (Million Baht)					
Total Assets	1,507,438	1,617,642	1,743,553	1,874,371	1,958,856
Interbank Transactions and Financial Market	195,540	202,956	236,034	268,964	273,149
Net Capital	62,039	75,225	70,179	73,120	80,137
Loans	1,204,419	1,277,044	1,369,301	1,449,504	1,498,876
Allowance for doubtful Debts	222,860	246,515	272,131	303,372	333,274
Debtors Awaiting the Compensation from the Government	210,892	253,692	281,620	326,939	378,729
Total Debts	1,384,795	1,491,349	1,612,478	1,738,827	1,820,862
Deposits	1,310,943	1,406,490	1,529,730	1,617,760	1,673,272
Owner's Equity	122,643	126,293	131,075	135,544	137,994
Performance (Million Baht)					
Interest Income	74,500	82,715	85,614	91,579	92,926
Non-Interest Income	6,538	7,369	8,022	9,304	9,522
Interest Expenses*	24,220	25,597	26,360	26,773	26,493
Operational Expenses	28,027	30,881	31,296	32,624	35,792
Bad Debts, Doubtful Debts, and Impairment Loss	19,738	24,150	26,119	31,598	30,212
Net Profit	9,053	9,456	9,861	9,888	9,951
Key Financial Ratios (percent)					
Basic Earnings per Share (Baht/Share)	16.18	16.90	17.63	17.67	17.79
Loan to Deposit	91.87	90.80	89.51	89.60	89.58
NPLs to Loan	3.23	4.03	4.34	3.87	4.26
Debt to Equity (times)	11.29	11.81	12.30	12.83	13.20
Return on Assets (ROA)	0.64	0.61	0.59	0.55	0.52
Return on Equity (ROE)	7.58	7.68	7.73	7.51	7.34
Bank for International Settlements Ratios (BIS Ratio)**	11.47	12.60	11.85	11.82	11.69
Growth (percent)					
Total Assets	5.34	7.31	7.78	7.50	4.51
Total Debts	5.42	7.69	8.12	7.84	4.72
Loan	10.52	6.03	7.22	5.86	3.41
Deposit	6.24	7.29	8.76	5.75	3.43

* During Fiscal Year 2015, contributions were made to the SFIs Development Fund at the rate of 0.18% of deposits, and from Fiscal Year 2016 onwards, the contribution to the SFIs Development Fund at the rate of 0.25% of deposits. Contributions to the SFIs Development Fund are included in interest expenses.

** From Fiscal Year 2016 onwards, calculated according to Basel II criteria.



Message from the Chairman

BAAC

drives the mission of being a Development Bank



BAAC

creates immunity and strengthens the rural economic sectors.



2019 BIS **11.69%**

2019 Net Profit **9,951**
Millions Baht

The fiscal year 2018 was the year that the Thai economy has been affected by the global economic slowdown, trade protection measures, the strength of Thai Baht, and the delay in National budget approval process. In addition, the agricultural sector has also been affected by temporary factors of the production sector such as drought and flood in many areas. As a result, the economic growth was at 2.4 percent compared to 4.2 percent in the previous year. Furthermore, the situation of Covid-19 pandemic in the beginning of 2020 has continuously affected the agricultural sector, both directly and indirectly, until present.

The Government by the Ministry of Finance has periodically set up the economic stimulus measures to ensure continuous spending of the people. Many measures have been implemented through the BAAC such as loan interest reduction, debt moratorium to farmers who experienced problems, payment to reduce production cost for rice farmers, supporting the linkage of value-added products, community marketing and tourism, etc.

BAAC has received the mission to be a development bank with an important role in providing financial assistance to farmers and farmers' institutions as well as being a supporting agency for the mission in accordance with the government policy which does not only focus on short-term problem solving but also to solve long-term problems to create immunity and sustainability for the Thai rural areas such as taking care of low-income customers registering for state welfare to have the opportunity to improve their careers and increase their income, implementing a project to reduce interest and suspend debt repayment to support agricultural sector reform in line with the Pracharat agricultural approach to increase the competitiveness

of the agricultural sector by developing agricultural entrepreneurs and farmers' institution. It supports the use of technology and innovation to increase the efficiency of traditional agricultural production to industrial agriculture, and develop to be an important mechanism for raising income level of small scale farmers while supporting market linkages and cooperative networks throughout the agricultural value chain. In addition, BAAC also integrates with all network partners, focusing on strengthening the local economy under the Pracharat Project.

The dedication, hard work, and good governance of the Board of Directors, executives, and all staff of BAAC in providing assistance, solving the problems, developing agricultural sector and the rural in the fiscal year 2019 have made the BAAC to be the development financial institution that is stable with continuous growth, appropriate operating results, and trust by stakeholders.

In the fiscal year 2020, BAAC has continuously prepared and introduced additional measures for taking care of debtors affected by the economic situation and the Covid-19 pandemic with the aim of allowing farmers and rural communities to overcome poverty while growing sustainably at the same time.

On behalf of the Board of Directors of the BAAC, I would like to thank all cooperation and support from public sector, private sector, people sector, as well as all executives and the staff of BAAC who have been key forces in strengthening to rural sector in accordance with the Pracharat approach to enable the local economy to grow strongly and be the foundation for sustainable national economic development.

Finally, I would like to confirm that the Government by the Ministry of Finance is committed to helping, alleviating, and encouraging all sectors to overcome the crisis of Covid-19 pandemic together and we will not leave anyone behind.

(Mr. Utama Sawanayon)

Chairman

Bank for Agriculture and Agricultural Cooperatives





Message from the President



Fiscal Year 2019

"Rehabilitation for Cooperatives and Farmer Clients, Work System Development, Maintaining SMAEs, Providing Good Service from Our Heart"



Fiscal Year 2020

"Rehabilitation for Clients, Searching for New Gen, Focusing on Community Businesses, Development of People and Work"



The situation of overall economic slowdown of the country: the export sector which has been affected by the trade competition and the strengthening of the Thai Baht, the climate change in many areas which affected the career of our farmers, the accumulated debt in the household which affected the development of the potential to overcome the poverty line of low-income farmers, as well as the Covid-19 pandemic situation which affected the livelihood of the people, have been the challenges that BAAC has faced in the previous year.

In the Fiscal Year 2019, "The Year of Rehabilitation for Cooperatives and Farmer Clients, Work System Development, Maintaining SMAEs, Providing Good Service from Our Heart" BAAC was proud to be side by side with farmers by driving important projects such as career development and increasing income for low-income people who registered for the state welfare, the interest reduction and debt moratorium project to support agricultural reform in accordance with the Pracharat approach in order to enhance the competitiveness of agricultural sector by supporting the farmers to "adapt" the traditional agricultural practices to use the technology and agricultural innovation to reduce cost, "change" the production in accordance with the conditions of the area, and "develop" agricultural cooperatives and agricultural enterprises (SMAEs) to be the leader of the change and helping small scale farmers to have stable market and stable income through measures to help customers, entrepreneurs, and institutions experiencing problems in their business. In addition, the Thai Community Business Project has been approved to strengthen local

economy. It was the loan with lenient interest rate under the integration of jointly work between public and private sectors to encourage economic activities in the community, immunization for farmers through the crop insurance program, life support deposits, as well as taking care of customers affected from Corona Virus pandemic. In addition, significant work processes have been improved in order to provide more efficient customer service, and the work plan of various projects that have been carried out continuously was continued.

The commitment to "adapt, change, develop" has resulted in awards and pride such as Thailand Quality Class (TQC) Award, The Outstanding State Enterprise Board Award, The Outstanding Organization Management Award, as well as The Transparent Organization Award and the Integrity and Transparency Assessment score of 96.43 which reflect the efficient operation of the organization and good governance management.

In Fiscal Year 2020, BAAC will continue to be fully sustainable rural development bank. The vision has been adjusted to focus on taking care the local economy and expanding the target group from farmers to be looking after family members of the farmers and the rural people. The preparation and strengthening have been done by developing the capability of the organization and the community in an integrated and sustainable manner. The organization structure and working processes have been adjusted to achieve the goal of integrated and collaborative work and ready to support future missions.

On behalf of executives and employees of BAAC, I would like to thank you all the public and private sectors as well as shareholders, business partners, and partners who entrusted the BAAC to be a part in development of strong and sustainable rural economic sectors.



(Mr. Apirom Sukprasert)

President

Bank for Agriculture and Agricultural Cooperatives





BAAC's Board Of Directors

01 Mr. Uttama Sawanayana

Chairman, BAAC's BOD

03 Ms. Pantip Sripimol

Director, BAAC's BOD

05 Mr. Phichest Wiriypaha

Director, BAAC's BOD

02 Mr. Anan Suwannarat

Vice Chairman, BAAC's BOD

04 Ms. Sermsuk Salakpet

Director, BAAC's BOD





06 Mr. Vinaroj Supsongsuk

Director, BAAC's BOD

08 Mr. Thongluck Hanseuk

Director, BAAC's BOD

10 Mr. Suwit Rojanavanich

Director, BAAC's BOD

07 Mr. Somboon Chitphentom

Director, BAAC's BOD

09 Ms. Ruenvadee Suwanmongkol

Director, BAAC's BOD





11 Mrs. Amara Klabprathum

Director, BAAC's BOD

13 Lt. Gen. Karn Kalumpasut

Director, BAAC's BOD

15 Mr. Apirom Sukprasert

Director and Secretary, BAAC's BOD

12 Mrs. Ruchukorn Siriyodhin

Director, BAAC's BOD

14 Mr. Jarondech Jenjaruskul

Director, BAAC's BOD







Mr. Aphisak Tantivorawong

Minister of Finance

Position Chairman, BAAC's BOD

Hold Office until July 15, 2019

Age 66

Other Position While on Officiating BAAC's BOD

Minister of Finance

Education

1. Master of Business Administration, University of Tennessee, USA
2. Bachelor of Engineering, Chulalongkorn University

Training

1. Director Certification Program, IOD
2. National Defence Course for the Joint State-Private Sectors (Batch 16th), The National Defence College

Working Experience

1. Director, the Siam Commercial Bank Public Co., Ltd.
2. Vice Chairman Finance Committee, Charoen Pokphand Group Co., Ltd.
3. Chairman of the Board of Directors, Quality Houses Public Co., Ltd.
4. Independent Director, Indorama Ventures Public Co., Ltd.
5. Independent Director, Synnex (Thailand) Public Co., Ltd.
6. Independent Director, Bangkok Glass Public Co., Ltd.
7. Independent Director, Thai Oil Public Co., Ltd.
8. President, Krungthai Bank Public Co., Ltd.
9. President, Siam City Bank Public Co., Ltd.
10. Senior Executive Vice President, The Industrial Finance Corporation of Thailand (IFCT)
11. President, Bangkok Commercial Asset Management Co., Ltd.
12. Senior Executive Vice President, Bangkok Bank of Commerce Public Co., Ltd.
13. President, IFCT Finance and Security Public Co., Ltd.
14. Chairman, Thai Bankers Association
15. Director, The Board of Investment of Thailand (BOI)
16. Director, Thai Asset Management Corporation (TAMC)
17. Chairman, ASEAN Bankers Association

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial

Institution Business More than 10 Percent of the Total Shares with

the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Uttama Sawanayana

Minister of Finance

Position Chairman, BAAC's BOD

Hold Office since July 16, 2019

Age 59

Other Position While on Officiating BAAC's BOD

Minister of Finance

Education

1. Ph.D., Management, School of Management, University of Massachusetts-Amherst, USA
2. M.B.A., Finance & International Business, Kellogg School of Management, Northwestern University, USA
3. B.Sc., Electrical Engineering (Communication), Brown University, USA

Working Experience

1. 2016-2019 Minister of Industry
Chairman, Board of Executives, Bangkok University
Advisor to the Prime Minister for Economy and Information and Communication Technology
2. 2015-2016 Minister of Information and Communication Technology
President of Bangkok University and Member of Board of Trustees, Bangkok University

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None





Mr. Anan Suwannarat

Permanent Secretary of The Minister
of Agriculture and Cooperatives
Position Vice Chairman, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 60



Ms. Sermsuk Salakpet

Representative of the Ministry
of Agriculture and Cooperatives
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 60

Other Position While on Officiating BAAC's BOD

Permanent Secretary, the Ministry of Agriculture and Cooperatives

Position in Committees/Sub-Committees Appointed by BAAC's BOD

None

Education

1. Honorary Ph.D (Agronomy), Kasetsart University
2. Master of Arts (Economic Development) (M.A.), First class honors, The National Institute of Development Administration
3. Bachelor of Science Program in Agronomy, Kasetsart University

Training

1. Corporate Governance for Directors and senior Executives of Regulators, State Enterprises and Public Organizations
2. Director Certification Program Batch 269/2019 The Thai Institute of Directors Association (IOD)
3. Capital Market Leader Program, (Batch 28), Capital Market Academy
4. Advanced Course in Anti-Corruption Strategists, Batch 7th, Office of The National Anti-Corruption Commission
5. Politics and government in democracy for Executives, Batch 19th, King Prajadhipok's Institute
6. National Defence, Batch 55th, Thailand National Defence College
7. Advanced Certificate Course in Public Economics Management for Executives, Batch 6th, King Prajadhipok's Institute
8. The Civil Service Executive Development Program : Visionary and Moral Leadership, Batch 51st, the Office of Civil Service Commission
9. Advanced Certificate Course in Public Management and Public Laws, Batch 4th, King Prajadhipok's Institute

Working Experience

- | | | |
|----|-----------|---|
| 1. | 2015-2018 | General Director, Rice Department |
| 2. | 2014-2015 | Director General, the Department of Agriculture |
| 3. | 2013-2014 | Director General, the Queen Sirikit Department of Sericulture |

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

Director General, the Department of Agriculture

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, Innovation, Research and Development Sub-Committee, (Hold Office all fiscal year 2019)
2. Member, the Information and Communication Technology Sub-Committee (Hold Office since November 15, 2019)
3. Chairman, SMAEs Supervision Sub-Committee, (Hold Office Until November 14, 2019)
4. Member, the Good Corporate Governance, Corporate Social Responsibility and Innovation Sub-Committee (Hold Offices During November 15, 2019 - April 22, 2020)

Education

1. Doctor of Agricultural Science in Horticulture (Physiology), University of Hawaii at Manoa, USA
2. Master of Agricultural Science (Horticulture), University of Western Australia
3. Bachelor of Science Program in Agriculture, Kasetsart University

Training

1. Director Certification Program (Batch 269/2019) The Thai Institute of Directors Association (IOD)
2. Certificate of the Mastering Trade Policy : Understanding and Acting in Today's (Harvard Kennedy School; Executive Education)
3. Certificate of the Public Economy Management for Executives, King Prajadhipok's Institute
4. The Civil Service Executive Development Program, Batch 2nd, Office of the Civil Service Commission

Working Experience

- | | | |
|----|-----------|---|
| 1. | 2017-2018 | Secretary General, the National Bureau of Agricultural Commodity and Food Standards |
| 2. | 2014-2017 | Deputy Director General, the Department of Agriculture |

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Mr. Krisada Chinavicharana

Representative of the Ministry
of Finance

Position Director, BAAC's BOD
Hold Office Until December 31, 2019

Age 56



Ms. Pantip Sripimol

Representative of the Ministry
of Finance

Position Director, BAAC's BOD
Hold Office Since January 14, 2020

Age 57

Other Position While on Officiating BAAC's BOD

1. Director General, the Excise Department
2. Chairman, Deposit Protection Agency's (DPA)
3. Member, National Reform Steering Assembly

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the BAAC President's Operational Criteria and Assessment Committee (Hold Office Until December 31, 2019)
2. Chairman, the BAAC President Recruitment and Remuneration Committee (Hold Office Until December 31, 2019)
3. Chairman, the Scrutiny Sub-Committee (Hold Office Until December 31, 2019)
4. Chairman, the BAAC Director recruitment Sub-Committee (Hold Office Until December 31, 2019)

Education

1. Master of Business Administration, University of New Haven, USA
2. Bachelor of Laws, Chulalongkorn University

Training

1. Director Certification Program Batch 186/2014 The Thai Institute of Directors Association (IOD)
2. Executive Development Program (Batch 2nd), Office of the Civil Service Commission
3. Civil Service Executive Program (Batch 56th), Office of the Civil Service Commission
4. Proactively Integrated Justice Administration Course (Batch 4th), Office of Justice Administration
5. Governance of Middle Management Course (Batch 2nd), King Prajadhipok's Institute
6. Administrative Skill Development for Executives, Fiscal Policy Office
7. Financial Instrument and Markets, Harvard Business School, Middle Management (Batch 13th), Ministry of Finance
8. National Defence Course (Batch 54th), National Defence College

Working Experience

1. 2017-2018 Director General, the Excise Department, BOD Member, the Bangchak Petroleum Public Co., Ltd.
2. 2014-2017 Director General, Fiscal Policy Office, Member, Bank of Thailand's BOD, Member, The Financial Institutions Policy Committee, Bank of Thailand Member, The Financial Institutions Development Fund Committee, Member, Government Pension Fund's BOD, Chairman, Investment Management Sub-Committee, Government Pension Fund

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

1. Deputy Permanent Secretary for Ministry of Finance
2. Director/Chairman of Audit Committee, Tourism Authority of Thailand
3. Director of Don Muang Tollway Public Co., Ltd.

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the BAAC President's Operational Criteria and Assessment Committee (Hold Office Since January 16, 2020)
2. Chairman, the Scrutiny Sub-Committee (Hold Office Since January 16, 2020)

Education

1. Master of Political Science, Chulalongkorn University
2. Bachelor of Laws, Ramkhamhaeng University
3. Bachelor of Business Administration, Ramkhamhaeng University

Training

1. Role of the Nomination and Governance Committee, Batch 5/2013, The Thai Institute of Directors Association (IOD)
2. Audit Committee Program, The Thai Institute of Directors Association (IOD)
3. Director Certification Program, The Thai Institute of Directors Association (IOD)
4. Governance of Executive Management Course (Batch 19th), King Prajadhipok's Institute
5. The Executive Tourism Management, Batch 2nd, Tourism Authority of Thailand
6. The Executive Program in Capital Market Literacy (Batch 25th), Capital Market Academy
7. The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy
8. National Defence Course (Batch 26th), National Defence College

Working Experience

1. 2015-2019 Advisor in State Enterprise Development, State Enterprise Policy Office
2. 2014-2019 Director in Risk Management Committee, Mass Communication Organization of Thailand (MCOT)
3. 2012-2019 Director in Audit Committee, Krungthai Card Co., Ltd.

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Mr. Phichest Wiriyapaha

Representative of the Cooperative Promotion Department
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 54



Mr. Vinaroj Supongsuk

Representative of the Agricultural Land Reform Office
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 54

Other Position While on Officiating BAAC's BOD

1. Director General, Cooperative Promotion Department
2. Member, Dairy Farming Promotion Organization of Thailand

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, The Appeals Sub-Committee (Hold Office all Fiscal Year 2019)
2. Member, The Audit Committee (Hold Office all Fiscal Year 2019)

Education

1. Master of Science (Population and Development), National Institute of Development Administration
2. Bachelor of Agriculture (Agricultural Extension and Development), Sukhothai Thammatthirat Open University

Training

1. Director Certification Program (DCP 258/2018) the Thai Institute of Directors' (IOD)
2. The National Defence Course Class 61 National Defence College of Thailand
3. Governance of Executive Management of Course King Prajadhipok's Institute
4. Change Leader, (PorYorPor 2/1), Office of the Civil Service Commission
5. The Civil Service Executive Development Program (NorBorSor 2), Office of the Civil Service
6. Local Affairs Executive Officer Batch 61, Institute of Administration Development Ministry of Interior

Working Experience

1. 2015-2017 Deputy Director General, Cooperative Promotion Department
2. 2014-2015 Inspector General, Cooperative Promotion Department

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

1. Secretary General, Agricultural Land Office
2. Chairman, Marketing Organization for Farmer

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the Audit Committee (Hold Office all Fiscal Year 2019)
2. Member, the Appeals Sub-Committee (Hold Office all Fiscal Year 2019)

Education

1. Doctor of Public Administration, Suan Dusit Rajabhat University
2. Master of Public Administration, National Institute of Development Administration
3. Bachelor of Political Science, Thammasat University

Training

1. Advance Audit Committee Program (Batch 33/2019), The Thai Institute of Directors Association (IOD)
2. Director Accreditation Program (Batch 160/2019), The Thai Institute of Directors Association (IOD)
3. Successful Formulation and Execution of Strategy Program (SFE 29/2017), The Thai Institute of Directors Association (IOD)
4. Director Certification Program (Batch 288/2020), The Thai Institute of Directors Association (IOD)
5. Politics and government in democracy for Executives, Batch 19th, King Prajadhipok's Institute
6. The National Defence Course (Batch 56th), Thailand National Defence College
7. Financial and Fiscal management Program for Senior Executive, The Comptroller General's Department.
8. E-Government for Chief Executive Officer Program (e-GCEO) Batch 2nd
9. Advanced Certificate Course in Local Development Administration for Sustainability (Batch 2nd/2011), King Prajadhipok's Institute
10. Inspector-General for the Fiscal Year 2013, Office of the Permanent Secretary, Prime Minister's Office
11. Local Affairs Executive Program (Batch 53) Prince Damrong Rajanuphap Institute, Ministry of Interior
12. Certificate in Public Law (Batch 34th), Thammasat University
13. Certificate in Systematic Problem Solving and Decision Making, Office of the Civil Service Commission (OCSC)

Working Experience

1. 2017-2018 Secretary General, Office of Agricultural Economics
2. 2015-2017 Director General, Cooperative Promotion Department
3. 2013-2015 Director General, Cooperative Auditing Department

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Mr. Somboon Chitphantom

Representative of the Bank of Thailand
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 56



Mr. Thongluck Hanseuk

Representative of the Agricultural Cooperatives Shareholder
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 60

Other Position While on Officiating BAAC's BOD

Assistant Governor, Banknote Management Group, the Bank of Thailand

Position in Committees/Sub-Committees Appointed by BAAC's BOD

Member, the Audit Committee (Hold Office all Fiscal Year 2019)

Education

1. Master of Science (Information System), University of Wisconsin, Madison, WI, USA
2. Bachelor of Science (Computer Science), Rensselaer Polytechnic Institute, Troy, NY, USA
3. Bachelor of Science (Economics), Rensselaer Polytechnic Institute, Troy, NY, USA

Training

Director Certification Program (DCP 12/2001) Thailand Institute of Director (IOD)

Working Experience

1. 2016-2018 Assistant Governor, Financial Institution Policy, the Bank of Thailand
2. 2011-2016 Senior Director, Regulatory Policy Department, the Bank of Thailand

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

Advisor, Roi Et Agricultural Marketing Cooperative Limited

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, Good Corporate Governance and Corporate Social Responsibility Sub-Committee (Hold Office all fiscal year, 2019)
2. Member, The Agricultural SME Operation Supervision Sub-Committee (Hold Office Until November 14, 2019)
3. Member, Community Business for Thai Project Supervision Sub-Committee (Hold Office During November 14 - April 22, 2019)

Education

Bachelor of Political Science (Politics and Government), Sukhothai Thammathirat

Working Experience

1. 2016-2020 Chairman, Roi Et Agricultural Marketing Cooperative Limited
2. 2017-2018 Chairman, The Thai Agri-Business Co., Ltd. (TABCO)

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Ms. Ruenvadee Suwanmongkol

Qualified Expert
Position Member, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 55



Mr. Suwit Rojanavanich

Qualified Expert
Position Member, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 61

Other Position While on Officiating BAAC's BOD

1. Secretary-General, Securities and Exchange Commission, Thailand
2. Director and Chairman, the Risk Committee, Dhanarak Asset Development Co., Ltd.
3. Member of Law Development Committee, the Council of State
4. The Civil Service Sub-Commission on Driving Government Officials' Digital Skills
5. Advisor, the Senate Economic, Monetary and Monetary Committee
6. Director, the Business Lawyer Promotion Foundation
7. Member, Women for Peace Foundation

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the Legal Counseling Sub-Committee (Hold Office all Fiscal Year 2019)
2. Member, Good Corporate Governance and Corporate Social Responsibility Sub-Committee (Take Office until September 30, 2019)
3. Chairman, Good Corporate Governance and Corporate Social Responsibility Sub-Committee (Hold Office since October 1, 2019)
4. Member, the BAAC's President Operational Criteria and Assessment Committee (Hold Office all Fiscal Year 2019)
5. Member, the Scrutiny Sub-Committee (Hold Office all Fiscal Year 2019)

Education

1. Master of Business Administration (M.B.A.), Walter A. Haas School of Business, University of California at Berkeley, USA
2. Master of Laws (LL.M.), Harvard Law School, Cambridge Massachusetts, USA
3. Barrister-at-Law, Institute of Legal Education Thai Bar Association
4. Bachelor of Laws (1st Class Honors), Chulalongkorn University

Training

1. Capital Market Leader Program, Batch 28, Capital Market Academy
2. The Civil Service Executive Development Program: Visionary and Moral Leadership
3. Director Certification Program (Batch 127/2010) The Thai Institute of Directors Association (IOD)
4. Promotion of a Peaceful Society, Batch 2nd, King Prajadhipok's Institute
5. Top Executive Program in Justice Administration (Batch 15th), Judicial Training Institute, Office of the Courts of Justice
6. National Defense Course, the Joint State-Private Sector, Batch 25th, National Defence College
7. Senior Strategic Administrator for Anti-Corruption Course, Batch 5th, Office of the National Anti-Corruption Commission
8. Advanced Budget Administrator Course, Batch 2nd
9. Government Senior Legal Executives Training Program, Class 6, Office of the Council of State
10. Advanced Certificate Course in Promotion of Peaceful Society, Class 2, King Prajadhipok's Institute
11. Future Economy & Inter Governance (Batch 1st) Future Economy and Internet Governance (FEGO)
12. Successful Formulation and Education of Strategy (Batch 29/2017)

Working Experience

1. Director General, Department of Probation, Ministry of Justice
2. Independent Director, IRPC Public Co., Ltd.
3. International Union of Judicial Officers (UIHO)
4. Chairman, Business Security Act. Drafting Committee

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

Honorary Director, Office of Knowledge Management and Development (Public Organization)'s BOD

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the Employee Relation committee (Hold Office all Fiscal Year 2019)
2. Member, the BAAC's President Recruitment (Hold Office Until September 30, 2019)
3. Chairman, the BAAC's President Recruitment (Hold Office Since October 1, 2019)
4. Chairman, the Risk Oversight Committee (Hold Office Until November 14, 2019)
5. Member, the Operational Criteria and Assessment of BAAC's President Committee (Hold Office Since October 1, 2019)
6. Director, the Risk Oversight Committee (Hold Office Since November 15, 2019)
7. Member, The Scrutiny Sub-Committee (Hold Office all Fiscal Year 2019)

Education

1. Master of Business Administration, North Texas State University, USA
2. Bachelor of Accountancy, Chulalongkorn University

Training

1. Director Certification Program (Batch 163/2012) Thai Institute of Directors (IOD)
2. National Defence Course (Batch 53rd), National Defence College

Working Experience

1. Honorary Director, Thailand Institute of Nuclear Technology Committee
2. Director General, Fiscal Policy Office
3. Director General, Public Debt Management Office

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

**Mrs. Amara Klabprathum**

Qualified Expert
Position Director, BAAC's BOD
Hold Office all Fiscal Year 2019

Age 63

**Mrs. Nampung Wongsmith**

Qualified Expert
Position Director, BAAC's BOD
Hold Office Until July 31, 2019

Age 62

Other Position While on Officiating BAAC's BOD

1. Director, KTB Leasing Co., Ltd.
2. Director, Krungthai Computer Services Co., Ltd.
3. Technology Expert, Krung Thai Bank Pub Co., Ltd.

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the ICT Management Sub-Committee (Hold Office all Fiscal Year 2019)
2. Member, The Risk Oversight Committee : ROC (Hold Office all Fiscal Year 2019)
3. Member, the Recruitment and Remuneration Committee (Hold Office all Fiscal Year 2019)
4. Member, the Good Corporate Governance and The Corporate Social Responsibility Sub-Committee (Hold Office all Fiscal Year 2019)

Education

1. Master of Public Administration Program in Public and Private Management, National Institute of Development Administration
2. Bachelor of Business Administration Program in Management, Sukhothai Thammathirat University

Training

1. Director Certification Program (DCP 160/2012), Thai Institute of Directors (IOD)
2. Politics and government in democracy for Executives, Batch 20th, King Prajadhipok's Institute
3. Decision Support System Program Faculty of commerce and Accountancy, Chulalongkorn University
4. Core Banking System Program, USA
5. Fiscal Management Program (Batch 2nd), Economic Finance and Academy)

Working Experience

1. Director, Thai Smart Card Co., Ltd.
2. Executive Vice President, Director Technology Group, Krung Thai Bank Pub Co., Ltd.
3. Executive Vice President, Director Electronic Transaction and Products Development, Electronic and Financial Management Group, Krung Thai Bank Pub Co., Ltd.

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

1. Independent Director, Christiani & Nielsen (Thai) Public Co., Ltd.
2. Independent Director and Audit Committee, CP ALL Public Co., Ltd.

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, The Risk Oversight Committee: ROC (Hold Office until July 31, 2019)
2. Chairman the Legal Counseling Sub-Committee (Hold Office until July 31, 2019)
3. Member, the Scrutiny Sub-Committee (Hold Office until July 31, 2019)
4. Member, the BAAC's President Operational Criteria and Assessment Committee (Hold Office until July 31, 2019)
5. Member, the BAAC President Recruitment and Remuneration Committee (Hold Office until July 31, 2019)

Education

1. Master of Business Administration (Finance), Oklahoma State University, USA
2. Bachelor of Economics (International Economics), Chulalongkorn University

Training

1. Director Certificate Program (DCP 89/2007) Thai Institute of Directors (IOD)
2. Advanced Audit Committee Program (AACP 23/2016) Thai Institute of Directors (IOD)
3. Role of Chairman Program (RCP 43/2018) Thai Institute of Directors (IOD)
4. Politics and government in democracy for Executives, Batch 17th, King Prajadhipok's Institute
5. Capital Market Leader Program, Batch 6th, Capital Market Academy

Working Experience

1. 2018-2020 Independent Director, CP ALL Public Co., Ltd.
2. 2014-2020 Independent Director, Christiani & Nielsen (Thai) Public Co., Ltd.
3. 2017-2018 Independent Director, The transport Co., Ltd.
4. 2015-2017 Risk Management Committee, Sukhumvit Asset Management Co., Ltd.

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Mrs. Ruchukorn Siriyodhin

Qualified Expert

Position Director, BAAC's BOD

Hold Office since

November 12, 2019

Age 61



Mr. Watchara Chatwiriya

Qualified Expert

Position Director, BAAC's BOD

Hold Office Until October 20, 2019

Age 54

Other Position While on Officiating BAAC's BOD

1. Director, the Transport Company Limited
2. Director, the Botanical Garden Organization

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, Risk Oversight Committee (Hold Office since November 15, 2019)
2. Member, Nomination and Compensation Committee (Hold Office since November 15, 2019)
3. Member, Good Corporate Governance and Corporate Social Responsibility Sub-Committee (Hold Office since November 15, 2019)
4. Member, Scrutiny Sub-committee (Hold Office since November 15, 2019)

Education

1. Master of Arts in Economics, Thammasat University
2. Bachelor of Arts in Economics, Chulalongkorn University

Training

1. Director Certificate Program Class 142/2011 Thai IOD Association
2. Diploma, National Defence College, The Joint State-Private Sector Course Class 24 Thailand National Defence College, National Defence Studies Institute
3. Top Executive Program in Justice Administration, Judicial Training Institute
4. Advance Management Program (AMP), Harvard Business School
5. Top Executive Program Class 16 Capital Market Academy

Working Experience

1. 2016-2018 Deputy Governor, Financial Institutions Stability, Bank of Thailand
The Bank of Thailand Board Member Financial Institutions Policy Committee Member, Bank of Thailand Payment Systems Committee Member, Bank of Thailand Financial Institutions Development Fund Member, Bank of Thailand
2. 2012-2016 Member of Risk Management Committee, The Stock Exchange of Thailand

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

Department Head, Department of Computer Engineering, Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, the Innovation, Research and Development Sub-Committee (Takes Office Until October 20, 2019)
2. Member, the Risk Oversight Committee ROC (Takes Office Until October 20, 2019)
3. Member, the ICT Management Sub-Committee (Takes Office Until October 20, 2019)

Education

1. Doctor of Philosophy (Computer Engineering), West Virginia University, USA
2. Master of Engineering (Computer Engineering), King Mongkut's Institute of Technology Ladkrabang
3. Bachelor of Engineering (Computer Engineering), King Mongkut's Institute of Technology Ladkrabang

Training

1. Role of The Chairman Program (Batch 45/2019), Thai Institute of Directors (IOD)
2. IT Governance and Cyber Resilience Program (Batch 12/2019) Thai Institute of Directors (IOD)
3. Boards that Make a Difference (BMD 8/2018) Thai Institute of Directors (IOD)
4. Boards Matters & Trend (BMT 5/2018) Thai Institute of Directors (IOD)
5. Financial Statements for Directors (FSD 33/2017) Thai Institute of Directors (IOD)
6. Director Certification Program (DCP 223/2016) Thai Institute of Directors (IOD)
7. Risk Management Program for Corporate Leaders (RCL 4/2016) Thai Institute of Directors (IOD)
8. Successful Formulation & Execution of Strategy (SFE 28/2016) Thai Institute of Directors (IOD)
9. Politics and government in democracy for Executives, Batch 15th, King Prajadhipok's Institute

Working Experience

1. 1987-Present Lecturer, Department of Computer Engineering, Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang
2. 2014-2015 Vice Dean, Information Technology, Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

**Lt. Gen. Karn Kalumpasut**

Qualified Expert

Position Director, BAAC's BOD

Hold Office Since November 12, 2019

Age 55

**Mr. Luechai Chairinya**

Qualified Expert

Position Director, BAAC's BOD

Hold Office Until October 20, 2019

Age 62

Other Position While on Officiating BAAC's BOD

1. Senior Expert, Office of the Permanent Secretary for Defence
2. Chief of the Defence Industry and Energy Center (Hold Office Since November 15, 2019)
3. Director, Industrial Estate Authority of Thailand

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, Community Business for Thai Project Supervision Sub-Committee (Hold Office Since November 15, 2019)
2. Member, the BAAC President's Operational Criteria and Assessment Committee (Hold Office Since November 15, 2019)
3. Member, the BAAC President Recruitment and
4. Remuneration Committee (Hold Office Since November 15, 2019)
5. Member, the Legal Counseling Sub-Committee (Hold Office Since November 15, 2019)
6. Member, Innovation, Research and Development Sub-Committee (Hold Office Since November 15, 2019)

Education

1. Master of Science (Civil Engineering), Florida University, USA
2. Bachelor of Science (Royal Thai Army), Chulachomklao Royal Military Academy

Training

1. Director Certification Program (DCP 289/2020) Thai Institute of Directors (IOD)

Working Experience

1. 2002-Present Senior Expert, Office of the Permanent Secretary for Interior

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

1. Director, Krungthai AXA Life Insurance Pub Co., Ltd.
2. Director, KTB Leasing Co., Ltd.
3. Director, Dhipaya Insurance Pub Co., Ltd.

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, the ICT Management Sub-Committee (Hold Office Until October 20, 2019)
2. Member, the Innovation, Research and Development Sub-Committee (Hold Office Until October 20, 2019)

Education

1. Master of Business Administration, Khon Kaen University
2. Bachelor of Arts (Education), Chiang Mai University

Training

1. IT Governance and Cyber Resilience Program (Bach 11/2019) Thai Institute of Directors (IOD)
2. Director Certification Program (DCP 163/2012) Thai Institute of Directors (IOD)
3. Politics and government in democracy for Executives, Batch 20th, King Prajadhipok's Institute Digital Banking & Inspirational Leadership, Krungthai bank PCL
4. Executive Brand Solicitation, Krungthai bank PCL
5. NPL Preventive and Corrective Policy, Krungthai bank PCL
6. Lead and Sales CRM System Usage, Krungthai bank PCL
7. Executive Leadership Development Program (ELDP), Krungthai bank PCL
8. KTB Digital Banking Workshop, Krungthai bank PCL
9. Proud to be a Good Leader Course, Krungthai bank PCL
10. Influencer for Change, Krungthai bank PCL
11. Strategic Marketing Plan for Service Marketing, Krungthai bank PCL
12. Fiscal Manager, Batch 4th, the Fiscal Policy Research Institute Foundation

Working Experience

1. 2017-2019 Director, KTB Leasing Co., Ltd. Director, Dhipaya Insurance Pub Co., Ltd.
2. 2017-2018 Senior Executive Vice President - Managing Director Retail Banking Sales & Distribution Group, Krung Thai Bank Pub Co., Ltd.
3. 2016-2019 Director, Krungthai AXA Life Insurance Pub Co., Ltd.

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None



Mr. Jaroondech Jenjaruskul

Qualified Expert
Position Director, BAAC's BOD
Hold Office Since November 12, 2019

Age 54



Mr. Apirom Sukprasert

President, The Bank for Agriculture and Agricultural Cooperatives
Position Director and Secretary, BAAC's BOD
Hold Office All Fiscal Year 2019
Age 59

Other Position While on Officiating BAAC's BOD

1. Director, Siam Patna Film Co., Ltd.
2. Director, KMIL Council, King Mongkut's Institute of Technology Ladkrabang
3. Chairman, The Board of University Affairs, King Mongkut's Institute of Technology Ladkrabang
4. Director, Faculty of Medicine, King Mongkut's Institute of Technology Ladkrabang

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Chairman, Research and Development Sub-Committee, (Hold Office Since November 15, 2019)
2. Director, the BAAC President Recruitment and Remuneration Committee (Hold Office Since November 15, 2019)
3. Director, the Scrutiny Sub-Committee (Hold Office Since November 15, 2019)
4. Director, the Information and Communication Technology Sub-Committee (Hold Office Since November 15, 2019)

Education

1. Doctor of Philosophy (Industrial Management) International Program, King Mongkut's Institute of Technology Ladkrabang
2. Master of Science (Industrial Engineering), MSIE University of New Haven, USA
3. Bachelor of Engineer (Industrial Engineering), Chulalongkorn University

Training

1. Director Accreditation Program (DAP 94/2012), Thai Institute of Directors (IOD)
2. Financial Statement for Director, Thai Institute of Directors (IOD)

Working Experience

1. Advisor to the Minister of Office of the Prime Minister
2. Advisor to the Deputy Minister of Fiscal
3. Advisor to the Deputy Minister of Commerce
4. Advisor to the Committee on Finance, Banking and Financial Institutions Group
5. Chairman, Amanah Leasing PCL
6. Director, Islamic Bank of Thailand

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None

Other Position While on Officiating BAAC's BOD

President, Bank for Agriculture and Agricultural Cooperatives

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, the Risk Oversight Committee
2. Member, the Legal Counseling Sub-Committee
3. Member, the Innovation, Research and Development Sub-Committee
4. Member, the Scrutiny Sub-Committee
5. Member, the Information and Communication Technology Sub-Committee
6. Member, Develop Community Potential Local economy, Societies and Environment
7. Secretary, the BAAC President Recruitment and Remuneration Committee

Education

1. Master of Science (Agricultural Economics), Kasetsart University
2. Bachelor of Science (Agricultural Economics), Chiang Mai University

Training

1. IT Governance and Cyber Resilience Program, Thai Institute of Directors (IOD)
2. Ethical Leadership Program, Thai Institute of Directors (IOD)
3. Successful Formulation and Execution of Strategy, Thai Institute of Directors (IOD)
4. Director Certification Program, Thai Institute of Directors (IOD)
5. Executive Program, Capital Market Academy

Working Experience

1. 2014-2017 Senior Executive Vice President, Accounting, Treasury and Banking Business Group

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Other Director None

Criminal Record Dating Back Ten Years None





BAAC Management Committee

As of 31 March 2020

01 **Mr. Apirom Sukprasert**

President

02 **Mr. Nipath Kuasakul**

Senior Executive Vice President

03 **Mr. Sarayoot Yimyuan**

Senior Executive Vice President





04 Mr. Wirat Wanittanakul
Senior Executive Vice President

06 Mr. Tanaratt Ngamvalairatt
Senior Executive Vice President

08 Mr. Somkiat Kimawaha
Executive Vice President

05 Mr. Surachai Rasmee
Senior Executive Vice President

07 Mr. Suwit Poolsilp
Executive Vice President





09 Mr. Kasab Ngeanruang

Executive Vice President

11 Mr. Sarayud Tarasena

Executive Vice President

10 Mr. Nopadol Srisun

Executive Vice President

12 Mr. Santi Charoensuk

Executive Vice President





13 Mr. Seksan Chankwang

Executive Vice President

14 Mr. Sompob Rodklang

Executive Vice President

15 Mr. Wichan Sriratanawilai

Executive Vice President

16 Mr. Peerapong Kumchuen

Executive Vice President





Mr. Apirom Sukprasert

President, Bank for Agriculture and Agricultural Cooperatives

Age 59

Other Position while on Officiating in BAAC's MC

Director and Secretary, BAAC's BOD

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, the Risk Oversight Committee
2. Member, the Legal Counseling Sub-Committee
3. Member, the Innovation, Research and Development Sub-Committee
4. Member, the Scrutiny Sub-Committee
5. Member, the Information and Communication Technology Sub-Committee
6. Member, Develop Community Potential Local economy, Societies and Environment
7. Secretary, the BAAC President Recruitment and Remuneration Committee

Education

1. Master of Science (Agricultural Economics), Kasetsart University
2. Bachelor of Science (Agricultural Economics), Chiang Mai University

Training

1. IT Governance and Cyber Resilience Program, Thai Institute of Directors (IOD)
2. Ethical Leadership Program, Thai Institute of Directors (IOD)
3. Successful Formulation and Execution of Strategy, Thai Institute of Directors (IOD)
4. Director Certification Program, Thai Institute of Directors (IOD)
5. Executive Program, Capital Market Academy

Working Experience

1. 2017-Present President, Bank for Agriculture and Agricultural Cooperatives
2. 2014-2017 Senior Executive Vice President Accounting, Treasury and Banking Business Group

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Nipath Kuasakul

Senior Executive Vice President
Accounting, Treasury and
Banking Business Group

Age 60



Mr. Sarayoot Yimyuan

Senior Executive Vice President
Farmer Credit Business and
Governance Policy Support Group
and Acting for Human Resource and
Organization Development Line

Age 59

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

Member, Scrutiny Sub-Committee

Education

1. Master of Science (Marketing and Product Management), Cranfield University, United Kingdom
2. Bachelor of Science (Agricultural Science) 2nd Class Honours, Prince of Songkla University

Training

1. Public Economic Management for Executive, King Prajadhipok's Institute
2. Prevention, and Suppression of High Level Corruption Strategy Executive Program, National Defense and Suppression of Corruption Sanya Dhamasak Institute
3. Senior Budget Executive Program, Budget Bureau
4. Thailand Insurance Leadership Program, OIC Advanced Insurance Institute (OICAI)
5. Director Certification Program, The Thai Institute of Directors Association (IOD)

Working Experience

1. 2018-Present Senior Executive Vice President Accounting, Treasury and Banking Business Group
2. 2017-2018 Executive Vice President Marketing Strategy and Deposit Line
3. 2013-2017 Executive Vice President Planning Line

Shares in BAAC 0.0000089

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, BAAC Corporate Relation Affairs Committee
2. Assistant Secretary, Nomination and Compensation Committee
3. Member, Scrutiny Sub-committee

Education

1. Master of Public Administration, Ramkhamhaeng University
2. Bachelor of Political Science, Ramkhamhaeng University

Training

1. Director Certification Program, Thai Institute of Directors (IOD)
2. Good Corporate Governance for Middle Management Level, King Prajadhipok's Institute
3. Public Economic Management for Executive, King Prajadhipok's Institute
4. Leadership Succession Program, Institute of Research and Development for Public Enterprises (IRDPE)
5. Economic Value Management (EVM), State Enterprise Policy Office, Ministry of Finance

Working Experience

1. 2018-Present Senior Executive Vice President Farmer Credit Business and Governance Policy Support Group
2. 2017-2018 Executive Vice President Government Policy Line
3. 2015-2017 Executive Vice President Northern Region Line

Shares in BAAC 0.0000009

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Wirat Wanittanakul

Senior Executive Vice President
Branch Administration Group

Age 60



Mr. Surachai Rasmee

Senior Executive Vice President
Major Farmer and Farmer
Institution Credit Business Group

Age 57

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

None

Education

1. Master of Business Administration, Naresuan University
2. Bachelor of Science (Agricultural Development), Prince of Songkla University

Training

1. EVM and Banking Business, State Enterprise Policy Office
2. Leadership Succession Program (LSP), Institute of Research and Development for Public Enterprises (IRDP)
3. Chief of Digital Agro Business, Institute of Research and Development for Public Enterprises (IRDP)
4. Business Continuity Management System (BCMS), Bank for Agricultural and Agricultural Economic

Working Experience

1. 2018-Present Senior Executive Vice President Branch Administration Group
2. 2016-2018 Executive Vice President Branch Administration Line
3. 2011-2016 Senior Vice President Central Region Branch Administration Department

Shares in BAAC 0.0000089

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, Good Corporate Governance and Corporate Social Responsibility Sub-Committee
2. Member and Secretary, Innovation, Research and Development Sub-Committee
3. Member, Scrutiny Sub-committee
4. Member and Secretary Community Business for Thai Project Supervision Sub-Committee

Education

1. Master of Business Administration Program, Ramkhamhaeng University
2. Bachelor of Political Science, Chiang Mai University

Training

1. Director Certification Program, Thai Institute of Directors (IOD)
2. Leadership Succession Program (LSP), Institute of Research and Development for Public Enterprises (IRDP)
3. Presentation for Executive, Bank for Agricultural and Agricultural Cooperative
4. Standard for Business Loan Analysis, Bank for Agricultural and Agricultural Cooperative
5. High Performance Leadership, Institute of Research and Development for Public Enterprises (IRDP)

Working Experience

1. 2018-Present Senior Executive Vice President Major Farmer and Farmer Institution Credit Business Group
2. 2017-2018 Executive Vice President Customer and Rural Development Line
3. 2014-2017 Senior Vice President Upper Northern Branch Administration Department

Shares in BAAC 0.0000179

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Tanaratt Ngamvalairatt

Senior Executive Vice President
Digital Strategy and Information
Technology Group and Acting for
Organization Strategy and Human
Resource Group (Except Human
Resource and Organization
Development Line)

Age 57



Mr. Suwit Poolsilp

Executive Vice President
Compliance and Good
Governance Line

Age 59

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, Information Technology Management Sub-Committee
2. Member and Secretary Appeal Sub-Committee
3. Member Legal Advisory Sub-Committee
4. Member and Secretary Scrutiny Sub-committee

Education

1. Master of Science (Program in Computer Science), Chulalongkorn University
2. Bachelor of Business Administration (General Management), Ramkhamhaeng University

Training

1. Digital Transformation Strategy for Senior Management, IMC Institute
2. Modern Digital Marketing, Thammasat Business School
3. Executive Digital Economy, Institute of Research and Development for Public Enterprises (IRDP)
4. Administrative Data Information, Software Park Thailand

Working Experience

1. 2018-Present Senior Executive Vice President Digital Strategy and Information Technology Group
2. 2017-2018 Executive Vice President Digital Strategy Line
3. 2015-2017 Senior Vice President of Digital Marketing Department
4. 2014-2015 Senior Vice President of Information Technology Operation Department

Shares in BAAC 0.000018

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member and Secretary, Risk Oversight Committee
2. Member and Secretary, Good Corporate Governance and Corporate Social Responsibility Sub-Committee

Education

1. Doctor of Philosophy (Good Governance Development), Chandrakasem Rajabhat University
2. Master of Business Administration (Financial and Banking), Ramkhamhaeng University
3. Bachelor of Science Program (Plant Science), Prince of Songkla University

Training

1. Farming System Development, DSE, Federal Republic of Germany
2. Enterprise Risk Management, ACIS
3. Public Economic Management for High Executive, King Prajadhipok's Institute
4. Executive Program, Institute of Research and Development for Public Enterprises (IRDP)

Working Experience

1. 2015-Present Executive Vice President Compliance and Good Governance Line
2. 2010-2015 Director of Risk Management Department

Shares in BAAC 0.000054

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Somkiat Kimawaha

Executive Vice President

Product Support Line and acting for Accounting and Treasury Line (Treasury Department and Accounting Department)

Age 57



Mr. Kasab Ngeanruang

Executive Vice President

Product Banking Business Line and Acting for Accounting and Treasury Line (Banking and Business Department)

Age 55

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

Member, BAAC Corporate Relation Affairs Committee

Education

1. Master of Public Administration (Public Policy and Project Management), National Institute of Development Administration (NIDA)
2. Bachelor of Political Science (Public Administration) Honors Ramkhamhaeng University

Training

1. Conflict Analysis and Management Class 2, King Prajadhipok's Institute
2. Executive Royal Development Projects Program, Office of the Royal Development Projects Board (ORDPB)
3. Strategic Human Resource Management, Institute for Continuing Education and Human Resources
4. Digital CEO, Digital Economy Promotion Agency (DEPA)
5. Presentation for Executive, Bank for Agricultural and Agricultural Cooperative

Working Experience

1. 2017-Present Executive Vice President Product Support Line
2. 2015-2017 Senior Vice President of Lower North Eastern Region Department
3. 2013-2015 Vice President of Lower North Eastern Region Department

Shares in BAAC 0.0000004

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Assistance Secretary, Nomination and Compensation Committee
2. Member, BAAC Corporate Relation Affairs Committee
3. Secretary, Scrutiny Sub-Committee
4. Secretary, BAAC Presidential Performance Evaluation Committee

Education

1. Master of Business Administration Program in Management, Rajapark College
2. Bachelor of Political Science, Ramkhamhaeng University

Training

1. Director Certification Program, Thai Institute of Directors (IOD)
2. The Leadership for Digital Transformation Thailand, Digital Economy Promotion Agency
3. Financial and Fiscal Management Program for Senior Executive (FME), Public Fiscal and Accounting Personnel Development Institute (PFAPDI)
4. Executive Development Program, Fiscal Policy Research Institute Foundation
5. Good Governance for Sustainable Development, Office of the Public Sector Development Commission

Working Experience

1. 2018-Present Executive Vice President Product Banking Business Line
2. 2017-2018 Executive Vice President for General Administration Line
3. 2015-2017 Vice President of Management Department

Shares in BAAC 0.000089

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Nopadol Srisun

Executive Vice President
Product Digital Strategy Line

Age 58



Mr. Sarayud Tarasena

Executive Vice President
Customer and Rural Development
Line and acting for Agribusiness
Entrepreneur and Farmer Institution
Credit Line

Age 59

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

None

Education

1. Master of Business Administrator (E-Commerce), Sripatum University
2. Bachelor of Business Administrator, Sukhothai Thammathirat Open University

Training

1. Digital CEO, Digital Economy Promotion Agency (DEPA)
2. TQA Criteria, Thailand Productivity Institute
3. TQA Assessor Calibration, Thailand Productivity Institute
4. Innovation of (Future Fintech & Digital Bank), The Thai Institute of Banking and Finance Association
5. Financial Executive Development Program, The Thai Institute of Banking and Finance Association

Working Experience

1. 2018-Present Executive Vice President Digital Strategy Line
2. 2017-2018 Senior Vice President of Digital Marketing Department
3. 2016-2017 Senior Vice President of Audit Department
4. 2013-2016 Senior Vice President of Policy and Strategy Department

Shares in BAAC 0.0000188

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Assistance Secretary, Community Business for Thai Project Supervision Sub-Committee
2. Assistance Secretary, Good Corporate Governance and Corporate Social Responsibility Sub-Committee
3. Assistance Secretary, Innovation, Research and Development Sub-Committee

Education

1. Master of Public Administration, National Institute of Development Administration
2. Bachelor of Science (Agriculture), Khon Kaen University

Training

1. Director Certification Program, Thai Institute of Direction (IOD)
2. Executive Royal Development Projects Program, Office of the Royal Development Projects Board (ORDPB)
3. Good Governance for Sustainable Development, Office of the Public Sector Development Commission (OPDC)
4. AEC Knowledge for Executive, Institute of Research and Development for Public Enterprises (IRDP)

Working Experience

1. 2018-Present Executive Vice President Customer and Rural Development Line
2. 2017-2018 Senior Vice President of Northeastern Region Branch Administration Department
3. 2014-2017 Senior Vice President of Customer and Rural Development Department

Shares in BAAC 0.0000034

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Santi Charoensuk

Executive Vice President
Human Resource and Organization
Development Line

Age 59



Mr. Seksan Chankwang

Executive Vice President
Organization Strategy Line

Age 52

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

Member, The BAAC Corporate Relation Affairs Committee

Education

1. Master of Law, Ramkhamhaeng University
2. Master of Public Administration Program, National Institute of Development Administration (NIDA)
3. Barrister at Law, Institute of Legal Education Thai Bar Association
4. Bachelor of Laws 2nd Class Honors, Ramkhamhaeng University

Training

1. The Civil Service Executive Development Program, Visionary and Moral Leadership, Batch 86th Office of the Civil Service Commission
2. TQA Criteria, Thailand Productivity Institute
3. How to Develop a Risk Management Plan, (HRP Program), Batch 17th, Thai Institute of Director (IOD)
4. Executive Program, Office of the Civil Service Commission
5. Advanced Certificate Course in Public Administration and Law for Executives, Batch 9th, King Prajadhipok's Institute

Working Experience

1. 2018-Present Executive Vice President Human Resource and Organization Development Line
2. 2017-2018 Senior Vice President of Audit Department
3. 2015-2016 Senior Vice President of Legal Affairs Department

Shares in BAAC 0.0000107

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

Assistance Secretary, Good Corporate Governance and Corporate Social Responsibility Sub-Committee

Education

1. Master of Science Program (Environmental Management), National Institute of Development Administration
2. Bachelor of Science Program Department of Plant Production Technology, King Mongkut's Institute of Technology Ladkrabang

Training

1. The Civil Service Executive Program, Office of the Civil Service Commission (OCSC)
2. Senior Budget Executive Program, Budget Bureau
3. Super Series "Leadership & Effective Corporate Culture", Institute of Research and Development for Public Enterprises and University of Cambridge
4. Making the CEOs of Thailand, MCOT Academy
5. Financial Executive Development Program, Thai Institute of Banking and Finance Association

Working Experience

1. 2018-Present Executive Vice President Organization Strategy Line
2. 2017-2018 Senior Vice President of Policy and Strategy Department
3. 2016-2017 Senior Vice President at Center of Loan Business Development
4. 2014-2016 Senior Vice President of General Administration Department

Shares in BAAC 0.0000002

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

**Mr. Sompob Rodklang**

Executive Vice President
Farmer Loan Line and Acting for
Government Policy Line

Age 60

**Mr. Wichan Sriratanawilai**

Executive Vice President
Information Technology Line

Age 58

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Member, BAAC Corporate Relation Affairs Committee
2. Assistance Secretary, Good Corporate Governance and Corporate Social Responsibility Sub-Committee

Education

1. Master of Public Administration, National Institute of Development Administration (NIDA)
2. Bachelor of Science (Agricultural Economics), Chiang Mai University

Training

1. Data Governance for Executive, Bank for Agriculture and Agricultural Cooperative
2. Financial Executive Development Program, The Thai Institute of Banking and Finance Association
3. Challenge Integration for Driving Policy, Bank for Agriculture and Agricultural Cooperative
4. Presentation for Executive, Bank for Agriculture and Agricultural Cooperative
5. Efficiency Project Management, Bank for Agriculture and Agricultural Cooperative

Working Experience

1. 2018-Present Executive Vice President Farmer Loan Line
2. 2016-2018 Senior Vice President of Western Branch Administration Department
3. 2011-2016 Vice President of Western Branch Administration Department

Shares in BAAC 0.0000089

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Secretary, Information Technology Management Sub-Committee
2. Member, BAAC Corporate Relation Affairs Committee

Education

1. Master of Science (Computer Science), Rangsit University
2. Bachelor of Science Program (Horticulture), Kasetsart University

Training

1. EVM and Banking Business, State Enterprise Policy Office, Ministry of Finance
2. Chief Information Technology, Software Park Thailand
3. High Performance Leader, Institute of Research and Development for Public Enterprises (IRDP)
4. Digital CEO, Institute of Research and Development for Public Enterprises (IRDP)
5. Financial Executive Development Program, Thai Institute of Banking and Finance Association

Working Experience

1. 2018-Present Executive Vice President, Information Technology Line
2. 2017-2018 Senior Vice President, Information Technology Operations Department
3. 2010-2017 Director of Office of Information Technology Planning

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None



Mr. Peerapong Kumchuen

Executive Vice President

General Administration Line

Age 58

Other Position while on Officiating in BAAC's MC

None

Position in Committees/Sub-Committees Appointed by BAAC's BOD

1. Assistance Secretary, Appeal Sub-Committee
2. Assistance Secretary, Legal Advisory Sub-Committee

Education

1. Master of Laws, Ramkhamhaeng University
2. Barrister at Law, Institute of Legal Education Thai Bar Association
3. Bachelor of Laws, Ramkhamhaeng University

Training

1. Corporate Governance for Executives, Thai Institute of Directors (IOD)
2. Administrative law for Executive, The Administrative Court of Thailand
3. Public Relation Administration, The Government Public Relation Department
4. Modern Leader Development Program, The Thai Institute of Banking and Finance Association
5. Senior Budget Executive Program, Budget Bureau

Working Experience

1. 2018-Present Executive Vice President, General Administration Line
2. 2017-2018 Senior Vice President of Human Resource Department
3. 2013-2017 Director of Office of Marketing Communication and Public Relations

Shares in BAAC None

Status as BAAC's Stakeholders None

Holding Positions in Businesses that Compete with State Enterprise None

Holding of Securities (shares) of Companies related to Financial Institution

Business More than 10 Percent of the Total Shares with the Voting Rights of the Company None

Family Relationship with Director None

Criminal Record Dating Back Ten Years None





Organization Structure

As of 31 March 2020





● Board of Directors

President

Risk Management Committee

The Good Corporate Governance and Corporate Social Responsibility Subcommittee

Compliance and Good Governance Line

- Risk Management Department
- Office of Loan Review
- Office of Fraud Management
- Office of Corporate Governance and Compliance

Farmer Credit Business and Government Policy Support Group

Farmer Loan Line

- Farmer Loan Department
- Small Farmer Loan and Informal Debt Management Department

Government Policy Line

- Government Policy Department
- Office of Debt Management

Major Farmer and Farmer Institution Credit Business Group

Agribusiness Entrepreneur and Farmer Institution Credit Line

- Entrepreneur and Institution Credit Department
- Center of SMAEs Incubation Development
- Research and Innovation Development Center

Customer and Rural Development Line

- Customer and Rural Development Department
- Office of Customer Product and Community Based Tourism

Branch Administration Group

- Upper Northern Region Branch Administration Department
- Lower Northern Region Branch Administration Department
- Upper Northeastern Region Branch Administration Department
- Lower Northeastern Region Branch Administration Department
- Central Region Branch Administration Department
- Eastern Region Branch Administration Department
- Western Region Branch Administration Department
- Upper Southern Region Branch Administration Department
- Lower Southern Region Branch Administration Department
- Office of Metropolitan Branch Administration
- Office of Branch Administration Department



Operational Direction



Statement of Direction

Ministry of Finance by the State Enterprise Policy Office (SEPO) requires that the State Enterprise prepare an annual operation plan and 5-year enterprise plan to be in accordance with both the overall and the field specific state enterprise strategic plan in order to systematically develop the state enterprise in accordance with relevant national strategy as well as to implement and evaluate the operating results as follows:

Overall State Enterprise strategy

State enterprise has a role in driving the national strategy by being able to accelerate investment that is in line with the strategy and has financial strength, and focusing on applying innovation and technology to develop the work and increase efficiency under a transparent and moral governance system and apply the sufficiency economy philosophy.

State Enterprise strategy for Financial Institution

Be a financial institution for development that provides the opportunity for the people to thoroughly gain access sources of funds and provides financial knowledge to support the strength of the local economy, improve the competitiveness of the country, and reduce social disparity under the stable, transparent, and sustainable administration of the organization with the application of technology and innovation for the administration and financial services.



Vision

To Be a sustainable rural development bank Focusing on support the local economy development to enhance the quality of life of rural people



Mission

Mission

01

To be a financial center that provides comprehensive and modern financial services for rural sector.



Mission

02

To improve the resource management to become a high-performance organization with good governance.

Mission

03

To promote the use of technology and innovation to increase competitiveness in order to solve poverty and increase income of rural people.

Mission

04

To support economic activities in the community by providing knowledge and funds that consider the balanced common value in economy, social, and environment.



Core Value



Sustainability

Sustainability of organization, employees, customers, communities, networks, shareholders, society, and environment



Participation

Participation of stakeholders



Accountability

Awareness of responsibility of the Board of Directors and employees



Respect

Respect and honour to oneself and others



Knowledge

Promote and enhance the transforming of knowledge to innovation to be a Bank of Learning and applying innovation to enhance the income of farmers



Configuration Value

Focusing on enhancing the quality of life of rural people by being a sustainable rural development bank focusing on supporting development of local economy to enhance the quality of life of rural people as follows:

Being a sustainable rural development bank

be the center for financial management and services for Thai agriculture and rural sectors that bring changes that enhance the well-being of communities and people in the rural area to have better quality of life and environment, increase knowledge and ability of people to work, focus on the participation in development from people in the community for stability, prosperity, and sustainability.

Focusing on supporting development of local economy

strengthening the economy of rural communities to be competitive and self-reliant, which will help to raise the standard of living and well-being of rural people.

To enhance the quality of life of rural people

promote behavioral adjustment in the household level and support the grouping of rural members to strengthen rural areas to have the capability to plan the quality of life, finance, and careers.



Operational Strategies Fiscal Year 2020

Strategy 01

DEVELOP COMPREHENSIVE AND MODERN FINANCIAL SERVICES

Focus on using data from customer journey map and customer experiences as inputs for product analysis refers to product development (Data to Product), developing service channels under appropriate transaction proportions, and providing services with other service providers, as well as applying technology to develop financial services appropriately.



Strategy 02

INCREASE THE CAPABILITY OF THE ORGANIZATION AND PERSONNEL TO SUPPORT THE MISSION

Focus on increasing the capability of the organization to be a high-performance organization driven by creating and developing personnel to enhance the business capability, leading to the Business Transformation organizational reform under the support of the information system that integrates the database with partner networks and be in line with the Data Governance approach.



Strategy 03

MANAGE TOTAL REVENUE AND TOTAL COST TO BE BALANCED AND EFFECTIVE

Focus on balanced and sufficient money management under efficient liquidity management, and capital structure adjustment, proper money cost management through low cost deposit (CASA) management, management of revenue and expense structure for stability and sustainability.





Strategy **04**

CREATE AND DEVELOP FARMERS TO BE SMART FARMER AND SMAEs AGRIBUSINESS ENTREPRENEURS



Focus on development by increasing the ability to use technology and innovation in production and processing for those who have state welfare card and farmer customers, create farmer successors to replace elderly farmers, new generation of farmers stepping into Smart Farmer/Young Smart Farmer/New Gen and agribusiness entrepreneurs (SMAEs) to plan the development model throughout the value chain by collaborating with both public and private networks to create and develop rural people to have a better quality of life.

Strategy **05**

INCREASE THE COMPETITIVENESS OF SMALLHOLDER FARMERS THROUGH SMART FARMER, SMAEs AGRIBUSINESS ENTREPRENEURS, AND FARMERS INSTITUTIONS MECHANISM



Focus on promoting Smart Farmer, agribusiness entrepreneurs (SMAEs), and farmers institution as important mechanism to adapt/change/develop and connect businesses throughout the agricultural product chain, as well as developing products by using technology to enhance the competitiveness and connect businesses.

Strategy **06**

DEVELOP THE CAPABILITY OF ORGANIZATION AND COMMUNITY IN AN INTEGRATED AND SUSTAINABLE MANNER TO DEVELOP LOCAL ECONOMY



Focus on developing the capability of the organization and the community in an integrated and sustainable manner and partner with networks to enhance the community economy by considering environmental and social responsibility along with good governance under the concept of banking for sustainability to develop local economy, society, and environment.



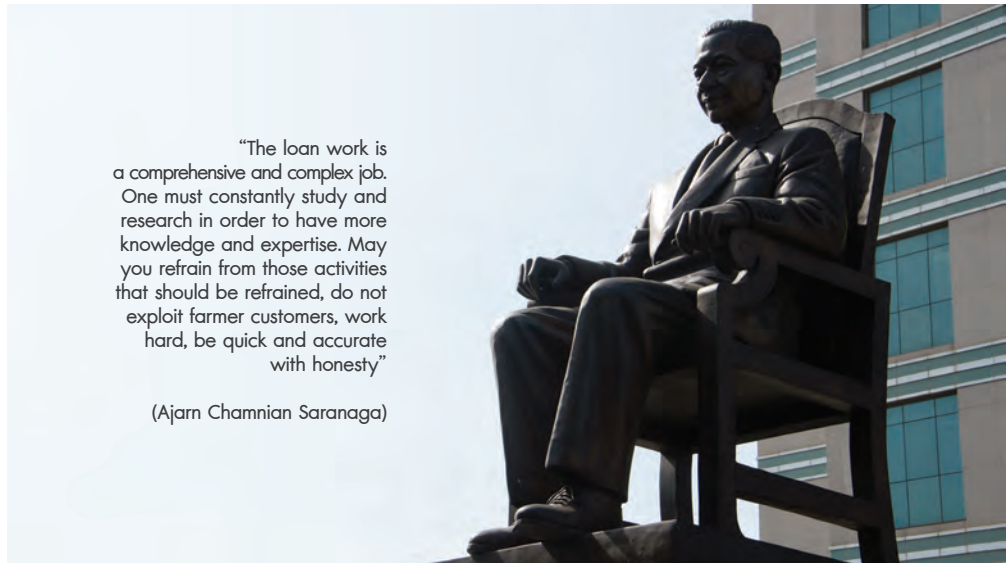
Business Characteristics

“The loan work is a comprehensive and complex job. One must constantly study and research in order to have more knowledge and expertise. May you refrain from those activities that should be refrained, do not exploit farmer customers, work hard, be quick and accurate with honesty”

(Ajarn Chammian Saranaga)



Developing employees to support the future business direction



About BAAC

Bank for Agriculture and Agricultural Cooperatives (BAAC) is a government bank established according to the Bank for Agricultural and Agricultural Cooperatives Act in 1966 with the reason for establishment that:

“In order to promote and develop the agricultural of the country, it is necessary to provide financial assistance which is an important factor to help farmers to increase productivity and agricultural income. Such assistance should be provided extensively including directly to farmers as well as to farmer groups and agricultural cooperatives. These financial assistances should be provided under the same control system in order to yield the stable result and convenient to provide more funds, hence it is appropriate to establish the Bank for Agriculture and Agricultural Cooperatives as a national institution to perform these duties.”

BAAC has been in operation since 1 November 1966. The first Headquarters was located at Kok Wua intersection, Ratchadamnoen Klang Road. The resolution of the first meeting of the Board of Directors of BAAC requested the approval of the Finance Minister to appoint Mr. Chammian Saranaga as the first President. He had contributed in laying foundation for agricultural loan and cultivating the ideology of working to help farmers to all BAAC staff until now.

Operational objectives

The Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509 (1966) Section 9 stipulates operational objectives of BAAC as follows:

(1) Provide financial assistance to farmers, farmer groups, or agricultural cooperatives for

- (a) Being a farmer or a profession related to agriculture.
- (b) Working in other occupation to increase income.

(c) Developing knowledge in agriculture or other occupation to increase income or improve the quality of life of farmers or farmers' family.

(d) Undertaking business according to project that promote or support agricultural operation, which is a joint operation with entrepreneurs to increase income or improve the quality of life or farmers or farmers' family.

(2) Undertake other businesses which promote or support agriculture.

(3) Be a financial institution for rural development by providing financial assistance or management to individuals, groups, village or community fund entrepreneurs, including any organization established with the objectives to support the occupation of farmers or community in order to promote the development of produces or products of farmers or communities to be effective in terms of investment, production, processing, and marketing, or to encourage communities to be economically strong, or to improve the quality of life.

(4) Provide financial assistance to cooperatives to operate within the scope of the cooperative establishment objectives.

Changes and important developments

More than 5 decades in being “More than a bank, to build sustainability of the Thai Agriculture” BAAC has developed operational model to be in line with the national economic and social development context in order to continuously improve the quality of life of farmers in the rural areas.

1st Decade (1966-1976) BAAC gave priority to short-term and medium-term production loans for farmers to reduce the role of informal loans by creating new financial innovation i.e. giving loan to individual farmer by using the people in the group to guarantee as joint debtors.



2nd Decade (1977-1986) BAAC expanded cooperation with public and private sectors in providing basic elements to facilitate comprehensive agricultural development in the form of agricultural materials, and connected markets by establishing a central agricultural market, paddy rice pledging, as well as developing individual loan service to farmers in the form of cash loan agreement.

3rd Decade (1987-1996) BAAC expanded the assistance to cover small scale and poor farmers who could not apply for normal loan service from financial institution by specifying special criteria to provide loan services to those groups of farmers, helped to create jobs and income for farmers, supported the establishment of Agricultural Marketing Cooperative for BAAC Consumer (AMC) to strengthening the bargaining power for farmer customers.

4th Decade (1997-2006) BAAC had major adjustment of the role and operational strategy in accordance with the Bank for Agriculture and Agricultural Cooperatives Act No. 6, 2006 to be in line with the economic and social context amid the financial crisis throughout Asia.

BAAC has expanded opportunities to enhance the quality of life of farmers and develop additional career to increase income for farmers, and embracing the sufficiency economy philosophy as guidelines for strengthening community while protecting the environment and established the Islamic bank fund to provide financial service in accordance with Islamic principle under the framework of BAAC Act in 1999.

5th Decade (2007-2016) BAAC expanded the scope of loan services to individuals, groups, entrepreneurs, village or community funds, relevant organizations, and all types of cooperatives to be able to access to formal funding sources, and gave importance to standardized management by adhering to good corporate governance principle.

6th Decade (2017-present) BAAC aimed to be a financial center for agricultural and rural sectors by focusing on customer centric and changed the organization management style as well as preparing the resources, personnel, technology, and work system to be in line with the business model in response to customer needs and the rapidly changing operational context.

Share capital and shareholder structure

As at 31 March 2020, BAAC had authorized share capital of 800,000,000 ordinary shares with the par value of 100 Baht per share, which were issued and paid up share capital of 559,453,385 shares with the par value of 100 Baht per share.

The Ministry of Finance is the major shareholder and there are small shareholders such as cooperatives, individuals, BAAC employees, farmers and farmer groups respectively with top 10 shareholders as follows:






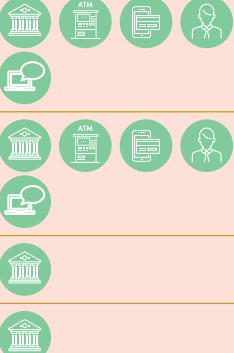

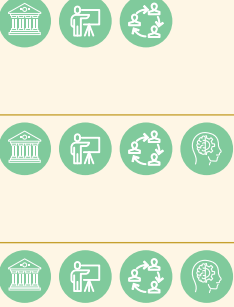
No.	Name	Amount (shares)	Proportion (%)
1	Ministry of Finance	558,207,513	99.7773
2	Wangnamyen Dairy Cooperative Ltd.	100,000	0.0179
3	Chulalongkorn University Savings Cooperative Ltd.	50,000	0.0089
3	Bank for Agriculture and Agricultural Cooperative Savings Cooperative Ltd.	50,000	0.0089
4	Muang Suphan Buri Agricultural Cooperative Ltd.	26,089	0.0047
5	Banphot Phisai Agricultural Cooperative Ltd.	24,487	0.0044
6	Doi Tao Agricultural Cooperative Ltd.	21,000	0.0038
7	Buriram Agricultural Marketing Cooperative Ltd.	20,100	0.0036
8	Roi Et Agricultural Marketing Cooperative Ltd.	20,000	0.0036
8	The Krabi Oil-Palm Farmers Cooperative Federation Ltd.	20,000	0.0036
9	Nakhon Ratchasima Agricultural Marketing Cooperative Ltd.	19,000	0.0034
10	Nongpho Ratchaburi Dairy Cooperative Ltd.	18,701	0.0033
	Other Shareholders	876,495	0.1566
	Total paid-up share capital	559,453,385	100.0000
	Non paid-up share capital	240,546,615	
	Grand Total	800,000,000	










Note: Issued and paid-up share capital are 69.9316 percent of share capital of 800,000,000 shares



Product and Service

The important roles and missions of BAAC consists of 4 areas namely 1. Credit 2. Deposit 3. Finance, and 4. Customer Development. The categorization of product/service and delivery channels are as follows:

Product/Service	Details of Product/Service	Delivery Channel
1. Loan service 	1.1 Agricultural Sector Loan 1.2 Non-Agricultural Sector Loan	
2. Deposit service 	2.1 Current Account 2.2 Savings Account 2.3 Special Savings Account (Savings Account with Prize) 2.4 Fixed Deposit Account	
3. Financial service 	3.1 Financial service such as money transfer, cheque, bank guarantee, fee for deposit/loan, assessment of real estate, loan analysis, etc. 3.2 Product payment/Agent service for other institutions such as utilities bills, credit card bills, product fees, insurance premiums, etc. 3.3 Insurance services such as life insurance, accident insurance, fire insurance, etc. 3.4 Electronics Cards such as ATM card, Happy Agriculture Card, Debit Smart Card, etc.	
4. Customer Development Service 	4.1 Development of individual farmer customers who registered for state welfare (S1) focusing on preparing individual development plan, debt reduction, debt recovery, financial education, preparing careers development guidelines, as well as creating immunity through savings 4.2 Development of general farmer customers who did not register for state welfare (S2) focusing on developing farmers potential, assessing occupational ability, using marketing to lead the production, adjusting/changing production in accordance with the area, financial planning, debt management 4.3 Development of individual customers, farmer institutions, and juristic persons (S3) focusing on developing knowledge and product, enhancing competitiveness, grouping of buyers and sellers networks, developing various projects to have potential, and supporting sufficient loan for business needs	

- | | | |
|---|--|---|
| <ul style="list-style-type: none">  Branch/District Unit  Customer Service Center for entrepreneurs, institutions and agricultural SME  Automatic Transaction Service Kiosk (ATM CDM) | <ul style="list-style-type: none">  BAAC A-Mobile  Banking Agent  BAAC Corporate Banking | <ul style="list-style-type: none">  Learning Center/Customer community  Network/Institution/community enterprise  Incubation and innovation development center for SMEs |
|---|--|---|



Service Delivery Channels

As at 31 March 2020

BAAC has a nationwide service network as follows:



Total Branch
1,272 Branch

- 1,020 General Branches
- 252 Sub-branches



Foreign Currency
Exchange Point
● 233 Points



Automatic Transaction Service Kiosk
(ATM, CDM, PAM)
● ATM 2,001 Kiosks
● CDM 360 Kiosks
● PAM 1,304 Kiosks



District Unit (Loan Service)
● 1,100 Units



Central Market
● 2 Markets (Khon Kaen, Suphan Buri)



Mobile Banking (Registered)
● BAAC A-Mobile 1,411,373 Accounts



Customer Service Center for entrepreneurs,
institutions and agricultural SME
● 77 Centers



Banking School
● 2,037 Places



Banking Agent
● Thailand Post 1,419 Agents
● Counter Service 12,541 Agents
● Term Sabai Kiosk 51,375 Kiosks
● Boon Term Kiosk 112,804 Kiosks





The Operation Overview

Business Environment

2019 Overview

The International Monetary Fund (IMF) has lowered the global economic growth forecast for 2019 to 3.0 percent resulting from a trade war between United States and China. This resulted in the economic slowdown in many countries including Thailand which is an important trading partner.

The overview of Thai economy in 2019 had a growth rate at 2.4 percent due to low interest rate and inflation rate, private investments, as well as government spending and government measures to take care of low-income people. They were factors that support domestic consumption to slightly grow at the rate of 0.5 percent. In terms of agricultural sector, there are positive factors from the expansion of produce such as rubber, palm oil, and cassava, while the reduction of produce included wet season rice, dry season rice, maize, sugarcane, and longan which was a consequence of the drought and flood in many areas. In addition, there was still a problem from the strengthening of Thai Baht which affected exports. For the finance and banking sector, the Thai banking system still maintain high level of Capital Adequacy Ratio (CAR or BIS Ratio) and reserves for risk-weighted assets, which reflected the stability of the finance and banking sector. However, loan growth and loan quality are still affected from the economic slowdown. The overall loan market for 2019 expanded at 2.0 percent especially the personal loans and credit cards which had high expansion while the large corporate loans and SME loans decreased according to the economic slowdown. Considering quality of the debt in the overall loan market, the outstanding balance of the non-performing loans (NPLs) was at 2.98 percent, an increase from 2.42 percent from the previous year.

2020 Outlook

The International Monetary Funds (IMF) forecasted that the global economy will expand by 3.1 percent with the supporting factors from the recovery of developing countries and emerging markets, the world trade conditions and the industrial indices that shown a positive signals, as well as the easing of the monetary and fiscal policy by major central banks of the world and many countries. However, the problem of the Covid-19 pandemic may result in lower economic growth than expected.

The Research and Innovation Development Center of BAAC estimates the expansion of the Gross Domestic Product (GDP) in 2020 at 1.4 percent because the outbreak of Covid-19 is a key factor affecting trading partners as well as tourism and Thai export. In addition, there is a drought problem that affects employment in the agricultural sector that affect the ability to pay off debts of households and SMEs. However, it is expected that there will still be positive factors from the government monetary and fiscal policy through various measures including interest rate reduction, the policy for investment in a large infrastructure development project, as well as the cooperation from private sectors will help the overall economy of the country to expand as expected. For the agricultural sector in 2020, it is expected that the crop branch will expand by 2.1 percent. The increasing produce are cassava, rubber, and oil palm, while the decreasing produce are wet season rice, dry season rice, and fruit in the eastern region due to the climate change and drought conditions. In this regard, the government sector has encouraged farmers to gather as a group in order to apply the innovation in machinery, agricultural technology, as well as drone to help to reduce production cost and improve production efficiency. For the finance and banking sector in 2020, loans are expected to grow slightly at 3 percent with the contraction of differences in interest income of commercial banks due to the reduction of the policy interest rate, fees and non-interest income will decrease due to the lower profits from investments and credit fees. The reserve expenses will be reduced because BAAC is not allowed to set aside special provisions under the TFRS9 accounting standard. The cost-to-income ratio will improve slightly due to cost control policy and there is no recognition of additional employee benefit expenses. The competition in the banking industry is likely to intensify as more new players enter the market especially the FinTech Start-up and the Bank of Thailand measures to improve interest and fees calculation for fair customer service supervision (Market Conduct) resulting in commercial banks adjusting sales channels to provide more options for customers, and while the interest rate is going down, banks are increasingly focusing on offering investment products to customers. The Covid-19 pandemic may result in the slowdown of the loan expansion for SMEs and NPLs in 2020 may be accelerated due to uncertainty in the recovery of tourism and service businesses. In addition, the Thai household debt problem remains at high level as well as the severe drought that may affect the agricultural and industrial sectors.



Factors affecting operation

Bank of Thailand Notification No. SKS 12/2019 on Corporate Governance of Specialized Financial Institutions placed importance on enhancement of roles and responsibilities of the Board of Directors and high-level executives and the mechanism to support the performance of the Board of Directors and executives in an efficient and independent manner in line with the mission of specialized financial institutions. It also stipulated that the specialized financial institutions to create an organizational culture that considers risk, fairness, and transparency by establishing a good risk supervision framework, creating and instilling an organizational culture that take into account risks, ensuring that high-level executives manage the risk to an approved level, having a balancing mechanism and ensuring effective control, supervision and inspection, ensuring the policy and procedure for reporting clues within the organization, abolishing the requirements regarding the establishment of nomination and compensation committee, as well as adding requirements regarding disclosure of corporate governance in order to support the involvement of market mechanism in supervision.

Bank of Thailand Notification No. SKS 31/2019 on Criteria for accepting deposits or receiving money from citizens of specialized financial institutions required that the specialized financial institutions must have the Know Your Customer (KYC) process, for opening an accounts for accepting deposit or receiving money from citizens, which can perform Identification and Verification of customers correctly and efficiently, in order to allow the specialized financial institutions to provide service to customers with various financial innovation within the suitable risk management framework that is consistent with the mission and business operation of each specialized financial institution.





Operational Challenges

The Analysis of the business operating environment shows that the operational challenges of BAAC are Open Banking strategy, business transformation to Automation system which is an important foundation for digital transformation of the organization, human resource development focusing on customer centricity attitude, reduction of policy interest rate, new market players especially FinTech Startup, as well as Bank of Thailand measures to improve interest and fees calculation for fair customer service supervision

However, BAAC has reviewed the work system of the entire organization to be in line with the bank's strategies and future operational direction under a balanced business ecosystem in order to enhance the customer service and improve organization management system in accordance with the good corporate

governance principle. The working processes have been improved along with change management, such as establishing a steering committee for financial customer protection policy (Market Conduct), establishing center for contractual legal operations, collateral, and important documents in order to create a suitable Check and Balance, and development of loan process in accordance with the policy of the Bank of Thailand (BoT), There were also establishment of Foundation Economic Development Group Community Organization Business Line, Office of SME and Startup Promotion and Development, Office of Informal Debt Management Project, Institution of Human Resources Development, and Organization Strategy Group in order to support the mission and future operational direction effective from 1 April 2020.

BAAC has reviewed the work system of the entire organization to be in line with the bank's strategies and future operational direction under a balanced Business Ecosystem.





Operation in Fiscal Year 2019

In fiscal year 2019, BAAC focused on enhancing competitiveness of farmer sector by applying technology and innovation to add value to the production and marketing of the farmers emphasizing appropriate responses by group. Significant results of operation can be summarized as follows:

Strategy 1 Enhance Capability of Thai Agricultural Sector

Promote better quality of life for farmers by being able to drive operations so that farmers have 5 percent more savings, more than 85 percent of wealth, and more than 82 percent with better quality of life from happiness. BAAC has supported the agricultural sector reform to increase productivity by connecting agricultural sector to a comprehensive development with SMAEs and cooperatives movement as important driving mechanisms, developed and promoted agricultural entrepreneurship to be and industrial agriculture, enhanced and supported farmers with state welfare cards or those with informal debts to have an access to sources of funds and knowledge with opportunity to create additional income, managed debts along with developed customer potential and created immunity for farmers. Significant results of operations are as follows:

(1) Taking care of customer groups according to their true potential and increasing income level of customers participating in the project for development and enhancement of the state welfare card holders for poverty alleviation up to 72.24% of target groups. The project to support new generation farmers entering the agricultural sector to create strength and sustainability of agricultural sector replacing the elderly farmers was carried out for 143,447 cases, and the project to support loan for agricultural reform loan by using agricultural technology and innovation to reduce cost and increase production efficiency which could provide loan to farmers participating in the projects for 22,435 million Baht.

(2) Funding support and marketing channels through the project to support loan to farmer customers and individual customers had the growth of loan for 51,345 million Baht. The Green Product loan promotion

Strategy 2 Develop Comprehensive and Modern Financial Services

Expand financial services to communities through Banking Agents

The loan growth rate was 52,000 million Baht, deposit growth rate was 60,000 million Baht, and service and fee income were 5,000 million Baht through the development of service channels to meet the needs of each target customer group by applying appropriate technology. BAAC has considered customer needs in developing products and services to cover the exact needs of each customer group and expanded financial services through Banking Agents focusing on customer centric service. It included 5 major plans and the significant result of operations are as follows:

(1) Development of service channels to maintain existing



project could be implemented by 13.58 percent. In addition, BAAC has developed online marketing channel with the platform to expand the growth of agricultural sector throughout the Value Chain Finance (VCF) via Mobile Application A-FarmMart with total trading value of 161.98 million Baht.

(3) Strengthening the immunity for farmers, BAAC has driven the agricultural crop insurance project to expand opportunities to access production risk prevention system. There were 2,156,996 farmers participating in the wet season rice insurance project, total insurance areas of 30,444,038.25 Rai, with 356,752 farmers receiving assistance with total areas of 3,514,201.13 Rai in the amount of 4,428 million Baht. There were 141,622 farmers participating in the corn for feed insurance project, total insurance area of 1,739,279.25 Rai, with 26,474 farmers receiving assistance with total areas of 186,246.63 Rai in the amount of 280.59 million Baht. The project to support farmers savings through the project for life support deposits for financial stability of farmers had the access rate for deposits at 50.81 percent.



customer base and increase new customer base which was driven through the BAAC A-Mobile project to expand customer



service channels through BAAC A-Mobile Application with 1,411,373 registered users and 38,051,542 transactions.

(2) Development of payment system and service system throughout the ecosystem which was driven through the debit card production project to facilitate and reduce the customer service process through Debit Visa and Prompt Card for Village Health Volunteers of Thailand for 8,019,906 cards, and Corporate Banking Project to enhance service level and meet the needs of customers and business partners which had increase in deposit by 7,461 million Baht.

(3) Creation of Fee-Based Income (FBI) through the project to add the Bill Payment product through BAAC A-Mobile to

increase the channels for generating additional income from BAAC loans which could be implemented by 2,043 products.

(4) Addition of financial services through financial networks and other financial institutions in order to increase the access channels for BAAC products through networks such as Thailand Post, Counter Service, Term-Sabai Kiosk, Boon-Term Kiosk

(5) Customer Centric approach by using information system to support the increase of market opportunity in selling BAAC financial products and services in order to support data for loans and deposits operations which could be implemented by 392,108 cases.

Strategy 3 Balanced Capital Management for Stability and Sustainability

Expanded sources of fund of BAAC, managed liquidity, increased efficiency of financial cost management system, raised the standard of credit risk management, and modern financial services driven through service product development plan to increase deposits. The proportion of low-cost deposits (Current And Saving Account: CASA) increased by 45.78 percent. BAAC also developed risk management tools in accordance with the Ban of Thailand’s standards and expanded the use of standard tools for quality loan administration. BAAC has developed Credit Scoring, Credit Rating, and Portfolio Management tools for efficient management of credit portfolio which help to ensure that the loan approvals were accurate, fast, and be able to reduce potential credit risk.



Strategy 4 Enhance Organization Competitiveness with Good Governance

Enhanced to be high-performance organization in management and ready to support BAAC’s main missions as well as technology changes (Disruptive), enhanced capacity and retained personnel with excellence and expertise, responded to strategy to promote research and innovation both internally and externally in order to increase competitiveness, developed information technology to enhance business create knowledge, increased efficiency by adjusting the organization process and structure to be customer centric, promote good corporate governance and anti-corruption throughout BAAC. It has developed the capability and retained personnel according to the mission through the project to promote modern agriculture learning (Agri tech) to 3,340 employees and developed the technological support system for digital channel for financial networks and branch by developing Core Banking System (CBS), BAAC A-Mobile system, Money transfer without



Account number system (PromptPay), BAAC A-Shop system, and Payment system as modern financial service channels which meet the needs of customers. It also placed importance in development of corporate governance in accordance with Integrity & Transparency Assessment (ITA). In Fiscal Year 2019, BAAC has been assessed with 96.43 marks.



Strategy 5 Develop Integrated Community Potential for Sustainability of Local Economy, Society and Environment

To develop Eco Efficiency, support and develop green organization by supporting community development together with economic, social, and environmental networks which was driven through an eco-sustainability project, enhancing happiness community, supporting sustainable agricultural production for Thai agricultural sector reform, and enhancing tree bank to valuable tree community which could increase 62,430 tourists for the community and generated income for community totalling 49.80 million Baht and promote the production of organic agriculture to the standard of 54,315 Rai, as well as the production and marketing of Food Safety of 67,463 Rai.

Plans and Major Projects

In Fiscal Year 2019, BAAC has driven plans and projects to support the government policy to support to improve well-being of the citizens by focusing on strengthening the local economy together with cooperation networks from public sector, private sector, and community with community as the core of development. The implementation of the plan and major projects are summarized as follows:

Measures to strengthen the local economy

BAAC moved forward to drive sustainable local economic development in accordance with the Pracharat approach through Community Business Create Thai project to create economic activities of people in the community with participation and conform with the way of life of the people in the community by sharing the benefits from community resources in a supportive and fair manner. There was an integrated cooperation with public and private sectors in the development of community business consisting of activities for production, sales of products, purchasing and consumption of people in the community. BAAC has searched for communities that were ready to enhance to community business. There have been 957 participating community businesses in this project. BAAC has supported loans to target groups in the agricultural sector reform by adjust/change/develop and create economic activities in the community such as reducing production costs, creating added value for primary production, community products development, market development, supporting community tourism, homestay and home lodge support, etc. Community business loans have been granted for 203 cases totalling 438.42 million Baht.

Measures to take care of existing debts of registrants of state welfare and general farmer customers

BAAC has alleviated farmers' problems and created stability to the foundation of the country in solving financial problems by



extending debt repayment period for 2 projects. There were 1.17 million farmers receiving assistance, with the principal amount of debt that have been supported by BAAC of 317,746.38 million Baht.

Measures to take care of existing debts of Village and Urban Community Funds

BAAC relieved the debts of the Village and Urban Community Funds in accordance with the moratorium of the debt of the Village and Urban Community Fund measure by extending the loan repayment period of 1 year. There were 19,279 funds requesting to participate in the project, with the principal amount of debt that have been supported by BAAC of 24,487.98 million Baht.

Measures to take care of existing debts for farmers affecting from drought and floods

BAAC alleviated problems from debt burden of farmers affecting from drought and farmer customers affecting from floods, storms, landslides in the areas declared an emergency disaster relief area by reducing loan interest and extended debt repayment period for 4 projects. There were 2.33 million farmers receiving assistance, with the principal amount of debt that have been supported by BAAC of 484,497.74 million Baht.



Driving important projects to support Government Policies, 10 measures, 28 projects



Measures to provide loans for farmers, farmer groups as an expense or investment for solving production problems during drought

BAAC has helped farmer customers to have funds for restoring damaged production preventing the creation of informal debts, supported funds for procuring, building, developing, or improving water reservoirs, wells, artesian wells, or agricultural water system. It was to help and alleviate problems of farmer customers to have water sources for use during crisis in order to reduce the effects of the drought and increase capability for farmer customers in the agricultural occupation, increase the productivity and quality of the produce, slow down the sales of the Jasmine paddy both inside and outside the area, as well as the glutinous paddy in the period that exceeds the market demand for 6 projects. There were 259,316 farmers receiving the loan, with the total loan amount of 18,349.07 million Baht.

Measures to provide loan to farmer institutions

BAAC has enhanced the liquidity of the cooperative system as working capital in the collection and purchase of paddy and cassava businesses from farmer members or general farmers, for sales and/or process for 2 projects. There were 156 farmer institutions receiving the loan, with the total loan amount of 7,477.80 million Baht.

Measures to help rice farmers registered for rice cultivation in the 2019/20 production year

BAAC in collaboration with the Department of Agricultural Extension, Ministry of Agriculture and Cooperatives alleviated problems to farmers so that they can make a living, reduce production costs, prevent price risk in which government compensated the income spreads for farmers at the reference benchmark price compared with the income insurance price specified by the government in order to reduce the burden of expenses for harvesting and improving rice quality resulting in increased income for farmers and increase the capability to pursue the career and enhance the quality of life for rice farmers for 3 projects. There were 4,463,526 households of rice farmers receiving assistance, with the total amount of 68,183.39 million Baht.

Measures to help other crop farmers through income insurance

BAAC assisted target farmers of the projects which were farmers who grow palm oil, rubber, cassava and corn for feed in order to prevent the price risk to farmers not to face losses. The government compensated the income spread for farmers at the reference benchmark price compared with the income insurance price specified by the government in order to reduce the burden of the government's expense to solve the problem of low produce price resulting in the competitiveness of entrepreneurs for 4 projects. There were 389,754 households of farmers receiving compensation from income insurance with the total amount of 27,991.53 million Baht.

Measures for crop insurance

BAAC helped farmers to manage the risk of damage by providing crop insurance measure where farmers can use the compensation received to invest in agriculture in the new cultivation cycle for 2 projects i.e.

(1) The wet season rice insurance project for production year 2019, with 2,156,996 farmers participating in the project, representing insurance area of 30,444,038.25 Rai with insurance premiums of 2,593.14 million Baht. BAAC has paid 356,752 claims with the total areas of 3,514,201.13 Rai amounting 4,428 million Baht.

(2) The corn for feed insurance project for production year 2019, with 141,622 farmers participating in the project, representing insurance area of 1,739,279.25 Rai with insurance premiums of 109.57 million Baht. BAAC has paid 26,474 claims with the total areas of 186,246.63 Rai amounting 280.59 million Baht.

Measures to assist those affected by the Covid-19 pandemic

BAAC supported emergency loans as expenses for the affected people in the amount of 20,000 million Baht to alleviate the necessary and emergency household expenses. The target groups were farmers and farmers' family at the fixed interest rate of 0.1 percent per month for not exceeding 10,000 Baht per person with repayment within 2 years and 6 months in order to support those affected from such situation without repayment of principal and interest in the first 6 months from the date of loan.





“
National Strategy
20 Years
”



- 01 National Security
- 02 Competitiveness Enhancement
- 03 Development and Promoting Human Capital
- 04 Broadening Opportunity and Equality in Society
- 05 Environmental-friendly Development and Growth
- 06 Reforming and Improving Government Administration

01

Enhance Capability of Agricultural Sector



Enhancement of income of the state welfare card holder



Agricultural Insurance



Green Credit



Agricultural sector reform loan

02

Comprehensive and Modern Financial Services



Application A-Mobile



Life Insurance deposits



Banking Agent



Customer Centric



03

Balanced Capital Management



04

Enhance Organization Competitiveness with Good Governance



05

Develop Integrated Community Potential







Management Discussion and Analysis

In the accounting year of 2019, the Thai economy reached a five-year low with the GDP rate of 2.4% as compared to 2018 with the GDP rate of 4.1%. The export sector shrank 2.7% with the agricultural economy expanding at the rate of only 0.5%. This was due to the global economic slowdown triggered by the U.S.-China trade dispute and the Thai baht appreciation affecting the Thai competition in terms of price. Since the last quarter of the year, the Covid-19 outbreak has taken place with the global impact and could cause the world economy to plunge into a deep recession. According to the Office of the National Economics and Social Development Council's projection, in 2020 Thailand's economy and agricultural economy would contract by 5.3% and 1.2%, respectively, as compared to 2019.

The Bank together with the government sector implemented a number of difficulty relief schemes for the customers. For example, principal debt moratoriums and interest haircuts were offered to low-income farmers registering under government welfare schemes, farmers participating in the debt reduction measures for supporting the agricultural reform according to the Pracharath Agricultural Guideline, farmers affected by natural disasters, and debtors affected by the economic condition and the Covid-19 pandemic. Another example was the fund to support liquidity and restore career opportunities during the crisis to prevent turning to informal borrowing.

In addition, as a long-term solution to the debt problem of the farmers, the Bank reviewed the capability of its customers and re-managed their debts. The Bank also focused on the grassroots economy development by developing farmers into agricultural entrepreneurs, supporting modern farming through use of technology and innovation, linking networks of cooperation in the entire value chain of agricultural products to improve income-earning opportunities for farmers, and

mitigating the risks by the introduction of crop yield insurance schemes. The Bank supported a portion of insurance premiums for the insured farmers for in-season rice, animal-feed maize and beef cattle farming.

In implementing the aforementioned schemes, the Bank's Board of Directors and management considered all relevant impacts and risks and identified additional measures to maintain its performance and liquidity levels, taking into account the Bank's sustainability.

Regarding the overview of past performance in the financial statements for the accounting year of 2019, as certified by the State Audit Office of the Kingdom of Thailand, as compared to the financial statements for the accounting year of 2018, the Bank's total assets increased 4.51% to Baht 1,958,856 million. Loans, which were the core assets of the Bank, continued to grow with the growth rate of 3.41%. Deposits expanded at 3.43% as a result of the customers' welcome of the Bank's lottery savings program called "Kaset Mankhong 3". The Bank posted a net profit of Baht 9,951 million, a slight increase from last year, owing to a 2.34% increase in loan interest income as well as fees and service income. The Bank effectively controlled its expenses with an exception of its operating expenses which saw an increase of 9.71%. The increasing expenses included the employee-related expenses as a result of the Bank's compliance with the accounting standard requirements. The Bank recorded expenses related to employee benefits according to changing rates of compensation as per the announcement of the Committee on State Enterprise Labour Relations. One of the Bank's priorities remained the qualitative provisioning to accommodate any future loan impairments. As at 31 March 2020, the Bank maintained its Allowance to NPLs ratio at a high level of 525.67% to secure its strong financial position. The BIS ratio was kept at 11.69%, enough to support any future operational expansion.

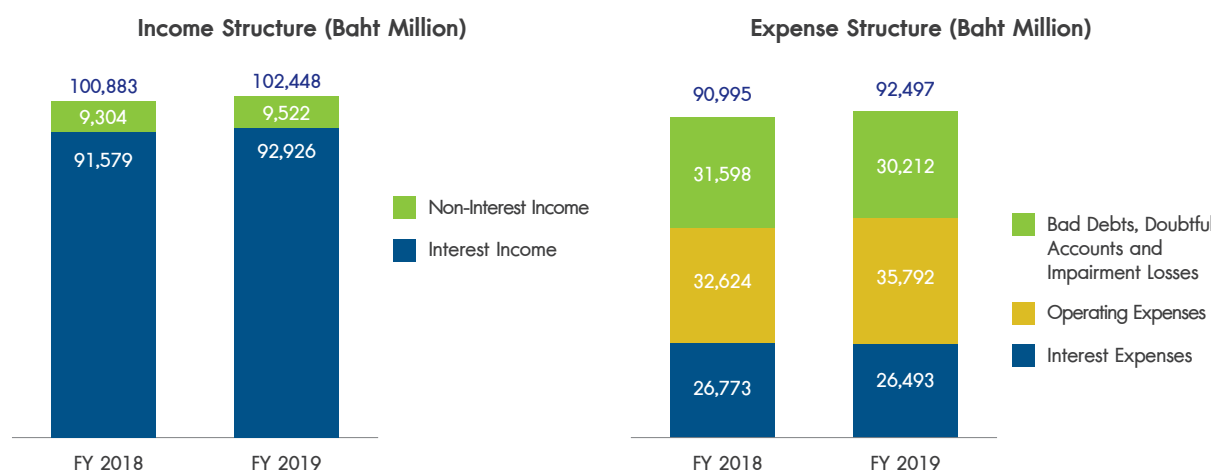
1. Overview of Past Performance

Operating Results	FY 2019	FY 2018	Change	
			Increase (Decrease)	%
Interest Income, Net	66,433	64,806	1,627	2.51
Non-Interest Income	9,522	9,304	218	2.34
Operating Expenses	35,792	32,624	3,168	9.71
Operating Profit	40,163	41,486	(1,323)	(3.19)
Bad Debts, Doubtful Accounts, and Impairment Losses	30,212	31,598	(1,386)	(4.39)
Net Profit	9,951	9,888	63	0.64
Other Comprehensive Income (Loss)	(2,012)	(26)	(1,986)	7,638.46
Total Comprehensive Income (Loss)	7,939	9,862	(1,923)	(19.50)
Return on Assets (ROA) (%)	0.52	0.55		
Return on Equity (ROE) (%)	7.34	7.51		

Unit: Baht Million



Details of Income and Expense Structures



1.1 Interest Income, Net

Interest income, net was recorded at Baht 66,433 million, an increase of Baht 1,627 million or 2.51% from the previous year. This included an increase in interest income of only Baht 1,347 million following the growth of the loans granted. However, the Bank was affected by the policy interest rate cut and the interest reduction for the relief of the debt obligations and the hardship of the customers affected by the natural disasters.

Interest expenses saw a decrease of Baht 280 million in line with the directions of the BOT's policy interest rate reduction as per the announcement of the Monetary Policy Committee. As a result, the Net Interest Margin (NIM) was 3.09%, lower than that of the previous year, despite the Bank's continued efforts in managing the cost of deposits.

Unit: Baht Million

Item	FY 2019	FY 2018	Change	
			Increase (Decrease)	%
Interest Income	92,926	91,579	1,347	1.47
- Loans	87,473	85,625	1,848	2.16
- Interbank and Money Market Items	5,453	5,954	(501)	(8.41)
Interest Expenses	26,493	26,773	(280)	(1.05)
- Deposits	24,661	24,831	(170)	(0.68)
- Borrowings	1,832	1,942	(110)	(5.66)
Total Interest Income, Net	66,433	64,806	1,627	2.51
Net Interest Margin (NIM)	3.09	3.20		
Cost-of-Fund Ratio	1.55	1.66		

Remark: Cost of funds = Interest expenses (including the contributions to the SFI Fund)/Average interest-bearing liabilities.



Details of Policy Interest Rates, Lending Interest Rates and Deposit Interest Rates during the Accounting Year of 2019

Item	April 2019	August 2019	November 2019	February 2020	March 2020
BOT's Policy Interest Rates (%)	1.75	1.50	1.25	1.00	0.75
Lending Interest Rates (%)					
- MRR	7.000	6.875	6.875	6.750	6.750
- MLR	5.000	5.000	5.000	4.875	4.875
- MOR	7.125	6.875	6.750	6.500	6.500
Deposit Interest Rates (General Customers) (%)					
- Savings deposit	0.50	0.50	0.50	0.50	0.50
- 3-month time deposit	0.90	0.90	0.90	0.80	0.80
- 6-month time deposit	1.35	1.35	1.35	1.25	1.25
- 12-month time deposit	1.40	1.40	1.40	1.35	1.35
- 24-month time deposit	1.50	1.50	1.50	1.45	1.45

1.2 Non-Interest Income

Non-interest income was presented at Baht 9,522 million, an increase of Baht 218 million or 2.34% from the prior year. This was attributed to the increase in loan fees and service income of Baht 256 million or a 6.16%

increase from the previous year, for example, income from project analysis and immovable property valuation. Other operating income was approximately the same as that of the past year.

Unit: Baht Million

Item	FY 2019	FY 2018	Change	
			Increase (Decrease)	%
Non-Interest Income				
- Fees and Service Income	4,413	4,157	256	6.16
- Other Operating Income	5,109	5,147	(38)	(0.74)
Total Non-Interest Income	9,522	9,304	218	2.34

1.3 Operating Expenses

Operating expenses totaled Baht 35,792 million, an increase of Baht 3,168 million or 9.71% from the year before. The increasing expenses included the employee benefits as a result of the change of the compensation rate from 300 days to 400 days for the workers with the continued length of service of 20 years in alignment with the announcement of the Committee on State Enterprise Labour Relations. The Bank also

focused on the control of its operating expenses. Hence, the expenses in other categories decreased, as compared to the previous year. Consequently, the Bank was able to achieve the Cost to Income ratio of 47.12%. Excluding the employee benefit expenses, the Cost to Income ratio would stay at 44.46%, as compared to the previous year.

Unit: Baht Million

Item	FY 2019	FY 2018	Change	
			Increase (Decrease)	%
Operating Expenses				
- Employees' Expenses	24,041	20,532	3,509	17.09
- Directors' Remuneration	13	10	3	30.00
- Premises and Equipment Expenses	3,837	3,971	(134)	(3.37)
- Others	7,907	8,111	(204)	(2.52)
Total Operating Expenses	35,792	32,624	3,168	9.71
Operating Expenses to Total Income, Net	47.12	44.02		



1.4 Bad Debts, Doubtful Accounts and Impairment Losses

Bad debts, doubtful accounts and impairment losses totaled Baht 30,212 million, a decrease of Baht 1,386 million or 4.39% year-on-year. The Bank continued to set aside a qualitative reserve for the debtors affected by the natural disasters and the debtors whose debt collectability was uncertain. The Bank set aside a provision as necessary and based on the qualitative criteria of the debtors for the debtors at risks and with collectability uncertainty. Provisioning rates are based on percentage of losses from uncollectible payments.

Unit: Baht Million

Item	FY 2019	FY 2018	Change	
			Increase (Decrease)	%
Bad Debts, Doubtful Accounts and Impairment Losses				
- Bad Debts	137	63	74	117.46
- Doubtful Accounts	29,900	31,281	(1,381)	(4.41)
- Losses from Debt Restructuring	175	254	(79)	(31.10)
Total Bad Debts, Doubtful Accounts and Impairment Losses	30,212	31,598	(1,386)	(4.39)

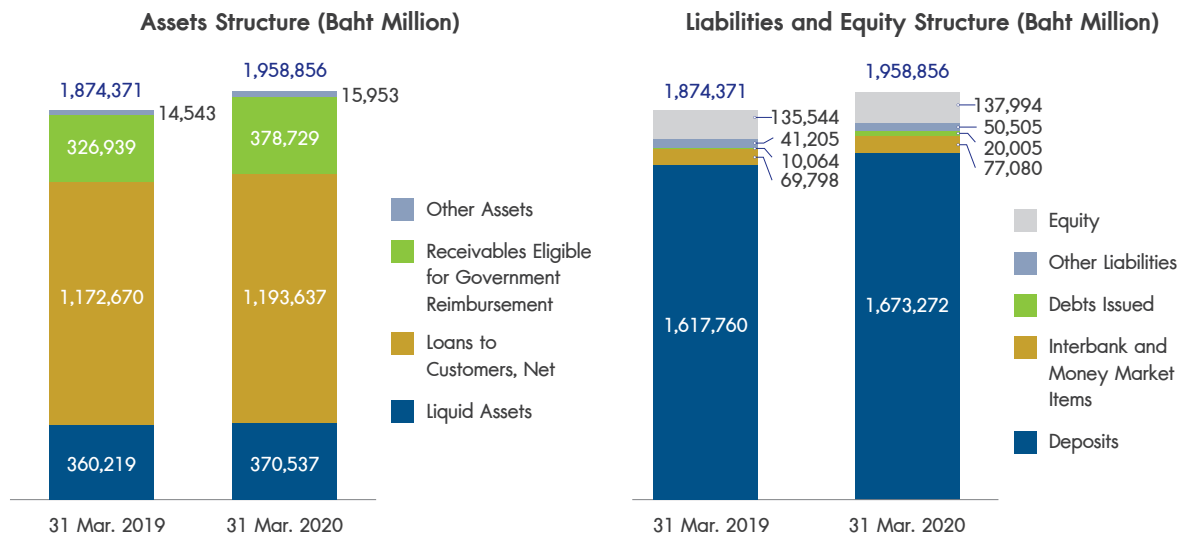
2. Overview of Financial Position

Unit: Baht Million

Item	31 March 2020	31 March 2019	Change	
			Increase (Decrease)	%
Assets				
Liquid Assets	370,537	360,219	10,318	2.86
Loans to Customers, Net	1,193,637	1,172,670	20,967	1.79
Receivables Eligible for Government Reimbursement	378,729	326,939	51,790	15.84
Other Assets	15,953	14,543	1,410	9.70
Total Assets	1,958,856	1,874,371	84,485	4.51
Liabilities and Equity				
Liabilities				
Deposits	1,673,272	1,617,760	55,512	3.43
Interbank and Money Market Items, Net (Liabilities)	77,080	69,798	7,282	10.43
Debts Issued	20,005	10,064	9,941	98.78
Other Liabilities	50,505	41,205	9,300	22.57
Total Liabilities	1,820,862	1,738,827	82,035	4.72
Equity				
Common Share Capital	55,945	55,945	-	-
Other Components of Equity and Retained Earnings	82,049	79,599	2,450	3.08
Total Equity	137,994	135,544	2,450	1.81
Total Liabilities and Equity	1,958,856	1,874,371	84,485	4.51



Details of Assets as well as Liabilities and Equity Structures



2.1 Assets

As at 31 March 2020, the Bank had total assets of Baht 1,958,856 million, an increase of 4.51% over the prior year. This was mainly attributable to the liquid assets, receivables eligible for government reimbursement, and loans. Highlights are as follows:

Liquid assets

Liquid assets totaled Baht 370,537 million, an increase of Baht 10,318 million or 2.86% over the past year. This was attributable to increases in investments and interbank and money market items as a way to manage liquidity surplus caused by increasing deposits.

Receivables eligible for government reimbursement

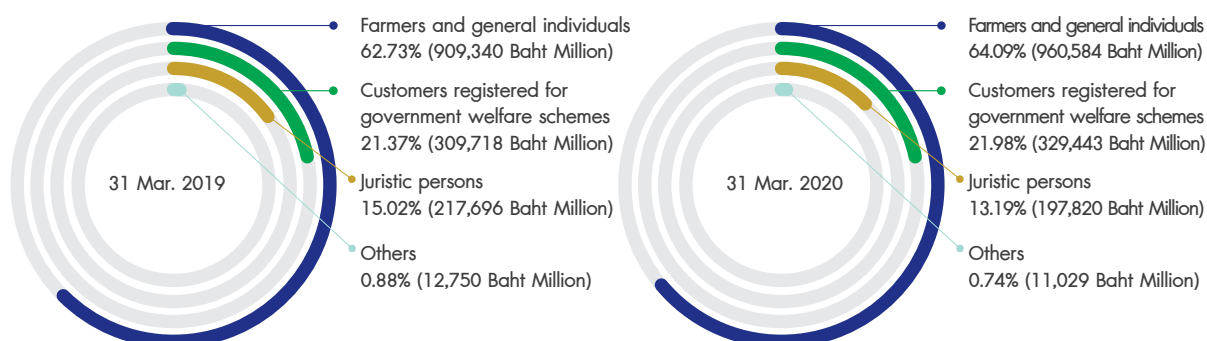
Receivables eligible for government reimbursement mainly represented the advance payments made on behalf of the government under the government’s farmer aid schemes.

As at 31 March 2020, the receivables eligible for government reimbursement accounted for Baht 378,729 million, going up from last year by Baht 51,790 million or 15.84%. This was mainly due to the advance payments made under the scheme to support the cost of production of the in-season rice farmers for the year 2019/2020, the scheme to support the harvesting and rice quality improvement fees for the in-season rice farmers for the year 2019/2020, and the income guarantee schemes for rice farmers, rubber farmers, palm farmers, tapioca farmers and corn farmers. Other schemes received appropriated budget funds according to the budget act for the fiscal year of 2020.

Loans to customers and accrued interest receivables, net

Total loans were Baht 1,498,876 million, a surge of Baht 49,372 million or 3.41% from the previous year. There were 4 main groups of borrowers: 1) Customers registering under government welfare schemes (21.98%), 2) Farmers and general individuals (64.09%), 3) Juristic person operators (13.19%), and 4) Others (0.74%).

Loans





Loans grew from last year by 3.41% as a result of the expanding portfolio of farmers in the group of the customers registering under government welfare schemes and the group of the farmers and general individuals. The granted loans included loans for career development, loans for emergency expenses, loans for informal debt resolution, and loans for working capital and for investments in farming occupation. However, the loans for the group of juristic person operators and the group of others dropped from the previous year.

Total loans of Baht 1,498,876 million included loans to the non-agricultural sector of Baht 162,225 million, accounting for 10.82% of the total credit portfolio, as well as loans for farming and agriculture. Including the accrued interest receivables and deducting the allowance for doubtful accounts, the loans to customers and accrued interest receivables, net amounted to Baht 1,193,637 million.

2.2 Credit Quality

As at 31 March 2020, the Bank had total loans of Baht 1,498,876 million, representing loans to farmers, farmers' institutes and juristic persons of Baht 1,487,821 as well as loans under government schemes and other loans. Details of the outstanding loan principal balances and reserve provisioning for loans to farmers, farmers' institutes and juristic persons are as follows:

Unit: Baht Million

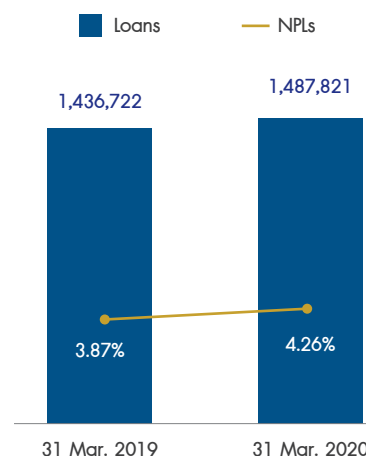
Item	% Allowance for Doubtful Accounts	31 March 2020		31 March 2019	
		Loans after Deferred Revenue	Allowance for Doubtful Accounts	Loans after Deferred Revenue	Allowance for Doubtful Accounts
Minimum reserves per BOT's requirements					
- Normal	1	1,413,235	14,132	1,370,090	13,701
- Special mention	2	11,186	223	11,098	222
- Substandard	100	11,098	11,098	6,208	6,208
- Doubtful	100	11,806	11,806	8,471	8,471
- Doubtful of loss	100	40,496	40,496	40,855	40,855
Total		1,487,821	77,755	1,436,722	69,457
Reserve surplus			255,519		233,915
Grand total			333,274		303,372
Allowance to NPLs (%)			525.67		546.28

As at 31 March 2020, the Bank had non-performing loans (NPLs) of Baht 63,400 million with the NPL ratio of 4.26%, higher than that of the previous year of Baht 55,534 million with the NPL ratio of 3.87%.

The rise in the NPLs was a result of the economic situation, the drought, the floods, and the lowering prices of agricultural products. The situation was worsened by the Covid-19 outbreak starting in the last quarter.

In the accounting year of 2019, the Bank set aside an allowance of Baht 333,274 million, accounting for 525.67% of the NPLs (allowance to NPLs). Of this, Baht 77,755 million was provisioned according to the BOT's requirements and another Baht 255,519 million was a reserve surplus based on the qualitative criteria.

Loans and NPLs Ratio (Baht Million)





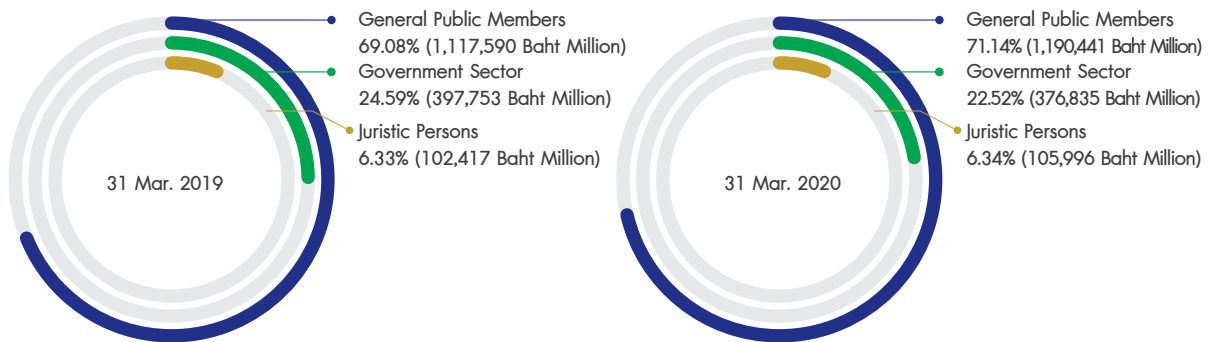
2.3 Liabilities

As at 31 March 2020, the Bank had total liabilities of Baht 1,820,862 million, 4.72% higher than last year. This was mainly attributable to deposits, and debts issued and borrowings. Highlights are as follows:

Deposits

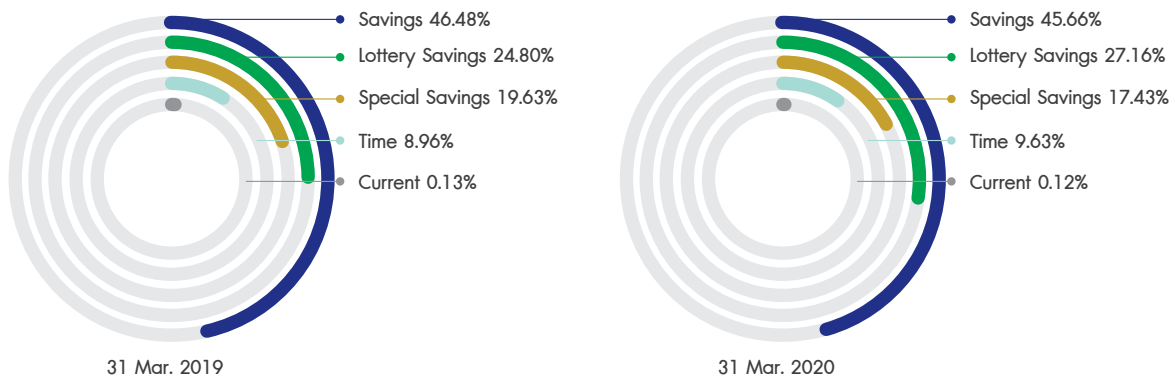
Deposits were Baht 1,673,272 million, a year-on-year increase of Baht 55,512 million or 3.43%. The portions of deposits from the general public, the government, and the juristic persons were 71.14%, 22.52% and 6.34%, respectively. The rise in the deposits was mainly due to the deposits from the general public and the juristic persons. Details of deposits by type of customers are as follows:

Deposits by Type of Customers



As at the end of the accounting year 2019, the lottery savings increased from last year by Baht 53,254 million or 13.27%, causing the CASA ratio to be at 45.78%, lower than last year's 46.61%. Details of the deposit structure and the deposits by type are as follows:

Deposit Structure





Details of Deposits by Type of Deposits

Unit: Baht Million

Item	31 March 2020		31 March 2019		Change	
	Amount	Proportion (%)	Amount	Proportion (%)	Increase (Decrease)	%
Current	2,093	0.12	2,060	0.13	33	1.60
Savings	763,968	45.66	751,986	46.48	11,982	1.59
Special Savings	291,669	17.43	317,561	19.63	(25,892)	(8.15)
Lottery Savings	454,444	27.16	401,190	24.80	53,254	13.27
Time	161,098	9.63	144,963	8.96	16,135	11.13
Total	1,673,272	100.00	1,617,760	100.00	55,512	3.43
Loan-to-Deposit Ratio (LDR) (%)	89.58		89.60			
Current Account and Savings Account (CASA) Ratio (%)	45.78		46.61			

Debts issued and borrowings

Debts issued and borrowings totaled Baht 20,005 million, going up from last year by Baht 9,941 million or 98.78%. This was due to the issuance of the Bank's bonds of 2020 with the tenures of 7 and 10 years, as a working capital.

Other liabilities

Other liabilities amounted to Baht 50,505 million, growing from last year by Baht 9,300 million or 22.57%, due to the reserve provisioning for the employee benefits and the long-term life insurance liabilities.

2.4 Equity

As at 31 March 2020, the Bank's equity was Baht 137,994 million, a year-on-year increase of 1.81%. This was largely due to the net profit in the accounting year of 2019 minus the dividend payment and the reserve provisioning for the employee benefits.

3. Sources and Uses of Funds

As at 31 March 2020, the sources of funds consisted of the liabilities totaling Baht 1,820,862 million, accounting for 92.96% and the owner's capital of Baht 137,994 million, or 7.04%. The key components of the liabilities included the deposits (85.42%), the money market items (3.94%), the debts issued and borrowings (1.02%) and other liabilities (2.58%).

The main uses of funds consisted of loans (76.52%), liquid assets (18.92%), and receivables eligible for government reimbursement (19.33%).





4. Maintenance of Financial Ratios as per BOT's Requirements

4.1 Capital Maintenance and Capital Ratios

As at 31 March 2020, the Bank's tier-1 capital was Baht 128,028 million and the tier-2 capital was Baht 14,193 million, with the total capital of Baht 142,221 million. The Bank's risk-weighted assets totaled Baht 1,216,273 million. As such, the CAR ratio and the Tier 1 Capital ratio based on Basel II were 11.69% and 10.53%, respectively. This was enough for any business expansion, and was higher than the BOT's minimum requirements of the CAR ratio of at least 8.50% and the Tier 1 Capital ratio of at least 4.25%.

Item	Unit: Baht Million	
	31 March 2020	31 March 2019
Total Capital	142,221	139,422
- Tier-1 Capital	128,028	125,664
- Tier-2 Capital	14,193	13,758
Total Risk-Weighted Assets	1,216,273	1,179,122
Capital Adequacy Ratio (CAR) (%)	11.69	11.82
Tier 1 Capital Ratio (%)	10.53	10.66



4.2 Maintenance of Liquid Assets

As at 31 March 2020, the Bank had liquid assets of Baht 283,938 million, comprising cash on hand, cash at cash center, deposits at the BOT, and commitment-free securities. As such, the liquid asset to deposit ratio was at 16.97%, higher than a minimum ratio of 6.00% as per the BOT's requirement and the Ministerial Regulation on Maintenance of Liquid Assets of the BAAC B.E. 2551 (A.D. 2008).

The Bank requires that daily liquid assets must be maintained at a minimum of 10%. Any further decrease below this point must be rectified immediately. Moreover, any liquidity surplus will be used for investments to earn income to offset against any cost of funds.



BAAC has liquid assets of 283,938 million Baht, representing liquid assets to deposits ratio of 16.97 percent.



5. Public Service Account (PSA) Operations

The Bank displayed a separate portion of PSA transactions from normal transactions in the consolidated financial statements according to the BOT's requirements and notification. Public Service Account (PSA) refers to the government policy schemes being endorsed by the cabinet after 5 August 2009. The schemes offer services with compromising conditions and are intended to support and restore those affected by public disasters and sabotage. The schemes are also intended to serve as an economic stimulus measure, enhancing occupational capability or the quality of the well-being of the people and business.

As at 31 March 2020, the Bank had a total of 95 PSA schemes. Of this, 15 schemes were newly launched and 7 schemes ended in the accounting year of 2019.

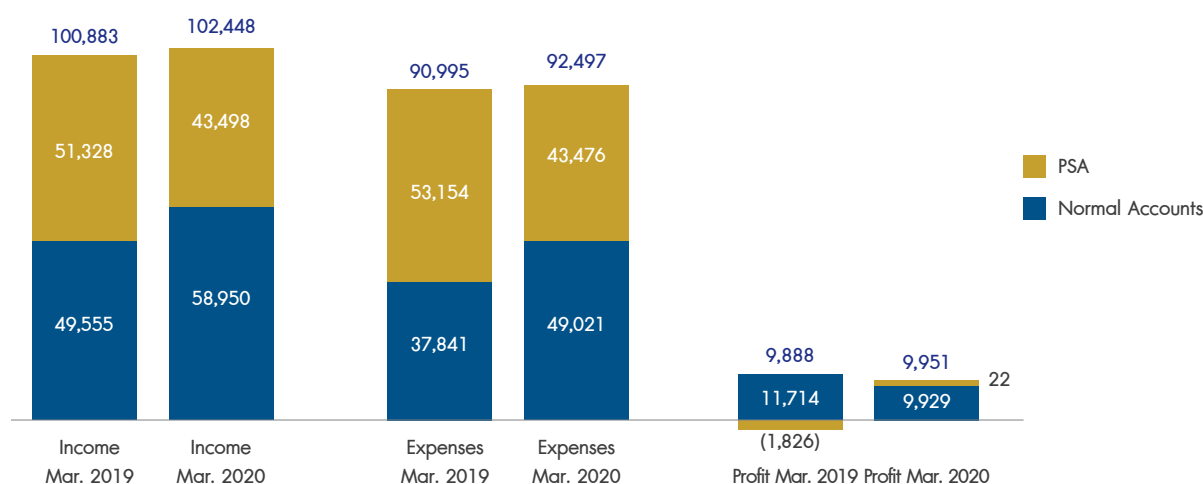
During the accounting year of 2019, the Bank provided additional support to the farmers from the previous year through a number of key schemes, including the loan interest reduction scheme for the drought-hit farmers in 2019; the income guarantee schemes to hedge against price risks of key agricultural products such as rice, rubber, palm, oil, animal-feed maize, and tapioca; the scheme to support harvesting and rice quality improvement fees; and the scheme to support the cost of production of the rice farmers.

The debt moratorium scheme for low-income earners registering under government welfare schemes and the scheme to offer debt reduction measures for supporting the agricultural reform according to the Pracharath Agricultural Guideline, as part of the PSA schemes, had already ended and been transferred to normal transactions. As such, there were transfers of loans to customers, accrued interest receivables, and allowance for doubtful accounts from PSA accounts to normal accounts.

5.1 Operating Results

In the accounting year of 2019, the Bank had income related to PSA of Baht 43,498 million, accounting for 42.46% of the total income. Of this, Baht 35,428 million was income from interest and interest reimbursement, Baht 7,302 million from cost of funds reimbursement, and Baht 768 million from reimbursement of PSA management fees plus other income. This PSA related income decreased by Baht 7,830 million or 15.25% from last year. The PSA related expenses were Baht 29,991 million, accounting for 32.42% of the total expenses. Of this, interest expenses and operating expenses were Baht 16,943 million and Baht 13,048 million, decreasing by 12.80% and 12.51%, respectively, from the previous year. The net profit, after the expenses for allowance for doubtful accounts of Baht 13,485 million, was recorded at Baht 22 million, while last year the net loss was recorded at Baht 1,826 million.

Operating Results





5.2 Financial Position

As at 31 March 2020, the Bank had PSA assets of Baht 595,643 million, consisting of loans to customers from PSA accounts and accrued interest receivables of Baht 233,828 million, and receivables eligible for government reimbursement from PSA accounts of Baht 361,815 million. The PSA assets decreased from last year by Baht 479,422 million or 44.59% as a result of the transfer of loan customers from the PSA accounts to the normal accounts. Highlights are as follows:

Unit: Baht Million

Item	31 March 2020	31 March 2019	Change	
			Increase (Decrease)	%
Loans to Customers from Public Service Accounts	286,825	948,330	(661,505)	(69.75)
Accrued Interest Receivables	3,464	19,663	(16,199)	(82.38)
Total Loans to Customers from Public Service Accounts and Accrued Interest Receivables	290,289	967,993	(677,704)	(70.01)
<u>Less Allowance for Doubtful Accounts</u>	56,461	200,829	(144,368)	(71.89)
Total Loans to Customers from Public Service Accounts and Accrued Interest Receivables, Net	233,828	767,164	(533,336)	(69.52)
Receivables Eligible For Government Reimbursement From Public Service Accounts	361,815	307,901	53,914	17.51
Total	595,643	1,075,065	(479,422)	(44.59)

6. Organization's Credit Ratings

Fitch Ratings (Thailand) Limited's rating for the Bank was AAA (tha)/Stable.

Fitch Ratings (Thailand) Limited maintained the national long-term rating for the Bank (Bank for Agriculture and Agricultural Cooperatives or BAAC) at AAA (tha)/Stable and the national short-term rating for the Bank at F1+ (tha).

Credit Rating Supporting Factors

The given national credit ratings for the Bank reflected Fitch's perspective that there is a high possibility that the Thai government would provide extraordinary support to the Bank in a timely manner should necessity arise. This view was based on a number of factors including the close relations between the Bank and the government with the government holding 100% or almost 100% shares in the Bank and the legal status of the Bank as a government bank established under a specific law. Also, the Bank has been receiving ongoing financial support from the government and has been subject to control and supervision by the government. The Ministry of Finance holds 99.8% shares in the Bank and has controlling authority over the Bank's management. The Minister of Finance acts as Chairman of the Board of Directors of the Bank and the appointment of the board members must be endorsed by the cabinet.

The Bank has been receiving government financial support for many years through including capital increase and borrowing

guarantee solutions. Furthermore, the Bank has been receiving government reimbursement (appropriated from the government's annual budget) for the government schemes and policies backed by the Bank. The government-related schemes accounted for almost 60% of the total assets of the Bank as at 31 March 2019. The Bank has played an important role and has expertise in supporting the government policies in connection with agriculture and rural development.

The Bank's stable credit rating outlook reflected Fitch's expectation that the possibility that the government would help support the Bank should not decrease in the middle term.

Factors potentially affecting credit ratings in the future

The Bank's national credit rating could not be further adjusted upward because this national credit rating given to the local banks is already at the highest level. The indicators of less support from the government to the Bank would be, for example, a change in the legal status of the Bank and a significant reduction in the shareholding proportion of the government. These could potentially decrease the credit ratings of the Bank. However, Fitch believes that such incidents would not be possible in the middle term.



Report of the Risk Oversight Committee

BAAC Board of Directors had resolved to appoint BAAC Risk Oversight Committee in accordance with the order of the BAAC Board of Directors No. 4/2562 (2019) issued on 28 February 2019 effective from 27 February 2019 to 14 November 2019.

The Risk Oversight Committee was consisted of:

Mr. Suwit	Rojanavanich	BAAC Director	Chairman
Mr. Watchara	Chatwiriya	BAAC Director	Member
Mrs. Nampung	Wongsmith	BAAC Director	Member
Mrs. Amara	Klabpratum	BAAC Director	Member
Mr. Apirom	Sukprasert	BAAC President	Member
Mr. Suwit	Poolsilp	BAAC Executive Vice President	Secretary

Later, the abovementioned Risk Oversight Committee had changed. BAAC Board of Directors had, therefore, resolved to appoint BAAC Risk Oversight Committee in accordance with the order of BAAC Board of Directors No. 20/2562 (2019) issued on 20 November 2019 effective from 15 November 2019. The Risk Oversight Committee is consisted of:

Mrs. Ruchukorn	Siriyodhin	BAAC Director	Chairman
Mr. Suwit	Rojanavanich	BAAC Director	Member
Mrs. Amara	Klabpratum	BAAC Director	Member
Mr. Apirom	Sukprasert	BAAC President	Member
Mr. Suwit	Poolsilp	BAAC Executive Vice President	Secretary

The Risk Oversight Committee has performed the duties as assigned by the BAAC Board of Directors according the order and as determined in the Charter of the Risk Oversight Committee. In fiscal year 2019, (1 April 2019 to 31 March 2020) there were 11 meetings, with 32 matters for consideration and 54 matters of reports. The essence of the work performed in fiscal year 2019 can be summarized as follows:

1. Determine and review the components of the Charter of the Risk Oversight Committee to be in accordance with the Good Governance and Check and Balance principles, and to enable efficient and effective BAAC risk management and internal control.
2. Determine policy, strategy, plan and framework for risk management and internal control, including risk management from implementation of projects according government policy
3. Assess risks, follow up and supervise risk management to be in line with the specified policies and strategies and to maintain at the risk appetite level, provide recommendations for improvement of BAAC risk management to be more efficient, as well as consider, follow up, and review the evaluation results and the sufficiency of BAAC's internal control system.
4. Develop tools and risk management and internal control system to be in accordance with the current situation and criteria and supervision guidelines of the Bank of Thailand, Ministry of Finance, and international standards in order to support operations to achieve objectives and goals.
5. Supervise BAAC executives and employees to have an understanding on risk management and internal control and support continuous learning to promote risk management culture throughout the organization.

(Mrs. Ruchukorn Siriyodhin)

Chairman of the Risk Oversight Committee
Bank for Agriculture and Agricultural Cooperatives

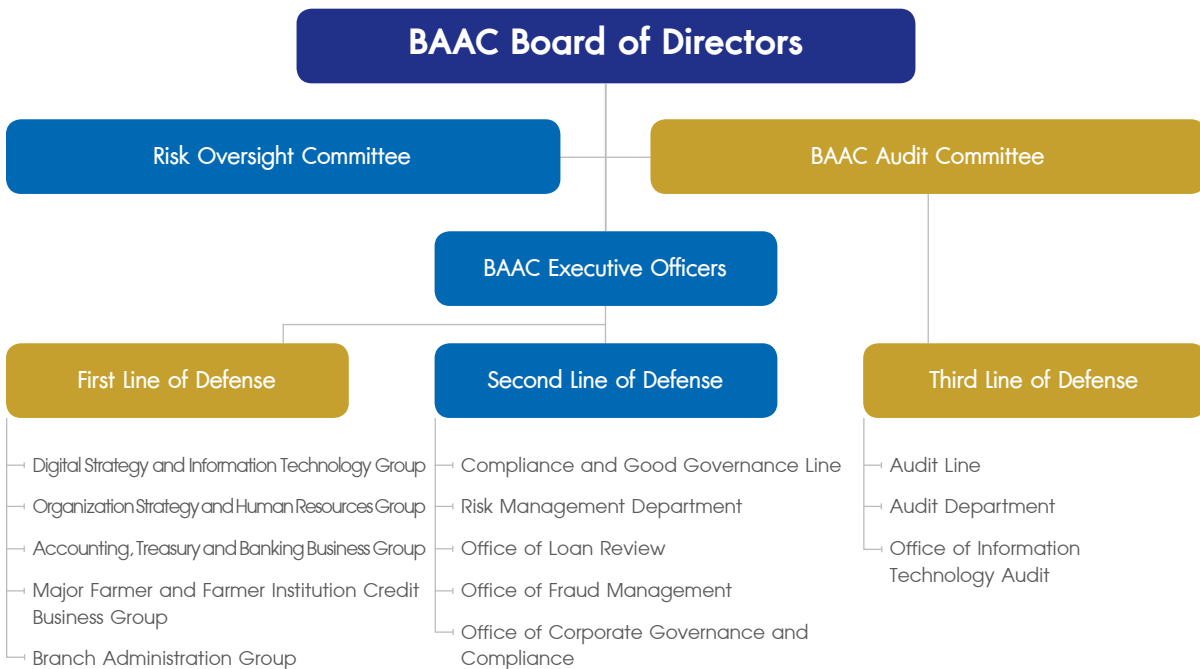


Risk Management and Internal Audit

Risk Management

BAAC has used risk management principles in accordance with ISO 31000 standard, the supervision criteria of the Bank of Thailand, Ministry of Finance, as well as other relevant criteria and standard to encompass all aspects of risk management and applied them in all levels of the organizational risk management to support the operation of BAAC to be in accordance with goals with efficiency and create good governance. BAAC had major operations such as developing the risk management and internal control according to the standards, utilizing the risk management and internal control to create business opportunities,

added value, and public confidence, developing the risk management information database in order to have the information for risk assessment in accordance with the regulators' criteria, integrating the risk management with the strategic planning of BAAC in order to increase long-term sustainable competitiveness, creating responsibility for risk management and internal control of everyone in the organization to become a corporate culture, and continuously enhancing the professionalism of the personnel in risk management and internal control.



Embedding risk management in culture (Risk Culture)

BAAC focused and supported risk management atmosphere to strengthen Risk Culture. throughout the organization consisting of (1) Defining organizational structure and division of work according to the three lines of defense in order to facilitate monitoring, control, and inspection of operations in accordance with policies, strategies, processes and risk management practices, with a balance of power and independence (2) Requiring high level executives to communicate direction, goals, and importance of risk management, and act as role models for risk management (3) Establishing and communicating risk management policies, risk limits, acceptable risk levels, organizational risk factors, and risk management processes in order for all levels of employees to understand and realize the importance, duty, and responsibilities in risk management (4) Monitoring the overall risk status and

various types of risk, risk management efficiency, and the status of compliance with risk culture, as well as reporting to the Risk Oversight Committee and BAAC Board of Directors regularly (5) Instilling awareness to all levels of employees to realize the roles, duties, and responsibilities in managing ownership of risk such as requiring all departments to have internal risk assessment and control by having Mr./Ms. Risk Management and the Risk Management and Internal Control Committee at the department level (6) Requiring that risk management and internal control be part of the training program for executives and employees as well as part of the management evaluation and (7) Communicating risk management knowledge to employees throughout the organizations through various channels.



In addition, BAAC has surveyed the perceptions, attitudes, risk management behaviors, and risk culture promotion and it was found that the executives and employees of BAAC had the level of perceptions, attitudes, and desirable risk management behaviors in line with Risk Culture best practice.

Risk Management Structure

BAAC has organized the organization structure and the risk management process according to the risk management principles throughout the organization requiring the Board of Directors, Risk Oversight Committee, executives, and various departments taking part in risk management and instilling risk management in corporate culture as follows:

BAAC Board of Directors appointed Risk Oversight Committee consisting of representative of BAAC Board of Directors and BAAC President as members, BAAC Executive Officers of Compliance and Good Governance Line as Secretary, with the duty to determine the policy, strategy, risk management and internal control framework, review the risk factors, determine the strategies, risk management and internal control plan, monitor and oversee the risk management to be in accordance with policies and strategies for risks to be at the acceptable level as well as review and assess the adequacy of BAAC internal control system.

The high-level executives of BAAC overseeing various departments supervised the risk management and internal control of departments under responsibility as well as participated in risk management through being members of committees and working groups such as Assets and Liabilities Management Committee, Business Continuity Management Committee, and Public Concern and Early Warning Systems Management Working Group.

BAAC has determined 3 levels of risk management.

1. Organizational Level has the responsible unit as follows:

1.1 Risk Owner (First Line of Defense) is the unit that own and manage risk. It responsible to assess the risk mitigation plan, to provide suggestion as well as to monitor risk assessment regularly so that the risk is at an acceptable level.

1.2 Risk Management Department (Second Line of Defense) is the unit that monitor, supervise, analyse, synthesise, and manage risks. It reports directly to Chief Risk Officer (CRO) and BAAC President and report significant operation results to Risk Oversight Committee, Audit Committee, and BAAC Board of Directors.

1.3 Audit Line (Third Line of Defense) is the unit that review and assess the risk assessment and internal control operation. It is the independent assessment and the result will be submitted directly to the BAAC President and Audit Committee for overall process to submit to Risk Oversight Committee, BAAC Board of Directors, and Ministry of Finance.

2. Department Level

BAAC requires to have internal risk assessment and control by having Risk Assessment and Internal Control Committee at the department, regional office, provincial and branch office level to perform risk assessment and internal control by itself.

3. Projects, Products, or Services Level

BAAC requires to assess risk of the projects, products, or services in accordance with the operation manual determined by the BAAC in order to ensure that the project will be worthwhile, effective, be able to achieve the target under acceptable risk and the products and services could meet the needs and satisfaction of customers.

Risk Factors and Risk Limit

BAAC has classified the risk groups according to the guidelines of the Bank of Thailand and the Ministry of Finance into 2 major groups and 7 risk types comprising (1) Financial Risk which includes Credit Risk, Market Risk, and Liquidity Risk and (2) Non-Financial Risk which includes Strategic Risk, Operation Risk, Technology and Information Risk, and Compliance Risk. BAAC has identified, assessed and reviewed risk factors at the organizational level that may affect the operations in the fiscal year 2019 in 10 factors namely (1) Credit Quality (2) Interest Rate (3) Liquidity Management (4) Competitiveness (5) Image and Reputation (6) Employee Efficiency (7) Compliance (8) Information Technology Readiness for Business Support (9) Technology Development for Business Support (10) Preparedness for Cyber Threats. BAAC has set the risk limits covering financial and non-financial risks for controlling and monitoring risk management to an acceptable level.



BAAC has continuously monitored and assessed the risk status and managed the risk of organizational risk factors. At the end of fiscal year 2019, the 10 risk factors fell in risk appetite level. BAAC has closely monitored the situation and carried out risk management measures. As a result, BAAC's key operating results were in line with the specified targets.

BAAC Risk Management Approach

BAAC Risk Management is classified by 7 risk types i.e. Credit Risk, Market Risk, Liquidity Risk, Strategic Risk, Operational Risk, Technology and Information Risk, and Compliance Risk which can be summarized as follows:

1. **Credit Risk** means risks arising from the inability of customers or contract parties to comply with a contract for debt repayment, or there is a chance that they cannot repay the debt, which can cause a reduction in credit rating and might affect the income and capital position. BAAC has placed importance to the continuous development of efficiency in credit risk management both in terms of increasing capability of personnel responsible for credit risk in order to be able to analyse, assess, monitor, and report on risk factors together with risk management measures, and supporting tools and improving risk management process quick, accurate, and keep up with the situation and comply with criteria of the Bank of Thailand and international standards to enable the BAAC's operation to achieve its vision and mission with efficiency and effectiveness.

In 2019, the agricultural economy expanded at 0.5 percent with positive factors from cold weather at the end of 2018 that allows fruit trees such as durian, mangosteen, rambutan to have more produce, standardized system, continuous production planning and surveillance for livestock epidemics, as well as the focus on agricultural development by focusing on farmer centric, market lead production principle, together with using of technology and innovation, and placing importance to driving policy into action were all beneficial to the growth of the agricultural sector. However, the country's agriculture is still affected by more severe natural disasters including drought, flood, disease outbreaks, and pests as well as the global economic slowdown resulting in decreasing exports of agricultural products. Although the country's overall agricultural economy will grow but there are still significant risk factors that may cause the non-performing loans and burdens of the BAAC reserves to be higher affecting the income and capital status of BAAC.

BAAC has continuously implemented risk management measures from the previous year such as providing loans based on production potential, communicating and rehearsing for the operation in accordance with the operation manual and measures to assist farmer customers affected by natural disasters to alleviate the problems of farmer customers, as well as developing risk management tools by referring to the Bank of Thailand's financial institution supervision criteria and international standards in order to increase the efficiency of credit risk management such as Credit Rating System, Portfolio of Agricultural Cooperative, Saving Cooperative for entrepreneurs (juristic persons), and village funds, and the portfolio management system, etc.

2. **Market Risk** means the risk that BAAC may suffer from changes of position value from movement of interest rates, prices of debt and equity instruments, and foreign exchange rates.

The global economy in 2019 was slowing down trade war and geopolitical problems such as Brexit, political stability in many countries, and conflicts between major economies. Overall economic development in Developed Market (DM) and Emerging Market (EM) were slowing down especially US and Chinese economies which were affected by tax measures. The monetary policy in many countries has been relaxed after continuous reduction of policy interest and implementation of measures to increase liquidity in the financial system in the second half of 2019 especially the Federal Reserve (Fed) and European Central Bank (ECB). The Federal Reserve has raised the policy interest rate 3 times in 2019 causing the interest rate to be between 1.50 - 1.75 percent.

The Thai economy in 2019 was growing at a slower rate of 2.4 percent comparing to a 4.2 percent growth in 2018. The key factors were the low growth of the global economy, uncertainty in the direction of trade protection measures, the strengthening of Thai Baht, the budget process delay, and impact of drought. The average annual inflation rate was at 0.7 percent, below the lower boundary of the inflation target framework. The Thai Baht Real Effective Exchange Rate (REER) at the end of the year was strengthen from the previous year. At the end of the year, Thai Baht stood at 30.15 Baht per US dollar. Under the imbalance of capital flows, the Baht strengthen. Ministry of Finance and the Bank of Thailand have revised rules to support capital outflows which will help to



balance the capital movement and reduce the pressure on the Baht and will facilitate foreign currency transactions. The relaxed monetary policy from 2 times reduction of policy interest rate in August and November 2019 causing the policy interest rate at the end of the year to be at 1.25 percent per annum.

2.1 Interest Rate Risk is the risk arising from changes of interest rates in the items of assets, liabilities, and off Balance Sheet which are Rate Sensitive Items and negatively affecting Net Interest Income), market value of items in the Trading Account, other incomes and expenses related to interest rates such as loan fee, deposit service fee, and provisioning expenses, with sources from Repricing Risk, Yield Curve Risk, Basis Risk and Option Risk.

BAAC has assessed the structure of assets and liabilities by analyzing the Repricing Gap, and used cautions in determining floating interest rate (Float Rate) and fixed interest rate (Fixed Rate) as well as managing portfolio for both loans and deposits to have a more consistent interest rate structure to accommodate the impact of fluctuations in interest rate over the long term.

In Fiscal Year 2019, BAAC has reduced loan interest 3 times and deposit interest 2 times, which negatively impacting net interest income higher than acceptable levels. However, BAAC has implemented measures to increase efficiency for fiscal year 2019 in order to achieve target performance and reduce risk to an acceptable level, such as increasing interest income on loans, accepting payment of overdue interest of more than 15 months in cash, reducing NPLs/Loan, increasing income from financial market investment, controlling money costs, and accelerating the growth of CASA deposits.

BAAC had a policy to set Risk Limit for Interest Rate Risk by considering the management of changes of interest rates for loans and deposits that have negative impact on net interest income for which not more than 3 percent of Net Interest Income (NII). According business plan in fiscal year 2019 was an acceptable level to BAAC. BAAC also monitored and forecasted risk trend through an early warning system, and conducted a stress test for interest rate risk in banking

accounts every quarter to reflect weaknesses or impacts that may occur under various crisis simulation as prescribed by the Bank of Thailand so that BAAC can determine appropriate risk reduction measures.

2.2 Foreign Exchange Rate Risk is risk arising from fluctuations of the exchange rates from the holding of assets or liabilities in foreign currencies which is derived from foreign currency transaction (Transaction Risk) and conversion of foreign currency to local currency (Translation Risk).

BAAC has the policy to maintain the Net Open Position in Each Currency and Aggregate Limit to be adequate for the business operation. BAAC has no policy to speculate profits from the movement of the exchange rates, as well as no policy to perform debt financing in a foreign currency.

2.3 Price Risk is risk arising from changes in the price of debt securities and equity instruments, which reduce the value of profit-oriented trading and available-for-sale investment portfolios of BAAC.

BAAC has determined the investment policy in debt securities portfolio and has constantly reviewed to be suitable for market conditions, as well as closely monitored investment situation in debt securities market in order to manage the risk investment in both trading and available-for-sale investments in accordance with the investment policy. In fiscal year 2019, BAAC was able to control the price risk to be under the approved risk limit. BAAC has no policy to hold a risk position from changes in the price of equity instruments.

3. Liquidity Risk is the risk arising from the inability of the financial institutions to repay their debts and obligations when they are due, due to the failure to convert assets to cash, or unable to raise sufficient funds, or able to raise sufficient fund but with higher cost than the acceptable level, which might affect the income and capital of the financial institutions both at present and in the future, especially when the demand for fund is much higher than available liquidity, which may cause the financial institutions to be controlled or cease operation.



In fiscal year 2019, the BAAC's liquidity remained at the level acceptable by BAAC and sufficient to support implementation of the business plan and implementation of project in accordance with the government policy. BAAC has used prudent principles in managing liquidity risk, establishing liquidity risk management policies in line with liquid asset maintenance criteria in accordance with the Bank of Thailand's policy regarding liquidity risk management of specialized financial institutions, as well as environment and business strategies. There was a liquidity emergency plan management working group working on continuous testing and reviewing the liquidity emergency response plan in accordance with the Bank of Thailand's approach.

In addition, BAAC also has tools to measure liquidity risk such as Liquidity Ratio, Liquidity Gap Report, Funding Concentration Report, as well as develop indicators in the Early Warning System, Funding Concentration Report, and comprehensive crisis testing both in the case of BAAC-specific crisis, Market-Wide crisis and Combination of both using Liquidity Coverage Ratio (LCR).

BAAC has constantly analyzed, assessed, monitored, and reported liquidity risk to Assets and Liabilities Management Committee, Risk Oversight Committee, and Board of Directors of BAAC to ensure that BAAC has adequate liquidity for business operation.

4. Strategic Risk is the risk arising from the formulation of a strategic plan, operation plan, and inappropriate implementation or inconsistent with internal factors and external environment which affect income, capital, or existence of the business.

In fiscal year 2019, BAAC has managed the strategic risk according to the prudent principles as follows:

4.1 Risk Oversight Committee and high-level executives controlled, monitored, and provided suggestion regarding the plan and significant operations through the meeting of the Risk Oversight Committee and the meeting of BAAC Board of Directors.

4.2 High-level executives placed importance on the formulation of the strategic plan based on the analysis of external and internal environments, and the systematically collection of needs and expectations of stakeholders, and required that various departments participated in order to input, analyze data, and plan the risk management of each

department to be in line with BAAC's operating direction.

4.3 Restructured to have a new mission-driven division to support the impact of changes in external factors and official regulations.

4.4 Searched for Sound Practice in the organization by driving for the Project Based to be pilot project for the efficient management in the area.

4.5 Approved appropriate and flexible budgets according to priority and urgency of work, and supported the personnel development budget in order to drive significant work and continuously train personnel at all levels.

4.6 Established a performance monitoring system that meet the need of all levels of users in order to input data from the operational level that reflects the performance in terms of deposits, loans, the operations according to the missions of the Government policy, and the management of Rate of Return and the cost rate, as well as developed the financial reporting system in accordance with official practices and regulations.

4.7 Constantly communicated policy by high-level executives and department executives so that the operation achieve the specified targets with the connection of business plan of the departments by using self-assessment principles to come up with action plan that reflect the risk perspective of the department, promote the knowledge and understanding regarding risk management, and awareness of risk until becoming a culture.

In addition, BAAC has developed tools for strategic risk management such as (1) development of Early Warning System (EWS) to send early warning signals for Key Risk Indicators (KRIs) covering all risks and has expanded the scope of application to the branch administration group in order to promote understanding and develop risk management capability of each department from bottom up (Decentralization) which resulted in the performance of strategic risk management to be under the risk appetite level with major operation carried out in accordance with the set goals, with a consistent and stable growth of performance that build confidence to stakeholders. (2) Establishing a public concern and early warning system management working group to drive proactive operations to prevent operations that



may have a negative impact on the image and reputation, which was the integration of work between departments in order to input necessary information for risk analysis and risk assessment and implement and monitor risk management measures to ensure that risk falls under risk appetite level and be able to handle the affecting situation in an appropriate and timely manner and (3) Developing a Portfolio View of Risk in order to consider the relationship of risk and causes in all risk factors, including analyzing the impact on the BAAC and creating a Risk Correlation Map to show the relationship of risk factors in the overall picture of BAAC.

5. Operational Risk means the risk arising from lacking of good corporate governance or lack of internal good governance related to internal process, personnel, work system, or external incidents and affected BAAC's operating income and capital.

BAAC has placed importance on operational risk management in accordance with the dynamic changes of the external situation as well as the trend of applying technology in financial business services, emphasizing on increasing the potential of the personnel and operational efficiency of human resource management with the goal to drive the important mission of BAAC to achieve the objectives efficiently and effectively by increasing the capability of personnel to be financial advisor on agribusiness, enhancing farmers to be Smart Farmer, enhancing SMAEs and connecting cooperatives, providing service through digital channels, assist and develop low-income people to overcome the poverty line, reviewing human resource management process in line with future missions, and promoting the creation of professional expertise and managing sufficient and appropriate manpower.

BAAC has operational risk management processes in which all departments have operational risk management processes including identification, assessment, control, monitoring, and reporting of risk through important tools as follows:

The Business Continuity Management is a supporting tool that helps BAAC to provide continuous services to customers in the event of threat or crisis. BAAC has conducted the business

continuity management process in accordance with the Bank of Thailand's guidelines. There is a review of process and committee structure, assessment of threats from both internal and external factors. The operations have been carried out throughout the organization to build confidence to customers who use the services. BAAC has established business continuity strategies, prepared, tested and rehearsed the Business Continuity Plan (BCP), prepared for the threats that may affect the delivery of products and services to customers, including communicated to employees to be aware and give importance to the issue continuously.

Loss Data is the system to store loss data from the operational risk, both monetary and non-monetary, which exceed the acceptable level and affecting BAAC's income and capital. BAAC has continuously developed and improved Loss Data analysis system in order to make it more convenient and efficient to use and comply with the criteria of the Bank of Thailand by establishing a policy for all departments to record loss data that has occurred in order to systematically store the loss data and specifying risk management measures to reduce the damage or prevent the occurrence of further damage in the future.

6. Information Technology Risk is the risk arising from the use of information technology in business operations which might affect BAAC's system or operation, including risk from Cyber Threat.

In fiscal year 2019, BAAC has monitored the information technology risk management to be in line with the guidelines of the Bank of Thailand regarding Information Technology Risk Regulations of financial institutions covering supervision of IT Outsourcing in accordance with Third Party Risk Management Implementation Guideline and Cyber Resilience readiness assessment framework by using it as a guideline for assessing risks of work system and important projects. Tools have been developed to increase the efficiency of risk monitoring in accordance with the Project Management Body of Knowledge (PMBOK Guide) standards and prepared to support Data Governance risk management. In fiscal year 2019, there were monitoring and assessment of risks of major projects of BAAC.



In addition, BAAC has developed capabilities on information technology and risk management to support competitiveness and business expansion with wide range of modern products and services. It has been certified to international standards namely Information Security Management System: ISMS (ISO/IEC 27001:2013), Service Management System (ISO/IEC 20000-1:2011) and risk management framework in accordance with Risk Management Principle and Guideline (ISO 30001:2018) to ensure all stakeholders that BAAC has effective security and efficient management of information technology. In order to reduce the risk of more severe cyber threats, BAAC has hired external service provider with experiences and internationally recognized certificates to manage and respond quickly to threats as well as preparing Business Continuity Plan (BCP), Disaster Recovery Plan (DRP) and Incident Management Plan (IMP) to ensure that BAAC will be able to provide uninterrupted service in case unexpected incident occur.

7. Compliance Risk is the risk arising from non-compliance with laws, the cabinet's resolution, rules, regulations, relevant official notifications, conditions or terms of contracts which will cause damage to the Bank's operation and the prosecution of contract parties, resulting in the damage of the Bank's reputation and image.

BAAC had the Good Corporate Governance and Corporate Social Responsibility Sub-Committee and Compliance Committee responsible for overseeing and monitoring the Bank's compliance with the rules and regulations, which have a policy to supervise the compliance for the Board of Directors and high-level executives to behave as a role model. All executives and employees must comply with laws, rules, regulations, and avoid participation or involvement with unlawful activities or operations or against public order or good morals. All employees have a duty to study and understand compliance with rules and not considered it to be only duty of the employees overseeing compliance. In order to prevent damage from non-compliance, the executives of the units are responsible for overseeing the compliance by requiring that there be a compliance committee for Department/Office (headquarters)

level, Branch Administration Department level, and Office of Metropolitan Branch Administration, with compliance review every quarter and recorded in the Bank's Compliance Center System which is a self-review of compliance. This allows BAAC to have information on how to effectively oversee and monitor compliance. Placing importance in raising awareness among management and employees in compliance operation resulting in compliance risk management efficiency at an acceptable level.

Capital Maintenance

The capital is an important source of funds to the operations of various businesses of financial institutions that can support the damage that may occur and reflect the financial stability of the financial institutions. Therefore, BAAC is aware of the importance of efficient and effective capital management for the stability and sustainable growth of BAAC. From 1 January 2017 onward, BAAC has used the Capital Management Supervision Criteria of the Specialized Financial Institutions according to the notification of the Bank of Thailand by referring to the criteria used to supervise the financial institution according to the international standards developed on Basel II basis to assess the adequacy of the capital to create transparency and promote good governance in the management. The notification of the Bank of Thailand no. SKS 15/2019 dated 2 September 2019 on Capital Management Supervision Criteria of the Specialized Financial Institutions determined that BAAC maintains a minimum capital at the end of the day at Total Capital Ratio of not less than 8.50 percent provided that Tier 1 Ratio is not less than 4.25 percent and Tier 2 capital must not exceed the Tier 1 capital.

BAAC uses Standardised Approach according to the criteria of Bank of Thailand in the calculation of credit and market risk-weighted assets, and uses Basic Indicator Approach (BIA) in the calculation of operation risk-weighted assets in order to maintain the minimum capital according to the criteria specified by the Bank of Thailand, and regularly tests the adequacy of capital to support risk on a quarterly basis and forecast for the following quarter to ensure good risk management system and adequate capital absorb all significant risks of BAAC, both in normal and crisis conditions.



As of 31 March 2020, BAAC had capital of 142,294 million Baht, consisting of Tier 1 capital of 128,101 million Baht, and Tier 2 capital from reserves for assets classified as Pass of 14,193 million Baht, and Total risk assets of 1,216,272 million Baht consisting of credit risk-weighted assets of 1,089,096 million Baht, market risk-weighted assets of 28 million Baht, and operation risk-weighted assets of 127,148 million Baht, resulting in the BAAC's Capital Adequacy Ratio at 11.70 percent, more

than the minimum requirement set by the Bank of Thailand at 8.50 percent.

In this regard, BAAC has maintained capital in excess of minimum capital requirement to absorb credit, market, and operation risk-weighted assets (minimum capital of 102,747 million Baht), resulting in BAAC's excess capital of 39,547 million Baht to absorb the Unexpected Loss (UL).

Details of Capital Adequacy Ratio for Fiscal Year 2019 in Comparison with Fiscal Year 2018

Item	Unit : Million Baht	
	Fiscal Year 2019	Fiscal Year 2018
Capital	142,294	139,422
- Tier 1	128,101	125,664
- Tier 2	14,193	13,758
Risk-weighted Assets	1,216,272	1,179,147
- Credit	1,089,096	1,058,677
- Market	28	27
- Operation	127,148	120,443
Tier 1 Ratio (percent)	10.53	10.66
Capital Adequacy Ratio (percent)	11.70	11.82

Internal Control

BAAC has assessed the internal control for the year ended 31 March 2020 by the methods specified in accordance with the criteria of the Ministry of Finance regarding the standards and rules for internal control for government agencies 2018, with the objective to create reasonable assurance that the operation will achieve the objectives of effective and efficient internal control, for both financial and non-financial reporting that is reliable, timely and transparent, as well as compliance with laws, rules and regulations related to the operations with 5 components of appropriate internal control as follows:

1. Control Environment

The BAAC executives uses good corporate governance in management, giving importance to honesty, morality, ethics, and transparency in operations, and established organizational structure, chain of command, authority and responsibility appropriate to the achievement of the BAAC's objectives, while the supervision criteria of the regulators motivates and develops personnel to have knowledge and capability. There are continuous development of internal control.



2. Risk Assessment

BAAC has standard risk management procedure with independent operation and appropriate budgets and resources. It identifies risk factors and assesses risks from both internal and external factors that may affect the achievement of objectives covering all aspects in accordance with the regulatory criteria, analyzes and manages appropriate risks to reduce operational errors.

3. Control Activities

BAAC conducts control activities in order to achieve the objectives of internal control in 3 areas namely operation, financial and non-financial reporting, and compliance according to internal control standards by specifying in policies, methods, and working procedures in order to put the policy into practice with internal control specified in all activities, all processes, and all levels of operations.

4. Information and Communications

BAAC procures the relevant and quality information system. There is internal communication regarding information. There is communication to the management and relevant parties in the form that helps the information receivers perform their duties under the responsibilities effectively and efficiently. Communication with external parties is in accordance with information security policies of BAAC and the Bank of Thailand.

5. Monitoring

BAAC continuously evaluates the internal control and monitors compliance with the internal control system to ensure that the internal control is implemented and

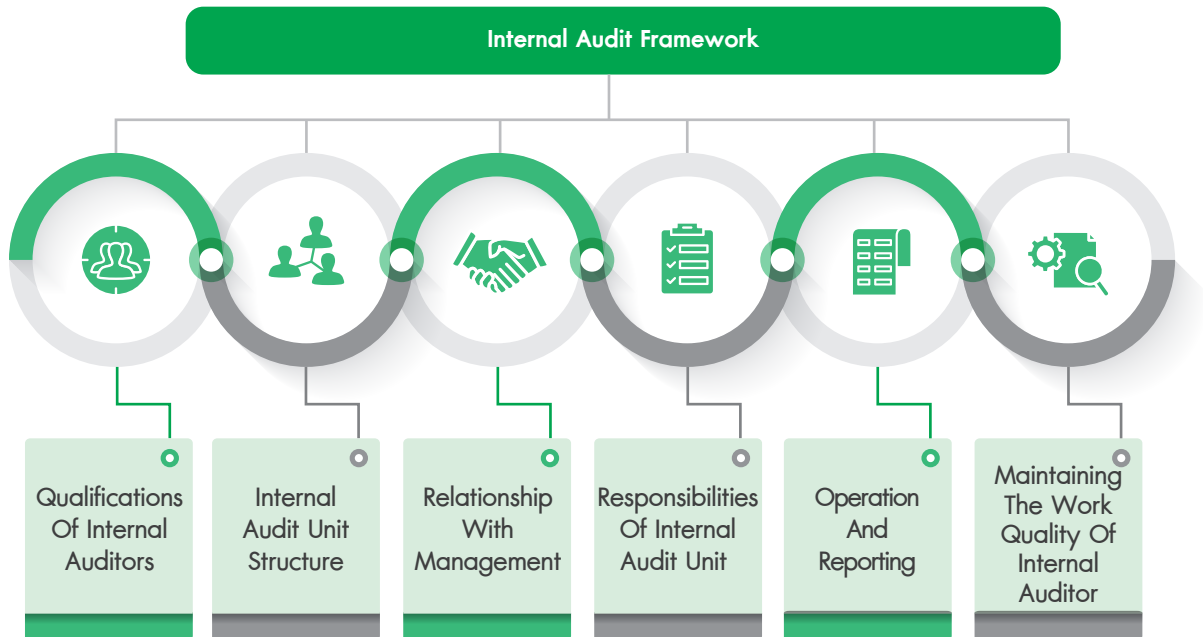
communicate deficiencies or weaknesses of internal control in a timely manner to management and supervisors, and can make appropriate correction as part of normal operation of the management, supervisors and relevant parties.

From such assessment, BAAC is of the opinion that the internal control is sufficient, continuously complied with, and in accordance with the Ministry of Finance's criteria regarding standards and rules for internal control for government agencies 2018 under the supervision of the Ministry of Finance.

Internal Audit

BAAC's internal audit plays a role in providing assurance by systematically evaluating and improving the effectiveness of internal control process, supervision process, risk management process, and other operations of BAAC, as well as performance reporting and providing advice fairly and independently in order to increase the value and enhance the operational process of BAAC to achieve the determined targets and objectives efficiently.

Internal audit is performed in accordance with international standards for professional auditing, regulations of the Ministry of Finance on the Audit Committee and Internal Audit Unit of the State Enterprise B.E. 2555 (2012), regulations of the State Audit Commission on the performance of internal auditor B.E. 2546 (2003), and the State Enterprise's Internal Audit Manual Rev. B.E. 2555 (2012), as well as notification and policy guidelines of the Bank of Thailand which have an audit framework as in the following picture.



Qualifications of Internal Auditor

BAAC’s internal auditors have qualifications from bachelor’s degree level or higher and are promoted and developed to have knowledge, skills, and understanding of the business of

BAAC as well as general knowledge about risk, information technology control, auditing techniques, and other capabilities necessary for performing duties in order to ensure that the work can be performed according to the auditing objectives and the established standards which appear in the audit charter. The internal auditors are encouraged to attend the training for not less than 40 hours per person per year, and are sent to attend the Certified Professional Internal Audit of Thailand (CPIAT), The Certified Internal Auditor (CIA), and Certified Information Systems Auditor (CISA) training programs. At present, the audit line has a total of 23 certified profession, consisting of 2 people for CISA, and 21 people for CPIAT.



Internal Audit Unit Structure

BAAC Board of Directors and BAAC executives places importance to the internal audit work by assigning and empowering high-level executive at the Executive Vice President level to be the Chief Audit

Executive (CAE) taking care of the audit line consisting of Audit Department and Office of Information Technology Audit which have the direct supervision structure under BAAC Audit Committee (AC), and general administration directly under the BAAC President with independence in operation and reporting. The roles and responsibilities have been clearly specified in the Internal Audit Charter and disseminated to all BAAC employees for acknowledgement.



Relationship with Management

The Audit Line has good relationships with management, other auditors, regulatory agencies, and the Audit Committee both in presenting the reports and preparing the audit plan.

It takes into account expectations, comments, suggestions on operations in preparing the 5-year strategic plan of the Audit Line and the annual audit plan under the principles of Good Governance, Risk Management and Compliance (GRC) that are in line with BAAC strategy and the Risk Based Approach, covering both core and supporting businesses, including information technology auditing, both General Control and Application Control, which have been agreed by the President and approved by the BAAC Board of Directors.



Responsibilities Internal audits

include the review of the efficiency and effectiveness of internal control process, supervision process, risk management process, accuracy and reliability of financial information, and report relevant policy compliance, procedures, laws, rules and regulations, audit the transactions that may have conflicts of interest, appropriateness in asset custody, review and follow up of operation plans, results of operation and resource usage, in order to help achieve the objectives and goals of BAAC. The responsibilities have been clearly specified in the Charter of the Audit Line and communicated to all BAAC employees for awareness.

The Audit Line is aware and places importance on to adjusting the audit model in order to increase the effectiveness of the audit by adjusting the audit process to cover all stages of the operational process and customer service (End to End Process), and focuses on developing auditing innovations by enhancing the efficiency of Data Analytic by applying Idea and SQL Server tools in analysis and Visualization, and developing Surprise Check process innovation. In addition, the integration has been made with the Compliance and Good Governance Line in jointly preparing the area audit plan and period, with information support and information exchange of audit/review result for the efficiency of the operation.



Operation and Reporting

The strategic plan of the Audit Line consists of strategic action plan and the annual audit plan which is in accordance with the risk assessment results to allocate resources with highest efficiency and effectiveness. This is in line with the BAAC risk assessment result and covers all business processes and taking into account expectations, comments, suggestions, or concerns on BAAC operation from stakeholders in determining the audit plan to ensure that the internal audit operations support the achievement of the goals and objectives.



Maintaining the Work Quality of Internal Auditor

The Audit Line has assessed internal audit quality and improved its operation in accordance with the regulations of the Ministry of Finance regarding the audit committee and internal audit unit of state enterprise and best practices related to maintaining the work quality of internal auditor in accordance with the State Enterprise's Internal Audit Manual Rev. B.E. 2555 (2012) of the SEPO regularly every year. It is required to have self-assessment, quality evaluation after audit by the auditee, assessment by BAAC management and the Audit Committee, as well as the quality evaluation by an independent external organization every 5 years. In fiscal year 2019, BAAC has hired KPMG Phoomchai Business Advisory Co., Ltd. as an evaluator by comparing with the guidelines set out in the State Enterprise's Internal Audit Manual of SEPO, international standards for professional auditing, and notifications and policy guidelines of the Bank of Thailand (BoT) to ensure that the BAAC's internal audit is efficient in accordance with those standards, manuals, notifications, and policy guidelines. It also provided recommendations for improvement in order to increase the efficiency and effectiveness of the operation of the Audit Line. In addition, the ISO 19011:2018 (Audit Management System) standard has been adopted to enhance technology and information Audit to be in accordance with internationally accepted standard, which has been certified for 3 consecutive years since fiscal year 2017.

The Audit Line has reported the audit result to the executives of the auditees, relevant organizations, and the management in order to have the improvement and correction of operations, and reports a summary of important issues to the BAAC Audit Committee and BAAC President at least once a quarter. The precautions and findings from the audit results are communicated on a quarterly basis in order to enforce the units which have not been audited to strictly abide by the BAAC procedures and official rules.



Report of the CG & CSR Sub-Committee

BAAC Board of Directors is committed and confident that the business operation with principles of Good Corporate Governance, Business Ethics, and Ethics of the Board of Directors, executives, and employees are foundation for the strengthening and enhancement of Good Corporate Governance, the availability of transparent and auditable operational system, as well as being accountable in the operational process by embracing the royal initiatives of the sufficiency economy philosophy as a management principle along with social and environment responsibilities to build confidence in BAAC's business operation as well as create a balance and satisfaction for shareholders, stakeholders, and all related parties for stable, prosperous and sustainable organization development.

BAAC Board of Directors has ordered the appointment of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee to be a mechanism to support and drive the operations of BAAC Board of Directors in terms of the Good Corporate Governance, Compliance, Social and Environment Responsibility, and Relief Fund for Natural Disaster and Disaster Victims and Support Fund for Customer Marketing Development to be efficient with maximum benefit under the Good Corporate Governance vision "Be internationally Leading Good Corporate Governance Bank". The Good Corporate Governance and Corporate Social Responsibility Sub-Committee is consisted of 5 directors of BAAC Board of Directors as follows:

1. Ms. Ruenvadee Suwanmongkol Chairman of the Sub-Committee
2. Mr. Thonglak Hanseuk Sub-Committee Member
3. Mrs. Amara Klabpratum Sub-Committee Member
4. Mrs. Ruchukorn Siriyodhin Sub-Committee Member
5. Lt. Gen. Karn Kalumpasut Sub-Committee Member

In the fiscal year 2019, the Good Corporate Governance and Corporate Social Responsibility Sub-Committee had 6 meetings and carried out the duties and responsibilities according to the Charter of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee as follows:

- Determine the policies and strategies for good corporate governance, compliance, social and environment responsibilities to be in line with BAAC's business operations.

- Scrutinize matters relating to good corporate governance, compliance, and social and environment responsibility and propose to BAAC Board of Directors.

- Supervise and monitor the operation of corporate Governance, compliance, and social and environment responsibility on a quarterly basis to achieve goals with the most efficiency and effectiveness.

- Promote the participation in activities, programs/projects on social and environment responsibility and the Support Fund for Customer Marketing Development of Board of Directors, executives, employees, communities, customers, and general people, together with promotion and dissemination of good corporate governance culture.

- Supervise and provide recommendations for the BAAC's operation to comply with law, policies, and procedures for compliance with the Bank of Thailand's regulations.

- Supervise and provide recommendations for the operations regarding the support of customer marketing development and the relief for natural disaster and disaster victims.

With determination and dedication of the BAAC Board of Directors, executives, and employees in the operations in accordance with the good corporate governance principles continuously resulting in the BAAC's score of Integrity & Transparency Assessment (ITA) has consistently been in a very high level, for 2019 received 96.43 points from the Office of the National Anti-Corruption Commission (NACC) and received the Honorable Mention at the 9th NACC Integrity Awards, which was regarded as the pride of the BAAC, for its commitment and honesty, reflecting the commitment of the BAAC Board of Directors in promoting, supporting, supervising, and monitoring the management under the good corporate governance principles and developed to international standards by using the good corporate governance principles to lead the management to a sustainable corporate governance organization.

(Ms. Ruenvadee Suwanmongkol)

Chairman

The CG & CSR Sub-Committee

Bank for Agriculture and Agricultural Cooperatives



Good Corporate Governance

Good Corporate Governance Policy Bank for Agriculture and Agricultural Cooperatives (Corporate Governance Policy)

The Bank recognizes the importance of good corporate governance, which is considered an important factor in creating equity to the stakeholders and to reinforce organization efficiency. The Board of Directors therefore aims to promote the fair, transparent, and auditable operations to build confidence to shareholders, stakeholders, as well as all relevant parties, including strengthening the Bank for stable and sustainable growth. The BAAC has therefore established this Corporate Governance Policy for all Directors, executives, and employees to abide by as follows:

1. Bank for Agriculture and Agricultural Cooperatives, includes the Board of Directors, executives, and all employees, adhering to and operating in accordance with corporate governance policies, including implementing concrete business ethics in order to create an organization culture, creating appropriate benefits for all stakeholders on the good corporate governance principles.

2. The Board of Directors will supervise corporate governance in accordance with the standard of the State Enterprise Policy Office, Ministry of Finance, and the Bank of Thailand and will manage risks to prevent future damages.

3. In the operation, the Board of Directors, executives, and all employees are determined to apply 7 important principles of good corporate governance namely 1) Responsibility for performance 2) Consciousness of duty 3) Treatment of stakeholders with good faith 4) Transparency 5) Creating added value for the business both in the short and long term 6) Promotion and development of supervision, and 7) Participation, as well as good governance manual, business ethics, and the code of conduct of the Board of Directors, executives, and employees as guidelines for operations, as well as strictly perform duties in accordance with the relevant laws and regulations of the Bank.

4. The Board of Directors, executives, and employees will perform their duties with dedication and responsibility, adhering to fairness by treating shareholders and stakeholders equally as well as overseeing, controlling, and preventing decisions or actions that have a conflict of interest.

5. The Board of Directors, executives, and employees manage and operate with transparency and accountability and seriously support anti-corruption including consideration of human rights and fair use of labor.

6. The Bank provides disclosure of financial and non-financial information and operates in accordance with the standards, procedures, and time limit in order for shareholders and stakeholders to receive sufficient, transparent, timely, reliable, and equal information.

7. The Bank will operate with social and environment responsibility and create innovations for balanced, stable, prosperous, and sustainable development.

The BAAC Board of Directors and executives must be leaders in ethics and role models in performing duties in accordance with the BAAC's good corporate governance guidelines, overseeing the management of conflict of interest and connected transactions. There is a system for monitoring, evaluation, and review for all employees to adhere to and comply with the good corporate governance policy completely and sustainably, as well as promoting to be the culture of the Bank.

Announced on 23 April 2019

(Mrs. Nampung Wongsmith)

Chairman of the Good Corporate Governance
and Corporate Social Responsibility Sub-Committee
Bank for Agriculture and Agricultural Cooperatives



Good Corporate Governance Strategy

Develop the Governance to International Standard

BAAC has participated in the project of the Office of National Anti-Corruption Commission (NACC), namely the Integrity & Transparency Assessment (ITA) with a very high assessment score of 96.43 points, and in the 9th Integrity Award Project which has been awarded with the Honorable Mention Integrity Award. BAAC has also used the review tools according to ASEAN CG Scorecard that is used in the Stock Market as the comparable standard to review the Good Corporate Governance of BAAC with the excellent assessment score of 95.37 points which indicates that BAAC has good corporate governance in the high level equivalent to the international level.



Enhance the Governance for Stakeholders

BAAC realizes the importance of good governance as a key factor in creating fairness for all stakeholders and a factor in driving the mission to achieve BAAC's vision. BAAC has promoted good governance activities to stakeholders for 1,308 times with 198,259 participants, and focused on listening to customers' voices with a process to listen to the voices and follow up complaints to bring back customers to use service 100%.



Create Governance for the Governance Organization

BAAC has conducted a random review of 44 branches on corporate governance, by reviewing executives and practitioners regarding supervision of compliance with rules, regulations, procedures, measures prescribed by BAAC, and rehearsal letter from BAAC by means of inquiry, observation and various documents, as well as providing advice on correct practices to build trust among users. In general, 99.43% of the operations are compliance with rules, regulations, procedures, and measures prescribed by BAAC in accordance with good corporate governance principles.



Develop the Governance Knowledge to Achievement

BAAC places importance on corporate governance by proving knowledge and raising awareness among all employees to recognize and act until become a corporate culture, clearly defining guidelines, communicating and organizing corporate governance activities through BAAC Agenda Social media, Line Mr./Mrs. CG, culture journal for all departments to communicate in their internal meetings and report through corporate governance communication system. The assessment on organization behavior level according to good corporate governance principles is at 98.20%.





Good Corporate Governance

In the fiscal year 2019, BAAC has operated in accordance with the principles and guidelines for good corporate governance for State Enterprise 2019 as prescribed by the State Enterprise Policy Office, Ministry of Finance which can be summarized as follows:

Section 1 Role of Public Sector

BAAC places importance on balanced and efficient management under the principles of good governance by clearly separating the role of Policy Maker, Regulator, Operator, and Owner. The Ministry of Finance has conveyed the policies and operational directions of BAAC through the Statement of Directions. BAAC disclosed the policy, activities, measures, guidelines for various operations related to the operation according to the government policies in the annual report in order to be transparent and accountable, and has appointed representatives from the public sectors in the Board of Directors to supervise, monitor, and support the operations to achieve the objectives and goals as specified by not intervening in the administration so that the state enterprise have full power and independent in the management. At the general meeting of shareholders, the Ministry of Finance, as co-owner, sent representatives to participate in the meeting and acted favorably via voting at the general meeting of shareholders.

Section 2 Rights and Equality of the Shareholders

BAAC realizes and give importance to the rights of shareholders. All shareholders will receive basic rights and will be treated fairly and equally in all respects as specified by relevant laws and regulations of the BAAC namely the right to attend shareholders' meetings, the right to appoint a proxy to attend the meeting and vote on their behalf, the right to vote on every agenda item, the right to send questions in advance of the meeting date, the right to express opinion, make suggestions or ask questions at the shareholders' meeting, the right to receive dividends, including the right to receive current and sufficient information in a timely manner through various public relations channels.

Rights and Equality of the Shareholders

Rights of the Shareholders

Every shareholder has the right to be the owner of the business and to participate in decision making regarding the major changes of the BAAC. BAAC will oversee and encourage shareholders to exercise their rights equally. BAAC realized and values shareholders' rights without violating or depriving the right of shareholders. There are rules for disclosure of relevant information, including methods for attending the annual general meeting of shareholders, in which shareholders have the right to vote, including the opportunity to ask questions or send questions in advance.

Guidelines

- 1) Organize annual general meeting of shareholders within 150 days from the end of fiscal year.
- 2) The general meeting of shareholders shall be carried out in accordance with the BAAC Act B.E. 2509 and the provisions of the Civil and Commercial Code on the general meeting of shareholders shall apply mutatis mutandis.
- 3) Notify information about date, time, location, along with the meeting agenda via newspaper and send sufficient information regarding business status and necessary information needed for decision making for all stakeholders via registered post with advice of receipt not less than 7 days before the meeting and disseminated through the BAAC website at www.baac.or.th.
- 4) Shareholders can attend the annual general meeting and vote under the specified legal framework.
- 5) Shareholders have the right to vote according to each proposed agenda.
- 6) Provide opportunity for shareholders to submit questions in of the annual general meeting on the BAAC website at www.baac.or.th, at Contact Us, General Information.
- 7) Allow the shareholders to ask questions and express their opinions on the annual general meeting.
- 8) Shareholders are entitled to attend the meeting or appoint a proxy to attend the meeting and vote on their behalf in accordance with the form specified.
- 9) Introduce computer systems for vote counting in order to be convenient, fast, and standardized. The system will clearly specify the votes of approval, disapproval, and abstention in every agenda for how many votes there are, and what percentage is the proportion of shares attending the meeting and the proportion of the voting.
- 10) Arrange for a representative of the Bank of Thailand, representative of the State Audit Office of the Kingdom of Thailand, representative of the Cooperative Promotion Department, and a representative of the State Enterprise Policy Office (SEPO) Ministry of Finance attend the meeting to observe and witness the meeting to be correct, with the BAAC executives ready to give explanations and information in case of questions.
- 11) BAAC sends and publishes the minutes of the general meeting to all shareholders and disseminated through the BAAC website at www.baac.or.th.
- 12) Shareholders have the right to receive dividends from the profit sharing generated from business operations.

Equitable treatment of shareholders

All shareholders, as business owners, are treated fairly and equally in all basic rights as required by law as required by law, and have the right to receive current and sufficient information through various channels.

Guidelines

- 1) Shareholders are treated fairly and equally according to basic rights.
- 2) Shareholders receive sufficient documents and information to support their decision making.



3) Shareholders are facilitated to exercise their rights, such as receiving dividends, purchasing or transferring of shares, etc., including the opportunity for shareholders to attend the meeting and exercise their voting right.

In addition to the basic rights mentioned above, BAAC places importance on good corporate governance to be transparent and accountable by publishing important and necessary information in the annual report, on the BAAC website www.baac.or.th, or inquiry through the BAAC branch office network that is located throughout the country or through BAAC Call Center tel. 0 2555 0555, or contact via BAAC shares section, Treasury Department tel. 0 2558 6555 ext. 6780-1, and clarifying the rights of shareholders to attend the meeting and the right to vote clearly in the meeting invitation that BAAC send to all shareholders before the meeting.

The Meeting of the Shareholders

The BAAC Board of Directors has considered and ensured that all important issues specified by law and issues that may affect the business direction of the BAAC have been considered by the shareholders by having the annual general meeting of shareholders once a year within one hundred and fifty days from the end of the fiscal year.

In organizing an annual general meeting of shareholders, the BAAC has considered the convenience of every shareholders' meeting attendance. In the fiscal year 2019, the 54th Annual General Meeting of Shareholders for the year 2018 on Thursday 27 June 2019 at 10:00 am. at the Vayupak Grand Ballroom, Centra Government Complex Hotel and Convention Centre, Chaeng Watthana Road, Thung Song Hong, Laksi, Bangkok. A convenient location for traveling is provided along with facilitating the meeting venue for all shareholders. Staffs are available to take care of guests and provide document checking, attendance registration, and proxies. A security management system and emergency response plan to enable continuous meeting is arranged.

The BAAC Board of Directors has issued the meeting invitation and relevant documents which contain information such as date, time, and venue of the shareholders' meeting, the meeting agenda for acknowledgement or approval divided into clear issues, as well as attaching maps and directions for traveling to the meeting venue and published on the BAAC website www.baac.or.th on 7 June 2019 (20 days before the meeting) and sent to all shareholders listed on the stock registration system via registered post with advice of receipt on 14 June 2019 (13 days before the meeting), and advertised in Matichon Daily newspaper issue of 17-18 June 2019 (10-11 days before the meeting) so that all shareholders receive equal information and have sufficient time to study information before the attending the meeting. It has provided the opportunity for shareholders to send questions in advance or propose matters for consideration to be

included in the agenda of the general meeting of shareholders from 7 June 2019 (20 days before the meeting) through various channels including website www.baac.or.th, under Contact Us, General Information, or BAAC Call Center tel. 0 2555 0555

In the event that shareholders are unable to attend the meeting themselves, the shareholders may appoint other persons as a proxies to attend the meeting on their behalf, by using the proxy forms that BAAC has set together with the meeting invitation letter which has clearly specified documents and evidence used for proxies, so that shareholders can prepare correctly without the problem attending the meeting. The proxies will have rights as assigned by the shareholders. In addition, the BAAC granted the rights to shareholders who attended the meeting, after the meeting Chairman had declared the meeting open, to vote on the agenda being considered and not yet being voted on, and constitute a quorum starting from the agenda item that is attended to the meeting onwards.

Policy and Criteria of BAAC Dividend Payment

BAAC's dividend payment is in accordance with the Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509, Chapter 7 Appropriation of Profits.

Section 35 The surplus of the annual net profits which had been appropriated for paying bonuses under Section 26 shall be transferred to the accumulated profit account

Section 36 The Bank shall not pay dividends to the shareholders out of the money other than the accumulated profits

Section 37 At each payment of dividend, the Bank shall appropriate to the reserve an amount not less than one-half of the paid dividend from the accumulated profits

When the reserve under the preceding paragraph is equal to or exceeds the amount of paid-up share capital, the Bank may cease to appropriate or reduce the amount to be appropriated to the reserve.

The appropriation must be approved by the general meeting of shareholders. After the general meeting of shareholders approve the payment of dividends, the BAAC announce dividend payment in writing to all shareholders and pay dividends to the shareholders within 1 month from the date of approval by the general meeting of shareholders.

In 2019, the 54th Annual General Meeting of BAAC Shareholders for the year 2018 on Thursday 27 June 2019 approved the payment of dividends at the rate of 10.00 Baht per share totalling 5,594,533,890 Baht. As for the dividends of the Ministry of Finance, the BAAC has delivered as a state revenue totalling 5,582,075,130 Baht. The dividends could be paid from 8 July 2019.

¹ Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509, Chapter 4, Section 27 (9)



Appointment of Auditor

The BAAC General Meeting of shareholders will consider and approve the appointment of auditor annually, as specified in Section 27 of the BAAC Act B.E. 2509 and according to item 10 of the Ministry of Finance on Accounting and Finance of State Enterprise B.E. 2548 which requires the State Audit Office of the Kingdom of Thailand to be the auditor for all state enterprises for fiscal year 2019. The State Audit Office of the Kingdom of Thailand has set BAAC's audit fees for 3,000,000 Baht (Three million Baht only), excluding part-time work fees and other related expenses.

Actions on the Shareholders' Meeting Day

BAAC places importance on shareholders' meetings that are efficient, transparent, fair, and comply with laws, rules and regulations relevant to the operation of BAAC at the general meeting of shareholders. BAAC Chairman will chair the meeting and the meeting details, voting forms, and vote counting will be clearly explained. All shareholders are given equal rights to express their opinions and ask questions in an appropriate and sufficient time allocation. BAAC Board of Directors and high-level executives will participate in the meeting to clarify and provide information in case of questions. In addition, representatives from government agencies are invited to observe and witness the meeting consisting of representative of the Ministry of Finance, representative of the Bank of Thailand, representative of the State Audit Office of the Kingdom of Thailand, representative of the State Enterprise Policy Office, and the representative of the Cooperative Promotion Department, in order that the meeting, registration, and vote counting are accurate and transparent in accordance with the good governance principles.

The BAAC Board of Directors has promoted the use of technology in general meeting of shareholders so that the meeting can be conducted quickly, accurately, and can be checked, and facilitate the shareholders or proxies to register to attend the meeting and vote on various agenda. The barcode has been printed in the registration form sent to shareholders in advance together with the invitation to the meeting. Computers are setup for registration and voting processing using ballots which allows the chairman of the meeting to notify the result of the vote counting for agreeing, disagreeing, and abstaining, along with voided ballots for each agenda quickly. At the end of the meeting, BAAC Will collect the vote-counting results from all votes to enable future verification.

Preparation of Meeting Minutes and Disclosure of Resolutions of Shareholders' Meetings

The BAAC Board of Directors supervises the disclosure of resolutions of the general meeting of shareholders and the voting result on the day following the date of the shareholders' meeting through BAAC website www.baac.or.th under section "Information for Shareholders" subsection "Annual General Meeting of BAAC Shareholders" and "Shareholders'

Meeting Resolution with Voting Results"

The BAAC Board of Directors supervises the minutes of the shareholders' meeting to be accurate, complete, and disclosed through various channels that can be easily accessed by the shareholders. The meeting secretary is assigned to record the minutes of the meeting completely consisting of the meeting agenda, the resolution of the meeting, the voting results of each agenda categorized into number of agree, disagree, and abstain, comments and suggestions of shareholders at the meeting, explanation of the meeting comments, and then prepare the minutes of the meeting to submit to the BAAC Board of Directors for acknowledgement. After that the complete minutes of the meeting will be sent to all shareholders by postal mail and published the minutes of the meeting via BAAC website www.baac.or.th under section "Information for shareholders" subsection "Annual General Meeting of BAAC Shareholders". It will be resent to shareholders together with invitation letter for the next meeting every year. In the event that there is a question at the meeting but not answered at the meeting, BAAC will take as an observation and clarify after the meeting on a case-by-case basis.

Section 3 The Board of Directors

The BAAC Board of Directors

The BAAC Act B.E. 2509 Section 14 stipulated that there shall be a Board of Directors of BAAC consisting of the Minister of Finance as the Chairman, a Vice-Chairman, and not more than 12 other Directors appointed by the Cabinet and the BAAC president shall be a Director and Secretary.

The Directors appointed by the Cabinet shall at least include a representative of the Ministry of Finance, a representative of the Ministry of Agriculture and Cooperatives, a representative of the Cooperative Promotion Department, a representative of the Agricultural Land Reform Office, a representative of the Bank of Thailand, and a representative of the shareholders being agricultural cooperatives.

The Vice-Chairman or Directors appointed by the Cabinet shall hold office for a term of 3 years, and the outgoing Vice-Chairman or Director may be re-appointed. When the Vice-Chairman or Director appointed by the Cabinet vacates office before the expiration of his term, the Cabinet may appoint another person to replace him, and the appointee shall hold office for the remaining term of the person he replaces.

The List of the BAAC Board of Directors as of 31 March 2020

1.	Mr. Uttama	Savanayna	Chairman
2.	Mr. Anan	Suwanarat	Vice-Chairman
3.	Mrs. Pantip	Sripimol	Director
4.	Ms. Surnsuk	Salaketch	Director
5.	Mr. Phichest	Wiriyapaha	Director
6.	Mr. Vinaroj	Supsongsuk	Director



7.	Mr. Somboon	Chitphentom	Director
8.	Mr. Thonglak	Harnsuk	Director
9.	Mrs. Ruenvadee	Suwanmongkol	Director
10.	Mr. Suwit	Rojanavanich	Director
11.	Mrs. Amara	Klabprathum	Director
12.	Mrs. Ruchukorn	Siriyodhin	Director
13.	Lt. Gen. Karn	Kalumpasut	Director
14.	Mr. Jaroondech	Janjarussakul	Director
15.	Mr. Apiron	Sukprasert	Director and Secretary

Changes

1.	Mr. Aphisak	Tantiworawong	Officiated in the position of Chairman until 15 July 2019
2.	Mr. Krisada	Chinavicharana	Officiated in the position of Director until 31 December 2019
3.	Mrs. Nampung	Wongsmith	Officiated in the position of Director until 31 July 2019
4.	Mr. Watchara	Chatwiriya	Officiated in the position of Director until 20 October 2019
5.	Mr. Luechai	Chaiprianya	Officiated in the position of Director until 20 October 2019

Authority and Duty

The Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509 and the amendment, Section 18, has stipulated that the BAAC Board of Directors have the authority and duty to lay down policies and supervise generally the activities of the bank, which shall include:

1. Issuing regulations on the shares of the Bank.
2. Issuing regulations on the guarantees of loans under Section 10 (2).
3. Issuing regulations on delegation of power of the President to officers of the Bank under Section 23.
4. Issuing regulations on granting of loans under Section 31.
5. Issuing regulations on sale or discount of bills various financial institutions under Section 33.
6. Issuing regulations prescribing the number of positions, salary, wages, transportation expenses, per diem allowances, accommodation allowances, entertainment allowances, and other remuneration for officers and employees of the Bank.
7. Issuing regulations on recruitment, appointment, requirement of guarantee, increase of salaries, removal from office, disciplinary investigation and punishment of officers and employees of the Bank.
8. Issuing regulations on aids for the present or former President, officers, employees, and their families.
9. Establishing a branch office or agent of the Bank.
10. Issuing regulations on other activities of the Bank.

BAAC Board of Directors is authorized to appoint various sub-committees to consider the matters assigned by the BAAC Board of Directors. BAAC Board of Directors is authorized to appoint the President and determine the salary rate of the President with the consent of the Minister of Finance. The President is authorized to and is responsible for managing the business of BAAC to be in accordance with the policies, regulations, rules, including the matters as assigned by BAAC Board of Directors. The President is also authorized to place, appoint, promote the position or salary increase, perform disciplinary punishment, or demotion from being personnel according to the criteria and conditions that BAAC Board of Directors has determined, including determining the practices pertaining to the of BAAC and its personnel without conflicts with the policies, regulations, rules or provisions of BAAC Board of Directors.

Qualifications of BAAC Board of Directors

The BAAC Board of Directors must have the qualifications and no prohibited characteristics as specified in Section 15 of the BAAC Act B.E. 2509, in conjunction with Section 5 and Section 7 of the Standard Qualification for Directors and Employees of State Enterprise Act B.E. 2518 and the Bank of Thailand Notification no. SKS 13/2019 dated 2 September 2019 regarding Qualifications and prohibited characteristics of the Directors who are not directors by position, President, management authority, and consultants of specialized financial institutions.

Nomination of BAAC Board of Directors

BAAC has a framework for the appointment of the Vice-Chairman and the entire Board of Directors according to the guidelines specified by the Ministry of Finance and the Bank of Thailand. It can be categorized according to the characteristics of the components and the sources as stipulated by the laws into 3 categories as follows:

Group 1 Representatives of the Government Agencies/Departments:

the affiliation agencies nominates the representatives:

1. Representative of the Ministry of Finance
2. Representative of the Ministry of Agriculture and Cooperatives
3. Representative of the Cooperative Promotion Department
4. Representative of the Agricultural Land Reform Office
5. Representative of the Bank of Thailand

Group 2 Representative of Agricultural Cooperative Shareholders

BAAC Board of Directors has appointed the Nomination of BAAC Directors Sub-Committee to select representative of the top 10 cooperatives with the highest amount of BAAC shares using the criteria and qualifications of the representative according to the framework of resolution of the BAAC Board of Directors and be in accordance with relevant laws, and summarize the results and submit to Chairman of the BAAC Board of Directors to consider selecting representative of agricultural cooperative shareholders to be BAAC Director.



Group 3 BAAC Qualified Directors BAAC Board of Directors has appointed the Nomination of BAAC Directors Sub-Committee and operated in accordance with the guidelines for the appointment of state enterprise directors as determined by SEPO as follows:

1. The determination of core competencies and necessary knowledge (Skill Matrix) is carried out by the top executives of state enterprises and SEPO jointly determines the Skill Matrix of the state enterprise directors to be in accordance with mission and strategy of the state enterprise in order to be used in the consideration of the nomination and appointment of the state enterprise directors. SEPO has stipulated that all state enterprises must have Skill Matrix in 4 major areas i.e. finance, accounting, law, and information technology, and can determine additional but not exceed the number of the whole Board of Directors.

2. For the Nomination and proposal of the name, the Board of Directors of state enterprise shall consider the list of people derived from the nomination or proposed by the Ministry to be not less than twice the number of vacant position not less than 3 months in advance to propose to the State Enterprise Directors Scrutiny Sub-Committee (Scrutiny Sub-Committee) for consideration. The person nominated and proposed must have the qualifications and must not have prohibited characteristics as specified by law, be knowledgeable and expertise in accordance with the Skill Matrix. The qualified experts with experience in business sector (business sector means private sector, state enterprise, or other non-government agencies) not less than one third of other Directors of that state enterprise must be nominated.

3. For the selection, the Scrutiny Sub-Committee consider selecting appropriate person to be appointed as state enterprise director and submit to Chairman of the State Enterprise Policy Committee (SEPC) for approval.

4. For the approval, when the Chairman of the SEPC approve the list of the person to be appointed, the affiliated Ministry must submit to the Cabinet or proceed for the appointment in accordance to the laws or regulations of the state enterprise.

Committees and Sub-Committees

BAAC has appointed various committees and sub-committees to scrutinize and supervise the tasks according to the BAAC's duties and provide opinions to the BAAC Board of Directors on various matters in order for the operations to be prudent, efficient, and effective. The appointment of various committees and sub-committees considers the laws, regulations, rules, policies, mission, and strategy of the BAAC as well as necessary Skill Matrix.

As of 31 March 2020, there were 12 committees/sub-committees appointed by the BAAC Board of Directors, which can be categorized into 5 committees/sub-committees that were appointed according to the laws, and 7 committees/sub-committees that were appointed according to the duties as follows:

Appointed according to the laws	Appointed according to the duties
1. BAAC Audit Committee	1. Appeal Sub-Committee
2. Risk Oversight Committee	2. Legal Advisory Sub-Committee
3. BAAC Corporate Relation Affairs Committee	3. Good Corporate Governance and Corporate Social Responsibility Sub-Committee
4. BAAC Presidential Performance Evaluation Committee	4. Innovation, Research and Development Sub-Committee
5. Nomination and Compensation Committee ¹	5. Scrutiny Sub-Committee
	6. Information Technology Management Sub-Committee
	7. Community Business for Thai Project Supervision Sub-Committee ²

Note Changes in the Fiscal Year 2019 are as follows:

¹ Merged the BAAC Director Nomination Sub-Committee and the Nomination and Compensation Sub-Committee and adjusted the authority and duty to cover nomination of BAAC Directors, nomination of committee and sub-committee members, nomination of executive that are the power of the BAAC Board of Director, and determination of compensation.

² The Agricultural SME Operation Supervision Sub-Committee has been renamed to the Community Business for Thai Project Supervision Sub-Committee and adjusted the authority and duty to cover community business tasks to support policies that give priorities to sustainable local economic development according to the Pracharat for Thai approach.

The BAAC Audit Committee

The BAAC Audit Committee has a term of office as the term of BAAC Board of Directors. It consists of the Chairman of the BAAC Audit Committee and not less than 2 but not more than 4 members, for which at least 1 member of the Audit Committee must have knowledge, understanding, and experience in accounting or finance, that can review the credibility of the financial statement. The Chief Audit Executive is required to be the secretary of the Audit Committee.

The BAAC Audit Committee Structure (As of 31 March 2020) consisted of

1. Mr. Vinaroj	Supsongsuk	BAAC Director Chairman
2. Mr. Phichest	Wiriyapaha	BAAC Director Member
3. Mr. Somboom	Chitphentom	BAAC Director Member
4. Chief Audit Executive		Secretary



Authority and Duty

1. Reviewing the efficiency and effectiveness of the internal control process, the risk management process, and Good Corporate Governance process.
2. Reviewing for BAAC to have accurate and reliable financial reports.
3. Reviewing the operations of BAAC to be accurate in accordance with laws, rules, regulations, procedures, the Cabinet Resolutions, notifications, or orders relevant to BAAC operations.
4. Reviewing for BAAC to have a good internal audit system and consider the independency of the audit line.
5. Considering connected transactions or transactions that may have conflicts of interest or the possibility of fraud that may affect the operations of the BAAC.
6. Considering and approving the Internal Audit Charter, Audit Manual, Audit Plan, and self-assessment form of the audit line.
7. Reviewing the structure, adequacy, and quality of the resources of the audit line to be suitable for the BAAC's business environment to ensure the effectiveness and efficiency of the operation of the audit line, supporting BAAC's operations to achieve quality objectives under good governance principles.
8. Expressing opinion on the qualification of the Chief Audit Executive (CAE) and Chief Compliance Executive.
9. Suggesting to the BAAC Board of Directors for the consideration on appointment, rotation, demotion, promotion of salary, promotion of position, and assess the performance of the Chief Audit Executive by requiring the President to provide comments for consideration.
10. Coordinating with the auditor about the results of the audit and may recommend to review or examine any items that are considered necessary, including proposing relevant remuneration of the auditor to the BAAC Board of Directors.
11. Considering and giving opinion of the appointment of the auditor.
12. Following up on the improvement of the management according to the recommendations of the audit line and the auditor including regulatory bodies regarding internal control, risk management, and good corporate governance.
13. In the case of the BAAC's audit committee receiving an internal audit report showing violations of the laws, rules, regulations, procedures,

the Cabinet Resolutions, notifications, and orders relevant to BAAC's operation, the President shall be informed to consider ordering the responsible unit for the BAAC's operation to take corrective action to be in accordance with laws, rules, regulations, procedures, the Cabinet Resolutions, notifications, and orders related to the operations of BAAC.

In case of the violation of other laws related to specialized financial institutions and other laws, if the Board of Directors or the management does not proceed with the correction within the time specified by the BAAC Audit Committee, the BAAC Audit Committee must disclose such actions in the annual report and report to the Bank of Thailand.

14. In the event that the BAAC Audit Committee receives an internal audit report that is suspected of having transactions or actions that may cause serious damage to the BAAC performance, conflicts of interest, fraud, or unusual transactions or significant defects in the internal control system, it shall immediately report to the BAAC Board of Directors for improvement without delay.

15. Performing other duties as required by the law or assigned by the BAAC Board of Directors.

16. If any internal audit work of the Audit Committee is necessary to have knowledge and expertise from specialized experts, the BAAC Audit Committee shall submit to the BAAC Board of Directors to consider hiring specialized experts in accordance with the rules and regulations of the BAAC. In this regard, the qualifications and prohibited characteristics of article 4.5 and 4.6 shall be applied mutatis mutandis to the prohibited characteristics of specialized experts.

17. The BAAC Audit Committee is directly responsible to the BAAC Board of Directors in performing duties according to their responsibilities.

Performance of Duties of the BAAC Audit Committee

It is determined to hold at least 1 meeting per quarter. In case of necessity, other people may be invited to attend the meeting on the relevant agenda, with the quorum of not less than two thirds of the audit committee members. If the BAAC Committee member could not attend the meeting by themselves, other, other meeting methods may be applied. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	6	Meetings of the BAAC Audit Committee
Reporting	4	- Report on the performance of the BAAC Audit Committee regarding internal audit to submit to the BAAC Board of Directors
	1	- Summary Report on the performance of the BAAC Audit Committee regarding internal audit to report to the shareholders for the Fiscal Year 2019



The Risk Oversight Committee

The BAAC Board of Directors has appointed the Risk Oversight Committee with the term of office as the term of Director. It consists of the Chairman and members appointed from the Board of Directors, not less than 2 members in total. The Executive Vice President for the Compliance and Good Governance Line is required to be the secretary of the Risk Oversight Committee.

The Risk Oversight Committee Structure (As of 31 March 2020) consisted of

- | | | |
|----|---|---------------------------------------|
| 1. | Mrs. Ruchukorn Siriyodhin | BAAC Director
Chairman |
| 2. | Mr. Suwit Rojanavanich | BAAC Director
Member |
| 3. | Mrs. Amara Klabprathum | BAAC Director
Member |
| 4. | BAAC President | BAAC Director and Secretary
Member |
| 5. | Executive Vice President for Compliance and Good Governance | Secretary |

Authority and Duty

1. Formulating policies to propose to the BAAC Board of Directors for consideration in overall risk management which covers important types of risk.

2. Establishing a risk management policy to be in accordance with strategy by covering evaluation, monitoring, and supervising the BAAC's risk levels to be at an appropriate level.

3. Reviewing the adequacy of the BAAC's risk management policies and processes, including the effectiveness of the processes and compliance to the specified policies.

4. Considering strategies, plans, and frameworks for risk management and internal control.

5. Considering the risk factors, criteria of acceptable risk to BAAC (Risk Appetite), and the deviation from the Risk Appetite (Risk Tolerance).

6. Monitoring and supervising risk management to be in accordance with specified policies and strategies.

7. Monitoring and supervising BAAC executives and employees to understand and manage risk throughout the organization by referring to the guidelines of the Bank of Thailand, Ministry of Finance, and the State Audit Commission.

8. Considering, following up, and reviewing the evaluation results and the sufficiency of the BAAC's internal control system.

9. Reporting to the BAAC Audit Committee regularly on matters that need to be improved to comply with the specified policies and strategies.

10. Appointing consultant or working group to ensure that the results of operations meet objectives.

11. Performing other tasks as assigned by BAAC Board of Directors.

Changes of BAAC Directors in the Risk Oversight Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Officiating in the Fiscal Year 2019	
		From	To
Mrs. Ruchukorn Siriyodhin	Chairman	15 November 2019	Present
Mr. Suwit Rojanavanich	Chairman	1 April 2019	14 November 2019
	Member	15 November 2019	Present
Mrs. Amara Klabprathum	Member	1 April 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Officiating in the Fiscal Year 2019	
		From	To
Mr. Watchara Chatwiriya	Member	1 April 2019	20 October 2019
Mrs. Nampung Wongsmith	Member	1 April 2019	31 July 2019



Details of Changes

1. Mrs. Nampung Wongsmith resigned from the position of BAAC Director effective from 1 August 2019 and Mr. Watchara Chatwiriya resigned from the position of BAAC Director effective from 21 October 2019 causing them to vacate the positions in various committees and sub-committees.

2. The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Risk Oversight Committee by appointing Mrs. Ruchukorn Siriyodhin as the Chairman

due to her knowledge and experience, and appointed Mr. Suwit Rojanavanich as member to reduce the workload in order to perform duties efficiently effective from 15 November 2019.

Performance of Duties of the Risk Oversight Committee

It is determined to hold at least 1 meeting per quarter with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	11	Meetings of the Risk Oversight Committee
Reporting	23	- Report to the BAAC Board of Directors for acknowledgement or consideration every quarter
	1	- Report to present to shareholders in the BAAC Annual Report
	4	- Regularly report to the BAAC Audit Committee on matters that need to be improved to comply with the specified policies and strategies

The BAAC Corporate Relation Affairs Committee

The State Enterprise Labour Relations Act B.E. 2543 Section 19 stipulated that there shall be the Relation Affairs Committee within each State enterprise consisting of one State enterprise director as Chairman, and representatives from the employer side appointed from the management of such State enterprise for no less than five persons but not exceed nine persons and representatives from the employee side appointed from members of the labour union in such State enterprise in the same number as the representatives from the employer side as members with term of office of 2 years. The current committee held office from 27 February 2019 to 22 February 2021. The BAAC Board of Directors has appointed 1 Chairman of the Corporate Relation Affairs Committee, and 9 representatives from the employer side and 9 representatives from the employee side, and Senior Vice-President of the Human Resources Department as member and secretary.

The BAAC Corporate Relation Affairs Committee Structure (As of 31 March 2020) consisted of

State Enterprise Director

Mr. Suwit Rojanavanich BAAC Director Chairman

Employer Representatives

1. Mr. Sarayut Yimyoun Member
 2. Mr. Kasarb Ngernruang Member
 3. Mr. Santi Charoensuk Member
 4. Mr. Somkiat Kimawaha Member
 5. Mr. Sompob Rodklang Member
 6. Mr. Wichan Sriratanawilai Member
 7. Mr. Somkiat Sittichaiyaporn Member
 8. Mr. Kittipob Authaporn Member
 9. Mr. Yotin Permpool Member and Secretary

Employee Representatives

1. Mr. Prasit Phahom Member
 2. Mr. Prayut Mangmi Member
 3. Mr. Benjarong Phuthongwatthanawong Member
 4. Mr. Sathit Bunsuea Member
 5. Mr. Phanumat Siphanumat Member
 6. Mr. Suphachai Wongwekin Member
 7. Mr. Yutakan Srirabkwa Member
 8. Mr. Somprat Khueanklang Member
 9. Mr. Sumet Phonphan Member

Authority and Duty

1. Considering and providing opinions on improving the operational efficiency of state enterprises as well as promoting and developing labor relations.
2. Seeking to reconcile and resolve conflicts in the state enterprise.
3. Considering and revising work regulations that will benefit employer, employee, and state enterprise.
4. Consulting to solve problems according to the complaints of employees or labor unions including complaints relating to disciplinary action.
5. Consulting to consider improving employment conditions.

Performance of Duties of the BAAC Corporate Relation Affairs Committee

It is determined to hold at least 1 meeting per month with the quorum not less than one half of the total number of committee members with at least one committee member from both employer and employee side. For the fiscal year 2019, the duties performed were as follows:



Performance of Duties	Number of Times	Details
Meeting	12	12 Meetings of the BAAC Corporate Relation Affairs Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors for acknowledgement

The BAAC Presidential Performance Evaluation Committee

The BAAC Presidential Performance Evaluation Committee has a term of office as the term of BAAC Director. It consists of a chairman and committee members appointed from the BAAC Board of Directors not less than 3 persons in total, external experts as the BAAC deems appropriate, with the Senior Executive Vice President or Executive Vice President assigned for supervision of the Management Department as the secretary.

The BAAC Presidential Performance Evaluation Committee Structure (As of 31 March 2020) consisted of

1. Mrs. Pantip Sripimol BAAC Director Chairman
2. Ms. Ruenvadee Suwanmongkol BAAC Director Member
3. Mr. Suwit Rojanavanich BAAC Director Member
4. Lt. Gen. Karn Kalumpasut BAAC Director Member

5. Senior Executive Vice President or Executive Vice President assigned for supervision of the Management Department Secretary

Authority and Duty

1. Considering and setting the criteria for BAAC Presidential performance evaluation to determine the annual remuneration.
2. Evaluating and considering increasing remuneration and special remuneration of the BAAC President to propose to the BAAC Board of Directors for consideration by taking the compensation received by the employee according to the performance evaluation compensation into consideration for increasing the remuneration of the BAAC President.
3. Performing duties as determined in the Charter of the BAAC Presidential Performance Evaluation Committee.
4. Performing other tasks as assigned by BAAC Board of Directors.

Changes of BAAC Directors in the BAAC Presidential Performance Evaluation Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mrs. Pantip Sripimol	Chairman	16 January 2020	Present
Ms. Ruenvadee Suwanmongkol	Member	1 April 2019	Present
Mr. Suwit Rojanavanich	Member	1 October 2019	Present
Lt. Gen. Karn Kalumpasut	Member	15 November 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Krisada Chinavicharana	Chairman	1 April 2019	31 December 2019
Mrs. Nampung Wongsmith	Chairman	1 April 2019	31 July 2019

Details of Changes

1. Mrs. Nampung Wongsmith resigned from the position of BAAC Director effective from 1 August 2019 causing her to vacate the positions in various committees and sub-committees.

2. The BAAC Board of Directors at its meeting no. 11/2019 on 25 September 2019 has resolved to appoint the BAAC Presidential

Performance Evaluation Committee by appointing Mr. Suwit Rojanavanich as member replacing the resigned Director (Mrs. Nampung Wongsmith) effective from 25 September 2019.

3. The BAAC Board of Directors at its meeting no 13/2019 on 15 November 2019 has resolved to appoint the BAAC Presidential



Performance Evaluation Committee by appointing Lt. Gen. Karn Kalumpasut as member and removed Mrs. Yajai Pattanasukwasan, expert, from the structure of the committee effective from 15 November 2019.

4. Mr. Krisada Chinavicharana resigned from the position of BAAC Director effective from 1 January 2020 causing him to vacate the positions from various committees and sub-committees.

5. The BAAC Board of Directors at its meeting no. 1/2020 on 16 January 2020 has resolved to appoint the BAAC Presidential Performance Evaluation Committee by appointing Mrs. Pantip

Sripimol as chairman replacing the resigned chairman (Mr. Krisada Chinavicharana) effective from 16 January 2020.

Performance of Duties of the BAAC Presidential Performance Evaluation Committee

It is determined to convene a meeting as necessary as deemed appropriate by the chairman with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	3	Meetings of the BAAC Presidential Performance Evaluation Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Nomination and Compensation Committee

The BAAC Board of Directors at its meeting no 13/2019 on 15 November 2019 has resolved to appoint the Nomination and Compensation Committee by merging the BAAC Director Nomination Sub-Committee and added the authority and duty to cover nomination of BAAC Directors, nomination of committee and sub-committee members, nomination of executive that are the power of the BAAC Board of Directors, and determination of compensation.

The Nomination and Compensation Committee has a term of office as the term of BAAC Director. It consists of a chairman and not less than 2 members appointed from the Board of Directors, with the BAAC President as the secretary, Senior Executive Vice President for the Organization Strategy and Human Resources Group and Senior Executive Vice President or Executive Vice President for supervision of the Management Department as assistant secretaries.

The Nomination and Compensation Committee Structure

(As of 31 March 2020) consisted of

1. Mr. Suwit Rojanavanich BAAC Director Chairman
2. Mrs. Amara Klabprathum BAAC Director Member
3. Mrs. Ruchukorn Siriyodhin BAAC Director Member
4. Lt. Gen. Karn Kalumpasut BAAC Director Member
5. Mr. Jaroondech Janjarussakul BAAC Director Member
6. BAAC President BAAC Director and Secretary Secretary
7. Senior Executive Vice President for the Organization Strategy and Human Resources Group Assistant Secretary
8. Senior Executive Vice President or Executive Vice President for supervision of the Management Department as assistant secretaries Assistant Secretary

Authority and Duty

1. Nomination

1.1 Director, representative of Agricultural Cooperative Shareholders

- (1) Determining the criteria for the nomination of representative of Agricultural Cooperative Shareholders as BAAC Director.
- (2) Selecting and checking the qualifications of representative of Agricultural Cooperative Shareholders who is nominated by considering the appropriate person according to the specified criteria and providing opinions for the selection.
- (3) Summarizing the result and submit to BAAC Chairman to consider, select, and approve the representative of the Agricultural Cooperative Shareholders as BAAC Director to submit to the State Enterprise Policy Office (SEPO) in order to propose to the State Enterprise Director Scrutiny Sub-Committee for further consideration.

1.2 Director, Qualified expert

- (1) Determining the criteria for the nomination of qualified expert as BAAC Director according to the guidelines of the State Enterprise Policy Commission for appointment of state enterprise director
- (2) Selecting and checking the qualification of qualified expert who is nominated by considering appropriate person according to the specified criteria and providing opinions for the selection.



- (3) Summarizing the list of people from the nomination process or from the proposal of the Ministry of Finance and submit to the BAAC Board of Directors to consider and approve in the amount not less than twice of the number of vacant director to submit to SEPO in order to propose to the State Enterprise Director Scrutiny Sub-Committee for further consideration.

1.3 Committees and Sub-committees

- (1) Formulating policies, criteria, and procedures for nomination of committees and sub-committees to submit to BAAC Board of Directors for approval.
- (2) Selecting and proposing the list of BAAC Directors, executives, or qualified person to hold office in committees and sub-committees to submit to BAAC Board of Directors for appointment.

1.4 BAAC Executive

- (1) Formulating policies, criteria, and procedures for nomination of Senior Executive Vice President, Executive Vice President, Senior Vice President or equivalent to submit to BAAC Board of Directors for approval.
- (2) Selecting and proposing the list of qualified people to hold office for Senior Executive Vice President, Executive Vice President, and Senior Vice President or equivalent to submit to BAAC Board of Directors for appointment.

2. Determining the Compensation

2.1 Formulating the policy on compensation and other benefits including the amount of compensation and other benefits for committee and sub-committee member, Senior Executive Vice President, and Executive Vice President with clear and transparent criteria for submission to the Board of Directors for approval.

2.2 Ensuring that the committee and sub-committee members, Senior Executive Vice President, Executive Vice President receive an appropriate remuneration for their duties and responsibilities by which committee and sub-committee member who is assigned with additional duties and responsibilities should receive appropriate remuneration for the duties and responsibilities assigned to them.

2.3 Determining guidelines for performance evaluation of committee and sub-committee member, Senior Executive Vice President, Executive Vice President in order to determine annual compensation adjustments, taking into account duties, responsibilities, and relevant risks.

3. Disclosing of nomination policies and determination of compensation and preparation of the report on nomination and determination of compensation, which shall at least contain details regarding the goals, implementation, and opinion of the Nomination and Compensation Committee in the BAAC annual report.

4. Establishing a Succession Plan, preparation for holding the office, development plan, and a career path to replace the target position.

5. Performing other tasks as assigned by BAAC Board of Directors.

Changes of BAAC Directors in the Nomination and Compensation Committee

Currently hold office (As of 31 March 2020)

Name-Surname		Officiating in the position of	Holding Office in the Fiscal Year 2019	
			From	To
Mr. Suwit	Rojanavanich	Member	1 April 2019	30 September 2019
		Chairman	1 October 2019	Present
Mrs. Amara	Klabprathum	Member	1 April 2019	Present
Mrs. Ruchukorn	Siriyodhin	Member	15 November 2019	Present
Lt. Gen. Karn	Kalumpasut	Member	15 November 2019	Present
Mr. Jaroondech	Janjarussakul	Member	15 November 2019	Present

Vacated office

Name-Surname		Officiating in the position of	Holding Office in the Fiscal Year 2019	
			From	To
Mr. Krisada	Chinavicharana	Chairman	1 April 2019	30 September 2019
Mrs. Nampung	Wongsmith	Member	1 April 2019	31 July 2019



Details of Changes

1. Mrs. Nampung Wongsmith resigned from the position of BAAC Director effective from 1 August 2019 causing her to vacate the positions in various committees and sub-committees.

2. The BAAC Board of Directors at its meeting no. 11/2019 on 25 September 2019 has resolved to appoint the Nomination and Compensation Committee by appointing Mr. Suwit Rojanavanich as chairman replacing Mr. Krisada Chinavicharana, a representative of Ministry of Finance Mrs. Amara Klabprathum as member, BAAC President as member, Senior Executive Vice President or Executive Vice President for supervision of the Management Department as secretary, Senior Executive Vice President for the Organization Strategy and Human Resources Group as assistant secretary to be in accordance with the principles and guidelines for good corporate governance in the state enterprise B.E. 2562 and the guidelines of the State Enterprise Policy

Office (SEPO) Chapter 3 Board of Directors item 1.2 nomination of director which specifies that the Board of Directors should establish the nomination sub-committee which most of the members and chairman of the nomination sub-committee should be independent directors effective from 1 October 2019.

3. The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Nomination and Compensation Committee by merging the BAAC Director Nomination Sub-committee added the authority and duty to cover nomination of BAAC Directors, nomination of committee and sub-committee members, nomination of executive that are the power of the BAAC Board of Directors, and determination of compensation by appointing Mrs. Ruchukorn Siriyodhin, Lt. Gen. Kam Kalumpasut, and Mr. Jaroondech Janjarussakul as additional members, with BAAC President as secretary effective from 15 November 2019.

Performance of Duties of the Nomination and Compensation Committee

It is determined to convene a meeting as necessary as deemed appropriate by the chairman with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	11	9 Meetings of the Nomination and Compensation Committee 1 Meeting of the BAAC Director Nomination Sub-Committee 1 Circular proposal to the BAAC Director Nomination Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Appeal Sub-Committee

The Appeal Sub-Committee has a term of office as the term of BAAC Director. It consists of a chairman, members appointed from BAAC Director, and/or qualified experts totaling not less than 2 people with Senior Executive Vice President for the Organization Strategy and Human Resources as member and secretary, and Executive Vice President for General Administration Line as assistant secretary.

The Appeal Sub-Committee Structure

(As of 31 March 2020) consisted of

- | | | |
|--|----------------------|----------|
| 1. Mr. Phichest Wiriypaha | BAAC Director | Chairman |
| 2. Mr. Vinaroj Supsongsk | BAAC Director | Member |
| 3. Mr. Suppachai Pudpong | Qualified Expert | Member |
| 4. Mr. Anusorn Suksaengthong | Qualified Expert | Member |
| 5. Mr. Jullayuth Hiranyawasit | Qualified Expert | Member |
| 6. Mr. Vasin Teeravechayan | Qualified Expert | Member |
| 7. Senior Executive Vice President for the Organization Strategy and Human Resources Group | Member and Secretary | |
| 8. Executive Vice President for General Administration Line | Assistant Secretary | |

Authority and Duty

1. Considering appeal against the disciplinary action order of the officers or employees or any other orders of the BAAC as assigned by the BAAC Board of Directors.
2. Making a final decision in case of the officer in the position lower than Senior Vice President or equivalent and employees. In case of the officer from the position of Senior Vice President or equivalent, providing opinions to submit to BAAC Board of Directors for the final decision in accordance with the BAAC regulation no.4 and BAAC regulation no. 9.
3. Gathering all relevant evidence or issuing an order for further investigation.
4. Inviting appellants or relevant parties to give statements or issuing an order for the appellants or related parties to submit additional evidence.
5. Listening to witness, evidence, explanations, or opinions of the litigants or related parties.
6. Proceeding with any other actions beneficial to the consideration of the appeal.

The President may appoint at least 1 person with specific knowledge of appeals for each matter that the Appeal Sub-Committee consider, to participate in working with the said sub-



committee, and if the State Enterprise Labour Union of the Bank for Agriculture and Agricultural Cooperatives requests to its representatives to observe any consideration of appeals, the Appeal Sub-Committee shall consider the representation of the State Enterprise Labour Union of the BAAC observing the consideration of the matter as appropriate.

Changes of BAAC Directors in the Appeal Sub-Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Phichest Wiryapaha	Chairman	1 April 2019	Present
Mr. Vinaroj Supsongsuk	Member	1 April 2019	Present

Performance of Duties of the Appeal Sub-Committee

It is determined to convene a meeting as deemed appropriate by the chairman with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	12	Meetings of the Appeal Sub-Committee
Study visit	1	Study Visit of the Appeal Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Legal Advisory Sub-Committee

The Legal Advisory Sub-Committee has a term of office as the term of BAAC Director. It consists of a chairman, members appointed from BAAC Directors, representatives from external agencies or qualified expert totaling not less than 5 people, with Senior Executive Vice President for the Organization Strategy and Human Resources Group as member and secretary, and Executive Vice President for General Administration Line as assistant secretary.

The Legal Advisory Sub-Committee Structure

(As of 31 March 2020) consisted of

- Ms. Ruenvadee Suwanmongkol BAAC Director Chairman
- Representative of the Ministry of Finance Member
- Representative of the Office of the Attorney General Member
- Mr. Akkabussya Krailerk Qualified Expert Member
- Mr. Chanchai Boonyalitchaisri Qualified Expert Member
- Mr. Weerapol Panabuttara Qualified Expert Member
- Mr. Julayuth Hiranyawasit Qualified Expert Member
- Senior Executive Vice President for the Organization Strategy and Human Resources Group Member and Secretary
- Executive Vice President for General Administration Line Assistant Secretary

Authority and Duty

- Scrutinize or suggesting legal issues and providing legal opinions to the BAAC Board of Directors.
- Considering and diagnosing legal issues that are important in connection with the tasks or operations for BAAC.
- Providing suggestions and opinions on legal issues as well as other issues that will be beneficial to work of BAAC.
- Performing other tasks as assigned by BAAC Board of Directors and the President could appoint BAAC officer with legal knowledge to work with the said sub-committee.

Details of Changes

The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Legal Advisory Sub-Committee by changing the composition of the sub-committee by not specifying the name of the person appointed as a representative of the Ministry of and a representative of the Office of the Attorney General effective from 15 November 2019.

Performance of the Legal Advisory Sub-Committee

It is determined to convene a meeting as necessary and as deemed appropriate by the chairman with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:



Performance of Duties	Number of Times	Details
Meeting	7	Meetings of the Legal Advisory Sub-Committee
Study visit	1	Study Visit of the Legal Advisory Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Good Corporate Governance and Corporate Social Responsibility Sub-Committee

The Good Corporate Governance and Corporate Social Responsibility Sub-Committee as a term of office as the term of BAAC Director. It consists of a chairman, members appointing from BAAC Directors and high-level executives totaling of not less than 3 people, with Senior Executive Vice President for the Major Farmer and Farmer Institution Credit Business Group as member and secretary, Executive Vice President for the Compliance and Good Governance Line, Executive Vice President for the Customer and Rural Development Line, Executive Vice President for the Government Policy Line, and Executive Vice President for the Organization Strategy Line as assistant secretaries. BAAC Board of Directors may appoint qualified expert as advisor and member of the said sub-committee.

The Good Corporate Governance and Corporate Social Responsibility Sub-Committee Structure

(As of 31 March 2020) consisted of

1. Ms. Ruenvadee Suwanmongkol BAAC Director Chairman
2. Mr. Thonglak Hamsuk BAAC Director Member
3. Mrs. Amara Klabprathum BAAC Director Member
4. Mrs. Ruchukorn Siriyodhin BAAC Director Member
5. Lt. Gen. Karn Kalumpasut BAAC Director Member
6. BAAC President BAAC Director and Secretary Member
7. Senior Executive Vice President for the Major Farmer and Farmer Institution Credit Business Group
Member and Secretary
8. Executive Vice President for the Compliance and Good Governance Line Assistant Secretary
9. Executive Vice President for the Customer and Rural Development Line Assistant Secretary
10. Executive Vice President for the Government Policy Line Assistant Secretary
11. Executive Vice President for the Organization Strategy Line Assistant Secretary

Authority and Duty

1. Good Corporate Governance
 - 1.1 Formulating policies and strategies on good corporate governance to be in line with BAAC's business operations.
 - 1.2 Scrutinize matters related to good governance to propose to the BAAC Board of Directors.

1.3 Supervising and monitoring the operation of corporate governance on a quarterly basis to achieve goals with maximum efficiency and effectiveness.

1.4 Encouraging the Board of Directors, executive, and employees to participate in the activities as well as promoting the dissemination of good corporate governance culture.

1.5 Supervising and providing suggestions for the BAAC's operations to comply with laws, policies, and procedures according to the regulations of the Bank of Thailand.

1.6 Approving the annual corporate governance report.

2. Corporate Social Responsibility

2.1 Formulating policies on corporate social responsibility supervision to be in line with BAAC's business operations.

2.2 Scrutinize matters related to corporate social responsibility supervision.

2.3 Encouraging participation in activities, plan/project on corporate social responsibility supervision of the Board of Directors, executives, employees, communities, customers, and general people.

2.4 Supervising and monitoring the operation of corporate social responsibility supervision on a quarterly basis to achieve goals with maximum efficiency and effectiveness.

2.5 Supervising the BAAC to be able to carry out the task of corporate social responsibility supervision and achieve the goals, either at the output level, or the target of the annual corporate social responsibility supervision action plan, outcomes or impact with efficiency with maximum effectiveness.

2.6 Approving report on annual social and environment operations.

3. Performing duties of the Compliance Sub-Committee according to the Regulation no. 52 regarding Compliance, the Good Corporate Governance Sub-Committee according to the Regulation no. 53 regarding Support Fund for Customer Marketing Development, and the BAAC Corporate Social Responsibility Sub-Committee according to Regulation no. 54 regarding Social and Environment Fund, and Regulation no. 54 regarding Relief Fund for Natural Disaster and Disaster Victims.

4. Appointing a Working Group or inviting people or related agencies both internal and external to assist in carrying out tasks as assigned by the Good Corporate Governance and Corporate Social Responsibility Sub-Committee.

5. Performing other tasks as assigned by the BAAC Board of Directors.



Changes of BAAC Directors in the Good Corporate Governance and Corporate Social Responsibility Sub-Committee
Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Ms. Ruenvadee Suwanmongkol	Member	1 April 2019	30 September 2019
	Chairman	1 October 2019	Present
Mr. Thonglak Harnsuk	Member	1 April 2019	Present
Mrs. Amara Klabprathum	Member	1 April 2019	Present
Mrs. Ruchukorn Siriyodhin	Member	15 November 2019	Present
Lt. Gen. Karn Kalumpasut	Member	15 November 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mrs. Nampung Wongsmith	Chairman	1 April 2019	31 July 2019

Details of Changes

1. Mrs. Nampung Wongsmith resigned from the position of BAAC Director effective from 1 August 2019 causing her to vacate the positions in various committees and sub-committees.

2. The BAAC Board of Directors at its meeting no. 11/2019 on 25 September 2019 has resolved to appoint the Good Corporate Governance and Corporate Social Responsibility Sub-Committee by appointing Ms. Ruenvadee Suwanmongkol as chairman replacing the resigned Director (Mrs. Nampung Wongsmith) in order to have a complete composition as specified by the charter effective from 1 October 2019.

3. The BAAC Board of Directors at its meeting no. 13/2019 on 25 November 2019 has resolved to appoint the Good Corporate

Governance and Corporate Social Responsibility Sub-Committee by appointing Mrs. Ruchukorn Siriyodhin and Lt. Gen. Karn Kalumpasut as additional members in order to be in line with the responsibilities and the government policy which focus more on good corporate governance, effective from 15 November 2019.

Performance of Duties of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee

It is determined to hold at least 1 meeting per quarter with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	6	Meetings of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Innovation, Research and Development Sub-Committee

The Innovation, Research and Development Sub-Committee has a term of office as the term of BAAC Board of Directors. It consists of a chairman, members appointed from BAAC Board of Directors and high-level executives totaling not less than 3 people,

with Senior Executive Vice President for the Major Farmer and Farmer Institution Credit Business Group as member and secretary, and Executive Vice President for the Agribusiness Entrepreneur and Farmer Institution Credit Line as assistant secretary.



The Innovation, Research and Development Sub-Committee Structure
(As of 31 March 2020) consisted of

1. Mr. Jaroondech Janjarussakul BAAC Director Chairman
2. Ms. Surmsuk Salakpetch BAAC Director Member
3. Lt. Gen. Kam Kalumpasut BAAC Director Member
4. BAAC President BAAC Director and Secretary Member
5. Senior Executive Vice President for the Major Farmer and Farmer Institution Credit Business Group
Member and Secretary
6. Executive Vice President for the Agribusiness Entrepreneur and Farmer Institution Credit Line Assistant Secretary

Authority and Duty

1. Innovation
 - 1.1 Formulating policies and strategies on innovation to be in line with BAAC's business operations.

1.2 Supervising and monitoring the innovation operation on a quarterly basis to achieve goals with maximum efficiency and effectiveness.

2. Research and Development

2.1 Formulating policies and BAAC's direction on research and development.

2.2 Scrutinize matters related to research and development to propose to the BAAC Board of Directors.

2.3 Supervising and monitoring the research and development operation on a quarterly basis to achieve goals with maximum efficiency and effectiveness

3. Performing duties of the Research and Development Sub-Committee according to the Regulation no. 50 regarding Research Support Fund.

4. Appointing a Working Group or inviting people or related agencies both internal and external to assist in carrying out tasks as assigned by the Innovation, Research and Development Sub-Committee.

5. Performing other tasks as assigned by the BAAC Board of Directors.

Changes of BAAC Directors in the Innovation, Research and Development Sub-Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Jaroondech Janjarussakul	Chairman	15 November 2019	Present
Ms. Surmsuk Salakpetch	Member	1 April 2019	Present
Lt. Gen. Kam Kalumpasut	Member	15 November 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Watchara Chatwiriya	Chairman	1 April 2019	20 October 2019
Mr. Luechai Chairprinya	Member	1 April 2019	20 October 2019

Details of Changes

1. Mr. Watchara Chatwiriya and Mr. Luechai Chairprinya resigned from the position of BAAC Directors effective from 21 October 2019 causing them to vacate the positions in various committees and sub-committees

2. The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Innovation, Research and Development Sub-Committee by appointing Mr. Jaroondech Janjarussakul as chairman due to his knowledge and expertise in innovation, information technology and also being a member of the

King Mongkut's Institute of Technology Ladkrabang Council, and Lt. Gen. Kam Kalumpasut as member effective from 15 November 2019.

Performance of Duties of the Innovation, Research and Development Sub-Committee

It is determined to hold at least 1 meeting per quarter with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:



Performance of Duties	Number of Times	Details
Meeting	5	Meetings of the Innovation, Research and Development Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Scrutiny Sub-Committee

The Scrutiny Sub-Committee has a term of office as the term of BAAC Board of Directors. It consists of a chairman, members appointed from BAAC Board of Directors and high-level executives totaling not less than 3 people, with Senior Executive Vice President or Executive Vice President for Management Department

The Scrutiny Sub-Committee Structure

(As of 31 March 2020) consisted of

1. Mrs. Pantip Sripimol BAAC Director Chairman
2. Ms. Ruenvadee Suwanmongkol BAAC Director Member
3. Mr. Suwit Rojanavanich BAAC Director Member
4. Mrs. Ruchukorn Siriyodhin BAAC Director Member
5. Mr. Jaroondech Janjarussakul BAAC Director Member
6. BAAC President BAAC Director and Secretary Member
7. Senior Executive Vice President or Executive Vice President for Management Department Secretary

Authority and Duty

1. For organization strategy: formulating policies, strategies, targets, strategic plan, action plan, and annual budget of BAAC.
2. For organization structure and human resources: formulating policies, strategies as well as Scrutinize the BAAC's work on organization structure and human resources.

3. Loan

3.1 Approval

- (1) Approving loans that are beyond the approval authority of the President regarding credit lines, loan collateral, loan interest rates and loan repayments according to Regulations no. 20 23 26 31 44 45 46 56 and 60.
- (2) Approving loan interest rates determination.
- (3) In the event that The Scrutiny Sub-Committee deems that the authorities and duties according to the BAAC regulations should be the approval authority of the BAAC Board of Directors or a policy matter, important matter, matters that do not have any regulations, or matters with large amount of money, The Scrutiny Sub-Committee shall provide opinion for consideration to the BAAC Board of Directors.

3.2 The Scrutiny Sub-Committee

- (1) Scrutinize the amendment or issuance of new regulations related to loan operations.
- (2) Scrutinize matters related to loans and government policies.

4. Debt Management

- 4.1 Approving in accordance with BAAC regulations.
- 4.2 In the event that the Scrutiny Sub-Committee deems that

the authorities and duties according to the BAAC regulations should be the approval authority of the BAAC Board of Directors, the Scrutiny Sub-Committee shall provide opinion for consideration to the BAAC Board of Directors.

- 4.3 Scrutinize matters related to debt management.

5. Finance, Banking, and Accounting

5.1 Approval

Approving the amendment of the rules and limits of borrowing advance of employees for the purchase of firearms and computers.

5.2 The Scrutiny Sub-Committee

- (1) Scrutinize the amendment of regulations on finance, banking, and accounting operations.
- (2) Scrutinize matters related to finance, banking, and accounting operations.

6. Procurement and Supplies Management

6.1 Approval

- (1) Approving procurements that are beyond the approval authority of the President according to Regulation no. 30 regarding procurement and supplies management.
- (2) Approving the report of procurement request within the limit according to Regulation no. 30 regarding procurement and supplies management.
- (3) Approving the amendment of the contract or agreement to increase the credit line, for which after including the original contract amount and the new increase credit line, the said total credit line must not exceed the approval authority, including the amendment of the contract or agreement to decrease the credit line which is under the original approval authority.

6.2 The Scrutiny Sub-Committee

- (1) Scrutinize the amendment of regulations related to procurement and supplies management operations.
- (2) Scrutinize matters related to procurement and supplies management operations.



7. Scrutinize and/or approving matters related to information technology operations.

8. Approving or Scrutinize other matters as assigned by the BAAC Board of Directors.

9. Appointing a Working Group to consider or carry out tasks as assigned by BAAC Board of Directors

10. Performing duties as determined in the Charter of the Scrutiny Sub-Committee

11. Performing other tasks as assigned by BAAC Board of Directors.

Changes of BAAC Directors in The Scrutiny Sub-Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mrs. Pantip Sripimol	Chairman	16 January 2020	Present
Ms. Ruenvadee Suwanmongkol	Member	1 April 2019	Present
Mr. Suwit Rojanavanich	Member	1 April 2019	Present
Mrs. Ruchukorn Siriyodhin	Member	15 November 2019	Present
Mr. Jaroondech Janjarussakul	Member	15 November 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Krisada Chinavicharana	Chairman	1 April 2019	31 December 2019
Mrs. Nampung Wongsmith	Member	1 April 2019	31 July 2019

Details of Changes

1. Mrs. Nampung Wongsmith resigned from the position of BAAC Director effective from 1 August 2019 causing her to vacate the positions in various committees and sub-committees

2. The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint The Scrutiny Sub-Committee by appointing Mrs. Ruchukorn Siriyodhin as the Chairman and Mr. Jaroondech Janjarussakul as additional members in order to Scrutinize matters for submitting to the BAAC Board of Directors as thoroughly as possible, and remove BAAC Senior Executive Vice President from the composition of the Sub-Committee effective from 15 November 2019.

3. Mr. Krisada Chinavicharana resigned from the position of BAAC Director effective from 1 January 2020 causing him to vacate the positions from various committees and sub-committees

4. The BAAC Board of Directors at its meeting no. 1/2020 on 16 January 2020 has resolved to appoint the Scrutiny Sub-Committee by appointing Mrs. Pantip Sripimol as chairman replacing the resigned chairman (Mr. Krisada Chinavicharana) effective from 16 January 2020.

Performance of Duties of The Scrutiny Sub-Committee

It is determined to hold at least 1 meeting per month with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	22	Meetings of The Scrutiny Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors



The Information Technology Management Sub-Committee

The Information Technology Management Sub-Committee has the term of office as the term of BAAC Director. It consists of a Chairman and committee members appointed from the BAAC Board of Directors or external experts totaling not less than 2 people, with Senior Executive Vice President for Digital Strategy and Information Technology Group as member and secretary and Executive Vice President for Information Technology Line as assistant secretary.

The Information Technology Management Sub-Committee Structure (As of 31 March 2020) consisted of

1. Mrs. Amara Klabprathum BAAC Director Chairman
2. Ms. Surmsuk Salakpetch BAAC Director Member
3. Mr. Jaroondech Janjarussakul BAAC Director Member
4. Mr. Kiatnarong Wongnoi Qualified Expert Member
5. BAAC President BAAC Director and Secretary Member
6. Senior Executive Vice President for Digital Strategy and Information Technology Group Member and Secretary
7. Executive Vice President for Information Technology Line Assistant Secretary

Authority and Duty

1. Formulating policies, strategies, and directions for the development of Information and Communication Technology (ICT) to be in accordance with BAAC ICT Master Plan in order to change the BAAC's computer and communication system to be a standard system that can effectively support the work and to maximize benefits to BAAC.
2. Supervising the ICT administration to be in accordance with policies, strategies, and directions for the development of ICT as specified in order to achieve BAAC's goals on the basis of Good Governance.
3. Monitoring, evaluating, and changing policies and directions for the development of ICT to be suitable for the changing situation and technology, taking into account efficiency and effectiveness.
4. Appointing experts as consultants for the Information Technology Management Sub-Committee to help diagnose and provide advice to the Information Technology Management Sub-Committee as appropriate.
5. Appointing a Working Group or inviting people or related agencies both internal and external to assist in carrying out tasks as assigned by the Information Technology Management Sub-Committee.
6. Performing duties as determined in the Charter of the Information Technology Management Sub-Committee.
7. Performing other tasks as assigned by BAAC Board of Directors.

Changes of BAAC Directors in the Information Technology Management Sub-Committee

Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mrs. Amara Klabprathum	Chairman	1 April 2019	Present
Ms. Surmsuk Salakpetch	Member	15 November 2019	Present
Mr. Jaroondech Janjarussakul	Member	15 November 2019	Present

Vacated office

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Mr. Watchara Chatwiriya	Member	1 April 2019	20 October 2019
Mr. Luechai Chairprinya	Member	1 April 2019	20 October 2019



Details of Changes

1. Mr. Watchara Chatwiriya and Mr. Luechai Chairprinya resigned from the position of BAAC Director effective from 21 October 2019 causing them to vacate the positions in various committees and sub-committees.

2. The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Information Technology Management Sub-Committee by appointing Ms. Surmsuk Salakpetch, Mr. Jaroondech Janjarussakul, and Mr. Kiatnarong Wongnoi - Advisor of Fiscal and Financial System

Development, the Comptroller's General Department, as members effective from 15 November 2019.

The Performance of Duties of the Information Technology Management Sub-Committee

It is determined to hold at least 1 meeting per quarter with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	9	Meetings of the Information Technology Management Sub-Committee
Study visit	1	Study Visit of the Information Technology Management Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

The Community Business for Thai Project Supervision Sub-Committee

The BAAC Board of Directors at its meeting no. 13/2019 on 15 November 2019 has resolved to appoint the Community Business for Thai Project Supervision Sub-Committee by changing the name from the Agricultural SME Operation Supervision Sub-Committee and appointing Lt. Gen. Karn Kalumpasut as a chairman, Ms. Surmsuk Salakpetch, Mr. Prapat Panyachatraksa — Chairman of the National Farmers Council, and Mr. Rakpong Sengcharoen as members and adjusting the authorities and duties to cover community business tasks, effective from 15 November 2019.

The Community Business for Thai Project Supervision Sub-Committee has a term of office as the term of BAAC Board of Directors. It consists of a chairman, members appointed from the BAAC Board of Directors or qualified experts totaling of not less than 2 people, with Senior Executive Vice President for Major Farmer and Farmer Institution Credit Business Group as member and secretary, and Executive Vice President for Agribusiness Entrepreneur and Farmer Institution Credit Line and Executive Vice President for Customer and Rural Development Line as assistant secretaries. The BAAC Board of Directors may appoint qualified experts as consultants of the said sub-committee.

The Community Business for Thai Project Supervision Sub-Committee Structure (As of 31 March 2020) consisted of

1. Lt. Gen. Karn Kalumpasut BAAC Director Chairman
2. Ms. Surmsuk Salakpetch BAAC Director Member
3. Mr. Thonglak Harnsuk BAAC Director Member

4. BAAC President BAAC Director and Secretary Member
5. Mr. Prapat Panyachatraksa Qualified Expert Member
6. Mr. Rakpong Sengcharoen Qualified Expert Member
7. Senior Executive Vice President
for Major Farmer and Farmer Institution Credit Business Group
Member and Secretary
8. Executive Vice President
for Agribusiness Entrepreneur and Farmer Institution Credit Line
Assistant Secretary
9. Executive Vice President for Customer and Rural
Development Line Assistant Secretary

Authority and Duty

1. Formulating policies to develop community local economy, supporting the strategy for sustainable agricultural development, developing community business to connect with the leader i.e. Smart Farmer, SME Agricultural Entrepreneur, Community Enterprise Group, Agricultural Cooperatives, Community Financial Institution, Village and Urban Community Fund, developing and enhancing community business to industrial agriculture and tourism as well as formulating strategies for loan operations to support community businesses.
2. Monitoring, supervising, and driving the operations to be in accordance with the specified strategic plan.
3. Collaborating with relevant agencies to achieve objectives of the work.
4. Appointing a Working Group as appropriate.
5. Performing other tasks as assigned by the BAAC Board of Directors.



Changes in BAAC Director in the Community Business for Thai Project Supervision Sub-Committee
Currently hold office (As of 31 March 2020)

Name-Surname	Officiating in the position of	Holding Office in the Fiscal Year 2019	
		From	To
Lt. Gen. Karn Kalumpasut	Chairman	15 November 2019	Present
Ms. Surmsuk Salakpetch	Chairman	1 April 2019	14 November 2019
	Member	15 November 2019	Present
Mr. Thonglak Hamsuk	Member	1 April 2019	Present

Performance of Duties of the Community Business for Thai Project Supervision Sub-Committee

It is determined to convene a meeting as necessary with the quorum not less than one half of the total number of committee members. For the fiscal year 2019, the duties performed were as follows:

Performance of Duties	Number of Times	Details
Meeting	7	4 Meetings of the Agricultural SME Operation Supervision Sub-Committee 3 Meetings of the Community Business for Thai Project Supervision Sub-Committee
Study visit	1	Study Visit of the Community Business for Thai Project Supervision Sub-Committee
Reporting	1	Summary report on the annual performance to submit to the BAAC Board of Directors

Criteria for Independence of the BAAC Independent Directors

Principles and guidelines for good corporate governance in state enterprise B.E. 2562 and guidelines of the State Enterprise Policy Office (SEPO) Ministry of Finance have defined that independent directors means directors who are independent from the management, major shareholders, group of major shareholders, government agencies, or any person that will influence an independent decision. Independent directors must be independent in making decisions and controlling the operations of state enterprise to be in accordance with the mission, goals, and most benefits for all stakeholders. In addition, the notification of the Bank of Thailand no. SKS 12/2019 regarding governance of specialized financial institutions has defined that independent

directors means independent directors according to the internal criteria of that specialized financial institution.

BAAC has therefore defined that BAAC Independent Directors means other Directors in the Board of Directors who are not representatives of government agencies/department according to Section 14 of the Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509, and be persons who can use their discretions that are truly independent, and can push, change, or give opinions and suggestions on various operations in order to achieve missions, goals, and benefits for BAAC stakeholders.



Composition

1. BAAC Independent Directors are other Directors in the BAAC Board of Directors who are not representatives of government or other agencies under Section 14 of the Bank for Agriculture and Agricultural Cooperative Act B.E. 2509.

2. BAAC Independent Directors select one of the BAAC Independent Directors as the Chairman of the BAAC Independent Directors.

Qualifications of BAAC Independent Directors

1. Not being a government official holding a position in the Ministry of Finance.

2. Not being a political official, political office holder, councilor, local administrator, political advisor, executive director of a political party, or officer of a political party.

3. Being a trusted and generally accepted person.

4. Not being officer, employee, or advisor who receive salary or regular compensation from BAAC as well as its affiliated companies, associated companies, related companies, or major shareholders of BAAC.

5. Not being a person who has direct or indirect benefits or personal interests, including not having benefits or interests in any type of business transaction of the BAAC for 1 year prior to being appointed as BAAC Director.

6. Not being a close relative of BAAC's executives or major shareholders.

7. Being a person who is able to perform duties and provide opinions or reports on performance as assigned without being under control of BAAC's Directors, executives, or major shareholders.

8. Being able to devote sufficient time to be an independent Director.

Role and Duty

1. Preparing a report certifying their independency after being appointed on an annually basis.

2. Having a role in nomination of Directors, which the chairman of the Nomination Sub-Committee and most of the majority of the Nomination Sub-Committee should be independent.

3. Having a role in determining the compensation of top executive, executives, and employees as well as supervising the performance to be in accordance with BAAC's missions, objectives, goals, and strategies by the chairman.

4. Determining compensation and most Directors should have independence to consider the criteria for determining the structure to be appropriate, transparent, and fair.

5. Having a role in the Risk Oversight Committee by the chairman of the Risk Oversight Committee and not less than half

of the committee members should be independent Directors.

6. Protect the interests of the government, stakeholders, and citizens.

7. Providing advice and recommendation to BAAC Board of Directors and the management in consideration of various matters including matters not under the authority of other committees or sub-committees or matters on policy and development; considering major work or project that has been submitted to the BAAC Board of Directors for consideration but has not yet been approved due to lack of clarity and completeness of information, the BAAC independent Directors may use their independence in providing recommendation so that such issue has complete information as noted by the BAAC Board of Directors.

8. Monitoring the operations as assigned by the BAAC Board of Directors, as well as performing duties in the area to listen to suggestions and comments from customers, employees, and stakeholders.

9. Taking suggestions, complaints from customers, employees, and stakeholders.

10. Attending the meetings of the BAAC Board of Directors and various sub-committees appointed except in the case of necessity, including participation in asking and expressing opinions that are useful in the meeting to the best of their ability.

11. Reporting the performance to the BAAC Board of Directors regularly and publish the list of BAAC independent Directors in the annual report. The work of the BAAC independent Directors is considered as the internal information of the independent Directors.

12. Considering other matters as the BAAC independent Directors deems appropriate.

Performance of Duties of BAAC Independent Directors

In the fiscal year 2019, the BAAC Independent Directors had 2 meetings i.e. no. 1 on 29 June 2019 and no. 2 on 13 March 2020, as well as participated in a study visit on 28-30 June 2019 in the area of the Upper Northeastern Region Branch Administration, Nakhon Phanom Office and Sakon Nakhon Office.

List of BAAC Independent Directors (As of 31 March 2020)

1. Ms. Ruenvadee Suwanmongkol	Chairman of BAAC Independent Director
2. Mrs. Amara Klabprathum	BAAC Independent Director
3. Mr. Suwit Rojanavanich	BAAC Independent Director
4. Mrs. Ruchukorn Siriyodhin	BAAC Independent Director
5. Lt. Gen. Karn Kalumpasut	BAAC Independent Director
6. Mr. Jaroondech Janjarussakul	BAAC Independent Director



Details of Changes of BAAC Independent Directors for the Fiscal Year 2016

1. Mrs. Nampung Wongsmith BAAC Independent Director
Hold office until 31 July 2019
2. Mr. Watchara Chatwiriya Chairman BAAC Independent Director
Hold office until 20 October 2019
3. Mr. Luechai Chaipriya BAAC Independent Director
Hold office until 20 October 2019
4. Mrs. Ruchukorn Siriyodhin BAAC Independent Director
Hold office from 12 November 2019
5. Lt. Gen. Karn Kalumpasut BAAC Independent Director
Hold office from 12 November 2019
6. Mr. Jaroondech Janjarussakul BAAC Independent Director
Hold office from 12 November 2019

The Secretary of the Bank

To ensure the Bank's operations to be efficient and effective, support the corporate governance to be in accordance with good corporate governance standards, by virtue of Section 22 and 23 of the Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509 and the Regulation of the Bank for Agriculture and Agricultural Cooperatives No. 6 regarding the delegation of power of the President in respect of external relations to an officer of the Bank, hence appoint the Senior Executive Vice President

supervising the Management Department as the Secretary of the Bank effective from 1 April 2016 with the authority and duty to support the work of the Board of Directors on laws and regulations including the duty as follows:

1. Managing the meeting of the BAAC Board of Directors and Committees/Sub-Committees appointed by the BAAC Board of Directors, and the meeting of the shareholders to comply with laws, BAAC's Regulations, Charter of each Committee/Sub-Committee, and Best Practices.
2. Informing the resolutions and policies of BAAC and shareholders to relevant executives and monitoring the compliance with such resolutions and policies through the President.
3. Providing preliminary suggestions to the BAAC Board of Directors and Committees/Sub-Committees appointed by the BAAC Board of Directors on legal issues, regulations, and regulatory guidelines.
4. Providing news and information to the BAAC Board of Directors regarding issues related to the Bank's business operations in order to support the duty of the BAAC Board of Directors.
5. Organizing an orientation for the newly appointed BAAC Board of Directors.
6. Being the administrator on administrative issue of the BAAC Board of Directors.
7. Supervising and being responsible in activities of the BAAC Board of Directors, and Committees/Sub-Committees appointed by the BAAC Board of Directors as well as performing other tasks as assigned.

Names and Number of Board of Directors Meeting attended

In the Fiscal Year 2019 (1 April 2019 – 31 March 2020), there were 17 meetings of the BAAC Board of Directors, with the details of attendance of each Director as follows:

No.	Name	Monthly Meeting																	Total Attendance "No. of times / Month"							
		Apr-19 5/2019	May-19 6/2019	Jun-19 7/2019	Jul-19 8/2019	Aug-19 9/2019	Sep-19 10/2019	11/2019	12/2019	13/2019	14/2019	15/2019	16/2019	1/2020	2/2020	3/2020	4/2020	5/2020								
1	Mr. Aphisak Tantiworawong	/	/	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3	
2	Mr. Uttama Savanayna	-	-	-	X	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	11	8
3	Mr. Anan Suwannarat	/	/	/	X	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	14	11
4	Mr. Krisada Chinvicharana	/	/	/	/	/	/	/	/	/	X	/	X	/	/	/	/	/	/	/	/	/	/	/	9	7
5	Mrs. Panitip Sriptom	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	3
6	Ms. Surmsuk Salakpetch	/	/	/	/	/	/	/	/	X	/	/	X	/	/	/	/	/	/	/	/	/	/	/	14	12
7	Mr. Phichest Wiriypaha	/	/	X	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	14	10
8	Mr. Vinaraj Supongsuk	/	/	/	/	/	/	/	/	X	/	/	/	/	X	/	/	/	/	/	/	/	/	/	14	12
9	Mr. Somboom Chithphantom	/	/	/	/	X	/	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/	/	14	11
10	Mr. Thonglak Hamsuk	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	17	12
11	Ms. Ruenvadee Suwammongkol	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	X	/	/	/	/	/	/	/	13	11
12	Mrs. Nampung Wongsmit	/	/	/	/	/	/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	4
13	Mr. Watchara Chatwitiya	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	7	6
14	Mr. Suwit Rojanavanich	/	/	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	/	14	12
15	Mrs. Amara Klapparithum	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	17	12
16	Mr. Luechai Chaipitinya	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	7	6
17	Mrs. Ruchokorn Siriyodhin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	5
18	Lt. Gen. Kam Kalumpasut	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	5
19	Mr. Jaroondech Janjarussakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	4
20	Mr. Apitrom Sukprasert	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	17	12
Total		15	15	14	12	14	11	13	10	14	12	15	15	10	14	10	15	15	15	15	15	15	15	15	13	14
Total Directors		15	15	15	15	14	14	14	12	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15

/ Director Attended the Meeting x Director Not Attended the Meeting - Not Being a Director

Note : There were 2 meetings for the BAAC Board of Directors meetings for September, November, December 2019, and January 2020.

As of 31 March 2020

Attendance for each Committee/Sub-Committee For Fiscal Year 2019 (1 April 2019 – 31 March 2020)

Names	BAAC Board of Directors Total 17 Times	BAAC Audit Committee Total 6 Times	Risk Oversight Committee Total 11 Times	BAAC Corporate Relation Affairs Committee Total 12 Times	BAAC Presidential Performance Evaluation Committee Total 3 Times	Nomination and Compensation Committee Total 9 Times	BAAC Director Nomination Committee Total 1 Time	Appeal Sub-Committee Total 12 Times	Legal Advisory Sub-Committee Total 7 Times	Good Corporate Governance and Social Responsibility Sub-Committee Total 6 Times	Innovation, Research and Development Sub-Committee Total 5 Times	Scrutiny Sub-Committee Total 22 Times	Information Technology Management Sub-Committee Total 9 Times	Agricultural SME Operation Supervision Sub-Committee Total 4 Times	Community Business for That Project Supervision Sub-Committee Total 2 Times	BAAC Independent Directors Total 2 Times
1. Chairman																
- Mr. Aphsak Tantirawong ⁽¹⁾	*3/3															
- Mr. Uttama Savanaynd ⁽²⁾	*11/14															
2. Representation of the Ministry of Agriculture and Cooperatives																
Vice-Chairman																
- Mr. Anan Suwanarat	14/17															
Director																
- Ms. Surmsuk Salakpetch	14/17										3/5		3/3	*4/4	3/3	
3. Representation of the Ministry of Finance																
Director																
- Mr. Krisada Chivacharana ⁽³⁾	9/12				*2/2	*3/3	*1/1					*15/15				
- Mrs. Pantip Sriplima ⁽⁴⁾	5/5				*1/1							*6/6				
4. Representative of the Cooperative Promotion Department																
Director																
- Mr. Phichet Wityapaha	14/17	6/6						*12/12								
5. Representative of the Agricultural Land Reform Office																
Director																
- Mr. Vinaraj Supsonguk	14/17	*6/6						9/12								
6. Representative of the Bank of Thailand																
Director																
- Mr. Somboon Chitphantom	14/17	6/6														



Names	BAAC Board of Directors Total 17 Times	BAAC Audit Committee Total 6 Times	Risk Oversight Committee Total 11 Times	BAAC Corporate Relation Affairs Committee Total 12 Times	BAAC Presidential Performance Evaluation Committee Total 3 Times	Nomination and Compensation Committee Total 9 Times	BAAC Director Nomination Committee Total 1 Time	Appeal Sub-Committee Total 12 Times	Legal Advisory Sub-Committee Total 7 Times	Good Corporate Governance and Social Responsibility Sub-Committee Total 6 Times	Innovation, Research and Development Sub-Committee Total 5 Times	Scrutiny Sub-Committee Total 22 Times	Information Technology Management Sub-Committee Total 9 Times	Agricultural SME Operation Supervision Sub-Committee Total 4 Times	Community Business for Thai Project Supervision Sub-Committee Total 2 Times	BAAC Independent Directors Total 2 Times
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	

7. Representative of Agricultural Cooperative Shareholders

Director

- Mr. Thonglak Harnsuk 17/17

8. BAAC Qualified Expert

- Ms. Ruenvadee Suwanmongkol	13/17	2/3						*6/7	*4/6	16/22					2/2
- Mrs. Nampung Wongsmith ⁽⁵⁾	4/4	2/3	1/2						*1/1	5/6					1/1
- Mr. Watchara Chatwiriya ⁽⁶⁾	8/8	6/6								*3/3					1/1
- Mr. Suwit Rojanavanich	13/17	*10/11	*12/12	1/2	*9/9				4/6	19/22					2/2
- Mrs. Amara Klabprathum	17/17	10/11			9/9							*9/9			2/2
- Mr. Luechai Chaipinya ⁽⁷⁾	8/8								3/3			6/6			1/1
- Mrs. Ruchukorn Siriyodhin ⁽⁸⁾	9/9	*4/4		4/5	4/5				3/3	7/10					1/1
- Lt. Gen. Kam Kalumpasut ⁽⁹⁾	8/9			2/2	4/5				3/3	1/2				*3/3	1/1
- Mr. Jarondech Janjarasakul ⁽¹⁰⁾	7/9			4/5	4/5				5/6	*2/2	8/10	2/3			1/1
- Mr. Apirom Sukprasert	16/17	7/11							5/6	5/5	22/22	7/9	4/4	2/3	

Note

* Chairman of Committee/Sub-Committee appointed by BAAC Board of Directors, as of 31 March 2020

Figure in the table means number of meeting attended/number of meeting held while holding office

⁽¹⁾ Holding office until 15 July 2019

⁽²⁾ Holding office from 16 July 2019

⁽³⁾ Holding office until 31 December 2019

⁽⁴⁾ Holding office from 14 January 2020

⁽⁵⁾ Holding office until 31 July 2019

⁽⁶⁾ Holding office until 20 October 2019

⁽⁷⁾ Holding office until 20 October 2019

⁽⁸⁾ Holding office from 12 November 2019

⁽⁹⁾ Holding office from 12 November 2019

⁽¹⁰⁾ Holding office from 12 November 2019

**Summary of Number of Meetings of Committees/Sub-Committees, Fiscal Year 2019**

Committee and Sub-Committee	No. of Meeting (Times)
The Meeting of the BAAC Board of Directors	17
The BAAC Audit Committee	6
The Risk Oversight Committee	11
The BAAC Corporate Relation Affairs Committee	12
The BAAC Presidential Performance Evaluation Committee	3
The Nomination and Compensation Committee	9
The BAAC Director Nomination Sub-Committee	1
The Appeal Sub-Committee	12
The Legal Advisory Sub-Committee	7
The Good Corporate Governance and Corporate Social Responsibility Sub-Committee	6
The Innovation, Research and Development Sub-Committee	5
The Scrutiny Sub-Committee	22
The Information Technology Management Sub-Committee	9
The Agricultural SME Operational Supervision Sub-Committee	4
The Community Business for Thai Project Supervision Sub-Committee	3
The BAAC Independent Directors	2

Director Orientation and Development

In order to operate in accordance with the operation guidelines of the State Enterprise Board of Directors effectively, the State Enterprise Policy Office (SEPO) has stipulated the enhancement of business related knowledge for Directors in order to increase efficiency in performing duties of the BAAC Board of Directors as well as enhance a better understanding of the Bank's duties and tasks. BAAC has provided orientation for newly appointed Directors by presenting and giving explanations in terms of roles, duties, and responsibilities, important information and policies of the Bank, relevant laws and regulations, as well as other information that is currently important and necessary. The manual to support the work of Directors has been prepared, both in the form of documents and electronics information such as Guidelines for State Enterprise Directors, Principles and Guidelines for Good Corporate Governance in State Enterprise B.E. 2562 and Guidelines of the SEPO, the Bank for Agriculture and Agricultural Cooperatives Act, 5-year Strategic Plan, BAAC's Annual Business Plan, Annual Report, Memorandum of Performance Assessment between the Ministry of Finance and BAAC, a Handbook for Directors of Financial Institution by the Bank of Thailand (BoT), and a Handbook for Submitting Accounts of Assets and Liabilities under the Organic Act on Anti-Corruption, etc.

In addition, BAAC regularly arranges activities to enhance knowledge and capabilities of Directors and executives, in the form of seminars and training courses relevant to the roles and responsibilities of each Directors and executive, or other courses that are important and necessary in the present day by enrolling to seminars or trainings with a reputable and standardized institution such as Thai Institution of Directors (IOD) Association, and Public Director Institute King Prajadhipok's Institute, etc. In the Fiscal Year 2019, Directors and executives have participated in 6 training courses with those institutes as well as participated in seminars, meetings, and lectures with both BAAC and external agencies such as Cyber Resilience: Cyber Resilience Leadership Workshop "Mission in Action" by BoT, a seminar to build knowledge and understanding on compliance with principles and guidelines on good corporate governance in State Enterprise B.E. 2562 by SEPO, the Bank Agenda for the Fiscal Year 2019 meeting, the Academic Conference and Research Award for 2019, and BAAC Vision Meeting, etc.



The BAAC Board of Directors' Attendance of Training Courses in the Fiscal Year 2019

No.	Course	Training Date	Director
1	Director Certification Program (DCP) Class 288/2020, Thai IOD Association	8 January - 5 February 2020	Mr. Vinaroj Supsongsuk
2	Corporate Governance Program for Directors and Top Executives of State Enterprises and Public Organizations, Batch 20, King Prajadhipok's Institute	Between June - August 2019 8 June - 7 September 2019	Mrs. Amara Klabprathum Mr. Luechai Chairprinya
	Corporate Governance Program for Directors and Top Executives of State Enterprises and Public Organizations, Batch 21, King Prajadhipok's Institute	Between September - October 2019 8 June - 26 October 2019	Mr. Anan Suwannarat
3	Director Accreditation Program (DAP) Batch 160/2019 Thai IOD Association	13 May 2019	Mr. Vinaroj Supsongsuk
4	Advanced Audit Committee Program (AACP) Batch 33/2019 Thai IOD Association	30 May - 20 June 2019	Mr. Vinaroj Supsongsuk
5	Role of the Chairman Program (RCP) Batch 45/2019 Thai IOD Association	18 - 19 September 2019	Mr. Watchara Chatwiriya
6	IT Governance and Cyber Resilience Program (ITG) Batch 11/2019 Thai IOD Association	25 - 26 July 2019	Mr. Luechai Chairprinya Mr. Apirom Sukprasert
	IT Governance and Cyber Resilience Program (ITG) Batch 12/2019 Thai IOD Association	30 October 2019	Mr. Watchara Chatwiriya

Board of Directors' Remuneration

BAAC has operated in accordance with the Cabinet Resolution on 24 April 2019 regarding the rate and criteria for payment of monthly compensation and meeting allowance for State Enterprise Directors and members of Committees, Sub-Committees, or Working Groups as follows:

Monthly Compensation

BAAC pays monthly compensation to BAAC Director at the rate of 10,000 per month, and BAAC to receive twice the monthly compensation of the monthly compensation of the Director (20,000 Baht). BAAC Director who does not hold office for the whole month will receive a prorated monthly compensation.

Meeting Allowance

1. For BAAC Board of Director meeting, the meeting allowance for the BAAC Director is 20,000 Baht per month and BAAC Chairman receives higher allowance than BAAC Director for 25 percent (25,000 Baht). The meeting allowance is paid on a per-time basis, once a month. In case of a reasonable event, the number of times to receive meeting allowances may be increased to be more than once a month, but not exceed 15 times per year.

2. For meetings of Committees, Sub-Committees, or Working Groups appointed by the BAAC Board of Directors, the meeting allowance is determined at the rate of 0.5 times of the Board of Directors meeting allowance. The amount of money that members of Committees/ Sub-Committees who is not the officer of the BAAC receive is 10,000 Baht and the chairman of the meeting receive increased meeting allowances

at the rate of 25 percent of the meeting allowance (12,500 Baht). The meeting allowance received is limited to be no more than 2 committees/ sub-committees, not more than 1 per committee/sub-committee per month.

For the Audit Committee meeting, it will be in accordance with the regulation of the Ministry of Finance regarding the Audit Committee and Internal Audit Unit of the State Enterprise B.E. 2555. BAAC pays lump sum monthly compensation equal to meeting allowance for BAAC Board of Directors meeting. The member of the Committee who does not hold office for the whole month will receive a prorated monthly compensation. In any month where there is no meeting, the compensation shall also be paid.

Bonus

The Cabinet resolution at its meeting on 31 January 1978 determined that BAAC Director receive bonus of 60,000 Baht per person per year. The Cabinet resolution on 5 February 1991 determined that BAAC Director receive additional bonus in proportion to the net profit of the BAAC. The Cabinet resolution on 15 July 1975 determined that the Chairman and Vice-Chairman receive higher meeting allowance and bonus at the rate of 25 percent and 12.5 percent, respectively. The Cabinet resolution on 20 June 1995 determined that the State Enterprise Director receive bonus in accordance with the state enterprise performance evaluation system, and the Cabinet resolution on 2 July 2013 determined that the condition for bonus allocation of state enterprise could be done after the State Audit Office of the Kingdom of Thailand has audited and certified the financial statements and must also receive the approval for bonus allocation from SEPO.

**Summary of Remunerations the Directors received from BAAC, as of 1 April 2019 - 31 March 2020**

Mr. Aphisak Tantiworawong (Until 15 July 2019)	Received remuneration as BAAC Chairman from monthly compensation of 69,677.42 Baht, the BAAC Board of Director meeting allowance of 62,500 Baht, and a bonus of 306,250 Baht.
Mr. Uttama Savanayna (From 16 July 2019)	Received remuneration as BAAC Chairman from monthly compensation of 170,322.58 Baht, and the BAAC Board of Directors meeting allowance of 275,000 Baht.
Mr. Anan Suwannarat (The whole fiscal year)	Received remuneration as BAAC Vice-Chairman from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 236,250 Baht, and bonus of 120,771.18 Baht.
Mr. Krisada Chinavicharana (Until 31 December 2019)	Received remuneration as BAAC Director from monthly compensation of 90,000 Baht, the BAAC Board of Directors meeting allowance of 170,000 Baht; as Chairman of the BAAC Presidential Performance Evaluation Committee from meeting allowance of 25,000 Baht; as the Chairman of Nomination and Compensation Committee from meeting allowance of 37,500 Baht; as Chairman of the Scrutiny Sub-Committee from meeting allowance of 112,500 Baht; as Chairman of the BAAC Director Nomination Sub-Committee from meeting allowance of 12,500 Baht, and bonus of 245,000 Baht.
Mrs. Pantip Sripimol (From 14 January 2020)	Received remuneration as BAAC Director from monthly compensation of 25,806.45 Baht, the BAAC Board of Directors meeting allowance of 80,000 Baht; as Chairman of the BAAC Presidential Performance Evaluation Committee from meeting allowance of 12,500 Baht; as Chairman of the Scrutiny Sub-Committee as meeting allowance of 37,500 Baht.
Ms. Surmsuk Salakpetch (The whole fiscal year)	Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 250,000 Baht; as member of the Information Technology Management Sub-Committee from meeting allowance of 30,000 Baht; as member of the Innovation, Research and Development Sub-Committee from meeting allowance of 30,000 Baht; as Chairman of the Agricultural SME Operation Supervision Sub-Committee of 50,000 Baht; as member of the Community Business for Thai Project Supervision Sub-Committee of 30,000 Baht; and bonus of 107,352.14 Baht.
Mr. Phichest Wiriapaha (The whole fiscal year)	Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 230,000 Baht; member of the BAAC Audit Committee from compensation of 230,000 Baht; as Chairman of the Appeal Sub-Committee from meeting allowance of 137,500 Baht; and bonus of 245,000 Baht.
Mr. Vinaroj Supsongsuk (The whole fiscal year)	Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 230,000 Baht; as Chairman of the BAAC Audit Committee from compensation of 287,500 Baht; as member of the Appeal Sub-Committee from meeting allowance of 80,000 Baht; and bonus of 107,352.14 Baht.
Mr. Somboom Chitphantom (The whole fiscal year)	Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 230,000 Baht; member of the BAAC Audit Committee from compensation of 230,000 Baht; and bonus of 245,000 Baht.
Mr. Thonglak Harnsuk (The whole fiscal year)	Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 290,000 Baht; as member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee from meeting allowance of 60,000 Baht; as member of the Agricultural SME Operation Supervision Sub-Committee of 40,000 Baht; as member of the Community Business for Thai Project Supervision Sub-Committee of 30,000 Baht; and bonus of 73,763.45 Baht.



<p>Ms. Ruenvadee Suwanmongkol (The whole fiscal year)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 250,000 Baht; as Chairman of the Legal Advisory Sub-Committee from meeting allowance of 75,000 Baht; as Chairman and member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee of 47,500 Baht; as member of the Scrutiny Sub-Committee from meeting allowance of 100,000 Baht; as member of the BAAC Presidential Performance Evaluation Committee from meeting allowance of 10,000 Baht; and bonus of 245,000 Baht.</p>
<p>Mrs. Nampung Wongsmith (Until 31 July 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 40,000 Baht, the BAAC Board of Directors meeting allowance of 70,000 Baht; member of the BAAC Risk Oversight Committee from meeting allowance 10,000 Baht; as Chairman of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee of 12,500 Baht; as member of the BAAC Presidential Performance Evaluation Committee from meeting allowance of 10,000 Baht; as member of the Nomination and Compensation Committee from meeting allowance of 10,000 Baht; as member of the Scrutiny Sub-Committee from meeting allowance 30,000 Baht; and bonus of 245,000 Baht.</p>
<p>Mr. Suwit Rojanavanich (The whole fiscal year)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 255,000 Baht; as Chairman of the BAAC Risk Oversight Committee from meeting allowance of 87,500 Baht; as Chairman of the BAAC Corporate Relation Affairs Committee from meeting allowance of 150,000 Baht; as Chairman of the Nomination and Compensation Committee from meeting allowance of 50,000 Baht; as member of the Scrutiny Sub-Committee from meeting allowance of 10,000 Baht; and bonus of 18,593.75 Baht.</p>
<p>Mr. Watchara Chatwiriya (Until 20 October 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 66,451.61 Baht, the BAAC Board of Directors meeting allowance of 130,000 Baht; as member of the BAAC Risk Oversight Committee from meeting allowance of 60,000 Baht; as member of Information Technology Management Sub-Committee from meeting allowance of 40,000 Baht; as Chairman of the Innovation, Research and Development Sub-Committee from meeting allowance of 37,500 Baht; and bonus of 245,000 Baht.</p>
<p>Mrs. Amara Klabprathum (The whole fiscal year)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance of 290,000 Baht; as member of the BAAC Risk Oversight Committee from meeting allowance 80,000 Baht; as member of the Nomination and Compensation Committee from meeting allowance 40,000 Baht; as member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee of 30,000 Baht; as Chairman of the Information Technology Management Sub-Committee from meeting allowance of 12,500 Baht; and bonus of 201,444.44 Baht.</p>
<p>Mr. Luechai Chaipriya (Until 20 October 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 66,451.61 Baht, the BAAC Board of Directors meeting allowance of 130,000 Baht; as member of the Information Technology Management Sub-Committee from meeting allowance of 60,000 Baht; as member of the Innovation, Research and Development Sub-Committee from meeting allowance 30,000 Baht; and bonus of 24,791.67 Baht.</p>
<p>Mrs. Ruchukorn Siriyodhin (From 12 November 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 46,333.33 Baht, the BAAC Board of Directors meeting allowance of 140,000 Baht; as Chairman of the BAAC Risk Oversight Committee from meeting allowance of 50,000 Baht; as member of the Nomination and Compensation Committee from meeting allowance of 10,000 Baht; as member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee of 32,500 Baht; and as member of the Scrutiny Sub-Committee from meeting allowance of 10,000 Baht.</p>
<p>Lt. Gen. Karn Kalumpasut (From 12 November 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 46,333.33 Baht, the BAAC Board of Directors meeting allowance of 140,000 Baht; as member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee of 30,000 Baht; as member of the Innovation, Research and Development Sub-Committee from meeting allowance of 10,000 Baht; and as Chairman of the Community Business for Thai Project Supervision Sub-Committee of 37,500 Baht.</p>



<p>Mr. Jaroondech Janjarussakul (From 12 November 2019)</p>	<p>Received remuneration as BAAC Director from monthly compensation of 46,333.33 Baht, the BAAC Board of Directors meeting allowance of 100,000 Baht; as member of the Nomination and Compensation Committee from meeting allowance of 10,000 Baht; as Chairman of the Innovation, Research and Development Sub-Committee from meeting allowance of 25,000 Baht; as member of the Scrutiny Sub-Committee from meeting allowance of 40,000 Baht; and as member of the Information Management Sub-Committee from meeting allowance of 20,000 Baht.</p>
<p>Mr. Apirom Sukprasert (The whole fiscal year)</p>	<p>Received remuneration as BAAC Director and secretary of the BAAC Board of Directors from monthly compensation of 120,000 Baht, the BAAC Board of Directors meeting allowance 290,000 Baht; as member of the BAAC Risk Oversight Committee from meeting allowance of 70,000 Baht; as member of the Good Corporate Governance and Corporate Social Responsibility Sub-Committee from meeting allowance of 20,000 Baht; as member of the Innovation, Research and Development Sub-Committee from meeting allowance of 20,000 Baht; as member of the Scrutiny Sub-Committee from meeting allowance of 80,000 Baht; as member of the Information Technology Management Sub-Committee from meeting allowance of 20,000 Baht; as member of the Agricultural SME Operation Supervision Sub-Committee from meeting allowance of 30,000 Baht; and bonus of 245,000 Baht.</p>

Report of Performance of the Nomination and Compensation Committee

For the Fiscal Year 2019 (1 April 2019 - 31 March 2020)

No.	Issues for Consideration	Meeting		Result of Consideration		
		No.	D/M/Y	To submit to BAAC Board of Directors.	Approval	Provide more information
1	Consider policy and criteria for payment of compensation, other benefits, as well as management compensation for the fiscal year 2018 (confidential)	2/2019	22 Apr 19	/	/	
2	Consider policy and criteria for payment of compensation, other benefits, as well as guidelines for management evaluation for the fiscal year 2019	3/2019	7 May 19	/	/	
3	Consider appointment of Committees and Sub-Committees	4/2019	25 Sep 19	/	/	
		5/2019	14 Nov 19	/	/	
		1/2020	10 Jan 20	/	/	
4	Review criteria for selection of executives in the position of Senior Executive Vice President, Executive Vice President, and Senior Vice President (confidential)	6/2019	17 Dec 19	/	/	
5	Review the Charter of the Nomination and Compensation Committee	1/2020	10 Jan 20	/	/	
6	Select and nominate qualified people for the vacancy position of Senior Executive Vice President, Executive Vice President, and Senior Vice President in the fiscal year 2019 (confidential)	1/2020	10 Jan 20	/	/	
		2/2020	23 Jan 20			
		3/2020	26 Feb 20			
		4/2020	20 Mar 20			



Report of the Nomination and Compensation Committee

The Board of Director of the Bank for Agriculture and Agricultural Cooperatives (BAAC) has resolved to appoint the Nomination and Compensation Committee as follows:

1. The BAAC Board of Directors' order no. 7/2019 ordered on 28 February 2019 effective from 27 February 2019 consisted of:

- 1) Mr. Krisada Chinavicharana BAAC Director Chairman
- 2) Mrs. Nampung Wongsmith BAAC Director Member
- 3) Mr. Suwit Rojanavanich BAAC Director Member
- 4) Mrs. Amara Klabprathum BAAC Director Member
- 5) BAAC President BAAC Director
and Secretary Secretary

6) Senior Executive Vice President for the Organization Strategy and Human Resources Group Assistant Secretary

7) Senior Executive Vice President or Executive Vice President for supervision of the Management Department Assistant Secretary

2. The BAAC Board of Directors' order no. 17/2019 ordered on 30 September 2019 effective from 1 October 2019 consisted of:

- 1) Mr. Suwit Rojanavanich BAAC Director Chairman
- 2) Mrs. Amara Klabprathum BAAC Director Member
- 3) BAAC President BAAC Director and Secretary Secretary
- 4) Senior Executive Vice President for the Organization Strategy and Human Resources Group Assistant Secretary
- 5) Senior Executive Vice President or Executive Vice President for supervision of the Management Department Assistant Secretary

3. The BAAC Board of Directors' order no. 22/2019 ordered on 20 November 2019 effective from 15 November 2019 consisted of:

- 1) Mr. Suwit Rojanavanich BAAC Director Chairman
- 2) Mrs. Amara Klabprathum BAAC Director Member
- 3) Mrs. Ruchukorn Siriyodhin BAAC Director Member
- 4) Lt. Gen. Karn Kalumpasut BAAC Director Member
- 5) Mr. Jaroondech Janjarussakul BAAC Director Member
- 6) BAAC President BAAC Director
and Secretary Secretary

7) Senior Executive Vice President for the Organization Strategy and Human Resources Group Assistant Secretary

8) Senior Executive Vice President or Executive Vice President for supervision of the Management Department Assistant Secretary

The Nomination and Compensation Committee has performed duties in accordance with the order, charter, and as assigned by the BAAC Board of Directors. In the fiscal year 2019, there were 9 meetings, with 6 issues for consideration that were approved by the BAAC Board of Directors. The essence of the work performed in the fiscal year 2019 can be summarized as follows:

1. Considering policy and criteria for payment of compensation, other benefits, as well as management compensation for the fiscal year 2018.

2. Considering policy and criteria for payment of compensation, other benefits, as well as guidelines for management evaluation for the fiscal year 2019.

3. Considering appointment of Committees and Sub-Committees to submit to the BAAC Board of Directors by considering newly appointed Directors to replace BAAC Directors who has vacated office from BAAC Directors.

4. Reviewing on criteria for selection of executives in the position of Senior Executive Vice President, Executive Vice President, and Senior Vice President to replace the vacancy position in the fiscal year 2019, which is the preparation of the executives and support the organization to continuously improve.

5. Reviewing the Charter of the Nomination and Compensation Committee to ensure that the BAAC Board of Directors' work on corporate governance comply with the criteria specified by the State Enterprise Policy Office.

6. Selecting and nominating qualified people for the vacancy position of Senior Executive Vice President, Executive Vice President, and Senior Vice President in the fiscal year 2019 to the BAAC Board of Directors by considering qualifications, knowledge, ability, experience, vision, and suitability for the vacancy, as well as verifying the qualifications to be in accordance with the notification of the Bank of Thailand.

(Mr. Suwit Rojanavanich)

Chairman of the Nomination and Compensation Committee
Bank for Agriculture and Agricultural Cooperatives



Performance Evaluation of Directors and High-Level Executives

BAAC Board of Directors

BAAC organized a self-evaluation of the Board of Directors twice a year, focusing on the evaluation results reflecting operational efficiency in accordance with the principles and guidelines for Good Corporate Governance. In the fiscal year 2019, the BAAC Board of Directors has agreed and reviewed the criteria and guidelines for the self-assessment of the BAAC Board of Directors in accordance with the principles and guidelines for good corporate governance in state enterprise B.E. 2562, the Notification of the Bank of Thailand regarding the governance of specialized financial institutions, as well as guidelines for self-evaluation of other state enterprises. It was found that the criteria and guidelines for the self-evaluation of the BAAC Board of Directors that had been used followed the above criteria and guidelines. It reviewed the self-evaluation form, both close-ended and open-ended questions. Self-evaluation is scheduled twice a year consisting of group evaluation (Board Evaluation) and individual evaluation (Self Assessment) with the topic and result of evaluation as follows:

1) Board Evaluation consisted of 7 evaluation categories, with a total of 39 items, namely the Structure and Qualifications of the Board of Directors; Roles, Duties, and Responsibilities of the Board of Directors; the Practices of the Board of Directors; The Communication of the Board of Directors; The Relationship of the Board of Directors and the Management; the Preparation and Proceeding of the Meeting; and Innovations and Operations. For the evaluation results in the fiscal year 2019, the overall picture of the 7 categories were at an excellent level.

2) Self Assessment consisted of 6 assessment categories, with a total of 25 items. Core Competency, Independence, Preparedness, Practices as a Director, Committee Activities and Vision to Create Long-Term Value. For the evaluation results in the fiscal year 2019, the overall picture of the 6 categories were at an excellent level.

In this regard, the BAAC has summarized the results of both evaluations for acknowledgement of all Directors, by using the results and recommendations from the self-evaluation to develop an improvement and development plan to increase the efficiency of the BAAC Board of Directors, including following up the achievement of the implementation of the plan, and submitted to the BAAC Board of Directors for acknowledgement in February 2020, as well as using it as framework for setting guidelines for increasing the efficiency of performance of the Board of Directors in the following year, in accordance with the principles and guidelines for good corporate governance in state enterprise.

Performance Evaluation of High-Level Executives

The criteria for evaluating the performance of high-level executives in the position of Senior Executive Vice President and Executive Vice President, which have been approved by the Nomination and Compensation Committee and the BAAC Board of Directors, have specified the criteria for evaluation by dividing into 5 factors as follows:

1. Performance Evaluation according to the Memorandum of Agreement: BAAC requires that a Memorandum of Agreement be prepared in accordance with the criteria for evaluation between BAAC Senior Executive Vice President and Executive Vice President and BAAC President. The details in the Memorandum of Agreement for Performance Evaluation consist of tasks, action plan, indicators, and weight scores, in which the President assigns and divides the work for Senior Executive Vice President and Executive Vice President to supervise and will evaluate the performance by the relevant tasks.

2. Special Individual Evaluation: It is a performance evaluation for high-level executives to cover dimension of quantity and quality of work in other areas beyond the work under supervision such as working across lines, other special assignments, etc. in order to reduce deviation in the evaluation which makes the evaluation results more accurate, trustworthy and fair.

3. Core Competency Evaluation: It consists of 6 factors i.e. incremental thinking, aiming for achievement, communication and motivation, service mind, teamwork, and ethics.

4. Management Competency Evaluation: It consists of 5 factors i.e. leadership, vision, organizational change management, creation and maintenance of relationships, and employee capacity development.

5. Report on role to drive for achievement: In evaluating the capabilities, BAAC requires the high-level executives to write a report describing their roles in driving the tasks of BAAC to achievements for consideration.

For the performance evaluation in accordance with the Memorandum of Agreement, BAAC will continuously monitor the progress of major action plan through the BAAC Policy Planning Working Group, with the representative of the BAAC Board of Directors as member of the working group, which will monitor the progress of the performance according to key performance indicators every quarter and summarize the score of the performance evaluation according to the Memorandum of Agreement for Performance Evaluation of BAAC Senior Executive Vice President and Executive Vice President to propose to the BAAC President for consideration to provide opinion and recommendation twice a year at the end of quarter 2 and at the end of quarter 4 of the fiscal year, and summarize the result to submit to the Nomination and Compensation Committee and the BAAC Board of Directors for consideration at the end of the fiscal year.

In this regard, the information from the result of the performance evaluation of Senior Executive Vice President and Executive Vice President according to such criteria will be used for consideration as follows:

1. For the annual salary increase, BAAC will rank the performance evaluation score and increase the salary according to the grade received which are divided into 3 grades i.e. A, B, and C.

2. For the promotion of position, BAAC will use the historical performance information and grade obtained as part of the evaluation factors.

3. Defining guidelines for developing management competencies and core competencies for self development and improve the management effectiveness of high-level executives.



Actions Regarding Top Executive, High-Level Executive, and Officer Top Executive

The BAAC Board of Directors has appointed the BAAC Presidential Nomination Committee to consider criteria and methods for nomination of the BAAC President to be transparent according to the good corporate governance principles. The Human Resources Department has publicized the announcement for recruitment of the BAAC President through various medias including newspaper, television, BAAC Website, in order to allow interested general people with the suitable qualifications as announced to apply to the nomination process equally. The applicants must present the vision and direction to drive the organization to all personnel throughout the organization to listen and ensure that the operational directions are in line with the corporate culture and are accepted to all groups. After that, applications must be interviewed by the BAAC Board of Directors to consider and ensure that the selected applicant will be fully qualified person in terms of knowledge, capability, experience, behavior, with vision to lead the organization to achieve its objectives and be accepted by all sectors.

Authority and Duty of the BAAC President

The authority and duty of the BAAC President are in accordance with the Bank for Agriculture and Agricultural Cooperatives Act B.E. 2509 Section 22, Section 23, and Section 24 stipulated that the President has the duty to administer the activities of the Bank in accordance with the policies and regulations of the Bank, and is the superior official of all the officers and employees of the Bank. The President must be responsible to the Board of Directors for the administration of the activities of the Bank. In respect of external relations, the President shall act as representative of the Bank. For this purpose, the President may delegate the power to any officer of the Bank to execute any work on his behalf, subject to the regulations of the Bank. Section 24 stipulated that the President has the authority:

1. To recruit, appoint, promote, or increase the salaries of, impose disciplinary punishment on, or remove an officer or employee of the Bank, subject to the regulations of the Bank; but if such officer is of the rank of

Senior Executive Vice President, adviser, chief of department or equivalent, a prior approval must be obtained from the Board of Directors.

2. To prescribe rules governing the business carried out by the Bank and execution of works of the officers and employees of the Bank, in so far as they are not contrary to or inconsistent with the policies or regulations of the Bank.

In addition, the BAAC Board of Directors has appointed the BAAC Presidential Performance Evaluation Committee to negotiate and determine the criteria for evaluation of the performance of the person who held the position of the BAAC President, by connecting with the vision, tasks, and strategy of the Bank which requires the performance evaluation every 6 months and determines the compensation according to performance.

High-Level Executives

The BAAC Board of Directors has appointed the Nomination and Compensation Committee to nominate BAAC high-level executives in the position of Senior Executive Vice President and Executive Vice President to be transparent according to the good corporate governance principles, without restriction on race, religion, or gender, by taking information from the succession preparedness system and the result of personnel competency evaluation for consideration of the qualifications, both for knowledge and work experience, in accordance with the framework of diversity, in order to be suitable for driving the activities according to the management structure of the Bank, such as having outstanding management experience direct in the field and has been accepted from both inside and outside the organization to build confidence among stakeholders, etc. The executives who are candidates must present their vision and approach for management to the Nomination and Compensation Committee in order to screen out the suitable people for driving the activities in each line of work. The high-level executives will be evaluated their performances every 6 months by connecting with key performance indicators that reflect the achievement of the vision, activity, and strategy of the Bank as well as other assigned tasks.

Names and Positions of High-Level Executives as of 31 March 2020

No.	Name-Surname	Position	Group/Line
1	Mr. Apirom Sukprasert	President	
2	Mr. Nipat Kuasakul	Senior Executive Vice President	Accounting, Treasury and Banking Business Group
3	Mr. Sarayut Yimyoun	Senior Executive Vice President	Farmer Credit Business and Government Policy Support Group
4	Mr. Virat Wanithanakul	Senior Executive Vice President	Branch Administration Group
5	Mr. Surachai Rusmee	Senior Executive Vice President	Major Farmer and Farmer Institution Credit Business Group
6	Mr. Tanaratt Ngamvalairatt	Senior Executive Vice President	Digital Strategy and Information Technology Group
7	Mr. Suwit Poolsilp	Executive Vice President	Compliance and Good Corporate Line
8	Mr. Somkiat Kimawaha	Executive Vice President	Accounting and Treasury Line
9	Mr. Kasarb Ngernruang	Executive Vice President	Banking Business Line
10	Mr. Nopadol Srisun	Executive Vice President	Digital Strategy Line
11	Mr. Sarayud Tarasena	Executive Vice President	Agribusiness Entrepreneur and Farmer Institution Credit Line
12	Mr. Santi Charoensuk	Executive Vice President	Human Resources and Organization Development Line
13	Mr. Seksan Chankwang	Executive Vice President	Organization Strategy Line
14	Mr. Sompob Rodklang	Executive Vice President	Farmer Loan Line
15	Mr. Wichan Sitratanawilai	Executive Vice President	Information Technology Line
16	Mr. Peerapong Kumchuen	Executive Vice President	General Administration Line

**High-Level Executives' Training, Fiscal Year 2019 (1 April 2019 - 31 March 2020)**

No.	Name	Position	Course/Institute (Training D/M/Y)
1	Mr. Apirom Sukprasert	BAAC Director and President	IT Governance and Cyber Resilience Program (ITG)/Thai IOD Association/Between 25 - 26 Jul 19
2	Mr. Nipat Kuasakul	Senior Executive Vice President	Director Certification Program (DCP)/Thai IOD Association/Between 12 Jun - 10 Jul 19
3	Mr. Sarayut Yimyoun	Senior Executive Vice President	Director Certification Program (DCP)/Thai IOD Association/Between 6 Jan - 2 Mar 20
4	Mr. Virat Wanitthanakul	Senior Executive Vice President	Agribusiness Digital CEO/Digital Economy Promotion Agency (depa)/Between 25 Jul - 16 Nov 19
5	Mr. Surachai Rusmee	Senior Executive Vice President	Director Certification Program (DCP)/Thai IOD Association/Between 6 Jan - 2 Mar 20
6	Mr. Tanaratt Ngamvalairatt	Senior Executive Vice President	-
7	Mr. Suwit Poolsilp	Executive Vice President	-
8	Mr. Somkiat Kimawaha	Executive Vice President	Digital CEO Batch 3/Digital Economy Promotion Agency
9	Mr. Kasarb Ngernruang	Executive Vice President	1. GeniusX Brain Skill Development/Neuro Genius Institute/ Between 6 Jul - 28 Sep 19 (Training Every Saturday) 2. Director Certification Program (DCP)/Thai IOD Association/ Between 11 Jun - 9 Jul 19 3. Digital CEO Batch 3/Digital Economy Promotion Agency
10	Mr. Nopadol Srisun	Executive Vice President	1. Digital CEO Batch 2/Digital Economy Promotion Agency/ Between 25 Jan - 24 May 19 2. Leadership Succession Plan (LSP)/Institute of Research and Development for Public Enterprises (IRDP)
11	Mr. Sarayud Tarasena	Executive Vice President	Director Certification Program (DCP)/Thai IOD Association/Between 26 - 31 Aug 19
12	Mr. Santi Charoensuk	Executive Vice President	Leadership Succession Plan (LSP)/Institute of Research and Development for Public Enterprises (IRDP)
13	Mr. Seksan Chankwang	Executive Vice President	1. Financial Executive Development Program (FINEX)/The Thai Institute of Banking and Finance Association/Between 26 Apr - 18 Jul 2019 2. Making The CEOs of Thailand/MCOT Academy under MCOT Public Company Limited/Between 12 Jun - 18 Sep 19 3. GeniusX Brain Skill Development/Neuro Genius Institute/Between 6 Jul - 28 Sep 19 4. Big Data & Cloud Computing 2019/Ministry of Digital Economy and Society in cooperation with the Association of Thai ICT Industry (ATCI)/Between 28 - 29 Aug 19 5. High-level Public Sector Finance and Treasury Executive/ Comptroller General's Department/Between 8 Jan - 13 Jun 20 (Training Every Saturday)



No.	Name	Position	Course/Institute (Training D/M/Y)
14	Mr. Sompob Rodklang	Executive Vice President	Financial Executive Development Program (FINEX)/The Thai Institute of Banking and Finance Association/Between 26 Apr - 18 Jul 19
15	Mr. Wichan Sriratanawilai	Executive Vice President	Financial Executive Development Program (FINEX)/The Thai Institute of Banking and Finance Association/Between 26 Apr - 18 Jul 19
16	Mr. Peerapong Kumchuen	Executive Vice President	-

Succession Plan

The BAAC has preparation for high-level executives to accommodate the changes and business expansion as follows:

1. The position of the BAAC President is in compliance with the Standard Qualifications for State Enterprise Directors and Employees Act B.E. 2518 and its amendments, the Bank for Agriculture and Agricultural Cooperatives Act and the Charter of the Presidential Nomination Committee and the Presidential Compensation Consideration Sub-Committee. There is a transparent nomination process, with a recruitment announcement, and then the selection process is executed in accordance with the process specified by the Presidential Nomination Committee and submit the selection result to the BAAC Board of Directors.

2. For the high-level executive positions, for the fiscal year 2019, BAAC has reviewed the Business Drivers to keep up with internal and external changes such as changes in government

policies, digital technology changes, various customer demand behaviors, and the higher competition of financial institutions to be used as guidelines for preparing of Succession Planning Project in order to prepare executives to have the capability that is ready to replace the position of top executive, high-level executives (Senior Executive Vice Presidents, Executive Vice Presidents, and Senior Vice Presidents) systematically and correspond to the current business direction. There is a clear specification of the qualifications and capabilities of executives. There is an evaluation as well as Individual Development Plan, by focusing on demonstrating the capability needed through assignment of important projects to enhance the experience and confidence in the potential and readiness of executives under the supervision of Succession Planning and Talent Management Committee, which BAAC will use as supplementary information for selection by the BAAC appointed Committee, based on Ethics, Performance, and Competencies/Potentials.

Top Executive and High-Level Executives Compensation

(Unit : Million Baht)

Type of Expense	Top Executive and High-Level Executives Compensation	
	President	High-Level Executive
Salary	8.64	25.85
Bonus	0.25	13.72
Total	8.89	39.57

Employee Development

BAAC has prepared its employees to support changes in behavior and needs of customers, technological advancement, and more intense business competition, as well as to be able to support operations in accordance with government policies, by focusing on the human resource development to be talented, good, and happy people, and able to create work to drive the organization under the Digital Banking context by developing digital skills and financial advisor skills to support Disruptive

Technology and prepare to become a Digital Banking. Therefore, the role of branch staff is changed to be Smart Sale Advisor to offer products and services and provide financial advice to customers. In addition, it also places importance to promoting employees at all level in learning through e-Learning system which is easy to access, and provide training courses to enhance skills and knowledge of innovation to innovation consultants (Guru Innovation) of the Branch Administration Departments, provincial



office, and employees as well as high-level executives. It also initiated the use of Design Thinking to design innovative products and services. The Knowledge Management tools (KM) have been used under the management of the BAAC Knowledge Management Committee.

In the fiscal year 2019, human resources development was conducted as follows:

- **Employee development in the form of Upskill-Reskill** in order to achieve the target performance and support the work in the digital age by developing/adapting internal course content, both Core & Managerial Competency and Functional Competency, as well as external courses, to develop executives personnel at all levels to be able to adapt to changes in technology, customer behavior, and competition such as

1. Develop and enhance the branch Smart Sales Advisor, enhancement of financial advisor for cooperative business development (Financial Advisor: FA) and promote learning of modern agriculture (Agri-Tech) to create opportunities for expanding S2 and S3 loans.

2. Develop Digital Competency of personnel and executives, which is divided into 3 groups i.e. system administrators, system designers, and users, such as the Big Data course and knowledge of safety in using digital technology, etc.

3. Develop the capability of the administrative staff at the Head Office, including general management staff, and administrative staff of the provincial office/branch, with emphasis on Job Value Added to help drive BAAC's main tasks and to become more professional.

- **From the policy of "good service from the heart"** in order to increase the competitiveness of the organization with good governance, and to enhance personnel behavior of Service Smile from the Heart. Therefore, a BAAC Smart Service and Service Excellence Projects have been developed to improve service quality beyond expectations, and create a competitive advantage, as well as to enhance the BAAC's image in providing professional services. In addition, in order to raise the level of fairness in customer service management, the BAAC has established a Market Conduct policy and developed e-Learning to provide knowledge in customer service in accordance with the Market Conduct policy and abide by as a guideline for performance.

- **Promote and support employees to have capability of "Thinking for Expansion"** to focus and drive innovation within the organization by establishing a project to expand/extend financial innovation in order to focus on employees to participate in the development and expansion of new products so that they can respond to customers' needs, create business value added to BAAC by having a 12-week training with 30 selected people, with 5 products that have been selected and developed i.e.

1. Green Basket Project which is the development of distribution and purchase of agricultural products online.

2. The AWUSO deposit scheme which is the deposit for elderly.

3. The AI Product Project which is a registration system for new customer via Application.

4. The FlexCash Project which is an unsecured personal loan product.

5. The A-Queue Project which is the development of queue management application for service with BAAC, which can reserve the queue in advance.

Performance Result

Indicators	Fiscal Year 2019
Average number of development hours/person (hour/person)	67.40
Average development cost/person (Baht/person)	7,422.46
Number of branch financial advisors (person)	6,828

**Number of Personnel as of 31 March 2020**

(Unit : Person)

Department/Level	Assistant Staff	Staff	Executives and High-Level Executives	Total
Direct report to the President	-	-	15	15
Legal Affairs Department	9	76	23	108
Product Marketing Strategy Department	32	42	12	86
Banking and International Business Department	-	94	20	114
Accounting Department	-	45	14	59
Government Policy Department	-	39	16	55
Deposit Department	-	37	12	49
Audit Department	-	76	30	106
Human Resources Department	1	151	64	216
Policy and Strategy Department	-	32	12	44
Management Department	-	51	15	66
Treasury Department	-	37	14	51
Risk Management Department	-	31	12	43
Digital Operation Department	-	50	11	61
Information Technology Operation Department	-	260	34	294
Customer and Rural Development Department	-	29	11	40
Farmer Loan Department	-	32	10	42
Small Farmer Loans and Informal Debt Solution Department	-	15	7	22
Entrepreneurs and Institutions Credit Department	-	39	11	50
General Administration Department	19	116	21	156
Center of SMAEs Incubation Development	-	20	7	27
Research and Innovation Development Center	-	28	11	39
Office of Digital Technology Strategy	-	8	2	10
Office of Life Insurance Deposit	-	35	13	48
Office of Fraud Management	-	17	5	22
Office of Procurement	-	44	9	53
Office of Information Technology Audit	-	27	9	36
Office of Branch Administration Department	-	10	6	16
Office of Business Intelligence	-	6	4	10
Office of Debt Management	-	20	6	26
Office of Customer Products and Community Based Tourism	-	21	7	28



(Unit : Person)

Department/Level	Assistant Staff	Staff	Executives and High-Level Executives	Total
Office of Information Technology Planning and Security	-	49	19	68
Office of Insurance Business Development	-	15	4	19
Office of Quality System and Process Development	-	29	11	40
Office of Loan Administration and Collateral Control	-	28	10	38
Office of Loan Analysis	-	30	15	45
Office of Corporate Governance and Compliance	-	21	7	28
Office of Loan Review	-	23	8	31
Office of Marketing Communication and Public Relations	-	26	8	34
Upper Northern Region Branch Administration Department	361	1,950	169	2,480
Lower Northern Region Branch Administration Department	359	2,228	177	2,764
Upper Northeastern Region Branch Administration Department	519	3,316	239	4,074
Lower Northeastern Region Branch Administration Department	448	3,044	205	3,697
Central Region Branch Administration Department	187	940	90	1,217
Eastern Region Branch Administration Department	187	987	92	1,266
Western Region Branch Administration Department	194	1,007	93	1,294
Upper Southern Region Branch Administration Department	165	907	88	1,160
Lower Southern Region Branch Administration Department	281	1,605	136	2,022
Office of Metro Politan Branch Administration	45	363	22	430
Total	2,807	18,056	1,836	22,699

Personnel Expenses

(Unit : Million Baht)

Category	Personnel Expenses Fiscal Year 2019	
	Staff	Assistant Staff
Salary	10,643.05	475
Bonus	6,209.76	-
Total	16,852.81	475

**Position in other Organizations of BAAC Board of Directors and High-Level Executives**

No.	Name	Position	Other Positions Held
1	Mr. Uttama Savanayna	Director	-
2	Mr. Anan Suwannarat	Director	-
3	Mrs. Pantip Sripimol	Director	1. Director, Tourism Authority of Thailand 2. Director, Don Muang Tollway Public Co., Ltd.
4	Ms. Surmsuk Salakpetch	Director	-
5	Mr. Phichest Wiriypaha	Director	Director, Dairy Farming Promotion Organization of Thailand (DPO)
6	Mr. Vinaraj Supsongsuk	Director	Chairman, Marketing Organization for Farmers
7	Mr. Somboon Chitphentom	Director	-
8	Mr. Thonglak Harnsuk	Director	-
9	Ms. Ruenvadee Suwanmongkol	Director	-
10	Mr. Suwit Rojanavanich	Director	1. Independent Director, MBK Public Co., Ltd. 2. Director, The Board of the Office of Insurance Commission 3. Director, Office of Knowledge Management and Development (Public Organization)
11	Mrs. Amara Klabprathum	Director	1. Director, KTB Computer Services 2. Director, KTB Leasing
12	Mrs. Ruchukorn Siriyodhin	Director	1. Director, The Botanical Garden Organization 2. Director, The Transport Co., Ltd.
13	Lt. Gen. Karn Kalumpasut	Director	Director, Industrial Estate Authority of Thailand
14	Mr. Jaroondech Janjarussakul	Director	-
15	Mr. Apirom Sukprasert	Director and BAAC President	Qualified Director, National Village and Urban Community Fund Office
16	Mr. Nipat Kuasakul	Senior Executive Vice President	-
17	Mr. Sarayut Yimyoun	Senior Executive Vice President	-
18	Mr. Virat Wanitthanakul	Senior Executive Vice President	-
19	Mr. Surachai Rusmee	Senior Executive Vice President	Director, Thai Agro Exchange Co., Ltd. (Talaad Thai)
20	Mr. Tanaratt Ngamvalairatt	Senior Executive Vice President	-
21	Mr. Suwit Poolsilp	Senior Executive Vice President	-
22	Mr. Somkiat Kimawaha	Senior Executive Vice President	-
23	Mr. Kasarb Ngernuang	Senior Executive Vice President	-
24	Mr. Nopadol Srisun	Senior Executive Vice President	-
25	Mr. Sarayud Tarasena	Senior Executive Vice President	Director, Thai Agri Business Co., Ltd. (TABCO)
26	Mr. Santi Charoensuk	Senior Executive Vice President	-
27	Mr. Seksan Chankwang	Senior Executive Vice President	-
28	Mr. Sompob Rodklang	Senior Executive Vice President	-
29	Mr. Wichan Sriratanawilai	Senior Executive Vice President	-
30	Mr. Peerapong Kumchuen	Senior Executive Vice President	-



Holding of Securities, BAAC Shares of the Directors, High-Level Executives, Accounting and Treasury Executives, as of 31 March 2020

No.	Name		Position	Holding of Securities (%)
1	Mr. Utama	Savanayna	Director	-
2	Mr. Anan	Suwannarat	Director	-
3	Mrs. Pantip	Sripimol	Director	-
4	Ms. Surmsuk	Salakpetch	Director	-
5	Mr. Phichest	Wiriyapaha	Director	-
6	Mr. Vinaroj	Supsongasuk	Director	-
7	Mr. Somboom	Chitphentom	Director	-
8	Mr. Thonglak	Harnsuk	Director	-
9	Ms. Ruenvadee	Suwanmongkol	Director	-
10	Mr. Suwit	Rojanavanich	Director	-
11	Mrs. Amara	Klabprathum	Director	-
12	Mrs. Ruchukorn	Siriyodhin	Director	-
13	Lt. Gen. Karn	Kalumpasut	Director	-
14	Mr. Jaroondech	Janjarussakul	Director	-
15	Mr. Apirom	Sukprasert	Director and BAAC President	-
16	Mr. Nipat	Kuasakul	Senior Executive Vice President	0.0000089
17	Mr. Sarayut	Yimyoun	Senior Executive Vice President	0.0000009
18	Mr. Virat	Wanitthanakul	Senior Executive Vice President	0.0000089
19	Mr. Surachai	Rusmee	Senior Executive Vice President	0.0000179
20	Mr. Tanaratt	Ngamvalairatt	Senior Executive Vice President	0.0000018
21	Mr. Suwit	Poolsilp	Executive Vice President	0.0000054
22	Mr. Somkiat	Kimawaha	Executive Vice President	0.0000004
23	Mr. Kasarb	Ngernruang	Executive Vice President	0.0000089
24	Mr. Nopadol	Srisun	Executive Vice President	0.0000188
25	Mr. Sarayud	Tarasena	Executive Vice President	0.0000034
26	Mr. Santi	Charoensuk	Executive Vice President	0.0000107
27	Mr. Seksan	Chankwang	Executive Vice President	0.0000002
28	Mr. Sompob	Rodklang	Executive Vice President	0.0000089
29	Mr. Wichan	Sriratanawilai	Executive Vice President	-
30	Mr. Peerapong	Kumchuen	Executive Vice President	-
31	Mrs. Pawana	Chareonchaimonkok	Senior Vice President of the Accounting Department	0.0000179
32	Mr. Ratanachai	Damneonsawat	Senior Vice President of the Treasury Department	-

Note: Shareholding by Directors, High-Level Executives, Accounting and Treasury Executives, also include shares of spouses and underage children.



Conflict of Interests Prevention Policy and Conflict of Interest Prevention Measures

BAAC operates by adhering to and placing importance on compliance with good corporate governance principles, work with transparency, fairness, and aiming for employees to work by adhering to the principles of accuracy, prudence, and focusing on common interests. Therefore, BAAC arranges for the appropriate control and prevention regarding transactions with conflict of interests, or connected transactions or related-party transactions, under the good ethical framework which is considered one of the important ethics that directors and employees must strictly abide by in order to be trusted by all stakeholders. This has been stipulated in the Bank's Regulation no. 50 regarding the Conflict of Interests of the Workers, with the following key principles:

1. Following the principles of good corporate governance by determining the responsibility of the Board of Directors to control and manage and resolve the potential conflict of interests that may arise among the management, BAAC Board of Directors, and the government sector carefully, taking into account the overall benefits of the nation as well as examining the abuse of BAAC's assets and incorrect actions by the management, BAAC Board of Directors, and government sector.

2. Following the Standard Qualifications for State Enterprise Director and Employees Act B.E. 2518 Section 5, applicable to BAAC, which requires that the BAAC Directors must not be a shareholder of BAAC or a shareholder of a juristic person in which BAAC holds shares, or a person holding any position in a juristic person which BAAC holds shares. For the fiscal year 2019, BAAC has disclosed the information and transparency of BAAC Board of Directors, President, Senior Executive Vice President, and Executive Vice President to be in accordance with the principles and guidelines for good corporate governance of BAAC. In the fiscal year 2019, there has not been a conflict of interest in the BAAC Board of Directors level, executive level, and officer level.

Related-Party Transactions

Related-Party Transactions Policy

BAAC has formulated a policy of joint investment with the company, considering businesses that are beneficial to agriculture or agriculture-related professions to promote or support marketing and agriculture operations. It is a collaboration with entrepreneur to increase income or improve quality of life of farmers or farmers' family under the objectives of the Bank for Agriculture and Agricultural Cooperatives Act. However, in order to prevent conflict of interest that may arise from transactions with related parties, BAAC has stipulated to use the market price or fair price in all types of transactions, except for any transactions that have the rules or regulations set forth by the regulator otherwise, BAAC shall comply with those rules and regulations.

The Approval Procedures for Related-Party Transactions

BAAC has placed importance to the prevention of conflict of interest from related party transactions. In the process of approving the transaction, BAAC has carefully considered the conflict of interests. The related-party transactions are in normal business of the BAAC and were approved in accordance with the BAAC procedures, which have strict measures of government and state enterprise regulations, with independence under the business ethics framework and good corporate governance principles. In this regard, the Director and executives who have interests in that matter will not be involved in approving the transaction.

Necessity and Reasonableness of Related-Party Transactions

The Audit Committee has considered the related-party transactions for the year ended 31 March 2020 and is of the opinion that such related-party transactions were transactions in the normal business of BAAC which were reasonable, the price and conditions were set according to the market price in the same manner with the pricing for other unrelated parties. There was no conflict of interest arising from a transaction with a person related to the Bank that caused the Bank to be damaged.



Separate Financial Statement	31 Mar 19	31 Mar 20	
	Bank holds shares (percent)	Bank holds shares (Percent)	Common Director or High-Level Executives
Thai Agri Business Co., Ltd. (TABCO)	10	10	Mr. Sarayud Tarasena Executive Vice President, Customer and Rural Development Line
Thai Agro Exchange Co., Ltd. (Talaad Thai)	5	5	Mr. Surachai Ruumee Senior Executive Vice President, Farmer Credit Business Group
NFC Public Co., Ltd. (National Fertilizer Corporation)*	0.00019	-	-

Note: * Resolution of the BAAC Board of Directors meeting no. 14/2019 on 29 November 2019 has approved BAAC to donate shares of NFC Public Company Limited in which BAAC holds 2,023 shares to the Sai Jai Thai Foundation.

Section 4 Roles on Stakeholders

BAAC acknowledges the rights of stakeholders as stipulated by laws and has guidelines for taking care of stakeholders according to the rights under the relevant laws. There is following up to ensure that the rights of all stakeholders are well protected and treated. The BAAC supports cooperation between the BAAC and all stakeholders in creating stability, jobs, and a stable financial position.

Roles on Stakeholders

BAAC places importance on treating all groups of stakeholders and all other relevant parties equally by establishing a process to promote cooperation between BAAC and stakeholders, and developing a mechanism for participation in enhancing performance for stability and sustainability of BAAC by formulating policies for complying with the rights of stakeholders as follows:

1. Formulating policies and developing a mechanism of stakeholders in enhancing performance to create stability.
2. Treating stakeholders appropriately and fairly, according to their rights.
3. Determining the management, executives, officers, and assisting officers at all units to provide information, received suggestions and complaints from stakeholders via various channels such as www.baac.or.th, Call Center tel. 0-2555-0555, comment box, etc.
4. The Board of Directors and executives has given importance to social and environmental operations with policy announcement (Aspiration) and established continuous social and environmental action plans in line with international standards.
5. Organizing a hearing on regulations, rules, or policies on various matters as necessary and appropriate.
6. BAAC has categorized stakeholders into groups namely regulators, shareholders, business partners/partners, suppliers, customers, service users, BAAC officers, and communities and societies in the operational area of BAAC provincial offices or the Head Quarters, etc.

7. Establishing policies and guidelines for anti-corruption, supporting and encouraging personnel to have awareness in anti-corruption, and comply with relevant laws, rules, and regulations.

Treatment of Stakeholders

Treatment of Shareholders BAAC is committed to continuously conducting business with good performance, maintaining a strong financial position, conducting business in accordance with principles of good corporate governance, relevant rules and regulations, enhancing competitiveness, and adhering to the Code of Business Ethics in order to create added value for shareholders in the long run while creating confidence and trust.

Treatment of Government and Regulators BAAC operates in accordance with the government policies, the Ministry of Finance, the Bank of Thailand, the State Audit Office of the Kingdom of Thailand, by being a mechanism to drive government policies in financial or management support to individuals, groups, entrepreneurs, village funds, or communities as well as any form of organizations established with the objectives of supporting occupations of farmers or communities.

Treatment of Customers BAAC is committed to responding to the needs and expectations of customer in order to create customer satisfaction with financial products and services that are quality, standard, and diverse, with expertise in providing services including developing various service channels through technology such as ATM, CDM, Mobile Phone Banking and Banking Agent as well as establishing a system to receive complaints and take appropriate action with care and fairness.

Treatment of Board of Directors and Executives The BAAC Directors and executives are well aware of their rights, and is ready to be a role model in exercising their rights and duties in accordance with the specified framework while also being aware of an equal and fair treatment of the rights of all groups of stakeholders of the organization.



Treatment of Officers BAAC has strengthened culture and working atmosphere, provided career path, developed capacity of officers to have the knowledge, capabilities, and skills necessary for work, created and developed different types of learning systems, and create maximum satisfaction for customers by focusing on promoting compliance with the code of conduct, including strengthening stability, morale and improving quality of life of officers, overseeing appropriate and fair remuneration, and providing various welfare, as well as providing good security systems for life and property, supporting the workspace arrangement that is appropriate and allows for efficient and effective work.

Treatment of Trading Partners BAAC provides equality to all trading partners to ensure transparency and fairness to all relevant parties by adhering to the best interest of the BAAC, not considering own's or allies' interest, by providing accurate and truthful information without causing trading partners to misunderstand or receive incomplete information, and avoid accepting gifts, gratuities, and services that are provided specifically or individually.

Treatment of Creditors BAAC has complied with the conditions agreed with various groups of creditors to maintain the reputation and credibility with all creditors and stakeholders.

Treatment of Business Alliances of BAAC

BAAC is determined to comply with the agreements made with the BAAC business partners and assist in facilitating the mutual benefit such as providing mutual cooperation and being alliance in terms of information, service, information technology, academic, and others in order to operate with efficiency and effectiveness, reduce duplication of business operations and be able to provide quality service to customers.

Treatment of Business Competitors BAAC adheres to free business principles and behaves in accordance with the rules of good competition, within the legal framework and business ethics, not seeking confidential information of competitors by dishonest methods.

Treatment of Communities, Societies, and Environments BAAC realizes that in order for it to grow sustainably, it must pay attention to social, community and environment responsibilities, by instilling awareness among all employees by setting relevant policies namely Social and Environment Responsibility Policy, Security Policy, Anti-Corruption Policy, Anti-Bribery Policy, and Corporate Risk Management, Public Concern, and Business Continuity Management Policy.

Participatory Management

BAAC is aware of the participation of all parties in the organization, which will result in effective achievement of the objectives of the

organization. Therefore, BAAC places importance to the labor relations process by creating a participatory process as follows:

The BAAC Corporate Relation Affairs Committee with authority and duty in considering and providing opinions on improving the operational efficiency of state enterprise as well as promoting and developing labor relations; seeking to reconcile and resolve conflicts in the state enterprise; considering and revising work regulations that will benefit employer, employee, and state enterprise; as well as consulting to solve problems according to the complaints of employees or labor unions including complaints relating to disciplinary action; and consulting to consider improving employment conditions.

The Corporate Relation Affairs Committee at the Branch Administration Departments with authority and duty in considering and providing opinions on improving the operational efficiency of BAAC, resolving suggestions collected from provincial office or the sub-committee of BAAC Labor Union of provincial office under the Office of Branch Administration Department, and submit to relevant departments to consider improving the working procedure. In the matters relating to policies and employment conditions, it should be submitted to the BAAC Corporate Relation Affairs Committee via the Human Resources Department.

The Corporate Relation Affairs Committee at the Head Office with authority and duty in considering and providing opinions on improving the operational efficiency of BAAC, resolving suggestions collected from the units under Head Office or sub-committee of BAAC Labor Union of Head Office, and submit to relevant departments to consider improving the working procedure. In the matters relating to policies and employment conditions, it should be submitted to the BAAC Corporate Relation Affairs Committee via the Human Resources Department.

Notification of Information or Complaints

The BAAC provides channels for complaints, which range from accepting complaints, investigation, and conclusion, as well as the protection of informants and related parties in order to receive complaints or comments from those affected or might be affected from the performance of duties of BAAC Board of Directors, President, officers, and employees of the BAAC regarding actions that violate or fail to comply with laws, government regulations, ethics, rules, regulations, orders, scheme, and practices of BAAC, as well as rules and regulations of government agencies or other institutions related to BAAC's activities.

Channels for Complaints

BAAC has channels to listen to Voice of Customer and channels to receive customer complaints as follows:



1. Direct channel i.e. BAAC officers, letters, suggestion box, telephone, and fax.

2. Customer Service center i.e. Call Center 0-2555-0555 and Customer Service Center 1593

3. Online channel i.e. Email: contact@baac.or.th the Bank website, <http://www.baac.or.th>, government website, Complaint Management System of the Office of the Prime Minister, Financial Consumer Protection Center (FCC) under the Bank of Thailand, BAAC Facebook page (BAAC provide service with heart), and Application BAAC A-Mobile

Channels for Whistle Blowing

BAAC has channels for whistle blowing as follows:

1. In the case of offense committed by the Board of Directors and the President, report the risk to the Chairman of the Risk Oversight Committee (ROC).

2. In the case of offense committed by officers and employees, report the risk to the President, or Executive Vice President responsible for Compliance and Good Governance Line or the Senior Vice President of the Office of Fraud Management through the following channels:

- Postal Mail : Bank for Agriculture and Agricultural Cooperatives
No. 48/8 Moo 18 Prachachuen Rd.
Ladyao, Chatuchak, Bangkok
10900
- E-Mail : fraud@baac.or.th
- Telephone : 0-2558-6444
- Website
Internet : <https://www.baac.or.th>
Intranet : <http://baacnet>
- Social Media
Application Line : Line ID @fraudbaac

Section 5 Sustainability and Innovation



"Be a sustainable rural development bank adhering to the Sufficiency Economy Philosophy"

In the fiscal year 2019, BAAC has determined the BAAC's sustainability framework by adhering to the Sufficiency Economy Philosophy and taking into account the importance of good corporate governance, risk management, and linked to the Sustainable Development Goals (SDGs) as the core of development and management guidelines by defining the organization's sustainability definition as follows:

"Be a sustainable rural development bank adhering to the Sufficiency Economy Philosophy"

In this regard, BAAC has determined the BAAC's sustainability factors in 3 areas, considering 3 dimensions of sustainability namely economy, society, and environment as follows:

For Organization and Staff area: a stable, sustainable, good reputation organization; employees have the knowledge, capability, and create value for stakeholders, society, and environment.

For customer area: BAAC customers have a stable career and savings, happy families, and healthy under good community and environment.

For community and Network area: strong community economy, create a learning society, stay with the environment, and create a network link for joint sustainable development.



Creating Innovation and Applying Innovation for Improving Work Process

BAAC realizes the importance of innovation and is committed to continuous creation of internal innovation. The BAAC Board of Directors and high-level executives have jointly formulated the policy, vision, strategy, action plan, and structure of responsible person for driving innovation clearly while also creating an atmosphere that promotes creation of innovation in order to apply innovation to improve work processes and continue to use innovation to add value to BAAC continuously, and support driving of tasks to support the competition that is more fierce. BAAC regularly reviews and improves the approach to drive innovation every year. Currently, the framework for driving innovation are as follows:

Vision on Innovation

"Be a leading innovation organization to enhance the capability of farmers in a sustainable manner"

Policy on Innovation

"Promote and develop innovation in order to become a leading innovation organization by encouraging employees, youth, farmers, and general customers to create innovations in products, services, work processes, and advanced agricultural innovations in order to increase the competitiveness and meet the needs of users and stakeholders with quality, as well as increasing the competitiveness of the agricultural sector by considering the copyrights of the owners of intellectual property."

The formulation of policies, strategies, and objectives for promoting creation of innovation of BAAC has given importance to the use of research and knowledge of employees as the basis and tools for creating innovation in the organization through various processes systematically, in order to focus on creating innovation to cover international standards in 4 areas, namely Research and Development, Product, Service, and Work Process as follows:

1. In terms of Research and Development: gives importance to putting research into practice by increasing the efficiency of organization management, personnel, and development of information technology to promote innovation and learning organization as part of the development of the organization towards sustainability.
2. In terms of Product: focuses on the invention, develop, and innovate new products on a regular basis in response to the needs and expectations of customers, farmers, communities, societies and environment, and various stakeholders.
3. In terms of Service: emphasizes on developing new service channels to reduce cost of customers according to vision and mission of BAAC and BAAC culture regarding Smiling and Providing Service from

the Heart, enhancement of the village fund to a community financial institution and developed into a Banking Agent network, expanding the comprehensive Electronic Banking services (PAM ATM CDM), and developing service via Mobile Phone Banking/Internet Banking/E-Banking.

4. In terms of work process: gives priority to the development of various work processes within BAAC regularly in order to be able to achieve the effectiveness according to the set target, and increase work efficiency through the innovation process.

Creating Innovation and Applying Innovation for Improving Work Process

In the fiscal year 2019, BAAC has focused on introducing new technologies and innovations to develop products, services, and all areas of BAAC operations in order to increase organization capability to be able to meet the needs of customers along with the development of production efficiency in accordance with the agricultural reform policy, by using knowledge, modern technologies and innovations for managing production and marketing of agricultural products, aiming in adapting technology and information in order to increase the efficiency of administration and services by appointing the Committee on Innovative Projects for Excellence (A-Innovation) at both the headquarters and regional levels as mechanism to drive and encourage the creation and presentation of innovations. In addition, there is an annual innovation contest at the provincial and national levels.



Fiscal Year 2019,

151 Works for Innovation Contest

BAAS has organized 2 workshops for creating corporate innovation namely "Innovation In You" and "Creative Innovation", to create works and financial products, develop communication channels on innovation work such as Innovation Network Line Group to allow members in the group to exchange knowledge and develop BAAC A-Innovation Website and Line BAAC Society to communicate BAAC's important events and news on innovation work. In addition, innovation is promoted by having the BAAC Innovation Space room to facilitate and encourage employees at all levels with freedom to express ideas, supporting the sharing of knowledge and project experience in the Thinking Space corner and Think Note Online for other to knows, questions, and express opinions.

In addition, technology and innovations have been applied to improve work processes in the previous fiscal year such as:

1. Developed systems that can quickly manage information on Social Media such as Zocial Eye, Chat Bot and War room systems, in order to manage the voices of customers and manage complaints from social media in a timely and systematic manner



by having channels for listening to importance of voice of customers.

2. Developed information technology systems to support business operations for customers to enable customers to easily access financial transactions and information as follows:

2.1 Developed A-Mobile to be able to use a wider range of services such as A-Mobile registration service, card-less cash withdrawal, etc.

2.2 Deposited with Sustainable Agriculture Savings Lottery which is a new set of Slip-less savings lottery through the BAAC A-Mobile application to be an alternative saving product for farmers and low-income people.

2.3 Developed financial service channels through the BAAC Banking Agent namely Thailand Post Co., Ltd., Forth Smart Service Public Co., Ltd., Counter Service Co., Ltd., Sabuy Technology Public Co., Ltd to conduct financial transactions on behalf of BAAC, helping to reduce BAAC's operating costs.

2.4 Developed the GIS land assessment system to be a tool to help assess the collateral and manage the collateral data to be accurate and reduce the risk of credit operations.

2.5 Developed marketing channels for agricultural produce and community products, A Farm Mart Website, to be a mobile application to facilitate easy access and use.

2.6 Developed learning channels for farmers customer entrepreneurs to be able to learn at all time about production, marketing, as well as innovation and technology through Application SMAE GO.

3. Supported innovation development for customers by focusing on cooperation on innovation development for farmer customer/farmer institutions i.e. NIA, NSTDA, and educational institutes by using agricultural innovation to develop into practice such as developing farmer customers to be Smart Farmer through the cooperatives mechanism, SMAEs, or career group, by allowing farmers to participate in the development of produce, product, or service by applying agricultural innovations in the production, management, processing, transportation, marketing as well as using agricultural innovations and technology to develop farmer customers, and training to educate farmer customers and farmer heirs as follows:

3.1 Cooperated with BioMatLink Co., Ltd. to create SmartFarming Management Platform "BioMatLink" for developing cassava business information management system throughout the Supply Chain from cultivation, purchasing, transportation, and agricultural services which was the channel that help manage cassava business chain from farmers, buyers, collectors, processors, and transport providers, allowing access to information and transfer payment for goods and services.

3.2 Cooperated with Maharakham University to develop an innovative model for the suitable storage of jasmine paddy so that the jasmine rice can maintain its fragrance more effectively.

3.3 Cooperated with Kasetsart University to strengthen farmers, entrepreneurs, and farmer institutions to have knowledge and expertise in agricultural careers throughout the production value chain.

4. Develop learning channels for farmer customers, entrepreneurs to be diverse and able to learn at any times, as a means of exchanging knowledge on production, collection, processing, marketing, as well as innovations and technology through Application SMAE GO, allowing customers to receive useful information that can be used to further develop the business.

In the fiscal year 2019, BAAC has formulated work plan to promote and develop innovation and research into practice throughout the organization and customers in the strategy 4, enhancing the competitiveness of organizations with corporate governance, by allocating budget of 15,100,000 Baht for supporting the expansion and extension of innovation and to promote research into practice in order to support agribusinesses throughout the value chain.

Sustainability Reports

In the fiscal year 2019, BAAC has prepared a sustainability report based on the Global Reporting Initiative (GRI), which reflects the organization's operations for dissemination to stakeholders and the general public, along with the annual report which can be downloaded on the website www.baac.or.th or contact Mission Driving Section, Policy and Strategy Department, Bank for Agriculture and Agricultural Cooperatives.

Section 6 Disclosure of Information

BAAC places great importance on management and operations in accordance with the good corporate governance principles. In order to enable the BAAC information disclosure to be accurate, complete, transparent, and equitable in accordance with the Official Information Act B.E. 2540 and other relevant laws, and to all the public to participate in inspecting management process, operations that affect rights or cause damage, hence the BAAC information disclosure policy has been formulated as a guideline to be used as a standard for employees at all levels, all units, both in the central and provincial areas as follows:

1. Key principles for Information Disclosure

1.1 The information disclosed must be accurate, complete, clear, and timely.

1.2 There is compliance with the rules and regulations regarding information disclosure.

1.3 Stakeholders, including shareholders and other interested parties, have an equal right to be informed and access the information disseminated.



2. Responsible Person for information disclosure

2.1 Chairman, President, top executives responsible for the Group, top executives responsible for the Line, Senior Vice President of the Departments/Offices can consider and decide about the type of content of important information for the disclosure, by which they will disclose/clarify the information by themselves or assign related parties to disclose/clarify.

2.2 Office of Marketing Communication and Public Relations is the office responsible for acting as the primary function for coordinating with the information owner to disseminate important information of BAAC through various disclosure channels.

3. The disclosure of BAAC information which is official information by publishing the official information as specified by law in the Government Gazette, consisting of

3.1 Organizational structure management is organized under the framework of 5 important principles namely the division of work principle; the assignment of work principle; the expertise principle; the righteous authority principle; and the coordination principle, and supports the tasks according to BAAC vision by organizing the group of work that are linked with one another in the same group, to create value chain for connecting work efficiently and effectively. The organization structure is publicized to inform employees via circular letter and via BAAC Intranet system, and to inform public via website www.baac.or.th.

3.2 Key authorities and procedures, the key authorities and procedures according to such authorities are summarized to enable the officers and the general public to be aware of the BAAC's roles and responsibilities as follows: (1) Key roles and responsibilities and direct impact to the customers, such as procedures for applying for service, loan approval authority, deposit receiving authority, etc., requires the branch to make a notice clearly posted at the branch office (2) Key roles and responsibilities of various departments that employees should know, which employees can search from the Correspondence Systems, BAAC Operation Manuals, and Electronic Document Archiving Systems, as well as the department website in the BAAC Intranet System.

3.3 Contact point for information or suggestions for contacting the BAAC, in order to inform the location of the contact to receive information or suggestion to increase convenience to the public to know where to contact, as well as to be a clear guarantee that BAAC has arranged regular staff to provide information, news, and suggestion for contact.

3.4 Rules, regulations, orders, circulars, schemes, policies, or interpretations are provided with the condition as a rule to have general effect to the private sector concerned.

3.5 Other information as determined by the Official Information Commission to be consistent and suitable for future society development.

4. Disclosure of information which must include the information as required by law to be included for public viewing, the BAAC has compiled financial and non-financial information that is accurate, complete, and up to date in order to be collected for public viewing as needed including

4.1 The result of the consideration or decision that has a direct effect on the private sector, including dissenting opinion and the relevant orders in such consideration, to enable the public to check whether any consideration of a matter relating to the private sector in the past has been considered by rules or according to the law, which will enable them to receive information as a guideline how to prepare if they have similar case and how the BAAC should consider it.

4.2 Significant policies or interpretations, including policies related to financial risk management for the public to be aware of and cooperate or make recommendations to such policy guidelines, which is important in promoting public participation.

4.3 Plans, projects, and annual budgets that are underway, information regarding plans projects, and annual budgets is considered as important information to enable contractors or entrepreneurs to be informed equally about annual budgets of government agencies as well as plans and projects, allowing the procurement process to be fair and transparent, and allowing BAAC to benefit from fair competition.

4.4 Manual or order regarding working methods of the government officials which affects the rights and duties of the private sector in order to be informed of the procedure and criteria for consideration and the practice of officials no matter in the provision of service or operations in any matter with the people under the power of the BAAC, or for requesting various services from the BAAC.

4.5 Financial Report, Auditor Report, and Annual Performance Report to provide the opportunity to the public to be informed of the BAAC's operational results in their actual operations, which create trust in BAAC's operation and bring transparency to the organization.

4.6 Policy on remuneration for directors and top executive in the annual report including the type and amount of compensation to enable the public to be aware of the remuneration for directors and top executive, which has been carried out in accordance with the regulations and referring to governmental practices, which is disclosed in the annual report



while the type and amount of compensation will be proceeded according to regulations and refer to governmental practices.

5. Disclosure or provision of all types of BAAC information that can be disclosed to the public who want to know by proceeding under the Official Information Act B.E. 2540.

6. BAAC Board of Directors and management has placed importance on the disclosure of information by formulating the policy on disclosure of information and transparency, with thorough communication including publicizing such procedure to the public via appropriate communication channels thoroughly.

7. BAAC's information and reports have been prepared such as annual report, statistical information, etc., with accuracy, reliability, and completeness by using language that is easy to understand, compact, and has sufficient and useful information for users.

8. Types of information to be publicized and information disclosure channels

8.1 Types of information to be publicized, BAAC will publicize information within the time and with the frequency as stipulated by laws or as determined by government agencies or agency supervising the BAAC, depending on the type of information.

8.2 Information disclosure channels, BAAC will disclose information via various disclosure channels provided by BAAC. The selection of disclosure channels will depend on legal requirements or determined by government agencies or agency supervising the BAAC, and type of information. Initially, BAAC has provided both internal and external channels for information disclosure as follows: (1) Electronic media such as internet, Facebook LINE@BAACsociety, Youtube, Email and Digital signage system, etc. (2) Printed media such as brochure, poster, newspaper, book/journal, letter, BAAC booklet, annual report, etc. (3) Mass media such as central radio station and local radio station, television, etc. (4) Other media such as personnel interviewing, public hearings with stakeholders, academic meeting, learning center, knowledge distribution center, meeting, customer group and customer group leader, and exhibition, etc.

9. An annual report showing financial position and operating result is prepared within a specified period (120 days after the end of the fiscal year) covering important principles

such as BAAC's operational policy, risk management and internal control policy, financial report, past performance, information about directors and high-level executives, etc.

10. The information disclosure regarding the procurement of BAAC has the guidelines and information disclosure channels as follows:

10.1 Publicize in the information network of the Comptroller General's Department, the Ministry of Finance at <http://www.gprocurement.go.th>, via BAAC Website at <http://www.baac.or.th>, which consists of annual procurement plan, disclosure of median price, procurement notification, Terms of Reference (TOR), public hearings, and procurement report on all stages of the procurement process.

10.2 Publicize via BAAC Website at <http://www.baac.or.th>, which consists of quarterly procurement report.

10.3 Publicize in the information network of the Comptroller General's Department, the Ministry of Finance at <http://www.gprocurement.go.th>, via BAAC Website at <http://www.baac.or.th>, and post notification at the BAAC public relation signboard for a period of not less than 3 consecutive business days, which consists of procurement notification, notification of bid winners or selected person.

10.4 Deliver copy of contract or agreement with value of 1 million Baht and above to the State Audit Office of the Kingdom of Thailand (SAO) and the Revenue Department within 30 days from the date of contract or agreement.

10.5 Report the procurement plan for office equipment that cost more than 100,000 Baht, and land and building that cost more than 2,000,000 Baht to the State Audit Office of the Kingdom of Thailand (SAO), and report the result of the procurement plan every quarter. (5) Report the procurement result with the credit limit exceeding 20 million Baht to the BAAC Board of Directors every quarter.

10.6 Report the procurement result with the credit limit exceeding 50 million Baht to the government budget spending monitoring committee to submit to the Cabinet every end of the month.

11. Review of the information disclosure policy, BAAC has a policy to review the information disclosure at least once a year for the information disclosure policy to be correct and accurate in accordance with legal requirements and regulations for better practical results.



Section 7 Risk Management and Internal Control

The Risk Oversight Committee has conducted duties as assigned by the order of the BAAC Board of Directors in accordance and as specified by the Charter of the Risk Oversight Committee. In the fiscal year 2019, (1 April 2019 to 31 March 2020) there were 11 meetings with 32 issues for consideration and 54 issues for acknowledgement. The essence of the performance of duties in the fiscal year 2019 can be summarized as follows:

1. Defined and reviewed the composition of the Risk Oversight Committee's Charter to ensure compliance with the principles of Good Governance and Check and Balance, as well as to enable the BAAC's risk management and internal control to be efficient and effective.
2. Established policies, strategies, plans, and framework for risk management and internal control, including management of risk from implementation of the government policy projects.
3. Assessed risks, monitored and supervised risk management in accordance with the specified policies and strategies, and be at the BAAC's acceptable risk level; advised the development of the BAAC's risk management work for greater efficiency; and considered, followed up, and reviewed the evaluation results and sufficiency of the BAAC's internal control system.
4. Developed tools and systems for risk management and internal control in accordance with the current situation and in accordance with criteria and supervision guidelines of the Bank of Thailand, the Ministry of Finance, and international standards to support the operation to achieve objectives and goals.
5. Supervised BAAC executives and staff to understand risk management and internal control and support continuous learning to promote a risk management culture throughout the organization.

Section 8 Ethics

BAAC places importance to the ethics of directors, executives, and staff, consisting of:

1. **Respect for Laws and Human Right Principles** Directors, executives, and staff strictly comply with the rules and regulations of the BAAC, as well as comply with laws and international human rights principles relevant to BAAC's activities.
2. **Political Support** Directors, executives, and staff at all levels have the right and freedom to exercise political rights and to participate in political activities under the provisions of the constitution.

3. **Stake and Conflict of Interest** Directors, executives, and staff should protect the interests of BAAC by not doing anything that causes the BAAC to lose benefits and not to misappropriate the benefits of the BAAC for personal or customer benefits.

4. **Confidentiality, Data Retention, and Use of Internal Information** Directors, executives, and staff must keep the BAAC and customer information confidential by not disclosing the BAAC's information and news that should not be disclosed, and not giving any news or information that the authority has not approved.

5. **Treatment of Customers** Directors, executives, and staff must give importance and attention to customers by aiming and creating confidence for customers to receive good quality products and services at a fair price which will result in customer satisfaction.

6. **Treatment of Business Competitors** Directors, executives, and staff must be committed to fair competition with due regard to business ethics.

7. **Treatment of Shareholders** Directors, executives, and staff should treat shareholders according to their rights as per relevant laws.

8. **Procurement and Treatment of Business Partners** Directors, executives, and staff must adhere to the BAAC's highest benefits regardless of personal or allies' interests.

9. **Overall Community and Social Responsibility** Directors, executives and staff realize the social and community responsibility and consider as one of the main tasks of BAAC.

10. **Treatment of Supervisors, Subordinates, and Peer Colleagues** Directors, executives, and staff must respect the privacy rights of other people equally and not violate their rights, including respect for honor and dignity, and help and collaborate in work.

11. **Internal Control and Internal Audit** Directors, executives, and staff must have knowledge, understanding, cooperation, and support in the BAAC's internal control and internal audit systems, and establish and maintain a good internal audit system in accordance with standards set forth in the regulations of the State Audit Commission regarding the performance of internal audit B.E. 2546, as well as to consider and suggest in accordance with the audit report of the Audit Department by the management committee or high-level executives, to order the responsible person to take appropriate and timely action.



12. Accepting or Offering Gifts, Properties, or other Benefits

Directors, executives and staff must be cautious in accepting or offering benefits as incentives, or ordering others to receive and offer benefits on their behalves, including the spouses and relatives of staff which may affect business decisions on behalf of the BAAC or for hope of career advancement or consideration of annual evaluation i.e. gifts, souvenirs, money, properties or other benefits that may be calculated as money such as debt reduction, free debt, lending without interest, service usage without charge, or charge less interest or service fees than other normal transactions, which are actions that cause the person to receive benefits that may be calculated as money or not having to pay expenses, etc., as prescribed by the National Anti-Corruption Commission.

13. Safety, Hygiene, and Environment Directors, executives, and staff recognize the importance of the quality management and assurance system, safety, occupational health, and environment, and must strictly observe and comply with the requirements and standards of quality, safety, occupational health, and environment.

14. Property, Intellectual Property, and the Use of Information Technology and Telecommunications Directors, executives, and staff have duties and responsibilities to protect and maintain the BAAC's intellectual property, while the information and communication technology are used by using the telecommunication media that are benefit to the BAAC in accordance with relevant laws, and respect the copyrights of the owners of the intellectual property and not support the infringement of intellectual property rights of others both for domestic and abroad.

Section 9 Performance Monitoring

In order to achieve the management's vision, BAAC requires that the BAAC Board of Directors has an important role in giving policies and monitoring financial and non-financial performance, by preparing a memorandum of agreement for performance evaluation follow-up on a regular basis through various channels, such as meetings, performance tracking systems. The supervision authorities are delegated to Committees, Sub-Committees, Management Committee, as well as executives. In addition, the BAAC has set a regular hierarchical backward reporting. The BAAC Board of Directors and executives are also responsible for reporting operational results to shareholders, regulatory body, and stakeholders within the specified period, and use of technology for information disclosure, allowing stakeholders and general public to easily access and follow-up important operations of BAAC via the Bank's website www.baac.or.th under the heading of Operations Results which consists of important information such as key financial and non-financial information, compared with goals of the organization performance evaluation agreement, annual report, sustainability development report, management discussion and analysis, etc.

The BAAC Board of Directors places great importance on using information obtained from performance tracking to improve the operations, by following up on the use of performance result to improve regularly, as well as create an atmosphere for extension thinking and develop operation to achieve the organization's operational goals.



The BAAC places great importance on using information obtained from performance tracking to improve the operations.





BAAC and Sustainable Development

Sustainable Development Policy

BAAC realizes the importance of sustainable development operation, by using the Sufficiency Economy Philosophy as a guideline for business operations and farmer customers development. It adheres to the operation in accordance with the principles of good corporate governance and has appropriate risk management with social and environment responsibility in its operation to support Sustainable Development Goals that are consistent with the context of BAAC. The policies on sustainable development operation have been formulated for all units of the BAAC to implement concretely as follows:

1. Committing to business operations under principles of good corporate governance, transparency, fairness, with appropriate risk management and compliance with rules and regulations, focusing in the application of technology and information to increase operational efficiency to build trust among stakeholders, with stable and sustainable growth.
2. Developing service channels in the form of digital and through financial networks, as well as developing products and services with customer centric to create customer satisfaction.

3. Developing staff capacity to be ready to enter to digital age and equipped with knowledge and expertise throughout the agribusiness chain, as well as promoting employee health care to strengthen the employee engagement and be an organization of happiness.

4. Supporting community businesses, promoting foundation economy, enhancing the community to happy community in 4 dimensions i.e. economy, society, environment, and culture to create sustainability of community and the Thai agricultural sector.

5. Supporting the Go-Green policy, promoting Green Credit for businesses that considers environmental impacts such as safe agriculture and organic agriculture, as well as enhancement of the Tree Bank to Valuable Tree Community for the health of customers and consumers, and the community to have a good environment and mitigate the effects of climate change.

6. Enhancing staff awareness, driving worthwhile use of resources and protecting the environment aiming for Low Carbon Banking.

SUSTAINABLE DEVELOPMENT GOALS



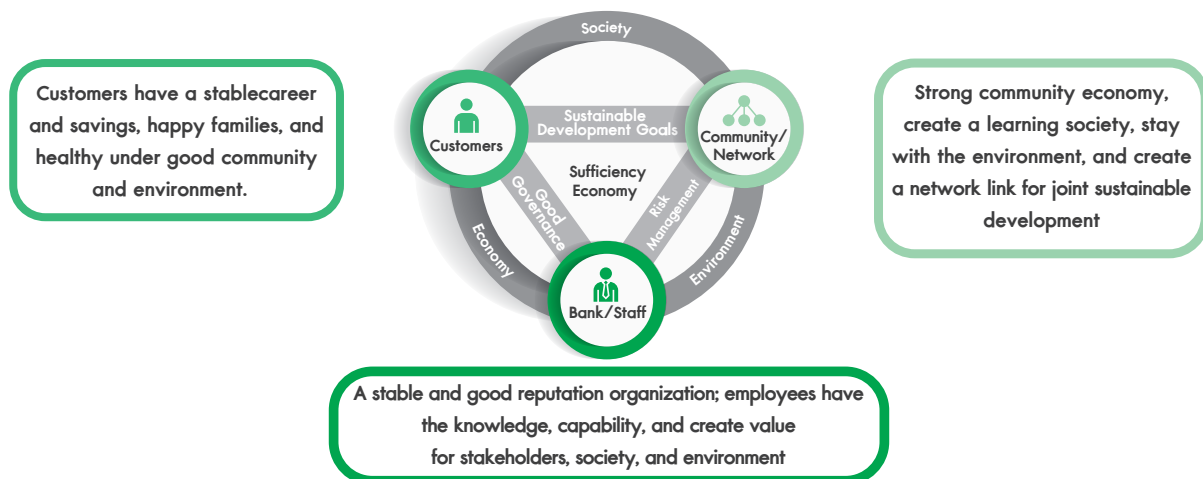
BAAC is committed to driving its tasks to become a sustainable rural development bank, to strengthen the rural sector, with the community as the center of balanced economic, social cultural, and environmental development. It also places importance to the use of innovation in the development of work processes to create value for the organization, customers, and all groups of stakeholders under the management in accordance with principles of good governance and good corporate governance guidelines of state enterprise.

In driving sustainable development operations, BAAC has adopted the world Sustainable Development Goals (SDGs) and international standards of sustainable development concepts as factors to review the BAAC's definition of sustainability and sustainability factors as follows:

BAAC Sustainability Definition

“Be a sustainable rural development bank adhering to the Sufficiency Economy Philosophy”

BAAC Sustainability Factors





In the fiscal year 2019, BAAC has driven its tasks in accordance with the sustainable development goals by delivering value to customers, community/network, as well as organization and staff which could be classified by 3 dimension economic, social, and environmental as follows:

Economic

BAAC places great emphasis on developing a variety of service channels and the form of digital and through a network of business partners covering customer needs with customer centric approach, promoting access to financial services through various channels to provide customers with quick access anytime anywhere as well as focusing on the application of technology and information to increase efficiency of management and services, as well as risk prevention in various areas.



Social

BAAC places importance on occupational health and safety management, supporting staff to exercise regularly in order to look after their health, as well as developing the staff capacity to be ready to enter the digital age and equipped with knowledge and expertise throughout the agribusiness chain and the support of community business for Thai, promoting foundation economy, as well as enhancing community to happy community in 4 dimensions i.e. economy, society, environment, and culture, with the value that BAAC is more than a Bank to create sustainability of the Thai agricultural sector.



Environmental

BAAC places importance on the Go-Green policy, promote Green Credit, promote safe agriculture and organic agriculture, from planting to processing and selling, and enhance the Tree Bank to Valuable Tree Community, promote and develop green organization, drive the use of resources worthily and protect the environment such as raising awareness of worthwhile use of resources, reducing water use, reducing energy consumption, changing light bulbs to energy-saving LED bulbs, etc. in order to become a Low Carbon Banking.



More information about sustainable development could be found from "BAAC Sustainable Development Report for the year 2019" <https://www.baac.or.th> under topic Operation Results, sub-topic Sustainable Development Report or download QR Code





The Awards of Pride

01

Thailand Quality Class: TQC

From the 18th Thailand Quality Award for 2019
By the National Quality Award Commission and the Ministry of Industry



02

Outstanding State Enterprise Board of Directors Award

From the announcement of outstanding State Enterprise for the year 2019
By the State Enterprise Policy Office



03

Outstanding Organization Management Award

From the announcement of outstanding State Enterprise for the year 2019
By the State Enterprise Policy Office



04

NACC Integrity Awards

For the year 2019
By the Office of Anti-Corruption Commission



CMMI Level 3
Standard



International
Organization for
Standardization

ISO 20001:2018

Service Level Management
System Standard



31000
Risk-Management

Risk Management
System Standard



05

Thailand's Integrity and Transparency Assessment: ITA

For the year 2019 with the score of 96.43
By the Office of Anti-Corruption Commission



06

Government Easy Contact Center (GECC)

By the Office of the Permanent Secretary, the Prime Minister's Office in collaboration with the Office of the Public Sector Development Commission
Certified by 15 branches



07

Green Office

By the Department of Environmental Quality Promotion
With assessment score of 90.16, Excellent level



08

Outstanding Savings Promotion Award 2019

Award type: Outstanding Savings Promotion
The Bank with highest number of new members
By the National Savings Fund



ISO/IEC 27001:2013

Information Security Management Standard



Energy Management Standard



Information Technology Audit Management System Standard



Report of the Audit Committee

The Board of Directors of the Bank for Agriculture and Agricultural Cooperatives has resolved to appoint the BAAC Audit Committee according to the order of the Board of Directors of the Bank for Agriculture and Agricultural Cooperative no. 3/2019 on 28 February 2019 effective from 27 February 2019 to present, consisting of:

Mr. Vinaroj	Supsongsuk	BAAC Director	Chairman
Mr. Phichest	Wiriyapaha	BAAC Director	Member
Mr. Somboom	Chitphentom	BAAC Director	Member

The Chief Audit Executive acts as the Secretary of the Audit Committee

The BAAC Audit Committee has performed according to authorities, duties, and responsibilities as specified in the Operational Manual of the Audit Committee and the Charter of the Audit Committee which are consistent with the regulations of the Ministry of Finance on the Audit Committee and the Internal Audit Unit of State Enterprise B.E. 2555, and Operational Manual of the Audit Committee in State Enterprise, Ministry of Finance B.E. 2555.

In the fiscal year 2019, (1 April 2019 - 31 March 2020), the BAAC Audit Committee held 6 meetings with the management, internal auditors, BAAC Auditor (State Audit Office of the Kingdom of Thailand) in accordance with the relevant agenda, by proactively working to prevent and close weaknesses that may arise in internal control, reviewed the technology and information, and reviewed financial report and loan transactions. The BAAC Audit Committee has reported the meeting results to the BAAC Board of Directors regularly on a quarterly basis which can be summarized as follows:

Review of Financial Report

The BAAC Audit Committee has reviewed the financial report by reviewing accounting information, compliance with financial reporting standards and official requirements, and reviewing the connected transactions, or transactions that may cause conflict of interest or may have a chance for corruption that may affect the operation of BAAC. The special meeting with the BAAC Auditor (State Audit Office of the Kingdom of Thailand) has been organized, without the management or other parties being present, in the issues found in the review of financial statements, ensuring that the financial statements and disclosure of important information is accurate, complete, reliable, and in accordance with generally accepted accounting principles, under the BAAC's accounting policy.

Review of Internal Control System, Risk Management, and Good Corporate Governance

The BAAC Audit Committee has reviewed the sufficiency of the internal control system, risk management, and good corporate governance by considering the audit results of the internal auditor and the audit results by the supervising agency, and give advice so that activities are carried out in accordance with the rules and regulations set by the BAAC and supervising agency under the acceptable risk level (Risk Appetite). In addition, the BAAC Audit Committee has followed up to ensure that corrective actions for the issues found from the result of audit of the internal auditor and supervising agency have been taken in an appropriate and timely manner, ensuring that BAAC has an appropriate internal control system, risk management, and good corporate governance that can support the BAAC's operations to achieve its objectives under the principles of governance.

Review of Compliance with Laws, Regulations, Cabinet Resolutions, Rules, Practices, and Ethics

The BAAC Audit Committee has reviewed the system for controlling the process for compliance with laws, regulations, Cabinet resolutions, rules, procedures, and ethics and submit to the BAAC Board of Directors on a quarterly basis, in which the BAAC has complied with the recommendations of the BAAC Audit Committee within the specified period. The review results ensure that BAAC has complied with all relevant rules and regulations and has prepared a written code of ethics and communicated to all staff throughout the organization including supporting sufficient and complete implementation.



Supervision of the Internal Audit

The BAAC Audit Committee has approved the Charter of the Audit Line to be used as a guideline for performing duties, and to create an understanding of objectives, scope of authorities and responsibilities. It approved the revision of the auditing manual, strategic plan of the audit line, the 5-year audit plan, the annual audit plan. It also considered and approved the budget, personnel development plan, and assessed the adequacy and quality of the resources of the Audit Line, encouraged internal auditors to have certificates related to internal auditing and to continually improve their professional competency. It has arranged for the internal audit quality assessment by the external qualified and independent experts and prepared a plan to improve the efficiency of the internal audit to be a quality assurance and improve the internal audit. It considered the audit results and made corrective actions on important issues. The follow-up on the progress of operations in accordance with the approved Strategic Plan of the Audit Line has been made, and the advice for greater work efficiency has been provided.

Quality Retention of the Audit Committee

The BAAC Audit Committee has reviewed and revised the Charter of the Audit Committee. There were also individual assessment and group evaluation in accordance with good governance guidelines of the State Enterprise Policy Office, the Ministry of Finance to ensure that the performance of the Audit Committee was effective and achieved defined goals as specified in the Charter of the BAAC Audit Committee.

Auditor

BAAC Audit Committee has considered the appointment of the Auditor and audit fees for the State Audit Office of the Kingdom of Thailand (SAO) for the fiscal year 2020 before submitting to the BAAC Board of Directors to request for approval at the Shareholders' meeting.

The BAAC Audit Committee has performed its duties with prudence, independence, honesty, transparency, and accountability in accordance with good governance principles. The BAAC Audit Committee is confident that the Bank's financial statements and disclosure of information are complete and reliable, in line with accounting standards in accordance with generally accepted accounting principles; risk management and internal control systems are effective and appropriate; the internal audit is independent and covers high-risk operations with an audit process that is in line with audit standards; and there is an operational supervision to properly comply with laws or regulations, in line with the current business environment, without restriction on obtaining information, resources, and cooperation from BAAC.

(Mr. Vinaroj Supsongsuk)

Chairman of the BAAC Audit Committee
Bank for Agriculture and Agricultural Cooperatives



Report on Board of Directors Responsibilities to the Financial Statements

The BAAC Board of Directors has recognized the importance of duties and responsibilities as Directors, responsible for the financial statements and financial information presented in the annual report, therefore supervising the preparation of such financial statements to be in accordance with the standards and generally accepted accounting principles under appropriate accounting policies and consistently adhere to principles of prudence, accuracy, completeness, truthfulness, and reasonability in order to truly reflect the Bank's operating results, and has also reported the results of operation and disclosure of important information transparently and sufficiently continuously for the benefits of shareholders.

The BAAC Board of Directors has established and maintained a risk management system, internal control system, internal audit, and appropriate and sufficient supervision, to ensure that financial information is accurate, complete, and sufficient to maintain assets, as well as to prevent fraud or significant irregularities.

The BAAC Board of Directors has appointed the Audit Committee consisting of independent directors to supervise and review the reliabilities and accuracy of financial reports, and appointed the Risk Oversight Committee consisting of knowledgeable and capable committee members to supervise the internal control system to be sufficient appropriate. Therefore, it can be confident that the Bank's financial statements are reliable and the Audit Committee has provided opinion in the Report of the Audit Committee and the Risk Oversight Committee has expressed opinion in the Report of the Risk Oversight Committee, which are presented in this annual report.

The Bank's financial statements have been audited by the auditor of the State Audit Office of the Kingdom of Thailand (SAO). In such audit, the Bank has provided information and documents as requested by the auditor so that the auditor can audit and express opinions in accordance with the auditing standards. The opinion of the auditor is presented in the Report of the Auditor, which is presented in this annual report.

The BAAC Board of Directors is of the opinion that the overall internal control system of the Bank is sufficient and appropriate, to create reasonable assurance that the Bank's financial statements for the year ended 31 March 2020 are reliable in accordance with the generally accepted accounting standards and are in accordance with relevant laws and regulations.

(Mr. Uttama Savanayna)

Chairman of the Board of Directors
Bank for Agriculture and Agricultural Cooperatives

(Mr. Apirom Sukprasert)

President
Bank for Agriculture and Agricultural Cooperatives



Auditor's Report

To The Shareholders of Bank for Agriculture and Agricultural Cooperatives

Opinion

The State Audit Office of the Kingdom of Thailand has audited the accompanying financial statements of the Bank for Agriculture and Agricultural Cooperatives (the Bank), which comprise the statements of financial position as at 31 March 2020, the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In the State Audit Office of the Kingdom of Thailand's opinion, the accompanying financial statements present fairly, in all material respects, the Bank's financial position as at 31 March 2020 as well as the Bank's financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

The State Audit Office of the Kingdom of Thailand conducted the audit in accordance with the State Audit Standards and Thai Standards on Auditing. The State Audit Office of the Kingdom of Thailand's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Bank's Financial Statements section of the State Audit Office of the Kingdom of Thailand's report. The State Audit Office of the Kingdom of Thailand is independent of the Bank in accordance with the State Audit Standards issued by the State Audit Commission and the Code of Ethics for Professional Accountants determined by the Federation of Accounting Professions that are relevant to the audit of the financial statements, and the State Audit Office of the Kingdom of Thailand has fulfilled other ethical responsibilities in accordance with these standards and requirements. The State Audit Office of the Kingdom of Thailand believes that the audit evidence the State Audit Office of the Kingdom of Thailand has obtained is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's opinion.

State Audit Office of the Kingdom of Thailand

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Bank's financial statements and the auditor's report thereon. The annual report is expected to be made available to the State Audit Office of the Kingdom of Thailand after the date of this auditor's report.

The State Audit Office of the Kingdom of Thailand's opinion on the Bank's financial statements does not cover the other information and the State Audit Office of the Kingdom of Thailand will not express any form of assurance conclusion thereon.

In connection with the audit of the Bank's financial statements, the State Audit Office of the Kingdom of Thailand's responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the accompanying financial statements or the State Audit Office of the Kingdom of Thailand's knowledge obtained in the audit, or otherwise appears to be materially misstated.

When the State Audit Office of the Kingdom of Thailand reads the annual report, if the State Audit Office of the Kingdom of Thailand concludes that there is a material misstatement therein, the State Audit Office of the Kingdom of Thailand is required to communicate the matter to those charged with governance.

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

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



In preparing the Bank's financial statements, management is responsible for assessing the Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Bank's Financial Statements

The State Audit Office of the Kingdom of Thailand's objectives are to obtain reasonable assurance about whether the Bank's 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 the State Audit Office of the Kingdom of Thailand's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit Standards and 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 the State Audit Standards and Thai Standards on Auditing, the State Audit Office of the Kingdom of Thailand exercises professional judgment and maintains professional skepticism throughout the audit. The State Audit Office of the Kingdom of Thailand also:

- Identifies and assesses the risks of material misstatement of the Bank's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's 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.
- Obtains 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 Bank's internal controls.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes 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 Bank's ability to continue as a going concern. If the State Audit Office of the Kingdom of Thailand concludes that a material uncertainty exists, the State Audit Office of the Kingdom of Thailand is required to draw attention in the auditor's report of the State Audit Office of the Kingdom of Thailand to the related disclosures in the Bank's financial statements or, if such disclosures are inadequate, to modify the State Audit Office of the Kingdom of Thailand's opinion. The State Audit Office of the Kingdom of Thailand's conclusions are based on the audit evidence obtained up to the date of the auditor's report of the State Audit Office of the Kingdom of Thailand. However, future events or conditions may cause the Bank to cease to continue as a going concern.



- Evaluates the overall presentation, structure and content of the Bank's financial statements, including the disclosures, and whether the Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The State Audit Office of the Kingdom of Thailand communicates 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 the State Audit Office of the Kingdom of Thailand identifies during the audit.

(Mr. Pornchai Jumroonpanichkul)

Deputy Auditor General

(Miss Kanitha Tassanapitak)

Director of Financial and Procurement Audit Office No. 4



FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2020

(Unit: Thousand Baht)

	Note	31 MARCH 2020	31 MARCH 2019
ASSETS			
CASH		17,251,292	18,134,528
INTERBANK AND MONEY MARKET ITEMS, NET	8.1	273,148,831	268,964,440
INVESTMENTS, NET	8.2	80,136,603	73,120,572
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET			
LOANS TO CUSTOMERS	8.3.1	1,212,051,157	501,174,196
ACCRUED INTEREST RECEIVABLES	8.4	24,597,134	6,907,264
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES		1,236,648,291	508,081,460
<u>LESS DEFERRED REVENUE</u>	8.3.1.2	25,952	32,582
<u>LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS</u>	8.5	276,813,235	102,542,719
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET	8.3	959,809,104	405,506,159
LOANS TO CUSTOMERS FROM PUBLIC SERVICE ACCOUNTS AND ACCRUED INTEREST RECEIVABLES, NET			
LOANS TO CUSTOMERS FROM PUBLIC SERVICE ACCOUNTS			
UNCOMPENSATED LOSS FROM GOVERNMENT	8.32.2	286,824,509	948,329,919
ACCRUED INTEREST RECEIVABLES FROM PUBLIC SERVICE ACCOUNTS			
UNCOMPENSATED LOSS FROM GOVERNMENT	8.32.2	3,464,201	19,663,467
TOTAL LOANS TO CUSTOMERS FROM PUBLIC SERVICE ACCOUNTS AND ACCRUED INTEREST RECEIVABLES		290,288,710	967,993,386
<u>LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS FROM PUBLIC SERVICE ACCOUNTS</u>	8.32.3	56,460,953	200,829,300
TOTAL LOANS TO CUSTOMERS FROM PUBLIC SERVICE ACCOUNTS AND ACCRUED INTEREST RECEIVABLES, NET	8.32.2.1	233,827,757	767,164,086
RECEIVABLES ELIGIBLE FOR GOVERNMENT REIMBURSEMENT FROM NORMAL ACCOUNTS	8.6	16,913,717	19,038,069
RECEIVABLES ELIGIBLE FOR GOVERNMENT REIMBURSEMENT FROM PUBLIC SERVICE ACCOUNTS	8.32.2.2	361,815,594	307,901,183
ASSETS HELD FOR SALE, NET	8.7	110,000	76,997
PREMISES AND EQUIPMENT, NET	8.8	10,796,261	10,841,715
FINANCIAL LEASE ASSETS, NET	8.9	124,756	137,632
INTANGIBLE ASSETS, NET	8.10	746,684	805,612
OTHER ASSETS, NET	8.11	4,175,352	2,680,392
TOTAL ASSETS		1,958,855,951	1,874,371,385

Notes to the financial statements are an integral part of these financial statements.



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2020

(Unit: Thousand Baht)

	Note	31 MARCH 2020	31 MARCH 2019
LIABILITIES AND EQUITY			
DEPOSITS	8.12	1,673,272,496	1,617,760,073
INTERBANK AND MONEY MARKET ITEMS, NET	8.13	77,080,308	69,797,622
LIABILITIES PAYABLE ON DEMAND		514,309	501,500
DEBTS ISSUED AND BORROWINGS	8.14	20,004,999	10,064,302
FINANCIAL LEASE LIABILITIES	8.15	139,804	156,025
ACCRUED INTEREST PAYABLES		3,175,824	4,228,424
ACCOUNTS PAYABLES FROM BANK'S FUNDS	8.16	485,994	541,937
ACCOUNTS PAYABLE FOR PUBLIC SERVICE PROJECTS FROM NORMAL ACCOUNTS	8.17	306,916	488,794
ACCOUNTS PAYABLE FOR PUBLIC SERVICE PROJECTS FROM PUBLIC SERVICE ACCOUNTS	8.32.4	7,587,131	5,771,021
PROVISIONS	8.18	11,020,107	6,993,919
OTHER LIABILITIES	8.19	27,273,852	22,523,591
TOTAL LIABILITIES		1,820,861,740	1,738,827,208
EQUITY			
SHARE CAPITAL	8.20		
AUTHORIZED SHARE CAPITAL			
800,000,000 COMMON SHARES OF BAHT 100 EACH		80,000,000	
600,000,000 COMMON SHARES OF BAHT 100 EACH			60,000,000
ISSUED AND PAID-UP SHARE CAPITAL			
559,453,385 ORDINARY SHARES OF BAHT 100 EACH		55,945,338	55,945,338
OTHER COMPONENTS OF EQUITY		15,021	(7,832)
RETAINED EARNINGS			
APPROPRIATED			
LEGAL RESERVE		21,643,206	18,843,206
UNAPPROPRIATED		60,390,646	60,763,465
TOTAL EQUITY		137,994,211	135,544,177
TOTAL LIABILITIES AND EQUITY		1,958,855,951	1,874,371,385

Notes to the financial statements are an integral part of these financial statements.

(Mr. Apirom Sukprasert)

President

(Mrs. Pawana Jaroenchaimongkol)

Senior Vice President, Accounting Department



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

(Unit: Thousand Baht)

	Note	2020	2019
INTEREST INCOME	8.24	50,195,761	40,490,955
INTEREST EXPENSES	8.26	9,550,064	7,341,772
INTEREST INCOME, NET		40,645,697	33,149,183
FEES AND SERVICE INCOME		4,353,660	4,100,467
FEES AND SERVICE EXPENSES		139,145	81,272
FEES AND SERVICE INCOME, NET	8.27	4,214,515	4,019,195
GAIN ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS		20,220	14,267
LOSS ON INVESTMENTS		(271)	(33,791)
OTHER OPERATING INCOME	8.28	4,380,996	4,982,704
INCOME FROM PUBLIC SERVICE ACCOUNTS	8.32.5	43,497,723	51,328,150
TOTAL OPERATING INCOME		92,758,880	93,459,708
OTHER OPERATING EXPENSES			
EMPLOYEES' EXPENSES		14,208,382	9,996,035
DIRECTORS' REMUNERATION		8,616	4,744
PREMISES AND EQUIPMENT EXPENSES		2,321,873	1,817,126
OTHERS		6,066,262	5,812,028
TOTAL OTHER OPERATING EXPENSES		22,605,133	17,629,933
EXPENSES FROM PUBLIC SERVICE ACCOUNTS	8.32.6	29,991,327	34,344,314
BAD DEBTS, DOUBTFUL ACCOUNTS AND LOSS ON IMPAIRMENT	8.29	30,211,589	31,597,609
NET PROFIT		9,950,831	9,887,852
OTHER COMPREHENSIVE INCOME (LOSS)			
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
GAINS (LOSSES) ON REMEASURING AVAILABLE-FOR-SALE INVESTMENTS		22,853	(25,939)
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
ACTUARIAL LOSS ON DEFINED BENEFIT PLANS		(2,034,875)	-
OTHER COMPREHENSIVE LOSS, NET		(2,012,022)	(25,939)
TOTAL COMPREHENSIVE INCOME		7,938,809	9,861,913
EARNINGS PER SHARE			
BASIC EARNINGS PER SHARE (BAHT)		17.79	17.67

Notes to the financial statements are an integral part of these financial statements.

(Mr. Apirom Sukprasert)

President

(Mrs. Pawana Jaroenchaimongkol)

Senior Vice President, Accounting Department



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

(Unit: Thousand Baht)

NOTE	ISSUED AND PAID-UP SHARE CAPITAL	OTHER COMPONENTS OF EQUITY	RETAINED EARNINGS		TOTAL
			LEGAL RESERVE	UNAPPROPRIATED	
	ORDINARY SHARES	REVALUATION SURPLUS (DEFICIT) ON INVESTMENTS			
BALANCE AS AT 1 APRIL 2018	55,945,338	18,107	16,043,206	59,068,567	131,075,218
ADJUSTMENT OF EXCESS ALLOCABLE SURPLUS AFTER BONUS PAYMENT	8.21	-	-	201,580	201,580
BALANCE AFTER ADJUSTMENT	55,945,338	18,107	16,043,206	59,270,147	131,276,798
DIVIDEND PAID	8.21	-	-	(5,594,534)	(5,594,534)
LEGAL RESERVE	8.21	-	2,800,000	(2,800,000)	-
TOTAL COMPREHENSIVE INCOME		-	(25,939)	9,887,852	9,861,913
BALANCE AS AT 31 MARCH 2019	55,945,338	(7,832)	18,843,206	60,763,465	135,544,177
BALANCE AS AT 1 APRIL 2019	55,945,338	(7,832)	18,843,206	60,763,465	135,544,177
ADJUSTMENT OF EXCESS ALLOCABLE SURPLUS AFTER BONUS PAYMENT	8.21	-	-	105,759	105,759
BALANCE AFTER ADJUSTMENT	55,945,338	(7,832)	18,843,206	60,869,224	135,649,936
DIVIDEND PAID	8.21	-	-	(5,594,534)	(5,594,534)
LEGAL RESERVE	8.21	-	2,800,000	(2,800,000)	-
TOTAL COMPREHENSIVE INCOME		-	22,853	7,915,956	7,938,809
BALANCE AS AT 31 MARCH 2020	55,945,338	15,021	21,643,206	60,390,646	137,994,211

Notes to the financial statements are an integral part of these financial statements.

(Mr. Apirom Sukprasert)
President

(Mrs. Pawana Jaroenchaimongkol)
Senior Vice President, Accounting Department



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

(Unit: Thousand Baht)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
NET PROFIT	9,950,831	9,887,852
ADJUSTMENTS TO RECONCILE NET PROFIT TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
DEPRECIATION AND AMORTIZATION EXPENSES	1,156,199	1,251,708
BAD DEBTS, DOUBTFUL ACCOUNTS AND LOSS ON IMPAIRMENT	30,211,589	31,597,609
(GAIN) ON DISPOSAL OF ASSETS	(42,632)	(30,098)
LOSS ON DISPOSAL OF INVESTMENTS	271	33,791
(GAIN) ON FOREIGN CURRENCY TRANSLATION	(198)	(347)
EXPENSES ON PROVISIONS FOR PROPERTIES HELD FOR SALE	76,998	-
EXPENSES ON PROVISIONS FOR LONG-TERM LIFE INSURANCE	2,157,035	403,591
INCREASE IN PROVISIONS	1,991,313	246,603
	45,501,406	43,390,709
INTEREST INCOME, NET	(40,645,697)	(33,149,183)
PROCEEDS FROM INTEREST INCOME	49,131,573	40,160,143
CASH PAID ON INTEREST EXPENSES	(10,602,664)	(7,888,336)
OPERATING PROFIT BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	43,384,618	42,513,333
(INCREASE) DECREASE IN OPERATING ASSETS		
INTERBANK AND MONEY MARKET ITEMS	(4,182,281)	(32,969,712)
INVESTMENTS IN TRADING SECURITIES	315,134	(597,523)
LOANS TO CUSTOMERS	(49,689,401)	(80,530,194)
ASSETS HELD FOR SALE	(110,000)	1,415
RECEIVABLES ELIGIBLE FOR GOVERNMENT REIMBURSEMENT	(51,790,059)	(45,319,646)
OTHER ASSETS	(1,479,904)	(787,112)
INCREASE (DECREASE) IN OPERATING LIABILITIES		
DEPOSITS	55,512,423	88,029,705
INTERBANK AND MONEY MARKET ITEMS	7,282,686	36,175,919
LIABILITIES PAYABLE ON DEMAND	12,810	(183,384)
ACCOUNTS PAYABLE FOR PUBLIC SERVICE PROJECTS	1,634,232	2,241,353
OTHER LIABILITIES	2,640,300	3,123,969
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,530,558	11,698,123



BANK FOR AGRICULTURE AND AGRICULTURAL COOPERATIVES STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

(Unit: Thousand Baht)

	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
PROCEEDS FROM DISPOSAL OF INVESTMENTS IN SECURITIES	26,164,945	23,061,309
PURCHASES OF INVESTMENTS IN SECURITIES	(33,916,041)	(25,971,905)
PURCHASES OF PREMISES AND EQUIPMENT	(852,420)	(721,879)
PURCHASES OF INTANGIBLE ASSETS	(169,828)	(139,135)
PROCEEDS FROM DISPOSAL OF PREMISES AND EQUIPMENT	66,857	72,244
NET CASH USED IN INVESTING ACTIVITIES	(8,706,487)	(3,699,366)
CASH FLOWS FROM FINANCING ACTIVITIES		
PROCEEDS FROM DEBTS ISSUED AND BORROWINGS	10,000,000	-
REPAYMENT OF DEBTS ISSUED AND BORROWINGS	(59,303)	(3,123,070)
FINANCIAL LEASE PAYMENTS	(53,525)	(24,190)
DIVIDEND PAID	(5,594,534)	(5,594,534)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	4,292,638	(8,741,794)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(883,291)	(743,037)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH	55	386
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	18,134,528	18,877,179
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17,251,292	18,134,528

Notes to the financial statements are an integral part of these financial statements.

(Mr. Apirom Sukprasert)

President

(Mrs. Pawana Jaroenchaimongkol)

Senior Vice President, Accounting Department



Bank for Agriculture and Agricultural Cooperatives

Notes to the Financial Statements

For the Year Ended 31 March 2020

1. General Information

1.1 General Information of Bank for Agriculture and Agricultural Cooperatives (BAAC)

Bank for Agriculture and Agricultural Cooperatives (BAAC) was established under the Bank for Agriculture & Agricultural Cooperatives Act B.E. 2509 (A.D.1966) and its amendments. The Bank operates as a state-owned, specialized financial institution attached to the Ministry of Finance. The Bank's primary mission is to be a financial institution that supports rural developments as a key government mechanism. The Bank provides financial and development support for target groups in rural areas including farmers, business operators, groups of persons, community organizations and cooperatives of all types being the elements of the grass root economy of Thailand. Moreover, the Bank's key mission as assigned by the government is to ease the difficulties of the farmers caused by debt obligations and low commodity prices (See Notes 8.6, 8.17, 8.32, 8.33, 8.34 and 8.35)

1.2 COVID-19 Pandemic Impact

The COVID-19 pandemic situation that has started since Q4 of 2019 tends to cause a widespread and severe impact on businesses and members of the public. The BAAC has monitored the situation and complied with the Emergency Decree on Public Administration in Emergency Situation and the Bank of Thailand's announcements regarding the proactive relief measures for the debtors and creditors suffering from the said event. The areas of focus include liquidity enhancement and debt restructuring options, moratoriums of loan principal and interest repayments, interest rate reduction, pre-emptive debt restructuring plans, NPL resolutions, and supporting funds for potential debtors' improved liquidity. These relaxing and supportive measures have not yet had a significant impact on the current year's financial statements. However, a number of accounting effects would be witnessed in the accounting year of 2020, such as income recognition, debt classification, and debt provisioning. The management of the BAAC has consistently monitored and evaluated the results to identify appropriate action guidelines.

2. Basis of Presentation of the Financial Statements

2.1 Basis of Preparation of the Financial Statements

The financial statements of the Bank for Agriculture and Agricultural Cooperatives (BAAC) ended 31 March 2020 are presented in accordance with financial reporting standards under the Accountancy Act B.E. 2543 (A.D. 2000) as well as financial reporting standards under the Accounting Professions Act B.E. 2547 (A.D. 2004) and any accounting interpretations and practices under the Accounting Professions Act. Moreover, these financial statements are prepared in conformity with the Bank of Thailand (BOT)'s Notification No. SorGorSor.27/2562 dated 2 September 2019 Re: Preparation and Announcement of Financial Statements for Specialized Financial Institutions including any other supplementary BOT's notifications.

The Bank's accounting period starts from 1 April and ends 31 March of the following year.

The financial statements comprise the accounts of the key activities of the government in alleviating the difficulties of the farmers across a number of public service projects where the BAAC's funds were used in the implementation of the projects or used as advance payments for the projects. These projects are typically awaiting the government's loan acquisition or budget allocation for the implementation thereof. The advance payments shall not exceed the limits specified by the cabinet's resolutions as follows:



1. Agricultural Product Pledging Scheme 2011/2012 with the limit of Baht 90,000 million covering the Rice Pledging Scheme 2012 according to the cabinet's resolution on 13 September 2011.
2. Agricultural Product Pledging Scheme 2012/2013 according to the cabinet's resolution on 2 October 2012.
3. Agricultural Product Pledging Scheme 2013/2014 according to the cabinet's resolution on 3 September 2013 the Letter of the National Council for Peace and Order (NCPO) No. KorSorChor (SorLor)/1 dated 24 May 2014.

2.2 The New and Revised Accounting Standards, Financial Reporting Standards, Accounting Standard Interpretations, and Financial Reporting Standard Interpretations Effective in Current Period

The BAAC has adopted the relevant accounting standards, financial reporting standards, accounting standard Interpretations, and financial reporting standard interpretations that were announced and revised in accordance with the Federation of Accounting Professions, that are effective for the financial statements of the period beginning on or after 1 January 2019. The BAAC's management has considered these standards to constitute no significant impacts on the Bank's accounting policies and financial statements.

2.3 The New and Revised Accounting Standards, Financial Reporting Standards, Accounting Standard Interpretations, and Financial Reporting Standard Interpretations Announced but not yet Effective

The Federation of Accounting Professions announced the Accounting Standards, Financial Reporting Standards, Accounting Standard Interpretations, Financial Reporting Standard Interpretations and Accounting Guidances. Those were revised in 2019 and published in the Royal Thai Gazette but are not yet effective. Those relevant to the Bank's operations are as follows:

2.3.1 Those accounting standards effective for the financial statements of the period beginning on or after 1 January 2020 are as follows:

<u>Accounting Standards</u>	<u>Effective Dates</u>
No. 1 Financial Statements: Presentation	1 January 2020
No. 7 Cash Flow Statements	1 January 2020
No. 8 Accounting Policies, Changes in Accounting Estimates and Corrections of Errors	1 January 2020
No. 10 Events after the Reporting Period	1 January 2020
No. 16 Property, Plant and Equipment	1 January 2020
No. 19 Employee Benefits	1 January 2020
No. 21 Effects of Changes in Foreign Exchange Rates	1 January 2020
No. 23 Borrowing Costs	1 January 2020
No. 24 Related Party Disclosures	1 January 2020
No. 26 Accounting and Financial Reporting for Post-Employment Benefits	1 January 2020
No. 28 Investments in Associates and Joint Ventures	1 January 2020
No. 32 Financial Instruments: Presentation	1 January 2020
No. 33 Earnings per Share (EPS)	1 January 2020
No. 34 Interim Financial Reporting	1 January 2020
No. 36 Impairment of Assets	1 January 2020
No. 37 Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
No. 38 Intangible Assets	1 January 2020
No. 40 Investment Property	1 January 2020



<u>Financial Reporting Standards</u>	<u>Effective Dates</u>
No. 1 First-time Adoption of International Financial Reporting Standards	1 January 2020
No. 4 Insurance Contracts	1 January 2020
No. 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2020
No. 7 Financial Instruments: Disclosures	1 January 2020
No. 9 Financial Instruments	1 January 2020
No. 13 Fair Value Measurement	1 January 2020
No. 15 Revenue from Contracts with Customers	1 January 2020
No. 16 Leases	1 January 2020
 <u>Financial Reporting Standard Interpretations</u>	 <u>Effective Dates</u>
No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2020
No. 10 Interim Financial Reporting and Impairment	1 January 2020
No. 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction with Accounting Standard No. 19 Re: Employee Benefits	1 January 2020
No. 21 Levies	1 January 2020
 <u>Accounting Guidances</u>	 <u>Effective Dates</u>
Financial Instruments and Disclosures for Insurance Business	1 January 2020

Regarding the new and revised accounting standards, financial reporting standards, financial reporting standard interpretations and accounting guidance that are effective for the financial statements of the period beginning on or after 1 January 2019, the BAAC's management has considered them to constitute no significant impacts on the Bank's financial statements, except for the Financial Reporting Standard No. 16 Re: Leases. The Bank is in the process of reviewing impacts of the said standard and taking relevant actions to ensure its adoption in a timely manner.

The accounting standards and the financial reporting standards on financial instruments are to have impacts on the BAAC's financial statements in terms of classification and measurement of financial assets and financial liabilities, financial instrument impairment calculation, and financial instrument presentation and disclosures when they become effective in the relevant periods. The BAAC has therefore set up a working group to determine policies and project management plans on work processes and systems, and implement the relevant plans. The BAAC is in the process of implementing the relevant plans to accommodate the adoption of the said accounting standards and financial reporting standards. The Minister of Finance has endorsed the extension of the deadline for the enforcement of the Financial Reporting Standard No. 9 Re: Financial Instruments of Specialized Financial Institutions (SFIs) for another 5 years or until 1 January 2025. However, any SFI, whose compliance with the said financial reporting standard is considered not to constitute an impact on achievement of its commitments and is considered to be useful for the overall business and who is ready to adopt the said standard before 1 January 2025, may take relevant actions on a voluntary basis, according to the Memo of the Fiscal Policy Office No. GorKor 1006/1254 dated 19 March 2019.



3. Significant Accounting Policies

3.1 Cash and Cash Equivalents

in the cash flow statements represent cash in hand and cash on collection.

3.2 Recognition of Income

3.2.1 Interbank and money market items are recognized on an accrual basis.

3.2.2 Investments in debt securities and equity securities are recognized using the effective interest rate approach.

3.2.3 Interest on loans

(1) Interest on loans to farmers, farmers institutions, or juristic persons, and other loans is recognized as income on an accrual basis. However, interest income on delinquent loans (interest or both principal and interest amounts) over 3 months from the due date that had been recognized as an income would be reversed and recognized as income upon receipt.

(2) Interest on loans for debt restructuring and debt settlement is recognized as income upon receipt.

3.2.4 Interest on reimbursed financial costs for public service schemes

(1) For agricultural product pledging schemes, income from reimbursed financial costs is recognized on an accrual basis.

(2) For income guarantee and other public service schemes, income is recognized on an accrual basis depending upon scheme completion timeframes.

3.2.5 Reimbursed service fees for public service projects

(1) For agricultural product pledging schemes, income is recognized on an accrual basis depending upon scheme completion timeframes.

(2) For income guarantee and other public service projects, income is recognized on an accrual basis depending upon scheme completion timeframes.

3.2.6 Fees and service income are recognized on an accrual basis.

3.2.7 Dividend income is recognized on an accrual basis on the date of being entitled to a dividend.

3.3 Recognition of Expenses

3.3.1 Interest expenses are recognized on an accrual basis.

3.3.2 Fees and service expenses are recognized on an accrual basis.

3.3.3 Other operating expenses are recognized on an accrual basis.

3.4 Investments in Securities

Investments in marketable debt or equity securities classified as trading securities are stated at fair value. Gains or losses from the sale of trading securities as well as unrealized gains or losses arising from the revaluation are recorded through gains (losses) on trading and foreign exchange transactions, net in the statements of profit or loss and other comprehensive income.

Investments in marketable debt or equity securities classified as available-for-sale securities are stated at fair value, net of allowance for impairment (if any). Unrealized gains or losses arising from the revaluation are recorded through other comprehensive income (loss) in the statements of profit or loss and other comprehensive income. The accumulative effects are separately shown in other components of equity and realized gains or losses are recognized after the disposal.

Investments in debt securities classified as held-to-maturity are stated at the amortized cost, net of allowance for impairment (if any). Premiums or discounts on held-to-maturity debt securities are adjusted to interest income at the end of each day.

Investments in non-marketable equity securities classified as general investments are stated at cost, net of allowance for impairment (if any). Losses on impairment are realized through gains (losses) on investments, net in the statements of profit or loss and other comprehensive income.



3.5 Loans

Loans represent the outstanding principal amounts, except for overdrafts including accrued interest receivables. Islam-based loans for credit sales, installment payments and hire-purchase represent the outstanding principal amounts as per the contracts including brokerage fees and initial, direct expenses from hire-purchase transactions. Deferred revenue is presented as deduction from the loans.

Unearned income from discounts on notes receivable represent through other liabilities.

3.6 Allowances for Doubtful Accounts

The Bank recognizes allowance for doubtful accounts in compliance with the BOT's Notification Re: Regulations on Assets Classification and Provision of Financial Institutions. There are 5 debt categories based on past-due periods and debt quality as follows:

- (1) "Normal" refers to normal debtors and debtors with the past-due principal or interest balances of less than 1 month.
- (2) "Special mention" refers to debtors with the past-due principal or interest balances of more than 1 month.
- (3) "Sub-standard" refers to debtors with the past-due principal or interest balances of more than 3 months.
- (4) "Doubtful" refers to debtors with the past-due principal or interest balances of more than 6 months.
- (5) "Doubtful of loss" refers to debtors with the past-due principal or interest balances of more than 12 months and those subject to legal proceedings.

Allowance for doubtful accounts: In calculating an allowance for debtors with collateral, the BAAC does not include the value of the collateral in the calculation. This is because the vast majority of the collateral is the land of the retail farmers. There are two types of provisioning for doubtful accounts:

(1) Normal provisioning

The provisioning is based on the 5 classes of assets as follows:

- | | |
|----------|--|
| Class 1: | Normal Assets (past due period of 0 - 1 month) |
| | The provisioning rate is 1% of the outstanding debt balance in the account. |
| Class 2: | Special Mention Assets (past due period of 1 - 3 months) |
| | The provisioning rate is 2% of the outstanding debt balance in the account. |
| Class 3: | Sub-Standard Assets (past due period of 3 - 6 months) |
| | The provisioning rate is 100% of the outstanding debt balance in the account. |
| Class 4: | Doubtful Assets (past due period of 6 - 12 months) |
| | The provisioning rate is 100% of the outstanding debt balance in the account. |
| Class 5: | Doubtful of Loss Assets (past due period of over 12 months) and Debtors Subject to Legal Proceedings |
| | The provisioning rate is 100% of the outstanding debt balance in the account. |

(2) Provisioning as needed

Provisioning as needed can be divided into the following 2 groups:

- | | |
|----------|---|
| Group 1: | Loans for debt restructuring and settlement are subject to a provisioning rate of 100% of the outstanding debt balance in the account. |
| Group 2: | Loans to customers suffering from natural disasters and customers with uncertainty for debt collections are subject to provisioning as needed. Considerations shall be given to the quality of the debtors. Loans to customers associated with risks and uncertainty for debt collections are subject to provisioning as percentage of damage from loan defaults. |



The BAAC's management annually revises the provisioning policy by taking into consideration the quality of the debtors.

Bad debts and doubtful debts are recognized as expenses in the statements of income or loss and other comprehensive income. Bad debts recovered will be recognized in other operating income.

3.7 Troubled Debt Restructuring

The Bank has policies in conducting troubled debt restructuring in order to relax the debt repayment conditions and reflect the true debt servicing ability of the customers. The main purpose is to solve the troubled debts such that the Bank will have a chance to receive debt repayments and that both the Bank and the debtors can enjoy the benefits of the debts to the greatest extent possible. The Bank's troubled debt restructuring policies are in line with the BOT's policy guidelines regarding debt restructuring of specialized financial institutions as follows:

3.7.1 Debt restructuring without recorded losses includes interest rate reduction under the specific market conditions; or extension of grace period on principal (to maintain good relationships with the debtors or extend repayment period) with the debtors continuing to pay interest at the rates specified in the existing contracts. In this case, the BAAC has conducted analysis and expected full payments of principal and interest according to the loan contracts.

3.7.2 Debt restructuring with recorded losses is caused by the following:

- (1) Reduction of principal or accrued interest receivables already recorded as income; or
- (2) Acceptance of the transfer of assets with the fair value lower than the written off debt balance; or
- (3) Relaxation of debt repayment conditions causing the present value of the cash flow to be lower than the book value of the debt plus accrued interest; or
- (4) Realizing losses from calculating the fair value of the debt or using the fair value of the collateral; or other debt restructuring causes such as debt-equity conversion

Troubled debt restructuring is aimed at offering debt restructuring solutions to the debtors of the different projects with the problems of debt repayments, and is in line with the debt resolution guidelines for the BAAC's customers being farmers. Any losses on debt restructuring will be recorded as expenses in the statements of profit or loss and other comprehensive income.

Moreover, the BOT requires that specialized financial institutions provide support for the debtors affected by the events with impacts on the Thai economy from 1 January 2020 to 31 December 2021. The definition of debt restructuring (DR) is expanded to cover a debt restructuring caused by an increase in credit risks, which can be divided into the following cases:

(1) Debt restructuring of performing loan (PL): This is a pre-emptive way of debt restructuring with the debt restructuring process taking place upon signs of troubled debt repayment. Although the debtor is not yet classified as NPL, there is a loss on such debt restructuring.

(2) Debt restructuring of non-performing loan (NPL): This is also known as troubled debt restructuring (TDR). The process takes place regardless of whether there is a loss.

Changing the contract conditions following the changes in future cash flow estimates, e.g. granting reduction of interest rate for the customer according to market conditions in order to maintain a good relationship without the customer's increased credit risk, shall not be considered as a debt restructuring.



3.8 Properties for Sale

Properties for sale are immovable properties which are stated at lower of cost or market value less allowance for impairment (if any). Losses on impairment or reversal of losses on impairment are recognized as other operating expenses or income in the statements of profit or loss and other comprehensive income. Gains or losses on disposals of those properties after deducting selling expenses are recognized as other operating income or expenses in the statements of profit or loss and other comprehensive income.

3.8.1 Properties for sale are appraised every year starting from the accounting year after the year of acquiring the properties.

3.8.2 Selection of appraisers (for land)

3.8.2.1 An external appraiser is used if the book value of each plot of land is higher than Baht 50 million. If the land area cannot be divided into different plots, consideration shall be given to all plots combined together.

3.8.2.2 An internal or external appraiser is used if the book value of each plot of land is less than Baht 50 million.

3.8.3 Calculation of allowance for impairment: This is applicable when the appraised value is lower than the book value or when the appraised value is lower than the residual value.

3.9 Land, Premises and Equipment

are stated at cost less accumulated depreciation. Depreciation of premises is calculated on the straight-line basis over their useful lives.

Building and Building Structures	15 - 50	years
Additions to Buildings	20	years
Vehicles and Equipment		
- Vehicles (cars) after deductions of residual value at 20%	5	years
- Vehicles (motorcycles and vessels with engines) after deductions of residual value at 19%	4	years
- Accessories and devices	3 - 10	years
- Large-scale sculptures/statues	50	years
Computer devices and communication networks	4	years
Computer (server)	5	years
Modifications to buildings	10	years

Assets with an acquisition cost not exceeding Baht 5,000 are charged directly to the expense in the period of acquisition. Gains (losses) from the sale of the assets shall be recognized as income or expenses in the statements of profit or loss and other comprehensive income.

3.10 Intangible Assets

comprising software, licenses, and computer system development costs, are presented at cost net accumulated amortization and allowance for impairment (if any). Amortization is calculated by the straight-line basis over their useful lives and recognized as expense in the statements of profit or loss and other comprehensive income.

Software	3 - 10	years
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3.11 Financial Leases

are presented as assets and liabilities in the statements of financial position using the net present value of minimum lease payments or the fair value of the assets under leases, whichever is lower. Minimum lease payments will be allocated between liabilities and financial costs in order to identify fixed interest rates to outstanding liabilities. Lease commitments less financial costs are presented as part of financial lease liabilities. Interest expenses are recorded in the statements of profit or loss and other comprehensive income throughout the term of the lease. Assets acquired through financial leases are subject to depreciation charges over their estimated useful lives.



3.12 Operating Leases

are presented in the statements of profit or loss and other comprehensive income based on lease payment amounts calculated using the straight-line basis over the term of the lease. Expenses arising from the termination of the operating lease before the contract expiry date, such as monetary penalties payable to landlords, shall be recorded as expenses in the period when the termination occurred.

3.13 Leasehold Rights,

which are included in other assets in the statements of financial position, are stated at cost less accumulated amortization. Amortization charge is calculated by the straight-line basis over the lease period. Leasehold rights for building structures mostly located on the state land are amortized over the land lease period. Amortization charges are recognized as expenses in the statements of profit or loss and other comprehensive income.

3.14 Impairment of Assets

For outstanding balances of assets as at the end of period, the Bank reviews the impairment of assets by items when there is an indication that the book value of those assets is higher than the expected recoverable amounts. As such, losses on impairment will be realized as other operating expenses. The reversal of losses on impairment will be recorded only when there is an indication that such impairment no longer exists or is shown at a declining balance, if any, and reversed to other operating income in the statements of profit or loss and other comprehensive income.

3.15 Balances of Foreign Currency Loans

are translated into Baht using the reference exchange rates of the BOT.

3.16 Loans with Special Agreements on Exchange Rates

Regarding loans from the Japanese government after 31 October 1978 which were consigned to the BOT for sale with special sales back agreements, any discrepancy between the exchange rate on the date of receiving the loan and the date of consigning the loan for sale will be realized as a gain or loss from consignment loans in the statements of profit or loss and other comprehensive income. In consigning loans to the BOT for sale with special selling back rates, the consignment contract contains an additional condition that if the BOT is needed to exchange yens with other currencies and later on such currencies are exchanged back with yens for sale to the BAAC, any risk of exchange loss shall be held liable by the BAAC.

3.17 Long-Term Life Insurance Premium Deposits

“Long-term life insurance premium deposits” refers to deposits of funds for supporting long-term life insurance of farmers and their households. Depositors are required to make deposits to the Bank according to the rules and procedures defined in the insurance policy.

Long-term life insurance premium deposits are recognized as income upon receipt of funds and insurance policies coming into effect after deductions of reinsurance premiums and returns of cancelled premiums. For insurance policies with the tenor of more than 1 year, relevant income and expenses will be recorded based on the coverage period of each policy on a yearly basis.

Expenses relevant to the policies shall be recorded upon receipt of reports of claims from the insured or upon the maturity of the policies.

“Provisions for long-term life insurance” are reserves for expenses according to insurance policy conditions. The amounts are calculated using the actuarial techniques, taking into consideration any provision of adverse deviations (PAD) based on the criteria, methods and conditions for risk-based capital calculation as per the Office of Insurance Commission (OIC)’s Notification Re: Determination of Categories and Types of Capital including Criteria, Methods and Conditions for Capital Calculation of Life Insurers B.E. 2558 (A.D.2015). The provisions are divided into the following.

3.17.1 Provisions for claim payments: This refers to a reserve for payments expected to be paid out to long-term insurance premium depositors according to their claims for compensation with and without reports.



3.17.2 Provisions for long-term life insurance: This refers to a reserve for long-term life insurance premium deposits for long-term insurance contracts using the Net Premium Valuation (NPV) approach. The Liability Adequacy Test (LAT) is conducted according to the requirements in the Financial Reporting Standard No. 4 (Revised in 2019) Re: Insurance Contracts by using the Gross Premium Valuation (GPV) approach according to the OIC's relevant notifications. Provisions for long-term life insurance shall be recognized at amounts higher than the amounts from the test at the end of the reporting period.

3.17.3 Provisions for unearned income from life insurance deposits: This refers to a reserve for unearned income from premium deposits for short-term insurance contracts according to the remaining coverage period of the insurance policy. The reserve is then compared with the unexpired risk reserve. The unexpired risk reserve will be recognized at a higher amount.

3.18 Basic Earnings per Share

are calculated by dividing the net profit attributable to common equity holders of the Bank by the weighted average number of common shares issued during the year.

3.19 Employees Benefit

3.19.1 Employees Provident Fund

The BAAC established a Provident Fund under the Provident Fund Act B.E. 2530 (A.D. 1987) and entered into the registered fund approved by the Ministry of Finance on 1 June 1997. The Provident Fund is managed by an external fund manager.

Contributions to the Provident Fund shall be made according to the registered BAAC Provident Fund regulations. Member employees could opt to contribute to the Fund at the rate of 3-15 percent of their basic salaries while the Bank's supplemental contribution is at 9-11 percent of each employee's basic salary based on their length of service.

3.19.2 Defined Benefit Plan

The Bank has defined a benefit plan to pay their employees under the employment agreements. The estimate of employee benefits obligations are calculated by using the actuarial techniques called the Projected Unit Credit Method. This method uses statistical data as a factor to estimate the present value of expected future payments and discounts by using market yields on high quality corporate bonds with the approximate maturity of those obligations. The estimate amount is shown in a part of the provisions. The actuarial gains (losses) are recognized in other comprehensive income and transferred immediately to the retained earnings.

The Bank's management reviews assumptions made in the estimate of employee benefits using the actuarial techniques every 3 years or whenever there is a change in assumptions made in the estimate of employee benefits using the actuarial techniques with significant impacts on the financial statements.

3.20 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 market participants at the measurement date. The Bank has considered fair value of individual financial instruments. Fair value of financial instruments is quoted price (unadjusted) for similar assets or liabilities in active markets that the Bank is able to access. In case there is no quoted price in active markets, the Bank will use generally accepted valuation techniques by maximizing observable inputs and minimizing unobservable inputs.

The Bank's loans are presented at fair value based on the outstanding amounts in the statements of financial position, less allowance for doubtful accounts. (Note 3.6)

The Bank's management reviews fair value measurement models on an annual basis.



4. Risk Management

4.1 Risk Management Guidelines

The Bank manages risks according to ISO 31000:2018 standards, the BOT's specialized financial institution supervisory framework, the Ministry of Finance's regulations on internal control practice standards for government agencies in 2018, the risk management regulations for government agencies in 2019, and other relevant regulations and standards. The Bank sets out a risk management framework to manage risks in all aspects, covering all levels of enterprise risk management. This is to the Bank's operations and achievement of specific goals with efficiency and good governance.

4.2 The Bank's Risk Information

4.2.1 **Credit risk** is the risk that a borrower or counterparty fails to comply with conditions and covenants stated in the agreement or the deterioration of assets' quality resulting in non-performing debt and adverse effect over the Bank's income and capital.

The Bank sets out a credit risk management policy as a guideline for risk mitigation to ensure that credit operations and credit risk management are in alignment with visions, missions, strategies, and policies of the Bank as well as supervisory guidelines of relevant bodies. The Bank places importance on the development of credit risk management efficiency on a consistent basis. The Bank is also focused on reviewing credit policies; developing processes, tools, work systems and personnel to support credit risk management; identifying risk limits, risk appetites and risk tolerance levels; and determining appropriate proportions of credit portfolios to create returns as targeted based on specific risk appetites.

Moreover, the Bank has improved the efficiency of risk management tools on a constant basis to support granting of credits and management of risks to be at acceptable levels. The Bank refers to a number of guidelines including the BOT's supervisory regulations and universal standards in performing risk management. For example, the Bank assesses risks of large-scale customers using credit rating, assesses risks of retail customers using credit scoring, conducts credit portfolio management, assesses credit portfolios using the Risk - Adjusted Return on Capital (RAROC), and conducts stress tests. The Bank also checks correctness and reliability of tools and assumptions used in managing credit risks through conducting back tests. The Bank has in place credit review and credit quality management processes, and submits performance reports to the management team, the Risk Oversight Committee, and the Board of Directors on a regular basis.

4.2.2 **Market Risk** is the risk that the Bank may be affected by changes in value of position on the statements of financial position and off-the statements of financial position which is caused by fluctuations in interest rates, foreign exchange rates, equity securities prices and commodity prices. At the BAAC, there are three types of market risk as follows:

(1) **Interest Rate Risk** is the risk that net interest income, market value of items in the trading accounts, and income and expenses related to interest rates such as borrowing fees, deposit fees, and reserve provisioning expenses, are adversely affected by changes in interest rates which affect the value of all assets, liabilities, and off-statement of financial position items being rate sensitive items.



The Bank determines an interest rate risk management policy by placing focus on reviewing the Rate Sensitivity Assets (RSA) and the Rate Sensitivity Liabilities (RSL) as well as the management of security investment portfolios to ensure appropriateness, efficiency and alignment with the interest rate direction in the market. The Bank also specifies risk limits, risk appetites and risk tolerance levels as well as uses appropriate financial tools in order to contain interest rate risks to be at acceptable levels. The Bank monitors and reports the performance to the management, the Assets and Liabilities Management Committee, and the Risk Oversight Committee on a regular basis.

(2) Foreign Exchange Rate Risk is the risk that foreign exchange rate volatility gives an adverse impact on income or capital due to having assets or liabilities in foreign currency, when doing foreign currency transactions (Transaction Risk) or converting all items on the Bank's financial statements to local currency (Translation Risk).

The Bank defines a foreign exchange rate risk management policy with an aim to maintain net open position in each currency and aggregate limits to be adequate and appropriate for business operations. The Bank does not have a speculation policy to gain profits from movements of exchange rates or a policy to acquire funds through creating debts in foreign currency. The Bank identifies risk limits, risk appetites, and risk tolerance levels, as well as uses appropriate financial tools to contain foreign exchange rate risks to be at acceptable levels. The Bank also monitors and reports the performance to the management, the Assets and Liabilities Management Committee, and the International Business Development Committee on a regular basis.

(3) Price Risk is the risk that changes in debt and equity security prices lead to decreases in value of trading and available-for-sale investment portfolios intended to make a profit.

The Bank stipulates a price risk management policy with one of the priorities being the management of security investment portfolios to be in line with market trends and security investment policies. The Bank identifies risk limits, risk appetites, and risk tolerance levels, as well as uses appropriate financial tools to contain price risks to be at acceptable levels. The Bank also monitors and reports the performance to the management, the Assets and Liabilities Management Committee, and the Security Investment Committee on a regular basis.

The Bank is able to efficiently manage market risks to control impacts to be within approved risk limits and in line with guidelines of supervisory bodies such as the Ministry of Finance, the Bank of Thailand, and the Bank's policies regarding trading book and banking book. The Bank's key market risk management tools include the following:

(1) Repricing Gap Report is used to assessing interest rate risks to identify impacts on the Bank's net interest income when there are changes in interest rates.

(2) Stress Test is used to assessing market risk factors under severely adverse circumstances or situations that may affect the Bank's income and capital.

(3) Back Test is used to test the reliability and suitability of risk assessment tools.



(4) Early Warning System sends signals to the management as a trigger to evaluate situations in unusual conditions that may cause risk levels to be higher than specific limits. This allows the Bank to find appropriate measures to address the situations in a timely manner.

4.2.3 Liquidity Risk

Liquidity risk is that risk that the Bank fails to repay liabilities or contingencies on due dates because of inability to liquidate assets into cash or having insufficient funds or acquiring funds at a higher than acceptable cost thus affecting the Bank's income and capital funds at present and in the future. This is especially the case when capital need is far higher than available liquidity, potentially causing to Bank to be controlled or stop its operations.

The Bank's liquidity risk management policy is focused on managing liquidity to be sufficient for different demand levels at different time periods with efficiency and appropriate costs. The Bank manages liquidity risks with prudence and in conformity with policies and principals defined by the Board of Directors while ensuring alignment with business environments or strategies, liquid assets maintenance regulations, the BOT's policies guidelines, and other applicable supervisory guidelines. The Bank has a liquidity contingency plan management working group to test and review the plan on a consistent basis. The Bank also identifies risk limits, risk appetites, and risk tolerance limits, as well as uses appropriate risk management tools to control liquidity risks to be within acceptable levels. The Bank monitors and predicts the status of available liquidity as well as analyzes liquidity risks. The Bank reports the performance to the Assets and Liabilities Management Committee, the Risk Oversight Committee, and other applicable committees on a regular basis.

The Bank has enough liquidity for implementing its business plans and conducting public service projects.

Processes and tools for managing liquidity risks are as follows:

(1) **Forecasting of cash flows and liquidity positions:** The Bank monitors and reports outstanding liquidity status every day and every month. The Bank also conducts sensitivity analysis using different scenarios expected in the future and proposes management guidelines or strategies to the Assets and Liabilities Management Committee every month as well as reports the risk status to the Risk Management Committee of the Bank at least once per quarter. This allows the Bank to be ready to prepare appropriate plans or measures to address and respond to the situation.

(2) **Maturity Gap Analysis** is used to identify maturity (the remaining effective period of a contract) mismatches between assets and liabilities at a given time interval.

(3) **Liquidity Ratio** is used to identify appropriate risk limits.

(4) **Stress Test** is used to analyze sensitivity of cash flows under severely adverse circumstances or situations whether in the case of the entire system or an individual financial institution under crisis or both. This will help evaluate the adequacy of liquidity based on the liquidity coverage ratio (LCR) regulations and allows the Bank to be ready and have relevant measures in place.

(5) **Back Test** is used to test the efficiency, reliability and suitability of a risk assessment tool.



(6) Early Warning System provides signals for the management to evaluate a particular situation and find ways to appropriately address and respond to the situation as well as to provide a contingency plan in case of crisis as a tool to control, monitor and manage liquidity risks.

(7) Liquidity Gap Report and Funding Concentration Report are forms of reports as per the BOT's specialized financial institution supervisory guidelines. Those reports show data of cash inflows and outflows of assets, liabilities, off-statements of financial position commitments, and obligations at a given period of time, as well as funding concentration of sources of deposits and loans of the Bank. These reports can be used as tools to monitor liquidity risks more efficiently.

Table of the Bank's Outstanding Financial Assets and Liabilities Classified by Remaining Maturity of Contracts as at 31 March 2020 and 2019

Unit: Baht Million

	31 March 2020					Total
	Less than 1 Month	1-3 Months	Over 3 Months up to 1 Year	Over 1 Year	No Maturity	
Financial Assets						
Interbank and money market items, net	261,446.83	11,702.00	-	-	-	273,148.83
Investments, net	65.96	2,517.22	9,969.76	67,533.23	50.43	80,136.60
Loans to customers from normal accounts and public service accounts	31,408.89	134,491.74	343,723.65	920,104.57	69,146.82	1,498,875.67
Total financial assets	292,921.68	148,710.96	353,693.41	987,637.80	69,197.25	1,852,161.10
Financial Liabilities						
Deposits	862,006.86	58,356.34	291,604.56	461,304.74	-	1,673,272.50
Interbank and money market items, net	73,880.00	9.50	2,084.40	1,106.41	-	77,080.31
Debts issued and borrowings	-	-	1,001.67	19,003.33	-	20,005.00
Total financial liabilities	935,886.86	58,365.84	294,690.63	481,414.48	-	1,770,357.81

Unit: Baht Million

	31 March 2019					Total
	Less than 1 Month	1-3 Months	Over 3 Months up to 1 Year	Over 1 Year	No Maturity	
Financial Assets						
Interbank and money market items, net	261,187.24	7,777.20	-	-	-	268,964.44
Investments, net	704.25	2,812.96	15,369.32	54,180.93	53.11	73,120.57
Loans to customers from normal accounts and public service accounts	33,278.97	91,021.35	288,593.23	975,516.09	61,094.47	1,449,504.11
Total financial assets	295,170.46	101,611.51	303,962.55	1,029,697.02	61,147.58	1,791,589.12
Financial Liabilities						
Deposits	870,993.41	105,088.51	298,601.74	343,076.41	-	1,617,760.07
Interbank and money market items, net	63,940.00	3,000.00	1,900.71	956.91	-	69,797.62
Debts issued and borrowings	-	-	59.30	10,005.00	-	10,064.30
Total financial liabilities	934,933.41	108,088.51	300,561.75	354,038.32	-	1,697,621.99



4.2.4 Risks from receipt of deposits for long-term life insurance

There are risks from differences between actual mortality rates, morbidity rates, policy retention rates or rates of expenses and those estimated. Thus, expenses related to long-term life insurance may increase. In managing risks from receipt of deposits for long-term life insurance, the Bank sets up a product development working group to develop products according to the needs of target groups and in line with business strategies within the risk policy framework of the Bank. The Bank also sets up a committee on long-term life insurance deposits, responsible for determining policies and procedures related to long-term life insurance deposits. Moreover, the Bank sets out clear guidelines on standards for taking deposits according to format of deposit, age, and gender. Consideration is given to a number of factors including mortality rate, policy retention rate or depositors' ability to submit deposits. After receipt of the deposits, the Bank still has to review the adequacy of the reserve for long-term life insurance policy to ensure that the Bank will be able to accommodate any potential risks in the future. The Bank has managed risks by transferring risks from higher-than-expected claim payments in death cases of certain products through reinsurance arrangements. The reinsurance rates depend upon the credit ratings of particular reinsurers.

4.2.5 Sensitivity of risks from life insurance deposits

The Bank conducts sensitivity analysis of risks from long-term life insurance deposits by conducting the Liability Adequacy Test (LAT) as specified in the Financial Reporting Standard No. 4 (revised in 2019) Re: Insurance Contracts. The assumptions used include mortality rate, lapse rate, discount rate, and expense rate. The Net Premium Valuation (NPV) is compared with the Gross Premium Valuation (GPV) as per the OIC's relevant notifications, and the higher amount is used to record a reserve for long-term life insurance as expense in the statements of profit or loss and other comprehensive income at the end of the reporting period.

4.3 Fair Value of Financial Instruments

Unit: Baht Million

	31 March 2020		31 March 2019	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Cash	17,251.29	17,251.29	18,134.53	18,134.53
Interbank and money market items, net	273,148.83	273,148.83	268,964.44	268,964.44
Investments, net	80,136.60	81,638.70	73,120.57	73,106.77
Loans to customers and accrued interest receivables, net	959,809.10	959,809.10	405,506.16	405,506.16
Loans to customers from public service accounts and accrued interest receivables, net	233,827.76	233,827.76	767,164.09	767,164.09
Financial lease assets, net	124.76	124.76	137.63	137.63
Total	1,564,298.34	1,565,800.44	1,533,027.42	1,533,013.62
Financial Liabilities				
Deposits	1,673,272.50	1,673,272.50	1,617,760.07	1,617,760.07
Interbank and money market items, net	77,080.31	77,080.31	69,797.62	69,797.62
Debts issued and borrowings	20,005.00	20,005.00	10,064.30	10,064.30
Financial lease liabilities, net	139.80	139.80	156.03	156.03
Total	1,770,497.61	1,770,497.61	1,697,778.02	1,697,778.02



5. Fair Value of Financial Assets

The Bank's fair value hierarchy depends on differences of data inputs in valuation, which can be determined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank can access at the measurement date.

Level 2 - Data Inputs that can be observed either directly or indirectly for those assets and liabilities other than quoted prices in level 1.

Level 3 - Data Inputs that are unobservable for those assets and liabilities.

As at 31 March 2020 and 2019, the Bank's financial assets instruments carried at fair value classified by the levels of fair value hierarchy were as follows:

Unit: Baht Million

	31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trading investments	-	282.39	-	282.39
Available-for-sale investments	-	5,217.49	-	5,217.49
Held-to-maturity debt securities	-	76,088.39	-	76,088.39
Total	-	81,588.27	-	81,588.27

Unit: Baht Million

	31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trading investments	-	597.52	-	597.52
Available-for-sale investments	-	3,739.35	-	3,739.35
Held-to-maturity debt securities	-	68,716.79	-	68,716.79
Total	-	73,053.66	-	73,053.66

6. Capital Requirements

The Bank calculates its capital funds in accordance with the BOT's Basel II Framework which requires specialized financial institutions to maintain the minimum capital adequacy ratio at 8.5% of risk-weighted assets, provided that the ratio of tier 1 capital to risk weighted assets cannot be less than 4.25%.



Interbank and Money Market Items, Net (Assets) included the outstanding balances of the agricultural product pledging schemes in each production years as follows:

Unit: Baht Million

Production Year	Note	31 March 2020	31 March 2019
2008/2009	8.17.1	43.33	240.14
2011/2012	8.32.4.1	570.73	1,476.78
2012/2013	8.32.4.2	438.70	1,898.69
2013/2014	8.32.4.3	544.55	982.29
Total		1,597.31	4,597.90

8.2 Investments, Net

8.2.1 Trading investments

Unit: Baht Million

	31 March 2020	31 March 2019
	Fair Value	Fair Value
Government and state enterprises securities		
BOT's bonds	281.95	597.37
Plus Revaluation allowance	0.44	0.15
Total trading investments	282.39	597.52

8.2.2 Available-for-sale investments

Unit: Baht Million

	31 March 2020	31 March 2019
	Fair Value	Fair Value
Government and state enterprises securities		
BOT's bonds	1,577.07	1,357.35
Government bonds	2,151.08	-
State enterprises bonds	329.93	517.56
Private enterprises debt securities		
Registered securities companies bonds	1,144.39	1,872.27
Total	5,202.47	3,747.18
Plus (less) Revaluation allowance	15.02	(7.83)
Total available-for-sale investments	5,217.49	3,739.35



8.2.3 Held-to-maturity debt securities

Unit: Baht Million

	31 March 2020	31 March 2019
	Amortized Cost	Amortized Cost
Government and state enterprises securities		
BOT's bonds	2,899.20	5,499.78
Government bonds	25,110.04	21,579.47
State enterprises bonds	44,208.54	37,281.10
Private enterprises debt securities		
Registered securities companies bonds	2,368.51	4,370.24
Total held-to-maturity debt securities	74,586.29	68,730.59

As at 31 March 2020 and 2019, investments in held-to-maturity debt securities were Baht 6,973.14 million and Baht 6,360.76 million, respectively. Those items are pledged as collateral for private repo transactions and will be returned upon maturity of contracts.

8.2.4 General investments

Unit: Baht Million

	31 March 2020	31 March 2019
	Amortized Cost	Amortized Cost
Thai Agri Business Co., Ltd. (TABCO)	12.00	12.00
Thai Agro Exchange Co., Ltd.	50.00	50.00
Total	62.00	62.00
<u>Less</u> Allowance for impairment (TABCO)	11.57	8.89
Total general investments	50.43	53.11
Total investments, net	80,136.60	73,120.57

The Bank's representatives are also board members of Thai Agri Business Co., Ltd. (TABCO) and Thai Agro Exchange Co., Ltd.

Unit: Baht Million

Company's name	Type of business	Type of securities	% of invested securities	31 March 2020		31 March 2019	
				Investments (Cost method)	Dividends	Investments (Cost method)	Dividends
Thai Agri Business Co., Ltd. (TABCO)	Distribution of agricultural inputs	Common shares	10	12.00	-	12.00	-
Thai Agro Exchange Co., Ltd.	Distribution of agricultural products	Common shares	5	50.00	2.00	50.00	2.00
NFC Pcl.*	Distribution of chemical products	Common shares	-	-	-	-	-
Total				62.00	2.00	62.00	2.00

*As at 31 March 2020, the Bank donated 2,023 shares of NFC Pcl. held by the Bank, with the net cost of Baht 1,517.25 and the fair value of Baht 4,450.60 to the Sai Jai Thai Foundation on 30 January 2020. This was in accordance with the Pan Hoon Aom Boon (Donating Shares to Charity project) project of the Stock Exchange of Thailand (SET) and the Thailand Securities Depository (TSD). However, the Bank could not donate relevant warrant certificates. The Bank will not exercise its right to convert to common shares until maturity in 2021 as per the resolution of the Board of Directors' Meeting No. 14/2562 held on 29 November 2019.



8.3 Loans to Customers and Accrued Interest Receivables, Net

8.3.1 Classified by Type of Loans

Unit: Baht Million

	31 March 2020	31 March 2019
8.3.1.1 Loans to farmers, farmers institutes, and juristic persons		
Loans to farmers, farmers institutes organizations, and juristic persons	1,133,934.22	413,889.42
Famer loan card receivables	18,909.63	19,122.50
Promissory notes	38,990.64	51,465.67
Islam-based loans for credit sales, installment payments and hire-purchase	979.21	744.71
Loans to customers under community bank schemes	277.71	281.38
Discounted bill receivables	174.02	229.42
Overdrafts	12,546.52	9,521.26
Guarantee receivables	165.82	163.88
Total	1,205,977.77	495,418.24
8.3.1.2 Other loans		
Loans to government housing customers	5,801.26	5,488.79
Loans to employees for debt relief	18.12	19.12
Loans to employees for life quality improvement	249.66	245.06
Loans to employees under welfare fund schemes	4.35	2.98
Total	6,073.39	5,755.95
Total loans to customers	1,212,051.16	501,174.19
<u>Less</u> Deferred revenue	25.95	32.58
Total loans to customers net of deferred revenue	1,212,025.21	501,141.61
<u>Add</u> Accrued interest receivables (Note 8.4)	24,597.13	6,907.27
Total loans to customers net of deferred revenue plus accrued interest receivables	1,236,622.34	508,048.88
<u>Less</u> Allowance for doubtful accounts (Note 8.3.2)		
1. Minimum reserve as per BOT's regulations	65,948.80	30,696.82
2. Reserve surplus	210,864.44	71,845.90
Total allowance for doubtful accounts	276,813.24	102,542.72
Total loans to customers and accrued interest receivables, net	959,809.10	405,506.16

During the year, the Bank made account transfers in "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts" between normal accounts and public service accounts.

As at 31 March 2020 and 2019, the total loans to customers were Baht 1,498,875.67 million and Baht 1,449,504.11 million, respectively. Such loans consisted of loans to customers from normal accounts of Baht 1,212,051.16 million and Baht 501,174.19 million, respectively (Note 8.3.1);



loans to customers from public service accounts of Baht 286,824.51 million and Baht 948,329.92 million, respectively (Note 8.32.2.1); when including non-agricultural loans of Baht 162,225.11 million and Baht 189,232.11 million, respectively.

Non-agricultural loans are loans offered to individuals, groups of persons, entrepreneurs, village funds, communities, cooperatives, and organizations with objectives to support occupations of farmers, communities or cooperative establishment (excluding loans for promoting or supporting the development of commodities or products of farmers, communities or their members, and cooperatives to ensure efficiency in terms of investment, production, processing and marketing). These loans are in accordance with the Ministerial Regulation for BAAC No. 4 (B.E.2557 (A.D.2014)), Items 6, 7 and 8, to promote or strengthen community economies. The objectives of the loans are to encourage occupations in industrial, commercial and hospitality sectors among communities and cooperative community members for additional income or other operations; to reduce expenses, promote savings, and encourage self-reliance and communities of cooperative members; and to promote the well-being of the communities and cooperative members in alignment with the policy guidelines on the promotion of agriculture and rural development under the schemes of the public sector or the Bank. The loans granted with the aforesaid objectives must altogether not exceed 20% of the total loans granted during each accounting period. Also, at the end of the accounting period, the outstanding loans with such objectives must not exceed 20% of the total outstanding loans, unless otherwise authorized by the relevant minister.

8.3.2 Classified by Loan Classification

Unit: Baht Million

	31 March 2020			31 March 2019		
	Principal		Rate	Principal		Rate
Min. reserve as per BOT						
Pass	1,148,800.28	11,488.00	1	470,676.05	4,706.76	1
Special Mention	8,942.99	178.86	2	4,566.83	91.33	2
Substandard	9,392.56	9,392.56	100	2,560.24	2,560.24	100
Doubtful	8,704.78	8,704.78	100	4,030.76	4,030.76	100
Doubtful of Loss	36,184.60	36,184.60	100	19,307.73	19,307.73	100
Total	1,212,025.21	65,948.80		501,141.61	30,696.82	
Reserve surplus		210,864.44			71,845.90	
Grand total		276,813.24			102,542.72	

8.3.3 Non-Performing Loans (NPLs)

Unit: Baht Million

Loans to customers after deferred revenue	31 March 2020		
	Normal Accounts	Public Service Accounts	Total
Pass	1,142,758.14	270,477.03	1,413,235.17
Special Mention	8,940.44	2,245.89	11,186.33
Substandard	9,390.41	1,707.70	11,098.11
Doubtful	8,700.14	3,106.03	11,806.17
Doubtful of Loss	36,162.69	4,332.54	40,495.23
Total	1,205,951.82	281,869.19	1,487,821.01
Non-Performing Loans (NPLs)	54,253.24	9,146.27	63,399.51
NPLs as percentage of total loans to customers	4.50	3.24	4.26



Unit: Baht Million

Loans to customers after deferred revenue	31 March 2019		
	Normal Accounts	Public Service Accounts	Total
Pass	464,946.29	905,143.57	1,370,089.86
Special Mention	4,565.09	6,532.61	11,097.70
Substandard	2,556.71	3,650.99	6,207.70
Doubtful	4,025.84	4,445.62	8,471.46
Doubtful of Loss	19,291.73	21,563.24	40,854.97
Total	495,385.66	941,336.03	1,436,721.69
NPLs	25,874.28	29,659.85	55,534.13
Non-Performing Loans (NPLs)	5.22	3.15	3.87
NPLs as percentage of total loans to customers			

NPLs include loans to farmers, farmer organizations, and juristic persons (after deferred revenue) classified as substandard, doubtful, and doubtful of loss. Other loans and loans under public service schemes are not calculated as part of NPLs.

During the year, the Bank made account transfers between "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts" from normal accounts and public service accounts.

8.4 Accrued Interest Receivables

Unit: Baht Million

	31 March 2020	31 March 2019
Loans to farmers, farmers institutes, and juristic persons	24,267.52	6,480.39
Farmer loan card receivables	308.24	393.97
Promissory notes	9.48	19.44
Accrued Islam-based product sales income	0.83	2.73
Loans to customers under community bank schemes	1.83	4.65
Overdrafts	7.26	4.28
Guarantee receivables	0.28	0.19
Housing loans, employee debt relief loans, and employee life quality improvement loans	1.69	1.62
Total	24,597.13	6,907.27

During the year, the Bank made account transfers between "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts" from normal accounts and public service accounts.



8.5 Allowance for Doubtful Accounts

Unit: Baht Million

	31 March 2020						Total
	Normal	Special Mention	Sub-standard	Doubt-ful	Doubt-ful of Loss	Reserve Surplus	
Beginning balances	4,706.76	91.33	2,560.24	4,030.76	19,307.73	71,845.90	102,542.72
Doubtful accounts	6,949.55	88.73	6,847.35	4,677.23	17,000.34	139,018.54	174,581.74
Bad debts written-off	(10.00)	(0.88)	(1.37)	(3.10)	(121.43)	-	(136.78)
Losses from debt restructuring	(158.31)	(0.32)	(13.66)	(0.11)	(2.04)	-	(174.44)
Ending balances	11,488.00	178.86	9,392.56	8,704.78	36,184.60	210,864.44	276,813.24

Unit: Baht Million

	31 March 2019						Total
	Normal	Special Mention	Sub-standard	Doubt-ful	Doubt-ful of Loss	Reserve Surplus	
Beginning balances	9,789.87	239.71	10,983.38	11,237.19	30,892.34	194,521.92	257,664.41
Doubtful accounts	(4,891.73)	(148.04)	(8,397.84)	(7,203.97)	(11,487.00)	(122,676.02)	(154,804.60)
Bad debt written-off	(9.75)	(0.23)	(2.15)	(1.50)	(49.60)	-	(63.23)
Losses from debt restructuring	(181.63)	(0.11)	(23.15)	(0.96)	(48.01)	-	(253.86)
Ending balances	4,706.76	91.33	2,560.24	4,030.76	19,307.73	71,845.90	102,542.72

A reserve surplus means a reserve set aside by the Bank based on quality criteria of debtors for debtors subject to debt restructuring, debtors with extension of loan repayments, and debtors with uncertainty of debt repayment due to drought, low product prices, and economic slowdown leading to lower debt servicing ability. A reserve surplus is provided for assets classified as normal and special mention as percentage of damage from unpaid debts.

The Bank has set aside an additional reserve for special mention customers based on the BOT's requirements from 2% to 100% by considering possible defaults on payments and damage from the customers.

During the year, the Bank made account transfers between "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts" from normal accounts and public service accounts.

8.6 Receivables Eligible for Government Reimbursement from Normal Accounts

Unit: Baht Million

Projects	Period	31 March 2020	31 March 2019
		Off-season rice pledging scheme 2009	Mar. 09 - Mar. 13
In-season rice pledging scheme 2008/2009	Nov. 08 - Oct. 09	8.33	10.46
Total		16,913.72	19,038.07



8.7 Properties for Sale, Net

Unit: Baht Million

	31 March 2020			
	Beginning Balance	Additions	Disposals	Ending Balance
Properties for sale	77.00	110.00	-	187.00
Less Allowance for possessing properties for sale	-	77.00	-	77.00
Properties for sale, net	77.00	33.00	-	110.00

Unit: Baht Million

	31 March 2019			
	Beginning Balance	Additions	Disposals	Ending Balance
Properties for sale	77.37	-	0.37	77.00
Properties for sale, net	77.37	-	0.37	77.00

As at 31 March 2020 and 2019, the Bank's properties for sale, net were Baht 110 million and Baht 77 million, respectively. These were assets obtained from the asset foreclosure and auction according to the court's order. They were presented at the lower of cost or market value less allowance for impairment (if any). The Bank recorded an allowance for possessing properties for sale at Baht 77 million due to its possession of the properties for more than 10 years. The allowance was set aside at 100% as per the Ministry of Finance's requirements.

In the accounting year of 2019, the Bank had an external appraiser and an internal appraiser appraise the properties for sale at Baht 110 million and Baht 77 million, respectively.

8.8 Premises and Equipment, Net

Unit: Baht Million

	31 March 2020								Premises and Equipment, Net
	Cost				Accumulated Depreciation				
	Beginning Balance	Additions	Disposals	Ending Balance	Beginning Balance	Depreciation	Disposals	Ending Balance	
Land	3,972.82	75.63	0.73	4,047.72	-	-	-	-	4,047.72
Buildings and building structures	6,397.32	453.13	4.90	6,845.55	3,090.19	126.51	4.83	3,211.87	3,633.68
Additions to buildings	281.21	-	0.83	280.38	281.05	0.07	0.84	280.28	0.10
Modifications to buildings	3,107.31	265.75	148.60	3,224.46	1,524.33	322.09	147.59	1,698.83	1,525.63
Accessories and devices	6,741.40	487.69	434.41	6,794.68	5,843.44	417.57	433.10	5,827.91	966.77
Vehicles	351.69	10.41	107.18	254.92	264.75	11.26	86.46	189.55	65.37
Assets in progress	993.72	747.47	1,184.20	556.99	-	-	-	-	556.99
Total premises and equipment, net	21,845.47	2,040.08	1,880.85	22,004.70	11,003.76	877.50	672.82	11,208.44	10,796.26



Unit: Baht Million

	31 March 2019								
	Cost				Accumulated Depreciation				Premises and Equipment, Net
	Beginning Balance	Additions	Disposals	Ending Balance	Beginning Balance	Depreciation	Disposals	Ending Balance	
Land	3,883.02	92.42	2.62	3,972.82	-	-	-	-	3,972.82
Buildings and building structures	5,669.03	731.59	3.30	6,397.32	2,978.51	114.02	2.34	3,090.19	3,307.13
Additions to buildings	282.60	-	1.39	281.21	282.30	0.14	1.39	281.05	0.16
Modifications to buildings	2,900.44	362.32	155.45	3,107.31	1,367.21	312.25	155.13	1,524.33	1,582.98
Accessories and devices	6,645.90	316.23	220.73	6,741.40	5,505.60	556.13	218.29	5,843.44	897.96
Vehicles	541.91	10.09	200.31	351.69	411.25	14.37	160.87	264.75	86.94
Assets in progress	1,751.87	701.17	1,459.32	993.72	-	-	-	-	993.72
Total premises and equipment, net	21,674.77	2,213.82	2,043.12	21,845.47	10,544.87	996.91	538.02	11,003.76	10,841.71

8.9 Financial Lease Assets, Net

Unit: Baht Million

	31 March 2020	31 March 2019
Devices	201.85	178.96
Software	14.26	2.82
Total	216.11	181.78
<u>Less</u> Accumulated depreciation	91.35	44.15
Total	124.76	137.63

8.10 Intangible Assets, Net

Unit: Baht Million

	31 March 2020								
	Cost				Accumulated Depreciation				Premises and Equipment, Net
	Beginning Balance	Additions	Disposals	Ending Balance	Beginning Balance	Depreciation	Disposals	Ending Balance	
Software licenses	2,205.31	171.52	7.18	2,369.65	1,399.70	230.45	7.18	1,622.97	746.68
	2,205.31	171.52	7.18	2,369.65	1,399.70	230.45	7.18	1,622.97	746.68

Unit: Baht Million

	31 March 2019								
	Cost				Accumulated Depreciation				Premises and Equipment, Net
	Beginning Balance	Additions	Disposals	Ending Balance	Beginning Balance	Depreciation	Disposals	Ending Balance	
Software licenses	2,067.35	139.13	1.17	2,205.31	1,189.54	211.33	1.17	1,399.70	805.61
	2,067.35	139.13	1.17	2,205.31	1,189.54	211.33	1.17	1,399.70	805.61

8.11 Other Assets, Net

Unit: Baht Million

	31 March 2020	31 March 2019
Debtors awaiting termination of CBS project	-	756.69
<u>Less</u> Allowance for debtors awaiting termination of CBS project	-	756.69
Debtors awaiting termination of CBS project, net	-	-



Unit: Baht Million

	31 March 2020	31 March 2019
Other debtors	2,797.42	1,171.03
Less Allowance for other debtors	200.09	132.22
Other debtors, net	2,597.33	1,038.81
Debtors under agricultural restoration and production system structure adjustment plans	762.45	849.46
Prepaid deposit interest expenses	277.00	260.17
Accrued investment interest receivables	512.18	496.09
Accrued income - service fees from other projects	18.30	27.09
Leasehold rights, net	8.09	8.77
Total	4,175.35	2,680.39

As at 31 March 2020 and 2019, leasehold rights, net amounting to Baht 8.09 million and Baht 8.77 million, respectively, were presented after deductions of deferred leasehold rights of Baht 6.51 million and Baht 5.77 million, respectively.

The Bank recorded an allowance for debtors awaiting termination of CBS project amounting to Baht 756.69 million due to the malfunctioning of the CBS system. The Bank had notified of contract termination and currently the case was finalized. The supreme court dismissed the case and the Bank was unable to claim for any damage compensation for the project property value from the contract party. Regarding the debtors awaiting termination of CBS project and the allowance for debtors awaiting termination of CBS project, in 2019 the Bank set up a committee to consider write-off of the non-loan debtors from the accounts and to request a write-off of the debtors from the accounts on 31 March 2020 by reversal of the debtors awaiting termination of CBS project and the allowance for debtors awaiting termination of CBS project amounting Baht 756.69 million.

Additionally, the Bank set aside a 100% allowance for other debtors amounting to Baht 200.09 million, i.e. debtors awaiting investigation with no movements for over 1 year and debtors awaiting compensation in full.

8.12 Deposits

Unit: Baht Million

	31 March 2020	31 March 2019
Demand deposits	2,093.13	2,060.16
Savings deposits	1,055,637.43	1,069,546.93
Time deposits		
- Less than 6 months	88,965.97	79,665.82
- 6 months-1 year	57,696.67	41,591.68
- 1 year up	14,435.01	23,705.97
Taweessin deposit cards	454,444.29	401,189.51
Total	1,673,272.50	1,617,760.07

**8.13 Interbank and Money Market Items, Net (Liabilities)**

Unit: Baht Million

	31 March 2020			31 March 2019		
	Demand	Time	Total	Demand	Time	Total
Commercial banks	-	54,580.00	54,580.00	-	57,420.00	57,420.00
Specialized FIs	-	20,200.31	20,200.31	-	9,412.62	9,412.62
Other FIs	1,400.00	900.00	2,300.00	1,300.00	1,665.00	2,965.00
Total	1,400.00	75,680.31	77,080.31	1,300.00	68,497.62	69,797.62

8.14 Debts Issued and Borrowings

Unit: Baht Million

	31 March 2020			31 March 2019		
	Maturity within 1 year	Maturity over 1 year	Total	Maturity within 1 year	Maturity over 1 year	Total
Domestic borrowings	1,001.66	19,003.34	20,005.00	1.66	10,005.00	10,006.66
Borrowings from the Japanese government (JICA)	-	-	-	57.64	-	57.64
Total	1,001.66	19,003.34	20,005.00	59.30	10,005.00	10,064.30

Domestic borrowings as at 31 March 2020 were Baht 20,005 million, consisting of borrowings from the Ministry of Finance of Baht 5 million, and the BAAC's 5 batches of bonds totaling Baht 20,000 million, the details of which are as follows:

1. Borrowings from the Ministry of Finance (the budget year of 1973) consist of loans to farmers under the long-term agricultural loan project with a total limit of Baht 50 million, bearing interest at 2% p.a. The outstanding balance is Baht 5 million. The principal repayment due date is 31 December of every year with Baht 1.66 million to be repaid each year. The last repayment date is scheduled for 31 December 2022.

2. The BAAC's 5 batches of bonds totaling Baht 20,000 million. Interest is to be paid every 5 months while principal is to be repaid in full once upon maturity. Details are as follows:

2.1 Bonds with principal and interest guaranteed by the Ministry of Finance

Unit: Baht Million

No./Year	Age (Year)	Interest Rate (% p.a.)	Maturity Date	Amount
11/2013	10	4.13	1 August 2023	1,000.00
12/2013	7	4.05	15 August 2020	1,000.00
17/2013	10	4.49	30 August 2023	8,000.00
Total				10,000.00

2.2 Bonds without guarantee for principal and interest

Unit: Baht Million

No./Year	Age (Year)	Interest Rate (% p.a.)	Maturity Date	Amount
3/2020	7	1.48	20 March 2027	7,000.00
4/2020	10	1.72	20 March 2030	3,000.00
Total				10,000.00



Foreign borrowings represented borrowings from the Japanese government (JICA) which were consigned to the BOT for sale. Currently, the whole amount was repaid in full.

The proportion of transactions classified by type of contract parties based on contract amounts:

	31 March 2020	31 March 2019
Financial institutions	2.73%	5.40%
External parties	97.27%	94.60%
Total	100.00%	100.00%

8.15 Financial lease liabilities

Unit: Baht Million

	31 March 2020	31 March 2019
Financial lease liabilities	137.29	150.85
<u>Add</u> Deferred lease interest	2.50	4.81
Deferred lease operating expenses	0.01	0.37
Total	139.80	156.03

8.16 Accounts Payable from Bank's Funds

Unit: Baht Million

	31 March 2020				31 March 2019			
	Balance as at 1 April 2019	Receipt	Payment	Balance as at 31 Mar. 2020	Balance as at 1 April 2018	Receipt	Payment	Balance as at 31 Mar. 2019
Research Promotion Fund	7.28	-	(7.28)	-	22.74	-	(15.46)	7.28
Natural Disaster and Catastrophe								
Victim Relief Fund	67.58	-	(27.64)	39.94	92.80	-	(25.22)	67.58
Customer Marketing								
Development Fund	467.08	-	(21.02)	446.06	486.03	-	(18.95)	467.08
Total	541.94	-	(55.94)	486.00	601.57	-	(59.63)	541.94

As at 13 March 2020 and 2019, the accounts payable from Bank's funds were Baht 486 million and Baht 541.94 million, respectively. These items represented the outstanding amounts of the contributions to the funds endorsed in principle by the Bank's Board of Directors. The contributions were made from the net income after expenses to support the research promotion fund, the customer marketing development fund, and the natural disaster and catastrophe victim relief fund at the rate of not over 20% of the net income after expenses. The contribution rates varied upon each year's operating results and circumstances as appropriate. The Bank generally recorded the contributions as expenses instantly in the year of the contributions against the accounts payable from Bank's funds. Once the Bank made the payments according to the purposes of the fund, the accounts payable from Bank's funds would be directly debited. Subsequently, the Bank's Board of Directors resolved at its Meeting No.11/2557 held on 28 July 2014 to stop the contributions from the net income after expenses to the Bank's funds. Going forward, each fund shall have its own annual budget and shall be disbursed to cover expenses within the approved budget limit. The outstanding funds shall be disbursed according to the funds' objectives until the fund balances are zero. There shall be no further practice of making contributions from the net income after expenses to the funds.

As at 31 March 2020, the Bank made no additional contributions to the funds but disbursed Baht 55.94 million from the remaining funds according to their objectives by directly debiting the accounts payable from Bank's funds in full.

**8.17 Accounts Payable for Public Service Projects from Normal Accounts**

Unit: Baht Million

	Note	31 March 2020	31 March 2019
Accounts payable for agricultural commodity pledging schemes 2008/2009	8.17.1	43.33	240.14
Accounts payable for public service projects - other normal accounts		263.59	248.65
Total		306.92	488.79

8.17.1 Accounts payable for agricultural commodity pledging schemes 2008/2009

As at 31 March 2020 and 2019, the accounts payable for agricultural commodity pledging schemes 2008/2009 represented the outstanding balances of the schemes' bank deposits of Baht 43.33 million and Baht 240.14 million in the Bank's financial statements as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Assets		
Interbank and money market items, net	43.33	240.14
Liabilities		
Accounts payable for agricultural commodity pledging scheme 2008/2009 representing remaining term loans (Note 8.33)	0.86	0.85
Government reimbursement	42.47	239.29
Total	43.33	240.14

Transaction activities during the period were as follows:

Unit: Baht Million

	31 March 2020
Balance as at 1 April 2019	
<u>Add</u> Receipt of budget funds in the accounting year of 2019	240.14
Receipt of debt payments from Dairy Farming	1,652.23
Promotion Organization of Thailand (DPO)/Marketing	1.01
Receipt of term loans	8,624.50
Total	10,517.88
<u>Less</u> Transfers to agricultural commodity pledging	162.67
Repayments of principal, interest and fees	10,311.88
Outstanding balance	43.33

8.18 Provisions

Unit: Baht Million

	Note	31 March 2020	31 March 2019
Provisions for employee benefits	8.18.1	10,817.73	6,762.71
Provisions for pension funds	8.18.2	202.38	231.21
Total		11,020.11	6,993.92



8.18.1 Provisions for employee benefits

Unit: Baht Million

Provisions for employee benefits	31 March 2020	31 March 2019
Beginning balance	6,762.71	6,507.99
Past service costs	1.88	-
Current service costs	2,869.92	381.84
Interest costs	253.91	202.61
Employee benefits paid during the year	(1,105.56)	(329.73)
Actuarial losses on defined benefit plans		
Financial assumptions	1,444.19	-
Experience adjustment	590.68	-
Total provisions for employee benefits	10,817.73	6,762.71

The Principal Actuarial Assumptions

	31 March 2020	31 March 2019
Average future salary increase rate	7.00%	7.00%
Average turnover rate	0.10%-5.00%	0.10%-5.00%
Average discount rate	1.93%	3.38%
Retirement age	60 Years	60 Years

Sensitivity Analysis of Principal Actuarial Assumptions

Unit: Baht Million

The effect of changes in key assumptions	31 March 2020	31 March 2019
Average discount rate		
Increase of 1%	(1,036.76)	316.94
Decrease of 1%	1,232.05	(343.75)
Average future salary increase rate		
Increase of 1%	1,156.86	(750.88)
Decrease of 1%	(1,000.07)	650.59
Average turnover rate		
Increase of 20%	(58.31)	37.78
Decrease of 20%	59.45	(38.67)

Maturity Profile of Defined Benefit Plan

Unit: Year

	31 March 2020	31 March 2019
Weighted average duration of the defined benefit plan	16.29	16.26



Unit: Baht Million

	31 March 2020	31 March 2019
Maturity analysis of benefits expected to be paid		
Amount expected to be paid within 1 year	541.86	326.59
Amount expected to be paid between 1 to 2 years	451.29	245.53
Amount expected to be paid between 2 to 5 years	1,892.19	1,048.99
Amount expected to be paid between 5 to 10 years	4,845.38	2,470.04
Amount expected to be paid between 10 to 15 years	3,625.13	2,177.80
Amount expected to be paid between 15 to 25 years	9,789.66	1,778.18
Amount expected to be paid between 25 to 35 years	7,861.76	940.67
Amount expected to be paid between 35 to 45 years	96.98	4.42

On 5 April 2019, the Labour Protection Act (No.7) B.E. 2562 (A.D. 2019) was published in the Royal Thai Government Gazette directive, with amendments to the existing labour protection law. The act must be enforced after 30 days from the date of publication in the Royal Thai Government Gazette directive. Under this new act, the employer is obligated of additional pay in the case of termination of an employee who has worked for a continuous period of twenty years and more for the amount of not less than the last rate of wages for four hundred days. This new act has no impacts on the Bank's financial statements since the Bank is governed under the State Enterprise Labour Relations Act B.E. 2543 (A.D. 2000).

On 26 September 2019, the State Enterprise Labour Relations Committee notification Re: The Minimum Wages Standard of State Enterprise (No.4) was published in the Royal Thai Government Gazette directive. This notification shall also be applicable to the case of termination of an employee who has retired according to the employer's rules, requirements, regulations or directives starting from 30 September 2019 onwards. Under this act, the employer is obligated of additional pay in the case of termination or retirement of an employee who has worked for a continuous period of ten years but less than twenty years for the amount of not less than the last rate of wages for three hundred days or of not less than his or her wages for the last three hundred days. In the case of an employee who has worked for a continuous period of twenty years and more shall be paid for the amount of not less than the last rate of wages for four hundred days or of not less than his or her wages for the last four hundred days. And, in the case of an employee who has worked for a continuous period of twenty years and more before reaching retirement shall be paid a reward for his or her work for the amount of the last rate of wages for four hundred days.

These changes were considered changes to the post-employment benefits, resulting in an increase of Baht 4,055.02 million in the provisions for employee benefits in the financial statements for the year ended 31 March 2020. The Bank recorded the effect of such changes by realizing the past service costs as expenses in the statements of profit or loss in the period in which the said law came into force.

8.18.2 Provisions for pension funds

The pension funds are reserved according to the BAAC's Regulation No.29 Re: Pension Funds. The objective is to provide a reserve for an employee on a one-time basis upon leaving his/her employment or to pay a fund to the heir of an employee who has passed away. Changes in the pension funds were as follows:



	Unit: Baht Million	
	31 March 2020	31 March 2019
Beginning balance	231.21	239.33
Additional contributions during the year	10.99	11.22
Pension fund payments and transfers to the provident fund	(39.82)	(19.34)
Total	202.38	231.21

8.19 Other Liabilities

		Unit: Baht Million	
	Note	31 March 2020	31 March 2019
Government project creditors		769.51	866.56
Guarantees		62.87	61.31
Accrued expenses		7,786.06	6,457.93
Insurance fund reserves		67.90	68.06
Suspense premium-class life insurance creditors		659.24	659.24
Long-term life insurance reserves			
Long-term life insurance reserves	8.19.1	9,834.15	6,644.74
Unearned long-term life insurance deposit income reserves	8.19.2	1,877.15	2,523.64
Claim payment reserves	8.19.3	523.09	908.97
Suspense government creditors		214.61	225.14
Third party creditors		3,743.68	2,746.10
Other liabilities		1,735.59	1,361.90
Total		27,273.85	22,523.59

As at 31 March 2020, third party creditors amounting to Baht 3,743.68 million included specialized the financial institution fund contribution creditors of Baht 1,028.87 million and the suspense preferred share creditors of Baht 0.11 million. Those preferred shares matured on 26 October 2006 but have not yet been redeemed. Because of the maturity of more than 10 years, the Bank transferred the preferred shares from the share capital account to the suspense preferred share creditors account, waiting for the preferred shareholders to request return of the shares.

8.19.1 Long-term life insurance reserves

	Unit: Baht Million	
	31 March 2020	31 March 2019
Beginning balance	6,644.74	4,682.09
Valid long-term life insurance reserves and new insurance policies	3,217.96	1,988.32
Invalid long-term life insurance reserves and cancelled insurance policies	(864.57)	(725.94)
Additional long-term life insurance reserves (unenforceable)	836.02	700.27
Total	9,834.15	6,644.74



The Principal Actuarial Assumptions:

Mortality rate, morbidity rate, and survival rate

- BAAC Perm Rak Product

- BAAC Tawee Rak 99 Product

Discount rate

Benefits paid to depositors

31 March 2020

31 March 2019

100% TMI2008

100% TMI2008

100% TMO2008

100% TMO2008

2 - 4%

2 - 4%

100% of total deposits

100% of total deposits

8.19.2 Unearned long-term life insurance deposit income reserves

Unit: Baht Million

Beginning balances

Deposits received during the year

Less Earned deposit income during the year

Total

31 March 2020

31 March 2019

2,523.64

1,897.61

2,795.92

2,577.84

3,442.41

1,951.81

1,877.15

2,523.64

8.19.3 Claim payment reserves

Unit: Baht Million

Beginning balances

Claim payment reserves recorded during the year

Claim payments received from reinsurance

Less Claim payments made during the year

Total

31 March 2020

31 March 2019

908.97

653.48

1,504.02

1,721.46

(434.14)

-

1,455.76

1,465.97

523.09

908.97

8.20 Share capital

Common Shares

Ministry of Finance

Farmers institutes

Private-sector organizations

Total

31 March 2020

31 March 2019

No. of
sharesAmount
(Baht Million)No. of
sharesAmount
(Baht Million)

558,207,513

55,820.75

558,207,513

55,820.75

1,032,668

103.27

1,032,668

103.27

213,204

21.32

213,204

21.32

559,453,385

55,945.34

559,453,385

55,945.34



The Bank's issued and paid-up share capital was 559,453,385 shares or a total of Baht 55,945.34 million, of which 99.78% was held by the Ministry of Finance.

The preferred shares of Baht 0.11 million matured and could be redeemed on 26 October 2006. Because of the maturity period of more than 10 years, the Bank transferred the preferred shares from the share capital account to the suspense preferred share creditors account, waiting for the preferred shareholders to request return of the shares.

On 21 January 2020, the cabinet passed a resolution to approve an increase in the Bank's share capital from Baht 60,000 million to Baht 80,000 million as a mechanism to drive the country's grassroots economy, rapidly strengthening the agricultural sector, the people and the overall economy, and support the expansion of missions and operations according to the government's future policies. The Bank's unpaid share capital portion is only Baht 4,054.66 million, so the Bank needs additional share capital for future investments.

The cabinet passed a resolution on 31 March 2020 to approve the Ministry of Finance's proposal of the use of the specialized financial institution funds to support the share capital increase of up to Baht 6,000 million for operational expansion to the Bank in the accounting year of 2020. This was in accordance with the Specialized Financial Institution System Development Fund Committee's resolution at the Meeting No. 1/2020 held on 21 February 2020. Also, on 13 May 2020, the Ministry of Finance paid for 60 million common shares at Baht 100 each or a total of Baht 6,000 million for the share capital increase according to the Memo (Very Urgent) of the State Enterprise Policy Committee Office No. Gorkor 0819.1/2469 dated 13 May 2020 Re: Payment of Common Shares for Share Capital Increase of the Bank for Agriculture and Agricultural Cooperatives (BAAC).

8.21 The Appropriation of Net Profit and Dividend Payment

According to the Letter of the State Enterprise Policy Committee Office No. Gorkor 0819.1/Lor925 dated 24 June 2019, the Bank received approval for the appropriation of the 2018 net profit of Baht 14,221.14 million; and according to the Letter of the State Enterprise Policy Committee Office No. Gorkor 0819.1/Lor416 dated 22 June 2018, the Bank received approval for the appropriation of the 2017 net profit of Baht 13,903.92 million. Details are as follows:

Unit: Baht Million

	Accounting Year 2018	Accounting Year 2017
Directors' bonuses	3.57	3.47
Employees' bonuses	5,823.04	5,505.92
Common share dividends	5,594.53	5,594.53
Legal reserves	2,800.00	2,800.00
Total	14,221.14	13,903.92

On 27 June 2019, the 2018 Annual General Meeting of Shareholders resolved to approve a dividend payment for the operating results of the accounting year of 2018 to 559,453,385 shares at Baht 10 or a total of Baht 5,594.53 million. Of this, 558,207,513 shares or Baht 5,582.08 million were attributable to the Ministry of Finance. This was in line with the cabinet's resolution passed on 6 October 2015 to endorse in principle the criteria for dividend payments to the Ministry of Finance similar to the criteria for payments remitted to the Ministry of Finance in other specialized financial institution cases. The Bank therefore submitted the dividend payments of Baht 5,582.08 million to the Ministry of Finance on 8 July 2019.

According to Section 37 of the BAAC Act B.E.2509 (A.D. 1966), upon each dividend payment of the Bank, a legal reserve of at least one half of the dividend payment must be provided based on the appropriation of the retained earnings; and once the Bank's legal reserve is equal to or more than the paid-up capital, the Bank may refrain from further appropriation or reduce appropriated amounts. In this period, the Bank set aside a legal reserve of Baht 2,800 million from the appropriation of the retained earnings.



Any surplus after employee bonus payments shall be transferred to the Bank's retained earnings according to the BAAC's Regulation No. 33 Re: Criteria for Annual Employee Bonus Payments.

8.22 Obligations and Contingent Liabilities

8.22.1 Obligations

Unit: Baht Million

	31 March 2020	31 March 2019
Guarantees of loans	-	0.05
Other obligations		
Performance guarantees	-	0.32
Hiring contract guarantees	3,280.76	3,786.88
Electricity and tap water utility guarantees	0.06	1.19
Sales and purchase contract guarantees	0.06	1.14
Guarantees of transportation services for Hajj activities	-	0.03
ELC Blockchain system guarantees	2.17	-
Unused credit line of overdraft	3,675.81	3,262.34
Total obligations	6,958.86	7,051.95

8.22.2 Contingent Liabilities

As at 31 March 2020, the Bank had outstanding litigation cases at courts of first instance, appeal courts, and supreme courts of Baht 476.61 million. These items were expected not to have significant impacts on the Bank's financial position and operating results.

8.23 Obligations from government-guaranteed agricultural commodity pledging schemes

Unit: Baht Million

Obligations	Note	31 March 2020	31 March 2019
Pledging scheme 2008/2009	8.23.1	15,013.00	16,304.00
Pledging scheme 2011/2012	8.23.2	87,249.00	94,844.00
Pledging scheme 2012/2013	8.23.3	118,424.48	130,719.98
Pledging scheme 2013/2014	8.23.4	35,471.50	40,000.00
Total		256,157.98	281,867.98

8.23.1 Obligations from the government-guaranteed agricultural commodity pledging scheme for the production year of 2008/2009

This represented the obligations of the government guarantee of the implementation of the agricultural commodity pledging scheme for the production year of 2008/2009. In mobilizing funds to support the project implementation according to the government policy, the Bank issued promissory notes backed by the Ministry of Finance with the government obligated to repay the loan principal and interest, actual expenses, and losses from the entire scheme implementation (Note 8.33). The cabinet passed a resolution on 14 July 2009, allowing the Bank to manage debts through refinance or



rollover or prepayment. Then, the Bank acquired term loans for promissory note repayments. The current term loan is the term loan no. 21, maturing no later than 27 November 2022 and bearing interest at Bangkok Interbank Offered Rate (BIBOR) for 6 months plus a spread (according to the bidding.) The Bank also raised funds through the issuance of its bonds no.1 in 2015 (Re-Open No. 5), maturing on 26 November 2021 and bearing interest at 3.01% p.a.

The outstanding balances of the borrowings for the implementation of the agricultural commodity pledging scheme for the production year of 2008/2009 were as follows:

	Unit: Baht Million	
	31 March 2020	31 March 2019
Term loans	10,749.00	9,304.00
Bonds	7,000.00	7,000.00
Total	15,013.00	16,304.00

8.23.2 Obligations from the government-guaranteed agricultural commodity pledging scheme for the production year of 2011/2012

This represented the obligations of the government guarantee of the implementation of the agricultural commodity pledging scheme for the production year of 2011/2012. The cabinet passed a resolution on 22 November 2011, allowing the Bank to borrow funds within a limit of Baht 269,160 million from government and private financial institutions for use as working capital for the in-season rice pledging scheme for the production year of 2011-2012, with the Ministry of Finance providing a guarantee and the government obligated to repay the loan principal and interest, actual expenses, and losses from the entire scheme implementation (Note 8.34).

The outstanding balances of the borrowings for the implementation of the agricultural commodity pledging scheme for the production year of 2011/2012 were as follows:

	Unit: Baht Million	
	31 March 2020	31 March 2019
Term loans		-
Bonds	76,500.00	94,844.00
Total	87,249.00	94,844.00

8.23.3 Obligations from the government-guaranteed agricultural commodity pledging scheme for the production year of 2012/2013

This represented the obligations of the government guarantee of the implementation of the agricultural commodity pledging scheme for the production year of 2012/2013, as a continued scheme from the agricultural commodity pledging scheme for the production year of 2011/2012. The cabinet passed resolutions on 2 October 2012 (No. 1) and on 31 March 2013 (No. 2), allowing the Bank to implement the in-season rice pledging scheme with the total amount of 22 million tons starting from 1 October 2012 onwards and also approving a budget limit for the project implementation (No.1) of Baht 240,000 million with an additional loan limit of up to Baht 150,000 million. This additional limit of Baht 150,000 million combined with the previously loan limit of Baht 269,160 million approved by the cabinet's resolution on 22 November 2011 shall not exceed a threshold of Baht 410,000 million in accordance with the cabinet's resolution on 13 September 2011 (Note 8.34). Also, the cabinet resolved to approve a budget limit for the project implementation (No.2) amounting to Baht 105,000 million by allowing the Bank to borrow funds from government and private financial institutions for use as working capital for the in-season rice pledging scheme for the production year of 2012/2013 with the Ministry of Finance providing a guarantee and the government obligated to repay the loan principal and interest, actual expenses, and losses from the entire scheme implementation.



The outstanding balances of the borrowings from the implementation of the agricultural commodity pledging scheme for the production year of 2012/2013 were as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Term loans	45,424.48	36,855.70
Bonds	73,000.00	93,864.28
Total	118,424.48	130,719.98

8.23.4 Obligations from the government-guaranteed agricultural commodity pledging scheme for the production year of 2013/2014

This represented the obligations of the government guarantee of the implementation of the rice pledging scheme for the production year of 2013/2014 according to the National Council for Peace and Order's Letter No.KorSorChor (SorLor)/1 dated 24 May 2014, allowing the Bank to borrow funds within a limit of Baht 92,431 million from government and private financial institutions for use as working capital for the rice pledging scheme for the production year of 2013/2014, and to obtain loans for refinancing, rollover or prepayment purposes, with the Ministry of Finance providing a guarantee and the government obligated to repay the loan principal and interest, actual expenses, and losses from the entire scheme implementation (Note 8.34). The Ministry of Finance shall consider borrowings as well as their methods, conditions, details, and guarantees for the Bank and shall manage debts together with the Bank until all the debts are paid in full.

The outstanding balances of the borrowings for the implementation of the agricultural commodity pledging scheme for the production year of 2013/2014 were as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Term loans	15,471.50	-
Bonds	20,000.00	40,000.00
Total	35,471.50	40,000.00

8.24 Interest Income

Unit: Baht Million

	31 March 2020	31 March 2019
Interbank and money market items	3,910.54	4,501.66
Government bonds and financial institution bills	1,541.84	1,452.07
Loans (Note 8.25)	43,918.33	33,648.28
Reimbursed financial costs - Out-of-season rice pledging scheme 2009	690.09	759.28
Government housing loans	134.96	129.66
Total	50,195.76	40,490.95



8.25 Interest Income from Loans

Unit: Baht Million

	31 March 2020	31 March 2019
Loans to farmers, farmers institutes and juristic persons	42,381.50	33,389.91
Loans to customers from public service accounts	0.76	1.55
Farmer loan card receivables	1,515.44	1,707.83
Discounted bill receivables	15.54	17.34
Islam-based loans for credit sales, installment payments and hire-purchase, net	69.72	83.88
Other public service projects	45.61	9.10
<u>Less</u> Returned interest income	110.24	1,561.33
Total	43,918.33	33,648.28

During the year, the Bank made account transfers between "Interest Income from Loans to Customers from Normal Accounts" and "Interest Income from Loans to Customers from Public Service Accounts".

As at 31 March 2020 and 2019, the Bank's returned interest income was Baht 110.24 million and Baht 1,561.33 million, respectively, in line with the resolution of the Bank's Board of Directors' Meeting No. 12/2560 held on 20 December 2017. The said resolution endorsed the Bank's measures to aid low-income farmers who registered for the government welfare scheme through the BAAC system, to reduce debts inside and outside of the system, and to arrange debt restructuring for low-income earners in the BAAC system. To this end, the Bank is required to return loan interest to the farmer customers entitled to the reduction of the existing interest as per the debt restructuring conditions of the low-income earners in the BAAC system during the extended period of principal repayment under the debt restructuring scheme from 1 January 2018 to 30 June 2020. In the case where the customers are able to repay the debts in full on a contract basis, the customers will be entitled to the 50% reduction of the existing interest (the interest as at 31 December 2017) as well as the project to return interest to the farmer customers with good repayment records as a way to motivate the farmer customers to cultivate financial discipline at the rate of 30 of the repaid interest between 1 January 2018 and 31 December 2018.

8.26 Interest Expenses

Unit: Baht Million

	31 March 2020	31 March 2019
Deposits	7,438.93	1,577.19
Contributions to the Specialized Financial Institution System Development Fund	1,453.29	3,827.64
Interbank and money market items	494.62	1,392.77
Borrowings	162.10	543.87
Others	1.12	0.30
Total	9,550.06	7,341.77



8.27 Fees and Service Income, Net

Unit: Baht Million

	31 March 2020	31 March 2019
Fees and service income		
Immovable property assessment income	762.01	683.89
Deposit service fees	1,078.85	1,049.33
Loan service fees	1,051.55	984.38
Brokerage income	706.52	710.15
Other income	754.73	672.71
Total	4,353.66	4,100.46
Fees and service expenses		
Cash transportation expenses	49.86	38.06
Other expenses	89.29	43.21
Total	139.15	81.27
Fees and service income, net	4,214.51	4,019.19

8.28 Other Operating Income

Unit: Baht Million

	31 March 2020	31 March 2019
Service income from public service projects	89.30	125.67
Court fees	7.05	6.05
Gains on sale of properties	42.63	29.06
Gains on investments	2.00	2.00
Long-term life insurance income, net	4,111.14	4,674.23
Sundry income	128.88	145.69
Total	4,381.00	4,982.70

8.29 Bad Debts, Doubtful Accounts, and Impairment Losses

8.29.1 Loans to farmers, farmers institutes, and juristic persons

Unit: Baht Million

	Allowance for Doubtful Accounts		Doubtful Accounts
	31 March 2020	31 March 2019	31 March 2020
Loans to farmers, farmers institutes, and juristic persons			
- Farmers, farmers institutes, and juristic persons	122,089.75	146,075.54	(23,985.79)
- Debtors being members of the farmers rehabilitation fund	40,496.25	37,757.55	2,738.70
- Debt restructuring	84,326.30	80,078.96	4,247.34
- Refinancing	1,281.73	1,072.21	209.52
- Debtors suffering from natural disasters	22,598.70	2,080.91	20,517.79
- Debt moratoriums	56,349.47	31,377.11	24,972.36
Total	327,142.20	298,442.28	28,699.92



Unit: Baht Million

	Allowance for Doubtful Accounts		Doubtful Accounts
	31 March 2020	31 March 2019	31 March 2020
Farmer loan card receivables	3,961.56	3,012.58	948.98
Islam-based loans for credit sales, installment payments and hire-purchase	319.67	451.50	(131.83)
Discounted bill receivables	1.74	2.29	(0.55)
Overdrafts	1,757.57	1,380.49	377.08
Total	333,182.74	303,289.14	29,893.60

8.29.2 Other loans

Unit: Baht Million

	Allowance for Doubtful Accounts		Doubtful Accounts
	31 March 2020	31 March 2019	31 March 2020
Loans to government housing customers	86.95	78.57	8.38
Loans to employees for debt relief	1.60	1.82	(0.22)
Loans to employees for life quality improvement	2.86	2.46	0.40
Loans to employees under welfare fund schemes	0.04	0.03	0.01
Total	91.45	82.88	8.57
Total (Notes 8.5 and 8.32.3)	333,274.19	303,372.02	29,902.17
Doubtful accounts for interbank and money market items			(1.80)
Written-off bad debts			136.78
Losses from debt restructuring			174.44
Total			30,211.59

8.30 Long-term Leases

The Bank had long-term lease obligations. The portions according to maturity periods from the end dates of the statements of financial position were as follows:

Unit: Baht Million

Leases	31 March 2020			
	Less than 1 year	1-5 years	Over 5 years	Total
Land and/or buildings	84.27	41.03	27.56	152.86
Office equipment	11.12	2.75	-	13.87
Vehicles	218.37	267.02	-	485.39
Total	313.76	310.80	27.56	652.12

Unit: Baht Million

Leases	31 March 2019			
	Less than 1 year	1-5 years	Over 5 years	Total
Land and/or buildings	172.45	107.62	211.09	491.16
Office equipment	56.30	13.56	-	69.86
Vehicles	333.52	478.47	22.88	834.87
Total	562.27	599.65	233.97	1,395.89



8.31 Key Financial Positions and Operating Results

8.31.1 Financial positions

Unit: Baht Million

	31 March 2020	31 March 2019
Total assets	1,958,855.95	1,874,371.38
Interbank and money market items, net	273,148.83	268,964.44
Investments, net	80,136.60	73,120.57
Loans to customers and accrued interest receivables, net	959,809.10	405,506.16
Deposits	1,673,272.50	1,617,760.07
Interbank and money market items, net	77,080.31	69,797.62
Debts issued and borrowings	20,005.00	10,064.30

8.31.2 Operating results: The operating results for the year ended 31 March 2020 posted a net profit of Baht 9,950.83 million, a year-on-year increase of Baht 62.98 million. The operating results as compared with the previous year were as follows:

Unit: Baht Million

	31 March 2020	31 March 2019	Increase (Decrease)	%
Interest income	50,195.76	40,490.95	9,704.81	23.97
Interest expenses*(Note 8.26)	(9,550.06)	(7,341.77)	(2,208.29)	30.08
Interest income, net	40,645.70	33,149.18	7,496.52	22.61
Fees and service income, net	4,214.51	4,019.19	195.32	4.86
Other operating income	4,400.95	4,963.18	(562.23)	(11.33)
Income from public service accounts	43,497.72	51,328.15	(7,830.43)	(15.26)
Other operating expenses*	(22,605.13)	(17,629.93)	(4,975.20)	28.22
Expenses from public service accounts (Note 8.32.6)	(29,991.33)	(34,344.31)	4,352.98	(12.67)
Bad debts, allowance for doubtful accounts, and impairment losses	(30,211.59)	(31,597.61)	1,386.02	(4.39)
Net profit	9,950.83	9,887.85	62.98	0.64

* Interest expenses and other operating expenses are interest expenses and other operating expenses from normal accounts after deductions of expenses from public service accounts. (Note 8.32.6)

8.32 Public Service Account (PSA)

The Bank has implemented the public service account projects as endorsed by the cabinet after 5 August 2009. The public services offered had relaxing conditions and objectives to help and restore the lives of those affected by disasters and sabotage, to revive and stimulate the economy, to build up the occupational capacity, or to enhance the well-being of the people and the business sector.



8.32.1 Summary of public service account information

Unit: Baht Million

Assets and Liabilities	31 March 2020	31 March 2019
Assets		
Loans to customers from public service accounts and accrued interest receivables, net	233,827.76	767,164.09
Receivables eligible for government reimbursement from public service accounts	361,815.59	307,901.18
Total (Note 8.32.2)	595,643.35	1,075,065.27
Liabilities		
Accounts payable for public service projects from public service accounts (Note 8.32.4)	7,587.13	5,771.02
Total	7,587.13	5,771.02
Income and Expenses		
Assets		
Income from public service accounts (Note 8.32.5)	43,497.72	51,328.15
Less Expenses from public service accounts (Note 8.32.6)	29,991.33	34,344.31
Less Bad debts, doubtful accounts and impairment losses (Note 8.32.3)	13,484.61	18,810.26
Net profit (loss)	21.78	(1,826.42)

8.32.2 Public service account assets

Unit: Baht Million

	31 March 2020	31 March 2019
8.32.2.1 Loans to customers from public service accounts and accrued interest receivables, net		
Loans to farmers, farmers institutes, and juristic persons	281,869.19	941,336.03
Loans for public service projects	4,955.32	6,993.89
Total loans to customers from public service accounts	286,824.51	948,329.92
Accrued interest receivables	3,464.20	19,663.47
Total loans to customers from public service accounts and accrued interest receivables	290,288.71	967,993.39
<u>Less</u> Allowance for doubtful accounts (Note 8.32.3)	56,460.95	200,829.30
Total	233,827.76	767,164.09
8.32.2.1 Receivables eligible for government reimbursement from public service accounts		
Total	361,815.59	307,901.18
Total	595,643.35	1,075,065.27

During the year, the Bank made account transfers between "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts" from normal accounts and public service accounts.



Public Service Account Assets

Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
1. Barn Pledging Program 2009/2010	According to the cabinet resolution on 20 October 2009, a credit limit for 2 million tons of paddy rice was set up.	Nov 2009 - Sep 2010	0.86	0.52	Unreimbursed	Unreimbursed
2. Loans for purchasing sugar-cane harvesters	According to the cabinet resolution on 20 October 2009 and 7 September 2010, a credit limit was at Baht 3 billion with the interest rate of MRR - 2 (MRR = 6.75%). Customers were responsible for 2% while the government reimbursed the difference for 2.75 %.	Jun 2012 - Sep 2018	0.74	-	End of reimbursement	End of reimbursement
3. Support for salt farmers in Phetchaburi Province 2010	According to the resolution of the committee on policies and measures to provide assistance to farmers on 26 October 2010, a budget limit for loan interest compensation was approved at Baht 1.26 million where the government reimbursed the loan interest for 3%.	Apr 2010 - Nov 2010	0.05	x0.30	End of reimbursement	End of reimbursement
4. Brown Planthopper and Mealybug Prevention Program 2010	According to the cabinet resolution on 5 October 2010, an emergency budget limit within Baht 496.12 million in 9 provinces was approved.	Nov 2009 - Jun 2010	0.18	0.14	End of reimbursement	End of reimbursement
5. Flood relief measures 2010	According to the cabinet resolution on 2 November 2010 and on 18 January 2011, the Bank refrained from charging interest for 3 years starting from 2010 to 2012 and granted a restoration loan of Baht 100,000 to each customer. Additionally, the Bank reduced interest rate by 3% from the normal interest rate whereby the government reimbursed the loan interest for 3%.	Apr 2010 - Mar 2013	16.42	4.90	End of reimbursement	End of reimbursement
6. Farmer income insurance 2010/2011 - 2 nd phase	According to the cabinet resolution on 15 February 2011 and on 8 March 2011, a funding limit was approved at Baht 31,515 million for government reimbursement of financial costs at 2.5125%.	Feb 2011 - Dec 2011	-	-	14,817.18	19,756.30
7. Barn Pledging Program 2010/2011	On 1 March 2011, the cabinet resolved to approve a funding limit of Baht 26,000 million. The government reimbursed the interest for the BAAC at the rate of MMR-2.	Jan 2011 - Dec 2011	0.75	0.24	End of reimbursement	End of reimbursement
8. Flood Relief Measures 2011	According to the cabinet resolution on 4 April 2011 and 13 December 2011, the duration of loan repayment was extended with the exemption of interest for 3 years starting from 1 April 2011 to 31 March 2014. Additionally, the Bank provided restoration loans and reduced the interest rates by 3% from the normal interest rate. Subsequently, the National Council for Peace and Order (NCPO) resolution on 8 July 2014 approved compensating the interest for the BAAC at the rate of MRR - 3 with the compensation limit of Baht 6,239.30 million.	Apr 2011 - Mar 2014	0.24	-	End of reimbursement	End of reimbursement
9. Support of the use of fertilizer to reduce farmers' production costs	On 6 May 2011, the cabinet resolved to approve a budget limit of Baht 3,901 million.	May 2011 - June 2011	0.01*	-	Unreimbursed	Unreimbursed

*Account transfers during the year from the debt reduction measure to increase liquidity for retail farmers (the debt reduction measure for supporting the agricultural reform according to the Pracharath agricultural guideline)



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
10. Rice Pledging Scheme 2011/2012	On 13 September 2011 and 22 November 2011, the cabinet resolved to approve a funding limit of Baht 410,000 million for reimbursement of financial costs at FDR+1 and 5-month project management expenses.	Oct 2011 - Sep 2012	-	-	7,219.69	8,334.30
11. Cassava Pledging Scheme 2011/2012	On 15 January 2012 and 29 March 2012, the cabinet resolved to approve a funding limit of Baht 28,250 million for reimbursement of financial costs at FDR+1 and 4-month project management expenses.	Feb 2012 - Dec 2012	-	-	6,331.39	7,124.16
12. Rubber Price Stabilization Project 2011/2012	On 24 January 2012, 18 September 2012, 1 October 2014, 18 February 2015, 11 October 2016, and 13 June 2017, the cabinet resolved to approve a funding limit of Baht 45,000 million for reimbursement of financial costs at FDR+1.	Jan 2012 - May 2020	1,059.45	1,599.72	-	-
13. Off-season Rice Pledging Scheme 2012	On 22 February 2012 and 15 October 2012, the cabinet resolved to approve a funding limit of Baht 218,670 million for government reimbursement of financial costs at FDR+1 and 5-month project management expenses.	Mar 2012 - Jan 2013	-	-	13,934.15	15,914.34
14. Cassava Harvesting Postponement Project 2011/2012	According the cabinet resolution on 22 February 2012, the pledge price was at the rate of 0.05 per kilogram. A funding limit was at Baht 9,000 million. No interest was charged. Government reimbursed financial costs at FDR+1 and 4-month project management expenses.	Mar 2012 - May 2012	-	-	End of reimbursement	End of reimbursement
15. Paddy Rice Pledging Policy 2012/2013 - 1 st phase	On 2 October 2012, the cabinet resolved to approve a funding limit of Baht 240 billion for government reimbursement of financial costs at FDR+1 and 5-month project management expenses.	Oct 2012 - Jan 2014	-	-	-	-
16. Cassava Pledging Scheme 2012/2013	On 20 November 2012, the cabinet resolved to approve a funding limit of Baht 39,825 million for government reimbursement of financial costs at FDR+1 and 4-month project management expenses.	Dec 2012 - Sep 2013	-	-	6,736.84	7,585.30
17. Paddy Rice Pledging Program 2012/2013 - 2 nd phase	On 31 March 2013, the cabinet resolved to approve a funding limit of Baht 105,000 million for reimbursement of financial costs at FDR+1 and 5-month project management expenses.	Feb 2013 - Jan 2014	-	-	10,859.25	11,048.22
18. Paddy Rice Pledging Program 2013/2014	According to the cabinet resolution on 3 September 2013 and the National Council for Peace and Order (NCPO) resolution on 24 May 2014, a funding limit was set at Baht 270,000 million for government reimbursement of financial costs at FDR+1 and 5-month project management expenses.	Oct 2013 - Mar 2015	-	-	50,242.76	57,136.65
19. Loan for Rice Collection and Value-Added Creation by the Farmers Institute 2014/2015	On 2 July 2014, the NCPO resolved to approve a funding limit of Baht 20,000 million. 1) The Baht 18,000 million limit was for the gathering of paddy rice for sale. 2) The Baht 2,000 million limit was for the processing. The government reimbursement of interest was at 3%.	Oct 2014 - Sep 2015	-	-	End of reimbursement	End of reimbursement



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
20. Loan for the postponement of paddy rice sale produced in 2014/2015 (barn pledging)	According to the NCPO resolution on 2 July 2014 and the cabinet resolution on 25 November 2014, a credit limit was set up at Baht 17,508 million. The project was implemented in the north and the northeastern regions with the goal of 2 million tons of paddy. The loan limit per person was within Baht 300,000. The government reimbursed financial costs at FDR+1 and 2.25% of 12-month project management expenses.	Nov 2014 - Sep 2015	7.12	4.94	0.44	0.44
21. Loan support as working capital for the Farmers Institute for rubber collection and processing	According to the NCPO resolution on 26 August 2014 and the cabinet resolution on 29 March 2016, 13 June 2018, and 15 October 2019, 1) For rubber gathering, a credit limit was set up at Baht 10,000 million with interest reimbursement of 3% until 31 March 2016 and loan repayment extension from 31 March 2016 to within 31 March 2020. The extension of loan disbursement and repayment has started from 1 April 2020 to 31 March 2024. 2) For rubber processing, a credit limit of Baht 5,000 million was set up for the Farmers Institute with the interest reimbursement at 3% until 31 August 2024. 3) For rubber processing, a credit limit of Baht 1,500 million was set up for the business operators with the interest reimbursement at 3% until 31 August 2019.	Sep 2014 - Aug 2024	2,589.13	3,015.92	79.87	63.00
22. Buffer stock for rubber price stabilization	On 21 October 2014, 18 February 2015, 11 October 2016, and 13 June 2017, the cabinet resolved to approve a credit limit of Baht 12,000 million for reimbursement of financial costs at FDR+1.	Nov 2014 - May 2020	3,895.87	5,394.17	61.83	58.91
23. Loans for retail rubber farmers for additional income earning opportunities	On 21 October 2014, 21 July 2015, and 8 December 2015, the cabinet resolved to approve a credit limit of Baht 15,000 million with the government responsible for 3% interest reimbursement and the customers responsible for 2% interest payments. The duration of payment was until 31 January 2015 or, when the credit facility reached its maximum of Baht 10,000 million. The credit limit would be increased according to the farmers' needs from Baht 10,000 million to Baht 15,000 million. The duration of payment was until 30 December 2016.	Nov 2014 - Nov 2019	3,621.30	5,626.47	1.04	76.87



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
24. Loan support for the development and efficiency improvement of cassava cultivation (in the drip irrigation system) 2014/2015	On 2 December 2014 and 7 April 2015, the cabinet resolved to approve a credit limit of Baht 23,000 million. The interest rate was based on customer credit tiers minus 3%. The government reimbursed the interest for 3% with the duration starting from 1 January 2016 - 31 December 2017. The loan period was extended from January 2015 to December 2015.	Jan 2015 - Dec 2017	65.51	40.93	-	-
25. Loan support for postponement of cassava cultivation 2014/2015	On 2 December 2014, the cabinet resolved to approve a credit limit of Baht 25,000 million. The interest rate was based on customer credit tiers minus 3%. The government reimbursed the interest for 3% until 30 September 2015.	Dec 2014 - Sep 2015	0.89	0.59	End of reimbursement	End of reimbursement
26. Debt moratorium measure for BAAC customers in the 3 southern border provinces	On 16 December 2014 and 28 November 2017, the government bore the interest of the loan principal within Baht 200,000 at the rate of MRR - 1.5. On 30 September 2014, the number of customers in the project was 62,000. The principal amount was Baht 6,000 million. The debt moratorium was granted for 3 years and 3 months.	Oct 2014 - Dec 2020	30.60	32.12	135.97	151.46
27. Production restructuring and stability of livestock food (animal feed)	According to the cabinet resolution on 24 February 2015 and 31 March 2015, 1) Under the 8-year buffalo conservation project (2015-2022), a credit limit was set up at Baht 3,215.60 million. The interest rate was at MLR (MLR=5%). The customers were responsible for 2% interest payments while the government reimbursed 3% interest with a maximum loan repayment period of 5 years from the date of receiving the loan of no later than 30 September 2019. 2) Under the 5-year cow's milk production project (2015-2019,) a credit limit was set up at Baht 900 million for 3 cooperatives, with Baht 300 million for each, bearing the interest rate of MLR - 1.5. (MLR=5%). The dairy cooperative bore 2% interest and the government reimbursed 1.5% interest.	Feb 2015 - Sep 2022 May 2015 - Sep 2019	675.98	1,175.79	4.01	10.99
28. Loan support for sugarcane production efficiency improvement at full scale	On 24 February 2015, and 5 July 2016, the cabinet resolved to approve a credit limit of Baht 9,000 million for a 3-year period. 1) For developing the water source and water management in sugarcane fields or for purchasing machinery (sugarcane harvesters or forklifts) - For farmers, the interest rate was at MRR-2 (MRR=7%) The customers were responsible for 2% interest and the government reimbursed 3% interest.	Feb 2015 - Sep 2024	4,088.44	2,539.14	80.50	29.12



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
	<p>- For farmer groups, groups of individuals, Agricultural Marketing Co-operative Limited (AMC), or the Sugarcane Planters Federation, the customer interest rate was at MLR-1 (MLR=5%). The customers were responsible for 2% interest and the government reimbursed 2% interest.</p> <p>2) For purchasing agricultural machinery (tractors or trucks), the customer interest rate was at MLR-1 (MLR=5%). The customers were responsible for 4% interest with no government reimbursement.</p>					
29. Loan support for villages and urban communities funds	On 1 September 2015 and 29 December 2015, the cabinet resolved to approve a credit limit of Baht 30,000 million. Each fund was granted with the maximum credit limit of Baht 1 million. The repayment period was up to 7 years with interest rates of 3%-7%. The rate for the fund's first and second years was 0% p.a.; the rate for the 3 rd - 7th years was equal to the financial cost plus 1% p.a. The government reimbursed the BAAC of the first and second years at 1.92% with no compensation for future losses.	Sep 2015 - Mar 2018	12,551.44	16,742.41	End of reimbursement	End of reimbursement
30. Loan support for agricultural production system improvement	On 6 October 2015, the cabinet resolved to approve a maximum credit limit of Baht 100,000 per farmer. The repayment period was up to 10 years. For a special case, the repayment period was up to 12 years. The grace period for the principal repayment was 3 years. The interest rate was MRR-2 (MRR=7%).	Nov 2015 - Dec 2027	524.05	199.91	Unreimbursed	Unreimbursed
31. Loan Support for job creation in communities	On 6 October 2015, the cabinet resolved to approve a loan limit of up to Baht 50,000 per person. The repayment period was up to 5 years with the interest rate of MRR-2 (MRR=7%) .	Nov 2015 - Dec 2020	4.43	1.39	Unreimbursed	Unreimbursed
32. Loan support for local economies	On 6 October 2015, the cabinet resolved to approve a maximum loan limit of Baht 1 million per community. The repayment period was up to 7 years with the 4% interest rate.	Nov 2015 - Sep 2022	8.72	7.79	Unreimbursed	Unreimbursed
33. Support for agricultural machinery services and marketing equipment to reduce the members' costs during an extended period of 2016-2019	According to the cabinet resolutions on 20 October 2015, 26 July 2016, and 15 November 2016, the interest rate was MLR-1 (MLR = 5%). The agriculture sector cooperatives and farmer groups bore interest at 2% p.a. with government reimbursement of interest at 2% p.a. for farmers for 5 years starting from the date of the loan. The BAAC bore 1% interest p.a. for the farmers. The loan limit was Baht 2,789.40 million.	2015 - 2019	60.54	82.62	1.17	0.82



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
34. Loan for rice collection and value-added creation by the Farmer Institute 2015/2016	On 27 October 2015, the cabinet resolved to approve a credit limit of Baht 12,500 million with the interest rate for the Farmer Institute at MLR-3 (MLR=5%). The government reimbursed 2% interest for the institute. The budget limit was Baht 236.67 million.	Oct 2015 - Sep 2016	-	-	End of reimbursement	End of reimbursement
35. Loan for the postponement of paddy Rice sale produced in 2015/2016	According to the cabinet resolution on 27 October 2015, the government helped cover rental fees and paddy rice storage fees for the borrowers at Baht 1,000 per ton. The maximum loan limit for each borrower was at Baht 300,000. The government reimbursed the financial cost at FDR+1 as well as rental fees (Baht 1,000 per ton) and stock management fees at 2% for 8 months. The loan disbursement period was from 1 Nov 2015 to 28 Feb 2016. The repayment started 4 months after the month of receiving the loan. The budget was Baht 648.33 million.	Nov 2015 - Sep 2016	1.37	3.90	-	656.34
36. Stability building for rubber farmers	On 3 November 2015, the cabinet resolved to approve a supporting fund to help legal rubber farmers with certificates of ownership, including rubber plantation owners and/or renters, and rubber tappers, at the rate of Baht 1,500 per rai at 60:40 ratio, for a total of 850,000 households with the possession of rubber plantation with on-going rubber tapping of no more than 15 rai. In the case of possessing more than the given 15 rai, the fund would be provided for merely 15 rai. The budget limit was Baht 12,750 million. The government reimbursed the financial cost for the BAAC at FDR+1. The supports for rubber farmers were as follows: 1) A total of Baht 900 per rai for rubber plantation owners or renters. The partial Baht 700 per rai was to support the factors of production, while another Baht 200 hundred per rai was to support the development of production quality. 2) A total of Baht 600 for rubber tappers per rai.	27 Dec 2015 - 30 Sep 2016	-	-	6,818.42	8,016.51
37. Improvement of cassava cultivation in the drip Irrigation system in 2015/2016	On 8 December 2015, the cabinet resolved to approve a credit limit of Baht 4,600 billion for 20,000 people or a maximum of Baht 230,000 per person. The government reimbursed the interest at FDR+1 for 24 months with the interest reimbursement limit of Baht 204.70 million.	Dec 2015 - Dec 2018	135.91	205.80	End of reimbursement	End of reimbursement



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
38. Cassava harvesting postponement 2015/2016	On 8 December 2015, the cabinet resolved to approve a credit limit of Baht 5,000 million for 100,000 customers or a maximum of Baht 50,000 each. The government reimbursed the interest at FDR+1 for 6 months with the interest reimbursement limit of Baht 55.63 million.	Dec 2015 - Oct 2016	10.68	6.24	End of reimbursement	End of reimbursement
39. Loan for cassava collection and value-added creation by the Farmers Institute 2015/2016	On 9 February 2016, the cabinet resolved to approve a credit limit of Baht 2,500 million with the customer interest rate at 2% and the government reimbursement of the interest at FDR+1.	Feb 2016 - Aug 2017	-	-	-	-
40. Local adjustment of production in fighting drought crisis 2015/2016	On 23 February 2016, the cabinet resolved to approve a credit limit of Baht 15,000 million to help farmers who struggled with the drought in the region of Chao Phraya and Mae Klong river basins for a total of 100,000 people in 26 provinces. The maximum loan limit for each group was capped at Baht 3 million with the interest rate of 0.01% p.a. The repayment period was up to 12 months. The government reimbursed the interest at 3.5%. The interest reimbursement limit was Baht 525 million (including the first year of Baht 160 million, the second year of Baht 200 million, and the third year of Baht 165 million).	Feb 2016 - Dec 2018	6.56	7.60	0.16	0.16
41. Loans for emergency and necessary expenses of farmers suffering from drought 2015/2016	On 23 February 2016, the cabinet resolved to approve a credit limit of Baht 6,000 million for 500,000 farmers or a maximum of Baht 12,000 per farmer. The repayment period was up to 12 months with 0% interest for the first 6 months and 4% interest from the 7 th month onwards.	Feb 2016 - Jun 2017	85.27	32.90	Unreimbursed	Unreimbursed
42. The "One District - One Agricultural SME Loan" program for the sustainability of the Thai agricultural sector	On 23 February 2016, the cabinet resolved to approve a credit limit of Baht 72,000 million for 7,200 farmers or a maximum of Baht 20 million per person. The loan period was up to 10 years and the interest was charged at 4% p.a. for the first 7 years and a normal rate (based on customer tiers) for the 8 th -10 th years.	Feb 2016 - Mar 2027	32,184.39	10,619.84	Unreimbursed	Unreimbursed
43. Loan support for rice Farmers with large-scale areas of rice production 2016/2017	On 31 May 2016 and on 22 November 2016, the cabinet resolved to approve a credit limit of Baht 2,130 million or a maximum of Baht 5 million per group. The customer interest rate was 0.01%, with the government reimbursement of the 3.5% interest. The interest reimbursement limit was Baht 74.55 million.	May 2016 - Mar 2018	1.18	1.61	End of reimbursement	End of reimbursement



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
44. Loans for rice collection and value-added creation by the Farmer Institute 2016/2017	On 14 June 2016, the cabinet resolved to approve a credit limit of Baht 12,500 million with the interest rate of MLR-1 (MLR=5%). The Farmer Institute bore 1% interest while the government bore 3% interest for up to 12 months.	Oct 2016 - Sep 2017	-	105.12	End of reimbursement	End of reimbursement
45. Loans for the sale postponement of paddy rice produced in 2016/2017	On 14 June 2016, 11 October 2016, 1 November 2016, 8 November 2016 and 22 November 2016, the cabinet resolved to approve a credit limit for farmers in order to postpone their sale of paddy rice. 1) A maximum of Baht 300,000 would be provided for each farmer or a maximum of Baht 300 million for each agricultural cooperative. The loan disbursement was to be made by 15 March 2017; and for the southern region by 15 August 2017. 2) The government reimbursed the interest, financial costs, rental fees, and paddy rice storage fees for the borrowers. Additionally, the government reimbursed the paddy rice stock management expenses at FDR+1 and reimbursed the credit management fees at 2% for 6 months. 3) Bath 1,500 per ton would be provided as rental and paddy rice storage fees. For paddy rice delivery fees from the storage to the delivery point, the payment would be based on the actual cost, but no more than Baht 300 per ton.	Nov 2016 - Dec 2017	25.13	19.72	18.85	43.17
46. Loan support for production costs of rice farmers 2016/2017	On 21 June 2016, 1 November 2016, and 1 August 2017, the cabinet resolved to approve a budget limit of Baht 37,000 million to help reduce the costs of production for a total of 3.7 million farmers, or a maximum of Baht 1,000 per rai for up to 10 rai. The government reimbursed the financial cost at FDR+1 and another Baht 10 for each farmer for documentation and money transfer fees.	Jul 2016 - Oct 2017	-	-	12,744.77	26,540.33
47. Rice Insurance Scheme 2016	On 21 June 2016, the cabinet resolved to determine an insurance premium rate at Baht 100 per rai (VAT and stamp duty excluded). The government and the BAAC subsidized the insurance premium for farmers at Baht 60 per rai and Baht 40 per rai, respectively, for farmers being credit customers of the BAAC. The BAAC would initially prepay the subsidy of the insurance premium for the government, and the government reimbursed the financial cost at FDR+1.	15 Jul. 2016 - 15 Dec 2016	-	-	1,114.59	1,240.52



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
48. Support for farmers (orchardists) suffering from drought in 2016	On 5 July 2016, the cabinet resolved to approve the BAAC's following actions: 1) Providing loans for water reserve source construction and water management to 95,000 farmers (orchardists) facing drought at a maximum of Baht 130,000 per person, or a total number of 95,000 farmers (orchardists), with the government reimbursement of interest at 3% p.a. and the farmers (orchardists) responsible for interest at 2% p.a. for up to 3 years. 2) Providing loans for the replacement planting of the damaged products (from the drought) in the orchard, or planting the proper type of fruit for the condition of the area of the orchard, with a maximum of Baht 10,000 per rai for up to 30 rai for each farmer. The government reimbursed 3% interest for 3 years. The farmers bore 2% interest for up to 4 years. The interest rate of the first 4-year period was MRR-2 (MRR=7%).	Mar 2016 - Feb 2021	97.17	119.12	0.01	-
49. Supporting measures for farmers' production 2016/2017 (expenses related to production factors)	On 17 August 2016, the cabinet resolved to approve a funding limit, using the fund from the BAAC, of Baht 3,132.10 million. The government reimbursed the financial cost at FDR+1.	Aug 2016 - Sep 2017	-	-	0.31	0.31
50. Supporting measures for farmers 2016/2017 (adjustment of rice plantation areas)	On 17 August 2016 and 18 October 2016, the cabinet resolved to approve a charge of interest at 5% p.a. whereby the borrowers bore interest at 2% p.a. and the government reimbursed interest at 3% p.a. The credit limit was Baht 10,686 million. The interest reimbursement limit was Baht 1,500.29 million. 1) To encourage buffalo farming, a maximum of Baht 3 million would be granted for each group of farmers, up to 500 farmer groups. The total credit limit was Baht 1,500 million. 2) To encourage beef cattle farming, a maximum of Baht 4 million would be granted for each group of farmers, up to 2,400 farmer groups. The total credit limit was Baht 9,000 million. 3) To encourage goat husbandry, a maximum of Baht 2.5 million would be granted for each group of farmers, up to 50 farmer groups. The total credit limit was Baht 116 million. 4) To encourage grass farming, a maximum of Baht 1.5 million would be granted for each group of farmers, up to 50 farmer groups. The total credit limit was Baht 70 million.	Aug 2016 - Sep 2022	2,474.11	2,780.42	136.45	112.69
51. Improvement of cassava cultivation in the drip irrigation system 2016/2017 (2016/2017 Cassava Management Guideline)	On 30 August 2016 and 4 October 2016, the cabinet resolved to approve a credit limit of Baht 2,300 million to 10,000 farmers, with a maximum of Baht 230,000 per person. The repayment period was up to 5 years. The farmers were charged with 4% interest p.a., and the government reimbursed the interest for the BAAC at FDR+1 p.a., with the maximum repayment period of 24 months, starting from the day of receiving the loan, but no later than 31 October 2019.	15 Oct 2016 - 31 Dec 2019	12.52	14.91	-	-



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
52. Loan for enhancing the standard of cassava production and processing 2016/2017 (2016/2017 Cassava Management Guideline)	On 30 August 2016 and 4 October 2016, the cabinet resolved to approve a credit limit of up to Baht 1 million to each farmer and a credit limit of up to Baht 20 million to each agricultural cooperative/ farmer group/ community enterprise. The interest reimbursement limit was Baht 60 million. The interest reimbursement period was up to 24 months from the date of receiving the loan (1 December 2016), but no later than the 31 May 2018.	15 Oct 2016 - 31 Dec 2019	0.34	0.12	-	-
53. Loan for cassava collection and value-added creation by the Farmers Institute 2016/2017 (2016/2017 Cassava Management Guideline)	On 30 August 2016 and 4 October 2016, the cabinet resolved to approve a credit limit of Baht 1,500 million. The interest reimbursement limit was Baht 33.375 million. The interest reimbursement period was up to 12 months from the date of receiving the loan, but no later than 31 May 2018.	15 Oct 2016 - 31 Jul 2018	-	61.17	-	-
54. Loan support for development of large-scale plots of agriculture 2016/2017	On 22 November 2016, the cabinet resolved to approve a total credit limit of Baht 20,000 million, with the credit limit of Baht 10 million per group, for a total of 2,000 groups/plots, and the interest at 3.01% p.a. The borrowers bore the interest at 0.01% p.a. and the government reimbursed the interest at 3% p.a. The interest reimbursement period was up to 5 years from the date of receiving the loan, but no later than December 2026. The interest reimbursement limit was Baht 3,000 million.	Nov 2016 - Apr 2027	1,699.56	1,549.10	53.31	40.24
55. Loan for emergency expenses of cassava farmers 2016/2017 (2016/2017 Cassava Management Guideline)	On 4 October 2016, the cabinet resolved to approve a total credit limit of Baht 10,000 million for 500,000 farmers, with a maximum of Baht 20,000 per person. The interest rate was 0.5% per month (6%p.a.). The loan repayment period was up to 12 months from the date of signing the loan agreement.	Nov 2016 - Mar 2018	3.69	1.98	Unreimbursed	Unreimbursed
56. Support for harvesting and quality improvement expenses of rice farmers 2016/2017	On 1 November 2016, 8 November 2016, and 22 November 2016, the cabinet resolved to approve a government reimbursement of the financial cost at FDR+1 to help rice farmers, with a maximum of Baht 12,000 per household.	Nov 2016 - Jul 2017	-	-	24,508.79	27,015.08



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
57. Support for production of animal-feed maize (2016/2017 Production support measures for farmers (additional): Adjustment for crop rotation)	On 15 November 2016, the cabinet resolved to approve a funding for the promotion of maize plantation for animal feeds in the dry season in the area of rice plantation after its harvesting. The funding would be divided into 3 installments. The first installment of Baht 1,800 per rai was for soil preparation, purchase of seeds, chemical fertilizer for soil foundation, and herbicides. The second installment of Baht 1,200 per rai was for a second purchase of chemical fertilizer, and maintenance. The third installment of Baht 1,000 per rai was for harvesting. The interest rate was MMR (the current MRR = 7% p.a.) The farmers were charged with interest at 4% p.a., and the government reimbursed interest at 3% p.a. for 6 months from the date of receiving the loan.	21 Oct 2016- 30 Jun 2017	0.90	0.34	-	-
58. Green manure crops plantation (2016/2017 Production support measures for farmers (additional): Adjustment for crop rotation)	On 15 November 2016, the cabinet resolved to approve a government reimbursement of the financial cost at FDR+1 to reduce space for the plantation of off-season rice, and to encourage farmers to improve and maintain soil quality using green manure crops.	Oct 2016 - May 2017	-	-	0.02	0.02
59. Loans for production restoration of farmers suffering from floods in the southern region 2017/2018	On 7 February 2017, the cabinet resolved to approve a credit limit of Baht 10,000 million, with a maximum of Baht 300,000 per farmer. The loan period was up to 10 years. The interest rate for the first 1-4 years was MRR-2 per year (MRR=7%). The farmers bore interest at 2% p.a., and the government reimbursed interest at 3% p.a. for 4 years, and starting from the 5th year, the interest rate would be at MRR p.a. The maximum reimbursement limit was Baht 1,200 million.	Feb 2017 - Jun 2021	7,788.68	8,251.91	172.65	123.08
60. Loans for emergency expenses of farmers suffering from floods in the southern region 2016/2017	On 7 February 2017, the cabinet resolved to approve a total credit limit of Baht 10,000 million, with a maximum of Baht 50,000 per farmer. The loan period was no later than 3 years with 0% interest rate in the first 6 months, because the BAAC bore such interest for the farmers. However, starting from the 7 th month, the interest rate would be at MRR.	Feb 2017 - Apr 2017	972.37	129.12	Unreimbursed	Unreimbursed
61. Moratorium of principal and reduction of interest for farmers suffering from floods in the southern region and Prachuap Khiri Khan 2016/2017	On 7 February 2017, and 31 October 2017, the cabinet resolved to approve a moratorium for a maximum of Baht 300,000 for the loan principal and reduce the interest for 2 years. The government reimbursed interest at 5% p.a., not including the NPLs. The interest reimbursement limit was Baht 4,790.50 million. In case of NPLs, the BAAC bore the interest for the farmers, for 2 years.	Jan 2017 - Dec 2018	-	-	207.37	2,460.75



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
62. Retail loans for emergency expenses	On 21 February 2017, the cabinet resolved to approve a credit limit of Baht 5,000 million, for a maximum of Baht 50,000 per person. The loan period was up to 5 years with a flat interest rate of up to 0.85% per month. The government reimbursed only the damage of the NPLs occurred during the project with a maximum of 40% of the granted credit.	Feb 2017 - Feb 2023	1,446.81	2,974.08	Unreimbursed	Unreimbursed
63. Rice Insurance Scheme 2017	On 27 June 2017, the cabinet resolved to determine an insurance premium rate of Baht 90 per rai (VAT and stamp duty excluded). The government subsidized the insurance premium for the insured farmers at Baht 54 per rai. The BAAC subsidized the insurance the remaining balance of Baht 36 per rai for those being loan customers of the BAAC. The BAAC would initially prepay the subsidy of the insurance premium for the government, and the government reimbursed the financial cost at FDR+1.	Jul 2017 - Aug 2017 Except the Southern region - 15 Dec 2017	-	-	1,122.46	1,272.84
64. Cassava projects according to the cassava management guideline 2017/2018	On 22 August 2017, the cabinet resolved to approve the following: 1) The cassava cultivation efficiency improvement project in the drip irrigation system 2017/2018. The government reimbursed interest at FDR+1 for up to 24 months from the date of receiving the loan, but no later than the 31 October 2020. 2) The loans for enhancing and improving the standard of cassava production and processing 2017/2018. The government reimbursed interest at FDR+1 for up to 24 months from the date of receiving the loan, but no later than 31 October 2020. 3) The loans for cassava collection and value-added creation by the Farmers Institute 2017/2018. The government reimbursed interest at FDR+1 for a maximum of 12 months from the date of receiving the loan.	- Project period starting from 1 Oct 2017 - 31 Oct 2020 - Loan disbursement period starting from 1 Oct 2017 - 30 Sep 2018 - Project period starting from 1 Oct 2017 - 31 Oct 2020 - Loan disbursement period starting from 1 Oct 2017 - 30 Sep 2018 - Project period starting from 1 Dec 2017- 31 July 2019 - Loan disbursement period starting from 1 Dec 2017 - 31 May 2018	5.15	133.55	0.10	6.85
65. Loans for rice collection and value-added creation by the Farmers Institute 2017/2018	On 19 September 2017, the cabinet resolved to approve a government reimbursement of interest at 3% p.a. for 12 months.	1 Oct 2017 - 30 Sep 2018	-	31.05	-	-
66. Loans for postponement of paddy rice sale produced in 2017/2018	On 19 September 2017, the cabinet resolved to approve a government reimbursement of the financial cost at FDR+1 p.a. and the project management fee at 2% p.a. for up to 6 months.	1 Nov 2017 - 31 Dec 2018	1.92	4.75	33,005.55	36,821.54



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
67. Loans for animal-feed maize collection and value-added creation by the Farmers Institute 2017/2018	On 31 October 2017, the cabinet resolved to approve a government reimbursement of interest at 3% p.a. for up to 12 months starting from the date of receiving the loan.	1 Nov 2017 - 31 Mar 2019	-	-	-	3.46
68. Debt restructuring of low-income individuals in the BAAC system	On 9 January 2018, the cabinet resolved to approve a government reimbursement of interest at 3% p.a. The BAAC bore interest at 4% p.a. for 2 years.	1 Jan 2018 - 31 Dec 2019	-	48,170.53	1,482.40	694.14
69. Loans for Thai community development (community loans for production adjustment and low-income earner career development (XYZ))	On 9 January 2018 and 26 November 2019, the cabinet resolved to approve a credit limit of Baht 45,000 million. The government reimbursed the interest at 3.5% p.a. for 3 years starting from the date of receiving the loan. The reimbursement limit was Baht 4,725 million.	1 Jan 2018 - 31 Dec 2023	1,769.19	1,167.12	32.67	0.67
70. Loans for career development of low-income individuals registering under the state welfare scheme	On 9 January 2018, the cabinet resolved to approve a total credit limit of Baht 20,000 million for 400,000 low-income farmers registering under the 2017 state welfare scheme, using the fund from the BAAC. The NPLs from the project were not included as NPLs for assessment according to the performance assessment memorandum of agreement of state enterprise.	1 Jan 2018 - 31 Mar 2020	6,625.46	8,130.63	Unreimbursed	Unreimbursed
71. Informal debt solutions for farmers and individuals in households - 3 rd phase	On 9 January 2018, the cabinet resolved to approve a credit limit of Baht 19,000 million to the target groups of 300,000 general farmers, or farmers registering under the state welfare scheme and currently having informal debts. The NPLs from the project were not included as NPLs for assessment according to the performance assessment memorandum of agreement of state enterprise.	1 Jan. 2018 - 31 Mar. 2020	502.46	591.94	Unreimbursed	Unreimbursed
72. Loans support for village funds and community financial institutions to solve and prevent informal debt problems	On 9 January 2018, the cabinet resolved to approve a total credit limit of Baht 1,000 million. The NPLs from the project were not included as NPLs for assessment according to the performance assessment memorandum of agreement of state enterprise.	1 Jan 2018 - 31 Mar 2020	124.36	125.39	Unreimbursed	Unreimbursed
73. Retail loans for emergency expenses - 2 nd phase	On 9 January 2018, the cabinet resolved to approve a total credit limit of Baht 10,000 million to the target groups of 200,000 general farmers or farmers registered under the state welfare scheme, or Baht 50,000 per farmer. The flat interest rate was charged according to the type of collateral. The government reimbursed only the NPLs occurred during the project, up to 40% of the granted credit.	1 Jan 2018 - 31 Mar 2020	4,981.71	7,311.75	-	-



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
74. Rice Insurance Scheme 2018	On 10 April 2018, the cabinet resolved to approve an insurance premium rate of Baht 90 per rai (VAT and stamp duty excluded). The government subsidized insurance premiums for the insured farmers at Baht 54 per rai. The BAAC would subsidize another Baht 36 per rai for those being loan customers of the BAAC. The BAAC would initially prepay the subsidy of the insurance premium for the government, and the government reimbursed the financial cost at FDR+1.	10 Apr 2018 - 30 Jun 2018 An exception applies to the southern region - 15 Dec 2018	-	-	1,350.85	1,697.90
75. Loan support for reduction of production costs for farmers	On 24 April 2018, the cabinet resolved to approve a government reimbursement of interest at 2% p.a. The BAAC bore interest at 1% p.a. for up to 12 months from the date of receiving the loan.	1 May 2018 - 30 Apr 2020	105.85	1,639.81	17.83	14.78
76. Support for production or provision of tailor-made fertilizers through the Farmers Institute	On 24 April 2018, the cabinet resolved to approve a government reimbursement of interest at 2% p.a. The BAAC bore interest at 1% p.a. for up to 12 months from the date of receiving the loan.	1 May 2018 - 30 Apr 2020	13.26	68.14	1.88	0.24
77. Loan support for postponement of paddy rice sale, and harvesting and quality improvement expenses of retail rice farmers 2018/2019	On 24 July 2018 and 12 March 2019, the cabinet resolved to approve the following: 1) Loans for the postponement of the rice sale produced in 2018/2019. The government reimbursed the financial cost at FDR+1 p.a. and the project management expense at 2% p.a. for up to 6 months. 2) A supporting fund for expenses related to the harvesting and the quality improvement of the rice produced in 2018/2019. The BAAC would initially prepay the government reimbursement, and the government reimbursed the financial cost at FDR+1 p.a.	1 Nov 2018 - 31 Dec 2019 1 Sep 2018 - 30 Sep 2019	6.96	15,367.16	57,757.59	59,517.77
78. Loans for rice collection and value-added creation by the Farmers Institute 2018/2019	On 24 July 2018, the cabinet resolved to approve a total credit limit of Baht 12,500 million with the interest rate of MLR-1 (Current MLR = 5 p.a.). The government bore the interest at a maximum of 3% p.a. for 15 months. The interest reimbursement limit was Baht 468.75 million. The insurance premium and the project management expense were Baht 39.06 million.	1 Oct 2018 - 31 Dec 2019	24.52	9,070.50	0.19	86.91
79. Debt reduction measures to increase liquidity for retail farmers (Debt reduction measures for supporting the agricultural reform according to the Pracharath Agricultural Guideline)	On 31 July 2018, the cabinet resolved to approve the following: 1) A 3-year extension of loan repayment period for agricultural customers (farmers) (unreimbursed by the government.) 2) The reduction of loan interest for retail farmers. The government reimbursed the interest at 2.5% p.a. for 1 year for agricultural customers (farmers) of the BAAC. The principal amount was at the maximum of Baht 300,000.	1 Aug 2018 - 31 Jul 2021 1 Aug 2018 - 31 Jul 2019	-	611,363.63*	-	-

*Debt reduction measures to increase liquidity for retail farmers (debt reduction measures for supporting the agricultural reform according to the Pracharath Agricultural Guideline.) Account Transfers during the year between "Loans to Customers", "Accrued Interest Receivables" and "Allowance for Doubtful Accounts from Normal Accounts and Public Service Accounts".



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
80. The civil state project to support maize plantation outside of rice farming season.	On 25 September 2018 and 24 October 2018, the cabinet resolved to approve the following: 1) The loans for supporting farmers with maize plantation for animal feeds outside of the rice cultivation season. The government reimbursed the interest at 3.99% p.a. for the farmers for 6 months. 2) The loans for promoting the liquidity for the Farmers Institute in collecting and pawning produced animal-feed maize. The interest was reimbursed for the BAAC with at 3% p.a. for 6 months. 3) The insurance for animal-feed maize. The government subsidized the insurance premium at Baht 65 per rai.	1 Nov 2018 - 30 Sep 2019	1.51	400.20	6.20	1.68
81. Stability building for oil palm farmers	On 4 December 2018, the cabinet resolved to approve the following: 1) The funding limit of Baht 3,375 million, using the fund from the BAAC, to support expenses of oil palm farmers at Baht 1,500 per rai, with a maximum of 15 rai per household. 2) The funding limit of Baht 1.50 million to support operating expenses and money transfer fees of the BAAC, and the reimbursement of financial cost at FDR+1 (Current FDR+1=2.175) with the reimbursement limit of Baht 73.41 million.	1 Dec 2018 - 30 Sep 2019	-	-	2,942.30	3,212.85
82. Stability building for rubber farmers 2018/2019	On 4 December 2018, the cabinet resolved to approve the following: 1) The funding limit of Baht 17,007.20 million to support expenses of rubber farmers at Baht 1,800 per rai, for a maximum of 15 rai per household, according to their actual amount of the on-going rubber tapping areas. The government reimbursed the financial cost at FDR+1 (Current FDR+1=2.175) with the reimbursement limit of Baht 379.03 million. 2) The funding limit of Baht 126.50 million to support operating expenses and money transfer fees.	Dec 2018 - Sep 2019	-	-	12,400.23	11,029.35
83. Improvement of cassava cultivation in the drip irrigation system 2018/2019	On 22 January 2019, the cabinet resolved to charge borrowers 4% interest p.a. The government reimbursed the interest for the BAAC additionally at FDR+1 p.a. for up to 24 months from the date of receiving the loan, but no later than the 30 September 2021, within the budget limit of Baht 50.025 million.	1 Dec 2018 - 31 Oct 2021	39.21	13.30	0.77	0.01
84. Loans for cassava collection and value-added creation by the Farmers Institute 2018/2019	On 22 January 2019, the cabinet resolved to charge interest at 1% interest p.a. to the Farmers Institute, and the government reimbursed the interest for the BAAC at FDR+1 p.a. for 12 months starting from the date of receiving the loan. The budget limit was Baht 32.625 million.	1 Dec. 2018 - 31 Jul 2020	150.17	219.63	7.60	0.11



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
85. Loans for animal-feed maize collection and value-added creation by the Farmers Institute 2018/2019	On 22 January 2019, the cabinet resolved to charge interest at 1% p.a. to the Farmers Institute, and the government reimbursed the interest for the BAAC at 3% p.a. for up to 12 months from the date of receiving the loan. The budget limit was Baht 45 million.	1 Dec. 2018 - 31 Jun 2020	129.32	-	4.21	-
86. Rice Insurance Scheme 2019	On 18 February 2019, the cabinet resolved to determine an insurance premium rate of Baht 85 per rai (VAT and stamp duty excluded). The government subsidized the insurance premium for the insured farmers at Baht 51 per rai. The BAAC would subsidize another Baht 34 per rai for those being loan customers of the BAAC. The BAAC would initially prepay the subsidy of the insurance premium for the government, and the government reimbursed the financial cost at FDR+1.	18 Feb 2019 - 30 Jun 2019 Except the Southern region - 15 Dec 2019	-	-	1,650.66	-
87. Animal-feed Maize Insurance Scheme 2019	On 18 February 2019, the cabinet resolved to fix an insurance premium rate of Baht 59 per rai (VAT and stamp duty excluded). The government subsidized the insurance premium for the insured farmers at Baht 35.40 per Rai. The BAAC would subsidize another Baht 23.60 per rai for those being loan customers of the BAAC. The BAAC would initially prepay the subsidy of the insurance premium for the government, and the government reimbursed the financial cost at FDR+1.	1 st Phase (wet season animal-feed maize) 18 Feb 2019 - 31 May 2019 2 nd Phase (dry season animal-feed maize) 1 Oct 2019 - 15 Jan 2020	-	-	74.25	-
88. Loan interest reduction under the living expenses relief measures for farmers suffering from 2019 drought and retail farmers	On 20 August 2019, the cabinet resolved to charge interest at 0.1% p.a. to the borrowers for a loan principal of up to Baht 300,000 for 1 year. The BAAC bore the interest at 2% p.a. while the government reimbursed the interest at 4.7% p.a. for the agricultural customers.	1 Aug 2019 - 31 Jul 2020	132,968.57	-	-	-
89. Support for production cost of rice farmers 2019/2020	On 27 August 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	1 Aug 2019 - 31 May 2020	-	-	26,418.45	-



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
90. Income guarantee scheme for rice farmers 2019/2020 - 1 st phase	On 27 August 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	Oct 2019 - Oct 2020	-	-	19,529.71	-
91. Income guarantee scheme for oil palm farmers 2019/2020	On 27 August 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	Aug 2019 - Sep 2020	-	-	2,800.38	-
92. Income guarantee scheme for rubber farmers - 1 st phase	On 15 October 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	Oct 2019 - Sep 2020	-	-	20,135.15	-
93. Quality improvement of cassava cultivation 2019/2020	On 12 November 2019, the cabinet resolved to approve a government reimbursement of the interest for the BAAC at 3% p.a. for up to 24 months from the date of receiving the loan, but no later than the 30 September 2022.	1 Dec 2019 - 31 Oct 2022	45.12	-	0.14	-
94. Income guarantee scheme for cassava farmers 2019/2020	On 12 November 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	1 Oct 2019 - 31 Dec 2020	-	-	1,424.29	-
95. Loans for cassava collection and value-added creation by the Farmers Institute 2019/2020	On 12 November 2019, the cabinet resolved to approve a government reimbursement of the interest to the BAAC at 3% p.a. for up to 12 months from the date of receiving the loan, but no later than the 30 June 2021.	1 Dec 2019 - 31 July 2021	301.57	-	0.60	-
96. Support for harvesting and quality improvement expenses of rice farmers 2019/2020	On 11 December 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per household.	Nov 2019 - Sep 2020	-	-	22,864.38	-
97. Income guarantee scheme for animal-feed maize farmers 2019/2020	On 11 December 2019, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%), and the management expenses at Baht 5 per farmer.	1 Dec 2019 - 31 Dec 2020	-	-	434.03	-
98. Loans for animal-feed maize collection and value-added creation by the Farmers Institute 2019/2020	On 11 December 2019, the cabinet resolved to approve a government reimbursement of the interest for the BAAC at 3% p.a. for up to 12 months from the date of receiving the loan, but no later than 31 May 2021.	1 Jan 2020 - 30 Jun 2021	107.74	-	0.11	-



Unit: Baht Million

Projects	Brief project description	Period/ Compensation	Loans to customers from public service accounts and accrued interest receivables (net)		Receivables eligible for government reimbursement from public service accounts	
			31 March 2020	31 March 2019	31 March 2020	31 March 2019
99. Loans for postponement of paddy rice sale produced in 2019/2020	On 11 December 2019 and 7 April 2020, the cabinet resolved to approve a government reimbursement of the financial costs for the BAAC at the interest rate of the BAAC's 12-month time deposit +1 (currently at 2.40%).	1 Nov 2019 - 31 Dec 2020	9,774.35	-	68.82	-
Total			233,827.76	767,164.09	361,815.59	307,901.18

The public service account project that the Bank is implementing (according to the cabinet's resolution regarding operations and timeframes for implementing public service projects after 31 March 2020) is "Loans to Support Expenses of Freelancers Affected by COVID-19." According to the cabinet's resolution on 24 March 2020, the Bank shall implement this project from 24 March 2020 to 31 March 2022.

8.32.3 Asset classification and public service account reserves

Unit: Baht Million

	31 March 2020			31 March 2019		
	Outstand-ing loan balances	Allowance for doubtful accounts	Rates of reserve require- ments	Outstand-ing loan balances	Allowance for doubtful accounts	Rates of reserve require- ments
Minimum reserves per BOT's requirements						
Normal	275,432.35	2,754.32	1	912,137.46	9,121.38	1
Special mention	2,245.89	44.92	2	6,532.61	130.65	2
Substandard	1,707.70	1,707.70	100	3,650.99	3,650.99	100
Doubtful	3,106.03	3,106.03	100	4,445.62	4,445.62	100
Doubtful of loss	4,332.54	4,332.54	100	21,563.24	21,563.24	100
Total	286,824.51	11,945.51		948,329.92	38,911.88	
Reserve surplus		44,515.44			161,917.42	
Grand total		56,460.95			200,829.30	

The outstanding balances of allowance for doubtful accounts for public service accounts as at 31 March 2020 and 2019 were Baht 56,460.95 million and Baht 200,829.30 million, respectively, with the year-on-year decrease of Baht 144,368.35 million. This amount consisted of the decrease in doubtful accounts of Baht 13,484.61 million and the increase in allowance for doubtful accounts of Baht 157,852.96 million as a result of the account transfers between the allowance for doubtful accounts for normal accounts and the allowance for doubtful accounts for public service accounts during the year.



8.32.4 Accounts payable for public service projects from public service accounts

Unit: Baht Million

	Note	31 March 2020	31 March 2019
Accounts payable for agricultural commodity pledging scheme 2011/2012	8.32.4.1	570.73	1,476.78
Accounts payable for agricultural commodity pledging scheme 2012/2013	8.32.4.2	438.70	1,898.69
Accounts payable for agricultural commodity pledging scheme 2013/2014	8.32.4.3	544.55	982.29
Accounts payable from other public service accounts		6,033.15	1,413.26
Total		7,587.13	5,771.02

8.32.4.1 Accounts payable for the agricultural commodity pledging scheme for the production year of 2011/2012

As at 31 March 2020 and 2019, the accounts payable for the agricultural commodity pledging scheme for the production year of 2011/2012 represented the outstanding balances of Baht 570.73 million and Baht 1,476.78 million, respectively. This item consisted of the remaining bank deposits for the scheme as part of the Bank's financial statements as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Assets		
Interbank and money market items (Note 8.1)	570.73	1,476.78
Liabilities		
Accounts payable for the agricultural pledging scheme 2011/2012		
Government reimbursement	570.73	1,476.78

Transaction movements during the period were as follows:

Unit: Baht Million

	31 March 2020
Balance as at 1 April 2019	1,476.78
<u>Add</u> Receipt of budget funds in the	14,490.27
Total	15,967.05
<u>Less</u> Transfer to out-of-season rice pledging scheme 2009	28.80
Transfer to agricultural commodity pledging scheme 2013/2014	385.05
Receivables eligible for reimbursement of financial costs	652.66
Receivables eligible for reimbursement for Dairy Farming Promotion Organization of Thailand (DPO)/Marketing Organization for Farmers (MOF)	9,604.50
Receivables under the farmer institute capacity building scheme for stabilizing rubber prices	2,080.51
Payments of interest and fees	2,644.80
Outstanding balance	570.73



8.32.4.2 Accounts payable for the agricultural commodity pledging scheme for the production year of 2012/2013

As at 31 March 2020 and 2019, the accounts payable for the agricultural commodity pledging scheme for the production year of 2012/2013 represented the outstanding balances of Baht 438.70 million and Baht 1,898.69 million, respectively. This item consisted of the remaining bank deposits for the scheme as part of the Bank's financial statements as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Assets		
Interbank and money market items	438.70	1,898.69
Liabilities		
Accounts payable for the agricultural pledging scheme 2011/2012		
Government reimbursement	438.70	1,898.69

Transaction movements during the period were as follows:

Unit: Baht Million

	31 March 2020
Balance as at 1 April 2019	1,898.69
<u>Add</u> Receipt of budget funds in the accounting year of 2019	15,223.85
Interest expenses received in advance from "Re-Open"	69.34
Budget transfer from the rice plantation adjustment scheme - Department of Agricultural Extension (DOE) 2016/2017	0.34
Budget transfer from the cassava market management scheme 2016/2017	2.97
Budget transfer from the project according to the cassava management guideline 2016/2017	5.39
Total	17,200.58
<u>Less</u> Budget transfer to the agricultural commodity pledging scheme 2013/2014	16.68
Receivables eligible for reimbursement of financial costs	392.90
Receivables eligible for reimbursement for DPO/MOF	13,286.79
Payments of interest and fees	3,065.51
Outstanding balance	438.70

8.32.4.3 Accounts payable for the agricultural commodity pledging scheme for the production year of 2013/2014

As at 31 March 2020 and 2019, the accounts payable for the agricultural commodity pledging scheme for the production year of 2013/2014 represented the outstanding balances of Baht 544.55 million and Baht 982.29 million, respectively. This item consisted of the remaining bank deposits for the scheme as part of the Bank's financial statements as follows:

Unit: Baht Million

	31 March 2020	31 March 2019
Assets		
Interbank and money market items	544.55	982.29
Liabilities		
Accounts payable for the agricultural pledging scheme 2013/2014		
Government reimbursement 544.55	544.55	982.29



Transaction movements during the period were as follows:

	Unit: Baht Million
	31 March 2020
Balance as at 1 April 2019	982.29
<u>Add</u> Receipt of budget funds in the accounting year of 2019	11,551.44
Budget transfer from the agricultural commodity pledging scheme 2008/2009	162.67
Budget transfer from the agricultural commodity pledging scheme 2011/2012	385.05
Budget transfer from the agricultural commodity pledging scheme 2012/2013	16.68
Total	13,098.13
<u>Less</u> Receivables eligible for reimbursement of financial costs	1,198.67
Receivables eligible for reimbursement for DPO/MOF	10,407.17
Payments of interest and fees	947.74
Outstanding balance	544.55

8.32.5 Income from public service accounts

	Unit: Baht Million	31 March 2020	31 March 2019
Interest income on loans to customers from public service accounts			
Interest income on loans to customers from public service accounts		25,081.99	32,082.25
Income from reimbursement for public service accounts			
Income from government reimbursement of interest for public service accounts		10,345.69	12,960.21
Income from government reimbursement of financial costs for public service accounts		7,301.89	6,045.49
Income from government reimbursement of operating or administrative expenses for public service accounts		246.92	234.04
Other income		521.23	6.16
Total		43,497.72	51,328.15

During the year, the Bank made account transfers between the interest income on loans to customers from normal accounts and the interest income on loans to customers from public service accounts.

8.32.6 Expenses from public service accounts

	Unit: Baht Million	31 March 2020	31 March 2019
Interest expenses from public service accounts		16,943.19	19,431.44
Operating expenses from public service accounts*		13,048.14	14,912.87
Total		29,991.33	34,344.31

* Operating expenses from public service accounts were recorded using the allocation method endorsed by the Fiscal Policy Office (FPO)

During the year, the Bank made account transfers between the interest expenses from normal accounts and the interest expenses from public service accounts.



8.33 Implementation of the Agricultural Commodity Pledging Scheme for the Production Year of 2008/2009 (the accounts and financial statements for the scheme were separated from those for the normal operations of the Bank)

The Bank has implemented the agricultural commodity pledging scheme for the production year of 2008/2009 in accordance with the cabinet's resolution on 28 October 2008 and the cabinet's resolution on 10 March 2009 whereby the government shall provide funds for the Bank.

According to the cabinet's resolution on 4 November 2008, the Bank shall borrow funds through the issuance of a series of promissory notes in different batches based on the scheme expenditure plan within a limit of Baht 110,000 million, with the Ministry of Finance providing a guarantee and the government obligated to repay the loan principal and interest and actual expense. In this regard, the Bank shall present the accounts and financial statements for the scheme under "public service accounts (PSA)" which shall be separated from those for the normal operations. The operating results of the aforesaid scheme shall not be counted as risk-weighted assets used in the calculation of the capital adequacy ratio (CAR) as per the ministerial regulation regarding the Bank's capital maintenance requirements.

The Bank issued the promissory notes and term loans to support the loan disbursements to the farmers under the agricultural commodity pledging scheme according to the cabinet's resolution. These items were recorded as obligations as at 31 March 2020 and 2019 at Baht 15,013 million and Baht 16,304 million, respectively (Note 8.23.1). The outstanding balances of the receivables from the said borrowings under the scheme as at 31 March 2020 and 2019 were Baht 15,012.14 million and Baht 16,303.15 million, respectively (not including in the Bank's financial statements), as follows:

	Unit: Baht Million	
	31 March 2020	31 March 2019
In-season rice pledging scheme 2008/2009	15,012.14	16,303.15
Total	15,012.14	16,303.15

As at 31 March 2020 and 2019, the unreimbursed term loans under the scheme amounted to Baht 0.86 million and Baht 0.85 million, respectively. These items were recorded in the Bank's financial statements under the accounts of "interbank and money market items" and "accounts payable for agricultural commodity pledging scheme 2008/2009" (Note 8.17.1).

8.34 Implementation of the Agricultural Commodity Pledging Schemes for the Production Years of 2011/2012, 2012/2013 and 2013/2014 (the accounts and financial statements for the schemes were separated from those for the normal operations of the Bank)

The Bank has implemented the agricultural commodity pledging schemes for the production years of 2010/2011, 2011/2012, 2012/2013 and 2013/2014 in accordance with the government policy and the cabinet's resolutions on 13 September 2011, 22 November 2011, 29 March 2012, 2 October 2012, 31 March 2013, 10 June 2013, and 3 September 2013.

With regard to the implementation of the agricultural commodity pledging scheme for the production year of 2011/2012, the cabinet passed a resolution on 13 September 2011 to approve a funding limit for use as working capital for the pledging of the paddy rice totaling Baht 410,000 million. Of this, Baht 90,000 million shall be the capital of the Bank and Baht 320,000 million shall be obtained through the borrowings from government and private financial institutions. Subsequently, the cabinet resolved on 22 November 2011 to reduce the borrowing limit to Baht 269,160 million (Notes 8.23.2 and 8.23.3). Apart from being used for the paddy rice pledging scheme, the granted working capital shall also be used for the cassava market intervention scheme and the farmers institutes capacity building scheme for stabilizing rubber prices according to the cabinet's resolution on 29 March 2012.



After the end of the agricultural commodity pledging scheme for the production year of 2011/2012, the cabinet passed resolutions on 2 October 2012 and 3 September 2013 to approve the paddy rice pledging schemes for the production years of 2012/2013 and 2013/2014, respectively. In this regard, the total working capital facility for the schemes of the production years of 2012/2013 and 2013/2014 must not exceed Baht 410,000 million, with the Bank's capital of Baht 90,000 million.

Subsequently, the National Council for Peace and Order (NCPO) issued the Letter No. KorSorChor (SorLor)/1 dated 24 May 2014, allowing the Bank to borrow funds within a limit of Baht 92,431 million for use as working capital for the paddy rice pledging scheme for the production year of 2013/2014, with the Ministry of Finance providing a guarantee until the loan is paid in full and the government obligated to repay the loan principal and interest, actual expenses, and losses from the entire scheme implementation (Note 8.23.4).

On 30 September 2015, the cabinet passed a resolution to acknowledge the rationale for the inability to release the rice stock in order to close the pledging scheme accounts upon the deadline and to request the Ministry of Commerce to propose the rationale to the Rice Policy and Management Committee. The Rice Policy and Management Committee at its Meeting No.1/2016 held on 24 February 2016 passed a resolution to endorse the extension of the deadline for the setting of the funding limit for the agricultural commodity pledging scheme from 30 September 2015 to 30 September 2016, and the Ministry of Finance already proposed the Rice Policy and Management Committee's resolution to the cabinet for acknowledgement on 2 August 2015.

Regarding debt management and separation of the public service accounts, the cabinet passed resolutions on 29 March 2012, 10 June 2013, and 3 September 2013 to approve the Ministry of Finance to manage the loan together with the Bank through refinancing or rollover or repayment solutions whereby the Ministry of Finance shall provide a guarantee until the loan repayment in full. In this regard, the Bank shall not include the accounts and financial statements of the scheme in the normal operations, but shall prepare them separately as part of the public service accounts (PSA) and recorded them as off-budget obligations. Also, the Bank shall not include the operating results of the scheme from the funds received from the borrowings from the financial institutions in the risk-weighted assets used for the calculation of the capital adequacy ratio (CAR) as per the ministerial regulation regarding the Bank's capital maintenance requirements.

In the implementation of the agricultural commodity pledging scheme (covering paddy rice, cassava and rubber), the financial costs of the funds paid in advance by the Bank during the time of waiting for the funds or money from the release of the commodity stock as well as the capital of the Bank used as the scheme working capital of Baht 90,000 million shall be reimbursed at the rate of FDR+1. Also, the service fees for the scheme shall be reimbursed at the rates of 2-2.5% of the loan balance disbursed to the farmers.

As at 31 March 2020, the Bank conducted activities under the agricultural commodity pledging scheme (covering all kinds of agricultural commodities) for the production years of 2011/2012, 2012/2013 and 2013/2014 as follows:

Unit: Baht Million

Project	31 March 2020						Total
	Funds used from the start of the scheme	Funds received from stock release and redemption	Budget transfer for payment	Outstanding receivables	Sources of funds used		
					Bank's advance payments*	Borrowings (Obligations)**	
Paddy rice pledging 2011/2012	118,656.00	60,178.08	27,682.23	30,795.69	7,219.69	23,576.00	30,795.69
Off-season paddy rice pledging 2012	218,670.00	87,292.57	58,770.28	72,607.15	13,934.15	58,673.00	72,607.15
Cassava pledging 2011/2012	27,836.00	16,661.92	4,842.69	6,331.39	6,331.39	-	6,331.39
Rubber price stabilization 2012	24,658.35	12,115.95	6,482.95	6,059.45	1,059.45	5,000.00	6,059.45
Total - Production year 2011/2012	389,820.35	176,248.52	97,778.15	115,793.68	28,544.68	87,249.00	115,793.68



Unit: Baht Million

Project	31 March 2020						Total
	Funds used from the start of the scheme	Funds received from stock release and redemption	Budget transfer for payment	Outstanding receivables	Sources of funds used		
					Bank's advance payments*	Borrowings (Obligations)**	
In-season paddy rice pledging 2012/2013	352,278.00	135,972.58	87,021.69	129,283.73	10,859.25	118,424.48	129,283.73
Cassava pledging 2012/2013	26,909.00	16,182.78	3,989.38	6,736.84	6,736.84	-	6,736.84
Total - Production year 2012/2013	379,187.00	152,155.36	91,011.07	136,020.57	17,596.09	118,424.48	136,020.57
In-season paddy rice pledging 2013/2014	191,658.00	73,263.89	32,679.85	85,714.26	50,242.76	35,471.50	85,714.26
Total - Production year 2013/2014	191,658.00	73,263.89	32,679.85	85,714.26	50,242.76	35,471.50	85,714.26
Total	960,665.35	401,667.77	221,469.07	337,528.51	96,383.53	241,144.98	337,528.51

* The funds paid in advance by the Bank on behalf of the government while waiting for the funds or money from the stock release and the working capital of the Bank to support the agricultural commodity pledging schemes for the production years of 2011/2012, 2012/2013 and 2013/2014 (exclusive of the receivables eligible for government reimbursement of the financial costs of the said schemes)

** The funds from other financial institutions (obligations) with the government providing a guarantee for the repayment of the loan principal through the Bank's borrowings from government and private financial institutions for use as working capital for the schemes according to the cabinet's resolutions

As at 31 March 2020, the Bank's advance payments for the agricultural commodity pledging schemes for the production years of 2011/2012, 2012/2013 and 2013/2014 was Baht 96,383.53 million, including the funds the Bank had paid in advance while waiting for the funds or money from the stock release from the government of Baht 6,383.53 million and the Bank's own funds for use as working capital for the schemes of Baht 90,000. According to the cabinet's resolution on 13 September 2011, the funding limit for the capital working for the agricultural commodity scheme for the production year of 2011/2012 was Baht 410,000, consisting of the Bank's own capital of Baht 90,000 million and the funds through the borrowings from government and private financial institutions of Baht 320,000 million. Upon the end of the agricultural commodity pledging scheme for the production year of 2011/2012, the cabinet passed resolutions on 2 October 2012 and 3 September 2013 to approve the implementation of the paddy rice pledging schemes for the production years of 2012/2013 and 2013/2014, respectively. The working capital limit for the production years of 2012/2013 and 2013/2014 must not exceed Baht 410,000 million, excluding the Bank's own capital of Baht 90,000 million.

8.35 Operating results of the agricultural commodity pledging schemes

As at 31 March 2020, the Bank's agricultural commodity pledging schemes under operation (including all kinds of commodities) consisted of the agricultural commodity pledging schemes for the production years of 2008/2009, 2009, 2011/2012, 2012/2013, and 2013/2014 with the aggregate value of Baht 369,446.90 million. The balance of Baht 113,288.92 million was presented in the financial statements of the Bank while the balance of the borrowings from other financial institutions, with the government obligated to repay the loan principal and interest, was Baht 256,157.98 million based on the type of sources of funds used as follows:



Unit: Baht Million

	31 March 2020		31 March 2019	
	sources of funds used		sources of funds used	
	Bank	Other Fls	Bank	Other Fls
Receivables from normal accounts				
Receivables eligible for government reimbursement				
In-season paddy rice pledging scheme 2008/2009	-	15,013.00	-	16,304.00
Off-season paddy rice pledging scheme 2009	16,905.39	-	19,027.61	-
Total	16,905.39	15,013.00	19,027.61	16,304.00
Total receivables from normal accounts	16,905.39	15,013.00	19,027.61	16,304.00
Receivables from public service accounts				
Loans to customers				
Rubber price stabilization scheme	1,059.45	5,000.00	1,599.72	6,813.98
Total	1,059.45	5,000.00	1,599.72	6,813.98
Receivables eligible for government reimbursement				
In-season paddy rice pledging scheme 2011/2012	7,219.69	23,576.00	8,334.30	26,006.22
Off-season paddy rice pledging scheme 2012	13,934.15	58,673.00	15,914.34	61,924.00
Cassava pledging scheme 2011/2012	6,331.39	-	7,124.16	99.80
Paddy rice pledging scheme 2012/2013 (Phase 1)	-	12,330.40	-	24,814.70
Paddy rice pledging scheme 2012/2013 (Phase 2)	10,859.25	106,094.08	11,048.22	105,905.28
Cassava pledging scheme 2012/2013	6,736.84	-	7,585.30	-
In-season paddy rice pledging scheme 2013/2014	50,242.76	35,471.50	57,136.65	40,000.00
Total	95,324.08	236,144.98	107,142.97	258,750.00
Total receivables from public service accounts	96,383.53	241,144.98	108,742.69	265,563.98
Grand total	113,288.92	256,157.98	127,770.30	281,867.98

8.36 Approval for the financial statements

The financial statements were approved by the President of the BAAC on 29 May 2020.



APPENDIX

Appendix 1

1.1 Operating Capital of BAAC in the Fiscal Year 2015-2019

Unit : Million Baht

Fiscal Year	2015		2016		2017		2018		2019		Average Increase/ (Decrease) Rate Per Year (Percent)
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	
1. Deposit	1,310,943	86.96	1,406,490	86.95	1,529,730	87.74	1,617,760	86.31	1,673,273	85.42	6.30
2. Interbank Transaction and Money Market	27,488	1.82	34,288	2.12	33,622	1.93	69,798	3.72	77,080	3.94	27.15
3. Loans	16,699	1.11	14,418	0.89	13,187	0.75	10,064	0.54	20,005	1.02	9.11
4. Other Liabilities	29,665	1.97	36,153	2.23	35,940	2.06	41,205	2.20	50,504	2.58	9.88
5. Owner's Equity	122,643	8.14	126,293	7.81	131,074	7.52	135,544	7.23	137,994	7.04	3.29
Total	1,507,438	100.00	1,617,642	100.00	1,743,553	100.00	1,874,371	100.00	1,958,856	100.00	6.49

1.2 BAAC Owner's Equity in the Fiscal Year 2015-2019

Unit : Million Baht

Fiscal Year	2015		2016		2017		2018		2019		Average Increase/ (Decrease) Rate Per Year (Percent)
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	
1. Paid-up Share Capital											
1.1 Common shares	55,945	45.62	55,945	44.30	55,945	42.68	55,945	41.28	55,945	40.54	0.00
- Held by the Ministry of Finance	55,820	45.52	55,820	44.20	55,820	42.59	55,820	41.18	55,820	40.45	0.00
- Held by Cooperatives and Private Sector	125	0.10	125	0.10	125	0.09	125	0.10	125	0.09	0.66
1.2 Preferred Shares	1	0.00	1	0.00	0	0.00	0	0.00	0	0.00	(20.00)
- Employees and others	1	0.00	1	0.00	0	0.00	0	0.00	0	0.00	(20.00)
2. Revaluation deficit in investments											
Investment value	1	0.00	0	0.00	18	0.01	(8)	(0.01)	15	0.01	0.00
3. Retained Earnings ^{1/}	66,696	54.38	70,347	55.70	75,111	57.31	79,607	58.73	82,034	59.45	5.95
Total	122,643	100.00	126,293	100.00	131,074	100.00	135,544	100.00	137,994	100.00	3.29

Note : ^{1/} Including annual net profits, legal reserve



Appendix 2

List of BAAC Executive Officers for Fiscal Year 2019 (1 April 2019 – 31 March 2020)

Position	Name-Surname	Performance of duties in the fiscal year 2019
President of BAAC	Mr. Apirom Sukprasert	The whole fiscal year
Senior Executive Vice President of Digital Strategy and Information Technology Group	Mr. Tanaratt Ngamvalairatt	The whole fiscal year
Senior Executive Vice President of Organization Strategy and Human Resources Group	Mr. Banjong Chaleiwkriengkrai	1 April 2019 - 30 September 2019
	Mr. Sarayut Yimyoun	1 October 2019 - 31 March 2020
	Mr. Tanaratt Ngamvalairatt	1 October 2019 - 31 March 2020
Senior Executive Vice President of Accounting, Treasury and Banking Business Group	Mr. Nipat Kuasakul	The whole fiscal year
Senior Executive Vice President of Farmer Credit Business and Government Policy Support Group	Mr. Sarayut Yimyoun	The whole fiscal year
Senior Executive Vice President of Major Farmer and Farmer Institution Credit Business Group	Mr. Surachai Rasmee	The whole fiscal year
Senior Executive Vice President of Branch Administration Group	Mr. Virat Wanitthanakul	The whole fiscal year
Executive Vice President of Digital Strategy Line	Mr. Nopadol Srisun	The whole fiscal year
Executive Vice President of Information Technology Line	Mr. Wichan Sriratanawilai	The whole fiscal year
Executive Vice President of Organization Strategy Line	Mr. Seksan Chankwang	The whole fiscal year
Executive Vice President of Human Resources and Organization Development Line	Mr. Santi Charoensuk	The whole fiscal year
Executive Vice President of General Administration Line	Mr. Peerapong Kumchuen	The whole fiscal year
Executive Vice President of Accounting and Treasury Line	Mrs. Sopa Pongkrapun	1 April 2019 - 30 September 2019
	Mr. Kasarb Ngenruang	1 October 2019 - 31 March 2020
	Mr. Somkiat Kimawaha	1 October 2019 - 31 March 2020
Executive Vice President of Banking Business Line	Mr. Kasarb Ngenruang	The whole fiscal year
Executive Vice President of Product Support Line	Mr. Somkiat Kimawaha	The whole fiscal year
Executive Vice President of Farmer Loan Line	Mr. Sompob Rodklang	The whole fiscal year
Executive Vice President of Government Policy Line	Mr. Somboon Dasri	1 April 2019 - 30 September 2019
	Mr. Sompob Rodklang	1 October 2019 - 31 March 2020
Executive Vice President of Agribusiness Entrepreneur and Farmer Institution Credit Line	Mr. Somsak Busyakanistha	1 April 2019 - 30 September 2019
	Mr. Sarayud Tarasena	1 October 2019 - 31 March 2020
Executive Vice President of Customer and Rural Development Line	Mr. Sarayud Tarasena	The whole fiscal year
Executive Vice President of Compliance and Good Governance Line	Mr. Suwit Poolsilp	The whole fiscal year
Executive Vice President of Audit Line	Miss Prasertsri Sirichaijun	1 April 2019 - 30 September 2019
Senior Vice President of Digital Operation Department	Mrs. Suneepa Pailoon	The whole fiscal year
Senior Vice President of Information Technology Operation Department		Awaiting Approval
Senior Vice President of Policy and Strategy Department	Mr. Sorat Sophannarath	The whole fiscal year
Senior Vice President of Human Resources Department	Mr. Yotin Permpool	The whole fiscal year
Senior Vice President of General Administration Department	Mr. Surin Kaewraya	The whole fiscal year
Senior Vice President of Legal Affairs Department	Mr. Kittipob Authaporn	The whole fiscal year
Senior Vice President of Treasury Department	Mr. Ratanachai Dumnernsawat	The whole fiscal year
Senior Vice President of Accounting Department	Mrs. Pawana Jaroenchaimongkol	The whole fiscal year
Senior Vice President of Banking and International Business Department	Mrs. Nichca Uaipornrungrat	The whole fiscal year
Senior Vice President of Deposit Department	Mr. Somchai Arayachatiskul	1 April 2019 - 30 September 2019
Senior Vice President of Marketing Strategy Department	Mr. Narong Sawanpopan	The whole fiscal year
Senior Vice President of Farmer Loan Department	Mr. Paisan Hongtong	The whole fiscal year



Position	Name-Surname	Performance of duties in the fiscal year 2019
Senior Vice President of Small Farmer Loan and Informal Debt Management Department	Mr. Phanit Phathrasarin	The whole fiscal year
Senior Vice President of Government Policy Department	Mr. Pongphun Jongrak	The whole fiscal year
Senior Vice President of Entrepreneur and Institution Credit Department	Mr. Chab Kongmon	The whole fiscal year
Senior Vice President of Customer and Rural Development Department	Mr. Adirek Wongkongkam	The whole fiscal year
Senior Vice President of Audit Department	Mr. Manochai Sudjit	The whole fiscal year
Senior Vice President of Management Department	Mrs. Pongsri Raktoum	1 April 2019 - 30 September 2019
Senior Vice President of Risk Management Department	Mrs. Apiradee Yimlamai	1 April 2019 - 30 September 2019
Senior Vice President of Upper Northern Region Branch Administration Department	Mr. Damrongchai Dechatikhom	The whole fiscal year
Senior Vice President of Lower Northern Region Branch Administration Department	Mr. Somkiat Sittichaiyaporn	The whole fiscal year
Senior Vice President of Upper Northeastern Region Branch Administration Department	Mr. Niyom Rattanayenjai	The whole fiscal year
Senior Vice President of Lower Northeastern Region Branch Administration Department	Mr. Chitchai Suvichachedchu	The whole fiscal year
Senior Vice President of Central Region Branch Administration Department	Mr. Somchai Kompongprapa	The whole fiscal year
Senior Vice President of Eastern Region Branch Administration Department	Mr. Sappachai Nemidkanam	1 April 2019 - 30 September 2019
Senior Vice President of Western Region Branch Administration Department	Mr. Yuwapon Wattu	The whole fiscal year
Senior Vice President of Upper Southern Region Branch Administration Department	Mr. Manop Jinamai	The whole fiscal year
Senior Vice President of Lower Southern Region Branch Administration Department	Mr. Monton Rattanakeal	The whole fiscal year
Director of Office of Digital Technology Strategy	Miss Thatsanee Biramontri	1 April 2019 - 30 September 2019
Director of Office of Information Technology Planning and Security	Mr. ChotepongKiattinant	1 April 2019 - 30 September 2019
Director of Office of Business Intelligence	Mr. Kiattisak Praworn	The whole fiscal year
Director of Office of Quality System and Process Development	Mrs. Sasinath Veeranonda	The whole fiscal year
Director of Office of Procurement	Mr. PongbunditAttatob	The whole fiscal year
Director of Office of Life Insurance Deposit	Miss Thanid Thitichoutwatthanakul	The whole fiscal year
Director of Office of Insurance Business Development	Mr. Gedgomon Priithawepong	1 April 2019 - 30 September 2019
Director of Office of Loan Administration and Collateral Control	Mr. Thongpan Oughtkaew	The whole fiscal year
Director of Office of Loan Analysis	Mr. Satta Inprom	The whole fiscal year
Director of Office of Debt Management	Mr. SaringkharnSilueang	The whole fiscal year
Director of Center of SMEs Incubation Development	Mr. Ruangchai Charoenkitsupat	The whole fiscal year
Director of Research and Innovation Development Center	Miss Arunwan Wongmaneeroj	The whole fiscal year
Director of Office of Customer Product and Community Based Tourism	Mr. Arupong Petchsuk	The whole fiscal year
Director of Office of Information Technology Audit	Mr. Verachai Inklan	The whole fiscal year
Director of Office of Marketing Communication and Public Relations	Mrs. Noppawan Panichying	The whole fiscal year
Director of Office of Loan Review	Mr. Pittaya Ongwongsathian	1 April 2019 - 30 September 2019
Director of Office of Fraud Management	Mrs. Kwanjai Sriratanawilai	The whole fiscal year
Director of Office of Corporate Governance and Compliance	Mr. Wanchai Jaroenchaimongkol	1 April 2019 - 30 September 2019
Director of Office of Metropolitan Branch Administration	Mr. Chaiyut Runchit	The whole fiscal year
Director of Office of Branch Administration Department	Mr. Narin Somsaat	The whole fiscal year



Contact BAAC



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REHABILITATION FOR COOPERATIVES AND FARMER CLIENTS, WORK SYSTEM DEVELOPMENT,
MAINTAINING SMAEs, PROVIDING GOOD SERVICE FROM OUR HEART



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