

Form 56-2

THAIVIVAT INSURANCE PUBLIC CO., LTD.

ANNUAL REPORT 2020

1. General Information

1.1 Company details

Thaivivat Insurance Public Co., Ltd.

Main business : Non-Life Insurance business

Head office location : 71 Thaivivat building Dindaeng Road, Samsen Nai, Phayathai, Bangkok 10400

Company registration : 0107536001427 (Former PCL. 216)

Telephone: 0-2248-0900, 0-2248-0910, 0-2644-6400, 0-2644-6500, 0-2695-0800, 1231

Fax: 0-2248-4575, 0-2248-4975, 0-2695-0808

Claim Hot Line: Tel. 0-2695-0700; Fax. 0-2644-6545

Customer Care: Tel. 0-2695-0777; Fax. 0-2644-6545

Health Claim: Tel. 0-2695-0707; Fax. 0-2644-6545

Company has 303,000,000 common shares that all sold out.

1.2 Investment in subsidiary

Laovivat Insurance Company Limited

Main business : Non-Life Insurance business

Location : 011 Ban Tadkhao unit 01, Sisattanak District, Vientiane, Lao PDR

Company registration : 614147369900

Registered capital 16,000,000 kip

Common stock 2,000,000 shares, par value per share 8,000 kip

Company has 1,400,000 common shares that is 70% of total shares

2. Financial Status and Operation Result

Important Financial Data

Consolidated statements of financial position

(Unit : Thousand Baht)

	Separate financial statement						Consolidated financial statement					
	2018	%	2019	%	2020	%	2018	%	2019	%	2020	%
Assets												
Cash and cash equivalents	227,320	4.0	224,225	3.4	329,949	4.2	229,767	4.1	225,295	3.4	332,677	4.2
Premium receivables	523,144	9.3	610,197	9.3	754,058	9.6	523,278	9.3	610,378	9.3	754,287	9.6
Accrued investment income	7,306	0.1	5,410	0.1	12,141	0.2	12,040	0.2	12,104	0.2	14,108	0.2
Reinsurance assets	408,451	7.2	527,109	8.1	427,847	5.5	408,451	7.2	527,109	8.1	427,847	5.5
Receivables from reinsurance contracts	215,938	3.8	151,801	2.3	179,805	2.3	215,132	3.8	149,908	2.3	178,405	2.3
Financial assets - debt instruments	-	0.0	-	0.0	3,819,937	48.6	-	0.0	-	0.0	3,865,601	49.3
Financial assets - equity instruments	-	0.0	-	0.0	695,222	8.9	-	0.0	-	0.0	695,222	8.9
Investments in securities	3,216,491	57.1	3,737,658	57.2	-	0.0	3,262,294	57.8	3,778,639	57.9	-	0.0
Loans and interest receivables	7,168	0.1	7,698	0.1	6,232	0.1	7,168	0.1	7,698	0.1	6,232	0.1
Investment in subsidiary	67,200	1.2	67,200	1.0	67,200	0.9	-	0.0	-	0.0	-	0.0
Property, buildings and equipment	312,883	5.5	325,866	5.0	331,043	4.2	317,223	5.6	327,892	5.0	332,452	4.2
Right-of-use assets	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	3,341	0.0
Goodwill	-	0.0	-	0.0	-	0.0	18,240	0.3	16,320	0.2	16,800	0.2
Intangible assets - computer software	10,088	0.2	10,014	0.2	15,967	0.2	10,200	0.2	10,024	0.2	15,967	0.2
Deferred tax assets	91,702	1.6	116,754	1.8	179,925	2.3	91,702	1.6	116,754	1.8	179,925	2.3
Other assets	554,395	9.9	749,439	11.5	1,023,416	13.0	553,948	9.8	748,598	11.5	1,022,436	13.0
Total assets	5,642,086	100.0	6,533,371	100.0	7,842,742	100.0	5,649,443	100.0	6,530,719	100.0	7,845,300	100.0
Liabilities and equity												
Insurance contract liabilities	3,133,928	55.5	3,825,740	58.5	5,019,917	64.0	3,135,720	55.4	3,828,683	58.6	5,023,162	63.9
Amount due to reinsurers	506,563	9.0	470,391	7.2	459,783	5.9	506,563	9.0	470,391	7.2	459,783	5.9
Income tax payable	15,421	0.3	12,727	0.2	32,539	0.4	15,421	0.3	12,727	0.2	32,539	0.4
Employee benefit obligations	91,216	1.6	122,473	1.9	116,778	1.5	91,216	1.6	122,473	1.9	116,778	1.5
Other liabilities	647,204	11.5	781,992	12.0	862,783	11.0	647,872	11.5	782,872	12.0	867,279	11.1
Equity	1,247,754	22.1	1,320,048	20.2	1,350,942	17.2	1,252,651	22.2	1,313,573	20.1	1,345,759	17.2
Total liabilities and equity	5,642,086	100.0	6,533,371	100.0	7,842,742	100.0	5,649,443	100.0	6,530,719	100.0	7,845,300	100.0

	Separate financial statement						Consolidated financial statement					
	2018	%	2019	%	2020	%	2018	%	2019	%	2020	%
Profit or loss:												
Income												
Gross premium written	4,152,256	127.9	4,806,272	123.8	5,982,238	127.5	4,155,144	127.9	4,809,544	123.7	5,985,826	127.5
Less: Premium ceded to reinsurers	(893,260)	(27.5)	(984,810)	(25.4)	(648,956)	(13.8)	(893,260)	(27.5)	(984,810)	(25.3)	(648,956)	(13.8)
Net premium written	3,258,996	100.4	3,821,462	98.4	5,333,282	113.7	3,261,884	100.4	3,824,734	98.4	5,336,870	113.7
Less: Unearned premium reserves (increase)												
decrease from prior year	(283,683)	(8.8)	(357,459)	(9.2)	(796,615)	(17.0)	(284,067)	(8.7)	(358,140)	(9.2)	(796,569)	(17.0)
Net earned premium	2,975,313	91.6	3,464,003	89.2	4,536,667	96.7	2,977,817	91.7	3,466,594	89.2	4,540,301	96.7
Fee and commission income	242,017	7.5	269,683	6.9	140,376	3.0	242,017	7.4	269,683	6.9	140,376	3.0
Net investment income	66,664	2.1	79,606	2.1	68,628	1.5	69,639	2.1	82,227	2.1	71,459	1.5
Gain (loss) on financial instruments	(16,497)	(0.5)	37,083	1.0	(19,090)	(0.4)	(16,497)	(0.5)	37,083	1.0	(19,090)	(0.4)
Gain (loss) on fair value adjustments of												
financial instruments	(29,920)	(0.9)	17,416	0.4	(47,426)	(1.0)	(29,920)	(0.9)	17,416	0.4	(47,426)	(1.0)
Other income	7,371	0.2	14,551	0.4	8,280	0.2	7,296	0.2	14,536	0.4	8,024	0.2
Total income	3,244,948	100.0	3,882,342	100.0	4,687,435	100.0	3,250,352	100.0	3,887,539	100.0	4,693,644	100.0
Expenses												
Claims and loss adjustment expenses	2,099,903	64.7	2,821,265	72.7	3,189,299	68.0	2,102,671	64.7	2,824,319	72.7	3,191,826	68.0
Less: Claim recovered from reinsurers	(412,611)	(12.7)	(750,887)	(19.3)	(489,282)	(10.4)	(412,611)	(12.7)	(750,887)	(19.3)	(489,282)	(10.4)
Commission and brokerage expenses	675,538	20.8	771,199	19.9	941,726	20.1	675,858	20.8	771,669	19.8	942,172	20.1
Other underwriting expenses	267,322	8.2	363,868	9.4	351,539	7.5	267,491	8.2	364,103	9.4	351,881	7.5
Operating expenses	474,160	14.6	536,825	13.8	594,250	12.7	480,984	14.8	542,194	13.9	597,767	12.7
Financial cost	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	109	0.0
Expected credit loss	-	0.0	-	0.0	3,113	0.1	-	0.0	-	0.0	3,150	0.1
Total expenses	3,104,312	95.6	3,742,270	96.5	4,590,645	98.0	3,114,393	95.8	3,751,398	96.5	4,597,623	98.0
Profit before income tax	140,636	4.4	140,072	3.5	96,790	2.0	135,959	4.2	136,141	3.5	96,021	2.0
Income tax revenue (expenses)	(25,266)	(0.8)	(23,983)	(0.6)	(18,351)	(0.4)	(25,266)	(0.8)	(23,983)	(0.6)	(18,351)	(0.4)
Profit for the year	115,370	3.6	116,089	2.9	78,439	1.6	110,693	3.4	112,158	2.9	77,670	1.6
Other comprehensive income:												
Exchange differences on translation of												
financial statements in foreign currency (loss)	-		-		-		(2,219)		(7,440)		2,098	
Gain (loss) on changes in value of												
available-for-sale investments	(24,398)		29,974		-		(24,398)		29,974		-	
Gain (loss) on change in value of debt instruments												
measured at fair value through other												
comprehensive income	-		-		10,265		-		-		10,265	
Gain (loss) on change in value of equity instruments												
designed at fair value through other												
comprehensive income	-		-		(167,619)		-		-		(167,619)	
Actuarial gain (loss)	2,691		(8,968)		3,297		2,691		(8,968)		3,297	
Income tax effect	4,341		(4,201)		30,811		4,341		(4,201)		30,811	
Other comprehensive income for the year												
- net of income tax (loss)	(17,366)		16,805		(123,246)		(19,585)		9,365		(121,148)	
Total comprehensive income for the year (loss)	98,004		132,894		(44,807)		91,108		121,523		(43,478)	
Basic earnings per share (Baht)	0.38		0.38		0.26		0.37		0.37		0.26	
Dividend per share (Baht)	0.20		0.20		0.20		0.20		0.20		0.20	
Shares	303,000		303,000		303,000		303,000		303,000		303,000	

Consolidated statements of cash flows

(Unit : Thousand Baht)

	Separate financial statement			Consolidated financial statement		
	2018	2019	2020	2018	2019	2020
Cash flows from (used in) operating activities						
Direct premium written	4,103,005	4,744,556	5,603,274	4,107,218	4,750,561	5,608,660
Cash paid for reinsurance	(310,641)	(40,250)	(35,951)	(311,270)	(40,944)	(37,460)
Interest income	30,015	30,822	32,393	30,302	30,985	40,145
Dividend income	36,215	50,795	29,551	36,215	50,795	29,551
Other investment income	2,737	2,238	1,424	2,737	2,238	1,424
Other income	4,296	11,989	6,519	4,244	11,980	6,517
Claim incurred on direct insurance	(2,121,534)	(2,538,691)	(2,638,449)	(2,124,209)	(2,541,349)	(2,640,985)
Loss adjustment expenses on direct insurance	(41,767)	(52,293)	(53,544)	(41,818)	(52,330)	(53,578)
Commission and brokerage on direct insurance	(665,456)	(764,884)	(938,038)	(665,951)	(765,821)	(938,882)
Other underwriting expenses	(266,258)	(361,764)	(348,395)	(266,427)	(361,998)	(348,738)
Operating expenses	(387,144)	(456,177)	(575,463)	(390,531)	(458,548)	(577,613)
Income tax	(20,931)	(55,930)	(64,205)	(20,931)	(55,930)	(64,205)
Investments in securities	(243,183)	(618,506)	-	(243,183)	(618,506)	-
Loans	(1,454)	(530)	-	(1,454)	(530)	-
Deposits at financial institutions	(50,838)	142,946	-	(48,102)	142,946	-
Cash flow from financial assets	-	-	6,114,023	-	-	6,114,023
Cash used in financial assets	-	-	(6,927,194)	-	-	(6,930,694)
Net cash from (used in) operating activities	67,062	94,321	205,945	66,840	93,549	208,165
Cash flows from (used in) investing activities						
Purchases of property, buildings and equipment	(48,691)	(35,057)	(32,349)	(49,000)	(35,426)	(32,351)
Purchases of intangible asset	(7,593)	(1,968)	(7,895)	(7,781)	(1,968)	(7,895)
Disposals of equipment	372	209	890	372	231	890
Net cash used in investing activities	(55,912)	(36,816)	(39,354)	(56,409)	(37,163)	(39,356)
Cash flows from (used in) financial activities						
Repayment of lease liabilities	-	-	-	-	-	(542)
Dividend paid	(21,210)	(60,600)	(60,600)	(21,210)	(60,600)	(60,600)
Net cash used in financial activities	(21,210)	(60,600)	(60,600)	(21,210)	(60,600)	(61,142)
Translation adjustments	-	-	-	(98)	(258)	31
Unrealised exchange rate change	-	-	(90)	-	-	(90)
Allowance for expected credit loss	-	-	(177)	-	-	(226)
Net increase (decrease) in cash and cash equivalents	(10,060)	(3,095)	105,724	(10,877)	(4,472)	107,382
Cash and cash equivalents at beginning of year	237,380	227,320	224,225	240,644	229,767	225,295
Cash and cash equivalents at end of year	227,320	224,225	329,949	229,767	225,295	332,677

Financial ratios

	Separate financial statement			Consolidated financial statement		
	2018	2019	2020	2018	2019	2020
(1) Liquidity ratio						
1.1 Liquidity ratio	0.49	0.49	0.47	0.50	0.49	0.47
1.2 Premium receivable turnover ratio	43.67	42.47	41.10	43.64	42.43	41.07
(2) Profitability Ratio						
2.1 Retention Ratio	78.49	79.51	89.15	78.50	79.52	89.16
2.2 Loss ratio	52.44	55.45	57.73	52.49	55.49	57.74
2.3 Gross profit margin ratio	18.25	14.15	14.62	18.21	14.11	14.61
2.4 Gross profit to total income ratio	18.10	13.61	14.59	18.04	13.56	14.57
2.5 Underwriting expense ratio	44.04	44.78	40.36	44.24	44.91	40.42
2.6 Return on investment ratio	0.58	3.32	0.04	0.66	3.41	0.10
2.7 Net premium written ratio	2.69	2.98	3.99	2.68	2.98	4.01
2.8 Net profit margin ratio	3.56	2.99	1.67	3.41	2.89	1.65
2.9 Return on equity ratio	9.54	9.04	5.87	9.09	8.74	5.84
(3) Efficiency Ratio						
3.1 Return on assets ratio	2.13	1.91	1.09	2.04	1.84	1.08
3.2 Assets turnover ratio	0.60	0.64	0.65	0.60	0.64	0.65
(4) Financial Ratio						
4.1 Debt to equity ratio	3.52	3.95	4.81	3.51	3.97	4.83
4.2 Policy Liability to Capital Fund	2.01	2.38	3.27	2.01	2.40	3.28
4.3 Unearned premium reserve to equity ratio	1.32	1.52	2.08	1.32	1.53	2.09
4.4 Unearned premium to assets ratio	30.97	32.35	36.91	30.96	32.40	36.92
4.5 Dividend payout ratio	52.53	52.20	77.26	54.75	54.03	78.02
(5) Net earnings per share	0.38	0.38	0.26	0.37	0.37	0.26
(6) Dividend per share	0.20	0.20	0.20	0.20	0.20	0.20
(7) Book value per share	4.12	4.36	4.46	4.13	4.34	4.44

Report of Board Responsibility for Financial Report

The Board of Directors of Thaivivat Insurance Plc. has been featured on the company's corporate governance and responsibility according to the policy of good governance. Regulatory, financial statements and other financial information in the annual report have accurate, complete, adequate disclosure data. The financial statements comply with accounting standards generally accepted in Thailand and guidelines set by the Office of Insurance Commission, the company uses appropriate, and consistent accounting policies with careful judgment including the disclosure of important information adequately in the notes to the financial statements that have been audited and certified by the auditor.

The Board has established a risk management system, internal control system, internal audit and suitable Corporate Governance to ensure that the company has accurate, complete and timely accounting records as well as to prevent the operation risk. The Board of Directors has appointed an Audit Committee consisting of independent directors qualified as a non-executive director in charge of such matters.

The Board of Directors have an opinion that the company's internal controls is at a satisfactory level, can be reasonably confident and reliable in the financial statements of Thaivivat Insurance Public Company Limited and its subsidiary as of 31 December 2020 which the company auditors has audited according to the auditing standards generally accepted and expressed the opinion that the financial statements position and operation results are correct in accordance with with Thai Financial Reporting Standards.



Mr. ChalawFuengarom

Chairman

Analysis and Explanation of Management Department

Performance

Comparison in 2020 and 2019, the group company's underwriting income had increased Baht 944.4 million or 25.3 percent and the underwriting expenses and operating expenses increased Baht 843.0 million or 22.5 percent while investment income decreased Baht 131.8 million or 96.4 percent due to the impact of global economics and politics resulting in net profit decreased from prior year.

Underwriting revenue and expense

The group company had underwriting income Baht 4,680.7 million that increased 25.3 percent as compared in 2019 mainly increased in motor insurance and miscellaneous insurance however it had underwriting expenses and operating expenses Baht 4,594.3 million, increased 22.5 percent from 2019 mainly from claims and loss adjustment expenses, and commission and brokerage expenses. Resulting in 2020 the group company had underwriting profit of Baht 86.3 million, increased Baht 101.4 million from prior year because the group company has continuous products development by using new innovation in products design to facilitate and meet the insured needs together with the continuous sales promotion activities.

Investment income

Besides the underwriting income, the company had a main investment income with investment ratio as the Office of Insurance Commission (OIC) announcement which had the investment amount as of year ended 2020 shown in the Financial Statements and recorded as market price Baht 4,567.1 million that increased Baht 780.8 million from the prior year. In 2020, the group company has decreasing investment income Baht 131.8 million or 96.4 percent from the prior year due to the global economy and politics affected from Covid-19.

Investment assets as at 31 December 2020

(Unit : Million Baht)

	Separate financial statement				Consolidated financial statement			
	2019		2020		2019		2020	
	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %
Types of investment								
Deposits at financial institutions	13	0.3	675	14.7	54	1.4	720	15.8
Bond and state enterprise	444	11.6	570	12.4	444	11.7	570	12.5
Debenture	408	10.7	1,229	26.8	408	10.8	1,229	26.9
Common stock	411	10.8	485	10.6	411	10.9	485	10.6
Unit trust	2,461	64.6	1,557	33.9	2,461	65.0	1,557	34.1
Investment in subsidiary	67	1.8	67	1.5	-	-	-	-
Other	8	0.2	6	0.1	8	0.2	6	0.1
Total investment	3,812	100.0	4,589	100.0	3,786	100.0	4,567	100.0

Financial position

For assets, the group company had total assets of Baht 7,845.3 million increased Baht 1,314.6 million or 20.1 percent from prior year. The mainly significant change of assets from cash and cash equivalents increased of Baht 107.4 million, premium receivable increased Baht 143.9 million, and investment assets increased Baht 780.8 million.

For liabilities, the group company had total liabilities of Baht 6,499.5 million increased Baht 1,282.4 million or 24.6 percent from prior year. The mainly significant change of liabilities is insurance contract liabilities increased Baht 1,194.5 million resulting from claim reserves increased Baht 480.1 million and premium reserves increased Baht 714.4 million.

For equity, the group company had total equity of Baht 1,345.8 million increased Baht 32.2 million or 2.5 percent from prior year. In 2020, the group company had a net profit for the year Baht 77.7 million and net loss on other comprehensive income for the year Baht 121.1 million resulting in the total comprehensive loss for the year Baht 43.5 million. The mainly net loss came from change in the market price of investment assets.

Direct insurance premium comparative table

(Unit : Million baht)

		2020		2019		2018	
		Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.
1	Total Direct premium written	254,376	5,975	245,499	4,804	233,090	4,149
	% Growth rate	4%	24%	5%	16%	7%	17%
2	Fire	10,120	152	10,072	152	10,165	157
	% Growth rate	0%	0%	-1%	-3%	3%	-3%
3	Marine	5,285	10	5,431	13	5,522	10
	% Growth rate	-3%	-23%	-2%	30%	3%	-12%
4	Motor	146,392	4,837	144,658	3,746	136,933	3,244
	% Growth rate	1%	29%	6%	15%	9%	24%
5	Miscellaneous	92,579	976	85,338	893	80,470	738
	% Growth rate	8%	9%	6%	21%	4%	-3%

In 2020, the company had direct premium written Baht 5,975 million with growth rate 24 percent which was higher than total non-life insurance business and in 2020 the company had market share of motor insurance in the 9th ranking. (In 2019, 12th ranking)

Economic condition

SET closed 1,449.35 points at the end of December 2020, decreased 8.23%, market value of 16,343 billion Baht decreasing 3.65%, dividend yield 3.32%, PE 28.84 and P/BV1.64

Economic conditions fell as a result of the COVID-19 pandemic that started out in Wuhan, China since January and spread all over the world at the end of March. The government declared a state of emergency throughout the Kingdom to contain the outbreak, affecting the economy growth previously expected in 2020 2.8% as well as the drought, delays of the Annual Budget Act and higher unemployment from a slowdown in exports made the economy expansion -6.4% compared to 2.4% growth last year. The Monetary Policy Committee (MPC) resolved to reduce the policy interest rate three times from 1.25% to 0.5% while Fed cut interest rates to 0% from 1.5% from the severe contraction more than previous forecast in March. Thai bond yield fluctuates with the world money market conditions due to selling of fixed income funds. The Bank of Thailand (BOT) bought government bonds, cut the policy interest rate causing the decrease of government bond yield and made the overall financial situation more relaxed.

Government measures to mitigate impacts : the Borrowing Act in a limit of not more than 1,000,000 million Baht for an additional budget to support, cure and rehabilitate the economy and society affected by the epidemic 600,000 million Baht and the rest amount 400,000 million Baht to increase potential, trade, production and services in the major economic sectors of country and local level as well as to create jobs, careers, market and products promotion.

The Soft Loan Act 500,000 million Baht for the BOT to lend to commercial banks and financial institutions at a rate of 0.01% per year with a credit limit of 500,000 million Baht by setting Corporate Bond Liquidity Stabilization Fund (BSF) to reduce risk of raising funds in corporate bonds. The BOT can trade in funds where the fund buys corporate bonds to increase companies liquidity that issue and rollover high quality bond but have temporary liquidity shortage. The BOT can urgently trade in corporate bonds in the secondary market to stabilize the corporate bonds market and financial systems.

The temporary remittance rate reduction of financial institutions from 0.41 percent to 0.23 percent per year in order to lower cost of financial institutions.

Measures of low-interest loans for the Government Savings Bank to lend to Non-Banks for helping small debtors of each company by releasing credit card loan conditions, personal loans, leasing, motorcycle hire purchase and car registration loans to the public.

Measures of reducing contributions to the Social Security Fund of employers and employees, increasing unemployment compensation due to dismissal to 75% from 50% for 200 days and increasing unemployment compensation from resignation to

45% from 30% (base salary not exceeding 15,000 Baht) for 90 days. Remedy measures for insured employees who have not worked due to force majeure, they receive compensation for their lack of income 50% of wages. In case of a government agency orders the employers to temporarily stop the business, they receive compensation for lack of income 50% but not more than 60 days. Temporary workers and self-employed career outside the social security system, receive each compensation 5,000 Baht per month for 3 months in the amount 45,000 million Baht.

Economic Trend and Stock Market in 2021

Tourism sector has been greatly affected from the COVID-19 pandemic, the measures of lockdown and travel restrictions in each country, including Thailand resulting no tourist has come since April. The number of tourists dropped from 39 million to be only 6.7 million affecting the hotel business, aviation and related services sectors such as SPA, foreign hospitals, shopping malls. The tourism sector recovery takes at least 2-3 years, the number of tourists is expected to return in the second half of 2021 and employment related to the tourism sector has recovered slowly.

Exports in 2020 were -7.5%, an increase -2.6% last year due to the weakness of trading partners. Exports are expected to recover as the global economic recovery. The IMF forecasts that the global economy in 2021 will expand by 5.2% from -4.4% in 2020, especially in electronics sector and packaged food. The export proportion of motor vehicles and machinery is high that will recover slowly compared to fast recovery of electronic components and packaged food resulting Thai exports will recover lower than competing countries.

Private investment and household consumption, the impact of COVID-19 pandemic has disrupted economic activity, especially in tourism and airline service sectors. The oil consumption is greatly reduced, resulting private investment -11% and consumption -1.1%. Household debt to GDP rises to a maximum 83.3%, unemployment increases to 4.4%, total demand contracts from the epidemic prevention measures resulting oil price falling as low as \$ 28/barrel in the second quarter 2020. Household consumption trend remains weak from higher debt levels, cautious spending, gradual investment increase from a rising export trend and industrial production driven by widespread post-vaccine demand to deter the epidemic.

Public spending is a key factor to help revive private and household consumption through accelerating disbursement of the annual expenditure budget in 2021, using the remaining loan of 1 trillion Baht for an increase of trade potential, production, job creation and construction. The public debt to GDP expects to rise closely 60% due to an increase of government borrowing while the taxation is less than estimated.

The SET index is expected to gradually rise to 1600-1620 points, PE 20-23 on vaccines expectation to control the COVID-19 epidemic, including an increase of US 10-year bond yields 1.5% from 0.915% at the end of 2020 for the stimulus programs together with global monetary and fiscal measures to stimulate the global economy. For Thailand, in addition to the

economic stimulus measure through the loan 1 trillion Baht continued from last year, the policy interest rate is expected to decrease continuously 0.25% by the MPC from the beginning of last year that it was reduced three times to help support household consumption and private investment.

Banking and credit groups expects to rise moderately 4.5% from retail and project loans, while banking NPLs rise to 4.5% from SME loans due to the end of debt relief programs. Capital strength is sufficient and reserve fund is 114%.

Competition of consumer finance will increase, especially car loans, according to the Bank of Thailand regulation stipulates to decrease the maximum credit interest rate 200-400 bps. However, the MPC decreases the policy interest rate down, it helps reduce capital costs, compensate for the decline in credit interest income, spending and careful using of citizens credit cards.

Energy group, demand for oil consumption gradually recovers from relaxation of entering and leaving the country. But the aircraft fuel will recover slowly due to tourism has not recovered. The average market price in 2021 is expected to stabilize at 2.30-2.40 Baht / liter.

Travel group, the recovery depends on ability to control the virus spread of the virus. But there is still a risk of new pandemic. The tourism recovery is expected to begin mid-year. It will take 2-3 years for recovery of 40 million tourists before virus epidemic.

In 2021, the insurance premium growth rate of non-life insurance business will grow approximately 2.5% as an expansion trend 4-5% of the Thai economy that comes from the number of foreign tourists returning in second half of 2021 resulting positively impact to Tourism sector. The export sector will increase in line with an increasing demand of trading partners. Recovery of private consumption and investment including the expansion of monetary and fiscal measures, employment promotion and investment in large government projects

3. Revenue structure

Revenue structure

The company is a non-life insurance business to have the main revenue from insurance premium. When the company receives insurance premium a part of it is taken to do the reinsurance and another part is kept for our own risk. For the part of our own premium after expenses deduction, the company makes investment to earn income according to the non-life Insurance Act and Office of Insurance Commission announcement about other business investment of non-life insurance company.

Past 3 years of company's income

(Unit: Million Baht)

	Separate Financial Statement						Consolidated Financial Statement					
	2018	%	2019	%	2020	%	2018	%	2019	%	2020	%
Underwriting income	3,217.3	99.1	3,733.7	96.2	4,677.0	99.7	3,219.8	99.1	3,736.3	96.1	4,680.7	99.7
Investment income	20.2	0.7	134.1	3.5	2.1	0.1	23.2	0.7	136.7	3.5	4.9	0.1
Other income	7.4	0.2	14.6	0.3	8.3	0.2	7.4	0.2	14.5	0.4	8.0	0.2
Total income	3,244.9	100.0	3,882.4	100.0	4,687.4	100.0	3,250.4	100.0	3,887.5	100.0	4,693.6	100.0

Business operation of each product line

(1) Product or service characteristics

There are 4 main services of company as follows:

1. Motor insurance

1.1 Compulsory insurance

1.2 Voluntary insurance is divided into 5 types such as class 1, class 2, class 3, class 4, and class 5 with different coverage.

1. Fire insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from fire or lightning or gas explosion of household consumption and has coverage extension to water damage, explosion, riot, strike, hail, flood, earthquake, windstorm, and aircraft etc.
2. Marine and transportation insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from transportation.
3. Miscellaneous insurance includes several kinds of insurance such as personal accident insurance, travel accident insurance, health insurance, compensation indemnity insurance, critical illness insurance, contractor all risks insurance, burglary insurance, health insurance, global travel insurance etc.

(2) Marketing and competitive situation

- A. Policy, important product characteristic and service Competitive strategy to have rapid and convenient services as well as to create impression to the insured, advertise, use modern communication technology and provide staff training all time.

Advantage

- To operate the longest motor insurance business of all insurance companies in present which makes the company have experience for giving service to the insured and related person as well as to have the database of complete underwriting
- To have a long term relationship with customer base
- To have a company culture to understand customer and related person requirements which makes impression to the

customer and related person in our services

- The company has a good customer base with risk distribution and a large amount of company fund that makes the company be able to handle risk in high level

Disadvantage

- All company insurances are come from direct market, not from the captive business

Target customers

For the industrial risk, most insurance is an insurance with the insurance company to have relationship in form of investment. Therefore, from the company structure, we have a target to do business with small or medium customer groups which they have high independent to select the insurance company. It is an outstanding in our service and product development that are suitable for consumer needs and enable to have influence on customer decision making.

B. Competitive situation

The total insurance premium market in 2020 is 253,580 million Baht increasing 3.9% from 2019. The COVID-19 epidemic has severely affected the purchasing power of consumers. To adjust an increase of motor insurance premiums due to higher car repair expenses resulting the growth rate of motor insurance has decreased. Residential refinancing, multi-purpose loans with real estate as collateral continues to expand and contraction in foreign reinsurance companies' reinsurance capacity makes Fire & IAR insurance premiums increase. The personal accident and health insurance premiums also increase as awareness of health and high medical expenses. The company uses technology in sales, product design to meet the customer needs today and importance realization of the travel and accident insurance resulting finding insurance policies easier and more demand. This insurance premiums grows in the same direction as health insurance. The company emphasizes innovation leadership, digital strategy adaptation and taking technology to develop new products for both corporate and retail customers. We sell through various distribution channels to reach the most targeted customers such as agents, brokers, banks (Banc assurance), financial institutions, telemarketing, convenience stores, online channel and claim services improvement via Smartphone applications.

Direct Insurance Premium Table of The Non-Life Insurance System classified by Class of Business

No.	Class of Business		- Year	Direct Premium(Unit : Million Baht)			
				2017	2018	2019	2020
			- Sub Class				
1.	Motor	1.1	Voluntary	110,160	118,870	125,528	127,375
		1.2	Compulsory	15,958	18,063	18,497	18,663
			Total	126,118	136,933	144,025	146,038
2.	Fire	2.	Fire	9,850	10,165	10,118	10,167
3.	Misc.	3.	Misc.	77,110	80,470	84,443	91,221
4.	Marine	4.	Marine	5,356	5,522	5,469	5,290
Grand Total				218,434	233,090	244,055	252,716

(3) Products or services

A. Sources of fund

Non-life insurance business has the major income from insurance premium. Insurance policy is the company product which is made through 3 types as follows:

- Selling through Insurance Agent in Non-Life Insurance Act section 4 “Non-Life Insurance Agent means a person who is delegated by company to convince people to do the insurance policy”.
- Selling through Insurance Broker in Non-Life Insurance Act section 4 “Non-Life Insurance Broker means a person who advises or manages a person to do the insurance policy by expecting to get commission”.
- Direct selling by the company employees.

B. The ability to maintain the ratio of each business class

The company has maintained the fund of operating non-life insurance not less than Baht 30 million by considering the ratio of fund sufficiency. It calculates the company fund divided by the maintained fund not less than 140 percent. As of December 31, 2020, the company has the fund as accounting Baht 1,350,942,191 and there was a level a level of capital adequacy as CAR Ratio 287.35

C. Liquidity

Liquidity management for insurance premium of the company to the suitable loss ratio, in the year 2020 the loss ratio is 57.73% increasing 2.28% from 2019.

(4) Vision, mission, and long-term goals of the company

Board of directors the Company has reviewed the vision, mission, strategy, and long-term goals of the company annually to consider the suitability and be aware of various operations. In the year 2019, the Board of Directors considered that the company's vision, mission, strategy, and long-term goals Is suitable Vision Is a stable guarantee for Thai people That people trust in choosing the most service Mission Develop the organization to have a strong financial position and manage with good governance. Develop worthwhile products Can help reduce the burden of risk And mitigate the damage of the people appropriately Developing services to meet good standards Helps to increase customer satisfaction. And fair partners Long-term goals Being the leader in innovation for the non-life insurance industry throughout 10 years.

4. Risk factors

Risk factors of non-life insurance business can be classified as follows:

1. Strategic Risk

It is the overall policy on the business portfolio level, product type, industry, geographic area including the operation plan which increase the company risk such as focusing on quantity growth or market share more than the profit value, increasing on sales volume with competitive insurance premium to take high and low risk insurance, selling high risk product with low profit to keep customers and business alliances, including risk factors that effect company not to achieve the business target.

2. Operational Risk

It is the risk that occurs in the working area and operation which caused from

- People Risk such as lack of knowledge, skill, experience and responsibility; carelessness; insufficient staffs that cause human error, fraud of staff including fraud claim from customer or partner such as garage, hospital, etc. The company has managed people risk by arranging training program for the staffs periodically and setting up recruitment plan that is in line with company expansion plan. In addition, internal control process is implemented to ensure the transparent operation.

Process Risk such as deficient working system, weak internal operation process, structure organization of inter-control unit, responsibility division in approved person and paid, specification of approval limit. To mitigate the process risk, the company has reviewed its operating process and working manual continuously in order to make the operating process become more effective.

- Technology Risk such as inefficient computer system; incorrect, delay and pirated data.

The company invests in up to date hardware and software, sets to have security process, limits to information access for only authorized or approved person.

3. Liquidity Risk

It is the risk that occurs from unable to provide enough cash flow for the credit payment and obligation.

- To assess the financial status before appointment to be an agent and broker.
- To collect the motor insurance premium as the Cash Before Cover Principle.
- To create the tracking system for the overdue premium collection from an agent and broker.

4. Insurance Risk

It is the financial loss risk of underwriting and liability risk that results from selection and approval of the underwriting risk, ratio between retention and risk transfer including look after the claim management process of company to be concise, systematic, accurate as the actual damage occurred.

- The company has the risk management systematically by starting underwriting, coverage, premium rate suitable to the risk.
- The company provides risk transfer to the reinsurance company that has stable status both domestic and international.
- The company has the correct and fast indemnity payment system according to the coverage, manages to have a low level of loss ratio in each type of insurance.

5. Market Risk

It is the fluctuation of investing asset returns which result from the fluctuation of interest rate, equity value, foreign fund etc.

- To build the stable investment return in the long term higher than the inflation rate.
The investment policy of company in asset allocation is the investment mix for diversification by giving the weight of investment of criteria as the Office of Insurance Commission that focuses on safety and careful investment. The company divides investment to different asset classes by considering the investor situation to accept risk on and risk off including decision to choose the asset diversification into low risk such as government bond, debenture, equity of the high stability company to have regular income and profit, not much fluctuation, liquidity and high dividend that help create a high level returns.
- The ways of investment management, to adjust investment plan to be consistent and timely in the worldwide equity market situation that has more connection. The upside inflation and interest trend in market fluctuation increase returns more than the market. To make more active management, adjust investment portfolio to the tactical asset allocation between asset and security selection in order to support changing of financial economy trend not more than 1 year or to have the event risk and adjust to the dynamic asset allocation 1-3 year in order to cope with the economic cycle change such as in the economic recovery period and no inflation problem that increase portfolio in equity investment.

6. Credit Risk

It is the risk of counter parties especially their deteriorate financial status, default risk such as reinsurer, broker, debtor, guarantor. If the customer is unable to fulfill an agreement, it affects the company revenue and operation. We use the Credit Rating to select reinsurers and have an investment as the Office of Insurance Commission's rules. The company has an audit system and constantly monitors to follow up the counter parties in order to minimize credit risk.

5. Shareholders

Major shareholders 8 lists (Data as of 14 October 2020)

Shareholders	Amount	Ratio (%)
1. MAFAM CO., LTD.	145,655,120	48.07
2. MRS. JIRAPORN BURANASOMBAT	18,239,400	6.02
3. MISS JANEJIRA ASVATANAKUL	15,542,150	5.13
4. MR. THEPPHAN ASVATANAKUL	15,542,150	5.13
5. BANK OF SINGAPORE LIMITED	15,082,648	4.98
6. MISS ROJANA THERAVITHAYANGKURA	9,665,500	3.19
7. MRS. SUTEPEE ASVATANAKUL	4,725,384	1.56
8. MR. CHARN CHANVIPA	4,455,000	1.47

- Dividend Payment Policy

Company has the policy to pay the dividend not less than 40% of profit after business tax.

Mafam Company Limited had acquired the 145,655,120 shares of Company ordinary shares that was equal to 48.07% of total Company issued shares. This was the shares acquisition from 2 major existing shareholders : M.A. International Co., Ltd. and Tangjaimun Co., Ltd. that merged business on October 14, 2020 and combined with persons under Section 258 of the group (Mr. Jiraphant Asvatanakul and Ms. Sutepee Asvatanakul) resulting the group holds the Company ordinary shares after this acquisition equals to 49.99% of total voting rights of Company ordinary shares.

The change in shareholding structure has no effect on the change of internal control power that Mafam Co., Ltd. and Mrs. Sutepee will exercise the same direction of voting rights in their shares in the company suggested by Mr. Jiraphant Asvatanakul as President & CEO.

Management Structure

names of Board of Directors and Executive Board

- | | | |
|----|-------------------------------|---|
| 1. | Mr. Chalaw Fuangaromya | Independent Director, Chairman and Chairman of the Investment Committee * |
| 2. | Mr. Phisit Setthawong | Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee * |
| 3. | Mrs. Pilai Piamphongsarn | Independent Director, Audit Committee and The Nomination and Remuneration Committee * |
| 4. | Mrs. Pranee Phasipol | Independent Director, Audit Committee, Investment Committee and Good Corporate Governance Committee * |
| 5. | Mrs. Supaporn Burapakusolsri | Independent Director, Audit Committee and Good Corporate Governance Committee * |
| 6. | Mr. Jiraphant Asvatanakul | Director, President & CEO and Investment Committee |
| 7. | Mr. Thawan Viranont | Director and Good Corporate Governance Committee |
| 8. | Mrs. Sutepee Asvatanakul | Director, Managing Director and Nomination and Remuneration Committee |
| 9. | Mrs. Sunee Theravithayangkura | Director and Company Secretary |

* Company has defined the Independent Director equal to the minimum regulation of Securities and Exchange Commission and Securities Exchange of Thailand. Independent Director will hold the share not exceed 1% of all voting right share of company Not be an Executive Board member, employee, staff, consultant. No blood relationship or spouse of Executives. No business relationship. Having independent to work on duty.

The Company has set up a policy which prohibits the Company's directors, advisors, management, staffs or staffs having gained the knowledge of the Company's operating results either directly or indirectly, including relevant parties from selling-buying the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public. Under such policy, the directors, advisors, management and staffs from managerial level or above who buy or sell the Company's shares must notify the Legal Department by the following day after which such buying-selling takes place to be further reported to the SEC or directly report to the SEC within three days following the acquisition or distribution of such shares. In addition, all securities holding of the Board of Directors, the management and the Auditors must always be reported to the Board of Directors' Meeting.

No members of the Board of Directors or Top Management of the Company had been a staff or partner of an audit firm to which an external auditor of the Company belongs during the past two years.

The Board of Directors Qualifications

The Board of Directors of the Company consists of directors with knowledge, experience and abilities that will be beneficial to the Company and can fully devote his or her time and efforts to perform his or her duties as a director of the Company. The following are basic qualifications of the Board of Directors of the Company:

- No. 1 There are not at least 7 members from the Board of Directors and more than half of total member need to have residence in the Kingdom of Thailand.
- No. 2 Let shareholder meeting elect directors as the following rules and methods.
 - (1) One shareholder has the vote equal to 1 share per 1 vote
 - (2) Each shareholder must use all the vote having as (1) to elect 1 person or several persons to be Directors but the vote cannot be separate or distribute to each one.
 - (3) The person that gain the highest vote on descending order will be the one who was elected to be Directors equal to the amount of Director that should to have or should be elected at that time. In case of the second runner up has equal vote to the highest vote person has more than the Director amount that should have or should be elected at that time, Let the Chairman votes for the final decision.
- No. 3 In every annual Ordinary Meeting, 1/3 of the Directors need to be resigned. If the Directors number cannot be divided into 3 parts, the resigning member will try to be the closet to 1/3. Director that must be resigned in first year and second year after company registration has to draw lots which one will resign. For later years onward let the longest in charge Directors be the one to resign.
- No. 4 Besides from term-wise vacate, Director will vacate when
 - (1) Decease
 - (2) Resign
 - (3) Disqualify or forbidding characteristic of the law
 - (4) Shareholder meeting votes to vacate
 - (5) Convicted by the court to vacate
- No. 5 Any Director will resign from the position, need to submit the resignation to the company. The resignation effective by counting from the date that resignation reached the company.
- No. 6 In case of the there is a vacant Director position by other reasons, except from leaving by term, Board of Director elect a person which qualified by regulation of the law to become Director instead of the next Board of Directors meeting except the term of that Director left less than 2 months. The person who replaces that vacant position will be in the position just equal to the rest of term of that vacant position. The resolution of Board of Directors according to the first paragraph must combine with the vote not less than 3/4 of the rest of Directors.
- No. 7 Shareholders meeting may make a resolution for any of the Director to leave from the position before end of term with the vote note less than 3/4 of the shareholders number which come to the meeting and has the voting right and has the

total stock count net less than a half of all shareholder stock number by the shareholders come to the meeting and has the voting right.

- No. 8 Director can be or cannot be the shareholders.
- No. 9 Let the Board of Directors elect the one person to become Chairman. In case of by the agreement of Board of Directors, they can elect one or many Vice Chairman. The Vice Chairman will have the responsibility according to the delegation of Chairman.
- No. 10 In the Board of Director meeting, the member should be more than have of all member. In case of Chairman cannot participate in the meeting or unable to be on duty, if there is Vice Chairman let the Vice Chairman become the Chairman. If there is no Vice Chairman or exist but cannot on duty, let the Directors those come to the meeting elect one to be Chairman in the meeting. The final decision of the meeting is on majority vote. One Director will have one vote expect the one who has the conflict of interest will have no right to vote in that agenda. I the vote is equal let the Chairman in the meeting vote as a final decision.
- No. 11 For the Board of Director meeting call, let the Chairman or the designated Director submit the letter of meeting appointment not at least 7 days before the meeting date except in urgent case for the sake of the company. The meeting call will be in other ways and the date can be set earlier.
- No. 12 Directors need to practice on their duty according to the law, purposes, and regulation of the company including the shareholders meeting regulation.
- No. 13 It is prohibit to Directors for operate business, be a partner, or be a shareholder in other juristic persons with the same state and is a competitor with business of company excepted that was informed to the shareholder meeting before a promoted resolution.
- No. 14 Directors must inform company without delay if there is a conflict of interest in the contract with the company or being shareholder or hold debenture in more or less manner in the company or group of company.
- No. 15 Let the Board of Directors must set up a meeting once in every 3 months

Scope of powers, duties and responsibilities of the Board of Directors and Executive Committee

1. To consider and set up Corporate Governance Policy to be implemented by the management, including reviewing the evaluation results of such implementation to determine proper action plan for improvements and report in the Company's Annual Report.
2. To consider the appropriateness, give recommendations and approve the Company's visions, strategies and operational targets proposed by the management, including monitoring and evaluating operational success.
3. To ensure that the Company has proper risk management system, internal control system and audit system.
4. To ensure that the Company has effective nomination process and succession plan for director and top management positions. The Board of Directors shall appoint Chief Executive Officer as the Head of Top Management to be responsible for running the Company's business operations under the guidance of the Board of Directors.

5. To determine the Company's Code of Ethics and Code of Conduct for directors and staffs and ensure that these practices have been communicated among all relevant parties.
6. To consider the suitability of the appointment of Sub-Committees and related scope of powers, duties and responsibilities.
7. To appropriately authorize powers to Chief Executive Officer in order to resume normal business operations as quickly as possible.
8. To prepare a report which describes the responsibilities of the Board of Directors in preparing financial reports for the Company's Annual Report.
9. To consider and evaluate the performance of the Board of Directors and Chief Executive Director, including ensuring an effective Top Management performance evaluation process.
10. To perform any other tasks required by laws, regulations and the resolutions of the Shareholders' Meeting

Committee Meeting in 2020 has 6 meetings

1. Mr. Chalaw Fuangaromya	Independent Director and Chairman	(Attendance - times)*
2. Mr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee	(Attendance 5 times)
3. Mrs. Pilai Piamphongsarn	Independent Director, Audit Committee	(Attendance 3 times)
4. Mrs. Pranee Phasipol	Independent Director, Audit Committee	(Attendance 5 times)
5. Mrs. Supaporn Burapakusolsri	Independent Director	(Attendance 5 times)
6. Mr. Jiraphant Asvatanakul	Director and President & CEO	(Attendance 5 times)
7. Mrs. Sutepee Asvatanakul	Director and Managing Director	(Attendance 5 times)
8. Mr. Thawan Viranont	Director	(Attendance 5 times)
9. Mrs. Sunee Theravithayangkura	Director and Company Secretary	(Attendance 5 times)

Leaving the meeting due to health problems *

The independent committee meeting has 2 times without management attendance.

Sub-Committees

1. The Audit Committee

The Audit Committee consists of four members and should hold meetings at least once every quarter. Members of the Audit Committee are as follow:

1.	Mr. Phisit Setthawong	Audit Committee Chairman
2.	Ms. Pilai Piamphongsarn	Audit Committee
3.	Ms. Pranee Phasipol	Audit Committee
4.	Mrs. Supaporn Burapakusolsri	Audit Committee

Authority, duty, and responsibility of Audit Committee

1. The Audit Committee has authority as follows :

- 1.1 Inviting the company directors, executives or officers to attend meeting, clarify or answer questions in the matter about business and company operation, subsidiaries, joint venture companies and joint venture projects in the responsibility of Audit Committee
- 1.2 Consultation with experts or company consultants (if any) or hire external expert consultants if necessary by company expenses
- 1.3 Examine and investigate as necessary in various matters for operation under the responsibility of Audit Committee to accomplish well.

2. The Audit Committee has duties and responsibilities as follows :

- 2.1 Review the company to have the financial reporting and disclosure in financial reports according to the standard and are correct, complete including an adequate financial risk management system to build user confidence in the financial statements
- 2.2 Review the company to have internal control and internal audit systems that are appropriate, efficient, effective and also cover other processes related to anti-corruption measure
- 2.3 To review the Company's risk management system in accordance with the defined risk management framework to ensure system effectiveness which will enable the Company to achieve the determined objective both in terms of performance efficiency and effectiveness.
- 2.4 Check up the company to perform duty according to the law about Securities and Securities Exchange Market
- 2.5 Consider to promote a person that has independence for doing accounting audit duty of the company and propose the compensation of that person including participate in audit meeting without management party at least once a year.
- 2.6 Consider transactions that related or may conflict of interest including significant items that are considered to be the assets acquisition and disposition according to the laws and regulations of Stock Exchange of Thailand in order to ensure that such transactions are reasonable and maximum profit to the company.
- 2.7 To review corporate compliance with Anti-Corruption Policy and report to the Board of Directors.
- 2.8 To report the audit committee performance to the Board of Directors at least 4 times a year
- 2.9 To prepare a report on corporate governance of the audit committee and disclose in the company annual report which must be signed by the audit committee chairman and contains at least the following information
 - (A) Comment about correction and completion to be a reliable of company financial report.
 - (B) Comment about the efficiency of Internal Control System

- (C) Comment about obey the law of Securities and Securities Exchange Market, SET regulations or the law related to the company business.
- (D) Comment about the proper of Accounting Auditor.
- (E) Comment about transaction that may have conflict of interest.
- (F) Counting of audit committee meeting and each audit committee participation.
- (G) Comment or overall observation that audit committee was received from perform according to the Charter.
- (H) Other transaction consider that shareholder and general investor should be acknowledge under the scope of duty and responsibility delegated from the Board of Directors.

3. The Audit Committee is responsible to the Board of Directors as duties and responsibilities assigned by the Board of Directors. The responsibility of all company activities to third parties are still belong to the Board of Directors.

Board of Directors establish Internal Audit unit being a unit inside company by having Director of Audit Department (Khun Yupin Trongpitakkul) is the responsible person.

Education : Sukhothaithummatiraj University, Bachelor of General Management (1994)

Sukhothaithummatiraj University, Bachelor of Accounting (2004)

Work Experience during the past 5 years:

2014-Present Deputy Manager, Thaivivat Insurance Public Company Limited

The Audit Committee is responsible for the appointment, transfer and dismissal of the Director of Internal Audit Unit in accordance with the Charter of the Audit Committee.

Audit committee meeting has 5 meetings, all three directors attend all meetings.

To consider the appointment, transfer and dismissal of the Director of Internal Audit Department is the authority of Audit Committee according to the Audit Committee Charter

Audit Committee meeting in 2020, there are 5 meetings and number of meeting attendance as follows.

- | | | | |
|----|------------------------------|--|----------------------|
| 1. | Mr. Phisit Setthawong | Independent Director and Chairman of the Audit Committee | (Attendance 5 times) |
| 2. | Ms. Pilai Piamphongsarn | Independent Director and Audit Committee | (Attendance 4 times) |
| 3. | Ms. Pranee Phasipol | Independent Director and Audit Committee | (Attendance 5 times) |
| 4. | Mrs. Supaporn Burapakusolsri | Independent Director and Audit Committee | (Attendance 3 times) |

* Appointed on June 2, 2020

2. Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of two Independent Directors and one Executive Directors, each of whom shall hold an office term three years. Nomination and Remuneration Committee has a meeting at least once a year.

Members of the Nomination and Remuneration Committee are as follow:

- | | |
|-----------------------------|--|
| 1. Mr. Phisit Setthawong | Independent Director and Nomination and Remuneration
Committee Chairman |
| 2. Mrs. Pilai Piumpongsarn | Independent Director and Member |
| 3. Mrs. Sutepee Asvatanakul | Member |

Scope of powers, duties and responsibilities of Nomination and Remuneration Committee

To ensure that the operations of the Nomination and Remuneration Committee are carried out in compliance with good corporate governance principles, the Board of Directors therefore determined the scope of powers, duties and responsibilities of the Nomination and Remuneration Committee as follow:

1 Nomination

- 1.1 To determine appropriate nomination procedure for director position that is line with the Company's business nature such as nominating current directors to continue in office, allowing the shareholders to make nominations, seeking assistance from external firm, considering persons from IOD Chartered Director or asking each director to nominate suitable person, etc.
- 1.2 To consider the nomination list and select those who meet the defined qualification criteria.
- 1.3 To carefully inspect those who have been nominated to ensure they possess the qualifications required by law and regulations of government offices.
- 1.4 To contact persons possessing the required qualifications to ensure they are willing to become a director of the Company if appointed by the shareholders.
- 1.5 To propose nomination list to the Board of Directors for consideration and record in the Notice of Shareholders' Meeting to further be appointed by the shareholders.
- 1.6 Nomination and Remuneration Committee may be assigned to consider the nomination of Top Management, particularly President Position.

2 Remuneration

- 2.1 To review the suitability of current remuneration criteria.
- 2.2 To consider remuneration data of other companies within the same industry.
- 2.3 To determine appropriate criteria to ensure that expected results and fairness can be achieved and to ensure that the persons contributed to the Company's success have been rewarded.
- 2.4 To consider every type of remuneration payment by taking into account the amount and percentage of remuneration payment of each type to ensure they are appropriate. Key principles to consider when

determining payment of each type of remuneration include:

2.4.1 Retainer Fee such as monthly allowance, annual allowance, etc. should consider these three factors

including: (1) practices applied by companies within the same industry; (2) operating results and business size of the Company; and (3) responsibilities, knowledge, abilities and experience of Director or President required by the Company.

2.4.2 The determined incentive should be in line with the values which the Company has created for the shareholders such as profits of the Company or dividend paid to the shareholders.

2.4.3 Attendance Fee should be appropriately determined in order to attract responsible directors to regularly attend the meetings.

2.5 To ensure that all remuneration payments are in compliance with the criteria set out by government offices or relevant recommendations. In which the company has a policy of remuneration for directors Senior management And the President By considering, studying, analyzing, comparing, compensation to be comparable with other similar sized companies. And other companies in the same industry In order to motivate and maintain the executive committee And the President Quality that is with the company

Nomination and remuneration committee meeting in 2020 has one meeting with attendance as follows:

- | | | |
|-----------------------------|---|---------------------|
| 1. Mr. Phisit Setthawong | Independent Director and Chairman of the
Nomination and Remuneration Committee | (Attendance 1 time) |
| 2. Mrs. Pilai Piumpongsarn | Independent Director and Nomination and
Remuneration Committee | (Attendance - time) |
| 3. Mrs. Sutepee Asvatanakul | Director and Nomination and Remuneration Committee | (Attendance 1 time) |

3. Investment Committee

Investment Committee consists of two Independent Directors and one Executive Director, each of whom shall have an office term of three years. Members of Investment Committee are as follow:

- | | |
|------------------------------|---|
| 1. Mr. Chalaw Fuangaromya | Independent Director, Chairman of the Board and Chairman of
Investment Committee |
| 2. Mrs. Pranee Phasipol | Independent Director, Member of the Audit Committee and
Investment Committee |
| 3. Mr. Jiraphant Asvatanakul | President and Member of Investment Committee |

Scope of powers, duties and responsibilities of Investment Committee

1. To determine Investment Policy to be proposed to the Board of Directors for approval.
2. To consider and approve the Company's investment plan which should be in line with the defined Investment Policy and overall Risk Management Policy.
3. To oversee the Company's investments to ensure they are in accordance with the defined

Investment Policy, overall Risk Management Policy, including relevant practices, regulations and legal requirements.

4. To ensure corporate governance and transparency within the organization, including preventing potential conflict of interest in relation to the Company's investment transactions.
5. To ensure the adequacy of work system, personnel and information relevant to the Company's investments.
6. To manage investment capital in accordance with the Investment Policy approved by the Board of Directors.
7. To report investment outcomes to the Board of Directors on regular basis.

Investment committee meeting in 2020 has two meetings with attendance as follows:

- | | | |
|------------------------------|---|----------------------|
| 1. Mr. Chalaw Fuangaromya | Independent Director, Chairman and Chairman | |
| | of Investment Committee | (Attendance - times) |
| 2. Ms. Pranee Phasipol | Independent Director, Audit Committee and | |
| | Investment Committee | (Attendance 2 times) |
| 3. Mr. Jiraphant Asvatanakul | Nomination and Remuneration Committee | (Attendance 2 times) |

4. Good Corporate Governance Committee

The Good Corporate Governance Committee consists of 2 independent directors and 1 executive committee that have a 3-year term, with the following names

- | | |
|-----------------------------------|---|
| 1. Mrs. Pranee Phasipol, | Independent Director, Audit Committee, Investment Committee |
| | and Chairman Good corporate governance |
| 2. Mrs. Supaporn Buraphonkusolsri | Independent Director and Member of the Corporate Governance |
| | Committee |
| 3. Mr Thawan Viranont | Advisor to the President and the Corporate Governance |
| | Committee |

Good Corporate Governance Committee has the following powers and duties

- 1 Define and review the principles of good corporate governance of company in accordance with international standards and Good corporate governance guidelines for government agencies or other related departments
- 2 Support and promote the company to have an efficient operation with transparency, reliable and verifiable
- 3 Communicate to enhance knowledge and understanding of the principles of good corporate governance for the directors, executives and employees of company to raise awareness the principles of good corporate governance importance
- 4 Supervise and monitor the directors, executives and employees of the company to follow the principles of good corporate governance. Accurate and effective to build the confidence of shareholders, investors and all groups of stakeholders

Good Corporate Governance Committee provides a meeting not less than 1 meeting per year

In 2020, the meeting of good corporate governance committee has 2 meetings with attendance as follows :

- | | | |
|--------------------------------|---|----------------------|
| 1. Ms. Pranee Phasipol | Independent Director, Chairman of Good Corporate Governance Committee | (Attendance 2 times) |
| 2. Ms. Supaporn Burapakusolsri | Independent Director and Good Corporate Governance Committee | (Attendance 2 times) |
| 3. Mr. Thawan Wiranont | Director and Good Corporate Governance Committee | (Attendance 2 times) |

5. Risk Management Committee

Risk Management Committee consists of not less than five members who are directors and executives of the Company and shall hold an officer term of three years. Risk Management Committee must hold meetings at least once every quarter.

Scope of powers, duties and responsibilities of Risk Management Committee

1. To determine Risk Management Policy to be proposed to the Board of Directors for approval. Such policy should cover major risks including strategic risk, insurance risk, liquidity risk, operational risk, market risk, credit risk, compliance risk and any other risks which may impact the business operations of the Company.
2. To evaluate the adequacy of the defined risk management strategy, including the efficiency and effectiveness of the Company's risk management practice.
3. To report on risk management performance to the Audit Committee at least once every quarter, with the exception of significant risks which must be reported to the Board of Directors.
4. To determine Business Continuity Management Policy and prepare Business Continuity Plan.

Risk management committee meeting in 2020 has 4 meetings

- | | | |
|--------------------------------|------------------------|----------------------|
| 1. Mr. Jiraphant Asvatanakul | Chairman | (Attendance 4 times) |
| 2. Mr. Praphid Dhiraprayudti | Vice Chairman | (Attendance 4 times) |
| 3. Ms. Rutchanee Wongkijpatana | Director | (Attendance 4 times) |
| 4. Mr. Somkrit Surachevakit | Director | (Attendance 4 times) |
| 5. Mr. Kanokchat Tarvonranan | Director | (Attendance 4 times) |
| 6. Ms. Nantawan Arunpiriyakul | Director | (Attendance 4 times) |
| 7. Mr. Thanawut Boonput | Director and Secretary | (Attendance 4 times) |

Attachment 1 Detail of Committee, Executives, Control Authority and Company Secretary

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Chalaw Fuangaromya	Age 82 years	
Independent Director	Date appointed	April 5, 2012
Chairman		April 8, 2015
Chairman of the Investment Committee		May 12, 2016

Education / Training

- B.A. Political Science, Phillips University, USA
- M.A. Political Science, Southern Illinois University, USA
- M.A. Social Science, Birmingham University, UK
- Diploma, National Defence College, The National Defence Course Class 27
- Director Certification Program (DCP) Course (Class 18) and Corporate Governance, IOD

Training Course in 2020 - None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5Years.) Information as December 31, 2020(

2014-2012	Chairman of the audit Committee, Thai re Life Assurance PCL. , Insurance
2015-2012	Chairman of the audit Committee, Thaivivat Insurance PCL. , Insurance

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company - None

Special Activity - None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Pilai Piampongsam Age 84 years
 Independent Director Date appointed June 2, 1999
 The Audit Committee February 23, 2009
 The Nomination and Remuneration Committee August 11, 2016

Education / Training

- B.A. Commerce and Accountancy, Chulalongkorn University.
- Certified Public Accountant (CPA) Thailand
- Certified Internal Auditor (CIA) with honors from The Institute of Internal Auditor
- Director Certification Program (DCP), Thai institute of Directors (IOD)

Training Course in 2020 - None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5Years) Information as December 31, 2020(

2004-2013 The audit committee, Metrostar Property PCL, Real Estate
 1999- June 2020 The audit committee, Crown Seal PCL., Packaging
 1996-Present Chairman, Audit and Management Consultant Co., Ltd, Accounting Office

Other positions in Company or any organization in the past year.

Listed Company

The audit committee, Crown Seal PCL., Packaging (Resign June 24, 2020)

Limited Company

Chairman, Audit and Management Consultant Co., Ltd, Accounting Office (Main Job)

Special Activity - None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Phisit Sethawong	Age 76 years	
Independent Director	Date appointed	October 28, 2005
The Audit Committee		April 5, 2012 - April 8, 2015
Chairman of the Audit Committee		April 8, 2015
Chairman of the Nomination and Remuneration Committee		August 11, 2016

Education / Training

B.A. Commerce and Accountancy (with honors), Chulalongkorn University
M.A. Economics, Michigan State University, U.S.A.
Ph.D. Economics, Michigan State University, U.S.A.
Director Accreditation Program (DAP) Thai Institute of Directors (IOD)

Training Course in 2020

- None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5Years.) Information as December 31, 2020(

-2012Present Chairman of The audit committee, Thaivivat Insurance PCL. , Insurance

Other positions in Company or any organization in the past year.

Listed Company - None

Limited company - None

Special Activity - None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Pranee Phasipol	Age 71 Years	
Independent Director	Date appointed	April 8, 2015
The Audit Committee		April 8, 2015
The Investment Committee	May 12, 2016	
Chairman of the Corporate Governance Committee	February 27, 2020	

Education / Training

- B.A. Major: Accounting (Second Class Honors), Thammasat University
- M.A. Accounting, Thammasat University
- Diploma, National Defence College, The Joint State - Private Sector Course, Class 2003-2004
- Diploma in Public Law, Batch 9, Thammasat University and The Office of the Council of State
- Top Executive Program in Commerce and Trade, Batch 2, Commerce Academy, UTCC
- Certificate of Civil Service Executive Development Program,
- Course 1, Batch 30, Office of the Civil Service Commission
- Certificate of Change Management, Ripa International, UK
- Certificate of Distance Learning Course for Insurance Supervisors (Module 2), World Bank
- Certified Public Accountant
- Director Certification Program 10/2001, DCPU 3/2015, ACP 20/2010 , Thai Institute of Directors (IOD)
- Advance Audit Committee Programs

Training Course in 2020

- Forensic Accounting Certificate (FAC) : Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, September 11-12,2020
- Transfer pricing : Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, July 20,2020

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5Years) Information as December 31, 2020(

- | | |
|-------------|---|
| 2015201 - 7 | - Independent Director, Member of Audit Committee, Member of Compensation Committee and Member of Governance and Nomination Committee, Dusit Thani PCL. , Tourism & Leisure |
| 2014 - 2020 | - Independent Director , Chairman of Audit Committee and Member of the Nomination and Compensation Committee, SCI Electric PCL. , Energy |
| 2015 - 2020 | - Qualified Person - Securities and Exchange Commission |
| 2017 | - The audit committee The Support Arts and Crafts International Center of Thailand |
| 2017 | - Member of Foreign Business Commission, Ministry of Commerce |
| 2014 - 2020 | - Board Advisory, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King |

Other positions in Company or any organization in the past year.

Listed Company

Independent Director, Member of Audit Committee, Dusit Thani PCL. , Tourism & Leisure

Independent Director, Chairman of The audit committee and Member of the Nomination and Compensation Committee, SCI Electric PCL. , Energy

Limited Company

-None

Special Activity

- Qualified Person in Finance and Account, Office of the Civil Service Commission

- Board Advisory, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

- Sub-Committee , Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Supaporn Burapakusolsri	Age 66 years	
Independent Director	Date appointed	November 14, 2016
The Audit Committee		June 2, 2020
The Corporate Governance Committee		February 27, 2020

Education / Training

- BA. Accounting (Honors), Thammasat University
- MA. Accounting, Thammasat University
- Certified Public Accountant (CPA), Thailand Registration No. 2800
- Public Economy Management for Senior Executive, Class 7, King Prajadhipok's Institute
- Director Certification Program (DCP) DCP172/2013, IOD
- Director Accreditation Program (DAP) DAP87/2011, IOD
- Role of the Compensation Committee Program (RCC) 13/2011, IOD
- Royal Thai Air Force Air War College (RTAF.AWC.) Class 35, Royal Thai Air Force
- Chief Financial Officer Certification Program Class 4, Federation of Accounting Professions
- Thailand Insurance Leadership Program Class 2 - OIC Advance Insurance Institute
- Strategic Airport Development Program, Germany
- Airport Management Commercial Program, Singapore
- Advance Audit Committee (AACP23/2016) , IOD

Training Course in 2020

- Summary of content and case studies of TFRS 15 by Federation of Accounting Professions
- Accounting information 1, 2 by DBD
- Ethics and Financial Reporting Standards for Non-Public Entities by DBD
- Financial statement analysis by DBD
- Cash Flow by DBD
- Director's Briefing 10 "Driving Organizational Culture from the Boardroom" by IOD on 4 December 2020
- Independent Director Forum "Inside CEO Succession: Essential Guide for Board" by IOD on 29 October 2020
- Chairman forum "Leading Boardroom through Disruption What Directors Should Know?" by IOD on 14 October 2020
- Accounting Standards 2020 by PwC on 24-25 Sep 2020

- Director's Briefing 7 " Building A Consumer Centric Boardroom from Insights to Delight" by IOD on 28 August 2020
- Management Discussion and Analysis (MD&A) by TLCA on 30 July 2020
- Board War Room EP.7 " Personalized Marketing vs. Data Privacy: Engaging You Customers while Protecting Their Identities" by IOD on 10 July 2020
- Director Briefing “The Roles of Directors during COVID-19: Financial Reporting, Leadership and Beyond” by IOD on 12 June 2020
- Board War Room Series # 6 "People Readiness after COVID19” by IOD on 5 June 2020
- Board War Room Series 5: "Cybersecurity Enters the Boardroom” by IOD on 27 May 2020
- Director Briefing COVID-1 9: "Business implications and the new normal" by IOD on 12 May 2020
- Board War Room Series 3: "Key Business and Legal Issues to Consider in Light of COVID-19" by IOD on 28 April 2020
- Board War Room Series 2: "Leading Your Business through Pandemic Time" by IOD on 22 April 2020
- Board War Room Series 1: "Financial Immunity in Pandemic Time" by IOD on 20 April 2020

Company Shareholding (%)

-None

Family Relationship to Management

-None

Working Experience for the Past 5Years.) Information as December 31, 2020(

2015 – 2020	Independent Director, Chairman of Audit Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance Committee, Chairman of Risk Management Committee, Chewathai Public Company Limited, Real Estate
2015 – 2015	Independent Director, Chairman of the Audit Committee , Chewathai Company Limited , Real Estate
2008 – 2013	Senior Executive Vice President, Planning and Finance Chief Financial Officer (CFO) Airport of Thailand Public Company Limited , Transportation & Logistics
2008 – 2012	Director Suvarnabhumi Airport Hotel Company Limited , Hotel

Other positions in Company or any organization in the past year.

Listed Company

- Independent Director, Chairman of the Audit Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance Committee, Chewathai Public Company Limited, Real Estate

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority, control and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Jiraphant Asvatanakul	Age	61 years
Director , President and CEO	Date Appointed	May 12, 1986
The Investment Committee		May 12, 2016

Education / Training

- B.A. Economics, Thammasart University
- Master in Professional Accounting, University of Texas at Austin, U.S.A.
- Diploma, National Defence College, The National Defence Course Class 56
- Thailand Insurance Leadership Program Class 1 - OIC Advance Insurance Institute
- Top Executive Program in Commerce and Trade, Batch 8, Commerce Academy, UTCC
- Top Executives Program Class 22, Capital Market Academy
- Strategy and Innovation for Business in Asia (SIBA) Class 2, College of Management Mahidol University
- Diploma, National Defence College, The Joint State - Private Sector Course Class 26
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2020

Super Leadership Course of Insurance Technology Class 1 - OIC Advance Insurance Institute

Company Shareholding (%)

49.99% (person 0.36% /spouse 1.56%/A juristic person under the controlling power 48.07%)

Family Relationship to Management

- Mrs. Sutepee Asvatanakul's spouse
- Brother in Law of Mrs. Sunee Theravithayangkura

Working Experience for the Past 5 Years (Information as December 31, 2020)

1986- Present	President and CEO , The Investment Committee, Thaivivat Insurance PCL. , Insurance
1993-Present	Director , Thai Reinsurance PCL. , Insurance
2012-Present	Director, Member of the nomination and Remuneration Committee,

Working Experience for the Past 5Years) Information as December 31, 2020(

2001 -Present	Vice Chairman ,Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd. , Insurance
2009 – 2019	Director, T.I.I. Co., Ltd. (Thailand Insurance Institue)
2002 - Present	Nomination and Remuneration Committee, Thai Reinsurance Public Co., ltd.
2015-2017	Director and Treasurer, Thai Chamber of Commerce
2016 – Present	Independent Director, Audit Committee and Nomination and Remuneration Committee, Vichitbhan Palm oil Public Co., Ltd
2017- 2019	President, Thai General Insurance Associatio
2017 -2019	Director and Secretary General, Thai Chamber of Commerce
2019 -Present	Director, Thai General Insurance Association
2013 – Present	Director, Thai Insurance Business Council
2016 – Present	Chairman of Thai - Iran Business Council
-2015Present	Director and Treasurer, Thai - Chinese Business Council
2019 – Present	Vice Chairman, The Thai Chamber of Commerce
2019 – Present	Advisory - Board of Trade of Thailand
2017- Present	Director, Policy Protection Fund

Other positions in Company or any organization in the past year.

Listed Company

- Director ,Member of the Nomination and Remuneration Committee, Thai Reinsurance PCL. , Insurance
- Independent Director , Member of the audit committee, Member of the nomination and Remuneration Committee ,
Vichitbhan Palmoil PCL., Agribusiness

Limited Company

- Vice Chairman ,Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd. , Insurance
- Director T.I.I. Co., Ltd. (Thailand - Insurance Institute) , Education

Special Activity

- Director and Advisory Director of Account, Finance and Investment Committee, Thai General Insurance Association
- Director, The Federation of Thai Insurance Organizations
- Vice Chairman, The Thai Chamber of Commerce
- Advisory - Board of Trade of Thailand
- Director , General Insurance Fund
- Chairman –Thai - Iran Business Council
- Director and Treasurer - Thai - Chinese Business Council

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Thawan Viranont	Age 72 years	
Director	Date Appointed	April 29, 1993
The Corporate Governance Committee		February 27, 2020

Education / Training

- B.A. Law, Thammasart University
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2020

None

Company Shareholding (%)

18,000 shares 0.01%

Family Relationship to Management

None

Working Experience for the Past 5Years) Information as December 31, 2020(

2015- 2017	Advisor of CEO	Thaivivat Insurance PCL., Insurance
1999-2014	Executive Vice President	Thaivivat Insurance PCL., Insurance
2016 –2019	The Nomination and Remuneration Committee	Thaivivat Insurance PCL., Insurance

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Sutepee Asvatanakul	Age 60 years	
Director , Managing Director and CFO	Date appointed	June 18, 1986
The Nomination and Remuneration Committee		August 11, 2016

Education / Training

- B.A. Liberal Arts, Thammasart University
- Master of Business Administration , Tarlenton State University (U.S.A)
- Thailand Insurance Leadership Program Class 2 - OIC Advance Insurance Institute
- Senior Executive in Business Development, Industry and Investment Class 6, Institute of Business and Industrial Development
- Top Executive Program in Commerce and Trade, Batch 11, Commerce Academy, UTCC
- Director Certification Program (DCP), Thai Institute of Directors (IOD)

Training Course in 2020

- Advance Master of Management Program, AMM Class 5 National Institute of Development Administration

Company Shareholding (%)

49.99% (person 1.56% /spouse 0.36%/A juristic person under the controlling power 48.07%)

Family Relationship to Management

- Mr. Jiraphant Asvatanakul's spouse
- Sister of Mrs. Sunee Theravithayangkura

Working Experience for the Past 5Years.) Information as December 31, 2020(

-2004Present Managing Director, Thaivivat Insurance PCL., Insurance
2016-Present The Nomination and Remuneration Committee, Thaivivat Insurance PCL., Insurance

Other positions in Company or any organization in the past year.

Listed Company - None

Limited Company - None

Special Activity - None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Sunee Theravithayangkura Age 69 years

Director Date appointed June 18, 1986

Company Secretary August 20, 2008

Education / Training

- B.A. Law, Thammasart University

- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2020

None

Company Shareholding (%)

18,000 shares 0.01%

Family Relationship to Management

- Sister of Mrs. Sutepee Asvatanakul

- Sister in Law Mr. Jiraphant Asvatanakul

Other positions in Company or any organization in the past year.

Listed Company - None

Limited Company - None

Special Activity - None

The Corporate Secretary has the following Responsibilities:

1. Preparing and keeping documents below.

a) Registration of The Committee.

b) Notice and Minutes of Board Meeting and Annual Report of the Company

c) Notice and Minutes of Shareholders Meeting

2. Keeping the report of the interests of directors, executives, under Section 89/14 the report to chairman and Chairman of the Audit Committee within seven days from the date of receiving the report.

3. Other actions According to the notification of the Capital Market Commission.

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Sucheep Lakthong Age 26 years

Accounting Manager Date appointed June 1, 2020 - Present

Education / Training

- Bachelor of Accounting Burapha University
- Certified Public Accountant (CPA), No.13164

Training Course in 2020

- Guidelines for preparing financial reports of companies affected by the COVID-19 incident
- Financial Management Strategy To revive the organization and create growth in the New Normal era
- The provisioning services for impairment of financial instruments (TFRS9) and The lease (TFRS16)
- Financial Reporting Standard No. 17 Insurance Contracts (IFRS 17)
- Follow Disclosure Form and receive transfer pricing guidelines

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years. (Information as December 31, 2020)

2016 – 2019 Assistant auditor, EY Office Limited

2020 – Present Accounting Manager, Thaivivat Insurance Public Company Limited

Other positions in Company or any organization in the past year.

Listed Company - None

Limited Company - None

Special Activity - None

The Corporate Secretary has the following Responsibilities:

1. Preparing and keeping financial statements and other related financial reports in accordance regulations.
2. Submitting financial statements to regulations in accordance with regulations.

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Viphet Sihachakr Age 53 years

Chairman

Education / Training

Master Degree, Union of Soviet Socialist Republics (U.S.S.R.)

Training Course in 2020

- None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5Years) Information as December 31, 2020(

2017- Present President Laovivat Insurance

Personal Business

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Thawan Viranont Age 71 years

Vice President

Education / Training

- B.A. Law, Thammasart University

- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2020

None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5Years.) Information as December 31, 2020(

2017-Present Vice President Laovivat Insurance

2015- Present Advisor of CEO Thaivivat Insurance PCL. , Insurance

1999-2014 Executive Vice President Thaivivat Insurance PCL. , Insurance

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Pasatxay Philaphandeth Age 55 years
Vice President

Training Course in 2020

None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5Years) Information as December 31, 2020(

2017- Present President Laovivat Insurance

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Pongsapoj Piamcharoen Age 55 years

Director

Training Course in 2020

- Bachelor of Law

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5Years.) Information as December 31, 2020(

2017- Present President Laovivat Insurance

Other positions in Company or any organization in the past year.

Listed Company

- None

Limited Company

- None

Special Activity

- None

Company Secretary

To promote Company Secretary depends on consideration of Board of Directors in finding proper person responsible for this position. In Board of Directors meeting No. 3/2008 on 13 August 2008, we agreed to promote Ms. Sunee Theerawithayangkul to be in Company Secretary position and effected since 14 August 2008 onward until now.

Mrs. Sunee Theravithayangkura Age 68, % Holding = 0.006%

Director Appointed from 18 June 1986 – Present

Company Secretary Appointed from 14 August 2008 – Present

Family relationship between director and executive – Sister of Ms. Sutepee Asvatanakul

Sister-in-law of Mr. Jiraphant Asvatanakul

Education / Trainings

Bachelor of Law, Thammasat University

Diploma in Director Accreditation Program (DAP) (IOD)

Work Experience during the Past 5 Years

2013-Present Director and Company Secretary (Thaivivat Insurance Pcl.)

The Board of Directors has determined the roles and responsibilities of Company Secretary as follow:

1. To prepare and keep the following documents:
 - 1.1. Directors' Registration
 - 1.2. Notices and minutes of the Board of Directors' Meeting and the Company's Annual Reports
 - 1.3. Notices and minutes of the Shareholders' Meetings
2. To keep all the records of stake holdings reported by the directors or executives, including sending a copy to the Chairman of the Board and Chairman of the Audit Committee within the period of seven days counting from the date on which such report has been received.
3. To perform any other tasks required by SEC.

Top Responsibilities in Accounting and Finance (CFO)

Mrs. Sutepee Asvatanakul, President

Educational qualifications

Bachelor of Arts Thammasat University

Master of Business Administration, Tarleton State University, USA

Certificate, Advanced Insurance Science Program, Class 2, Institute of Advanced Insurance Knowledge

Certificate, Director Certification Program (DCP) (IOD)

Certificate, Executive Program in Commerce and Trade, TEPCoT, Class 11

Training Course in 2020

Advance Master of Management Program, AMM Class 5 National Institute of Development Administration

Working Experience for the Past 5 Years (Information as December 31, 2020)

2004-Present Managing Director, Thaivivat Insurance PCL., Insurance

2016-Present The Nomination and Remuneration Committee, Thaivivat Insurance PCL., Insurance

Accounting Supervisor (Accountant)

Mr. Sucheep Lakthong, Accounting Manager

Appointed from June 1, 2020 - Present.

Educational qualifications

Bachelor of Accounting Burapha University

Certified Public Accountant (CPA), No.13164

Training in 2020

Guidelines for preparing financial reports of companies affected by the COVID-19 incident Financial Management

Strategy To revive the organization and create growth in the New Normal era

The provisioning services for impairment of financial instruments (TFRS9) and The lease (TFRS16)

Financial Reporting Standard No. 17 Insurance Contracts (IFRS 17)

Follow Disclosure Form and receive transfer pricing guidelines

Working Experience for the Past 5 Years (Information as December 31, 2020)

2016 – 2019 Assistant auditor, EY Office Limited

2020 – Present Accounting Manager, Thaivivat Insurance Public Company Limited

Head of Corporate Compliance Operation

Ms. Nanthawan Arunpiriyakul Position Senior Benefits Department Manager

Education

Bachelor of Law, Thammasat University

Master of Business Administration, Ramkhamhaeng University

Work Experience during the Past 5 Years

2013-2018 Benefits Department Manager, Thaivivat Insurance Public Company Limited

Scope of powers, duties and responsibilities

1. To ensure compliance with the laws

1.1 To be the central point for collecting the laws, rules and regulations of external agencies regulating non-life insurance business such as OIC, SEC and AMLO.

1.2 To be the central point in overseeing and ensuring legal compliance of every internal unit within the organization and informing them of any updated or newly issued laws, rules, regulations, orders and notifications, including preparing a summary of newly issued laws, rules and regulations.

1.3 To prepare Basic Legal Compliance Handbook in a form of database to provide updated information on important laws, rules and regulations for operational benefits and to be used a reference while carrying out the operations of various internal units within the organization.

1.4 To monitor and ensure that all internal operations are in compliance with relevant laws, rules and regulations.

1.5 To give advice, suggestion and opinions in relation to various laws, rules, regulations, policies or notifications pertaining to non-life insurance business.

1.6 To perform specific duties which included being the central point in ensuring compliance with laws in relation to anti-money laundering and combating the financing of terrorism (AML/CFT).

1.7 To support risk management operations concerning legal compliance by providing information and data gathered from monitoring legal compliance of internal units, including giving opinions and suggestions on the Company's internal control in relation to legal compliance in order to conduct analysis and prepare relevant risk management plan.

2. To coordinate with both external and internal agencies

2.1 To make coordination in obtaining permit from external agencies in order to carrying out certain operations of the Company or to consult on legal matters to ensure clear understanding before being implemented by internal units of the organization.

External agencies to which Corporate Compliance Office must contact and coordinate with include:

- (1) Office of Insurance Commission (OIC)
- (2) Anti-Money Laundering Office (AMLO)
- (3) The Securities and Exchange Commission (SEC)
- (4) Other governmental agencies which the Audit Committee deemed appropriate

2.2. To coordinate, on behalf of the Company, with the Office of Insurance Commission (OIC) or other regulators required by law.

2.3. To coordinate, on behalf of the Company, with the Office of Anti-Money Laundering and Combating the Financing of Terrorism (AMLO) or other governmental agencies concerning AML/CFT matters.

2.4. To coordinate with the internal units in preparing reports required by external agencies or by laws.

2.5 To provide legal knowledge and prepare information on non-life insurance laws or any other interesting laws or laws concerning key transactions of the Company in order to provide trainings to organizational staffs.

Directors and Executives Compensation

Board of Directors consider and permit Directors and Executives Compensation before propose to approve from shareholders meeting by compensation criteria is in the level as paid in the business. Suitable for duty and responsibility including having evaluation of performance every year and take the receiving results as a factor to consider the compensation in number.

The remuneration structure of the Board of Directors

The shareholders' meeting No. 27/2020 has approved the remuneration and meeting allowances of the Board of Directors and the sub-committees as follows :

Directors Remuneration		In 2020
1. Directors Fee (Baht / Board)		4,000,000
Number of Directors		9
2. Audit Committee Fee (Baht / Board)		1,000,000
Number of Directors		4
3. Nomination and Remuneration Committee Fee (Baht / Board)		-
Number of Directors		3
4. Investment Committee Fee (Baht / Board)		-
Number of Directors		3
5. Good Corporate Governance Committee Fee (Baht / Board)		-
Number of Directors		3
Attendance Fee (Baht / Time / Person)		
1 Board of Directors		
- Chairman		30,000
- Director		20,000
2 Audit Committee		
- Chairman		20,000
- Director		20,000
3. Nomination and Remuneration Committee		
-Chairman		20,000
- Director		20,000

Attendance Fee (Baht / Time / Person)	
4. Investment Committee	
-Chairman	20,000
- Director	20,000
5. Good Corporate Governance Committee	
-Chairman	20,000
- Director	20,000

A. Company Directors receive compensation in term of attendance fee and bonus in the year 2020 are as following

(Bath)

Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Mr. Chalaw Fuangaromya	Independent Director, Chairman, and Chairman of the Investment Committee	0/5	-	680,000	680,000
Mr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee	5/5	220,000	570,000	790,000
Ms. Pilai Piamphongsarn	Independent Director, Audit Committee and Nomination and Remuneration Committee	3/5	140,000	560,000	700,000
Ms. Pranee Phasipol	Independent Director, Audit Committee, Investment Committee and Chairman of the Good Corporate Governance Committee	5/5	280,000	560,000	840,000
Mrs. Supaporn Burapakusolsri	Independent Director, Audit Committee and Good Corporate Governance Committee	5/5	200,000	350,000	550,000
Mr. Jiraphant Asvatanakul	President and Investment Committee	5/5	140,000	350,000	490,000
Ms. Sutepee Asvatanakul	Managing Director and Nomination and Remuneration Committee	5/5	120,000	350,000	470,000

Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Mr. Thawan Wiranont	Director and Good Corporate Governance Committee	5/5	140,000	350,000	490,000
Ms. Sunee Theerawittayakul	Director Company Secretary	5/5	100,000	350,000	450,000
TOTAL			1,340,000	4,120,000	5,460,000

* Attendance fee including sub-committees meetings as the number of times attended

B. Company Executive from Department Manager level onward of the company total 24 persons received compensation in term of 2020 salary and bonus 59,704,699 Baht

Human Resources

In 2020, we have all employee as 623 persons, compensation in the form of salary and bonus 302,092,211 Baht Including provident fund contribution 12,454,137 Baht

The Share holding of Directors and Top Managements in 2020				
Name	Position	January	July	December
Mr. Chalaw Fuangaromya	Independent Director, Chairman and Chairman of the Investment Committee	-	-	-
Mr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	-	-	-
Mrs. Pilai Piamphongsant	Independent Director, Audit Committee and Nomination and Remuneration Committee	-	-	-
Mrs. Pranee Phasipol	Independent Director, Audit Committee, Investment Committee and Chairman of the Good Corporate Governance Committee	-	-	-
Mrs. Supaporn Burapakusolsri	Independent Director, Audit Committee and Good Corporate Governance Committee			
Mr. Jiraphant Asvatanakul	President & CEO and Investment Committee	1,081,128	1,081,128	1,081,128
	Spouse	4,725,384	4,725,384	4,725,384
	Juristic Entities that have control business	145,655,120	145,655,120	145,655,120
Mr. Thawan Viranont	Director and Good Corporate Governance Committee	18,000	18,000	18,000

The Share holding of Directors and Top Managements in 2020				
Name	Position	January	July	December
Mrs. Sutepee Asvatanakul	Director and Nomination and Remuneration Committee	4,752,384	4,725,384	4,725,384
	Spouse	1,081,128	1,081,128	1,081,128
	Juristic Entities that have control business	145,655,120	145,655,120	145,655,120
Mrs. Sunee Theravithayangkura	Director and Company Secretary	18,000	18,000	18,000
Mr. Suraphong Theravithayangkura	Senior Executive Vice President	476,040	476,040	476,040
Mr. Praphid Dhiraprayudti	Senior Executive Vice President	50,264	50,264	50,264
Mr. Thepphen Asvatanakul	Executive Vice President	12,600,000	15,542,150	15,542,150
	Juristic Entities that have control business			
Ms. Janjira Asvatanakul	Executive Vice President	15,082,648	15,082,648	15,082,648
	Juristic Entities that have control business			
Mr. Chalernpol Saiprasert	Senior Director of Innovation	-	-	-
Ms. Pornkantima Bhonsong	Senior Vice President Customer Relation			
Mr. Pimol Chantaveerakul	Vice President	-	-	-
Mr. Somkrit Suracheevakit	Vice President	-	-	-

6. **Corporate Governance**

6.1 The Board of Directors of Thaivivat Insurance Public Company Limited recognizes the importance of fostering good corporate governance as it helps to ensure efficient, transparent and verifiable management system within the organization which will in turn help to build stronger credibility and confidence among the shareholders, investors, stakeholders and relevant parties. At the same time, it is an essential tool in building corporate stability. Hence, corporate governance principles and related practice have therefore been established as per the following details:

1. Rights of Shareholders

The Company prioritizes and respects the rights of the shareholders by promoting equitable rights among all major and minor in accordance with the laws. This shall include the rights to buy-sell or transfer shares, profit sharing, have sufficient access to the Company's business information, be notified of the Shareholders' Meeting, including the rights to attend meetings to cast a vote, the rights to ask questions at the meeting or submit questions in advance of the meeting, the rights to appoint or remove directors, the rights to determine remuneration for the Board of Directors and the rights to appoint an Auditor and determine Auditor's Fee as well as other matters that may affect the Company such as dividend allocation and capital increase or decrease, all of which must be in compliance with legal requirements.

The Company supports the rights of shareholders by encouraging and promoting every group of shareholders as well as institutional shareholders to attend the Shareholders' Meeting, including ensuring the disclosure of related information, date, time, place and agenda of the meeting as well as providing explanations accompanying each meeting agenda or meeting resolution stated in the notice of General Shareholders' Meeting and Extra General Shareholders' Meeting or any enclosed documents thereof.

The Company also gives the shareholders the opportunity to submit in questions prior to the day of the meeting. All questions must be written clearly and must be notified to the shareholders through meeting notice.

The Company prepares Proxy Form B for the shareholders to be able to determine the direction of voting, including allowing at least one Independent Director to be an alternative proxy holder of the shareholders. At each Shareholders' Meeting, each item must be voted separately in case there are more than one items on the agenda such as an agenda to consider and approve the appointment of directors.

The Company also requires the use of ballots for important agenda such as connected transaction or transaction relating to acquisition or disposition of assets to ensure transparency and verifiability in case of later disputes.

During the meeting, the Chairman should manage the time appropriately and encourage all shareholders to express their opinions and raise questions relevant to the Company's business.

The Company prepares meeting minutes and discloses meeting resolution to the general public regarding the number of votes for each agenda at every General Shareholders' Meeting and Extra General Shareholders' Meeting via SEC website and the Company's website on the following day.

In 2020, the Company held General Shareholders' Meeting on April 24, 2020. The meeting was attended by five directors (due to the epidemic of COVID-2019) the company assigned Thailand Securities Depository Company Limited, the registrar of the Company's shares, to deliver meeting notices to the shareholders fourteen days in advance of the meeting. The Chairman equally allowed all shareholders the right to inspect the company business operations, to ask questions and express opinions which had been recorded in the meeting minutes.

2. Equitable Treatment among Shareholders

By realizing great importance of shareholders, the Company has therefore continuously supported equitable treatment among all shareholders, whether they are major or minor shareholders, foreign shareholders or institutional investors, by upholding the following practices:

The Company allows minor shareholders to make nominations for director position, including proposing additional agenda prior to the day of the Shareholders' Meeting within appropriate timeframe.

The Company allows those shareholders who are unable to attend the meeting to grant the power of attorney to his or her representative so that they can attend the meeting and cast a vote on their behalf.

The Board of Directors requires directors and executives to disclose information in relation to their stakeholding and that of relevant parties so that the Board of Directors may consider those business transactions with potential conflict of interest and make decision to ensure the overall benefits of the Company. Those directors and executives having stakeholding in any transaction relevant to the Company should not participate in the decision-making process of such transaction

The Board of Directors formulated Insider Trading Policy in order to prevent the use of internal information that may affect buying-selling of securities of the Company. This policy aims to prevent directors or executives from improperly using internal information to achieve personal interests or interests of others. No directors, advisors, executives or staffs having gain advance knowledge of the Company's operating results either directly or indirectly, including relevant parties are allowed to buy

or sell the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public. Throughout the past year, the Company's directors and executives have strictly complies with such policy and no buying-selling of shares had been observed during such period. Moreover, executives or departments that have authorized access to internal information are prohibited from disclosing such information to external parties or irrelevant persons as per the details disclosed in Insider Trading Section.

3. Roles of Stakeholders

The Board of Directors places great importance on the rights of both internal and external stakeholders and shall avoid every action that may violate the rights of stakeholders. The Company shall continuously ensure equality among all parties and has therefore determined the roles of the stakeholders as follow:

Shareholders	The company adheres to business operations according to corporate governance principles and provides adequate and efficient internal control and risk management systems as well as strengthens the business to create long-term benefits for shareholders. The Company is committed to achieve good operating results to ensure good profits and satisfaction to the shareholders and encourages the shareholders to exercise their basic rights which they are entitled by the law and company's regulations such as the right to attend general meeting of shareholders and vote on various agendas, directors election, consideration and approval of profit allocation and obtaining accurate, complete and up-to-date information on important business operations through the Stock Exchange of Thailand and company's website besides theion to the above rights.
Customers	The Company recognizes the importance of good service quality for customer satisfaction and reliability in providing the Company's services by developing services to be able to respond to customer needs in time together with developing high quality products as customer demands to ensure highest customer satisfaction and facilitate various channels for customers to easily access products and provide accurate information about products and services. The company has set up a customer relations unit to serve as a preliminary answer to inquiries of customers regarding products and services As well as the complaint handling unit to coordinate with the relevant departments to resolve problems for customers. In addition, the company also provides a channel for receiving complaints for customers through the company's website.
Employees	The company recognizes employees be the most valuable resource to help achieve the company's goals. The company is equal to its employees and arranges for awards or appointments to move appropriately based on employees' knowledge and capabilities including regular training for employees to acquire knowledge about insurance products in order to advance their career. In addition, the company encourages all employees to show their abilities and listen to all employees' suggestions without discrimination. The company has established a concrete assessment criteria in performance consideration.

The company has a clear and concrete set of compensation and benefits for its employees with policies comparable to other leading non-life insurance companies. The determination of short-term compensation is based on the yearly profitability and long-term consideration of performance measurement based on the Balanced Scorecard, including improvement of employee welfare as current economic conditions for employees to have a good quality of life. The company encourages employees to have knowledge and understanding of money management, selection of investment policies that correspond to the age range and risk level as well as to provide welfare and other benefits such as provident fund, employee loan welfare and annual health check.

Trade Partners	The Company is committed to perform its business with fairness and ensure equitable treatment among all trade partners as well as strict compliance with the terms and conditions set forth by the trades and agreements in which the Company is engaged. The Company shall also emphasize on selecting appropriate trade partners that possess a keen sense of morality, professionalism and good reputation.
Competitors	The Company shall compete in a manner which demonstrates a keen sense of morality and shall not violate or obtain any trade secrets of its competitors by unlawful methods. The Company shall strictly uphold fair competition and shall not attempt to seek any trade secrets of its competitors by inappropriate means or discrediting its competitors.
Creditors	The Company shall pay all debts within the specified timeframe, strictly comply with agreement terms and conditions and ensure equitable and fair treatment among all creditors, particularly in terms of guarantee terms and conditions and capital management. In the event of failure to comply with the established terms and conditions and resulted in defaults, the Company shall immediately notify relevant creditor in advance without concealing any facts in order to jointly seek fair and reasonable solutions, including ensuring appropriate capital management structure in order to maintain reliability among creditors.
Debtors	The Company shall strictly comply with the agreement terms and conditions. In the event any debtor fails to comply with the agreement terms and conditions and resulted in defaults, the Company shall conduct negotiation in order to seek fair and reasonable solutions.
Society and Environment	The Company recognizes the importance of corporate social responsibility and is therefore committed to continuously support and participate in social and community development activities.
Human Rights	By realizing the importance of human rights, the Company therefore set up human rights-related policy which provides equal rights and freedom among every employee in performing his/her duties, including career growth in accordance with the Company's regulation. The Company shall also share some knowledge and understanding on basic human rights to be applied in intellectual property-related works. The Company shall strictly comply with intellectual property laws. It also established a policy which prohibits the support of any operations that may result in the violation of any type of intellectual property rights. Meanwhile, every employee

shall be responsible for securing the confidentiality of all information in relation to the Company's intellectual property whether it be insurance products, computer system, operation manual or any other items developed by the employees during operation as assigned by the Company and must not use any intellectual property of others without the owner's consent.

Anti-Corruption The Company has determined anti-corruption policy and related practice, all of which has

been approved by the Board of Directors and disseminated among the employees, trade partners and general public to be strictly followed. The company was certified as a member of the Thai Private Sector Collective Action Coalition against Corruption. In this regard, the company has provided a channel to report and report fraudulent clues when encountering any fraudulent act and there is a measure to protect the whistleblower to ensure safety.

4. Information reveal and transparency

The Board of Directors is the one who responsible for Financial Statement of company. Financial Statement will be made up according to the Accounting Standard certified by overall in Thailand. By using Accounting Policy that suitable and practice in a regular way and carefully use discretion and good estimation in the making. Including enough information reveal in the remark combined to the Financial Statement.

The Board of Directors provide the company to have Internal Control for making sure that accounting information keeping is correct and complete together with establish the Audit Committee which includes member that not an Executives to be the person responsible for financial report and Internal Control System by represent the report of Audit Committee in the Annual Report.

Company has defined a clear policy of committee compensation. The compensation will be at the same level in the industry and high enough to retain the member that has the qualification as required which was approved from the shareholder meeting. In the part of compensation to the Executives will follow the principle and policy that defined by Board of Directors which related to the company performance outcome and performance of each Executives. Financial compensation was identified in the page 34-38 2but not reveal the compensation of the member that is the Executives in the part of being received from become other company committee because it is not the company information.

Board of Directors are aware of company's information that affect to the decision of investor and stakeholder of company. Then, we focus and practice with the Executives about information reveal that complete and reliable.

5. Responsibility of Board of Directors

The board of directors has an important role in corporate governance and must be independent in making decision for the best interest and overall shareholders. The board is responsible to determine the company's vision and mission for executives and employees aiming to operate in the same direction. In 2019, the Board of Directors has reviewed and approved the vision, strategic mission, goals and directions of business operations including important policies review to be appropriate and consistent with business operations as good corporate governance principles such as corporate governance policies, Anti-Corruption Policy etc.

The board has monitored the implementation of company's strategy. The board meeting in every quarter, the board has followed up the management performance by specifying a report on the operation results and company performance especially in terms of financial goals and various plans according to the strategy plan and is responsible for overseeing risks and internal control

systems of the whole company. The Risk Management Committee is responsible for determining the company risk management policy with the risk management department to support and propose the result of consideration, risk management and internal control to the Audit Committee consideration for report to the Board of Directors.

Duties of the Chairman of the Board

The Chairman's main function is managing and leading the Board of Directors. The Chairman is responsible to the Board of Directors and acts as a direct liaison between the Board of Directors and company management through the President including the resolutions transfer of the board to related parties to ensure that the Board resolutions are carried out with the highest efficiency and appropriateness. The different responsibilities between the chairman as policy leader and the President as a management leader. The company therefore clearly separates the chairman roles from the president that means the chairman is independent from the management, no benefit and business or other relationship which may obstruct the use of independent discretion.

Scope of duties of the board

The Board of Directors has the power and duty to manage company as the objectives, regulations and resolutions of the shareholders' meeting. The Board of Directors cannot approve or consider any matter unless approved by the directors majority vote attending the board of directors' meeting.

Scope of duties of the President

The President has the power to approve normal business operations in various matters such as operating expenses, selling and administrative expenses and capital expenditure within the limits set by the Board of Directors, etc.

There are 9 members of Board of Directors combined with 4 members that is executive, 1 member that is non-executive and 5 independent members. In the part of Chairman is independent member. No any relationship with the management part and the same person with President. For duty separation to define the policy of control and routine management, the company just only has the Executives committee and Audit committee which has assigned member and responsibility in detail at page 20-29.

Committee has set up the meeting every 2 months by clearly define the agenda in advance and has the routine operation result follow up session. Company Secretary Department has organized meeting invitation letter with meeting agenda and documents before the meeting for 7 days to have the committee study the information before go to the meeting. The meeting will take about 2 hours and was noted down in writing and keep the past minute of meeting that was accepted from the committee.

Company foresees the important of Internal Control System both in the management level and operation level. Then, we have defined the duty, operation authority of management and operation in the form of writing. There is the control of company asset usage to create benefits and duty separation of operation, controller, and including evaluation to create a cross check mechanism between each other in an explicit way. Company has the Internal Audit department responsible for audit the main working operation and financial activity of company that it was perform in the way that was defined. Abide by the law and regulation that related to the company (Compliance Control). Committee was assigned the Internal Audit to report directly the audit result to the Audit Committee and receive evaluation result from the Audit Committee for having independent to the Internal Audit and enable to fully perform the audit responsibilities.

Performance evaluation report of the Board of Directors and Sub-Committees

1) Board of Directors

In 2020, the Board of Directors evaluated the performance of the Board of Directors by dividing the assessment topics into 6 categories. Each director gave score each topic, added each topic scores of all directors and divided by number of directors to get the result as follows :

	Average score
1. Structure and qualifications of the Board of Directors	3.79
2. Roles, duties and responsibilities of the Board of Directors	3.88
3. Board meeting	3.83
4. Directors' duties	3.84
5. Relationship with management	3.89
6. Self-development of directors and executive development	3.76

An overview of the Board of Directors' self-assessment, it was found that the Board of Directors is in good level of self-assessment with average score of 3.84 from 4.00, equivalent to 96% with the most scoring evaluation is the management relationship and the lowest score is director's self-development and executive development.

2) Board of Directors Individually

	Average score
1. Structure and qualifications of the Board of Directors	3.85
2. The Board of Directors meeting	3.86
3. Roles, duties and responsibilities of the Board of Directors	3.84

It was found that the Board of Directors is in good level of self-assessment with average score of 3.85 from 4.00, equivalent to 96% with the most scoring evaluation is The Board of Directors meeting and the lowest score is Roles, duties and responsibilities of the Board of Directors.

3) Audit committee

	Average score
1. Structure and qualifications of the Committee	3.75
2. The Committee meeting	3.67
3. Roles, duties and responsibilities of the Committee	3.75

The assessment result with average score of 3.73 from 4.00, equivalent to 93% with the most scoring evaluation is Structure and qualifications of the Committee and Roles, duties and responsibilities of the Committee and the lowest score is The Committee meeting.

4) Nomination and Compensation Committee

	Average Score
1. Structure and qualifications of the Committee	3.67
2. The Committee meeting	3.67

3. Roles, duties and responsibilities of the Committee 3.61

The assessment result with average score of 3.65 from 4.00, equivalent to 91.23% with the most scoring evaluation is Structure and qualifications of the Committee and the Committee meeting and the lowest score is Roles, duties and responsibilities of the Committee.

5) Investment committee	Average Score
1. Structure and qualifications of the Committee	4.00
2. The Committee meeting	3.94
3. Roles, duties and responsibilities of the Committee	3.95

The assessment result with average score of 3.97 from 4.00, equivalent to 99.17% with the most scoring evaluation is Structure and qualifications of the Committee and the lowest score is Roles, duties and responsibilities of the Committee.

6) Good Corporate Governance Committee

	Average Score
1. Structure and qualifications of the Committee	4.00
2. The Committee meeting	3.94
3. Roles, duties and responsibilities of the Committee	3.95

The assessment result with average score of 3.97 from 4.00, equivalent to 99.17% with the most scoring evaluation is Structure and qualifications of the Committee and the lowest score is the Committee meeting.

7) Performance evaluation of Chief Executive Officer and President

In section 1, the Board of Directors evaluated performance of the Chief Executive Officer and President by dividing topics into 10 categories as follows :

	Average Score
1. Leadership	3.91
2. Strategy formulation	4.00
3. Compliance with the strategy	4.00
4. Financial planning and performance	4.00
5. Relationship with the Board of Directors	3.96
6. External relations	3.93
7. Administration and relationship with personnel	3.91
8. Succession	3.93
9. Knowledge of products and services	4.00
10. Personal features	3.98

The results of all categories were 3.96 points from 4.00, equivalent to 99% with the most scoring evaluation is Strategy formulation, Compliance with the strategy, Financial planning and performance and Knowledge of products and services and the lowest score is Leadership, Administration and relationship with personnel.

In section 2, regarding CEO development, the Board of Directors has an opinion that the CEO key strengths should maintain : committed to making the company a leader innovation and develops company to survive in every condition in a changing world.

6.2 Nomination and Appointment of Directors and Executive

The Board of Directors assigned Nomination and Remuneration Committee to be responsible for seeking suitable persons to become the Company's directors, including considering the nomination list and selecting those having met the defined qualification criteria, checking whether the nominated candidates have the qualifications required by law and the regulations of government offices, proposing the nomination list to be considered by the Board of Directors and included in the shareholders' meeting notice to be further considered and appointed by the shareholders. The Nomination and Remuneration Committee may be assigned to consider the nomination of Top Management Position, particularly President Position.

6.2.1 Director and Independent Director Qualifications

1. Director Qualifications

The Company's Board of Directors consists of members who are directors with keen sense of knowledge, experience and abilities that are beneficial to the Company, regardless of his or her gender, and must have clear understanding regarding the duties and responsibilities of directors as well as the Company's business nature and can fully devote his or her time and efforts to being a director of the Company.

2. Independent Director Qualifications

Apart from completely meeting the required qualifications as directors of the Company, Independent Directors shall also possess the following characteristics:

1) Holding not more than 1.0% of the total voting shares of the Company, its subsidiary, associated company, major shareholder or controlling person, with the number of shares held by related parties being counted.

2) Being a director who is not or has never been an executive director, employee, staff member, salaried advisor or controlling person of the Company, its subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless such characteristics have lapsed for at least two years before being appointed. These prohibited characteristics shall exclude cases in which Independent Director had been a civil servant or an advisor of a government office who was a major shareholder or controlling person of the Company.

3) Being a director who has no relationship whether by blood or by legal registration under the status of a father, mother, spouse, sibling, and child, including the spouse of the child of other executives, major shareholders, controlling persons or persons who are being nominated for appointment as executive or controlling person of the Company or its subsidiary.

4) Being a director who does not have or has never had a business relationship with the Company, its parent company, subsidiary, associated company, , major shareholder or controlling person in a manner that may hinder the exercise of his or her independent judgment, and not being a person who is or has been a significant shareholder or controlling person or a person with business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless such characteristics have lapsed for at least two years before being appointed. The prescribed business relationship shall also include normal trading transactions for the purpose of business operations, rental or lease of immovable property, transaction related to assets or services, or granting or receiving financial assistance by receiving or giving loans,

guarantee, using assets as debt collateral, including other similar acts that result in the Company or the party thereof being liable to pay the other party by the rate of 3% or more of net tangible asset or Baht 20 million or more, whichever is smaller. The calculation of such liabilities shall be in accordance with the method of connected transaction calculation specified in the Capital Market Supervisory Board Notification Re: Criteria on Undertaking Connected Transactions, mutatis mutandis, with the liabilities occurring during the one-year period prior to the date of business relationship with the same person being included.

5) Being a director who is not or has never been an external auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of an audit firm to which an external auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person belongs, unless such characteristics has lapsed for at least two years before being appointed.

6) Being a director who is not or has never been a provider of any professional service including legal advisory service or financial advisory service with the service fee thereof exceeding Baht 2.0 million per year from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of the provider of such professional service, unless such characteristics have lapsed for at least two years before being appointed.

7) Being a director who is not appointed as representative of a director, major shareholder or a shareholder holding relationship with a major shareholder of the Company.

8) Not undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary, nor being a significant partner of a partnership or an executive director, employee, staff member, salaried advisor with over 1.0% of the total voting shares of another company undertaking a business of the same nature and in significant competition with those of the Company or its subsidiary.

9) 9. Not having any other characteristics that may hinder the exercise of his or her independent judgment about the Company's business operations.

3. Audit Committee Qualifications

Members of the Audit Committee must have the following characteristics:

- 1) Completely met all independent director qualifications
- 2) Must not be a director who had been assigned by the Board of Directors to make decisions concerning the business operations of the Company, its parent company, subsidiary, associated company, same-level subsidiary or juristic person with potential conflict of interest.
- 3) Must not be a director of the parent company, subsidiary or same-level subsidiary that is a registered company.
- 4) At least one member of the Audit Committee must have adequate knowledge and experience to ascertain the integrity of the Company's financial statements.

6.3 Nomination process for directors and executives

Board of Directors assigned the Nomination and Remuneration Committee to act as a recruiting person to hold director position suitable to the organization nature. Consider the names of persons who have been nominated and select persons who are qualified in accordance with specified qualification criteria. To verify that the nominated person has qualification as laws and regulations. The official nominates for committee to consider and contain the names in the shareholders' meeting notice for the shareholders to appointment consideration.

6.3.1 Rights of Minor Shareholders Concerning the Appointment of Directors

To ensure the protection of rights and equitable treatment among minor shareholders, the Company therefore allows the shareholders to nominate persons who possessed the required knowledge and abilities as well as meeting the defined qualifications to be considered for appointment as director in advance and shall notify all shareholders via the communication channel provided by SET and the Company's website www.thaivivat.co.th. Nomination Criteria and related forms are also disclosed on the Company's website.

6.3.2 Executive Nomination Process

The Board of Directors assigned the Nomination and Remuneration Committee to conduct the nomination procedure and consider the succession plan for director and top management positions to ensure effectiveness and the Executive Committee shall be responsible for the appointment of President and Chief Executive Officer positions to be responsible for running the Company's business operations under the supervision of the Board of Directors.

In respect to the appointment of top management of each department following the defined organizational structure, the President and Chief Executive Officer shall be responsible for the selection and appointment of such position.

6.4 Supervision of subsidiaries operations

The Company has a subsidiary, Laovivat Insurance Company Limited, which is a non-life insurance company established in Lao People's Democratic Republic. In supervising the subsidiary operations, the company has appointed executive to be director in subsidiary. The company directors consider to select a person to be a subsidiary director and propose for the Board of Directors approval. The appointed person as director in a subsidiary has duties to perform for the best benefit of the subsidiary and is approved by the Board of Directors before voting on important matters.

6.5 Insider Trading

The Company established Insider Trading Policy in order to prevent the use of internal information that may affect buying-selling of securities of the Company as follow:

1. No directors, advisors, executives or staffs of the Company are allowed to use any internal information for the benefits of buying-selling securities as it shall be treated as violation of the law and against the defined conflict of interest principle as well as unfair treatment to other shareholders. Any disclosure of internal information to third parties or irrelevant persons is also strictly prohibited.
2. All directors, advisors, executives and staffs of the Company must strictly comply with the laws, rules and regulations concerning insider trading, including laws in relation to securities and stock exchange and other related requirements.
3. No directors, advisors, executives or staffs having gain advance knowledge of the Company's operating results either directly or indirectly, including relevant parties are allowed to buy or sell the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public.
4. All directors, advisors, executives and staffs from manager level or above who buy or sell shares of the Company must notify Legal Department regarding such buying or selling within the following day in order to be further reported to the SEC or directly report to the SEC within 3-day period starting from the date of acquisition or disposition of such shares. The securities holding of each member of the Board including the executives and the Auditor of the Company must always be reported at each Board of Directors' Meeting.

Throughout the year 2019, the Company had strictly followed the defined regulation.

6.6 Account Auditor compensation

EY Office Co., Ltd. is the well-known company and accepted in international level that agreed from The Securities and Exchange Commission and take part in giving advisory to the Office of Insurance Commission in starting to use Risk Based Capital (RBC) including the accounting audit experience to other disaster insurance company. Even more, there is no relationship and/or conflict of interest between auditor and the company/executives/major shareholders. In fiscal year of 2020, the

Accounting has the compensation of account auditor totally as 2,950,000.- Baht with the following detail:

1. Annual audit fee	1,370,000.- Baht
2. Three quarters accounting review	1,020,000.- Baht
3. RBC transaction audit second quarter	180,000.- Baht
4. Annual RBC report review fee	380,000.- Baht

6.7 Compliance with good corporate governance policy

The company has complied with policies and guidelines specified in good corporate governance policy which details are published on the company website www.thaivivat.co.th

Adopting good corporate governance principles for Listed companies in 2019 to apply, the Board of Directors has determined to improve the corporate governance principles of the company in accordance with the principles of good corporate governance for listed companies in 2017 and requiring regular review of compliance with good corporate governance principles at least once a year

7. Social Responsibility

Thaivivat Insurance Public Company Limited prepared this Corporate Social Responsibility Report for the year 2020 to reflect its policy, strategy, thinking process and its business operation in the capacity as a finance institution which contributed to the development of Thai society in terms of financial stability for Thai people and Thai business through insurance business transaction of the Company as well as the disclosure of its operating results to interested parties, not only in the financial aspect, but also in the aspect of social and environmental issues. The Company had the policy of running its business under the ethical principles and good business governance, taking into account the social and environmental responsibility at the distant and immediate level. It therefore plunged into the CSR-in-process and the CSR-after-process continually.

- **Guidance for Reporting**

This Report covered the operation in 2020. The information was compiled from its previous operations, particularly, centering on its operation at the head office, the principal office, to lay down the policy, strategies and the operations as a whole of the Company. Moreover, mentions were of the guidelines for development of the company and its personnel to be ready for the

responsibility according to the mission assigned as well as the data in relation to its internal operations along the CSR line concerned.

Thaivivat Insurance PCL was aware of its limitation and its readiness to declare the information in the Report. However, this report applied the guideline on preparing a report based on the corporate social responsibility of Stock Exchange of Thailand as a reference framework for consistency with the standard of a listed public company in the Stock Exchange of Thailand in which the Company was listed since 1993.

● **Criteria for Reporting Content Selection**

The Company had considered matters in relation to Corporate Social Responsibility (CSR) based on the nature of the Company's business which is being the number one provider of non-life insurance service that is most widely trusted by the customers and determined corporate vision of offering stable security for Thai society. The Company's corporate missions are as follow:

- 1 Development of the organization to strong financial standing and management based on good corporate governance.
- 2 Development of the products to be more cost-effective enabling the reduction of risks and alleviation of loss of the public appropriately.
- 3 Development of service to good standard, thus fairly enhancing the customer satisfaction and trading partners.

All of which are the keys to steering corporate performance in relation to economic, social and environmental aspects in the direction that will help to ensure the mutual interests of the stakeholders at every level.

Since 2015, the Company began to create mutual values in addition to the existing corporate vision and missions in order to instill common operational practice from theoretical to operational level to ensure consistency and concrete implementation of the defined corporate vision and missions. The Company also tried to promote personnel engagement to create a sense of unity within the organization. This includes:

Trusted Upholding professionalism to build customer trust	1. Conduct business with fairness 2. Promote anti-corruptions 3. Disclosure of information and reports
Progressive Continuously develop products and services to address every consumer demand	4. Responsibility toward consumer 5. Develop products and services that will help to uplift the quality of life and society
Innovative Using latest innovation to deliver service excellence	
Togetherness Demonstrate compassion and care for others as if they were part of the family	6. Personnel Benefits 7. Carry out community and social development 8. Conduct environmental management

In order to categorize the level of importance of each CSR aspect, the Company had also taken into account the opinions of the stakeholders.

Important for interested persons	Very important	Social and community development Respect for human right	Responsible to consumers (production and service) Operate business with fairness Anti-fraud Disclosure of information and report
	Important	Use of resources (management of environment)	Care for personnel (fair treatment of labor) Corporate good governance Risk management
	Important		Very important
Important to Thaivivat Insurance			

Engagement with the Stakeholders

Stakeholder	Expectation	Practice	Contact Channel
Customer	- Well-defined products that are able to provide the required protection and are highly understandable - Excellent sale and after-sale service quality - Fair compensation - A highly stable insurance company capable of paying compensation when an incident occur	- The Company recognizes the importance of good service quality for customer satisfaction and reliability in providing - The Company's services by developing services to be able to respond to customer needs in time together with developing high quality products as customer demands to ensure highest customer satisfaction - Facilitate various channels for customers to easily access products - Provide accurate information about products and services. - The company has set up a customer relations unit to serve as a preliminary answer to inquiries of customers regarding products and services As well as the	- Satisfaction Survey - Provide channel (s) for comments/suggestions - Head Office and Branches - Customer Relations Tel. 1231 - Claim Hotline Tel. 1231 Ext.1 - Website: thaivivat.co.th - Facebook: www.facebook.com/thaivivat

Stakeholder	Expectation	Practice	Contact Channel
		complaint handling unit to coordinate with the relevant departments to resolve problems for customers. -The company also provides a channel for receiving complaints for customers through the company's website.	
Trade Partner	- Follow the trade agreement - Increase the quantity/value of products and services	- Conduct business with fairness - Equitable and fair treatment among all trade partners - Strict compliance with trading terms and conditions including the established agreement - Select appropriate trade partner that demonstrates ethics, professionalism and good reputation - Establish clear procurement procedure	- Policy and Code of Business Ethics - Site visit and evaluation - Website: thaivivat.co.th
Employees	- Fair compensation - Follow Code of Ethics in relation to labor - Ensure safety of life and properties - Offer opportunity for knowledge development and professional career path - Balance between work and life	-The company recognizes employees be the most valuable resource to help achieve the company's goals. -The company is equal to its employees and arranges for awards or appointments to move appropriately based on employees' knowledge and capabilities including regular training for employees to acquire knowledge about insurance products in order to advance their career. -The company encourages all employees to show their abilities and listen to all employees' suggestions without discrimination. The company has established a concrete assessment criteria in performance consideration. -The company has a clear and concrete set of compensation and benefits for its employees with policies comparable to other leading non-life insurance companies. The determination of short-term compensation is based on the yearly profitability and long-term consideration of performance measurement based on the Balanced Scorecard, including improvement of employee welfare as current economic conditions for employees to have a good quality of life.	- Communicate with personnel regarding staff welfare - Satisfaction Survey - Meetings by function - Complaints Handling Unit, HR Department - Directly raise complaint to the Management - E-mail: hrdept@thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
		-The company encourages employees to have knowledge and understanding of money management, selection of investment policies that correspond to the age range and risk level as well as to provide welfare and other benefits such as provident fund, employee loan welfare and annual health check.	
Shareholder	- Business growth - Good corporate governance - Rights and equality of shareholders - Anti-corruption - Access to accurate information	- Long-term and continuous returns - Conduct business based on the principles of good governance and corporate governance - Disclose reports as per defined schedule and the regulation of SET	- Annual Report - Shareholders' Meeting - Contact Investor Relations Tel.1231 ext. 5938 - E-mail: nantawan_aru@thaivivat.co.th - Website: thaivivat.co.th/th/investor_contact.php
Competitor	- Compete in business with a sense of morality	- Compete with morality - Must not seek trade secrets of competitors through unacceptable means - Must not damage the reputation of competitors through discredits	- Website: thaivivat.co.th
Creditor	- Prompt debt payment - Compliance with the defined terms and conditions	- Strictly follow debt payment deadline and the agreement terms and conditions - Comply with the terms and conditions in relation to guarantee and capital management - In case of failure in following the agreed terms and conditions which resulted in defaults, the Company shall immediately notify the creditor in advance and shall completely disclose all information to jointly seek proper solution - Ensure appropriate capital management structure existed to maintain creditor confidence	- Contact Finance Department Tel. 1231 - Website: thaivivat.co.th
Debtor	- Compliance with relevant requirements and conditions - Interest rates are in accordance to the law	- Strict follow the agreement terms and conditions - In case debtor fails to follow the agreed terms and conditions which resulted in default, the Company will negotiate with that debtor in order to seek fair and reasonable solution	- Contact Finance Department Tel.1231 - Website: thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
Society and Environment	- Conduct business with responsibility - Carry out community development - Legal compliance - Cooperate in government projects	- Strive to support, help and participate in activities that are beneficial to society and communities regularly; - adhere to the principles of human rights, all employees have the right, liberty and equality in their work performance; comply with the law on intellectual property and has a policy not to support the infringement conduct of intellectual property; anti-corruption by providing a channel for reporting and informing fraud clues when seeing corruption and a measure to protect the whistleblower to ensure safety	- Contact the Company Tel. 1231 - Website: thaivivat.co.th - Contact the Company's Secretary Office

GOOD CORPORATE GOVERNANCE AND FAIR BUSINESS OPERATION

● Policies and Guidelines

In the aspect of corporate governance for business transparency, verifiability, the company followed the principles of good corporate governance. For this purpose, the company set up a supervisory unit to ensure that various operations went properly according to various regulations and the provisions of the law of the Office of Insurance Commission (OIC) and other supervisory organizations concerned, namely, the Stock Exchange of Thailand (SET) and the Office of Securities and Exchange Commission (SEC) and the Anti-Money Laundering Office (AMLO).

Thaivivat Insurance PCL took into account equality, fairness, avoidance of taking unfair advantage and the honesty in running the insurance business through protection of the interest in collaboration with persons involved who would be treated fairly in the course doing business by strict compliance with the law and rules jointly formulated; espousing business ethics in doing business, not demanding for, not receiving and distributing any interest in bad faith in trading with the trading partners according to the principles of good governance.

As of December 18, 2017, Thaivivat Insurance Public Company Limited received the Thai Chamber of Commerce Business Ethics Standard Test Award 2017 (TCC BEST Award). The award presentation ceremony held to honor companies with excellent policies and practices on good corporate governance, transparency, and corporate social responsibility.

Corporate Governance Related Agencies

The Compliance Department was established under control of the Benefits Department as a center of compilation and tracing data and information of relevant external regulations. The regulations are translated and/ or summarized for benefits of company's departments and personnel to comply with those relevant regulations. Moreover, an internal audit unit was set up as an independent organization, to report directly to the Audit Committee and the Company's Board of Directors, to have the duty to audit, review internal activities, operations within the company; to provide counseling, propose opinions and advice on remedying, improving the operation properly and efficiently. As regards the report on good governance, it was already reported in the Form of Items of Annual Data 2020 (Form 56-1) on the heading of "Management." And on website www.thaivivat.co.th

ANTI-CORRUPTION

Thaivivat Insurance PCL was aware of problem of corruption which affected the Company's ability for competition and sustainable development to the extent it increased the cost of business operation, resulting in lowered operating efficiency, thus failing to create maximum benefits for consumer. The company therefore attached importance to anti-corruption of all forms, not only in the light of violating the law, but it was contravening the good moral virtues and ethics; it was therefore unacceptable behavior.

By recognizing the importance of preventing corruption and supporting anti-corruption operation in wider scale, the Company therefore developed Anti-Corruption Policy and Code of Conduct for Anti-Corruption and has continuously carried out transparency and operational performance review and audit on yearly basis, including ensuring that the Company's operational performance in all aspects are in compliance with the determined operational standard. The Company's Anti-Corruption Policy shall be reviewed on two-year basis as deemed appropriate or whenever significant changes are required.

Thaivivat Insurance Public Co., Ltd. had passed an assessment process that had a policy and complete anti-corruption guidelines according to criteria of the Private Sector Collective Action Coalition Against Corruption and certified as a coalition member on 14th October, 2016 and certified for renewal as a project member on 5th August, 2019. This was the national project supported by government and Office of the National Counter Corruption Commission. The company has joined with the government, civil society and the media to create transparent business standard, free from corruption and being a part of country upgrade.

Based on recent audit results, Thaivivat Insurance Public Company Limited had fulfilled the requirements of Private Sector Collective Action Coalition Against Corruption Council by having fully developed and adopted Anti-Corruption Policy and Code of Conduct for Anti-Corruption throughout the organization, allowing the Company to become an official member of Collective Action against Corruption on October 18, 2017. Since Private Sector Collective Action against Corruption is under the support of the Thai Government and Office of the National Anti-Corruption Commission (NACC), the Company therefore worked closely with the government sector as well as civil society and mass media sector in setting transparency and anti-corruption standard within the business industry, including taking part in developing the country.

On 18 October 2019, the company received a certificate from Thailand's Private Sector Collective Action Coalition against Corruption (CAC) at the CAC National Conference Day 2019. The project's main objective is to encourage businesses to create concrete anti-corruption policies and adopt mechanisms to prevent bribery in order to build and expand a strong network of clean businesses.

The Company also regularly communicates its Anti-Corruption Policy and Code of Conduct for Anti-Corruption among its personnel via various channels, provides in-house personnel capacity development training programs and even communicates with its trade partners and external agencies through notices which require their cooperation in avoiding acceptance of gifts of every kind. The Company also determined Whistle Blowing Policy which provides several channels for whistle blowing or complaints as follow:

Sunee Theravithayangkura. Director and Company Secretary

E-letter sunee_non@thaivivat.co.th

Telephone 1231 Ext. 5939

Nantawan Arunpiriyakul, Compliance Section

E-letter nantawan_aru@thaivivat.co.th
Telephone 1231 Ext. 5938
Letter Nantawan Arunpiriyakul, Compliance Section Thaivivat Insurance PCL
71 Din Daeng Road, Samsen Nai Sub-district, Phya Thai District, Bangkok 10400

In respect to whistle blower protection scheme, the details are provided in the Company's Anti-Corruption Policy which is accessible through the Company's website.

Disclosure of Information and Reports

The company was aware of the data of the company that it had effect on the decision-making of investors and interested parties of the Company, it therefore emphasized the disclosure of correct, complete, reliable key information about the company to the public; both of the financial information and non-financial information according to the requirements of the SET and as per the Notification of the Office of Insurance Commission (OIC) Re: Criteria, Method and Conditions in Relation to Disclosure of Statements of Financial Position and Operating Results of Non-Life Insurance Company B.E. 2551 (2008) which requires accurate, complete and on-time disclosure of relevant information to ensure equitable information access among all shareholders. Apart from disclosure of information within the organization and among relevant organizations, the general public as well as the stakeholders can also access the Company's information via the Company's website.

The information made available on Company's website (www.thaivivat.co.th) include:

- The Articles of Association
- Corporate Governance Handbook and Principles
- Code of Business Ethics
- Important Financial Information and Financial Statements (yearly and quarterly)
- Annual Registration Statement (Form 56-1)
- Annual Report
- CSR Report
- Shareholders' Meeting Notices and Minutes
- Anti-Corruption Policy
- Code of Conduct for Anti-Corruption
- Notice for Non-Acceptance of Gifts
- Laundering Prevention and Suppression Policy

RESPONSIBILITY TO CONSUMERS

The company is committed to ensuring product satisfaction and service confidence of the insured through service quality and reasonable prices that are compliant with the Office of Insurance Commission (OIC)'s regulations. This means that forms and messages in insurance policies must be clear and consistent with the insurance premiums using correct insurance terms to avoid inaccurate legal interpretation for claims. Moreover, the company applies appropriate interest rates approved by the Registrar.

In addition, various insurance options have been developed to meet the changing needs of the Thai society, and services are continuously improved to respond to technological shifts in order to ensure quick and convenient services for the insured and to foster long-lasting customer relationships.

- Compensation for incidents

The stability of an insurance company, a financial institution, is vital to the reliability of its insurance products and directly affects the insured and the country's overall economy, especially in terms of its ability to compensate. Thaivivat Insurance Public Company Limited recognizes the importance of maintaining a good financial status according to the law and regulations such as those of the OIC. In 2019, the company had more than 300 percent of the capital adequacy ratio in its third quarter, firmly guaranteeing its ability to accept claims and pay compensations.

- Claims service

The company has set a policy for compensation payment to ensure that claims service is quick and helpful. Claims are paid within 14 days from the date on which the claim is agreed in order to ensure speedy response to the insured. The company strictly follows the terms and conditions that it has with customers to avoid litigation which may damage the company.

The company has applied innovations and new information systems to its insurance services by adopting the E-Claim system to improve claims management services and convenience for customers in accidents. To enhance service quality, accident inspectors can print repair order instantly at the point of accident 24/7 across the country. Additionally, the company has opened 29 branches nationwide to offer claims services and provided repair services for car insurers at participating car service centers to ensure convenience of the insured in claiming compensation and acquiring counseling services.

- Insurance product development and innovation

The company has always strived to develop products to meet consumer needs in order to enhance the reliability of the insurance industry and build public trust, reflecting our commitment to insurance product innovation. In 2020, we applied technologies to our insurance business to respond to consumer demand and increase the convenience of our services including:

- Thaivivat Active Health Insurance development

Active Health Insurance is an insurance product that has continuously been improved and developed. After its official launch in 2018, the company has aimed to motivate Thai people to take good care of their health since health is the basis for every aspect of life. When Thai people take good care of their health and have adequate risk prevention, they will be able to fulfil their life goals. This encourages the company to improve its products, and with the concept of health insurance that provides protection and care in the event of illnesses, Active Health Insurance aims to reduce health risks and allow the insured to live freely with a healthy and happy body and broad coverage from the product.

In 2020, the company has improved its products to provide greatest benefits for consumers by developing health insurance policies that can better meet the needs of consumers by introducing the Silver plan with a monthly insurance premium of 1,100 baht to meet the needs of customers who are facing the high cost of insurance services, allowing them to acquire an insurance policy that is most suitable to them.

In addition, the company has introduced coverage for COVID-19 screening in response to the COVID-19 outbreak to increase protection for customers during the challenging times. Additionally, the company has developed mobile applications and applied wearable technologies to accurately measure physical performance of consumers. Other benefits are also offered to consumers to meet their lifestyle including their food and exercise preferences. Active Bonus Point is given to incentivize consumers to exercise with a variety of exercise options including exercise classes and discounts for healthy food products to promote good health in all aspects of life. Moreover, the company has cooperated with our partners to organise activities that encourage exercise such as the 30 Days Challenge Season 2-Fit Hoon, Suay, Ruay Nguern San, an activity in which participants compete to lose fat and get firm within 30 days. Participants must weigh and get their fat mass measured from the first to the last days of the activity. Participants received nutritional information for weight control and proper exercise, just like having a personal trainer to help you plan your weight loss programme.

➤ "On-Off Car Insurance" development

In 2019, the company continued to enhance its innovative products, and the on-off car insurance is one of the products which have continuously been improved in terms of its services and features to meet consumer demand through the best service and benefits. The intelligent on-off insurance system, TVI Connect, has recently been introduced to transform the experience of turning on and off insurance coverage within the insurance industry using the NB-IoT technology under the collaboration of global innovation leaders including Thailand's No.1 telecommunications service provider, AIS, and the world's No. 1 cloud service provider, AWS, in developing hardware and real-time data connection to meet all consumer needs. The special feature of the TVI Connect device is that it can turn on and off insurance coverage as the car engine starts and stops.

All operations are enabled by the device itself without the use of Bluetooth or even the internet from a mobile phone. Consumers can check usage status through Thaivivat Motor Application with notifications sent every time the insurance is turned on and off, eliminating consumers' pain points in forgetting to turn on and off insurance coverage, in wasting their internet speed, and in running out of phone battery. The insurance also allows the car to be shared by many people without the driver having to install the application on his or her phone. The TVI Connect can easily be installed by connecting to a car's USB port. The TVI Connect system has passed stability and performance tests with AIS's NB-IoT network that covers 77 provinces nationwide and AWS's cloud system that supports 99.99 percent of the insurance's performance and the switching on and off of the insurance coverage for up to 10,000 times per second, representing an practical and complete example of IoT application in the Thai insurance industry today.

➤ "On-Off Travel Insurance" development

In 2019, the company continued to improve travel insurance innovation to enhance service convenience and respond to consumer needs with a focus on technological application in daily life. A new travel insurance product has been developed to allow travelers to plan their trips by themselves and reduce their premium expenses with insurance premiums charged according to the actual number of travel days. The "Thaivivat Travel" mobile application has recently been introduced to provide travelers with greater convenience during their trips by offering translation service to allow travelers to communicate easily with local people and foreign currency information which is very useful for international travelers.

➤ A variety of ways to purchase and pay premiums

In terms of service, the company has developed various ways to access insurance products and has continuously improved the quality of its various insurance services. The company offers various channels to customers to purchase insurance including agents, brokers, service counters in department stores, service counters in convenience stores nationwide, Thaivivat's website www.thaivivat.co.th, and LINE Official Thaivivat Insurance. The channels meet the Department of Business Development's security standards for insurance purchases and online payments, providing the insured with various payment options including credit card, payment at a bank, and other mobile payment.

● Other services

➤ Customer Center To provide convenience to the insured, trained staff are ready to offer advice to customers and solve customers' problems.

In addition, the Customer Relations Center is also a department that collects information about customer satisfaction in the company's services. The information of the problems stored at the center will be used to improve the company's services and operations. Customers can contact the center at 1231 on working days (Monday-Friday from 8.00-18.00 hrs.) or via the website www.thaivivat.co.th and Facebook page www.facebook.com/thaivivat.

➤ Accident Report Center To provide quick service to the insured across the country, especially those with car and health insurance, the company has set up a center for accident reporting and inspection that operates 24/7 using real-time tracking technology and GPS to show the location of accident inspectors. Staff at the center can notify the accident to the nearest accident inspector to ensure quickest service that provide confidence to the insured. Customers who have registered and installed the Thaivivat Application on mobile phones can report the accident by selecting "Report an Emergency" without having to dial a phone number or sending the accident location to the company. You can contact the accident reporting center every day at 1231, 24 hours a day.

➤ Roadside Assistance is a service for the insured in the event of a car breakdown which may be caused by the malfunction of the engine or other devices of the car. Staff are there to provide technical advice to assist customers in resolving the situation as well as on-site technical services which offers basic assistance at the point of accident including towing service to the repair center. The service is available 24 hours by contacting the accident reporting center.

Product and service developments that help improve the quality of life and society

Community and social development is an important part of sustainable business development. Today, every business sector is demanded to conduct business with greater consideration of social responsibility; therefore, the company must pay greater attention to the development of communities and society as a key factor for sustainable growth within the insurance industry.

The company recognizes the importance of insurance and access to insurance for the majority of people and has offered micro insurance and focused on minimizing the damage from road accidents which is in line with its core insurance product or car insurance. The company has carried out those initiatives through the following excellent service projects during the New Year's and Songkran festivals in 2017:

- Micro-insurance

The company has worked towards community and social development following the Office of Insurance Commission (OIC)'s policy as stated in the Third Insurance Development Plan (2016-2020), especially in terms of knowledge enhancement and access to insurance through the promotion of retail insurance products.

To promote insurance as a guarantee for people's life and property and to alleviate the government's burden in compensating people as part of the country's development, the company has offered a variety of insurance products that are suitable for people with different social and economic needs with a focus on allowing access to the insurance system by all. Therefore, the company strives to promote retail insurance or "Micro Insurance" which offers easy-to-understand coverage, low insurance premiums, and access to people at all levels through a wide range of distribution channels. The company's key insurance products in 2017 included:

1. Cancer micro-insurance

Thaivivat Insurance co-operated with Counter Service to offer micro insurance products through Counter Service, which has more than 6,000 branches in Thailand, to provide easier access to insurance. The products include cancer micro-insurance that provides coverage for all types of cancer except skin cancer with a 711-baht annual premium that offers an insured sum of up to 70,000 baht and cancer micro-insurance that provides coverage for all types of cancer including Melanoma cancer but excluding skin cancer.

2. In-season rice insurance for 2020 harvest season

The company is one of the 17 companies that participated in the government's in-season rice insurance programme with the objective of providing financial protection for farmers in the target areas of 45.7 million rai across the country, reducing the cost and risk that may occur with their crops. Farmers would receive coverage for eight types of natural disaster including floods or heavy rains, drought or intermittent rain, storm or typhoon, cold weather or frost, hail, fire, and wild elephant. Farmers would receive the basic coverage of 1,260 baht per rai (Part 1) and an additional coverage of 240 baht per rai (Part 2). For coverage for pests and disease epidemics, farmers would receive a coverage of 630 baht per rai (Part 1) and an additional coverage of 120 baht per rai (Part 2). If the governor announced the insurance area as the area for emergency disaster victims, farmers who purchase the insurance (Part 1+Part 2) would receive coverage of up to 1,500 baht per rai and coverage for pests and disease epidemics of 750 baht per rai. The insurance is available at the Bank for Agriculture and Agricultural Cooperatives for easy access.200 micro-insurance

The company is one of the insurance companies that participated in the "200 Insurance" project in collaboration with the Office of Insurance Commission (OIC). 200 Insurance is a personal accident insurance for individuals which provides a coverage of 100,000 baht for death, loss of hands, feet, and sight, and permanent disability caused by an accident, 50,000 baht for homicide, and 10,000 baht for death caused by an illness. The annual premium is 200 baht for people aged 20 to 60 years old with an aim of providing the opportunity for people of all levels to purchase accident insurance at an affordable price.

3. 200 micro-insurance

The company is one of the insurance companies that participated in the "200 Insurance" project in collaboration with the Office of Insurance Commission (OIC). 200 Insurance is a personal accident insurance for individuals which provides a coverage of 100,000 baht for death, loss of hands, feet, and sight, and permanent disability caused by an accident, 50,000 baht for homicide, and 10,000 baht for death caused by an illness. The annual premium is 200 baht for people aged 20 to 60 years old with an aim of providing the opportunity for people of all levels to purchase accident insurance at an affordable price.

4. Home fire micro-insurance

The company is one of the insurance companies that participated in the "Affordable Home Fire Insurance Policy for Retail Buyers" in collaboration with the Office of Insurance Commission (OIC). This home fire insurance provides coverage for residential building damage caused by four types of incident consisting of fire hazards, lightning, explosion (the insured amount for concrete buildings is 300,000 baht, for half concrete half wood houses is 150,000 baht, for wooden houses is 100,000 baht, for wooden shop houses is 50,000 baht) and natural disasters (such as storm, flood, earthquake, and hail with the total insured amount of no more than 10,000 baht). If the damage causes the insured to not be able to live in their homes and need to find a temporary accommodation, compensation of no more than 300 baht per day will be provided but for not more than 30 days with an insurance premium of only 400 baht per year. The objective is to provide the opportunity for people of all levels to purchase insurance at an affordable price for damage protection.

5. Maize insurance

The company is one of the 24 companies participating in the Maize Insurance Programme with the objective of providing financial protection for farmers in the target areas of 3 million rai of maize plantation, supporting farmers to grow maize after the rice farming season to prevent the oversupply of rice and price slump, and reducing the costs and risks that may occur to the crops. Farmers would receive coverage for eight types of natural disaster including floods or heavy rains, drought or intermittent rain, storm or typhoon, cold weather or frost, hail, fire, and wild elephant. Farmers would receive the basic coverage of 1,500 baht per rai (Part 1) and an additional coverage of 120 baht per rai (Part 2). For coverage for pests and disease epidemics, farmers would receive a coverage of 750 baht per rai (Part 1) and an additional coverage of 120 baht per rai (Part 2). If the governor announced the insurance area as the area for emergency disaster victims, farmers who purchase the insurance (Part 1+Part 2) would receive coverage of up to 1,740 baht per rai and coverage for pests and disease epidemics of 870 baht per rai. The insurance is available at the Bank for Agriculture and Agricultural Cooperatives to provide farmers with easy access to insurance.

6. Longan micro-insurance

The company is one of the two companies that participated in the Retail Longan Crop Micro-insurance Against Drought Programme using the drought index (measured by satellite) sold through the Bank for Agriculture and Agricultural Cooperatives (BAAC) to provide risk protection against drought for farmers. The insurance is available in five northern provinces consisting of Chiang Mai, Chiang Rai, Pa Yao, Nan, and Lampoon with the first sales in January and February 2020 in order to provide protection against drought for longan farmers during March and April 2020. Farmers who borrowed from the Bank for Agriculture and Agricultural Cooperatives (BAAC) can request one unit of insurance for every 10,000 baht of the amount borrowed with a premium of 399 baht per coverage unit with a maximum coverage of 2,100 baht. The coverage is divided into two parts including 900-baht compensation in the event of longer drought period than the drought index and 60-baht compensation per day in the event of continuous drought from the drought index, not exceeding 2,100 baht in total. However, if the insured area faces continuous drought (having no rainy day or daily rain of less than one millimetre consecutively) for more than the number of days determined as the drought index, the company will pay compensation to farmers through their BAAC accounts.

7. Milk cow insurance

The company co-operated with the Bank for Agriculture and Agricultural Cooperatives (BAAC) to distribute milk cow insurance through the bank, which has more than 1,000 branches. Dairy farmers (the insured) receive coverage for the loss or damage in four cases: 16,500 - 18,000 baht of the sum insured for the death of milk cows caused by accidents, fire, lightning, flood, landslide, storm, and earthquake, 16,500 - 18,000 baht of the sum insured for the death of milk cows caused by illness, 3,300-3,600 baht of

the sum insured for the loss caused by milk cow's illness due to foot-and-mouth disease which prevents cows from producing milk, 1,650-1,800 baht of the sum insured for the loss caused by milk cow's illness due to mastitis. The compensation will be paid according to the agreed amount as specified in the insurance policy per cow per year. The insurance premium is between 600-1,257 baht for the dairy cow aged at least 18 months but not more than 8 years and all cows on the farm must be in healthy conditions guaranteed by a health certificate from a vet.

- Excellent service projects during the New Year's and Songkran festivals

The government and private sector are aware of the high number of road accidents in Thailand, causing the loss of life and property and holding back the country's development. As a result, there have been campaigns and various projects aimed at reducing the number of road accidents and losses. Realising that car insurance is an important part of the insurance industry in Thailand, the company has introduced the "2019 Excellent Service during the New Year's and Songkran Festivals" project in collaboration with the Department of Highways and the Expressway Authority of Thailand to facilitate both the public and government officials who perform accident prevention duties during the festivals and to provide car insurance services during the New Year's and Songkran festivals which are the periods when the road is used the most and have the highest numbers of road accidents during a year.

The "2019 Excellent Service during the New Year's and Songkran Festivals" project carried out the following activities:

1. Assigned accident inspectors and operational staff at service points in provinces to provide quick services and increased the number of service personnel in areas with heavy traffic, main roads, and tourist attractions.
2. Increased the number of accident reporting and operational staff to meet customer demand during festive seasons to ensure timely services.

- Knowledge and access to insurance

Consumers' knowledge and understanding of insurance is important. Even though technology has increasingly been used to connect information, some consumers do not have access to information about insurance, resulting in some consumers not see the importance of insurance which will reduce the risk of life and property in unforeseeable events. As an insurance provider, the company has become a part of the effort to disseminate knowledge and promote the understanding of insurance among the public as well as provide access to information as follows:

1. Create content and disseminate knowledge about insurance including car insurance, health insurance, travel insurance and other insurance online through websites and social media
2. Collaborate with key opinion leaders to raise consumer awareness and promote the importance of insurance that helps reduce the risk of life and property.

Employee care

The Board of Directors recognizes that employees are its valuable assets who must be provided with care and develop capabilities for efficient work readiness and set policies for the company to focus on developing its employees at all levels to increase their knowledge, abilities, and skills and to create positive attitude. The company pays attention to knowledge development, particularly in terms of technical knowledge, by providing internal and external trainings.

In terms of compensation, the company has a policy to provide fair compensation and welfare of employees as follows:

Short-term: The company evaluates employee performance twice a year, provides salary increases that take into account the market and competition together with their performance, and offers bonuses based on the company's profitability.

Long-term: The company provides long-term compensation by considering the balance between monetary and non-monetary rewards together with employee needs and the company's financial conditions in the long term.

In terms of benefits and welfare, apart from annual leaves, the company also places an emphasis on health care and the quality of life of its employees, including their families. A variety of benefits that the company offers to its employees aims to make employees happy at work in order to enhance employee productivity.

After probation, all employees will become the company's full-time employees and receive the following compensations and benefits from the company:

- Welfare for good quality of life

Provident Fund: The company encourages employees to save for retirement by setting up a provident fund for employees who have worked for the company for at least three years, consecutively. Employees who are members of the fund pay a contribution at the rate of 5, 10, or 15 percent of their monthly salary and the company pays a contribution to the fund at the rate of 7.5 percent of their monthly salary. The provident fund is managed by a fund management company who is the fund manager.

Employee loan: Employees are entitled to borrow from the company after three years of employment. The objective of the loan must be for housing, medical care, or education.

Financial assistance for employees and their families: for employees' weddings and their parents' funerals

Medical treatment: Aside from providing social security as required by the labour law, the company has set up a nursing team from Chulalongkorn Hospital to provide first aid and conduct a diagnosis for cases that are serious and must be sent to the hospital. The service is available every working day at the head office building, which is the main place of operations.

Accident insurance: For employee welfare, the company provides personal accident insurance to employees in the event of death caused by accident to ease the burden of the employee's family.

Health insurance: To increase convenience for employees, the company has provided health insurance to support employees' medical care in addition to the medical treatment benefits under the social security programme.

- Changes in employee care and development

The company has provided trainings to develop the capacity of employees on a regular basis, both on the knowledge of insurance and other skills necessary for providing insurance services and operations. In 2020, after the company's work restructuring, the personnel development department became clearly separated from the human resource management department with the aim of greater efficiency in personnel development.

Initially, the company provided two training courses to new employees in 2020 as follows:

Class 1: 16 September 2020 with 20 new employees attending

Class 2: 16 November 2020 with 25 new employees attending

“Basic Insurance Product Knowledge” course by Khun Pornkarntima Polsong, Khun Duangchuda Prueksapisarn at Thaivivat Insurance Building, 6th Floor Meeting Room, with the objective of providing basic knowledge about insurance and knowledge about organizational structure and employee benefits

Online training courses on self-assessment for 2020 performance evaluation were offered via Microsoft Teams application.

Class 1: 2 October 2020, 10 PM – 11 PM

Class 2: 2 October 2020, 11 PM – 12 PM

After receiving the basic trainings, the company also organises training courses that increase employees’ skills and are practical for work. In 2020, important training courses include:

- The 2nd Professional Valuation Techniques for Conflict Resolution course by Khun Kanokchat Thavoranan to enhance the skills of our personnel in professional and fair valuation of car damage for our partners and customers.

- The 1st Understand Situations and Claims course by Khun Ongsa Kamolwiboon to develop claims handling skills for claims personnel and to share the experience of claims personnel in and outside Bangkok.

- “Work Process Reduction and Modification in Power Vision” to increase speed and workpiece, reduce work processes, and increase the accuracy of car claims reimbursement.

- Understand the Laws and Regulations of Claims in Car Insurance Verdicts and Arbitrations by Khun Patcharin Boorapatsiri and Khun Jureeporn Onsamrong to develop knowledge and understanding of employees about the laws and regulations on claims. The course was offered four times.

- “How to Use SmartFleet CallTaker” to find accident spots in a timely manner to ensure convenience and speed for customers.

- “SPSS for Statistical Insurance Data Analytics” for the company’s personnel to increase the ability to analyse statistical data of insurance. The course was offered three times.

- “Effective Insurance Premium Management for Your Goals” to enhance the skills in boosting insurance premiums to meet the targets. The course was offered twice.

- “How to Effectively Sell Your Products to Customers” to improve the sales skills for salespersons and learn about new sales techniques. The course was offered three times.

- “CompTIA Security +” with the objective of supporting and developing data security experts for the labour market and digital economy. One employee attended the course.

- "Work Shop LAN & Wireless Network" course with the objective of developing more data security experts for the labour market and to keep up with the digital economy. One employee attended the course.

- "Personal Data Protection Law: Procedures and Practices Class 5 and 6" course with the objective of creating an understanding of the principles and essence of the Personal Data Protection Act B.E. 2562 (2019); for example, the relationship of digital legal system, important terms, interpretation, enforcement, exceptions, penalties, and impacts on businesses.

- "Personal Data Protection Law for Human Resource Management" with the objective of creating an understanding of the principles and essence of the Personal Data Protection Act B.E. 2562 (2019) as well as the impact and preparation for compliance of the human resource management department.

- "Prepare for the Personal Data Protection Act B.E. 2562 (2019) for Human Resource Management" by Khun Panu Nuernoom to prepare for changes in the personal data protection law

In addition to internal trainings, the company also sends employees to attend training courses related to work organised by external parties. The company considers sending personnel in departments which are related to the topic of the training or seminar sessions. The company sends personnel to attend training and seminar sessions for eight hours per person on average.

- **Employing people with disabilities**

The company welcomes people with disabilities for work in appropriate positions that are suitable for their physical abilities and in which their physical disadvantages do not hinder work performance. The company also sets the standard for compensation and provides equal opportunity for career advancement.

In 2020 until the present, the company has six employees with disabilities.

one visually impaired employee

five hearing impaired employees

Labour relations The company engages with employees through numerous activities every year with a focus on fostering a good relationship between employees and departments across the organization. Employees have the opportunity to learn to work in teams as well as coordinate and collaborate on various occasions, leading to a more harmonious work environment. Employees are also encouraged to exercise and engage with the company.

Workplace safety The Board of Directors concern about the welfare, health and safety of employees and realise that those issues affect the quality of life and is one of the factors that help promote efficient operations and confidence at work. The Board of Directors set policies and allow the company to prepare appropriate and important precautionary measures in advance. Key measures include:

- Taking preventive measures, promoting knowledge on fire prevention, and conducting fire drill every year as well as regularly examining fire distinguishing equipment and warning systems to ensure our personnel's knowledge of proper practices and ability to handle real situations. In 2020, the company organised the fire prevention training on 14 November

2020 instructed by the Phra Khanong Fire Station, Fire and Rescue Operations Division 2, Office of Disaster Prevention and Mitigation. The 2020 annual fire drill was conducted on 17 November 2020 at Thaivivat Insurance Building supervised by the Pha Khanong Fire Station's staff.

- Safety-related policies and procedures for operational staff and accident inspectors. For staff who need to drive a car or a motorcycle for work, especially accident inspectors (claims staff) and customer service staff and agents (employees sending policies and documents), the company has safety rules and regulations for individuals (driving strictly in accordance with traffic regulations, properly dressed with uniforms, having reflective strips as required by the company, and wearing a helmet and fastening a safety belt) and vehicles used (the company's car that passed the inspection test, has a camera installed, and has GPS attached to the staff). There are also strict penalties for lack of traffic discipline. In 2020,
 - There are five accidents during work. The injured staff were two Bangkok operation staff (accident inspectors) and three Finance and Investment staff. All have already recovered.

Annual health checkup : Today, in response to new diseases and unhealthy lifestyle, early detection and prevention are the best ways to reduce health risks. To prevent important health risks, annual health checkups will help identify health risks based on examination results and provide a guide for healthier lifestyle.

On 26 September and 3 October 2020, the company organised an annual health checkup for employees to promote employees' good health and good quality of life, allowing employees to work productively and the organization to thrive. The health check-up was conducted by Bangpakok 9 Hospital at the company's headquarters.

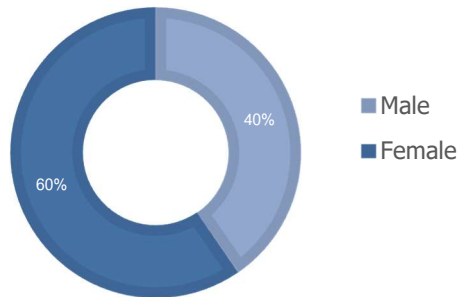
COVID-19 prevention measures : Due to the continuous spread of coronavirus (COVID-19) which is affecting people in Thailand and around the world, the company recognises the safety and health of our employees and families and that during these times, we need to come together and act for the benefit of society at large during the time of this pandemic by strictly following the Communicable Diseases B.E.2558 (2015) and the Notification of the Department of Disease Control, Ministry of Health.

To continue to provide best customer services and create confidence and safety for our customers, employees, employees' families, society, and country, the company has established strict measures as follow:

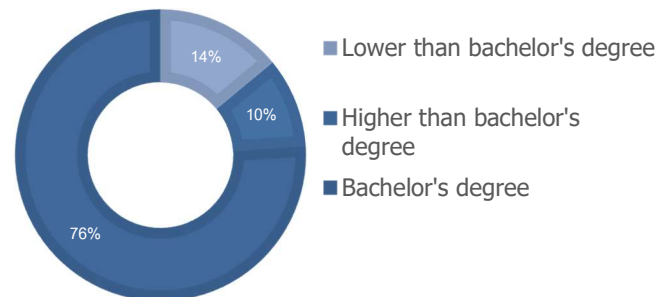
1. Allow employees to work from home to reduce the commute time and the risk of the spread of COVID-19
2. Increase safety measures in the office building. The company strictly conducted screening measures, fever screening and asking the travel history of people entering the building.
3. Ask employees to wear a surgical or cloth mask at all times, avoid sharing food, wash hands regularly, and keep social distancing of 1-2 metres. On top of that, the company published knowledge and guide for self-protection from the virus widely and continuously.
4. Support personal protective equipment to all employees. The company has distributed cloth masks, alcohol gel, and hand sanitisers to reduce the costs for our employees and families when there is a shortage. Additionally, the company conducted big cleaning for the entire building.
5. Introduce a measure if the company learns that the company has employees with suspected or confirmed COVID-19 even though no employee has been infected.

Overview of Thaivivat Insurance's Personnel 2020

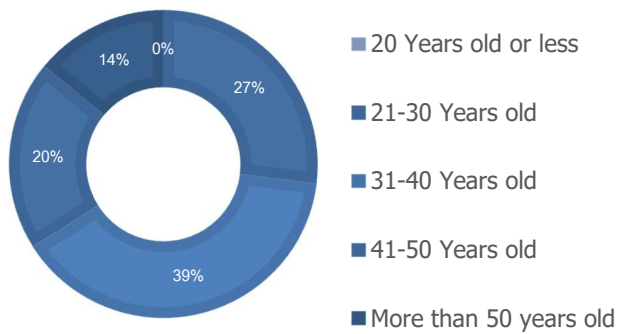
MALE-FEMALE PERSONNEL



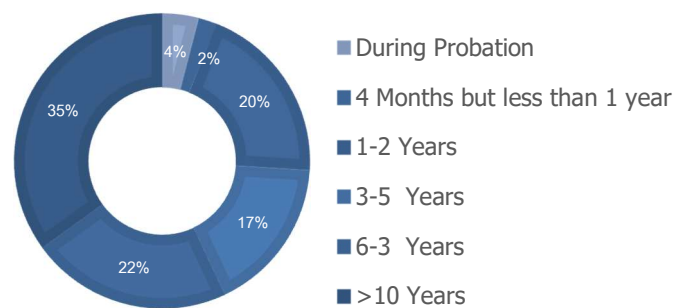
EDUCATION



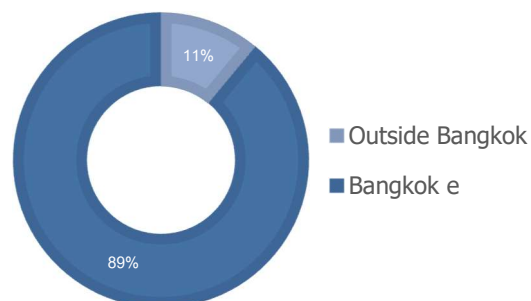
AGE



EMPLOYMENT PERIOD



PROVINCE



Engagement in community and social development

The Board of Directors recognize community and social development based on the basic principles of human rights in its business processes and community and social development activities such as human resource development. As personnel is a key factor for business development and sustainability, the company has a policy to treat all employees and stakeholders equally without discrimination on race, gender, religion, ethnicity, nationality, social status, or disability as well as to respect and accept all differences in belief, social status, environment, law, and culture (see also "Employee Care" section). In 2019, the company has promoted community and social development through donations and charitable events as follows:

- **Activities to promote education**

The company continues to support human rights and equality among people in the society, especially the right to basic education, since it realizes that creating human resources who are highly competent and ethical is a crucial part of the country's stability and development. In 2020, the company provided assistance in education as follows:

- The company has provided financial support for the Reducing Inequality through Quality Early Childhood Education project (RIECE). RIECE Thailand is a project that aims to ensure that preschool children will grow into quality and productive adults at Thasongkorn Subdistrict Child Development Center (Bann Bor Noi), Maha Sarakham province. Research in educational economics over the past decades clearly showed that early childhood development plays an important role in building human capital for the country's population which will help increase the productivity of the society, reduce social costs that may be caused by crimes and drug addiction. The company recognises the importance of education and has therefore become a part in sustainably supporting basic education of Thai preschool children. Activities and follow-ups were conducted continuously in 2020.

- Reducing Inequality through Quality Early Childhood Education: RIECE Thailand

The effectiveness of teaching and learning for children is important since they are the future of the nation. Therefore, support for increased educational effectiveness is a priority for both the public and private sectors. The company has always recognized the importance of improving educational effectiveness for children and youth. As a result, in 2019, it collaborated with the Reducing Inequality through Quality Early Childhood Education project or RIECE Thailand by donating 150,000 baht to ensure the success of the project.

The project aims to ensure that preschool children will grow into quality and productive adults who will provide stable income for their families, be able to take care of themselves and their family, be socially responsible, and have good judgment that avoids creating any social problem such as crimes, drug abuse, or gambling.

Research in educational economics over the past decades clearly showed that early childhood development plays an important role in building human capital for the country's population which will help increase the productivity of the society, reduce social costs that may be caused by crimes and drug addiction. Early childhood development also helps reduce economic and social disparity in the country caused by differences since the beginning of life which is an important root cause for the current economic and social disparity.

Donations for social and community development

- **Society and community:**

The Company donated to organisations and departments in 2020 as follows:

- Over the year 2020, the continuous spread of COVID-19 affected countries around the world including Thailand. A shortage of medical supplies and protective equipment, especially surgical masks, can increase the risk of the spread of the virus to healthcare workers and the general public. Thaivivat Insurance Public Company Limited donated to 1,000,000 baht to the research team of Thammasat University to produce ThamMask, a water-resistant mask, for distribution to healthcare workers in areas with mask shortages in order to reduce a shortage and boost morale of dedicated healthcare workers. The production of water-resistant masks aims to prevent virus transmission and boost morale of healthcare workers who have worked tirelessly for all of us. To get through these difficult times, we must come together in the fight of COVID-19.

The water-resistant mask, ThamMask, invented by the research team of Thammasat University is a three-layered mask with the first and second layers made of cotton silk structured by polyester microfiber, which is waterproof, dustproof, soft, and breathable coated by NUVA-811. Microns are inserted into the fabric where water cannot penetrate. The innermost layer is made of cotton which can absorb moisture and secretion with good ventilation and can be washed up to 30 times. The aim was to reduce a shortage and high price of face masks which has directly affected consumers.

- The company realises the importance of helping and taking care of everyone's health and introduces strict measures to best prevent the spread of the virus in the organisation and to increase confidence and safety for customers, employees, employees' families, and the general public. Additionally, special privileges were offered to the company's insured during the outbreak of COVID-19 including:
 - For annual international travel insurance and on-off travel insurance with coverage on 1 April 2020, the company would automatically expand the coverage period for three months starting from the last date of the previous coverage without additional insurance premiums.
 - On-off car insurance with COVID-19 coverage of 100,000 baht for six months for new policy purchase or renewal for a period of 12 months starting from 23 March 2020 to 30 April 2020 (offered in collaboration with Premium Direct Broker Company Limited)
 - Thaivivat Active Health Insurance specially covers COVID-19 screening test for up to 2,000 baht for the insured. The policy provides coverage from 23 March 2020 to 30 April 2020.
- On 22 May 2020, the company organised the Beyond the New Normal for the Thai People activity and introduced the top-up on-off insurance through an online channel in collaboration with Thailand's famous influencers including Khun Ban Pitipat, Khun U Spin9, and other special guests broadcasted live on social media the new top-up on-off insurance with an annual insurance premium for the first class insurance starting at 4,900 baht, saving up to 70 percent, with 24-hour coverage and automatic on-off feature #Koomkrongyaitaejailek and a discount promotion of up to 1,000 baht for the first 3,000 insurance policies. Part of the proceeds is donated to support COVID-19 testing machines for 10 public hospitals nationwide.
- In June 2020, the company went to medical school hospitals nationwide to donate modular swab unit for COVID-19 screening worth 2.6 million baht to support screening test and work of healthcare workers. The equipment allows

medical workers and healthcare professionals to quickly and safely screen patients with COVID-19 risk using pressure control and air circulation of the unit, efficiently reducing the risk of infection.

The continuous spread of COVID-19 affected countries around the world including Thailand. One of the crucial problems is a shortage of medical supplies and protective equipment including screening tools. Even though the situation in Thailand has gradually improved and the number of patients has decreased, the situation remains a concern. Preparation for the spread of the virus, especially of medical supplies, is essential; therefore, the company organised the Together with On-off Insurance Customer project, using part of the proceeds from insurance premiums of on-off insurance owners from 1 April – 31 May 2020 to purchase COVID-19 screening test kits.

With this purchase of modular swab unit, the company aims to provide safety and reduce the risk of work for healthcare workers, allow them to screen the virus efficiently, and allow people more access to COVID-19 screening. To get through these challenging times, we must take care and prevent the spread of the virus, not only for self-protection but also for helping medical workers.

- On 25 August 2020, 10 of the company's employees donated blood in collaboration with the Thai General Insurance Association to improve the life expectancy of patients. Since the amount of blood in the blood bank is low and more blood is needed, the Association acted as the center for blood donation.

Environmental management

The Board of Directors committed to preserve the society and environment by conducting business based on ethics and good governance along with care for the society and the environment in order to ensure sustainable business development. Even though Thaivivat Insurance is not in the manufacturing industry that requires extensive natural resources in the production line, but it cannot be denied that the company consumes energy and resources to operate its business. The company, therefore, places an emphasis on raising awareness of minimal and efficient resource consumption as well as environmental responsibility among its personnel.

- On 29 June 2020, the company provided fire insurance policies worth 150,000,000 baht of protection to the Sirindhorn International Environmental Park Foundation to support the foundation in carrying out activities to rehabilitate and conserve the environment since the Sirindhorn International Environmental Park is a learning and training center for the rehabilitation and conservation of natural resources, the environment, and energy following the royal international initiative, innovation that connects science, technology, and local wisdom, and promotion of the application of the sufficiency economy philosophy for sustainable community development. The park has a local and international network of research and knowledge development with an aim of promoting knowledge and understanding of environmental rehabilitation and energy conservation following the royal initiative among children, youth, local community scholars, and the general public.

- Internal waste sorting

The current hazardous waste problem is affecting environmental quality and the quality of life of employers, employees, and the general public. The high amount of polluting waste is partly stored and disposed according to law, but waste which comes from office, public agencies, and stores remains unregulated, resulting in hazardous waste being improperly disposed and destroyed, contaminated in the environment, and affecting the health of people exposed to it.

As a result, the company has initiated the waste sorting project in the office to create awareness for the company's personnel and properly sort waste by separating waste into categories for convenient disposal and better health of the company's personnel, limiting order time, and promoting the use of personal containers to reduce the amount of waste in office.

- Electronic product development for the environment (reduce paper usage)

In 2020, the company has improved and developed its business to become more electronic to promote environmental preservation by reducing the amount of paper used. In Thailand, it has been found that 34 kilograms of paper is consumed per person per year or 2 million tons per year and the consumption rate increases by 15 percent each year (according to the Bureau of Waste and Hazardous Substances Management). As a result, the company recognises the importance of making the most of paper usage to reduce the amount of waste produced and reduce the use of natural materials and energy in paper production as follows:

1. Publicized / promoted compliance with the guidelines to reduce paper use through various activities.

- Paper reuse (use both sides of the paper)

- Paper sorting (Paper with blank pages, colored paper, and white paper) for recycling purposes

2. Developed electronic trading system by allowing customers to choose online distribution channels. Products have been developed to be available online such as car insurance and travel insurance which can be purchased online without using paper. Additionally, the insured can choose to receive insurance policies through various electronic channels such as email and mobile application instead of paper insurance policies, reducing paper usage and promoting energy and environmental conservation.

- Switch from chiller air conditioning system to VRV system

Electric power is a crucial factor in life and the country's development, and the demand for electricity in Thailand is expected to rise. The country's electricity generation currently relies on fossil fuels as the main source for power generation, which will be exhausted in the near future. To reduce the shortage of electric power in the future, we must take part in saving the electricity and make the most out of it to secure our energy future.

The company recognises the importance of energy saving; therefore, it has changed the company's air conditioning system from the chiller system to VRV system which is a technology that directly controls the amount of refrigerant by installing the refrigerant supply control on the indoor unit to accurately control the temperature and save up to 25 percent of energy compared to other air conditioning systems. Additionally, the system will control the air quality by ventilating, dehumidification, and other processes to make the personnel in the office feel comfortable and breathe easily.

- Installation of water spraying equipment on the roof of the building to reduce the level of PM 2.5

In 2020, the company realizes the importance of health as a result of the PM 2.5 problem in Bangkok and Parimonthon and has engaged in addressing the problem together with the Phayathai District Office by installing a water spraying equipment on the roof of Thaivivat Insurance Headquarters, Din Daeng to reduce the amount of the particles which requires water spraying equipment with 120-150 PSI pressure. The company turns on the machine every day, twice at 9-10AM and 4-5PM until the level of the particles decreases.

8. Internal Control and Risk Management

The company has provided internal control and risk management system effectively. The Board of Directors and management have duty and responsibility to provide and maintain systems of internal control and risk management. The management proceeds to evaluate an adequacy of internal control system and assigns the Audit Committee to carry out duty and responsibility for adequacy review of the internal control system based on the adequacy evaluation of internal control system in the Securities and Exchange Commission that covers as follows :

Control Environment

1. The company has a value commitment of integrity and morality.
2. The Board of Directors are independent from management, work oversight and develop an internal control proceeding.
3. Management provides the report structure, determines power and responsibility to reach the company objective under the Board of Directors oversight.
4. The company shows commitment to motivate, develop and maintain competent personnel.
5. The company assign personnel to have duty and responsibility in the internal control in order to achieve the company objective.

Risk Assessment

6. The company has a clear objective in order to identify and evaluate the risks that relate to achieve the company objective.
7. The company identifies and analyzes all risks that might affect objective throughout the organization.
8. The company considers opportunity to have fraud in risk assessment to the company objective.
9. The company can identify and evaluate changes that affect the internal control system.

Control Activities

10. The company has control measures to reduces risk in an acceptable level.
11. The company selects and develops the control activities with technology system to help support company objective.
12. The company provides control activities through a policy which defines expectation and procedure to practice information and communication systems.
13. The company has related and quality data to support the internal control that can be carried out as specified.
14. The company communicates internal data including objective and responsibility in the internal control that can be proceeded.

15. The company communicates with external agencies about issues that may affect on internal control.

Monitoring activities

16. The company monitors and evaluates the internal control to ensure that it has still been proceeded completely.

17. The company evaluates and communicates the defect of internal control in time to the responsible persons including senior management and the Board of Directors.

The Board of Directors has considered the internal control and risk management assessment system of the Company and is of the opinion that the Company has an appropriate and sufficient internal control and risk management system to operate efficiently.

The Audit Committee Opinion

The Audit Committee has evaluated an adequacy of company internal control system based on the Securities and Exchange Commission, has the opinion that the company has the suitable and appropriate internal control system and risk management to operate effectively.

In the year 2019, Audit Committee has performed the duties as delegate by the company's Board of Directors and has the Internal Audit working unit operated as the scope, duty, and responsibility defined in the Internal Audit Operation Manual of company.

9. Related Transactions

The company has clearly specified measures and procedures for making related transactions including complied with the notification of the office of the Securities and Exchange Commission, announcement of the Capital Market Supervisory Board and regulations of the Stock Exchange of Thailand in matters relating to transactions that may cause conflicts of interest strictly. In case of the transaction may be considered with a person who may have a conflict Directors and executives who may have interests in the matter being considered will not attend the meeting or abstain. In order to make the decisions of the board and executives to be independent and fair, for the benefit of the shareholders truly. For new related transactions, the transaction size and amount of money will be considered by proposing the Audit Committee to consider and then submitted to the Board of Directors for further approval. In addition, the Audit Committee is responsible for reviewing all related party transactions in every quarter to oversee and prevent the occurrence of interest conflicts including the company disclosed the related transactions in the notes of the financial statements audited by the auditor.

In the past year, the company did not conduct any connected transactions in the form of providing financial assistance to a company that was not the company subsidiary and had never violated or failed to comply with the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission regarding the connected transaction or asset trading.