



CORPORATION PUBLIC COMPANY LIMITED

“INSURANCE BROKER LEADER”

ANNUAL REPORT 2020

TQM Corporation Public Company Limited





CORPORATION PUBLIC COMPANY LIMITED

INSURANCE BROKER LEADER

ประกัน รถ / พ.ร.บ.



ประกันภัย COVID-19

และ 3 โรคยอดฮิต

- ไวรัส COVID-19
- โรคไข้เลือดออก
- โรคไข้หวัดใหญ่
- โรคปอดอักเสบ / ปอดบวม

1. คุ้มครองค่ารักษาพยาบาล 2. คุ้มครองค่าเสียรายได้ 3. คุ้มครองค่าเสียค่าเดินทาง 4. คุ้มครองค่าเสียค่าที่พัก



ประกัน
สุขภาพ

ประกัน

บ้าน



ประกันบ้าน
คุ้มครองพายุ ไฟฟ้า แผ่นดินไหว

สูงสุด 2,000,000 บาท



ประกัน

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Vision Mission and Core Value



Vision

To be a leader in Financial and Insurance Advisory with quality, sustainability, environmental and social responsibilities.



Missions

- (1) Best Advisor: To be the advisor choosing suitable insurance products with the best customer's benefit.
- (2) Digital Development: To develop work systems, products, sales channels and unbeatable service to be the Number 1 Regional Digital Insurance Broker.
- (3) Cost reduction: To manage costs efficiently.
- (4) Employee Support: To build, retain and develop employee to be a professional insurance and financial advisors with quality of life and happiness along with the organization.
- (5) Social responsibility: As corporate governance to be responsible for society and the environment.



Core Value

Honesty, Equitability, Exclusive Services, Social Responsibility



Corporate Business Goals

2020 – 2022 Organization Goals and Strategy

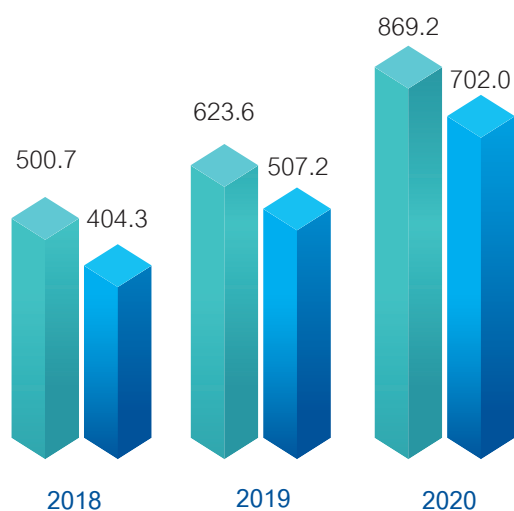
Strategic point	Goals	Strategy
1. Stakeholders value	1. Insurance premium 15% growth	1. To make more revenues 1.1 Strengthen existing channels 1.2 Grow sale through cross-selling 1.3 Grow inorganic through M&A 1.4 Expand Regional 1.5 Enhance insurance ecosystem 2. Efficient costs control
2. Customer Centric & Engagement	1. Excellent services for TQM's brand royalty 2. Database development	1. Customer Centric 2. Customer Engagement 3. Database development
3. Digital Strategy	1. Operating system, products and sales channels development by using advanced technology	1. Using advanced technology for Digital Transformation
4. Sustainability Strategy	1. To build and retain employee with good quality of life for being a professional insurance and financial advisor in digital era 2. To initiate the Environmental, Social and Governance policy	1. New Business Model 2. To development HRM supporting the goal to be Number 1 Regional Digital Insurance Broker 3. TQM Sustainability



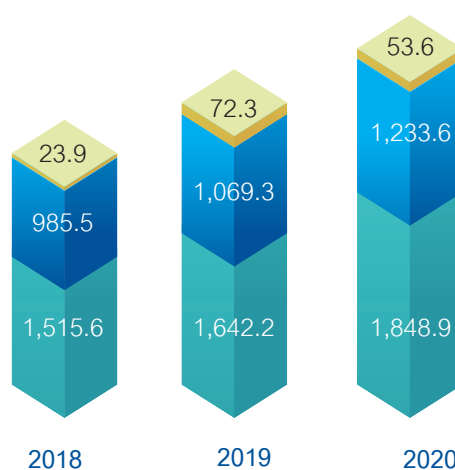
Financial Highlights

TQM Group Performance

Net Profit
Million Baht



Total Income
Million Baht

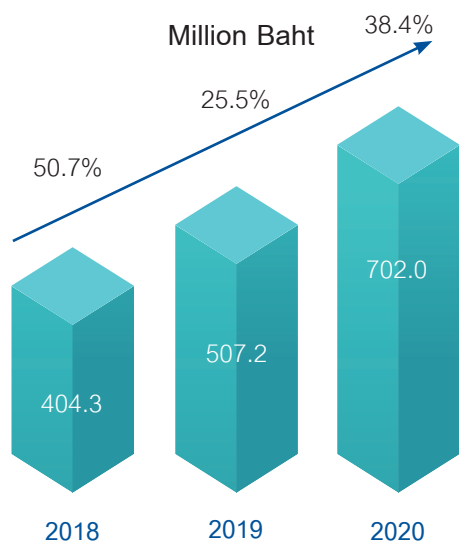


Profit before income tax expenses Net Profit

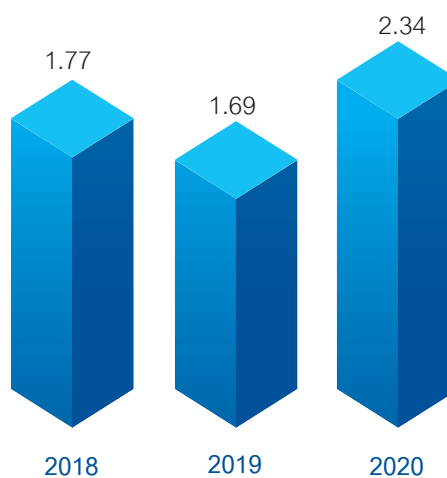
Commission Service Revenue Other Revenue

Revenue

Net Profit
Million Baht



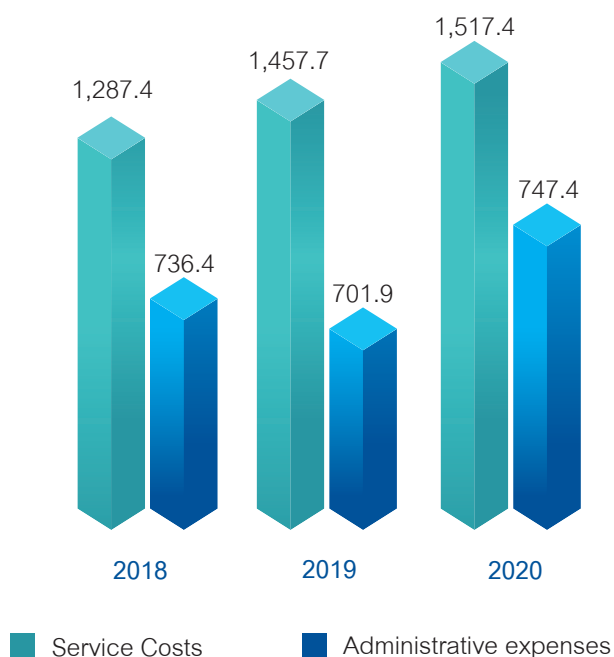
Earnings Per Share
Baht/Share



EXPENSE

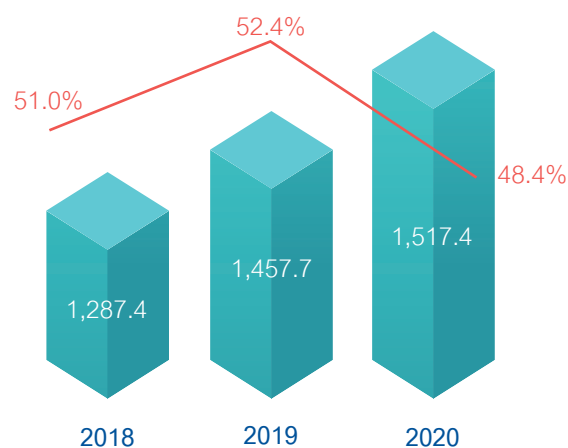
Service Costs and Administrative expenses

Million Baht



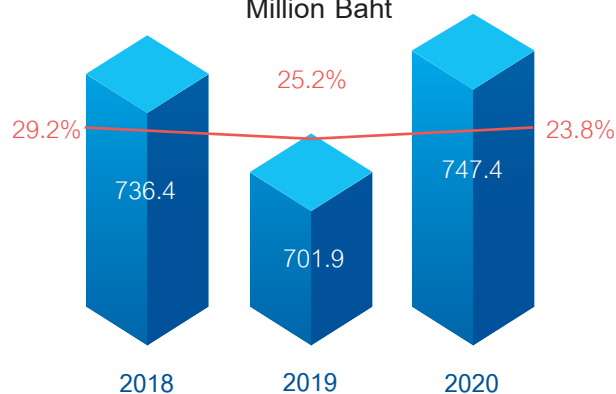
Service Costs

Million Baht



Administrative expenses

Million Baht



FINANCIAL RATIOS

FINANCIAL RATIOS	2018	2019	2020
D/E	0.78	0.81	1.06
Current Ratio	2.03	1.93	1.78
ROA	14.1%	12.6%	15.2%
ROE	32.1%	22.6%	29.6%
Gross Margin	48.5%	46.2%	50.8%
EBITDA Margin	21.8%	23.9%	32.4%
Net Profit Margin	16.0%	18.2%	22.4%
EPS	1.77	1.69	2.34
Divident Payment per share	1.41	0.95	2.10

Business Overview

TQM Corporation Public Company Limited (“the Company”) was established on July 4, 2011 by Punnipa family to engage in business by holding shares in other companies (Holding Company) with the core business in providing insurance broker services. At present, the company has 3 core business subsidiaries that operate TQM Insurance Broker Company Limited and TJN Insurance Broker Company Limited as non-life insurance brokers and TQM Life Insurance Broker Company Limited as a life insurance broker. In addition, the Company also has 2 other supporting subsidiaries named TO 2020 Company Limited as a joint-venture for overseas investment and Casmatt Company Limited as an IT and software services, and one affiliate company named TQLD Company Limited as insurance advisory. Which are collectively called (“the Company”).

The Company runs insurance broker business by offering insurances to targeted customers, individuals and corporate i.e. cooperatives and government bodies. Sales team contacts customers through company sales channel e.g. Telemarketing, Online, Face to Face and Omni-Channel.

As of 31 December 2020, the group of companies employs 3,934 employees including executives, salespersons and operations staff based at Head Office, 79 branches and 16 service centers nationwide.



Revenues Structure

Revenues structure of the Group of Companies following financial statements as of 31 December 2018
2019 2020 as follows:

Business	Operator	As of 31 December					
		2018		2019		2020	
		MB	%	MB	%	MB	%
1. Non-life insurance revenues	TQM Broker TJN	2,434.7	96.4	2,634.2	94.6	2,998.7	95.6
- Brokerage income		1,454.4	57.6	1,570.9	56.4	1,774.7	56.6
- Other service income ^{/1}		980.3	38.8	1,063.3	38.2	1,224.0	39.0
2. Life insurance revenues	TQM Life	66.4	2.6	77.3	2.8	83.8	2.7
- Brokerage income		61.2	2.4	71.4	2.6	74.2	2.4
- Other service income		5.2	0.2	5.9	0.2	9.6	0.3
Total service incomes		2,501.1	99.0	2,711.5	97.4	3,082.5	98.3
Other income ^{/2}		23.9	1.0	72.3	2.6	53.6	1.7
Grand Total		2,525.0	100.0	2,783.8	100.0	3,136.1	100.0

Remark : ^{/1} Other service incomes operated by TQM Broker TJN and Casmatt.

^{/2} Other income were interest income, dividend income, service and advisory income and compensations.

2020 Award Winning



TQM Insurance Broker Company Limited awarded
The Best Quality Non-Life Insurance Broker Award
2019 on October 15, 2020



TQM Insurance Broker Company Limited awarded
The Best Non-Life Insurance Broker Promotion 2019
on October 15, 2020.



TQM Life Insurance Broker Company Limited awarded
The Best Life Insurance broker 2019 on
October 15, 2020



TQM Insurance Broker Company Limited
Awarded Top Business Organization 2020,
Top Insurance Broker branch
23 December 2020



Important Changes and Developments

2018 Opening a new office under the name of “Punnipa Building 2”, transforming to be a public company and increasing the registered capital to be listed on the Stock Exchange of Thailand

- The Group of Companies opened a new office under the name of “Punnipa Building 2”, 7 storeys in Lat Phrao District, Bangkok Metropolis with an area of over 6,500 square meters to support the growth of the Group of Companies.
- The Group of Companies had the branches and service centers nationwide totaling 74 branches and 21 service centers, respectively.
- The Group of Companies started services to provide information, knowledge, present the articles and news with advice on car insurance as well as comparing the car insurance types of the Company via the website www.mheemhee.com.
- The Company registered transformation to be a public company and was renamed TQM Corporation Public Company Limited on 29 June 2018.
- The Company increased its registered capital from 225.0 million baht to 300.0 million baht, representing the number of newly issued ordinary shares of 75.0 million shares for listing on the Stock Exchange of Thailand and would allocate (1) new ordinary shares in the amount of not more than 11.2 million shares at the par value of 1 baht per share for offering to sell to the directors, executives and / or employees of the Company and / or subsidiaries according to the project of offering to sell capital increase ordinary shares of the Company to the directors,



executives and / or employees of the Company and / or subsidiaries (ESOP) and (2) allocate new ordinary shares in the amount of not more than 63.8 million shares at the par value of 1 baht per share and the remaining shares from the allocation and offering to sell under the project of offering to sell capital increase ordinary shares of the Company to the directors, executives and / or employees of the Company and subsidiaries (ESOP) for offering to sell to the public (IPO).

- The Group of Companies developed communication channels through “Chat Bot” application system to provide information service about insurance and to be an additional online sale channel.
- The meeting of the Board of Directors of subsidiaries No. 9/2561 on 14 November 2018 resolved to approve the increase of registered capital in the companies as follows:
 - TQM Insurance Broker Company Limited increased another amount of 200,000,000 (two hundred million) baht from the original 200,000,000 (two hundred million) baht to

be the registered capital of 400,000,000 (four hundred million) baht on 17/12/2018.

- TQM Life Insurance Broker Co., Ltd. increased another amount of 40,000,000 (forty million) baht from the original 10,000,000 (ten million) baht to be the registered capital of 50,000,000 (fifty million) baht on 17/12/2018.
- On 20 December 2018, TQM had been listed and traded the first day on the Stock Exchange of Thailand after closing the subscription of 75 million IPO shares at the price of 23 baht per share by being listed as “TQM”.

2019 Acquisition of TJN and being a price-weighted stock in indices

- 21 June 2019, price-weighted in FTSE Micro Cap.
- 1 August 2019, acquiring TJN Broker Co., Ltd. Transaction.
- 26 November 2019, price-weighted in MSI Small Cap | MSCI THAILAND.
- 18 December 2019, announced by SET to be a price-weighted stock in SET100 from 1 January 2020.



2020 Appointing new directors, Expanding to Cambodia and Laos

- Appointing 1 additional director named Mr.Thana Thienachariya as an Independent Director. The Company's directors from 9 became 10, and 4 independent directors became 5 independent directors.
- Investing in TO 2020 Company Limited ("Subsidiary"), as a joint-venture company to invest in the Kingdom of Cambodia and Lao People's Democratic Republic. The subsidiary was responsible for providing technical and other related support to the joint-venture by bringing modern technology into the insurance service, and would submit an application for approval to be an International Business Center: IBC to the Revenue Department in order to receive tax benefits and apply for investment promotion from The Board of Investment to receive benefits other than taxes.
- Awarded 5-star rating in Corporate Governance Report (CGR) according to the 2020 IOD rating of the Thai Institute of Directors Association.
- **Awarded 3 prizes from the Office of Insurance Commission (OIC)**
 1. Awarded to TQM Insurance Broker Company Limited: The Best Quality Non-Life Insurance Broker Award 2019 on October 15, 2020.
 2. Awarded to TQM Insurance Broker Company Limited: The Best Non-Life Insurance Broker Promotion 2019 on October 15, 2020.
 3. Awarded to TQM Life Insurance Broker Company Limited: The Best Quality Life Insurance Broker Award 2019 on October 15, 2020.
- Awarded Top Business Organization 2020, Top Insurance Broker Branch on 23 December 2020.
- TQM and BKI launching the first coronavirus insurance product.

TQM Corporation Public Company Limited by TQM Insurance Broker or "TQM" in collaboration with Bangkok Insurance PCL or BKI joined hands to develop "Coronavirus Insurance" policy, especially the first in the country, hope to help Thai people fight the Wuhan virus by providing coverage "Virus found, get paid, receiving immediately 50,000 baht" without a health checkup. It was a light premium, easy to buy, only 299 baht for 1 year of coverage. Ready to step through the coronavirus outbreak together on February 4, 2020.





- TQM opening a campaign 'more than love', giving insurance as a gift and the launch of a new presenter 'Bow-Mick'

TQM Corporation Public Company Limited by TQM Insurance Broker or "TQM" created a new dimension to shake up the early-year insurance industry with insurance for your loved ones', launched a huge campaign named "More than love is a guarantee that cares" and invited insurance business partners to join the campaign welcoming the festival of love promoting a new sales system, 'Insurance Gifts', a gift of care', easy to buy insurance. Just click through all online channels, reinforcing InsurTech's leadership, ready to move forward in the aggressive marketing game, by new presenters of "Bow-Mick" as the first couple, ready to debut with a music series "More than a word of love" penetrating the hearts of customers of all groups, genders and ages.

- New service launching TQM 24 Smart Services.

TQM Corporation Public Company Limited by TQM Insurance Broker Company Limited or "TQM" launched a new service "TQM 24 Smart Services" to increase confidence for customers to buy, pay, receive insurance policies, claim and other services from more than 40 insurance companies in one place via LINE official TQM Insurance Broker, responding to lifestyles in the Social Distancing era with Omni channel services both chat and call with real-time staff 24/7, along with Tele Health Consult services providing advice on health from a team of specialists through "TQM24 Smart Services", TQM revealed that after the release of a COVID insurance product, more than 1 million insurance customers purchased insurance policies, 80% of which were purchased online. Step into a new dimension, unlocking traditional sales and services, providing insurance, easy at your fingertips on April 20, 2020.



- TQM joining hands with FSMART selling 100 Baht insurance through Boonterm kiosk, hope to expand new customers

TQM Corporation Public Company Limited under the name “TQM Insurance Broker” push forward Micro Insurance collaborating with Forth Smart Service Public Company Limited offering insurance premiums ready to pay via Boonterm online kiosk at 130,000 kiosks nationwide reached 22 million users nationwide. Being confident as another channel to increase opportunities for Thai people to access insurance to manage risks in their lives easily and thoroughly, aiming at 1 million policies per year. Pointed as an important puzzle to support the overall picture in 2020, targeting 15,000 million baht on 16 September 20.



- TQM releasing 3X insurance “the first time in Thailand penetrating the old car market, set the year ‘64 sales target to surpass 500 million baht”

TQM Insurance Broker revolutionized car insurance service in Thailand, introduced “3X Class Insurance” with the concept of “Both Parties protection” with “Billion Survey” sending accident surveyor to take care at the point of all incidents under the campaign “Insurance for the little ones”, penetrating the market of more than 9 million old cars nationwide, expecting to expand retail customers base. Premium only 1,800 baht eligible for Installment, set a sales target of 2021 to reach 500 million baht. Executives was confident to increase opportunities for Thai people to access insurance easier on December 15, 2020.

Message from the Chairman of the Board of Directors and Chief Executive Officer

Dr. Unchalin Punnipa
Chairman of the Board
of Directors



Dr. Napassanun Punnipa
Chief Executive Officer



Dear shareholder and all stakeholders,

The Company conducts business with ethics, corporate governance principle and visions to make TQM to be a leader and No.1 Digital Insurance Broker in South East Asia region by using cutting edge technologies to support sales and customer services including the use of technology analyzing big data to deliver products meeting customer needs notwithstanding the outbreak of the coronavirus.

By successfully using cutting edge technologies and information, the Company was able to transform and launch products to meet customer needs such as COVID-19 insurance with an exquisite outcome. In addition, relating to the virus outbreak the people put more attention to health insurance, so the Company took it, invented and launched health-related products as a response to their needs by no delay. As a result, the performance turned out

to be distinguished and it was a new record since the beginning of the Company.

In 2020, the company had a total revenue of 3,136.1 million baht and a profit for the year of 702 million baht, it was achieved by the pieces of advice from the board of directors, executives' operational strategies, technologies, and the most importantly is the cooperation of all employees in the company, which were the keys of success of the Company to achieve its operational goals consistently and continuously.

The major developments of this year were the acquiring TO 2020 Co., Ltd. as an investment and joint venture to operate insurance business and support cutting-edge insurance technology with partners in Cambodia and Laos, and in the early of 2020, the Company and Bangkok Insurance launched a Co-insurance product named Covid-19

with exceptional outcome. Moreover, the launch of new products and services such as the “More Than Love” campaign, where customers could send insurance packages to their loved ones by themselves instead of the word “love”. As well as, the launch of a new service, TQM 24 Smart Services, where customers could choose to buy, pay and receive policies by themselves to meet the new lifestyle in New Normal, also the opening of a sales service through the Boonterm kiosk channel in collaboration with FSMART for customers’ conveniences in purchasing insurance at more than 130,000 Boonterm service kiosks nationwide and the launch of “3X Insurance” offered the coverage and special services from the Company’s partner, “Billion Survey”, providing excellent accident investigation team at the accident scene.

The Sustainable Development, TQM Corporation Public Company Limited is supervised and operated by the board of directors, executives and employees, who aim to develop the organization together, maintaining the Company’s standard continuously and developing human assets as the enhancement of capability of competitiveness. The Company encourages employees for innovations, and to participate in setting goals and directions of the organization supporting the expansion and growth

of the economic system and the Company in the future, including adhering to business operations in accordance with the corporate governance policy and operating businesses with social and environmental responsibility, also opposing any corruptions in the business all along. The corporate governance policy shall be reviewed every year. The policy is operated exclusively by the Organization Sustainability Task Force performing and implementing sustainable development projects and reporting to Corporate Governance Committee annually.

For the year 2021, the Company is still looking for potential and strength acquisitions for the Company’s sustainable growth, to be in line with the performance statistic target, set at 50,000 million baht for insurance premiums in 2026, along with adoption of technology developing products and services for the greater stability and sustainability.

On this occasion, on behalf of the President and Chief Executive Officer, Directors, Executives and all employees of TQM Corporation Public Company Limited, “Thank you to shareholders, business partners, customers, financial institutions, executives and employees and all stakeholders for the trust and support”.



(Mr. Unchalin Punnipa)
Chairman of the Board of Directors
TQM Corporation Public Company Limited



(Mrs. Napassanun Punnipa)
Chief Executive Officer
TQM Corporation Public Company Limited

Audit Committee Report

Mr. Marut Simasathien
Chairman of the Audit Committee



Dear shareholders,

The Audit Committee consisted of 3 independent directors, Mr. Marut Simasthien - Chairman, Dr. Rutchaneeporn Pookayaporn - Director, and Mr. Chinapat Visutipat - Director, by Ms. Ratana Punnipa - Chairman of Risk Management Committee as a secretary. Directors were qualified as regulated by the Capital Market Supervisory Board along with skills and experiences. The Board of Directors considered Mr. Marut Simasathien as experienced in Accounting and Finance. The Audit Committee performed its duties as assigned by the Board of Directors.

According to the Charter of the Audit Committee, it was in accordance with the best practices of the Securities and Exchange Commission by reviewing and pushing the company to comply with good corporate governance principles. There were adequate risk management systems and internal controls, with efficient internal audits as well as generally accepted standards. It was summarized as follows:

- 1. Review of financial statements.** The Audit Committee has reviewed the quarterly financial statements and the financial statements for the year 2020, including related transactions, items that may have conflicts of interest with the management, internal auditor and the auditor by asking the auditor about the accuracy and completeness of the financial statements. Improvements in important accounting transactions include accounting estimates that affect the financial statements, the adequacy of accounting records and audit scope, correctly, completely and sufficiently disclosure of data and the independence of the auditor to ensure that the preparation of the financial statements was in accordance with the requirements of laws and accounting standards under the accounting principles. This was guaranteed to be reliable and timely including sufficient disclosure of information for the benefit of users of financial statements.
- 2. Review of risk management.** The Audit Committee has reviewed efficiency and appropriateness of risk management processes arising from internal and external organizations including the risk management policies, plans and guidelines that affect the operating results on a regular basis every quarter with the management. Suggestions for improvement are provided.

3. **Supervision and monitoring of internal control systems.** The Audit Committee has reviewed the adequacy of the internal control system of the company, including subsidiaries and associated companies by following up on corrections to improve the work as suggested in the result report and opinions of the Audit Committee continuously, which the company has hired an internal audit who was an external agency, Dharmniti Internal Audit Company Limited. Also, there was an improvement of the internal control system to be in line with the situation always changing. The Audit Committee's opinion that there was an adequate internal control system and effectiveness, according to COSO's good internal control principles.
4. **Review of supervision and good business.** The Audit Committee emphasized the management policy to ensure good business supervision systematic and pushed for a positive attitude on internal control and reviews the operations in accordance with the laws, rules and regulations relating to the company's business operations. It ensured that the company operated in compliance with the reasonable business conditions.
5. **Consideration of the appointment of an auditor for the year 2020.** The Audit Committee has considered the selection of the auditor by considering the readiness, scope of services, independence of the auditor and the appropriateness of the audit fee. The resolution approved by the Board of Directors and the shareholders' meeting has appointed EY Company Limited as the auditor for the year 2020. Such auditor was the auditor according to the list of auditors received approval from the Securities and Exchange Commission.

In summary, the Audit Committee has complied with the duties and responsibilities by using knowledge and ability to care independently and maintain benefits for all stakeholders. There were 4 audit committee meetings in the year 2020 and all directors attended. The performance was consistent as specified in the charter of the Audit Committee, which the Audit Committee's opinion that the company has prepared financial reports showing material and reliable information in accordance with financial reporting standards. There was the disclosure of related transactions that may cause sufficient conflict of interest, a good corporate governance system, and a risk management system and internal control sufficient and appropriate, including compliance with laws, rules and regulations relating to the business operations correctly and completely.

On behalf of the Audit Committee



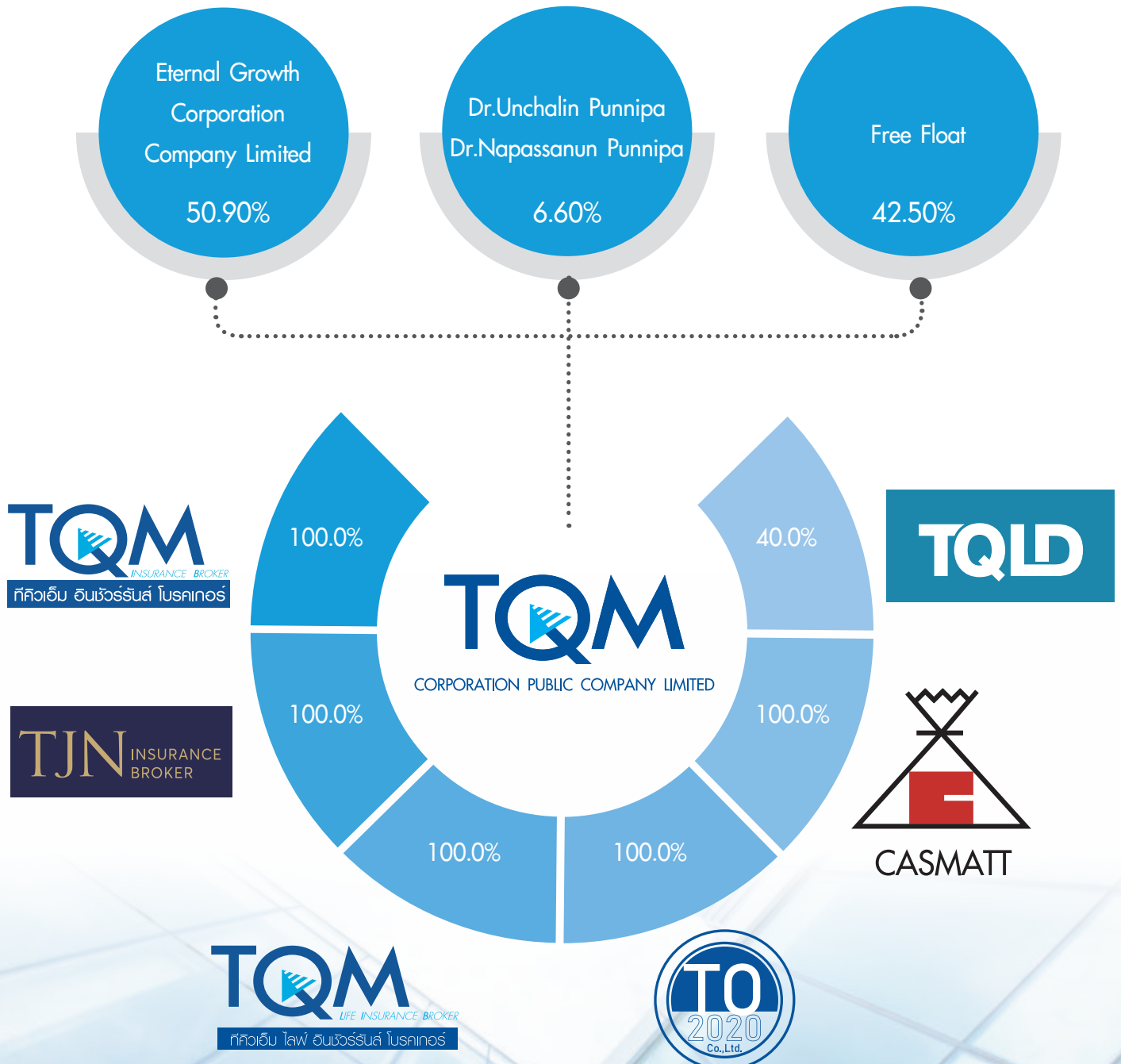
(Mr. Marut Simasathien)

Chairman of the Audit Committee

TQM Corporation Public Company Limited

Corporate Shareholding Structure

As of 31 December 2020, the Company had 5 subsidiaries and 1 affiliate as follows:



List of Major Shareholders of the Company^{1/}

The company has a list of shareholders of the company and the highest 10 shareholding proportion as of 31 December 2020 as follows:

Seq.	Name-Surname	No. of Shares	%
1	Eternal Growth Corporation Co., Ltd. ^{2/}	152,700,100	50.90
2	THAI NVDR Co., Ltd	12,016,016	4.00
3	STATE STREET EUROPE LIMITED	11,348,910	3.78
4	Dr.Unchalin Punnipa	11,027,000	3.67
5	Viriyah Insurance Public Co., Ltd.	10,022,200	3.34
6	Southeast Life Insurance Public Co., Ltd.	9,700,000	3.23
7	Dr.Napassanun Punnipa	8,807,000	2.93
8	Bangkok Insurance Public Co., Ltd.	7,007,000	2.33
9	THE HONGKONG AND SHANGHAI BANGKING CORPORATION LIMITED	5,691,500	1.89
10	SOUTHEAST ASIA UK (TYPE C) NOMINEES LIMITED	5,086,500	1.69

Remark: ^{1/} Shareholders List as of 31 December 2020 by TSD.

^{2/} Eternal Growth Corporation Co., Ltd. is a service company for property rental, as at of 31 December 2020, the company has a registered capital in amount of 135,000,000 baht being 1,350,000 common stocks, par 100 baht with the shareholders' detail below:

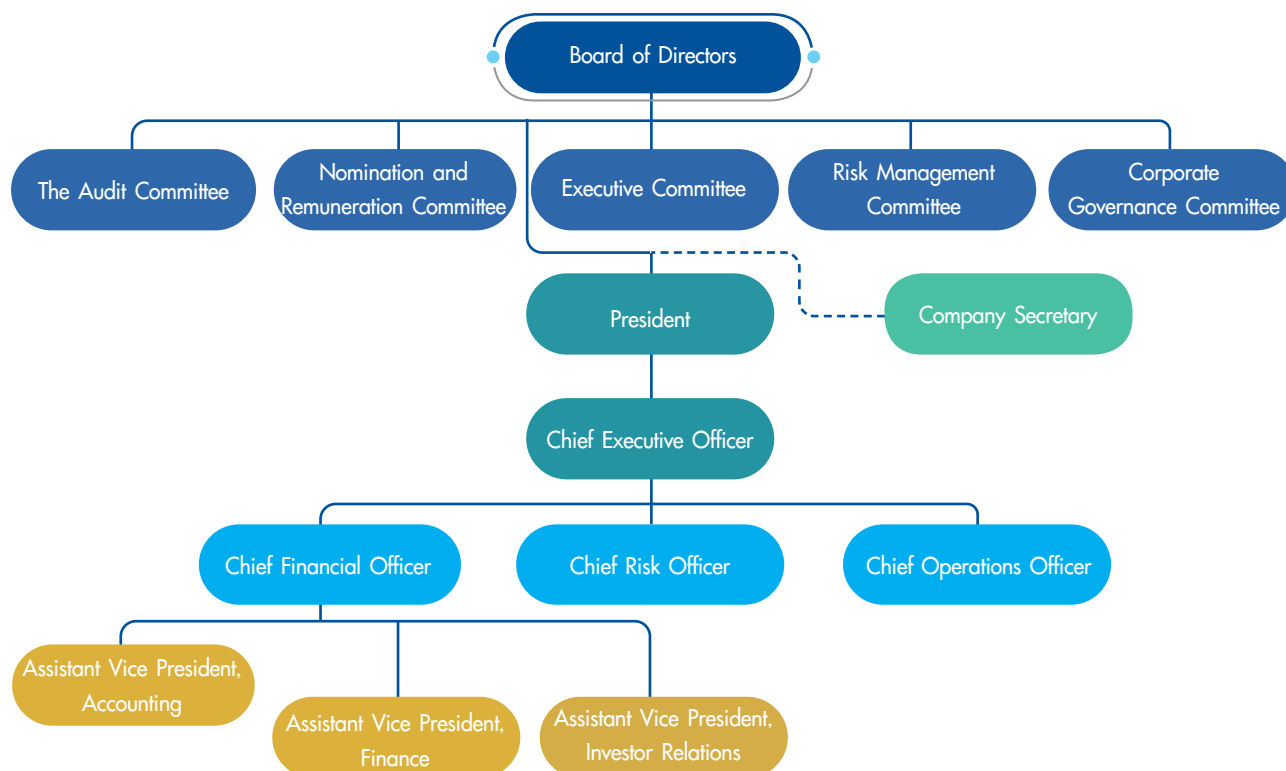
List of shareholders of Eternal Growth Corporation Co., Ltd.

	Shareholders	No. of Shares	%
1	Mr. Unchalin Punnipa	899,850	66.6556
2	Mrs. Napassanun Punnipa	449,850	33.3222
3	Mr. Sorasak Thanburee	100	0.0074
4	Ms. Sulalita Thanburee	100	0.0074
5	Ms. Ratana Punnipa	100	0.0074
	Total	1,350,000	100.0000

Management Structure

TQM Corporation Public Company Limited ("Company")

As of 31 December 2020, the company's Management Structure consisted of Board of Directors and 5 Committees which are Executive Committee, The Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee and Executives as follows



Directors

Board of Directors

The company's Board of Directors consisted of 10 directors as of 31 December 2020 were as follows:

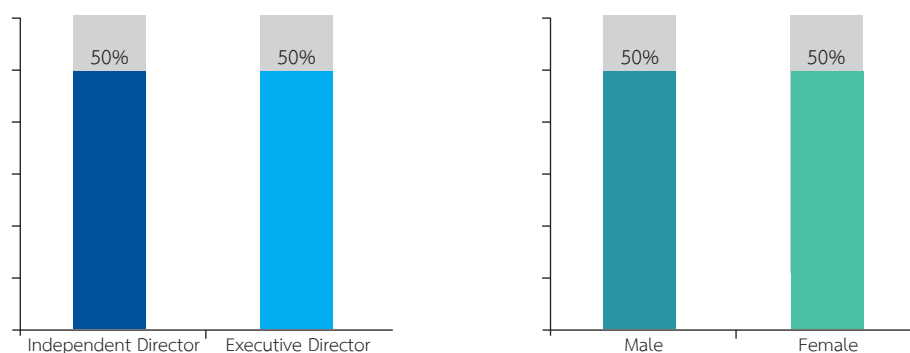
Name	Position
1. Dr. Unchalín Punnipa ^{1/}	Chairman of the board
2. Mr. Marut Simasathien	Independent Director
3. Dr. Rutchaneeporn Pookayaporn	Independent Director
4. Mr. Chinapat Visutipat	Independent Director
5. Ms. Suvabha Charoenying ^{2/}	Independent Director
6. Mr. Thana Thienachariya ^{3/}	Independent Director
7. Dr. Napassanun Punnipa	Director
8. Ms. Somporn Ampaisutthipong	Director
9. Ms. Ratana Punnipa	Director
10. Mr. Ampon Oniam	Director

Remark ^{1/} Dr.Unchalín Punnipa is the Chairman of the board but is not an independent director; therefore, in accordance with corporate governance policy for listed company B.E. 2560, the board of directors' meeting No.3/2561 on 2 April 2018 appointed Mr.Marut Simasathien as an independent director and the Chairman of the Audit Committee to co-consider and determine the meeting agenda as regulated.

^{2/} Ms.Suvabha Charoenying changed the status from "Non-executive director" to "Independent Director" according to the resolution of Board of Directors' meeting No.2/2563 held on 13 May 2020.

^{3/} Mr.Thana Thienachariya had been elected to be Company's director and appointed to be Independent Director according to the resolution of Extraordinary General Meeting of Shareholders No.1/2563 held on 24 December 2020.

Directors' Proportion



Directors' Skills Matrix As of 31 December 2020

Skill Matrix	No. of Directors
Accounting Finance	○○○○ (4)
Laws	○ (1)
Business Administration Management	○○○○○○○○○○○○ (10)
Corporate Governance	○○○○○○○○○○○○ (10)
Economics	○○ (2)
Political Sciences	○○ (2)
Security	○○○○ (4)
Capital Market	○○○○ (4)

○ No. of Directors

By Ms. Supichaya Theppitak as Board of Directors' Secretary, in charge of company's compliance according to corporate governance policy for a listed company.

Directors binding the company

Directors authorized to enter signature binding the company as follows:

- 1) Dr. Unchalin Punnipa
- 2) Dr. Napassanun Punnipa
- 3) Ms. Ratana Punnipa

Two directors jointly sign their names with the company's common seal affixed

The Audit Committee

The company's Audit Committee consisted of 3 members as of 31 December 2020 were as follows:

Name	Position
1. Mr. Marut Simasathien ^{1/}	Chairman of the Audit Committee
2. Mr. Chinapat Visutipat	Member of the Audit Committee
3. Dr. Rutchaneeporn Pookayaporn	Member of the Audit Committee

Remark: ^{1/} Being a director with knowledge and experience for the duty to review the company's financial statement.

By Ms. Ratana Punnipa as a secretary of the Audit Committee as appointed by the resolution of Board of Director meeting No.1/2561 held on 28 February 2018.

Nomination and Remuneration Committee

The company's Nomination and Remuneration Committee consisted of 5 directors as of 31 December 2020 were as follows:

Name	Position
1. Dr. Rutchaneeporn Pookayaporn	Chairman of Nomination and Remuneration Committee
2. Mr. Chinapat Visutipat	Nomination and Remuneration Director
3. Mr. Marut Simasathien	Nomination and Remuneration Director
4. Dr. Napassanun Punnipa	Nomination and Remuneration Director
5. Ms. Ratana Punnipa	Nomination and Remuneration Director

Executive Committee

The company's Executive Committee consisted of 4 directors as of 31 December 2020 were as follows:

Name	Position
1. Dr. Napassanun Punnipa	Chairman of Chairman Committee
2. Ms. Ratana Punnipa	Executive Director
3. Mr. Ampon Oniam	Executive Director
4. Ms. Somporn Ampaisutthipong	Executive Director

Risk Management Committee

The company's Risk Management Committee consisted of 3 directors as of 31 December 2020 were as follows:

Name	Position
1. Dr. Unchalin Punnipa	Chairman of Risk Management Committee
2. Mr. Marut Simasathien	Risk Management Director
3. Mr. Chinapat Visutipat	Risk Management Director

Corporate Governance Committee

The company's Corporate Governance Committee consisted of 4 directors as of 31 December 2020 were as follows:

Name	Position
1. Ms. Suvabha Charoenying	Chairman of Corporate Governance Committee
2. Mr. Marut Simasathien	Corporate Governance Director
3. Dr. Rutchaneeporn Pookayaporn	Corporate Governance Director
4. Mr. Chinapat Visutipat	Corporate Governance Director

Remark: The Board of Directors' meeting No.5/2563 held on 11 November 2020 resolved to appoint Corporate Governance Committee.

By Ms. Somporn Ampaisutthipong as a secretary of Corporate Governance Committee according to the resolution of the Board of Director meeting No. 5/2563 held on 11 November 2020.

Executives ^{1/}

The company's executives consisted of 7 persons as of 31 December 2020 were as follows:

Name	Position
1. Dr. Unchalin Punnipa	The President
2. Dr. Napassanun Punnipa	Chief Executive Officer
3. Ms. Somporn Ampaisutthipong	Chief Financial Officer
4. Ms. Ratana Punnipa	Chief Risk Officer
5. Mr. Ampon Oniam	Chief Operations Officer
6. Mrs. Aumaraporn Vaiyavatjamai	Senior Vice President, Accounting
7. Ms. Kanjanee Kulsurakit	Assistant Vice President, Finance

Remark: ^{1/} As defined by SEC's announcement No. KorChor. 17/2551 Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities and the revision.

Company Secretary

The Board of Directors Meeting No. 2/2018, held on 28 February 2018, resolved to appoint Ms. Supichaya Theppitak to be the company secretary with duties as specified in the Securities and Exchange Act, responsible for arranging the board meeting, shareholders meeting as well as preparing and documenting director registration, Notice of the Board of Directors Meeting, Board Meeting Minutes, Notice of the shareholders' meeting, Minutes of the shareholders' meeting and the company's annual report, Report on conflicts of interest of directors or executives, and other businesses regulated by the SEC, Capital Market Supervisory Board, and the Stock Exchange of Thailand.

Directors' Shareholding Information

TQM's shareholding information report of directors, executives, spouses and underaged children
and entities holding over 30%

Seq	Name-lastname	Position	No. of shares		
			31/12/63	31/12/62	+/-
1	Mr. Unchalin Punnipa ^{1/}	Chairman	11,027,000	14,000,000	- 2,973,000
	Spouse and underaged children		8,807,100	14,100,000	- 5,292,900
	Entities holding over 30%		152,700,100	152,700,100	-
2	Mr. Marut Simasathien	Indepednent Director	200,000	200,000	-
	Spouse and underaged children		-	-	-
3	Ms. Rutchaneeporn Pookayaporn	Indepednent Director	130,000	120,000	10,000
	Spouse and underaged children		-	-	-
4	Mr. Chinapat Visutipat	Indepednent Director	-	-	-
	Spouse and underaged children	-	-	-	-
5	Ms. Suvabha Charoenying	Indepednent Director	1,145,000	1,140,000	5,000
	Spouse and underaged children	-	-	-	-
6	Mr. Thana Thienachariya ^{2/}	Indepednent Director	309,600	-	-
	Spouse and underaged children		15,000	-	-
7	Mrs. Napassanun Punnipa ^{3/}	Director	8,807,000	14,100,000	- 5,293,000
	Spouse and underaged children		11,027,100	14,000,000	- 2,972,900
	Entities holding over 30%		152,700,100	152,700,100	-
8	Ms. Somporn Ampaisutthipong	Director	310,000	250,000	60,000
	Spouse and underaged children		-	-	-

Seq	Name-lastname	Position	No. of shares		
			31/12/63	31/12/62	+/-
9	Mr. Ampon Oniam	Director	130,000	490,000	- 360,000
	Spouse and underaged children		-	-	-
10	Ms. Ratana Punnipa	Director	-	282,000	- 282,000
	Spouse and underaged children		-	-	-
11	Mrs. Aumaraporn Vaiyavatjamai	Senior Vice President,	5,000	5,000	-
	Spouse and underaged children	Accounting	-	-	-
12	Ms. Kanjanee Kulsurakit	Assistant Vice President,	20,000	20,000	-
	Spouse and underaged children	Finance	-	-	-

Remark : ^{1/3/} Mr.Unchalini Punnipa and Mrs. Napassanun Punnipa is husband and wife living together as a couple.

^{2/} Mr.Thana Thienachariya had been elected and appointed to be Company's director according to the resolution of EGM 1/2563 held on 24 December 2020.



Directors



1. Dr. Unchalin Punnipa

- Chairman of the Board
- Chairman of Risk Management Committee

2. Mr. Marut Simasathien

- Independent Director
- Chairman of the Audit Committee
- Member of Nomination and Remuneration Committee
- Member of Risk Management Committee
- Member of Corporate Governance Committee

3. Dr. Rutchaneeporn Pookayaporn

- Independent Director
- Chairman of the Nomination and Remuneration Committee
- Member of The Audit Committee
- Member of Corporate Governance Committee

4. Mr. Chinapat Visuttiapat

- Independent Director
- Member of Nomination and Remuneration Committee
- Member of Risk Management Committee
- Member of The Audit Committee

- Member of Corporate Governance Committee

5. Ms. Suvabha Charoenying

- Independent Director
- Chairman of the Corporate Governance Committee

6. Mr. Thana Thienachariya

- Independent Director

Directors



7. Dr. Napassanun Punnipa

- Director
- Chairman of Executive Committee
- Member of Nomination and Remuneration Committee

8. Mr. Ampon Oniam

- Director
- Executive Director

9. Ms. Somporn Ampaisutthipong

- Director
- Executive Director

10. Ms. Ratana Punnipa

- Director
- Executive Director
- Member of Nomination and Remuneration Committee

11. Ms. Supichaya Theppitak

- Company Secretary

Directors' Biography

Dr.Unchalin Punnipa

Age	59 yrs.
Nationality	Thai
Current Position	Chairman of the Board/President/ Chairman of Risk Management Committee
Appointment Date as the Director/Management	14 July 2011
Shareholding	3.67 %
No. of year being director	10 yrs.



Education

1. Honorary Doctorate Degree of Arts in General Management
2. Doctor of Philosophy in Public Administration, Eastern Asia University
3. Master of Business Administration, Kasetsart University
4. Bachelor of Political Science, Ramkhamhaeng university

Training

1. 2morrow Scaler 2020 Stock2morrow
2. Strategic Board Master Class (SBM) Class 7, 2019 (IOD)
3. Modern Manager Program (MMP 66) 2018 Chulalongkorn University
4. Everest Business Camp 2018 Sripatum University
5. Advanced Management Program, Capital Market Academy (CMA), Class 26, 2018
6. National Defense Course (NDC), Class 58, 2015
7. Advance Certificate Politics and Governance in Democracy System for Executive ,Class 18 King Prajadhipok's Institute
8. Thailand Insurance Leadership Program, Class 3, 2013
9. ACADEMY OF BUSINESS CREATIVITY (ABC), Class 1, 2013
10. Advanced Security Management Program (ASMP), Class 3, 2012
11. Risk Management for Executives No.9/2011 Chulalongkorn University
12. Director Certification Program, Class 146, 2011
13. Successful Formulation & Execution of Strategy, Class 8, 2010
14. Role of the Chairman Program, Class 23, 2010
15. Business Analysis Program, Class 17, 2010 Chulalongkorn University

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 1997 - Present Chairman of the Board / President
TQM Insurance Broker Company Limited
- 2008 - Present Chairman of the Board / President
TQM Life Insurance Broker Company Limited
- 2020 - Present Chairman of the Board TO 2020 Company Limited
- 2006 - Present Director Ethanol Growth Corporation Company Limited
- 2017 - Present Director TQM Place Company Limited
- 2011 - Present Director The Perfect Group International Company
- 2013 - Present Director Beauty Lab Innovation (Thailand) Company Limited
- 2017 - Present Director Dara Daily Shopping Company Limited
- 2007 - 2019 President / Chairman of the Board Casmatt Company Limited
- 2007 - 2018 Director Casmatt Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Mr. Marut Simasathien

Age	72 yrs.
Nationality	Thai
Current Position	Independent Director/Chairman of the Audit Committee/Nomination and Remuneration Director/Risk Management Director/Corporate Governance Director
Appointment Date as the Director/Management	22 February 2018
Shareholding	0.07%
No. of year being director	4 yrs.

**Education**

1. Master of Business Administration Kasetsart University
2. Bachelor of Accounting, Thammasat University

Training

1. Advanced Audit Committee Program (AACP) ,Class 38 (2020) the Thai Institute of Directors
2. Director Accreditation Program (DAP) ,Class 17/2004 the Thai Institute of Directors
3. Thailand National Defense Course, 2002 the National Defense College of Thailand
4. Corporate Governance for Directors and Senior Executives Course of state Enterprises and Public Organizations, Class 11

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2016 - Present Independent Director / Audit Committee Thai National Product Public Company Limited
- 2003 - Present Chairman of the Board of Directors / NL Development Public Company Limited Chairman of the Audit Committee
- 1989 - Present Director MPS Holding Company Limited Competitive or related businesses to the company
- None

Illegal Record in the past 5 years

- None

Dr. Rutchaneeporn Pookayaporn

Age	62 yrs.
Nationality	Thai
Current Position	Independent Director/Chairman of the Nomination and Remuneration Committee/Member of The Audit Committee/Corporate Governance Director
Appointment Date as the Director/Management	22 February 2018
Shareholding	0.04%
No. of year being director	4 yrs.



Education

1. Doctor of Philosophy in Psychology Management, Alliant International University, USA
2. Master's degree in School Administration, Mississippi state University, USA
3. Bachelor of Business Administration, Mississippi University for Women, USA

Training

1. Financial Statements for Directors (FSD), Class 43/2020 the Thai Institute of Directors
2. Director Certification Program, Class 261, 2018 the Thai Institute of Directors
3. Business Reform and Innovation Network Course, Class 1 (BRAIN) organized by the Federation of Thai Industries
4. Advanced Insurance Program, Class 6, the Office of Insurance Commission (OIC)
5. Senior Executive Program, Class 5, the Energy Science Institute
6. Senior Executive Program, Capital Market Academy, Class 8
7. National Defense Course (Por Ror .Aor 19), 2006
8. Service Level Relationship Development Project, Class 3 (Por Sor Bor 3)

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2020 - Present Director A.S.M.Co., Ltd.
- 2017 - Present Director Ban IT Property Company Limited
- 2017 - Present Director Ban Chao Sam Ran Property Company Limited
- 2010 - Present Director Embedded Innovation Sripatum Company Limited

- 2004 - Present Director SPT Holding Company Limited
- 2004 - Present Director SPU Development Company Limited SPT Park Company
- 2004 - Present Director SPT Park Company Limited
- 2004 - Present Director SPT Land Company Limited
- 2003 - Present Director Pornsuksant Cleaning Limited Partnership
- 1999 - Present Director M.P. Education Co., Ltd.
- 1996 - Present Director Thai Ayathaya Business Administration Co., Ltd.
- 1996 - Present Director S.M.P 1996 Co., Ltd.
- 1995 - Present Director Ubonchart Co., Ltd.
- 1995 - Present Director One Plus One Design Co., Ltd.
- 1993 - Present Director M.P. Town Co., Ltd.
- 1988 - Present Director Sripatum Education Co., Ltd.
- 1987- Present Chancellor Sripatum University
- 1984 - Present Director Thai Suriya Housing and Agriculture Co., Ltd.

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Mr. Chinapat Visuttiapat

Age	54 yrs.
Nationality	Thai
Current Position	Independent Director/Nomination and Remuneration Director/Risk Management Director/Member of The Audit Committee/Corporate Governance Director
Appointment Date as the Director/Management	22 February 2018
Shareholding	None
No. of year being director	4 yrs.



Education

1. Master of Laws, Thammasat University
2. Bachelor of Laws, Thammasat University

Training

1. Graduate Diploma in Business Law, Thammasat University
2. Director Certification Program (DCP), Class 162, 2012
3. Director Diploma Examination, Class 36, 2013

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- 2016 - Present Independent Director/Audit Committee
Origin Company Property Public Company Limited
- 2016 - Present Independent Director/Chairman of the Audit
Committee Abatek (Asia) Public Company Limited
- 2016 - Present Independent Director/Chairman of the Audit
Committee Shera Public Company Limited

Position in other companies/businesses

- 2020 - Present Director ONE Law Office Limited
- 2020 - Present Director ONE Law Club Limited
- 2018 - Present Director O O One Branding Company
Limited

- 2018 - Present Director Choco toss Company Limited
- 2018 - Present Director Toon Tossakan Company Limited
- 2018 - Present Director Wellaw Company Limited
- 2014 - Present Director KHKP Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Ms. Suvabha Charoenying

Age	58 yrs.
Nationality	Thai
Current Position	Independent Director/ Chairman of Corporate Governance Committee
Appointment Date as the Director/Management	8 May 2018
Shareholding	0.38%
No. of year being director	4 yrs.



Education

1. Master of Business Administration in Finance and Marketing, Assumption University
2. Bachelor of Business Administration in Finance and Banking, Assumption University

Training

1. Digital Leadership Bootcamp, Class 2/2020 Skooldio
2. Senior Executive Program, Class 13, 2019 the Energy Science Institute
3. Strategic Board Master Class (SBM) Class 7, 2019 (IOD)
4. Strategic Board Master Class, Class 2, IOD Institute, 2017
5. Program Board Success through Financing and Investment Institute, IOD, 2016
6. Corporate Governance for Capital Market Intermediaries Course, IOD Institute, 2014
7. Financial Institutions Governance Program, Class 5, IOD Institute, 2014
8. Audit Committee Program, IOD Institute, 2011
9. Successful Formulation & Execution of Strategy, Class 6, IOD Institute, 2011
10. Executive Development Program (EDP), Class 2, Thai Listed Companies Association (TLCA), 2009
11. Advanced Management Program, Capital Market Academic, Class 1, 2009
12. Families in Business from generation to Generation Harvard Business School, USA, 2004
13. Finance For Non-Finance Director, Class 1 (FND 1/2001) IOD 2003
14. Director Certificate Program, Class 1, 2000

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- 2016 - Present Independent Director Minor International Public Company Limited
 - 2018 - Present Independent Director SF Corporation Public Company Limited
 - 2015 - 2018 Director / Executive Director Thanachart Securities Public Company Limited
 - 2015 - 2017 Independent Director Big C Super Center Public Company Limited Position in other companies/ businesses
 - 2020 - Present Director The One Enterprise Company Limited
 - 2019 - Present Director Thai institute of Directors
 - 2018 - Present Director Intermart (Thailand) Company Limited
 - 2017 - Present Director Gourmet Enterprise Company Limited
 - 2017 - Present Director Gourmet Asia Company Limited
 - 2015 - Present Director Family Office Company Limited
 - 2014 -Present Director Thai Financial Planners Association
- Competitive or related businesses to the company
- None

Illegal Record in the past 5 years

- None

Mr.Thana Thienachariya

Age	52
Nationality	Thai
Current Position	Independent Director
Appointment Date as the Director/Management	24 December 2020
Shareholding	0.10%
No. of year being director	8 days



Education

1. Master's degree Master of Business Administration
Washington State University, USA.
2. Bachelor's degree Bachelor of Economics (2nd Class Honor)
Chulalongkorn University

Training

1. Director Certification Program (DCP 181/2556)
2. TLCA Executive Development Program (EDP, Class 8/2554)
3. New Generation of Leadership in Democracy,
King Prajadhipok's Institute (Batch 1/2011) King Prajadhipok's
Institute
4. Capital Market Academy Leader Program (Batch 8/2009)
Capital Market Academy

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- 2020 - Present Advisor to CEO
Siam Commercial Bank Public Company Limited
- 2013 - Present Independent Director
Sappe Public Company Limited
- 2015 - 2020 Senior Executive Vice President Chief
Executive Officer
Siam Commercial Bank Public Company Limited
Marketing Group and Acting Senior
Executive Vice President Chief Executive
Corporate Communications Division And social
activities

Position in other companies/businesses

- 2020 - Present Director and Chairman of the Board of
Directors Bluebik Group Co., Ltd.
- 2020 - Present Director Purple Ventures Company Limited
- 2013 - Present Director Academy of Business Creativity
Sripatum University
- 2015 - Present Director Aksorn Education Company Limited
- 2013 - Present Director Southpaw Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Dr. Napassanun Punnipa

Age	49 yrs.
Nationality	Thai
Current Position	Director/Chairman of Executive Committee/
Nomination and	Remuneration Director/Chief Executive
	Officer
Appointment Date as the Director/Management	14 June 2011
Shareholding	2.93%
No. of year being director	10 yrs.



Education

1. Doctor of Philosophy in Public Administration, Eastern Asia University
2. Master of Business Administration, Kasetsart University
3. Bachelor of Business Administration, Sripatum University

Training

1. Thailand Insurance Super Leadership Program, Class 1, 2020 the Office of Insurance Commission (OIC)
2. Digital Transformation for CEO # 2 , 2020
3. Ultralink China, Class 1 , 2018 of FiveWhale
4. Innovation Leadership for Global Competitiveness, Class 2, 2018 Siam University
5. Executive Integrated Medical Management Program (EMMP) 2018 of Chulabhorn International College of Medicine, Thammasat University
6. DEF: Digital Edge Fusion 2017 of Sripatum University
7. Advanced Management Program, Capital Market Academy, Class 22, 2016
8. Difference :How to Harness Business Creativity Class 2 , 2014 Academy of Business Creativity
9. Real Estate/Real Deal, Class 1 , 2014 Academy of Business Creativity
10. Director Certification Program, Class 147, 2011
11. Insurance Leadership Program, Class 2 of the Office of Insurance Commission (OIC)
12. Insurance Management Development Program 2008 of Chulabhorn University
13. New Millennium Executive Program 2002 of Thammasat University

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 1997 - Present Director/Chief Executive Officer TQM Insurance Broker Company Limited
- 2008 - Present Director/Chief Executive Officer TQM Life Insurance Broker Company Limited
- 2020 - Present Director TO 2020 Company Limited
- 2018 - Present Chairman of the Board Casmatt Company Limited
- 2016 Present Director TQLD Company Limited
- 2017 - Present Director TQM Place Company Limited
- 2011 - Present Director Dara Daily Company Limited
- 2016 - Present Director The Perfect Group International Company Limited
- 2011- Present Director Beauty Lab Innovation (Thailand) Company Limited
- 2013 - Present Director Dara Daily Shopping Company Limited
- 2016 - Present Director Dara Daily Tour Company Limited
- 2017 - Present Director Beauty Twenty Four Company Limited
- 2007 - Present Chief Executive Officer Casmatt Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Mr. Ampon Oniam

Age 60 yrs.

Nationality Thai

Current Position Director/Executive Director/
Chief Operations Officer

Appointment Date as the Director/Management 22 September 2017

Shareholding 0.04%

No. of year being director 4 yrs.



Education / Training

1. Director Certification Program, Class 254, 2018

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2017 - Present Chief Operations Officer
TQM Insurance Broker Company Limited
- 2002 - Present Executive Vice President Building
TQM Insurance Broker Company Limited
- 2002 - Present Executive Vice President Branch Coordination
TQM Insurance Broker Company Limited
- 2017 - Present Chief Operations Officer
TQM Life Insurance Broker Company Limited
- 2008 - Present Executive Vice President Building
TQM Life Insurance Broker Company Limited
- 2008 - Present Executive Vice President Branch Coordination
TQM Life Insurance Broker Company Limited
- 2008 - Present Director Casmatt Company Limited
- 2002 - 2019 Executive Vice President Human Resources
TQM Insurance Broker Company Limited
- 2002 - 2019 Executive Vice President Human Resources
TQM Life Insurance Broker Company Limited
- 2017 - 2019 Chief Operations Officer
Casmatt Company Limited
- 2007 - 2018 Executive Vice President Building
Casmatt Company Limited

- 2007 - 2018 Executive Vice President Human Resources
Casmatt Company Limited

- 2017 - 2018 Managing Director
Dara Daily Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Ms. Somporn Ampaisutthipong

Age	57 yrs.
Nationality	Thai
Current Position	Director/Executive Director/ Chief Financial Officer
Appointment Date as the Director/Management	20 September 2017
Shareholding	0.11%
No. of year being director	4 yrs.



Education

1. Master of Finance and Marketing, Sripatham university
2. Bachelor of Management Science, Sukhothai Thammathirat Open University
3. Vocational Certificate in Accountancy, Rajamangala University of Technology, Borpitpimuk Chakkawad Campus

Training

1. Director Accreditation Program, Class 143/2017
2. Director Certification Program, Class 252/2018
3. CFO Certificate Program the Federation of Accounting Professions
4. Strategic CFO in Capital Market, Class 5, the Stock Exchange of Thailand
5. Executive Development Program, Class 7, the Stock Exchange of Thailand
6. Thailand Overseas Investment Center (TOISC) Class 7, the Office of the National Anti-Corruption Commission (BOI)

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None
- Position in other companies/businesses
- 2016 - Present Chief Financial Officer
TQM Insurance Broker Company Limited
- 2016-Present Chief Financial Officer
TQM Life Insurance Broker Company Limited
- 2016-2020 Chief Financial Officer
Casmatt Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Ms. Ratana Punnipa

Age	57 yrs.
Nationality	Thai
Current Position	Director/Executive Director/ Nomination and Remuneration Director/ Chief Risk Officer
Appointment Date as the Director/Management	22 September 2017
Shareholding	None
No. of year being director	4 yrs.



Education

1. Bachelor of Business Administration in Accounting, Ramkhamhaeng University

Training

1. Director Accreditation Program, Class 143, 2017
2. Director Certification Program, Class 254, 2018
3. Internal Control for IPO team, Class 3, 2019 (SET)

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2018 - Present Director TQM Insurance Broker Company Limited
- 2017 - Present Chief Risk Officer TQM Insurance Broker Company Limited
- 2002 - Present Executive Vice President of Procurement TQM Insurance Broker Company Limited
- 2017 - Present Director, Chief Risk Officer (CRO) TQM Life Insurance Broker Company Limited
- 2008 - Present Executive Vice President of Procurement TQM Life Insurance Broker Company Limited
- 2021 - Present Director TO 2020 Company Limited
- 2018 - Present Director Casmatt Company Limited
- 2007 - Present Chief Risk Officer (CRO)/Casmatt Company Limited

Executive Vice President of Procurement

- 2017 - Present Director Dara Daily Shopping Company Limited
- 2016 - Present Director Dara Daily Tour Company Limited
- 2013 - Present Director Premier Consumer Company Limited
- 2011 - Present Director The Perfect Group International Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Accounting Executives Biography

Mrs. Aumaraporn Vaiyavatjamai

Age	54 yrs.
Nationality	Thai
Current Position	Senior Vice President, Accounting
Appointment Date as the Director/Management	1 November 2016
Shareholding	0.00%



Education

1. Bachelor of Business Administration in Accounting,
Ramkhamhaeng University

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2019 - Present Senior Vice President, Accounting
TQM Insurance Broker Company Limited
- 2019 - Present Senior Vice President, Accounting
TQM Life Insurance Broker Company Limited
- 2019 - 2020 Senior Vice President, Accounting
Casmatt Company Limited
- 2016 - 2018 Accounting Director
TQM Life Insurance Broker Company Limited
- 2016 - 2018 Accounting Director
TQM Insurance Broker Company Limited
- 2016 - 2018 Accounting Director
Casmatt Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Finance Executives Biography

Ms. Kanjanee Kulsurakit

Age	57 yrs.
Nationality	Thai
Current Position	Assistant Finance Director
Appointment Date as the Director/Management	26 January 2015
Shareholding	0.01%



Education

1. Master of Marketing, Ramkhamhaeng University
2. Bachelor of Finance, Assumption University

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2015 - Present Assistant Vice President, Finance
TQM Insurance Broker Company Limited
- 2015 - Present Assistant Vice President, Finance
TQM Life Insurance Broker Company Limited
- 2015 - 2020 Assistant Vice President, Finance
Casmatt Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Company Secretary Biography

Ms. Supichaya Theppitak

Age	47 yrs
Nationality	Thai
Current Position	Company Secretary
Appointment Date as the Director/Management	28 February 2018
Shareholding	0.03%



Education

1. Master of Business Administration, Kasetsart University
2. Bachelor of Arts Burapha University

Training

1. Open House for Company Secretary Thai Institute of Directors 2020
2. Company Secretary Program (CSP) Class 85/2018 Thai Institute of Directors 2018
3. Effective Minutes Taking (EMT) Class 40/2018 Thai Institute of Directors 2018

Professional Experience During The Past 5 Years

Position as Director/Executive in other listed companies in SET

- None

Position in other companies/businesses

- 2018 - Present Senior Director Operations
TQM Insurance Broker Company Limited
- 2004 - 2017 Director Operations
TQM Insurance Broker Company Limited

Competitive or related businesses to the company

- None

Illegal Record in the past 5 years

- None

Remuneration of Directors and Management

TQM Corporation Public Company Limited

1 Directors' Remuneration

1.1 Monetary compensation

The annual general meeting of the shareholders of the company for the year 2020, held on 29 April 2020, passed a resolution to determine the remuneration of the Board of Directors and committees for the year 2020, with remuneration for the Board of Directors in the form of monthly compensation, meeting allowances, and others as follows:

2020's Directors' Remuneration

Description	Salary (baht/month)	Meeting Allowance (baht/meeting)
Board of Directors		
- Chairman	-	50,000
- Director	-	30,000
Audit Committee		
- Chairman	-	30,000
- Member	-	20,000
Nomination and Remuneration Committee		
- Chairman	-	30,000
- Director	-	20,000
Risk Management Committee		
- Chairman	-	30,000
- Director	-	20,000
Executive Committee		
- Chairman	-	-
- Director	-	-
Corporate Governance Committee ^{1/}		
- Chairman	-	30,000
- Director	-	20,000

Remark : ^{1/} The remuneration of Corporate Governance Committee had been approved by the resolution of EGM No. 1/2563 held on 24 December 2020.

2020 Monetary Remuneration

Name	Board of Directors	The Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Corporate Governance Committee	Total
1. Dr. Unchalin Punnipa	300,000	-	-	-	120,000	-	420,000
2. Mr. Marut Simasathien	180,000	120,000	80,000	-	80,000	-	460,000
3. Dr. Rutchaneeporn Pookayaporn	180,000	80,000	120,000	-	-	-	380,000
4. Mr. Chinapat Visutipat	180,000	80,000	80,000	-	80,000	-	420,000
5. Ms. Suvabha Charoenying	180,000	-	-	-	-	-	180,000
6. Mr. Thana Thienachariya ^{1/}	-	-	-	-	-	-	-
7. Dr. Napassanun Punnipa	180,000	-	80,000	-	-	-	260,000
8. Ms. Somporn Ampaisutthipong	180,000	-	-	-	-	-	180,000
9. Ms. Ratana Punnipa	180,000	-	80,000	-	-	-	260,000
10. Mr. Ampon Oniam	180,000	-	-	-	-	-	180,000

Remark: ^{1/} Mr. Thana Thienachariya had been elected and appointed to be Company's director according to the resolution of EGM 1/2563 held on 24 December 2020.

1.2 Other remunerations

- Health insurance with premium not over 70,000 baht or medical expenses not over 70,000 baht.
- Directors and Officers Liability Insurance, paid by the Company.

2. Executive's Remuneration

2.1 Monetary Remuneration

There was not any monetary remuneration paid because executives were employed and paid by TQM Insurance Broker Company Limited.

2.2 Other remunerations

The company provided Provident Fund, managed by Bangkok Bang Public Company Limited.



Subsidiary with Core Business

TQM Insurance Broker Company Limited

1 Directors' Remunerations

TQM Insurance Broker Company Limited did not offer any Directors' remuneration.

2 Executives' Remunerations

2.1 Monetary Remuneration

Description	Y2020	
	Transaction	Remuneration (THB:MB)
1. Total Salaries	7	42.79
2. Total Bonuses		9.01
Total	7	51.80



2.2 Other Remunerations

TQM Insurance Broker Company Limited paid for executives as a remuneration in amount of 2.93 million baht which were provident fund managed by Bangkok Bank Public Company Limited, gasoline, telephone bills and medical bills.

TJN Insurance Broker Company Limited

1 Directors' Remunerations

TJN Insurance Broker Co., Ltd. did not offer any Directors' remuneration.

2 Executives' Remunerations

2.1 Monetary Remuneration

There was not any remuneration paid because executives were paid by TQM Insurance Broker Company Limited.

2.2 Other remunerations

TJN Insurance Broker Insurance Broker Company Limited provided provident fund, managed by Bangkok Bank Public Company Limited.

TQM Life Insurance Broker Company Limited

1 Directors' Remunerations

TQM Life Insurance Broker Company Limited did not offer any Directors' remuneration.

2 Executives' Remunerations

2.1 Monetary Remuneration

There was not any remuneration paid because executives were paid by TQM Insurance Broker Company Limited.

2.2 Other remunerations

TQM Life Insurance Broker Company Limited provided provident fund, managed by Bangkok Bank Public Company Limited.

Supporting business

TO 2020 Company Limited

1 Directors' Remunerations

TO 2020 Company Limited did not offer any Directors' remuneration.

2 Executives' Remunerations

2.1 Monetary Remuneration

There was not any remuneration paid because executives were paid by TQM Insurance Broker Company Limited.

2.2 Other remunerations

TO 2020 Company Limited provided provident fund, managed by Bangkok Bank Public Company Limited

Casmatt Company Limited

1 Directors' Remunerations

Casmatt Company Limited did not offer any Directors' remuneration.

2 Executives' Remunerations

2.1 Monetary Remuneration

There was not any remuneration paid because executives were paid by TQM Insurance Broker Company Limited.

2.2 Other remunerations

Casmatt Company Limited provided provident fund, managed by Bangkok Bank Public Company Limited.



Corporate Governance

1 Corporate Governance Policy

The Board of Directors' work management is based on adherence to the principles of good corporate governance of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET") by recognizing the importance of business operations and the improvement of existing corporate governance for good, sustainable business growth in the long run and supporting transparency. Such principles do not only build confidence for shareholders, investors or all stakeholders, but can also create the benefits and good business results for the Company and generate overall benefits for the Company's competitiveness and sustainable growth.

Additionally, the Company has attached importance to the shareholders' rights and responsibility to the Company's shareholders and stakeholders continuously, equitable treatment of shareholders, and keeping in mind of the role of stakeholders, disclosure of information and transparency. Moreover, the Board of Directors puts emphasis on responsibility for duties and compliance with the principles of good corporate governance so as to increase confidence of shareholders, investors and all parties involved. The Board of Directors resolved to approve and enforce the corporate governance policy of covering the main principles, ranging from the structure, roles, duties and responsibilities of the Board of Directors to the management principles of executives with transparency, clarity and verifiability by applying the principles and practices based on good corporate governance for listed companies 2017 of the Securities and Exchange Commission as guidelines for organizational management, resulting in confidence that any operation of the Company is fair and takes into account the best interests of shareholders and all stakeholders. The essence of the policy can be divided into 8 principles as follows.

- 1) **Awareness of the roles and responsibilities of the Board as organizational leader creating value for sustainable business**
 - 1.1 The Board of Directors understands and recognizes the roles and responsibilities as a leader, for supervising the organization being good management covering objectives and goals, strategy formulation, operational policies as well as allocating important resources to achieve objectives and goals and monitoring, evaluating and reporting operation performances.
 - 1.2 The Board of Directors establishes policies, including the corporate governance policy and corporate social responsibility policy to create sustainable business in order to promote ethical business practices, respect the rights and responsibilities to shareholders and stakeholders, achieving success in the business operations of the company, benefit to society and develop or reduce environmental impact as well as being able to adapt under changing factors.
 - 1.3 The Board of Directors is responsible for overseeing that directors and executives perform their duties with accountability and responsibility, duty of care, honesty to the organization, duty of loyalty for the most benefit of the company, and shall comply with the law, objectives, regulations,

resolutions of the Board of Directors' meeting and the resolution of the shareholders' meeting including the policy or guidelines that have been specified by the company by having to provide sufficient mechanisms to ensure that the company's operations complying with relevant laws, objectives, regulations, resolutions of the Board of Directors Shareholders meeting's resolution and various policies of the company such as related party transaction policy, anti-corruption policy (Anti-Corruption Policy), the Delegation of Authority, etc., including the approval process of important operations such as investment, transactions that affect the company, significant transaction with related party, acquisition or disposal of assets and dividend payment. etc.

- 1.4 The Board of Directors understands the role scope of duty and responsibilities of the board of directors as well as clearly specifying the scope of delegation of duties and responsibilities to the committees and management as well as monitoring and overseeing the performance of duties as assigned by the various charters of the Board of Directors and sub-committees in writing, and shall review the said charters regularly at least once a year to be in line with the company's directions.
- 1.5 Director positions
 - 1.5.1 The Board of Directors has determined that each director can hold the position of director in other listed companies when combining the company, there shall not be more than 5 listed companies.
 - 1.5.2 In the case that a director is a Chairman, an Executive Director or a director binding company, one or many other companies, there shall not be more than 3 business groups.
 - 1.5.3 Managing Director of the company to be a director in other companies (except family business's companies) shall obtain approval from the board before taking office and the committee shall consider the type of director position and the number of companies holding positions in order to be effective in performing duty and in order for the director to be able to devote time to perform the duties of the directors of the company.

In addition, the company has stipulated that directors and senior executives have the duty to inform the company of the directorship positions in other companies to the company at the first opportunity to be appointed as the company's directors or senior management by disclosing information about company name, business type, amount of shares holding, including shares held by spouse and under-age children in the company and shall notify the company of the change of position in other companies according to the report on interests of directors and senior executives.

However, being a director in other business types shall not conflict with regulations or rules of other relevant regulatory agencies and shall notify the company within 7 days from the date of appointment or the date of holding the position.

2) Determining the main objectives and goals of sustainable business

- 2.1 The Board of Directors attaches great importance to the determination of the main objectives and objectives of the business operations of the organization to grow sustainably with society, creating value and benefits the organization, customers, business partners, employees, shareholders, and stakeholders and the society as a whole and shall promote communication and strengthen the main objectives and objectives of the organization to reflect in the decisions and operations of human resources at all levels to become an organizational culture under the principles of good corporate governance.
- 2.2 Objectives and annual business strategies shall be consistent with the achievement of the main objectives and objectives of the business by adopting innovations and technology appropriately and safely. In addition, the Board of Directors shall be aware of the risks of setting goals that may lead to illegal behavior or lack of ethics (unethical conduct) as well as supervising the intervention of objectives and goals through strategies and plans throughout the organization.

3) Strengthening the efficiency of Board of Directors

- 3.1 The Board of Directors has duties and responsibilities in determining and reviewing the structure of the Board of Directors, in terms of composition, qualifications, expertise, experience, number of directors suitable for the business, proportion of independent directors in order to be appropriate and necessary to achieve the specified objectives and key objectives. The related guidelines can be summarized as follows:
- 3.1.1 The meeting of shareholders determines the number of directors of the company, the term of office is 3 years. However, the directors who have completed their terms may be re-elected from the shareholders' meeting.
- 3.1.2 The Board of Directors shall have qualifications and shall not have prohibited characteristics as stipulated by law.
- 3.1.3 The Board of Directors consists of at least 1 in 3 independent directors and not less than 3 persons, independent directors of the company shall have qualifications and shall not have prohibited characteristics as specified by the Board of Directors which is strict, not less than the qualifications specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand.
- 3.1.4 Directors and senior management of the company are responsible for reporting executive directorship, controlling person in a limited company or other listed companies, being a managing partner in an ordinary partnership or being a limited liability partner in a limited partnership, the company shall be informed in accordance with the rules and procedures prescribed by the Board of Directors.

- 3.1.5 The Board of Directors has clearly specified the scope of duties and responsibilities of the Board of Directors in the Board of Directors' charter. Details of the composition, qualifications, appointment, term of office and termination shall be as specified in the board of directors' charter.
- 3.1.6 The Board shall disclose the policy for determining compositions of the committee and directors' information i.e. age, education background, experience, shareholding proportion, number of years in office and director positions in other listed companies in the annual report and on the website of the company.
- 3.1.7 The Board of Directors shall appoint Company Secretary to perform duties as required by law and perform other duties as assigned by the Board of Directors.
- 3.2 The Board of Directors shall appoint a suitable person to be the chairperson of the board and ensure that the components and operations of the Board of Directors facilitate the exercise of independent judgment, in the case that the chairperson is not an independent director, the Board of Directors shall appoint an independent director to participate in determining agenda of the board meeting to maintain the balance of power between the board and management and to be in accordance with corporate governance principles for listed companies.
- 3.3 The Board of Directors shall oversee the recruitment and selection of each committee to have a transparent and clear process in order to get the Board of Directors and sub-committees having qualifications consistent with the specified components.
- 3.4 The shareholders 'meeting has the power to consider and approve the directors' remuneration. Therefore, in proposing the directors 'remuneration to the shareholders' meeting The Board of Directors will consider the structure and compensation rate to be appropriate with the responsibility. Persuade the Board of Directors to lead the organization to carry out both short-term and long-term goals.
- 3.5 Board of Directors shall ensure that all directors have responsibilities in performing their duties and allocate sufficient time.
- 3.6 The Board of Directors provides a framework and mechanism for supervising the policies and operations of subsidiaries and associates at the appropriate level for each business including subsidiaries and associates to have the same understandings.
- 3.7 The Board of Directors has a policy to evaluate the annual performance of the Board of Directors, sub-committee and individual directors, with the evaluation results being used for further development of duties.
- 3.8 The Board of Directors shall oversee that each director has knowledge and understanding of roles and responsibilities, nature of business and laws related to business operations as well as to support all directors to receive skills and knowledge for performing their duties regularly.

- 3.9 The Board of Directors shall ensure that the operations of the Board of Directors are completed, able to access the necessary information and appoint a company secretary with knowledge and experience necessary and appropriate to support the operations of the Board of Directors.
- 3.10 In addition, in order to strengthen the Board of Directors, the Board of Directors shall appoint a number of members from the Board of Directors as members of the sub-committees to perform special duties. Each sub-committee has the same term as the Board of Directors and has duties as assigned by the Board of Directors.
- 3.11 The board shall oversee the disclosure of roles and duties of the committee, sub-committee and the chairman, the number of meetings and the number of times each director attended the meeting in the past year and report the performance of every sub-committee.

3.11.1 The Audit Committee

To perform duties as assigned by the Board of Directors, which includes the duty to review financial reports, internal control system, legal compliance, selection of auditor, disclosure of company information and preparation of the audit committee's report, etc., as it appears in the audit committee's charter.

3.11.2 Executive Committee

To perform various duties as assigned by the Board of Directors, including management duties regarding normal operations and the management of other companies, screen policies, business plans, budgets, management structures and the management powers of the company, establishing rules for conducting business in accordance with the economic conditions, to propose to the meeting of the board of directors for consideration and approval and / or agreement including checking and following up the company's operations according to the policy set by the Board of Directors, etc., as stated in the Executive Committee's charter.

3.11.3 Nomination and Remuneration Committee

To perform duties as assigned by the Board of Directors, including the duty to select the person who being suitable to be nominated as a new director or senior management and management authority by specifying criteria or methods of recruitment and criteria of selection and transparency, to propose to the meeting of the board of directors and / or the shareholders' meeting for approval, consider the guidelines and determine compensation to the directors and senior management and management authority by specifying rules or methods of determining, fair and reasonable compensation for submission to the Board of Directors' meeting and / or the shareholders' meeting for approval, etc. as shown in the Nomination and Remuneration Committee's charter.

3.11.4 Risk Management Committee

To perform duties as assigned by the Board of Directors including the duty to formulate policies, management strategy and the risk management framework, to propose to the Board of Directors, and follow up to ensure that risks and impacts are assessed including risk management at the level of the organization of the company, sufficient and in time to the situation, etc., as shown in the Risk Management Committee's charter.

3.11.5 Corporate Governance Committee

To perform various duties as assigned by the Board of Directors. These include the duty of reviewing the corporate governance policy of the Company, anti-corruption, developing and reviewing the processes or practices in corporate governance, following up and supervising the operations of the management complying with the policy and practice of corporate governance, etc., as stated in the Corporate Governance Committee's Charter.

3.11.6 Chairperson of the Board

The chairperson of the Board is the chairperson of the board meeting is responsible as the leader of the Board of Directors in supervising and overseeing the operations of the Board of Directors and sub-committees voting in case of equal votes, the chairperson of the Board of Directors shall have an additional vote as the deciding vote, calling the board meeting or may assign another person to act on his behalf, being the chairperson of the shareholders' meeting and any other operations according to the resolution of the board of directors' meeting.

3.12 Board of Directors Meeting

3.12.1 The company has informed the board of directors' meeting schedule in advance every year to help the directors to allocate time to attend the meeting and delivered the meeting invitation letter, meeting agenda details and supporting documents for the meeting for the board of directors to study and consider at least 7 days in advance of the meeting date.

3.12.2 In each meeting, the minimum quorum at the time that the board of directors shall pass a resolution shall be at least 2/3 of the total number of directors.

3.13 The rules and procedures for the appointment of independent directors are in accordance with the rules and procedures for the appointment of the directors, in which each independent director can hold an independent position for a maximum of 9 consecutive years.

4) Recruitment and development of senior management and human resources management

4.1 The Board of Directors shall ensure that recruitment and development of the chairperson of the Executive Committee and senior executives qualified with knowledge, skills, experience and qualifications necessary to drive the organization to the goal.

4.2 The Board of Directors shall supervise the determination of compensation structure and suitable evaluation.

- 4.3 The Board of Directors provide a policy to use the inside information of the company in associated with understanding of the structure and relations of shareholders that may affect the management of the business and the power to control the management of the business in order not to be a hindrance to the Board of Directors' duties, and shall oversee the disclosure of information that may have an impact on the appropriate control of the business.
- 4.4 The Board of Directors shall monitor and manage the human resources development to have the appropriate knowledge, skills, experience and motivation.
- 4.5 The Board of Directors requires an orientation for all new directors in order for the new directors to be aware of the expectations that the company has on the roles and responsibilities of the directors, policies and guidelines for corporate governance of the company, including knowledge and understanding of the business and operations of the company in order to prepare the director's performance.
- 4.6 The Board of Directors shall support those involved in the company's corporate governance system, i.e. directors, sub-committees, executives, company secretaries, investor relations, accounting department, etc., to attend training courses or participate in activities organized by the Thai Institute of Directors (IOD), the SEC, the Thai Listed Companies Association, Thai Investors Association, or various independent organizations consistently and continuously to enhance knowledge, improve operations being useful for performing duties more efficiently.

5) Promotion of innovations and responsible business operations

- 5.1 The Board of Directors attaches importance and supports the creation of innovations that create business value and benefits to stakeholders and is responsible to society and the environment by promoting actions to add value to the company according to the changing environmental factors. This may cover the determination of a business model (Business Model), thinking methods, design and development of products and services, research, improvement of production processes and work processes including cooperation with partners.
- 5.2 The Board of Directors shall monitor the management to conduct business with social and environmental responsibility and is reflected in the Operational Plan to ensure that all departments of the organization operate in accordance with the objectives, principles and strategies of the Business. Concerning the Roles of Stakeholders, the Board of Directors shall provide mechanisms to ensure that the business operates ethically, social and environmental responsibility, not violating the rights of stakeholders in order to be a guideline for all parts of the organization to achieve sustainability objectives and key goals. The Board of Directors establishes guidelines for stakeholders as part of the Corporate Social Responsibility Policy (CSR) and the Charter and Code of Conduct, and shall disclose important and relevant information necessary for stakeholders to know sufficiently and timely.

In this regard, the Board of Directors shall recognize the importance of the role of stakeholders and treat all groups of stakeholders including employees, shareholders, customers, business partners, public and society as a whole, transparent, appropriate, equitable and fair and shall set guidelines for treatment of conflicts of interest, including:

5.2.1 Employees

Providing compensation to employees by adhering to the principles of fair and measurable performance evaluation under the criteria specified by the company and aiming to promote and develop human resources to have knowledge and capability continuously and give the opportunity to the employees to file a complaint in case of unfair treatment via various channels i.e. comment box or through the human resources department that receives the report, etc. The company is responsible for providing a safe, hygienic and conducive working environment for effective work. The company shall check and review compensation and benefits of employees to be in the industry standards and as the company's policy to develop the knowledge of the employees that is necessary for the efficient operations of the entire organization.

5.2.2 Customers

Building long-term relationships and cooperation with customers by adhering to the principles of honesty and trust, the company has a duty to create the highest satisfaction for customers by taking responsibility, paying attention and paying attention to customers' problems and needs first by allowing all executives and employees to comply with the measures under this policy to ensure that the company adheres to provide good quality services and never stops developing new services that are effective for the company's customers. In addition, the company shall operate and conduct business with the company's customers by adhering to the ethics and encouraging the customers of the company to have good health.

5.2.3 Payables

Building relationships and treating creditors by adhering to the principles of honesty, trust and trust each other and responsible for paying attention and paying attention to various conditions entering into an agreement with the creditors the best.

5.2.4 Partners

Treating suppliers with honesty and is equal to ensure that the company's business operations are appropriate, fair and benefit both parties with sustainable development and is a long-term partner with the company. The company shall choose to do business with partners from various conditions i.e. price conditions, quality, control and environmental protection, technical and legal expertise, trust and stick to the right things.

5.2.5 Community and environment

Ensuring that the company and employees adhere to conducting business responsibly and benefit the society and community and has a duty to behave and treat the neighboring communities with friendliness to help and support the development of communities to be well-being as well as being responsible for fair and equitable business operations of the company and to promote sustainable development.

In addition, shall comply with the environment in accordance with the social responsibility policy conserving natural resources for sustainability including the promotion and support of conservation of resources and environment. The company discloses various activities including the promotion of employee participation that demonstrate the implementation of the social responsibility policy and oversee the preparation of corporate social responsibility reports in the annual report or separate versions.

5.2.6 Fair competition

Ensuring that the company conducts business openly, transparently and without creating an unfair competitive advantage.

5.2.7 Related government agencies

Ensuring that the company complies with various laws and regulations related and specified and supports various activities of government agencies on various appropriate occasions. In addition, the company shall adhere to providing services and selling good products with standard and quality and in accordance with the laws. In addition, the government offices and government agencies shall be treated politically neutral as defined in the Charter and Code of Conduct and anti-corruption policy.

In addition, there shall be a channel to receive complaints. and / or comment and add more ways to email directly to top management at napassanun@tqm.co.th, The Board of Directors has specified and protected the whistleblowers by not disclosing, but will collect various information of the whistleblower. The internal audit department shall compile a summary of the above issues and present to the audit committee for proof and fact finding. If found to be information that affects the company, it shall be presented to the Board of Directors for further consideration.

- 5.3 The Board of Directors shall monitor the management to allocate and manage resources to be efficient and effective by considering the impact and the development of resources throughout the Value Chain in order to achieve the main objectives and goals sustainably. Be aware of at least 4 types: financial capital, human capital, social and relationship capital, and natural capital.
- 5.4 The Board of Directors shall set up a framework for supervision and management of information technology at the organizational level that is in line with the needs of the business including supervising the use of information technology to increase business opportunities and develop operations risk management to enable the business to achieve the objectives and main objectives of the organization.

6) Ensuring the availability of appropriate risk management and internal control systems

- 6.1 The Board of Directors shall supervise to ensure that the company has a system of risk management and internal control to achieve the objectives effectively and complying with relevant laws and standards.
- 6.2 The Board of Directors appoints an audit committee, in which all members shall be independent directors and not having prohibited characteristics under relevant laws as well as having qualifications and duties in accordance with the regulations of the Office of the SEC and the Stock Exchange of Thailand in order to be able to perform their duties efficiently and independently in performing their duties as assigned by the Board of Directors, which includes the duty to review financial reports, Internal control system, legal compliance, consideration of auditor selection, disclosure of company information and preparation of the audit committee's report, etc., as it appears in the audit committee's charter.
- 6.3 The Board of Directors monitors and supervises any conflicts of interest that may occur between the company with managements, Board of directors, or shareholders including prevention of undue use of property, company information and opportunities and transactions with related parties with the company in an inappropriate manner, including the guidelines set out in the Charter and Code of Conduct and the internal information usage policy in writing.
- 6.4 The Board of Directors has a clear anti-corruption policy as specified in the Charter and Code of Conduct and anti-corruption policy by communicating at all levels of the organization and third parties for real implementation and the Board of Directors shall arrange a project or a guideline against corruption including supporting activities that promote and instill all employees to comply with relevant laws and regulations.
- 6.5 The Board of Directors supervises the mechanism for receiving complaints and taking action in the case of clues, and specifies clear guidelines in the policy on receiving whistleblower complaints. The channels for receiving complaints shall be disclosed on the company's website or annual report.

7) Maintaining financial credibility and disclosure of information

- 7.1 The Board of Directors is responsible for the system of financial reporting and disclosure of important information accurately, sufficiently, timely, in accordance with relevant rules, standards and practices.
- 7.2 The Board of Directors shall follow up to ensure that the company maintains sufficiency of financial liquidity and ability to pay off debt.
- 7.3 If there is a situation in which the business faces financial problems or is likely to encounter a financial problem. The Board of Directors shall ensure that the business has a plan for resolving problems or other mechanisms that can solve financial problems; however, under consideration of the rights of stakeholders.

- 7.4 The Board of Directors has a policy to prepare sustainability reports as appropriate for disclosure of legal compliance information, compliance with the Charter and Code of Conduct, Anti-Corruption Policy, treatment of employees and related parties including fair treatment and respecting human rights including social and environmental responsibility. Such information shall be disclosed in the annual report or shall be prepared in a separate book as appropriate for the company.
- 7.5 The Board of Directors shall supervise the management to set up an investor relations department to communicate and publicize information that is beneficial to shareholders, investors, analysts, and related parties appropriately and equally.
- 7.6 The Board of Directors encourages the use of information technology in the dissemination of information, in addition to the dissemination of information in accordance with the rules and through the Stock Exchange of Thailand, the Board of Directors shall provide information disclosure in both Thai and English through other channels, such as the company's website, including current information.
- 7.7 The Board of Directors requires the disclosure of information and transparency as part of the Company's Charter and Code of Conduct.

8) Promotion of participation and communication with the shareholders

The Board of Directors recognizes the importance of the shareholders of the company by ensuring that the shareholders receive fair treatment and the shareholders can fully exercise their basic rights as shareholders, such as

- (1) Right to buy, sell, or transfer shares
- (2) The right to have profit sharing of the company
- (3) The right to receive sufficient relevant information via the company's website or the SET website or by any other methods.
- (4) The right to participate in the meeting in order to exercise the right to vote at the shareholders' meeting independently, to appoint or remove directors, consideration of the remuneration of directors, appointment of auditors, dividend payment, capital increase and issue new shares, including the right to ask questions to the Board of Directors about the report of the Board of Directors and any other matters proposed to the meeting for consideration and approval. The right to propose meeting agendas and to nominate persons to be elected as directors and participation in decision-making on important matters of the company, in which, every shareholder has the right to vote according to the number of shares being held and each share has one vote.

In addition, the Board of Directors shall also be aware of and value the rights of shareholders, not acting in violation of or depriving the rights of shareholders. The Board of Directors encourages and sets policies related to shareholders' rights as follows:

- 8.1 The Board of Directors shall ensure that shareholders are involved in the decisions on important matters of the company including:
 - 8.1.1 Protecting and respecting the basic shareholders' rights, such as the right to buy or sell shares, the right to have a profit sharing of the business, the right to receive sufficient business information, the right to attend shareholders' meetings to appoint or removal of directors, appointment of auditors, allocation of dividends, determination or amendment of regulations or memorandum of association, capital reduction or increase of capital and approval of special items, etc.
 - 8.1.2 Promoting and supporting shareholders to exercise their rights in various matter in the annual general meeting of shareholders, including the right to propose the agenda of the shareholders' meeting in advance of the meeting, the right to nominate persons to be selected as directors in advance, the right to send questions to the meeting in advance of the meeting, rights to express opinions and ask questions at the meeting, etc., as well as to facilitate minority shareholders to nominate persons to be directors of the company by sending the biography and consent letter of the said person to the Chairman of the Board of Directors under the rules, regulations and procedures specified by the company.
 - 8.1.3 Overseeing the delivery of an invitation letter to the shareholders' meeting together with relevant documents and disseminated via the company's website at least 28 days before the meeting date and preparing invitation letters for the shareholders' meeting in both Thai and English.
 - 8.1.4 Encouraging shareholders to use a proxy in the form that shareholders can specify the direction of voting, agree, disagree, abstain by preparing a proxy Form A, Form B and Form C (Specific Proxy Forms) For custodian) to shareholders as well as facilitating shareholders not convenient to attend the meeting by themselves but wishing to exercise their voting rights via proxy by proposing an independent director to attend the meeting and vote on behalf of the shareholder, to facilitate the shareholders to exercise the right to select one of the independent directors to be proxies on behalf of the shareholders.
 - 8.1.5 Refraining from any action, violation or restrict rights or depriving shareholders of the right to access the company's information, that shall be disclosed under various regulations and attending shareholders' meetings, for example, not immediately offering documents that contain important additional information, not add meeting agenda or changing important information without notifying shareholders in advance, etc.
 - 8.1.6 Facilitating shareholders to exercise their rights, such as providing current important information via the company's website, etc.

- 8.2 The Board of Directors shall ensure that the operations on the day of the shareholders' meeting proceeding with transparency, efficiency and efficiency and allowing shareholders to exercise their rights, including:
- 8.2.1 facilitating shareholders to exercise their rights to attend the meeting and vote fully in the meeting and refraining from any actions which limits the opportunity to attend the meeting of shareholders, in the event that the shareholders are unable to attend the meeting by themselves, the company gives the opportunity to appoint an independent director or any person to attend the meeting on their behalf.
 - 8.2.2 The rules and procedures for attending the shareholders' meeting shall be informed in the invitation letter and on the meeting date. The meeting moderator shall announce the rules used in the meeting and the process of voting for shareholders in the general meeting of shareholders and the notification of the rules and procedures for voting on the minutes in every meeting of shareholders.
 - 8.2.3 Arranging a meeting appropriately and allowing shareholders to ask questions related to the meeting agenda or about the company and comment. The Chairman of the Board shall ask the meeting on each agenda including the recording of questions relating to the agenda or related to the company and express opinions of shareholders including explanations of the Board of Directors and / or executives in the minutes of every shareholders' meeting.
 - 8.2.4 The meeting shall be conducted in the order of the agenda specified in the invitation letter and executives who are shareholders of the company shall not propose any additional meeting agenda which is not necessary to the meeting, especially the meeting agenda in which shareholders shall take sufficient time to study before making a decision.
 - 8.2.5 Encouraging the promotion of technology such as barcodes, voting cards, etc. for use in shareholders' meetings including shareholder registration, counting and displaying results so that the meeting proceedings can be done quickly, accurately, transparently and verbally. The voting results shall be disclosed in the minutes of the shareholders' meeting together with the votes in favor, disapproval and abstention in each agenda being casted.
 - 8.2.6 An independent person shall be a witness for vote counting or being counters or checking votes in meetings, such as the company's auditor or legal counsel and the results of the counting or examination of the said votes shall be disclosed to the meeting, and recorded in the minutes of the meeting.
 - 8.2.7 The Board of Directors recognizes the importance of the annual general meeting of shareholders and respects the rights of shareholders, therefore, encourages all directors to attend the shareholders' meeting.

- 8.3 The Board of Directors recognizes the importance of the annual general meeting of shareholders and respects the rights of shareholders, therefore, encourages all directors to attend the shareholders' meeting.
- 8.3.1 Ensuring that information regarding date, time, location, and agenda of the shareholders' meeting as well as all information related to matters that need to be decided at the shareholders' meeting, with sufficient clarification and reasoning in accordance with the agenda or resolutions requested by shareholders in each meeting. The company has a policy to give the opportunity for the shareholders to study the information before the meeting date in advance via the company's website with the same information as the document delivered to shareholders.
- 8.3.2 After each shareholders' meeting, overseeing the compilation of meeting content which includes meeting agenda, details, name list of directors attending and leaving the meeting, resolution of the meeting, voting as well as questions and comments from shareholders, preparing "Minutes of the shareholders' meeting" on the company's website and delivered to the Stock Exchange of Thailand and / or related departments within 14 days from the meeting date which is in accordance with the regulations of the SEC and the SET. And disclosing to the public, the voting results of each meeting through the system of the Stock Exchange of Thailand within the time specified by law.
- 8.3.3 Promoting the exercise of rights of shareholders and not restricting rights of shareholders by providing information disclosure via the company's website in advance and the company shall not present any documents with additional important information during the shareholders' meeting and the company shall not add the meeting agenda or change important information without notifying shareholders to know in advance, ensuring that the shareholders are provided with the latest news and information via the company's website regularly.]

2 Committees

The structure of Company's Directors comprises the Board of Directors and 5 committees, namely the Executive Committee, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Governance Committee. The Board of Directors resolved to approve the Charters of the Board of Directors and subcommittees with the objective of allowing the Company's directors to understand their roles and responsibility towards the shareholders, the Company and subsidiaries and show the ability to perform such duties effectively, efficiently and transparently. The scope of authority and duties is as follows.

2.1) Scope of the authority and duties of the Board of Directors

1. The Board of Directors has the authority and duties to manage and operate the business of the Company and subsidiaries according to the laws, objectives, regulations and resolutions of the Board of Directors meeting as well as the resolutions of the shareholders' meeting with integrity and caution in order to safeguard the interests of the Company, subsidiaries and shareholders. Additional duty includes ensuring that the Company and its subsidiaries comply with various policies of the Company and subsidiaries, the laws relating to business operations of the Company and subsidiaries, including the laws on prohibiting payment of bribes or support for corruption.
2. Performance of the duties with responsibility and caution like a reasonable business person should act under the same circumstances for maximum benefit of the Company, subsidiaries and shareholders mainly.
3. Arranging the Board of Directors meeting at least 3 months per time, which should also be the plenary meeting unless there is unavoidable necessity when considering, resolving on significant matters or transactions. Significant transactions should include transactions required by law to be approved by the Board of Directors' meeting, i. e. acquisition or disposal of assets of the Company or subsidiaries with major impact on the Company or subsidiaries, expansion of investment projects, consideration and approval of entering into connected transactions according to relevant rules of the Securities and Exchange Commission and the SET, determination of the operational authority level and determination of financial management policy and risk management of the business of the Company and subsidiaries, etc.
4. Taking action for the Company and subsidiaries to use the appropriate and effective systems of accounting, financial reporting and auditing, including providing an internal control system and an internal audit system that are adequate and efficient as well as a process for evaluating the suitability of internal control system of the Company and subsidiaries regularly.
5. Arranging to make the balance sheet as well as the profit and loss account at the end of the calendar year, which is the Company's fiscal year so as to show the financial status and operating results in the past fiscal year to be true, complete, correct and consistent with generally accepted accounting standards for presentation to the shareholders' meeting at the annual general meeting of shareholders for consideration and approval. The Board must arrange for the auditor approved by the Securities and Exchange Commission to check such balance sheets as well as profit and loss accounts to be completed before presentation to the shareholders' meeting. Also, arrangements must be made for creating and reviewing the quarterly financial statements.

6. Considering and approving the selection and appointment of the auditor and examining the appropriate remuneration as proposed by the Audit Committee before presentation to the shareholders' meeting at the annual general meeting for approval.
7. Examining, reviewing and approving the vision, policies, direction, strategies, plans for business operations of the Company and subsidiaries as prepared by the Executive Committee and the management department.
8. Determining of the main objectives and goals, guidelines, policies and important strategies by taking into account the ethics, impact on society and the environment mainly, financial objectives, various business plans and budgets of the Company and subsidiaries as well as arranging important resources so as to achieve the objectives and goals, including supervising the administration and management of the Executive Committee and the management department according to the stipulated policies, plans and budgets with efficiency and effectiveness for maximum benefit of the Company, subsidiaries and shareholders.
9. Considering and approving the operations of the Company and subsidiaries, which conform to the articles of association of each company.
10. Monitoring the operating results of the Company, subsidiaries and associate company continuously to accord with the goals, guidelines, policies, business plans and the budgets of the Company and subsidiaries and regularly evaluating the performance of the Executive Committee and the management department, including determination of remuneration and review of succession planning.
11. Considering, determining the risk management policy to cover the entire organization and ensuring the available system or process for risk management with support measures and control methods to reduce the impact on the business of the Company and subsidiaries appropriately.
12. Formulation of a supervisory mechanism to enable the Company to control the management and the operations of subsidiaries like being a unit of the Company, including the available measures to monitor work management of subsidiaries in order to safeguard the interests of the Company's investments according to the announcement TorJor. 39/2559.
13. Arranging for and complying with the corporate governance policies of the Company and subsidiaries according to written good governance principles such as anti-corruption policy, whistleblowing policy and internal information use policy, etc. and the effective implementation of such policies to ensure the Company and subsidiaries' responsibility to all groups of stakeholders with fairness.
14. Approving the expenses for business operations of the Company and subsidiaries, including the Delegation of Authority.
15. Providing written code of conduct and business ethics to be working standards of the directors, executives and employees of the Company. The Board of Directors should monitor strict compliance with the code of conduct and business ethics.
16. Establishing the Charters of the Board of Directors and sub-committees as well as amending the Board of Directors Charter and approving the proposals of subcommittees to modify the content of the Charter so as to be updated and appropriate for the rules, regulations and changing circumstances.

17. Determining the structure of work management, having the power to appoint the Executive Committee, the President, the Chief Executive Officer and other subcommittees as appropriate, including determining the scope of the authority, duties and remuneration of the Executive Committee, the President, the Chief Executive Officer and various subcommittees appointed. This empowerment based on that scope of authority, duties must not be characteristic of the authorization or delegation of authority enabling such Executive Committee, President, Chief Executive Officer and subcommittees to consider and approve transactions that may have conflicts, interests or any other conflict of interests with the Company or subsidiaries except approval for transactions according to the policies and criteria already approved by the shareholders' meeting or the Board of Directors' meeting.
18. Determining and modifying the names of the directors authorized to sign and bind the Company. Besides, if the position of director is vacant for reasons other than expiration of the term, the Board of Directors must select the person with qualifications and not having prohibited characteristics according to the Public Limited Companies Act as well as the Securities and Exchange Act, including relevant announcements, rules and / or regulations to be a replacement director in the next Board meeting unless the remaining term of the outgoing director is less than 2 months.
19. Appointment of the persons as directors or executives of subsidiaries and associate company at least in proportion to shareholding in subsidiaries and associate company. Determining remuneration and specifying the scope of authority and responsibilities of appointed directors and executives, including the framework of voting power in the Board of Directors' meetings of subsidiaries and associate company on important matters that must be approved by the Board of Directors before and supervising the administration and the management department of subsidiaries and associate company to accord with the Company's operational plans and policies and supervising various transactions to be correct according to relevant laws and rules, including monitoring the subsidiaries and associate company to disclose information about the financial status and operating results, connected transactions and acquisition or disposal of significant assets completely, accurately as well as monitoring, supervising the directors and executives of subsidiaries to comply with the duties and responsibilities as required by law.
20. Considering and proposing remuneration of the Board of Directors as presented by the Nomination and Remuneration Committee for the shareholders' meeting to approve. Examination of the Board of Directors' remuneration must take into account various factors, e.g. consistency with long-term strategies and goals of the Company, experience, obligations, scope and responsibilities, including the benefits expected to receive from each director, etc. The Company is prohibited from paying money or other assets to the directors unless paid as remuneration according to the Company's articles of association. If not stipulated by the Company's articles of association, payment of remuneration shall be in accordance with the resolution of the shareholders' meeting, which comprises the vote of not less than two-thirds of the total votes of the shareholders attending the meeting.

21. Appointment of the Company secretary to be responsible for various operations in the name of the Company or the Board of Directors, e.g. creation and storage of director registration, written notice of the scheduled Board meeting and the minutes of the Board of Directors meeting, written notice of the scheduled shareholders' meeting and the minutes of the shareholders' meeting and keeping the reports of interests, etc.
22. Considering and approving transactions on acquisition or disposal of assets of the Company or subsidiaries, investment in new businesses and necessary actions according to relevant laws, announcements and / or regulations of the SET and the Capital Market Supervisory Board, including other related rules.
23. Considering and / or commenting on connected transactions between the Company, subsidiaries, associate company and related parties as specified in the Securities and Exchange Act, including relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board. Also approving the principles of trade agreements with the general trade conditions for entering into transactions between the Company, subsidiaries, associate company and the directors, executives or related parties to set the operational framework of empowering the Executive Committee and the management department to execute such transactions under the framework and scope of relevant laws and rules. Also considering and / or commenting on entering into various transactions of the Company (for the value of transactions unconnected with the conditions that must be approved by the shareholders' meeting) in accordance with relevant laws, announcements, rules and regulations.
24. Supervising, controlling and preventing a conflict of interests between the stakeholders of the Company and of subsidiaries. Also managing to resolve a conflict of interests and the wrongful use of assets of the Company and subsidiaries as well as wrong actions in transactions between related parties with the Company and / or subsidiaries.
25. Ensuring that the existing structure and practices of the Board of Directors and various subcommittees support, are intended for supervision appropriately and can be changed when necessary.
26. Arranging for the shareholders' meeting to be the annual general meeting of shareholders within 4 months from the end of the Company's fiscal year.
27. Arranging for appropriate disclosure of information to stakeholders, persons with a conflict of interests and relevant persons. Also arranging for disclosure of important information to shareholders in the financial statements and various reports prepared for shareholders appropriately. Such information should be published through a system of the Stock Exchange of Thailand before and may be disseminated additionally via the Company's website, including arranging for the responsible persons to provide information to investors. The Board of Directors should disseminate information correctly, completely, appropriately and punctually.
28. Preparing the annual report of the Board of Directors and responsibility for preparation and

disclosure of financial statements to show the financial status and operating results in the past year and presentation to the shareholders' meeting for consideration and approval.

29. The Board of Directors may authorize one or several directors or any other person to perform any task on behalf of the Board under the control of the Board of Directors or may authorize such person (s) to have the power as the Board deems appropriate and within the time considered by the Board of Directors as suitable. The Board of Directors may cancel, revoke, change or modify such authorization when deemed appropriate. This empowerment must not be characteristic of authorization or delegation of authority of enabling such person (s) to consider and approve transactions to be done by such person (s) or the person with possible conflict, interests or conflict of interests in any other manner with the Company or subsidiaries (if any) (as defined by the announcements of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or any other announcements of the relevant authorities) unless such transactions are the Company's normal transactions and have the same rules as doing transactions with third parties (Arm's Length).
30. Requesting independent opinions from any other professional advisors when deemed necessary at the Company's or the subsidiaries' expense. Hiring must conform to the regulations of the Company or subsidiaries.
31. Joint responsibility to the persons trading securities of the Company for any damage arising from disclosure of information to shareholders or the general public by showing false statements in essence or concealing the true text that should be notified in essence as required by the Securities and Exchange Act unless such directors can prove, by their position, impossible awareness of the truth of information or the lack of information that should be reported.
32. The directors and executives of the Company are obliged to inform the Company about relationship, holding shares or debentures in the Company, subsidiaries or associate company and transactions of directors and executives of the Company, including related parties of such directors and executives with the Company or subsidiaries in a manner that may cause a conflict of interests and avoid transactions of possibly causing a conflict of interests with the Company or subsidiaries correctly, completely, appropriately and punctually.
33. Joint liability for any damage happening to the Company according to the rules stipulated in the Public Limited Companies Act.
34. Approving the interim dividend payment according to the Company's articles of association when considering that the Company has adequate profits and reporting to the shareholders' meeting in case of interim dividend payment.
35. Performing any other duties relating to the Company's business as assigned by the shareholders.
36. Reviewing the Board of Directors Charter at least once a year.

2.2) Scope of the authority and duties of the Audit Committee

1. Reviewing to ensure the Company's accurate and adequate financial reporting according to financial reporting standards by liaising with the external auditor and executives responsible for quarterly and annual financial reporting. The Audit Committee may suggest that the auditor review or check any transaction considered as important and necessary during the audit of the Company.
2. Reviewing to ensure the Company's suitable and efficient systems for internal control and internal audit and considering independence of the internal audit department as well as approving the appointment, transfer and dismissal of the head of internal audit department or any other department responsible for the internal audit.
3. Reviewing to ensure the Company's compliance with the Securities and Exchange Act, regulations of the SET and the Capital Market Supervisory Board and / or the laws related to the business of the Company and subsidiaries.
4. The Audit Committee should arrange a meeting to consider the following matters as assigned.
 - 4.1) Consideration of financial statements and related financial reports, accounting principles, accounting practices, the accounting practice following accounting standard, the existence of enterprise, the change of accounting policy, including the reason of management related to the determining of accounting standard before proposing to the Board of Directors and disseminate to shareholders and inves
 - 4.2) To consider the systems for internal control and internal audit.
 - 4.3) Reviewing the Company's annual internal audit plan (Audit Plan), the coordination process of related audit plans and evaluation of the audit results together with the internal auditor and the auditor. The Audit Committee should inquire about the planned audit scope to ensure that such an audit plan will help to detect corruption or defects of the internal control system.
 - 4.4) Consideration together with the internal auditor about the problems or limitations during the audit. Also reviewing the performance of the internal auditor.
 - 4.5) Consideration together with the auditor about the problems or limitations arising from the audit of financial statements.
 - 4.6) To Consider together with the internal auditor and the auditor about planning to review the methods and control of electronic data processing and inquiring about a specific security project to prevent corruption or misuse of computers by employees of the Company or third parties.



- 4.7) To review transaction may cause conflict of interest such as related party transaction.
- 4.8) Securities and Exchange Act or the SET's regulations and / or other relevant laws.
- 4.9) Other duties as assigned by the Board of Directors.
5. Considering, selecting, nominating or terminating an independent person to act as the Company's auditor and proposing remuneration of such person, including attending the meeting with the auditor without attendance of the management department at least once a year to acknowledge the results of reviewing the quarterly financial statements, the results of the annual financial statements audit and discuss the possible problems, obstacles from the operation of the auditor.
6. Considering connected transactions or transactions that may have a conflict of interests and examining the regulations and cancellation of transactions different from the regulations on cancellation of transactions considered before entering into transactions in essence. Also considering transactions on acquisition or disposal of the Company and subsidiaries according to the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and most beneficial to the Company. If the Audit Committee has no expertise in considering connected transactions that may occur or such transactions, the Company will arrange for the independent expert or the auditor of the Company to comment on connected transactions or such transactions to be used for consideration and / or decision of the Audit Committee.
7. Reviewing and tracking the results of risk management, including evaluating risk management from the working group on risk management.
8. The Audit Committee Charter at least once a year for presentation to the Board of Directors to approve.

2.3) Scope of the authority duties of the Nomination and Remuneration Committee

1. Considering the structure and composition of the Board of Directors regarding the number of directors appropriate to the size, type, complexity of the business, including modifications to be consistent with the changing environment. Determining the qualifications of each individual committee, director in terms of knowledge, skills, experience as well as expertise in specific areas, which can be used to benefit the Company's businesses.
2. Establishing the policy, rules and procedure for nomination and remuneration and other benefits of the directors, senior management and the management authorities of the Company.
3. Considering the qualifications, establishing guidelines for nominating and selecting qualified persons as specified by relevant regulations and laws to be presented to the Board of Directors and / or the shareholders' meeting for considering occupying the following positions.
 - Directors
 - Directors in various subcommittees that are assigned the authority, duties and responsibilities directly from the Board
 - Senior management and management authorities
 - Consideration and nomination must be open, transparent, impartial, unbiased.

4. Considering independence and qualifications of each independent director to ensure that the Company's independent directors are fully qualified according to criteria and / or requirements of relevant laws.
5. Nominating the right persons to hold the positions of director and senior management from the level of [executive vice president] up when completing the term or the position is vacant or other executive positions as assigned by the Board of Directors for the Board of Directors to consider and present to the Board of Directors meeting and / or the shareholders' meeting (as the case may be).
6. Determination of guidelines for paying monetary and non-monetary remuneration of the directors, senior management and other benefits in consistency with the mission, duties, responsibilities and qualifications of appointed and hired persons and presenting to the Board of Directors' meeting for consideration and approval and / or presenting to the shareholders' meeting for further approval, and, in addition, may consider problems and conflicts proposed by management and corporate resources development.
7. Establishing guidelines and evaluating the works of directors, senior management and the management authorities of the Company to adjust the annual rewards by taking into account the duties, responsibilities and risks related, including emphasis on increasing the value of shareholders' equity in the long run for evaluation as well.
8. Considering creation of the director development plan to strengthen and develop knowledge and skills for various committees of the Company so as to understand the roles of directors, business, economic conditions, technology, laws or regulations related to the Company's businesses.
9. Considering creation or taking action to require the creation of a succession plan for the posts of director, senior management so as to ensure operational continuity, substitution without interruption, disclosure of the policy and details of the nomination process, the remuneration policy and disclosure of remuneration in various forms, including creation of remuneration report, which at least requires the details about the goals, operations and opinions of the Nomination and Remuneration Committee in the Company's annual report too.
10. Considering the conditions of offering to sell new securities (or certificate of the right to purchase shares) to the directors and employees (if any).
11. Considering hiring the consultant as necessary at the Company's expense to be able to perform the duties according to the Charter efficiently.
12. Performing any other tasks as assigned by the Board of Directors and the Nomination and Remuneration Committee also agrees to.
13. Reviewing the Charter of the Nomination and Compensation Committee at least once a year for proposing to the board for approval.

2.4) Scope of the authority duties of the Executive Committee

1. Operating and managing the business of the Company and subsidiaries according to the objectives, regulations, policies, rules, orders and resolutions of the Board of Directors' meeting.
2. Screening and presenting the goals, policies, business plans as well as business strategies, financial goals and annual budget, business expansion, management structure, annual operational plan, human resource management policy, financial, public relations and budgetary plans of the Company and subsidiaries by considering business factors appropriately for the Board of Directors to approve. Also considering and screening the proposals of the management department for presentation to the Board of Directors for further approval.
3. Supervising, monitoring and controlling business operations of the Company and subsidiaries as well as monitoring the operating results of the Company and subsidiaries to accord with the goals, policies and business plans specified, including controlling the spending based on the budget approved by the Board of Directors and reporting the operating results to the Board of Directors.
4. Appointing, supervising, coordinating and determining the authority, duties of special working group or the management team as well as considering and approving various proposals presented by the management team or special working group, including having the power to appoint the advisory chairman, advisor or advisory team of the Executive Committee as appropriate and having the authority to determine remuneration, allowances, welfare benefits, facilities and other expenses of such advisory chairman, advisor or advisory team as appropriate.
5. Determining the procedures and methods of doing transactions between the Company or subsidiaries and major shareholders, directors, executives of the Company and those related to such persons suitably to prevent the transfer of benefits and presenting to the Board of Directors for approval in principle, including controlling compliance with the principles and rules approved by the Board of Directors.
6. Approval for the operations that are normal business transactions of the Company, making the contracts, investment or selling assets of the Company and subsidiaries, human resource management, finance, general administration as well as the operations that are normal business support transactions of the Company with the general trade conditions in the amount not exceeding the budget approved by the Board of Directors or as approved by the Board of Directors' resolution in principle, subject to the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand regarding connected transactions as well as acquisition and disposal of assets, including the Delegation of Authority stated by the Board of Directors. Also having the power to approve the opening and closing of bank accounts and financial institutions as well as the use of various financial services.

7. Considering the profit and loss of the Company and subsidiaries and proposing the interim dividend payment for presentation to the Board of Directors to approve as well as checking, providing advice on the dividend payment policy and considering the proposed annual dividend payment of the Company and subsidiaries for presentation to the Board of Directors to approve before further presentation to the shareholders' meeting.
8. Studying the feasibility of investment in new projects by conducting technical and financial studies appropriately and completely for decision- making or considering cancellation of investment for presentation to the Board of Directors.
9. Monitoring the operating results and progress of each business investment project and reporting the results, including the problems or obstacles and guidelines for improvement, modification to the Board of Directors.
10. Providing important information of the Company for adequate presentation to the Board of Directors and shareholders for decision- making, including making reliable financial reports according to transparent and good standards.
11. Requiring the executives, employees and relevant persons to attend the Executive Committee meeting or provide information related to the matters discussed at the Executive Committee meeting, including having the power to request information from various departments of the Company and subsidiaries for further consideration on various matters.
12. Having the power to consider and approve financial transactions with financial institutions for account opening, borrowing, lending, withdrawing money from all accounts of the Company and using credit as well as using the Company's securities as collateral for such debts to be registered and unregistered for the benefit of business operations of the Company. Also entering into the contracts, submitting the requests, offered, contacting, doing legal transactions with the government authorities in order to obtain the rights of the Company and / or any actions related to such matters until completion according to the specified amounts and / or according to the Delegation of Authority specified by the Board of Directors and / or relevant laws and rules and / or articles of association of the Company.
13. Having the power to request independent opinions from professional advisors when deemed necessary at the Company's expense. Hiring must conform to the Company's regulations.
14. Supervision to ensure the available procedure requiring the workers to report incidents or unusual actions or violation of the laws to the Executive Committee immediately. Besides, if such incidents have significant impact, the Executive Committee must report to the Board of Directors for considering correction within a reasonable period of time.

15. Regularly reporting the results of performing the duties to the Board of Directors and reporting any other matters necessary and appropriate for presentation to the Board of Directors for acknowledgment, any important resolutions or actions under the scope of the Executive Committee's responsibilities to the Board of Directors for acknowledgement in the next Board of Directors meeting.
16. The Executive Committee has the power to authorize one or several persons to perform any task under the control of the Executive Committee or may authorize such person (s) to have the power that the Executive Committee deems appropriate and within the time considered suitable by the Executive Committee. The Executive Committee may cancel, revoke, change or modify such authorized person (s) or authorization as deemed appropriate.

This delegation of authority, duties and responsibilities of the Executive Committee must not be characteristic of empowerment or the delegation of authority enabling the person (s) authorized by the Executive Committee to approve transactions that the person or person with possible conflict (as defined by the announcements of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or relevant agencies) have interests or may have any other conflict of interests with the company. The Executive Committee does not have the authority to approve actions on such matters. Those matters must be presented to the Board of Directors meeting and / or the shareholders' meeting (depending on the case) for further approval unless such transactions are normal transactions of the Company and have the same rules as doing transactions with third parties (Arm's Length).

17. Taking any action according to opinions of the Board of Directors or as authorized by the Board of Directors.
18. Assessing the performance of the President, the Chief Executive Officer, the entire Executive Committee, including evaluating the performance of individual executive directors to review the works, problems and obstacles each year to be able to use the evaluation results for developing and improving the operations in various aspects.
19. Checking and evaluating the adequacy of this Charter by comparing the performance of the Executive Committee to meet the requirements of the Charter so as to use the results from such evaluation for further improving their operations.

2.5) Scope of the authority, duties of the Risk Management Committee

1. Considering and identifying major risks of the Company's business operations, which may arise from the internal and external environment, including analyzing and evaluating the likelihood of risk events and impacts compared to acceptable risk level (Risk Appetite) and prioritizing the risks by considering both internal and external factors that may result in the Company's inability to

achieve the specified objectives, e.g. the risks related to investment, business operations, management, marketing, finance, operations, information security, laws and regulations as well as the risks with potential impact on the Company's reputation, etc., including suggesting the preventive methods and the ways to manage such risks to be in acceptable level by formulating a policy and suggesting the ways to manage the risks related to the Company's business operations appropriately and effectively and presenting to the Board of Directors for consideration.

2. Establishing the policy, guidelines on risk management in consistency with business strategies and goals for presentation to the Board of Directors.
3. Supervision of compliance with the risk management policy and the risk management framework for allowing the Company and subsidiaries to have an effective risk management system throughout the organization, which has been implemented continuously. The Risk Management Committee can consider the establishment of a unit responsible for risk management in every line of work or department of the subsidiaries operating core businesses as appropriate so that such unit monitors and reports compliance with the risk management policy of the Company to the Risk Management Committee. Also having the power to invite relevant employees of the Company and subsidiaries to explain, give opinions, attend the meeting or send the documents as deemed pertinent, necessary.
4. Establishing the strategies consistent with the risk management policy by being able to evaluate, monitor and supervise the organization's risk level to be in appropriate level.
5. Assessing the adequacy of risk management strategies and effectiveness of risk management to supervise the organization's risk level to be in appropriate level.
6. Monitoring the risk status and progress in risk management, the issues that must be resolved, improved to be consistent with the framework of risk management policy and strategies. The report must be submitted to the Board of Directors every quarter.
7. Supervising and encouraging the risk management to be successful by emphasis on considering the risks of each factor for making appropriate decisions. The Risk Management Committee is responsible for monitoring and evaluating compliance with the risk management framework throughout the organization and improving the operational plan to reduce the risks continuously to be suitable for the Company's business operations.
8. Considering the risk report from the department responsible for risk management to monitor major risks at organizational level, including commenting on the potential risks, guidelines for determining control measures of risk management plan to ensure the Group's adequate and appropriate risk management.

9. Liaising with the Audit Committee about the important risk and internal control information for the Audit Committee to approve the internal audit plan so as to ensure reasonable confidence that the Company has a suitable internal control system for risk management, including the proper deployment of risk management system, which is also implemented throughout the organization.
10. Reporting the results of risk assessment and operating results to reduce the risks to the Board of Directors on a regular basis. In case of major issues with significant impact on the financial status and operating results of the Company, the Risk Management Committee must report to the Board of Directors for consideration as soon as possible.
11. Providing knowledge, understanding, cultivating a culture of risk management for the executives as well as employees in the Company and subsidiaries regularly.
12. Reviewing the adequacy, effectiveness of measures for risk management to manage or handle promptly so as to supervise the organization's risk level to be in appropriate level. Supervising the operations of the unit responsible for risk management of various departments.
13. Reviewing the Risk Management Committee Charter at least once a year for presentation to the Board of Directors to request approval.
14. Performing any other tasks as assigned by the Board of Directors and the Risk Management Committee agrees to as well.
15. The Risk Management Committee must notify the Company without delay in case of having interests in the contracts made by the Company, whether directly or indirectly, or holding shares, debentures increased or decreased in the Company, subsidiaries and affiliated companies.

2.6) Scope of the authority, duties of Corporate Governance Committee

1. To propose and review the corporate governance policy of the Company, including anti-corruption proposing to the Board of Directors.
2. To Develop and review processes or guidelines in good corporate governance, presenting or suggesting to the Board of Directors.
3. To monitor the operation of the management in accordance with the policy and practice of corporate governance.
4. To perform any other act as assigned by the Board of Directors in connection with corporate governance.
5. To Report on the performance of the Company's corporate governance. To the Board of Directors
6. To perform any other acts as assigned by the Board of Directors.
7. To Review the corporate governance committee's charter at least once a year.

2.7) Scope of the authority, duties of the Chairperson of the Board of Directors

1. To support the operations of the management and not to involve in the regular work of the Company.
2. To supervise and monitor the performance of the Board of Directors to be efficient and independent from the management.
3. To determine the meeting agenda of the Board of Directors with the management along with one independent director at the time of determining the agenda of the meeting.
4. To act as chairperson of the Board of Directors' meeting and the shareholders' meeting.
5. To encourage all directors to participate in the meeting completely and freely.
6. To promote and supervise Company's directors to adhere and practice with the scope of authorities, duties and responsibilities of the Board of Directors in accordance with the laws and regulations of the Company and in accordance with corporate governance principles as well as being responsible for shareholders and stakeholders of all related parties.

2.8) Scope of the authority, duties of the Company's President

1. Formulating the policies, vision, objectives, strategies as well as business and budget plans together with the Board of Directors.
2. Supervising the performance of duties of the management department for the benefit of the Company according to the policies, vision, objectives, strategies, business and budget plans as approved by the Board of Directors and / or the shareholders' meeting.
3. Communicating with the management department and senior management of the Company about business management of the Company according to the vision and mission as determined by the Board in accordance with business, budget plans and business strategies approved by the Board of Directors and / or the shareholders' meeting for use by the management department and senior management of the Company as a framework for planning and management.
4. Overseeing the overall management of finance, marketing, human resources, internal control system and other operations of the Company and subsidiaries to conform to the Company's policies and business plans as approved by the Board of Directors and / or the shareholders' meeting and to comply with the laws, rules, regulations and requirements of relevant agencies as well as the Company's rules and regulations.
5. Ordering, issuing the regulations, rules, announcements and memos for the operations of the Company so as to comply with the Company's policies and for the benefit of the Company and maintain good regulations within the organization.
6. Supervision to ensure that the management department and all executives participate in promoting a corporate culture with ethics and good corporate governance.

7. Organizational development to have good operating results and business profits with continuous improvement in order to make the organization grow sustainably in conformity with the Company's strategic plans.
8. Representing the Company to communicate with the shareholders and encouraging the Board of Directors to provide the channels for communicating with the shareholders appropriately, regularly and arranging for standard and transparent disclosure of information.
9. Representing the Company for publicizing the organization to the public, especially in terms of creating a network of relationships and a good image of the organization at national and international levels.
10. Performing any other tasks as assigned and authorized by the Board of Directors.
11. The Company's President can neither attend a meeting nor approve transactions that he or the person with potential conflict (as defined in the announcement of the Securities and Exchange Commission or the announcement of the Capital Market Supervisory Board) may have an interest or may receive the benefits in any manner or may have any other conflict of interests with the Company or subsidiaries. Except approval for transactions according to the policies or criteria approved by the shareholders' meeting and / or the Board of Directors.
12. Approving the normal business operations as well as the operations of normal business support transactions of the Company with the general trade conditions in the amount not exceeding the budget approved by the Board of Directors, subject to the rules of the Securities and Exchange Commission, including the Stock Exchange of Thailand regarding connected transactions and acquisition, disposal of assets as well as the Delegation of Authority determined by the Board of Directors.

2.9) Board's self-evaluation

The company has a policy to arrange annual evaluation of the entire board of directors' performance, sub-committee in the whole group and individual directors (self-assessment) including arranging the annual performance evaluation of the Chief Executive Officer (CEO) in order to improve the operations to be most effective for shareholders and organizations in accordance with good corporate governance guidelines with a process and the evaluation results are as follows:

^{1/}(https://www.sec.or.th/cgthailand/TH/PublishingImages/Pages/RulesRegulation/Manual/board_self_assessment_v2.pdf)

1. Self-assessment process for the entire board, sub-committee in the whole group, individual committee, (self-assessment) and the annual performance evaluation of the Chief Executive Officer (CEO).
 - 1.1 Nomination and Remuneration Committee reviews the assessment form to be completely correct.
 - 1.2 Secretary to the Nomination and Remuneration Committee sends the assessment form to the Board of Directors, sub-committee and Chief Executive Officer (CEO).
 - 1.3 Secretary of each committee prepares the evaluation summary and reports the evaluation results to each committee.

2. The assessment of the Board of Directors for the year 2020 from 4 points, which can be summarized as follows:

Seq.	Directors	Group Average Result	Individual Average Result
1	Board of Directors	3.79	3.91
2	Audit Committee	3.90	3.98
3	Nomination and Remuneration Committee	3.62	3.70
4	Risk Management Committee	3.93	3.97
5	Executive Committee	3.94	3.86
6	Corporate Governance Committee*	-	-
7	Chief Executive Officer	-	3.96

*The Corporate Governance Committee has been recently appointed by the resolution of the Board of Directors' meeting No.5/2563 held on 11 November 2020, therefore, it has not been assessed. The result above shall be announced publicly as regulated.

2.10) New director orientation

Board of Directors orientation for all new directors to prepare to perform duties and acknowledge the role Responsibilities of directors, create knowledge and understanding in the overall business and various operations of the company, investment structure, organizational structure, guidelines for the practice of corporate governance, social and environmental responsibility, rules, regulations, business ethics policy of the company as well as compensation, benefits and various welfare by Company Secretary as a coordinator. In the year 2020, there was 1 orientation for Mr.Thana Thienachariya on 24 December 2020.



2.11) 2020 Directors and Executive's Training

Name	Positions	Course
1 Dr.Unchalin Punnipa	Chairman of the Board	<ul style="list-style-type: none"> • TQM - Time to Fly 15-17 November 2020 and 19-21 December 2020 • 2morrow Scaler 2020 Stock2morrow
2 Mr. Marut Simasathien	Independent Director	<ul style="list-style-type: none"> • Advanced Audit Committee Program (AACP) No. 38/2020 (IOD)
3 Dr. Rutchaneeporn Pookayaporn	Independent Director	<ul style="list-style-type: none"> • Financial Statements for Directors (FSD) No. 43/2020 (IOD)
4 Ms. Suvabha Charoenying	Independent Director	<ul style="list-style-type: none"> • Digital Leadership Bootcamp No.2 Skooldio
5 Dr. Napassanun Punnipa	Director	<ul style="list-style-type: none"> • Thailand Insurance Super Leadership Program, Class 1 , 2020 the Office of Insurance Commission (OIC) • Digital Transformation for CEO # 2 , 2020 • TQM - Time to Fly 15-17 November 2020 and 19-21 December 2020
6 Ms. Somporn Ampaisutthipong	Director	<ul style="list-style-type: none"> • TQM - Time to Fly 15-17 November 2020 and 19-21 December 2020
7 Ms. Ratana Punnipa	Director	<ul style="list-style-type: none"> • TQM - Time to Fly 15-17 November 2020 and 19-21 December 2020
8 Mr. Ampon Oniam	Director	<ul style="list-style-type: none"> • TQM - Time to Fly 15-17 November 2020 and 19-21 December 2020

2.12) Human Resources' Code of Conduct

Human resources' Code of Conduct means the standard requirements of goodness; things to do appropriately, overall behavior and social acceptance, all relevant parties shall have a duty and responsibility to comply with, to live happily in the organization.

1. Objective

- 1.1 In order to be a framework for the owner's mind, executives at all levels, as well as all employees shall adhere to, and always follow.
- 1.2 To remind the organization's culture values, employees shall know, understand and express each person's behavior.
- 1.3 To be a tool for building relationships between the organization and customers, business partners, alliances, visitors, including society, communities and stakeholders in all sectors living together in peace.

2. Code of Conduct for the Board of Directors and Top Executives

Board of directors is responsible to the management of company operations, to make the business successful and profitable by adhering to the framework of business operations, corporate values, vision for the organization to grow steadily and sustainably, comply with the OIC standards, good governance, and other laws related including the Securities and Exchange Act 1992 (and its amendments), the Public Company Act 1992 (and its amendments), including the rules and regulations of the Office of the Securities and Exchange Commission related.

- 2.1 Board of Directors, Chief Executive Officer and Senior Executives shall be responsible for insurance broker business, shareholders, business partners, contract partners, business alliances and all employees, ensuring that managing honesty, transparency, fairness, not taking advantage, promoting the image of the organization to be accepted in business society and the nation.
- 2.2 The Board of Directors, Chief Executive Officer and senior management shall accept to compete in business and fight with professional business with fairness, not taking advantage of competitors, not violating privacy, rights, not seeking confidential business information in unlawful manners.
- 2.3 The Board of Directors, Chief Executive Officer, and Senior Executives shall support government policies by respecting relevant laws, creating, coordinating and maintaining relationships with agencies, government personnel involved in business, cooperate to provide information as requested, and behave as a good citizen.
- 2.4 The Board of Directors, Chief Executive Officer and Senior Executives shall demonstrate social responsibility, help save the environment, energy use, and reduce pollution.
- 2.5 The Board of Directors, Chief Executive Officer and Senior Executives shall be responsible to all personnel to work with happiness, fair compensation, sufficient welfare for personal circumstances, be treated with fairness, without prejudice, receiving training and knowledge, skill, development that are beneficial to the opportunity to progress.

3. Employees

- 3.1 Staff have to strictly comply with the ethics framework.
- 3.2 Employees shall respect, obey, superior, executive, senior both during operations and or outside of work hours.
- 3.3 Employees shall strictly observe the rules and regulations of the company, respect for the law, and act as a good citizen of the community, society and the nation.
- 3.4 Employees shall maintain good relations between customers, business partners, competitors, colleagues, maintain and protect confidential business information or customers, business partners from having the opportunity to know ,not bringing information that has been wrongfully brought to the company for the benefit of their job duties or the use of company information to notify outsiders whether benefits or not.
- 3.5 Employees shall not take any action that will be exploitation for personal or wrongful work even if that action shall cause the company advantage.
- 3.6 Employees shall not do business that falls within the same nature or is in competition with the company, which is considered a conflict of interests.
- 3.7 This Code of Ethics is a part of staff discipline, and can be used to punish according to the discipline and punishments set forth.

4. Reporting of investigations of Code of Conduct violations

Any supervisor or employee sees and acknowledge the behavior of subordinates or colleagues that shall conflict or contradict the code of conduct, shall hurry to report "Compliance Officer immediately, inform and provide evidence, documents confirming the supplement of the report (if any), shall conduct investigation without delay If necessary, request cooperation with the Internal Audit Department and the Human Resources Department.

When receiving sufficient information to make a decision to present the report directly to the Chief Executive Officer with the behavioral explanation, violation of the Code of Ethics and recommendations for the next step, the report of the said case shall be recorded in writing and keep a copy in the employee profile.

Throughout the year 2020, the company complied with the principles of corporate governance and practices that are in line with various criteria related by recognizing the importance of shareholders' rights and responsibilities towards the shareholders and stakeholders of the company, equitable treatment of shareholders, consideration of the roles of stakeholders, information disclosure and transparency so that the company is a business with social responsibility. It appears that none of events or practices is found, or is not in line with the good corporate governance policy and the Code of Ethics. The company has received awards for corporate governance as follows:

- Assessment from the survey of listed companies corporate governance for the year 2020

at the level of “Excellent”



- The quality evaluation of the arrangement of the Annual General Meeting of Shareholders for the year 2020 from the Thai Investors Association Scored 95%

Unapplied, the Company arranged and practiced as follows:

Unapplied	Reason
1. The chairperson of the Board of Directors is an independent director.	The Board of Directors appointed a suitable person to be the Chairperson of the Board of Directors and to ensure that the composition and practice of the Board of Directors exercised independently judgment in decision-making. The Board of Directors appointed one independent director to co-consider the agenda of the Board of Directors' meetings practicing a balance of power between the board of directors and the management in accordance with corporate governance principles for listed companies.
2. Requiring directors or high-level executives to notify the Board of Directors or authorized person on buying and selling Company's stock at least 1 day prior to the transaction date.	The company established additional policy to prevent the use of inside information by specifying that directors and executives including those holding managerial positions in accounting or finance department, department manager or equivalent to, of the company having received insider material, information affecting the change in price or value of securities must not trade the Company's securities for a period of time prior to the release of financial statements or dissemination of information on the Company's financial position, until the Company disclosing the information to the public. The Company would notify the Board of Directors and executives including those holding managerial positions in accounting or finance, department manager or equivalent to, of the Company and the Company's auditor not trading Company's securities in writing for at least thirty (30) days prior to public disclosure and at least 24 hours after disclosure to the public. As well as prohibiting the disclosure of such material information to other persons

3 Nomination and appointment of the directors and the top management

3.1) Nomination of the Company's directors

The Board of Directors appointed the Nomination and Remuneration Committee to act to nominate the directors. The appointment and removal of directors shall conform to the rules and procedures specified in the Company's articles of association as follows:

1. The Board of Directors consists of not less than 5 directors and should not exceed 12 persons. Not less than half of the total number of directors must have residence in the Kingdom and must have qualifications as required by law.
2. The Board of Directors must comprise at least 1 in 3 independent directors of the total number of directors, but must not be less than 3 persons.
3. The directors must have qualifications according to the Public Limited Companies Act, the Securities and Exchange Act, other relevant laws and rules.
4. The shareholders' meeting shall be entitled to appoint the directors in accordance with the following rules and methods.
 - 4.1 One shareholder has one vote per share.
 - 4.2 Each shareholder may use all available votes to elect one or several persons as director(s). For electing several persons as directors, the votes can be distributed to any person in any number.
 - 4.3 The persons receiving the highest votes in descending order are selected as directors equaling the required number of directors. If the persons elected in the next descending order have equal votes more than the number of directors required, the selection must be done by the method of drawing lots in order to obtain the required number of directors.
5. At every annual general meeting of shareholders, 1 in 3 directors of all directors must leave the position. If the number of directors to leave cannot be divided into 3 parts, the number closest to 1 in 3 parts must leave. For the directors who must vacate office in the first year and the second year after registration of becoming a public limited company, the method of drawing lots must be used to determine the outgoing person. In the subsequent years, the longest-serving director must vacate office.
6. Apart from vacating office at the end of the term, the directors may vacate office in case of
 - 6.1 Death
 - 6.2 Resignation
 - 6.3 Lack of qualifications or having prohibited characteristics according to the Public Limited Companies Act and / or the Securities and Exchange Act

- 6.4 The shareholders' meeting passes a resolution on leaving by the vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and having a total of not less than half of shares held by the shareholders attending the meeting and having the voting right.
- 6.5 The court issues an order to vacate office.
7. In case that the position of director is vacant due to reasons other than expiration of the term, the Board of Directors shall select any qualified person with no prohibited characteristics under the Public Limited Companies Act as well as the Securities and Exchange Act, including relevant announcements, rules and / or regulations as replacement director in the next board meeting. However, if the remaining term of the director is less than 2 months, that replacement director will be in the position of director only for the remaining term of the director replaced.
8. The directors have each 3-year term of office. The performance of each individual director must be evaluated 1 time per year.

3.2) Nomination of independent directors

The Company has established the qualifications of independent directors as specified in the announcement of the Capital Market Supervisory Board No. TorJor. 39/2559 on permission application and permission for offering to sell newly issued shares, which must have the following qualifications.

1. Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company, including shareholding of related parties.
2. Neither being nor having formerly been a director involved in work management, employee, consultant receiving regular salary or control authority of the Company, parent company, subsidiary, associate company, subsidiary in the same level, major shareholder or of control authority of the Company except having been excluded from the aforementioned characteristics for not less than 2 years before the date of submitting an application to the Office. Such prohibited characteristics do not include the case that an independent director used to be a government official or a consultant of government agencies which are major shareholders or the control authorities of the Company.
3. Not being a person with blood relationship or by legal registration in the forms of being father, mother, spouse, sibling and child as well as spouse of the child of another director, executive, major shareholder, control authority or the person to be nominated as director, executive or control authority of the Company or subsidiaries.
4. Neither having nor having formerly had a business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company in a manner that may hinder the use of independent judgment, including neither being nor having formerly been a significant shareholder or control authority of the person having a

business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of submitting a permission application to the office.

The business relationship under paragraph one, including normal commercial transactions for business operations, renting or renting real estate out, transactions related to assets or services or giving or receiving financial assistance by accepting or giving loans, guaranteeing, providing assets as collateral for debts, including other similar circumstances, resulting in the applicant or the contract party's debt obligation to pay to the other party from 3% of the net tangible assets of the Company or from 20 million baht or more, whichever amount will be lower. Calculation of such debt burden shall be based on the method of calculating the value of connected transactions according to the announcement of the Capital Market Supervisory Board on the rules for connected transactions mutatis mutandis. However, consideration of such debt burden must include the debt burden incurred during 1 year before the date of business relationship with the same person.

5. Neither being nor having formerly been an auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company and not being a significant shareholder, control authority or a partner of the audit office with affiliated auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of submitting a permission application to the Office.
6. Neither being nor having formerly been any professional service provider, including serving as a legal advisor or financial advisor receiving service fee of more than 2 million baht per year from the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company. Also not being a significant shareholder, control authority or a partner of that professional service provider except having been excluded from such characteristics for not less than 2 years before the date of submitting a permission application to the Office.
7. Not being a director appointed as representative of the director of the Company, major shareholder or shareholder related to major shareholder.
8. Neither operating a business having the same conditions and significantly competing with the business of the Company or subsidiary nor being a significant partner in the partnership nor being a director involved in work management, employee, consultant receiving regular salary or holding more than 1% of the total number of shares with voting rights of another company running business with the same conditions and significantly competing with the business of the permission applicant or subsidiary.

9. Not having any other characteristics that cause the inability to give independent opinions about the operations of the Company.

The rules and methods of appointing independent directors conform to the rules and procedures for appointing the directors. Each independent director can hold the position of independent director for a maximum of 9 consecutive years.

3.3) General rules for appointing the directors in various committees of the Company

The components and qualifications of various subcommittees must conform to the rules prescribed by the SEC and the Stock Exchange of Thailand. The Audit Committee must have the following elements.

The Audit Committee has the components as follows.

1. The Audit Committee must be independent directors of the Company.
2. The Audit Committee must be appointed by the Board of Directors.
3. The Audit Committee must comprise the number of not less than 3 persons. At least 1 person must have knowledge, understanding and sufficient experience in accounting or finance to review the reliability of financial statements. The Board of Directors must assign the person to act as Chairman of the Audit Committee. The head of the internal audit department or the person approved by the Audit Committee must act as secretary of the Audit Committee.

Other committees

1. It is necessary to consist of at least 1 independent director or it is advisable to consist mainly of independent directors to comply with good corporate governance principles for listed companies. However, the Executive Committee shall be as deemed appropriate by the Board of Directors of the Company.
2. Having knowledge, capabilities, experience and expertise appropriate to the mission assigned.
3. The Nomination and Remuneration Committee that are not independent directors must be non-executive directors. If the remuneration executive directors are required, this will be minority directors of the whole committee and does not take part in considering remuneration of the President and the Chief Executive Officer.

3.4) General criteria for appointment of President, Chief Executive Officer and senior managements

In recruiting company president, the Nomination and Remuneration Committee and the Board of Directors shall select individuals with knowledge, capabilities and complete specifications including experiences beneficial to the company's operations and subsidiaries, suitable for the position to propose to the Board of Directors for further consideration and approval.

In recruiting the lower level of executives, the president, chief executive officer and the Nomination and Remuneration Committee are responsible for considering the qualifications and appropriateness of personnel with experience and knowledge in management of related fields in order to hold senior management positions in each line of work as specified in the Delegation of Authority.

4 Supervising the operations of subsidiaries and associate company

To comply with the rules as well as the Securities and Exchange Act and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand (“SET”) and according to the announcement of the Capital Market Supervisory Board, the management department therefore proposed to the Board of TQM Corporation Public Company Limited (“the Company”) to approve the policy on supervising and managing the subsidiaries and associate company of the Company. In this regard, the Company’s subsidiaries and associate company must comply with the rules stated in the announcement of the Capital Market Supervisory Board, announcement of the Securities and Exchange Commission (“SEC”) and relevant regulations, announcements, orders or requirements of the Stock Exchange of Thailand. The objectives are to allow the Company to have mechanisms for supervising the subsidiaries and associate company directly and indirectly and control the management and take responsibility for the operations of subsidiaries and associate company like being a unit of the Company so as to safeguard the interests of the Company’s investments and have measures to monitor work management of the subsidiaries and associate company effectively. In this regard, the Chief Executive Officer with the power to issue the orders or announcements about the Company’s policies according to the Delegation of Authority will consider creating and enforcing the Company’s policy on supervising and managing the subsidiaries and associate company of the Company as further deemed appropriate.

In this regard, the “subsidiaries” and “associate company” mean the subsidiaries or associate companies that operate core businesses as stated in Clause 24 of the announcement of the Capital Market Supervisory Board No. TorJor. 39/2559 on permission application for offering to sell newly issued shares (as amended) in conjunction with the SEC announcement No. KorJor. 17/2551 on determined definitions in the announcement about issuance and offering to sell securities (as amended).



4.1) Unless specified, the following cases, the subsidiaries or associate company (as the case may be) must get approval from the Board of Directors meeting of the Company.

- (a) Appointment or nomination of the persons to be directors and executives in the subsidiaries or associate company at least in proportion to shareholding of the Company in such subsidiaries or associate company.

Unless otherwise specified by this policy or the Board of Directors of the Company, the directors and executives appointed or nominated by the Company must have the discretion to vote in the Board of Directors' meetings of subsidiaries and associate company on the matters relating to general management and normal business operations of subsidiaries and associate company as such directors and executives will deem appropriate for maximum benefit of the Company and subsidiaries or associate company (as the case may be).

In addition, the above appointed or nominated directors and executives must be named in the data system of listed directors and executives of securities - issuing companies (White List) and have the qualifications, roles, duties and must not lack trustworthiness according to the SEC announcement on determined lack of trustworthiness of directors and executives of the company.

- (b) Capital increase by issuing capital increase shares of the subsidiaries and shares allocation, including reducing the registered capital and / or paid-up capital of the subsidiaries inconsistent with the original shareholding ratio of shareholders or any other actions of causing the proportion of using voting rights both directly and indirectly of the Company in the shareholders' meeting of subsidiary to decrease by more than 10 percent of the total number of votes of that subsidiary except the case in the business plan or annual budget of the subsidiary already approved by / the Board of Directors.
- (c) Approval for the annual dividend and interim dividend payment (if any) of subsidiaries.
- (d) Amendments to the subsidiaries' articles of association. However, amendments to the articles of association on significant matters under Clause 2.5 must be approved by the shareholders' meeting of the Company.
- (e) Approving the total annual budget of the Company and all subsidiaries of the Company except the case specified in the Delegation of Authority.
- (f) Appointment of the auditors of subsidiaries that are foreign companies only in the case of such auditors not being affiliated with the audit offices that are full members in the same network as the Company's auditor. This is not in accordance with the auditor appointment policy of the Company whereby the auditors of subsidiaries must be affiliated with the audit offices in the same network as the auditor of the Company.

Transactions from Clause (g) to (j) are considered to be important. Entering into transactions will have a significant impact on the financial status and operating results of the subsidiaries. Therefore, before the Board of Directors' meetings of subsidiaries and the directors appointed by the Company

to hold the position in the subsidiaries will vote on the following matters, such directors must get prior approval from the Board of Directors of the Company for such matters. This must apply to the case when calculating the size of transaction to be done by the subsidiary compared with the characteristics and /or the size of the Company (by applying the rules for calculating the sizes of transactions as specified in the relevant announcements of the Capital Market Supervisory Board and the SET Board of Governors on connected transactions or acquisition, disposal of assets (as the case may be) mutatis mutandis) and must be approved by the Board of Directors of the Company. The following transactions, including:

- (g) The case that the subsidiary agrees to enter into transaction with related party of the Company or subsidiary or transaction relating to acquisition or disposal of assets of subsidiary, including but not limited to the following cases:
 - (1) Transferring or waiving the right to benefits and waiving the right to claims against people who cause damage to the subsidiary.
 - (2) Selling or transferring all or some important parts of the business of subsidiary to another person.
 - (3) Purchasing or accepting transfer of business of another company to the subsidiary.
 - (4) Entering into, modifying or terminating the contract about renting out all or some important parts of the businesses of the subsidiary, assigning another person to manage the business of the subsidiary or the merger between the subsidiary and another person with the purpose of sharing profit and loss.
 - (5) Renting or allowing purchasing by installments all or some important parts of the business or assets of subsidiary
- (h) Borrowing money, giving loans, providing credit, guarantee, legal transactions binding the subsidiaries to bear the increased financial burden or providing financial assistance in any other way to other persons in the significant amount and not being a normal business of the subsidiaries except borrowing, lending money between the Company and subsidiaries.
- (i) Close-down of subsidiaries
- (j) Any other transactions that are not a normal business transaction of the subsidiaries with significant impact on the subsidiaries.

- 4.2) For the following cases, the subsidiaries or associate company (as the case may be) must get approval from the shareholders' meeting of the Company with the vote of not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and having voting rights.
- (a) The case that the subsidiary agrees to enter into a transaction with related parties of the Company or subsidiary or transaction relating to the acquisition or disposal of assets of the subsidiary. This must apply to the case when calculating the size of transaction to be done by the subsidiary compared with the characteristics and /or the size of the Company (by applying the rules for calculating the sizes of transactions as stated in the relevant announcements of the Capital Market Supervisory Board and the SET Board of Governors on connected transactions or acquisition, disposal of assets (as the case may be)
 - (b) Capital increase by issuing capital increase shares of the subsidiaries and shares allocation, including reducing the registered capital and / or paid-up capital of the subsidiaries inconsistent with the original shareholding ratio of shareholders or any other actions of causing the proportion of using voting rights directly and indirectly of the Company in the shareholders' meeting of subsidiary to be reduced to less than the proportion specified in the law applicable to the subsidiaries, resulting in the Company's no authority to control that subsidiary. This must apply to the case when calculating the size of transaction compared with the size of the Company and must be approved by the shareholders' meeting of the Company (by applying the rules for calculating the sizes of transactions as specified in the relevant announcement of the Capital Market Supervisory Board and the announcement of the SET Board of Governors mutatis mutandis).
 - (c) Close-down of the subsidiaries. This must be the case when calculating the business size of subsidiary to close down compared with the size of the Company (by applying the rules for calculating the sizes of transactions as specified in the relevant announcements of the Capital Market Supervisory Board and the SET Board of Governors regarding the acquisition or disposal of assets mutatis mutandis) and must be approved by the shareholders' meeting of the Company.
 - (d) Any other transactions that are not normal business transactions of the subsidiary and will have significant impact on the subsidiary. This must be the case when calculating the size of transaction to be done by the subsidiary compared with the size of the Company (by applying the rules for calculating the sizes of transactions as specified in the relevant announcements of the Capital Market Supervisory Board and the SET Board of Governors regarding the acquisition or disposal of assets mutatis mutandis) and must be approved by the shareholders' meeting of the Company.
 - (e) Amendments to the subsidiary's articles of association on the matters that may significantly affect the subsidiary's financial position and operating results. This includes, but is not limited to amendments to the subsidiary's articles of association with impact on the voting rights of the Company in the Board of Directors' meeting of the subsidiary and / or the shareholders' meeting of the subsidiary or dividend payment of the subsidiary etc.

- 4.3) The Board of Directors of the Company shall monitor and supervise the Board of Directors and executives of subsidiaries and associate companies, which are nominated or appointed by the Company, to comply with the duties and responsibilities according to the laws and the Company's policies.
- 4.4) The Board of Directors of the Company has monitored the operating results of subsidiaries according to the plans continuously and requires the subsidiaries to disclose information on the financial status and operating results, connected transactions and acquisition or disposal of assets and any other significant transactions to the Company. Also, various operations shall conform to the rules for supervision and management of subsidiaries and associate companies completely and accurately according to the relevant announcement of the Capital Market Supervisory Board and the announcement of the SET Board of Governors (as the case may be).

Moreover, all directors and executives of all subsidiaries had already signed acknowledgement of the policy on supervising and managing the subsidiaries of operating core businesses and the associate company of operating core businesses for compliance with.

5 Supervising the use of internal information

The Company has the policy and methods of supervising the directors and executives to use internal information of the Company, which has not yet been disclosed to the public, for personal gain, including securities trading as follows.

- Educating the directors and executives of various departments on a duty to report securities holdings of themselves, spouses and underage children to the Securities and Exchange Commission and the Stock Exchange of Thailand under Section 59 and penalties under Section 59 and penalties under Section 275 of the Securities and Exchange Act 1992 (B.E. 2535) (including amendments) and report the acquisition or disposal of securities of themselves, spouses and underage children to the Securities and Exchange Commission under Section 246 and the penalties under Section 298 of the Securities and Exchange Act 1992 (B.E. 2535) (including amendments).
- Requiring the directors and executives, including spouses and underage children to make and disclose the securities holdings report and have a duty to report changes in holding securities to the Securities and Exchange Commission under Section 59 of the Securities and Exchange Act 1992 within the next 3 business days from the change date and send a copy of this report to the Company on the same day of sending the report to the Securities and Exchange Commission.

- The Company requires the relevant directors, executives and workers informed about important internal information with impact on the securities price changes to stop the trading of the Company's securities for a period of at least 1 month before the financial statements or that internal information will be disclosed to the public and at least 24 hours after disclosure of information to the public. Besides, disclosure of that important information to other people is prohibited.

The Company has established disciplinary action in case of violation, use of internal information for personal gain, ranging from written admonition, cutting wages, temporary suspension from work without receiving wages or dismissal. The punishment will be determined by the intent of action and seriousness of the offense.

6 Remuneration of the auditor

6.1) Remuneration from auditing

The Company paid EY Office Limited for the audits of the Company and subsidiaries and the consolidated financial statements as of 31 December 2020 in the amount of 5,858,500 baht for the audit fee of the Company's consolidated and separate financial statements and the audit charge of the subsidiaries' financial statements.

The parties related to the auditor and the audit office of the above auditor's affiliation are not the parties connected with the Company and subsidiaries according to accounting standards regarding disclosure of information about related parties.

6.2) Non-Audit Fee

The Company paid remuneration to EY Office Limited for preparing financial information and other documents related as of 31 December 2020 in the amount of 100,570 baht as service fee for checking general control of information system, preparing information, documents and other charges of the auditor.



Board of Directors' and Sub-Committees' Meetings

The Board of Directors schedules meetings in advance every year, which a policy is to hold at least once a quarter, not less than 6 meetings in a year, to help directors to allocate time to attend meetings and there may be additional special meetings to consider matters of urgent importance. In each meeting, a minimum quorum at the time of voting shall not be less than two-thirds of the total number of directors. A meeting notification shall be sent, detailing meeting's agendas and related documents, to directors for advance considerations by not less than 7 days prior to a meeting. For the committees, a meeting shall be in accordance with a charter of each committee.

The Board of Directors held 7 meetings in 2020, which was 6 directors' meeting to acknowledge and consider Company's operations and 1 non-executive director meeting was held on 23 December 2020 on the agenda of advice on the operations and management of managing departments including company's development of the year 2020; therefore, the non-executive directors discussed on the company's operations and management unconditionally. The meeting minutes was written and sent to all directors for acknowledgment after the meeting.

In the year 2020, all directors attended the board of directors' meetings not less than 75% of the total board meetings throughout the year, and the average attendance rate of the board attending the board of directors' meeting was 100%.

2020's Meetings

Name	No. of Attendances / No. of Meetings							
	AGM 2020	Board of Directors	The Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Corporate Governance Committee ^{2/}	Non-executive director
1. Dr. Unchalin Punnipa	Attended	6/6	-	-	-	4/4	-	-
2. Mr. Marut Simasathien	Attended	6/6	4/4	4/4	-	4/4	1/1	1/1
3. Dr. Rutchaneeporn Pookayaporn	Attended	6/6	4/4	4/4	-	-	1/1	1/1
4. Mr. Chinapat Visutipat	Attended	6/6	4/4	4/4	-	4/4	1/1	1/1
5. Ms. Suvabha Charoenying	Attended	6/6	-	-	-	-	1/1	1/1
6. Mr.Thana Thienachariya ^{1/}	-	-	-	-	-	-	-	-
7. Dr. Napassanun Punnipa	Attended	6/6	-	4/4	12/12	-	-	-
8. Ms. Somporn Ampaisutthipong	Attended	6/6	-	-	12/12	-	-	-
9. Ms. Ratana Punnipa	Attended	6/6	-	4/4	12/12	-	-	-
10. Mr. Ampon Oniam	Attended	6/6	-	-	12/12	-	-	-

Remark: ^{1/} Mr.Thana Thienachariya had been elected and appointed to be Company's director according to the resolution of EGM No.1/2563 held on 24 December 2020.

^{2/} The Board of Directors' meeting No. 5/2563 held on 11 November 2020 resolved to appointed Corporate Governance Committee.

Dividend Policy

Dividend Policy of the Company

The policy of TQM is to pay dividends not less than approximately 50% of its operating net profit from separate financial statement after income taxes and retained earnings by laws of every year. The dividend payout rate may be changed concerning operating results, liquidity, needs of investment, working capital, additional investment, business expansion, conditions and restrictions of loan agreement and other management factors by the resolution of directors and/or shareholders which the said dividend shall not over the retained earnings stated in Company's separate financial statement, and comply with related laws.

Dividend Policy of Subsidiaries

The policy of subsidiaries is to pay dividends not less than approximately 50% of its operating net profit from separate financial statement after income taxes and retained earnings by laws of every year. The dividend payout rate may be changed concerning operating results, liquidity, needs of investment, working capital, additional investment, business expansion, conditions and restrictions of loan agreement and other management factors by the resolution of directors and/or shareholders.



Industry and Competition

1 The industry situation and competition analysis

Thai economy in 2020 was expected to shrink -7.7% per year (with the forecast of -8.2% to -7.2%), shrinking less than the forecast in July 2020 at -8.5%, supported by the

- The flexibility of COVID-19 epidemic control measures and the opening of the country resulting in increasing economic activities.
- The recovery of the major business partners' economy led by Asian countries such as China and Vietnam, the improvement of Thai export sector.
- Thailand's control of COVID-19 was in good level. Building confidence in the public sector, private and foreign sectors.

Therefore, it was expected that the Thai economy had already bottomed out in the second quarter of 2020 and would see less negative economic numbers in the second half of 2020.

For Thai economy in 2021, the Fiscal Policy Office expects Thai economy will expand at 4.5% per year (with a forecast of 4.0% to 5.0%), supported by the value of exports of goods that have returned to expand

at 6.0% per year (with a forecast of 5.5% - 6.5%) according to the economic growth of the major business partners. (Source: <https://www.marketthink.co/11154>)

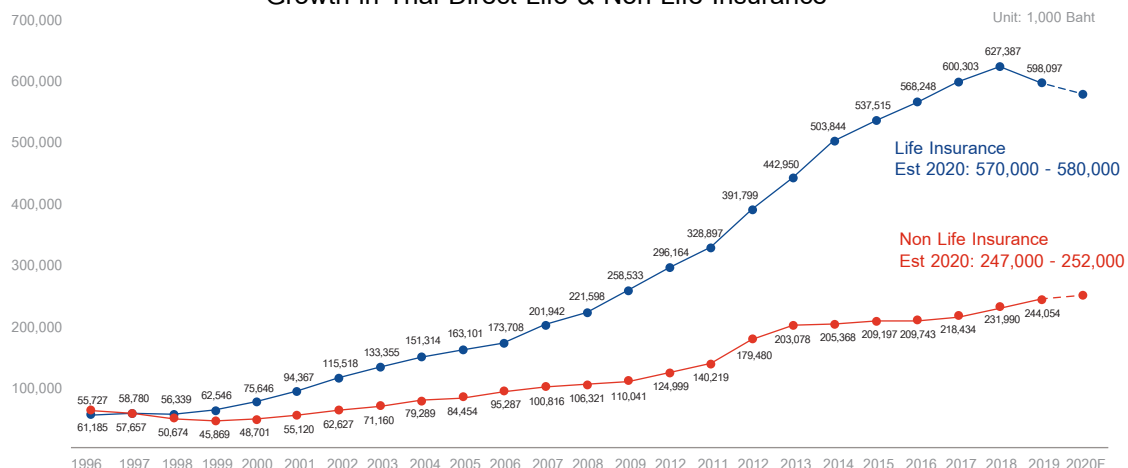
Kasikorn Research Center reported that in 2021, the major industries in Thailand would take time to recover from the effects of COVID-19 depending on the level of impact, and some industries faced other specific challenges.

For the overview of Thai insurance industry in the first half of 2020, the total system insurance premium shrunk 1.7% to approximately 4.06 billion baht, that the life insurance business shrinking 3.2%. The non-life insurance business grew 1.9% from health insurance. It was expected that the entire insurance business in 2020 shrunk 2.9-4.9% to 8.12-8.29 billion baht, a risk factor that causes the insurance sector to decline was economic decline because of COVID-19 causing the number of foreign tourists declined and the sales rate of cars dropped which the forecast was based on the assumption that GDP that it would shrink 7.8%

(Source: Interview with the Secretary-General of the Insurance Commission (OIC); Bangkok Business website)

Direct Premium 1996 - 2020F

Growth in Thai Direct Life & Non Life Insurance



Estimated direct premium for the insurance business in 2020 was approximately 815,000 - 835,000 million baht, shrinking 1.5% - 3% by comparison the competition in the insurance industry. When considering the distribution channels, it was found that Broker channel was still the highest sales channel with total sales of all types of insurance between January - October 2020 at 123,433 million baht, or approximately 59.0%, followed by agent channels and bancassurance, respectively. The motor insurance products were the highest sales at 119,222 million baht. (Source: <https://www.oic.or.th/th/industry/statistic/data>)

Based on the company's target for 2020 compared to the 2020 broker sales forecast, the proportion is approximately 9-10%.

Sales channel comparasion as of October 2020

Sales channel	Direct premium	%Share
Agent	28,368,039	13.6%
Broker	123,433,356	59.0%
Bancassurance	24,524,650	11.7%
Direct Mail	-	0.0%
Tele Maketing	7,414,533	3.5%
Walkin	11,804,171	5.6%
Worksite	12,720,184	6.1%
Internet	865,666	0.4%
Others	-	0.0%
Total	209,130,599	100.0%

Unit: thousand baht

According to the National Economic and Social Development Council, the Thai economy in 2021 was expected to expand 4.0% to 5.0% from the 2020 base, while the World Bank expected 4.1%, the Asian Development Bank estimated 4.5%, The Bank of Thailand forecasted at 5% and the International Monetary Fund forecasted at 6.1%. Assessments of the economic growth of various agencies were based on the following factors:

- The number of foreign tourists would begin to improve again in the second half of 2021, which would benefit the entire tourism sector, including hotels, residences, restaurants, international travel and other related businesses. It was expected that total tourism income would be 0.6-1.5 trillion baht in 2021, change -9% to 105% from 2020.
- The improvement of export sector due to increased demands for products of business partners. It was expected to grow about 4%.

- Private consumption recovery from -1.7% in 2020 to 2.4% in 2021.
- Private investment recovery from -4.2% in 2020 to 2.8% in 2021.
- The government continued to use expanded fiscal measures, employment promotion including investment in large projects.

As all economic entities had estimated that Thai economy had hit its lowest in 2020 and would recover in 2021, the research institute had predicted that the non-life insurance business would benefit from the economic recovery resulted in the growth of non-life insurance premiums in 2021 by approximately 2.5% with details of each type of insurance as follows.

Car insurance: Based on the forecast of new car sales in 2021, it was likely not to return to the 1 million car sales, as in the pre-COVID-19 period, with Krungsri Research and KKP Research expecting 2021 car sales to be in the range of 610,000 car sales to 650,000 car sales and the competition in the car insurance business would be more intense, competitive pricing strategies were used to increase sales; as a result, car insurance premiums would grow around 3% in 2021.



Personal accident and health insurance:

As the COVID-19 insurance policy included accident and health insurance category, there may be a few renewals or purchases. Therefore, personal accident insurance growth in 2021 may be slightly higher at 1.9%, while health insurance would have a -7.4% growth compared to the 2020 premium that included the COVID-19 policy premiums.



Travel insurance: Due to the uncontrollable COVID-19 epidemic situation and international travel restrictions, such as quarantine measures both from the destination country and upon returning to Thailand; as a result, travel insurance had not yet returned to normal. However, travel insurance premiums were expected to rise 135% from a very low base in 2020, where travel insurance premium had shrunk 78%.



All risk and fire insurance: The shrinkage of reinsurance capacity and market conditions that continued to be a long hard market resulted in higher rates of all risk and fire insurance premiums.

From the forecast of the non-life insurance business in 2021 as mentioned above. It was assumed that there would be no resurgence of the second wave of COVID-19 and effective vaccine against COVID-19 would be prevalent in the second half of 2021. However, due to unstable politics, it may cause Thai economy to recover at a slower pace than expected and ultimately affected the growth of the non-life insurance business

(Source: Research and Statistics Office, Thai Reinsurance Public Company Limited)

For the business direction of life insurance in 2021, it was expected that the growth would be in line with the economic conditions. That should continue support from people becoming interested in purchasing health insurance, but would be pressured by the small size premiums. The direction of life insurance products from the life insurance company, that gradually casted out savings life insurance products with guaranteed returns from the market, because of low interest situation. This made it more difficult for the business sector to make profit for customers. The business sector saw the trend from now on to be a Universal Life, Unit Linked, or Participating Policy product, focusing on risk-based investments that the policy holder could accept, including products that provided long-term coverage and health insurance.

However, in the year 2021, life insurance companies would continue to face challenges from various factors, such as the global economy after the COVID-19 outbreak was still fragile. The low interest rate and the tendency of a new low-yield point to affect the life insurance business in all dimensions. As a result, the life insurance business had to accelerate to find ways to mitigate potential impacts in the future.

Despite the impact from the coronavirus situation affecting Thai economy and overall insurance industry in 2020, but the Company's business performance still had positive factors that supported the company to grow accordingly as the goal set in various factors as follows:

- 1** The availability of the company for offering products on various digital platforms. Therefore, when the COVID-19 outbreak occurred, the company could offer products to cover diseases caused by the coronavirus immediately answering to needs of consumers. Therefore, the Company was able to sell and grow well in accident and health products.
- 2** Public relations from the public sector in the past made people more alert and aware of the importance of insurance as a tool to manage financial risks more effectively, including easing measures and regulations from various government sectors to help facilitate and mitigate the impact of insurance companies, such as reducing fee rates, digitizing the sales offer to be digital face to face to reduce sale steps and increase the flexibility of offering.
- 3** Adjusting sales strategies by targeting customers on new product groups corresponding to new situations and disasters occurred during the period, such as home insurance focusing on natural disasters as home and residential fire insurance. It was also a market with a small number of players. This included products related to seasonal diseases such as dengue fever and influenza.
- 4** The Company's Transformation Policy for the development of work processes to be flexible, to be adjusted according to the situation. Therefore, there was no impact on the operations of both sales and services.



2 2020 Market Policy

In 2020, the Company continued to follow the full digital strategy which had a clear goal of making digital platforms by continuously applying technology to product and service developments, under the strategy of TQM Digital by developing a Real-time Chat Bot channel allowing customers to buy insurance through chat with automation or Bot for 24 hours and also initiated the development of a system to buy insurance as a gift for themselves or loved ones through the system, Insurance Gifts on Line application platform and website.

The company had also developed a new platform under the name TQM 24 Smart Services that would make insurance as easy as your fingertips, providing customers with convenience, speed, and safety in real time while continuously developing insurance products in collaboration with specific insurance partners. To offer the right insurance products to suit the current era and needs. To widen insurance consumer's opportunities and accessing to insurance. With the confidence that there would be a new group of customers continuously.

At the same time, it has launched a new service "TQM 24 Smart Services" to increase confidence for customers to buy, pay, receive insurance policies, make claims and receive other services from more than 40 insurance companies in one place via LINE TQM Insurance. Broker responds to lifestyles in the Social Distancing era, along with services through various channels (Omni Channel), both chat and call with real-time employees 24 hours a day, along with adding Tele Health Consult services to provide advice on health from a team of specialists Through "TQM 24 Smart Services"

In addition, the Company still had a policy of research and development in various fields and development of processes, products and services with a commitment to product and service developments to meet the needs of customers in each segment in collaboration with insurance company partners. To develop products and services for customers by using Big data to help analyze customer behavior and needs. To meet the needs of both current customers and new prospective customers. At the same time, new sales methods had been adapted and developed in a product portfolio that had been researched to further expand the market, such as home/fire insurance or supplementary insurance that extended the coverage from main insurance by focusing on offering both Up Selling & Cross Selling, as well as doing projects with new partners by introducing new business models to expand the customer base.

From the coronavirus outbreak in 2020, the Company in cooperation with insurance partners had released various COVID insurance plans such as the first infection detection plan and then compensation payment also known as Virus Found, Get Paid or the coronavirus medical expense plan including the coma caused by COVID infection, etc. According to the Company's readiness to sell insurance online as well as offer for sale in other channels of the Company, offer comprehensive services to customers, the company could sell more than 500 million baht.

The acquisition of 100% shares in TO 2020 Co., Ltd., as a subsidiary and would be a joint-venture with a company incorporated in the Kingdom of Cambodia and Lao People's Democratic Republic. In addition, TO 2020 Company Limited would provide technical and other related support services to the venture capital firms by bringing the company's modern technology into the insurance service. To promote and support technical business operations and any service work supporting businesses within the group including receiving various benefits under the criteria and the conditions set by the government.

Furthermore, the group had planned to invest in a joint venture (JV) with Asia Investment and Financial Services Co., Ltd. (AIF) group of companies named BIC Insurance Company Limited to expand the insurance market in Cambodia and Lao People's Democratic Republic. The company was confident in its continued and strong growth with the direction of the Growth Engine strategy in 4 areas, Strengthen Core Business, the strength of motor insurance continuing to grow, adding a variety of new insurance channels, including home insurance Health insurance covering new diseases, growth in Mergers and Acquisitions (M&A) channels that expanded into Cambodia, and became the Best Position for M&A and TQM InsurTech channels to grow with expanded cooperation. The InsurTech strengthen the business to grow exponentially.

Long-term action plan

From the trend of the insurance industry in the next 10 years or Y2030, McKinsey & Company' website, the world leading consultant firm, has analyzed the trend of insurance as "Insurance 2030-The Impact of AI on the Future of Insurance" focusing on the role that technology will affect the insurance business whether it is a system that can learn by itself, Machine Learning, Deep Learning about the enormous amount of information available and Artificial Intelligence (AI) (Source: <https://www.mckinsey.com/industries/financial-services/our-insights/insurance-2030-the-impact-of-ai-on-the-future-of-insurance>). In order to support the future trend of the insurance, the company, therefore, has plan long-term operational strategy as follows:

Short-term planning: Digital Readiness - this is the foundation of Digital Transformation for the organization by using technology to be in line with the rapidly changing era focusing on developing and preparing all 3 parts which are

- Preparation for capacity development and understanding of tools and various technologies for human resources in the organization (Empower Employees)
- Preparation for optimization in operations (Optimize Operation)
- Preparation for increasing efficiency and creating service experience and better customer experience.

Mid-term planning: New Digital Adoption - focusing on new technology in order to create a better work process and the customer centric, including the development of platforms to support the life insurance products sales and non-life products sales and supporting both online and offline sales.

- A platform to support the purchase and services using technology integrated into work as a full automation system creating work and customer service faster
- Development of businesses to support strategies for business expansion through partners and new businesses.
- Inventing systems and platforms to support Cross-selling, and up-selling strategies for profitability.

Long-term planning: System of intelligence - focusing on utilization of analyzed data for product development answering consumers' behaviors on platforms, systems, both buying system and services which the analyzed data helps present products and services direct to the needs of customers by the technology of Machine Learning, Deep Learning and AI as support tools.

Educating retail consumers to be able to access and understand the benefits of insurance thereby protecting the insurer, and compensating in case of loss.

Target Customer

1. General retail customers

A retail customer means individuals who want to buy non-life or life insurance. Services for retail customer will depend on many factors including policy type that meets customers requirement, reliability and stability of insurance companies, sales promotions, quick and convenient service through the communication channels of the Group, advertising, public relations, information received and etc. On December 31, 2015, 2016, 2017, 2018, 2019 and 31 December 2020, the Group has general retail customers for 91.2%, 91.3%, 89.0%, 96.1%, 90.0% and 88.9% of the net insurance premium sold to all customers.

2. Corporate customers

Corporate customers are companies, department stores, industrial factories, various cooperatives and government agencies and entrepreneurs. Most corporate customers will buy property insurance, Employee Life Insurance and employee health insurance. The corporate customers will make buying decision from companies' reputation and credibility. In addition, the company has corporate sales representatives to keep contact of corporate customers for continuing good service. Corporate customers were accounted for 8.8%, 8.7%, 11.0%, 3.9%, 10.0% and 11.1% of the net insurance premium sold to all customers.



From the above customer ratio, it could be found that the proportion of the Company's were mostly retail customers, so they were considered to be good diversification and would not have the effect of relying on few customers, and as a result of having a large retail customer base, the company had the opportunity to expand its work in the corporate customer groups more in the future. Sales Channel

The Company currently had 5 main sales channels as follows:

1

Telemarketing

It was a presentation of insurance products through the telephone channel offering both non-life insurance and life insurance to retail customers. Most of the products were car insurance and accidents that customers could understand and agree to buy insurance immediately. This channel was the company's main sales channel with more than 2,000 salespersons in service.

2

Corporate Representative

It was offering insurance products to customers in the form of a company or juristic person, separated into 2 groups:

- Non-life insurance products: all products of non-life insurance according to customer business type. This required experienced staff to present and describe complex products compared to retail customers.
- Life insurance products: life insurance products offering in the form of Employee Benefit.

3

Marketing Branch

It was a sales channel through salesperson located at the Company's branches nationwide offering a wide variety of insurance products and selling to both retail customers and corporate customers not being reached by Telemarketing and Corporate sales.

4

Online Platform

It was offering products through various Online Platforms such as Facebook, Line, Website and Affiliate Website, etc. In this channel, customers could purchase both insurance types. A customer could purchase insurance by oneself, called Complete Online, or a customer wished to purchase insurance and let the salesperson to contact back to present and explain the interesting insurance details.

5

Agent / Broker

It was a channel for offering products through brokerage agents under TJN insurance Broker responsible for offering various types of insurance products to prospective retail customers, small and medium organizations. The company would support trainings, insurance products. and a working system with a platform for of agents / brokers.

Product and Service

1) Business partner selection

The Group had guidelines for selecting and recruiting business partners, insurance companies. Selecting and Recruiting partners as follows.

- The insurance company must have financial stability and comply with the laws, rules and procedures related and notices under the supervision of the OIC.
- The insurance company must provide products to meet the needs of the Company's customers.
- The insurance company must have expertise and experiences in underwriting, risk management and management.
- The insurance company must arrange after-sales service and claims, be honest, fair, responsible for customers according to the conditions specified in the policy.

The group of companies treats insurance companies equally, except in the event of a joint project or special activity as an Exclusive Partner, which insurance companies are referred to as "insurance partners".



In 2020, the Group had 33 insurance partners and 19 life insurance companies and in 2021, the Company would open to more partners to increase the potential for a wider variety of products.

2) Insurance product selection

The Group had a product development department to screen and decide what kind of insurance products to sell. It would analyze customer databases such as age, income, behavior and other information to identify customer needs and to select suitable product for customers.

The department would have the criteria for considering insurance products from insurance companies such as providing pre- and post-sales services of insurance companies, marketing and promotion etc.

The product selection process started with the Product Development Department, organizing meetings with the management team to consider customer needs and jointly summarize the types of insurance products that would be offered for sale to customers. The product development department would then



discuss with the insurance company in order to offer a productsuitable product. It would also offer a range of insurance products that only the group of companies could offer. The product development department would work with the insurance company to develop the products using data from marketing data analysis, customer database, analysis of consumer behavior, trends as well as information from the customer satisfaction assessment, also meeting with the sales department in direct inquiry of customer needs. Because the sales department would be the one to interact so that the product development department would know the real customer needs that could be used to develop products.

However, all products offered by the Group were products already been approved by the OIC. When the Group had entered into a contract or agreement with an insurance company, the Group would prepare the system and define operational processes for operations to support the sale of that type of insurance product in the future.

3) Target customer information acquisition

In the past, the Group of Companies had a plan to acquire a database of target customers by purchasing a database of target customers from other agencies (Non-Partner), but currently the group had channels for acquiring a database of target customers as follows:

- The Company self developed a customer database via social medias such as Line, Facebook, Instagram to know customer behavior at all times. As well as information that the Group obtained from the Company's marketing activities and social media such as community of happy people, Member get member project, TQM Family Club project, activities with customers and followers on Line channels, more than 5 million active user on a weekly basis and that included the Facebook channel with a base of nearly 100,000 followers.
- The Company received a database of insurance policy sales through corporate customers. That was when corporate customers had insurance with the Group of Companies, the Company would have customer information. It was easier to offer insurance to customers. In addition, the Company would get a customer database from insurance companies in case the Company helped to sell insurance. The Company would analyze customer databases such as age, income and behavior to identify customer needs in each customer base. To select suitable products from insurance companies and able to respond to customer needs.



- The Company purchased a customer database (Lead) from a customer database provider. It was a business partner that had cooperation in providing and managing a target customer database including purchasing a customer database (Lead) from TQLD, a company providing insurance advisory. When customers filled out information through the website and were interested in insurance, customer data was transmitted via an Application Programming Interface (API) system to the Group's systems. So that the salesperson could offer insurance product to customers in the future.
- The Company expanded the insurance brokerage business. In 2019, it acquired 100% of shares in TJN Insurance Broker Company Limited, an insurance broker with expertise in car dealerships and car importers in order to expand TQM's customer base by using strategies to expand dealer base and car importer including independent brokerage agents and developed TJN's information technology (IT) system with TJN Anywhere program to enhance both sales and service systems. Focusing on building a support system for representatives to join TJN to work easily and quickly in every location. Keeping up with the needs of digital customers

4) Sales and Services

The Company provided insurance services and sales as follows:

- Sales through telephone channels (Telemarketing) in the case of a salesperson of the Company contacting customers directly and customers calling the Company.
- Sales through online channels (Online) through various digital channels.
- Direct sales (Face to face) with salesperson meeting customers all over the country.
- Integrated sales (Omni Channel) was a marketing channel link for customers to have a good relationship with the TQM brand and to choose to buy insurance through various unlimited to one sales channel.

The salesperson would offer insurance products to customers. However, salesperson must be trained and must obtain a non-life insurance broker license and a life insurance broker license from the OIC before offering products to customers. When the salesperson could close the sale, salesperson would record sales work into Caller system by specifying payment method via various channels such as cash payment, credit card, pay by money transfer. In addition, the insurance-purchase would be confirmed with customers again according to the requirements of the OIC.

5) Quality control of salesperson

The Company had guidelines for the quality control of the Company's sales representatives through the annual training plan as specified in the personnel development policy. The Company encouraged all sales representatives obtain an insurance brokerage license prior to offering insurance products to customers. The Company has a process for training employees to acquire knowledge related to insurance as well as information about relevant laws, principles and methods or various regulations related to business operation to keep salesperson informed of important rules so that salesperson could put it into practice as well as promoting sales staff to take the license exam as specified by the OIC through the course of the insurance license exam. The Company would invite sales representatives to join the conversation in order to hear the proposal of sales professionals, in order to see the correct way of conversation as well.



In addition, due to expiration of the non-life insurance broker license and / or life insurance broker license, the Company had a duty to follow up and controls salesperson to continue to obtain licenses by providing training from the OIC and / or courses as specified by the OIC so that the salespeople can renew their licenses.

6) Sales Promotion

The Company promoted the sales of each product that the Company offered to customers. In the past the Company had promotional guidelines such as car prize or brand-name bags, diamond rings, overseas travel, gift vouchers and gas refills, etc. The Company had guidelines for defining promotional plans for general cases as follows:

- Marketing department receiving marketing policies and sales promotion from the management.
- Planning and setting goals in formulating marketing plans and promotion.
- Presenting a marketing plan and promotion for management to consider.
- Coordinating the Legal Department preparing documents for use in obtaining permission from relevant authorities.
- Coordinating with the purchasing department to purchase rewards according to the marketing plan and promotion.
- Coordinating with other relevant parties, to acknowledge and support marketing plans and promotion.
- Publicizing the project for target customers according to various channels.
- To execute marketing plans and sales promotions, to define and to summarize expenses to the accounting department.
- Reporting the performance of the marketing plan and promotion to executives.
- Following up payments of insurance premiums.

The Company had a policy of monitoring and shipping insurance premiums. The Company would provide information on the premium payment of customers who paid their insurance premiums before the submission period to be reviewed with the list of invoices received from the insurance company. The accounting staff would review details for accuracy and would deliver the insurance premium after deducting the insurance commission fee under the contract including other service fees collected from the insurance company every 15th and last business day of each month.



7) Pricing

The Company could not determine insurance premiums because the insurance company would determine the premium according to the type of policy by setting insurance premium rates. Insurance companies would consider the characteristics of policy type, history of insured property, history of the insured including the conditions of coverage of each policy type. The aforementioned insurance premiums, they must be in accordance with the policy prescribed by the OIC. In this regard, the Company would receive brokerage income in accordance with the OIC's announcement regarding wages or gratuity rates for non-life insurance agents and non-life insurance brokers B.E. 2551 (2008).

8) Customer satisfaction indicators

The Company realizes the importance of improving the efficiency of customer service regularly, then uses for the development of the Company in order to grow sustainably. Therefore, the understanding of customer's satisfactions and needs both in sales and service will help to respond to customer needs effectively.



2020	Subject	No. of Survey	No. of feedbacks	No. of Satisfactions
February and October	Buying insurances online	24,947	725	4.11
April and September	The presentation of sales	52,050	1368	4.42
May	Excellent services and promotions	10,778	224	56% (The highest score was the need to have 0% for 10-month installation.)
June	Messenger services and marketing activities	22,536	780	4.04
September and October	Payment notification service	8,746	179	4.33
October	Services of claim staff	2,305	99	3.59
November	Service Center	18,276	252	4.27
November	Making-decision to buy insurances form TQM	19,668	309	96% decided to tell friends about buying from TQM.
December	Messenger services	22,504	491	4.59
		181,810	4,427	

Remark: 1. Survey by SMS sent to customer in each product type.
2. Criteria for measuring satisfaction, average score.

Satisfaction Score	Meaning
5	Most satisfied
4	Satisfied
3	Average
2	Unsatisfied
1	Most unsatisfied

Human Resource Management and Development

TQM Corporation Public Company Limited understands the importance of human resource management and continuously manage and develop the human resources following the company Core Value “Honesty, Equitability, Exclusive Services, Social Responsibility” and the Code of Conduct.

In this regard, the company has improved various operational components to be up to date in response to the rapidly changing situations such as welfare, rules and regulations in order to promote and support the employees' skills and well-being.

In the year 2020, the company established the main strategy which was HRM 4.0 under the framework of “Recruitment, Retention and Development” by the strategic plans of human resource management and development as follows:

1. Proactive Recruitment and Selection

The company focuses on the recruitment policy which provides fair opportunities for all applicants with no limit in gender, race, religion, and educational institution, including disabilities to work together as in the same family, and also allows employees to request for internal transfers following the specified conditions.

In the year 2020, the company has added new methods of recruiting, and developed the original recruitment process to be faster in reaching the goals achieving the Key Performance Indicator (KPI) defined in the dimension of the number of recruitment and new staff as detailed below:

- 1.1 The company has been continuously operating the cooperative education program with various universities, especially Sripatum University with the SIT project, (The Success Insurance Talent), for the 3rd year. The project provides providing a chance to apply for a job at the company for trainee-students with good academic performance after the job trials.

- 1.2 The applied recruitment uses more social media such as Line@, Facebook, and sending the link on several websites, apart from on-hand recruiting alliances. It provides a good result that the company can recruit more through social media as an answer to the era of Digital Transformation.

2. Developing human resources to be a professional insurance and financial advisor

Human Resources are the heart of business operations which the development is one of the major strategies that includes both direct and indirect development In order to achieve the goal of creating truly professional human resources for the business operations of both Front and Back Office. Every year the company budgets for training and development for the creation of knowledge, skills, and attitudes to be able to perform efficiently, and to be qualified and disciplined human resources having value to oneself, family, community and the nation as detailed below:

- 2.1 Capacity development and knowledge enhancement of the new employees for all levels by provides an Orientation as basic knowledge of insurance in order to understand

the company business both front and back Office including trainings related to Company's policies for both new and current employees such as Anti-corruption course.

- 2.2 Establishing plans and training and developing courses for both operational and administrative employees to comply with Department of Skill Development policy in developing Skill and Knowledge of employees in order to improve knowledge, attitude and skills required in business operations in each

department. The company regularly provides trainings beyond the department of skill development's stand of which the company provides domestically and internationally as well as On-the-job-training and e-learning with full support from the management.

Human Resources is a key of success of the Company to reach a goal. In the year 2020, the Company developed human resources following Company's vision and strategies as follows:



Human Resources Development

1. The Company conducts competency development according to the employee development plan. In the year 2020, the Company organized trainings as necessary determined and monitored by supervisors in each department as well as the implementation of competency development through other methods, for example, On-the-job training, Job Assignment, participating in company training courses such as "Anti-Corruption: Practical" course, etc.
2. The Company provides In-house Training Programs, and also sends employees to attend training in various training institutions (Public Training) according to the following subjects.
 - Insurances
 - Marketing and Sales
 - Specialized subjects such as Law, Accounting, Finance etc.
 - Administration and Management
3. The Company provides ongoing scholarships to employees: Master Degrees and insurance courses such as TII (Insurance courses from Thailand Insurance Institute)

Employees' Knowledge and Competency

In order to be promoted to a higher position, the company provides internal and external trainings for relevant departments to increase the potential of employees and executives. The Human Resources Development and practices are determined by employees' levels.

Employees' Development Levels

Levels	Goals
Staff	Focus on the correct operational techniques, Excellent service with both internal and external customers. This is one of the core competencies of the Company, including the culture of work and respect for supervisors.
Leaders	Focus on ways to develop self leadership abilities, such as communication and conversation etiquette and work ethic.
Executives	Focus on the executive's knowledge and understanding of the principles and concepts and techniques for leadership and management applying technology to work process effectively

Remark: Only the company's standard training, Professional training excluded.

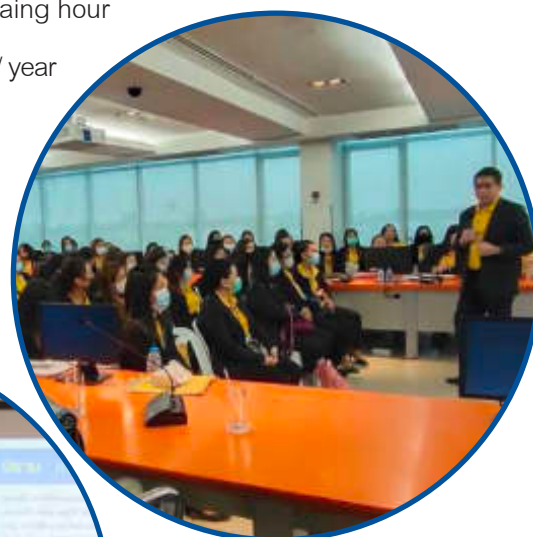
Throughout the year 2020, 1,843 employees, or 47% of the number of employees in 2020, has been trained, separated into 1,816 employees for internal training, or 46% of the number of employees in 2020, and 27 employees for external trainings of 27 people, or 1% of the total number of employees in 2020, compared to 2019, with a total of 2,237 trained employees, or 59%, the average training hour was 28 training hours / person / year, it is decreased by 2 hours / person / year compared to 2019 due to the COVID-19 outbreaks.

Trainings

Anti-Corruption : Practical

22 December 2020

6th Fl Meeting room, Punnipa 1 Bldg.





Personal Data Protection Act : PDPA

17 December 2020

3th Fl Meeting room,
Punnipa 1 Bldg.

Leadership Development in
New Normal

16 September 2020

Online – Zoom Application



2.3 The company always provides Master's Degree Scholarships for employees who meet the criteria, and encourages employees to train in special courses such as the ABC program by the Institute of Business Creativity Development, Sripatum University and Advanced Insurance Course, (Wor. Pro. Sor.), by the Office of Insurance Commission.

2.4 The company arranges seminars for employees, business partners and customers as a source of knowledge and understanding for important issues which can be adapted and applied to organization by experts and professional guest speakers. For the year 2020, the company organized a saminar named TQM-Time to Fly for executives and staff leaders so that they could use the knowledge of policies to forward their strategies reaching organization's goals.



TQM - Time to Fly Ep.1 for Executives

15 -17 November 2020

at THANN WELLNESS DESTINATION RESORT in Ayutthaya



TQM - Time to Fly - Ep.2 for Executives and Staff Leaders

19-21 December 2020 9th Fl Noppakao Room, Faculty of Social Sciences, Kasetsart University

To Promote and support the development of morality and ethics of employees by organizing alms to monks on important occasions. To support, promote and invite employees to donate blood to the Thai Red Cross Society by servicing a mobile blood donation truck for employees's convenience at the Head Office every 3 months. ▶



3. Welfare and Employee Relations

“Promoting employees’ well-being and happy workplace”

The company has a staff management system managing valued employees, especially talented, good and honest employees as the company core value to retain these employees following development plans which bring the company and employees to grow together.

Turnover Rate is one of the important indices to the company; in fact, it is the main policy of the management as to keep employees working with the company as long as possible as follows:

3.1 Welfare, the company provides welfares to promote and maintain employees’ well-being for working effectiveness and better productivity of which is better than regulated as well as industry standard. The company always considers employees’ well-being as a priority matter, and keeps it update to date.

3.2 Entertaining activities, the company understands the work-life balance concept that employees spend most of their time workplaces; therefore, the company provides periodic activities for employees such as free food service on the company’s birthday, the president’s birthday and CEO’s birthday as well as low-price market and open-market allowing employees to sell their products, free of charge, and also Children’s day activity.

3.3 Environment Protection and Workplace Health with environmental training courses

- (1) Landscape and workplace improvement, good working atmosphere contributing working creativity and productivity. The company, therefore, organized activities and improved workplace to be suitable for the operations such as providing purple toilet for LGBT, smoking area and staff parking lots, etc.
- (2) 5 Sor. Campaign, the company provided knowledge and course training for employees to understand and keep their workplace clean in order hygienically of which the company launched special workgroup to handle this campaign aiming to expand 7 Sor by adding society and environment into it.
- (3) Concerning stakeholders related to Company’s business operations, the company established an Organization Sustainability Task Force, which the Company did not only focus on profits from business operations, but created sustainability for the organization in 3 main areas: environment, social, and corporate governance, therefore facilitating course on “Health Safety and Environment at work place” totaling 3 times, for 150 people, including sending employees to attend outside training on “Greenhouse Gas Emissions Policy Course: Opportunities, Challenges, and Assessment Methods”, totaling 1 course, to focus on concrete participation of all employees.
- (4) The company provides medical clinic servicing at the head office at all working hours by professional physicians and registered nurses, and stalled Automated External Defibrillator - AED and trained departments’ supervisor for emergency along with spraying disinfectant indoors at least twice year or upon situation.

- (5) The company provides sufficient and appropriate resources for safety operations, and to comply with laws and regulations related to safety, occupational health and working environment.

2020 Occupational Health and Safety Summary

According to the injury statistics, occupational diseases report and the number of deaths from work, there was not any death from work. However, there were injured employees as detailed:

Category	Gender		Outsource		Total	
	Male	Female	Male	Female	Male	Female
Injury from work	1	2	-	-	1	2
Death from work	-	-	-	-	-	-
Total	1	2	-	-	1	2

4 Executives' and Employees' Compensation Policy

The Company specifies the framework and states in the Code of Conduct of the Company, which has the guidelines for both short and long-term operations. In the short-term, the company offers management and employees' compensations higher than the minimum wage standard, and considers employees' raises and bonuses regularly by considering the company's profits Inflation compared to the industry for being able to retain employees and competing in the market. For the long-term, the company focuses on the consideration of the salary structure that is currently being improved to be more effective and the coordination with the Stock Exchange of Thailand and related agencies providing knowledge about savings to employees of basic financial management, investment, especially after retirement.

In this regard, the company pays fair compensations to executives and employees by considering by

positions, levels, educational backgrounds, experiences and performances based on the specific structure maintaining the percentage range of the market as shown in the survey of wage rates of industry / business / associations / related professional institutions. In addition, other compensations that shall be paid from the operations, the company is promptly to provide in accordance with the rules, regulations or relevant laws.

Therefore, the Company sets indicators, apart from regular performance indicators, determined by Balance Score Card: BSC for setting up Key Performance Indicator of all levels, which these indicators correspond Company's strategies and practices.

Of which, high-level executives in all departments are together responsible for Corporate KPI. The compensation of 2020 is separated into 2 types.

1. Fixed compensation

- Salary is set by rank, responsibilities, experiences, and paid through the accounts specified in the Payroll system every month. The salary shall be reviewed according to the company regulations based on the company's performance and operating results every year.
- Compensation from other benefits is the compensation that the company offers according to the welfare regulations.

2. Compensation according to performance

This compensation is that the company set specific terms which vary according to the employee's performance and the company's performance and the management assessment added to management level's performance apart from the normal assessment. The result of the assessment reflects the compensation such as the raise percentage, commission, incentive and bonus, etc.



Related Party Transaction

Details of Related Party Transaction

- Office Rentals

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Eternal Growth Corporation Co., Ltd. "Eternal Growth"	TQM Broker rented Head Office and branch office from Eternal Growth. (1) Rent and Service - Rent and Service - Unpaid rent and service (2) Rental Deposit - Rental Damaging Deposit (3) Utilities - Utilities - Unpaid utilities	71.68 - 17.37 18.25 1.17	71.63 - 17.91 17.12 1.12	Rental of buildings for use as Head Office and branch offices at the rental rate, compared to the appraised price appraised by an independent appraiser, was a normal business support transaction, which necessary and reasonable
Eternal Growth Corporation Co., Ltd. "Eternal Growth"	TQM Life rented Head Office from Eternal Growth. (1) Rent and Service - Rent and Service - Unpaid rent and service (2) Rental Deposit - Rental Damaging Deposit (3) Utilities - Utilities - Unpaid utilities	2.31 - 0.56 0.60 0.04	2.31 - 0.58 0.57 0.04	Rental of buildings for use as an Office at the rental rate, compared to the appraised price appraised by an independent appraiser, was a normal business support transaction, of which necessary and reasonable.
Eternal Growth Corporation Co., Ltd. "Eternal Growth"	Casmatt rented Head Office from Eternal Growth. (1) Rent and Service - Rent and Service - Unpaid rent and service (2) Rental Deposit - Rental Damaging Deposit (3) Utilities - Utilities - Unpaid utilities	2.34 - 0.57 0.55 0.04	2.34 - 0.59 0.56 0.04	Rental of buildings for use as an Office at the rental rate, compared to the appraised price appraised by an independent appraiser, was a normal business support transaction, of which necessary and reasonable.

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Dara Daily Co., Ltd. "Dara Daily"	TJN rented Head Head Office from Eternal Growth.			Rental of buildings for use as an Office at the rental rate, compared to the appraised price appraised by an independent appraiser, was a normal business support transaction, of which necessary and reasonable.
	(1) Rent and Service			
	- Rent and Service	0.1	-	
	- Unpaid rent and service	0.03	-	
	(2) Rental Deposit			
	- Rental Damaging Deposit	-		
	(3) Utilities			
	- Utilities	0.04		
	- Unpaid utilities	0.01		

• Advertising and Sales promotion

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Dara Daily Co., Ltd. "Dara Daily"	1) The company and TQM Broker paid Dara Daily to the advertising.			The purchase of advertising and medias was the sales promotion, having the price close to the market price or the comparable margin in the general market rate and with general conditions, and was a normal business support trans- action, that was beneficial to the company, necessary and reasonable.
	<u>The Company</u>	-	0.07	
	- Advertising	-	-	
	- Unpaid advertising			
	<u>TQM Broker</u>			
	- Advertising	11.68	6.33	Sales promotion was still ongoing in the future. The Company arranged promo- tional sales activities to support normal business operations that are necessary and reasonable with the comparable prices and conditions to the market price or the comparable margin to general market rate.
	- Unpaid advertising	-	0.25	
	2) TQM Broker paid Dara Daily for Sales promotion.			
	<u>TQM Broker</u>			
	- Domestic Sales Promotion	3.93	29.31	
	- Unpaid Domestic Sales Promotion	-	8.41	

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Dara Daily Tour Co., Ltd. "Dara Daily Tour"	The Company and TQM Broker paid Sales promotion and international travel to Dara Daily Tour <u>The Company</u> - International travel expenses - Unpaid international travel expenses <u>TQM Broker</u> - Sales promotion and international travel expenses - Unpaid Sales promotion and international travel expenses	0.23 0.23 2.86 0.44	0.82 - 6.23 1.16	Sales promotion activities were normal business transactions, necessary and reasonable with the comparable prices and conditions to the market price or the comparable margin to general market rate.

• Car Accident Inspection

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Brilliant Survey Co., Ltd. "Brilliant Survey"	TQM Broker paid accident inspection to Brilliant Survey. - Accident inspection - Unpaid accident inspection	0.21 0.01	0.25 0.02	The accident inspection for customers was normal and necessary business support transaction with comparable prices and conditions to the market price.



- TQM MOBILE APPLICATION Maintenance Service

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
TQLD Co., Ltd. "TQLD"	TQM Broker paid TQM MOBILE APPLICATION maintenance service to TQLD. - Service - Advance payment	6.87 -	0.14 0.03	TQM MOBILE APPLICATION maintenance service was a normal business support transaction which did not result in loss of interests to the Company as the price and conditions specified in the contract.

- Computer and Equipment Maintenance Service

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Brilliant Survey Co., Ltd. "Brilliant Survey"	Casmatt serviced and maintained Brilliant Survey' computer's equipment and system. - Service income - Accrued service income	0.14 -	0.12 -	Providing computer system maintenance services was a normal business support transaction, which did not result in loss of interests to the Company as the price and conditions specified in the contract.

- Human Resources training expenses

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Sripatum University	TQM Broker paid training expenses to Sripatum University. - Training expenses - Unpaid training expenses	0.06 -	0.40 -	Human Resources training expenses were reasonable with general prices and conditions.

- Goods buying transaction

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Beauty Twenty Four Co., Ltd. "Beauty Twenty Four"	TQM Broker bought goods from Beauty Twenty Four. - Gifts and Premiums - Other creditors	0.29 -	- -	The said purchase transaction was a reasonable transaction with general prices and conditions

- Assets buying transaction

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
TQLD Co., Ltd. "TQLD"	TQM Life paid website design fee and Life insurance agency management system. - Design fee and website under process - Other debtors	6.0 -	3.0 -	The website design fee was a normal business support transaction, which did not result in loss of interests in the Company as the price and conditions specified in the contract.
	TQM Broker paid website design fee and Life insurance agency management system. - Design fee and website under process - Other creditors	1.25 -	- -	

ประกันสุขภาพ

ไอเอ็มเอ

ไอเอ็มเอเบาใจ

คุ้มครองค่ารักษา
รื้อล้านบาท/ครั้ง | **ผ่อน 0%**

☒ **ลดหย่อนภาษีได้**



- Assets selling transaction

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
Eternal Growth Corporation Co., Ltd. "Eternal Growth"	TQM Broker sold asset (car) to Eternal Growth. - Car - Other debtors	0.93 -	- -	The selling transaction was reasonable with normal price and general trading conditions.

- Loan given to related company

Company	Type of Transaction	Year ended 31 December 2020 (THB:MB)	Year ended 31 December 2019 (THB:MB)	Audit Committee's Comment
TQLD Co., Ltd. "TQLD"	TQM Broker gave loan to TQLD. - Loan receivable - Interest - Accrued interest receivable	9.60 0.33 -	16.0 0.14 -	The loan was with interest at the rate of 2.50 % per annum, which was a reasonable rate, higher than the fixed deposit interest rate, the company should receive.

จะดีกว่ามัย?

ถ้ามี 'ประกันสุขภาพ' จ่ายให้

✓ คำนวณสูงสุด
400,000.- 0% ปลอด

TQM

Risk Factor

2020 Risk Policy and Management Plan

The Company is aware of the importance of risk management under various uncertainties by considering risk management as an essential component of all business processes. Therefore, the Company announced a risk management policy for the entire organization and the risk management plan as follows:

Risk Control

The Company announced a risk management policy to promote employees throughout the organization to recognize and prevent all possible risks, to monitor and assess the risks that may arise according to the changing environment from both internal and external factors, to achieve clarity in risk management. The Executive Committee of the Company determined risk management policy, framework, method of operations, and the risk management action plan as follows:

- To emphasize on risk management affecting objectives and policies including the reputation and image of the company.
- To Manage risk management to be most efficient and at an acceptable level involving all employees in the risk management process.
- To encourage employees throughout the organization to be aware of and prevent all possible risks, to monitor and assess risks arising in the changing environment from internal and external factors.
- To promote risk management as part of a culture leading to value creation for the Company.

The company sets up departments and individuals responsible for setting up a risk management framework with an independent departmental structure, not under business lines and has the obligation to define the risk management process, including analyzing and monitoring various risks as follows:

For policy, the Company appointed a risk management committee consisting of 3 Risk Management Committee members, Dr. Unchalin Phannipa as the Chairman of the Risk Management Committee. It is responsible for reviewing and presenting risk management policies in various areas and acceptable risk levels to the Board of Directors and review their implementation including reviewing the risk management report and taking actions to ensure that Risk management is adequate and appropriate and focus on risk management that affects policy objectives including the reputation of the company.

For operations, the Company appointed the Chief Risk Officer (CRO), Ms. Ratana Punnipa, to be responsible for the operational level, Internal audit and risk management, as well as monitoring and verifying risk management processes, which in 2020 the Company outsourced Dharmniti Company Limited to perform internal audit. The Risk Management Chairman is responsible for coordinating such matters.



Risk Management

The Company's risk management system consists of an important process which is the identification of risk factors, risk assessment, risk response, risk monitoring and reporting on the results of various types of risks, such as risk from changes in rules and regulations from relevant regulators (Compliance Risk), the Company's business risks are a large business partner, recruiting competent and licensed personnel both non-life and life insurance brokers, changes in consumer behavior, competition in the insurance broker industry and new competitors, changes in the policy of a non-life or life insurance company, reputation risk, Information technology system risks, environmental, social and corporate governance risks.

Risk Assessment

A Company's risk used to identify risks and manage risks is defined as the potential for both financial losses and non-financial losses to occur and have an impact to the business operations of the Company which has a systematic risk management as

- To determine risk appetite and criteria of risk acceptance to assure that the Company has manages the risk within acceptable risk tolerance.
- To assess the possibility of risks to be occurred and impacts.

Possibility of risk to be occurred

Possibility of risk to be occurred	Average	Point
Very high	Once a month or more	5
high	Once in 1-6 months, not over 5	4
Medium	Once a year	3
Low	Once in 2-3 years	2
Very Low	Once in 5 years	1

Impact on business operations

Impact	Loss area	Point
Very high	System failure Front+Back	5
high	System failure Front-office	4
Medium	System failure Back-office	3
Low	System failure 1-20 users	2
Very Low	System failure in a particular user	1

Mitigation plan

The Company stipulates all departments to analyze the causes and effects of the risks and assess risk management measures regarding risk tolerance and the costs incurred by comparing them to the potential benefits for effective risk management by considering the options for responding to the risks as follows:

- A risk avoidance is to stop or choose not to engage in risky activities. It is used in cases where the risk is very serious and impossible to find a way to reduce / manage to an acceptable level.
- A risk reduction is the control of activities to reduce the likelihood of risk occurrence and / or the effects that may occur to an acceptable level, such as preparing an emergency plan.
- A risk transfer is to transfer risk by allowing others to be liable for damages through various mechanisms.
- A risk tolerance is the current residual risk at an acceptable level without taking any action to reduce the likelihood or effect that may occur again. To be used for cases of risks where the cost of management measures is high and is not worth the benefit.

From the results of the risk analysis, the Company has a risk management plan and promotes all departments to realize and understand the importance of risk management and internal control as a tool for managing changes that may occur in the future systematically.

Risk Management assessment and follow up

The Company has a system for monitoring and evaluating risk management results at both the departmental and corporate level, in accordance with the international standard framework, systematically covering all major activities and risks by identifying the



factors and causes of the risks. There are assessments, analyzes, risk priorities, management, monitoring and evaluation of risk management in order to achieve the Company's operations to achieve the objectives and goals, and a risk at an acceptable risk level. The assessment result will be to the Board of Directors every quarter to acknowledge and comment on the Company's risk management.

Emerging Risk

Due to the rapid changes in various factors in the current business, the Company has to continuously monitor emerging risk factors. The risk issue is reviewed and analyzed for emerging risks. That may affect the business operations of the Company annually. To develop measures to support and respond to risks in a timely manner. In the year 2020, there were two types of emerging risks affecting business operations: digital transformation risk and cyber security risks.

The Company has an emerging risk management plan to reduce the impact of such risks including the disclosure of information on emerging risks and ways to manage such risks in public reports as follows:

Corporate Risk Factor	Measures
<p>1. Cyber Security</p> <p>To rely on digital technology by far can lead to cyber threats, both service systems and operating networks that need to be connected to the internet network, the potential information may be stolen or the system can be compromised. Service interruption occurs. This will affect the business continuity, credibility, image and reputation of the Company.</p>	<p>The Company continuously monitors cyber threats through the following key measures:</p> <ol style="list-style-type: none"> 1. To monitor and be aware of new threats both in the information system and the service system including regular system testing and auditing, to be able to plan proactive defenses before attack. 2. To regularly practice a cyber attack threat response plan and disaster recovery plan in the event of a disaster. To be able to cope with the incident, to be timely minimized the damage to the information system. 3. To establish an information security management system according to international standards and guidelines for asset security in accordance with international standards related to cyber, especially 4. to raise cybersecurity awareness related to threats, such as providing knowledge on preventive action methods and technology law on an ongoing basis related information to employees.
<p>2. Digital Technology Transformation: Business Impact of Technological Advances</p> <p>Presently, both technology and digital technology are likely to develop rapidly and continuously, having a significant impact on market changes, product development and innovation in various industries, therefore, the Company requires to have a rapid adaptation to keep pace with these changes in order to survive and create business opportunities. 2 major impacts are that IT personnel lacking of the advancement of technology knowledge and the changing behavior of the customer.</p>	<p>The company has managed the impacts of technological advancement on the Company's business as follows:</p> <ol style="list-style-type: none"> 1. To seek opportunities and innovative approaches, such as developing a system for providing convenient online customer service that responds to the needs of consumers in the digital age by providing services that are ready to find information, buy insurance, pay premiums, requesting documents and to have a project to develop an analytical database system that helps analyze and research customer data including the introduction of modern technology in both hardware and software. 2. To follow up and study the possibility including developing and improving the process of applying technology to increase the competitiveness of the existing business nowadays and businesses that build on or create added value from existing products to be able to maintain their competitiveness. 3. To appoint an agency to oversee the business transformation towards excellence to support the transition to digital technology, (Digital Technology Transformation), a division of Digital Transformation. So that the Company can maintain a sustainable competitiveness in the future.

Crisis Management

Currently, the Company's business operations are faced with significant risks, although the Company has systematic risk management. There are certain risk factors that cannot be prevented, such as risk factors from changing nature and environment including terrorist risk factors, sabotage, cyber attacks and the occurrence of epidemics, etc., which are such risk factors affecting the business operations of the Company, reputation and confidence.

The company realizes the management of various crises and, therefore, has formulated a Business Continuity Plan at the corporate level to address significant risks under the concept of business continuity management according to the Continuity Management Cycle (BCM Life Cycle) as follows:

• BCM Program Management	• Understanding the Organization	• Determining BCM Strategy
• Developing and Implementing BCM Response	• Exercising Maintaining and Reviewing	• Embedding BCM in the Organization's Culture

From the analysis of the said process, the Company has defined critical threats and approaches to control the risks as follows:

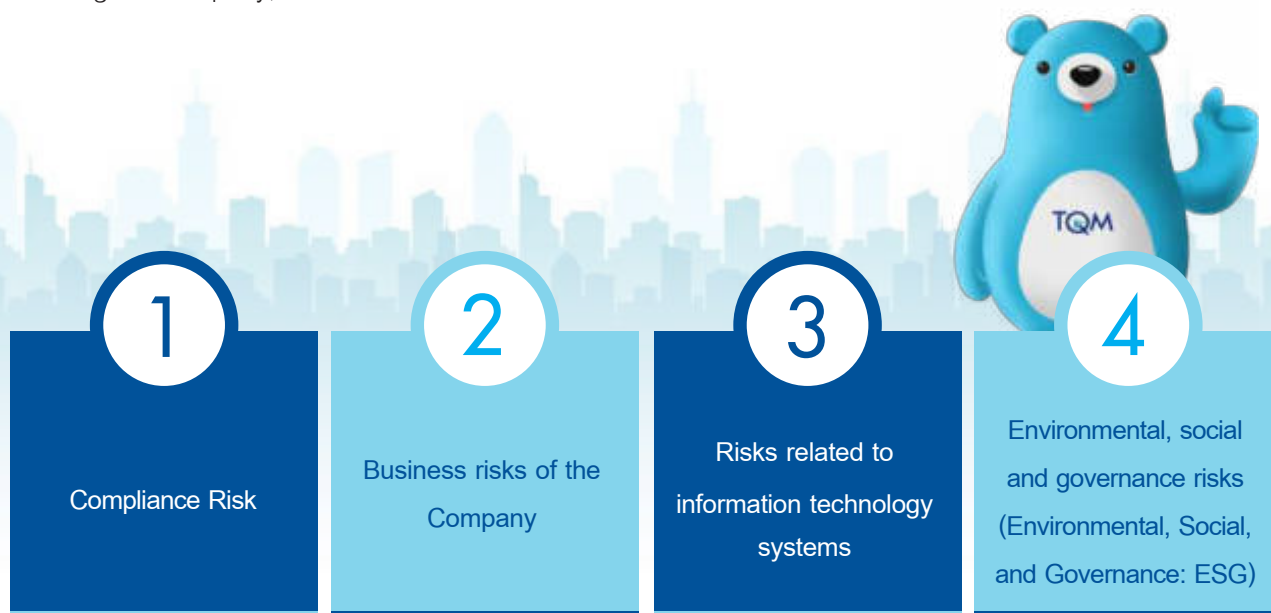
Threat	Continuity Management Cycle
1. In the event that staff cannot come to work at the company due to <ul style="list-style-type: none"> - Flood - Fire - Protest, incidents, riots - Plague such as the COVID-19 	<ol style="list-style-type: none"> 1. A BCP plan to support such incidents is in place. <ul style="list-style-type: none"> - A team responsible - Identify the impact on operations / services - Demand for resources - Establish continuity management guidelines <ul style="list-style-type: none"> Building side / backup facility Equipment materials Information technology / Important information Personnel Partner side 2. To Establish an emergency notification process. 3. To Establish continuity management procedures and restore normal processes.
2. Power failure / Power failure caused by external factors that cannot be controlled such as natural disasters, a fallen tree draped over a power cable, electric pole accident, explosion.	<ul style="list-style-type: none"> - Currently, there is a UPS uninterruptible power failure for up to half an hour. - To implement the backup generator installation plan, to solve the event of a power failure by installing the system and testing to be ready to use in 2020.

Risk Culture

Creating a risk culture is to put transparency and a sense of risk into the culture of the Company. The Company aims to promote a risk management culture throughout the organization to ensure that the Company has stable and sustainable growth. The Company has built a risk management culture through risk management policies and guidelines, Risk Management Structure, Risk Management Supervision, including continuous monitoring of the progress of risk management at all levels. The Company has established a risk management culture guideline. It applies throughout the organization as follows:

- 1) Risk supervision is to appoint a risk management committee to supervise the risk policy chaired by Chief Risk Management Officer (CRO) responsible at the operational level.
- 2) Leadership as an example is that all senior management of departments are responsible for the risk management of their own line of work.
- 3) There is a clear risk management structure.
- 4) There is a risk management technique. There is a system for risk operations throughout the organization under the same organized structure and forms.
- 5) Risk communication is to keep employees informed of operating guidelines and ongoing performance.
- 6) Risk management knowledge is to disseminate knowledge by training to employees in the Company at each level.

TQM realizes and places great emphasis on risk management. It is part of corporate governance, and is the basis for the Company to achieve its sustainable objectives. The Company analyzes and assesses the major risks affecting the Company, divided into 4 areas as follows:



The Company has set a preventive and managed risks to reduce the chance of affecting business operations, and increased confidence for investors and stakeholders. It helps executives to make better decisions including having the opportunity to create added value for the Company. The main risk factors for the Company are the following factors.

3.1 Compliance Risk

3.1.1 In the event that the subsidiary companies cannot comply with the laws and regulations and various announcements relating to the operations of the business correctly and completely both in use now and amending in the future, which may adversely affect their reputation, image of the Company as well as to be sanctioned, be fined, or lose business opportunity.

The current laws governing the supervision of non-life insurance brokerage and life insurance brokerage businesses of subsidiaries are the Non-Life Insurance Act B.E. 2535 (as amended) and the Life Insurance Act B.E. 2535 (as amended). Subsidiaries must operate their businesses in accordance with the aforementioned act as well as the secondary laws, where the governing body, namely the Office of Insurance Commission (OIC) has set up rules and conditions for the operations related to the insurance brokerage and life insurance brokerage business in the following matters:

- Licensing and license renewal for juristic persons to be a non-life insurance broker and life insurance broker
- Applying for a license, granting and renewal of a non-life and life insurance brokerage license
- Collection of non-life insurance premiums and life insurance premiums
- Submitting a report on the performance of the non-life insurance broker and the life insurance broker
- Setting wages or gratuities for non-life and life insurance brokers
- Insurance policy offering and performance of non-life and life insurance brokers
- Form and list of registration books relating to the business of non-life insurance brokers and life insurance brokers

Subsidiaries have a duty to comply with the above rules and conditions as required by law. The rules and regulations of Thailand's law enforcement are strictly defined and the laws are constantly being revised in order to be consistent with the economic and social conditions. The Group has arranged to have a legal agency to follow up on news and information so that the Group can adjust its operations in accordance with the regulations of the new law at all times.

From such risk, therefore, the Company and its subsidiaries have given great importance to operating in accordance with the regulations of the OIC related to the non-life and life insurance brokerage business along with strict supervision measures. In the past, the subsidiaries were randomly audited by the Office of the OIC to comply with the law, all relevant regulations and notices. In the past, the subsidiary received a record of the juristic insurance broker audit results from the OIC, indicating that it complied with all relevant laws all along as a result, the subsidiaries received a direct and renewal non-life insurance broker license and a direct life insurance broker license and had been renewed for a period of 16 years for the direct and non-life insurance brokerage license, a total of 10 years for a direct life insurance brokerage license. In addition, the Company and its subsidiaries have not any dispute and been prosecuted with the OIC.

3.1.2 PDPA B.E.2562 risk

For Non-life and life insurance brokerage business of subsidiaries, it is necessary to rely on the personal information of the data subject, for example, address, phone number, email address, marital status, income, which is information about the individual that makes it possible to identify that person directly or indirectly and is regarded as personal information within the meaning of the Personal Data Protection Act B.E. 2562 (2019).

The Company has a measure to manage the risk in this matter, although the Act has not yet come into effect by providing knowledge and understanding of the Act to the executives and related employees by a subsidiary that receives personal information of customers by any means. This includes obtaining personal information of customers from business partners of subsidiaries. Subsidiaries must be aware of the principles of the Act, especially in the area of collection, acquisition. The subsidiary company has requested consent for the collection and use of such information in conducting business, offering non-life and life insurance products and participating in activities, others also take precautions in obtaining information from business partners by requiring the business partner to ensure the accuracy of the acquisition of personal information provided by the business partner, subsidiary company and to make a contract to indemnify compensation if there is a prosecution or damage from the use of information provided by the business partner.

3.2 Business Operations Risk

3.2.1 Having large business partners

In 2020, the Group had its main income from insurance companies, major trading partners. (Value equal to or more than 10% of the business) of 4 cases from the non-life insurance broker. The Company and its subsidiaries placed great importance on the selection and recruiting of trade partners with stable financial status, reliable, being proficient and experienced in the insurance business providing products that could meet the needs of customers cost-effectively, taking responsibility, being honest, fair and trustworthy. In addition, the company also places great emphasis on building relationships with insurance partners which was another key strategy of the Company by managing and developing relationships as partners who helped each other in areas such as sales

and goal, management, development of different types of insurance products, to be able to meet the needs of customers and to be added to the insurance business and fostering long-term relationships with insurance companies as important trading partners

3.2.2 Human resources recruitment risk

Insurance brokerage business is a business that requires knowledgeable, competent personnel and business expertise and must use personnel with a non-life insurance broker license or a life insurance broker license. Personnel must have knowledge and expertise about the products to offer for sale and details of the insurance conditions. Personnel must also have sales communication skills. The Company has to recruit qualified personnel in sufficient quantity for the business operations, especially the recruitment of telesales, which is the main channel of insurance sales of the Company. Currently, the turnover rate of telesales is quite high affecting the loss of business opportunity, and the loss of skilled personnel with experience. As a result, there is an increase in recruiting and development costs including in the case of personnel being pulled away by a competitor causing negative effects to the Company.

The Group realizes the importance of human resource management and approaches to mitigate such risks by recruiting personnel with knowledge and ability to participate in the development of the company. As well as creating a good atmosphere at work, creating incentives such as compensation, overtime pay, diligent allowance, professional pay, placement and good benefits. They are appropriate when compared to businesses in the same industry. At the same time, the Group aims to develop the potential of employees sustainably by encouraging the Company's employees to receive regular and continuous training at a learning center,

as a responsible agency. The Company prepares an annual development plan, including a promotion to educate salespeople for insurance brokerage licenses. There will be training on a monthly basis for employees in other provinces. The Company will send speakers to train, including organizing the insurance broker license exam in that region, as well as other specialized courses (Ad-hoc) that the Group deems appropriate for employees, such as inviting speakers, outside training to strengthen work inspiration for employees at all levels, insurance sales skills development to develop real knowledge and understanding of insurance products, to encourage employees of the Company to develop their skills and knowledge in their operations to be more efficient.

The group of companies continues to received an award for excellent establishment, the labor skill promotion and development from the Department of Skill Development since 2009, which demonstrates the determination to develop personnel to support the operations of the Group of Companies in being a leader in insurance advisor and financial.

3.2.3 Consumer's behavior change risk

The insurance industry has changed steadily as a result of social change, technology leaps and the threat of COVID-19. It is the catalyst for consumer behavior into the New Normal era, changing consumer behavior, both purchasing behavior of products and services, including the behavior of choosing to receive news through various media channels by turning to social media channels and the Internet as a way to receive more information.

The Company has prepared to accommodate such changes by giving importance to the study and monitoring of information about consumer behavior along with the application of modern technology to increase competitiveness. It has a clear corporate goal to be the leader of Digital Insurance Broker in Region,

marketing online in each area and developing sales channels to be more capable and diverse to support changing consumer behavior by offering insurance policies online.

In addition, the Company has prepared personnels with knowledge and ability to support the Company to develop continuously and sustainably and to formulate product and service strategies by developing and improving products together with partner insurance companies. Marketing segmentation of customers is mainly to respond to the plaintiff's needs and customer behavior including direct inquiries of customer needs in order for the product development department to know the real customer needs. That can be used to develop products

3.2.4 New competitor and Insurance industry competitive risk

For non-life and life insurance brokerage business, there are 742 of large and small companies in 2019 and individual insurance agents for more than 200,000.

Therefore, to enhance the competitiveness, the Company has a clear market position by offering insurance products that can reach a wide range of customers. Customers can compare insurance types, consider the policy price of each insurance company as well as having a licensed insurance broker salesperson who is trained to understand the type of insurance they selling, enabling clients to inquire and find insurance that meets their needs including the development of professional personnel. There is a standard of customer service. The Company has established competitive strategies such as co-developing new products based on customer needs in conjunction with insurance partners in order to meet the needs of more customers, after-sales service, adding a variety of distribution channels for customers' convenience, along with branches serving nationwide. This makes it possible to make transactions with customers

thoroughly and quickly, which is a major strength of the Company. The group of companies have sales channels through telephone, direct sales, online sales including the development of a new sales channel, OMNI Channel to be able to meet the needs of customers thoroughly and cover all target customers including the organization of sales promotion activities on an ongoing basis. In particular, online marketing (Digital Marketing) and building relationships with customers through various activities, etc. In addition, the Group has given importance to after-sales service to focus on customer satisfaction, such as facilitating the coordination with the car repair center, insurance claim consultation in the event that the Group's customers are right, providing services for receiving incident reports from customers, and providing advice on claims protection according to policy terms, such strategies will increase the competitiveness of the Company.

In terms of new competitors that will enter the non-life and life insurance brokerage business, they must register and apply for a license as a non-life and life insurance broker. Currently the insurance brokerage business registration is quite difficult and has strict regulations. They must go through various processes involved such as applying for a license Knowledge test This makes it impossible for new competitors to enter easily. In addition, customers will decide to buy insurance with a reliable insurance brokerage company, which the newbie cannot, it takes time to build credibility and confidence from customers. Moreover, the Company has consistently prepared and operated in communicating good image, thus has a reputation for good corporate image and credibility. It greatly reduces the risk of competition in the insurance brokerage industry and new competitors.

325 Changing policy of non-life and life insurance company risk

The company operates a non-life and life insurance brokerage business in offering insurance products from non-life and life insurance companies to customers. Therefore, if the insurance company, which is the main partner, changes the policy, such as the insurance premium coverage limit, commission rate, sales channel or not to renew the contract, or going to offer insurance sales directly to customers. It inevitably will directly affect the income of the Company. This is because the Company does not have its own insurance products.

The Company has foreseen such risks that may occur. Therefore, the emphasis is placed on building relationships with various business partner insurance companies. There will be meetings to discuss the policies of the group of companies with the insurance companies, trade partners, to find out how to work between them before starting the business. There will be an annual meeting to set plans and goals together in order to know the direction of operation, adjustment of the plan in accordance with the strategy of the company, as well as joint performance monitoring, product development co-operation and help in solving various problems together, which will bring mutual benefit for both parties. This results in good relationships with insurance partners who can work effectively together including fair business bargaining power.

326 Reputation risk

The Group operates an insurance brokerage business and communicate with customers, insurance companies under the brand TQM, so if information is published that adversely affects the reputation and brand of the group of companies.

Either true or false may affect confidence. The customer's insurance purchase decision, such matters may arise from customer complaints about products or services, which, when they happen, will have a negative impact on image and reputation, business operation, business opportunities and financial status of the Company.

Reputation risk, it relates to the perception of customers, partners and the public, which is difficult to clearly identify or assess. It may be influenced or related to internal factors, competitor communication including the expectation of the group of companies in particular and external factors such as political, economic, social. Reputation risk management, the Group adheres to the participation of the Board of Directors, Top management and all employees are essential to obtain information from various aspects and experiences that will be useful for assessing the potential reputation risk.

The Company has set the customer relations department. It is an agency that has the duty and responsibility to be the center of monitoring and coordination with various groups in the field of complaint handling such as transactions that may affect the Company's reputation to reduce events caused by employees, negative news about the Group in various media, the position of the Group's financial strength and credibility. The company has set procedures for handling complaints as follows:



1. There are various channels for receiving complaints, including online and offline channels, such as calling through Hotline numbers 1737 and 02-1198888, by mail, via www.tqmcop.co.th, email, Facebook and following other public channels such as Pantip.com or other websites.
2. There is a Customer Relations Department who is directly responsible for receiving and recording complaints.
3. To evaluate problem types, assess the severity of the impact on the complaint.
4. To analyze and verify the cause coordinate with the relevant departments to resolve complaints. To close the complaint and establish measures to prevent it from happening again.

In the event of reporting of non-compliance transaction or the complaint of the customer or relevant person regarding the Group's quality and services, even when notified directly to the Group or through OIC, the Legal Department will follow up and coordinate with the customer relations department to investigate and close the complaint.

3.3 Information Technology Risk

3.3.1 Technology Development risk

Presently, the development of technology is continuously and fast which these technologies have taken a role in various businesses, including the Company's insurance brokerage business, if the Company cannot adjust the organization and cannot apply new technology, it may have a negative impact on the company resulting in a loss of business opportunities or cannot keep up with competitors including the loss of customers due to the inability to respond to the changing behavior of the customer and the risk of changes in technology today is of paramount importance and is classified as an emerging risk (Emerging Risk).

The Company has a measure to manage the risk in this matter by focusing on technology change and bringing new technology to its operations all the time by developing projects on the development of systems such as convenient and fast online customer service assistance systems, to meet the needs of consumers in the digital age by providing services that are available from finding information, purchasing insurance, paying premiums, receiving documents. There is also a project to develop an analytical database system that helps analyze and research customer data. In addition, there is also researching and introducing new technology in the network hardware and software used to control company expenses.

3.3.2 Security standard risk

The security of information systems / Backup systems, presently, the data can be stolen or lost / damaged, so data security and confidentiality must be maintained including backup

The risk management plan that the company has implemented such as setting access rights / backup with Veeam Backup system and having a backup tape on Backup sent to storage outside the Company to reduce the risk to an acceptable level, that is, the system can be restored to its normal state within a specified period of time so that the business does not have any damage.

Establishing control measures and regular audits of computer systems, implementing improvements, remediation, and prevention of new threats by detecting system vulnerabilities. The prevention is done by hacking testing, with a process and vulnerability assessment tools, and follow up on improvement and testing.

The contingency plan has guidelines for the uncommon occurrence of the system damage while the business can continue to operate. There is a DRP (IT Disaster Recovery Planning) emergency plan test to recover the system in case of system down of IT work.

3.3.3 IT personnel risk

Currently, information technology systems are essential to the business operations of the group of companies and information technology systems has changed rapidly. Personnel with knowledge and expertise in information technology is therefore important and sought after by various organizations, thus the Company may be at risk of losing personnel in the information technology department or a risk that the Company will not be able to find sufficient personnel or it will not be able to recruit qualified and suitable personnel to replace such personnel, and it may incur additional costs for hiring and training new personnel, which could have a significant impact on the business and expansion of the Company.

Presently, personnel in the field of information technology is a permanent employee of Casmatt Company Limited, a subsidiary in TQM Group as an information technology service provider of the group of companies. Casmatt places importance in recruiting, maintaining and developing personnel by paying remuneration at a reasonable rate compared to the industry. There are various incentives and good welfare and there is continual support for the training of personnel to develop knowledge and skills to be effective in their operations. In addition, the Company has a joint venture with a technology group in TQLD Company Limited, which has expertise and expertise in modern technology as well.

3.4 Environmental, Social, and Governance Risk

3.4.1 Environment Risk

Environmental risks arising from the Company's operations include the management of building waste and the cost-effective use of resources, water use, electricity and building waste, including indoor water and office waste.

The Company realizes the importance of environmental impacts and attaches importance to such matters. Management has clearly established a policy in the corporate vision, leading insurance and finance consultant with quality, sustainability, take care of environment, and social responsibility, such policies have been passed on to all employees in the organization to strictly adhere to guidelines.

The Company has set up a committee to be responsible for the implementation of ESG and realizes the cost-effective use of resources as well as participation in reducing environmental impact campaigning for all employees to save energy, control water usage and electricity consumption including changing indoor light bulbs to energy-saving lamps. The Company has organized the E-Document project to campaign for employees to reduce the use of paper in their work by delivering documents, reports or other presentations via electronic channels and campaigning for all departments to reuse paper, reduce the use of plastic bags. There is waste separation, control the water used from the building. There is a wastewater treatment system and monitoring of water discharged from the building in order to control it to meet the standard and periodically monitor it as well as implement the 5S system in the management, creating a basic discipline for employees to participate in the management of the working area in a clean, tidy, not accumulating unnecessary items.

In addition, the Company has also formulated a greenhouse gas management plan to systematically reduce the impact on the environment.

3.4.2 Social Risk

The Company's social risk is the impact on the needs and expectations of the Company's stakeholders, groups of communities in the area of the headquarters. There will be an impact on traffic congestion in the morning and evening from traffic in and out of employees and customers.

The Company has considered operating the business according to human rights principles, emphasizes fair and equitable treatment of all stakeholders. In terms of employees, we aim to develop employees' potential in line with business changes and the direction of the Company to become Number 1 Digital Insurance Broker in the Region. The Company also emphasizes gender equality, equality in religion, place of origin, race, language and people with disabilities, where the Company provides toilets and escalators for people with disabilities.

In terms of customer responsibility, the Company aims to make insurance accessible to the general public, by become a consultant in choosing suitable insurance products for the best efficiency for customers. The Company has set up a department to take care of customer satisfaction by receiving complaints and analyzing, verifying and solving customer complaints.

Regarding the community in the office area, the parking area has been organized in a tidy manner and has a security guard responsible for taking care of access and parking in order to facilitate traffic in the area without affecting Local community. In addition, the Company has made a project to improve the landscape outside the building and adjust the area to be useful and efficient. There is a beautiful shady.



In making good relationships with society and communities, the Company has a systematic action plan by participating in public activities that are involved regularly throughout the year, such as giving scholarships to schools around the office, providing life insurance policies to police officers. Chokchai Police Station, participating in traditional merit-making with various temples in the festival.

On the disaster risk of coronavirus, a new risk in 2020, Thailand found the first case of coronavirus 2019 on January 8, 2020, who traveled from China and the epidemic was broad spectrum from the internal population country. The government has put urgent measures to control and prevent COVID-19 and as the epidemic becomes more serious, the government has adopted the Emergency Decree on Public Administration in Emergencies, B.E. 2558 (2005) and issued provisions in section 9 of the Emergency Decree in B.E. 2558 and Section 11 of the Emergency Decree B.E. 2534 to control the situation and limit the epidemic area. Bangkok is an important center of economy, transport and tourism and has a high population density, vulnerable to the spread of the COVID-19 virus. By setting up a committee to be responsible for fixing measures to prevent risks that the company will be impacted, the Company has accessed control inside the building, has a fever detector, wearing a mask when entering the building.

The Company has provided reliable information to employees so that they will know how to protect themselves from infection. Especially those who may come into contact with people at risk, whether from home or in the office. The Company has planned, analyzed manpower and operations of the Company to be able to continue as normal in the event that employees cannot come to the office. The Company established work-at-home measures to reduce the congestion of employees according to the Social Distancing policy, changing the format to a meeting, organizing training and seminars through the Zoom Video Conference system, as well as having the head of the unit to control the route of travel and travel to the place of the employees under strict supervision in order to monitor and control the transmission of infection.

3.4.3 Governance Risk

Governance risks affects the Company such as the disclosure of materiality that is an issue that is expected of stakeholders and deficiencies in corporate governance measures.

The Company realizes the importance of disclosure of important information in accordance with the regulations set by the Stock Exchange of Thailand. Therefore, policy level, strategic level, operational plan information and performance information will be disclosed in the annual disclosure report form as

approved by the Board of Directors. The SEC defines the information report form 56-1 and the annual report of the Company.

The Company aims to conduct business with transparency by adhering to the principles of corporate governance with ethical business practices, not support all forms of corruption, and maintaining the security of customer information and confidentiality in accordance with the regulations of the law and international standards. There is information security management system throughout the data lifecycle to protect the information from being lost. The Company has applied modern technology in accordance with international standards to manage and develop employees' knowledge and competence in dealing with cyber threats, as well as raising awareness of employees of the Company at all levels to monitor any unusual situation or event that may damage the information and information systems of the organization.

In the management of customer confidentiality, the Company has established operating guidelines and management of customer information in accordance

with the requirements of the regulatory authorities and related laws. The Company establishes guidelines for the retention of customer information and has updated the Privacy Policy. The use of customer data is subject to the consent of the customer and is solely for the purposes of the Company's business operations, such customer data controls will be in line with the privacy laws that will take effect in May 2021.

In the area of anti-corruption, the Company pays attention to all forms of anti-corruption, defines corporate values and promotes employees to apply the specified corporate values to practice, namely honesty, fairness, excellent service and social responsibility attaching great importance to the prevention of corruption by establishing a policy and announcing it to all employees to acknowledge and abide. The Company believes that conducting business with transparency and fairness in accordance with corporate governance principles will be the key that will help prevent corruption-related risks, such as reputation, image risk, litigation risk, risk of paying fines or compensation for damages, etc.



Internal Control and Risk Management

The Board of Directors recognizes the importance of having a good internal control system, and it is an important duty to ensure that the company has an appropriate and sufficient internal control system to efficiently oversee the operations to meet the goals, objectives, laws and relevant requirements, able to protect assets from fraud and damage, including providing accurate accounting and financial reporting and complete and sufficient information disclosed in a timely manner.

1 The Company organizes an internal audit department establishing policies and procedures for the Company's business to grow sustainably in accordance with the principles of corporate governance. The Audit Committee is authorized to approve, to consider the appointment, transfer and termination of the head of the Company's internal audit department. The resolution of the Audit Committee's meeting No.2 held on 13 May 2020 approved to appoint an external agency Dharmniti Internal Audit Company Limited to be responsible for auditing and assessing the Company's internal control. Dharmniti Internal Audit Company Limited assigned Miss Somjaree Kaewkhomdee to be the Internal Audit Chief. The Audit Committee considered the work history, education and trainings of Ms. Samjaree Kaewkhomdee and agreed that she had sufficient qualifications to audit and assess the Company's internal control effectively.

Information about work history, education and trainings of Ms. Samjaree Kaewkhomdee, as attachment 3, details of the Internal Audit Chief.

2 According to the inspection report No. 1-3/2563 from 7 August 2020 - 4 January 2021, details of the inspection were as follows:

Purpose of inspection

- For the confidence in adequacy and the suitability and operational effectiveness of
- Administrative processes, legal compliance and the process of related party transaction control,
- The process of insurance sales to customers and premium collections,
- Human Resource Management and Human Resource Development.

Scope of inspection

1. Insurance sales and collection

- To prepare Cover Note and Por Ror Bor for a customer
- To collect the first installment and car inspection
- To collect completely a policy premium from a customer within a policy period
- To track an insurance policy from an insurance company and to send to a customer
- To manage an account receivable, in case of over due
- To employ messenger

2. Human Resources Management and Development

- Preparation of annual manpower plans and approval
- Recruitment and selection of employees matching to required qualifications and on time as needed
- Issuance / renewal of licenses for agents / non-life insurance brokers and / or life insurance brokers
- Employee's development plan and training
- Employee's evaluation

Inspected Company

1. TQM Corporation Public Company Limited
2. TQM Insurance Broker Company Limited
3. TQM Life Insurance Broker Company Limited
4. Casmatt Company Limited
5. TJN Insurance Broker Company Limited.

**Inspection Results**

The administration, supervision, compliance and the process of related transaction control and insurance sales to customers and premium collection including Human Resources Management and Development of the company were controlled by the internal audit system properly and sufficiently with continuing development. As a result, there was not any significant issue on internal control found.

As to ensure the Board of Directors' ability to supervise the risk management and internal control systems effectively, the Board has established relevant policies to help in managing supervision as follows.

1. Code of conduct of personnel
2. Risk management policy
3. Conflict of interest policy or conflict of interests
4. Policy on supervising the use of internal information and securities trading, computer system security and information and categorization of the Company's information
5. Anti-Corruption Policy
6. Whistle Blower Policy
7. Policy on protection and use of the Company's property
8. Policy on investment and supervision of operations in subsidiaries and associate company
9. Delegation of Authority



Sustainable Development and Social Responsibility

Environmental, Social and Governance Sustainability Policy

The company is well aware of operating business with responsibility to all groups of stakeholders e.g. customers, employees, business partners, society and community, as well as focusing on sustainable business development by combining operational goals for sustainability with the Company's operational strategy focusing on balancing the development and growth of the Company, corporate governance, risk management, increasing operational efficiency and creating value with stakeholders. Therefore, the Company sets management frameworks in accordance with international standards as follows:

- 1) To maintain good corporate governance and conduct business ethically, respect rights and be responsible to stakeholders and shareholders. To create and maintain good performance, build stability and financial sustainability for the Company.
- 2) To commit to developing good systems and services. To meet and create satisfaction for customers, focus on customer relationship management.
- 3) To develop a quality growth strategy with a focus on optimizing supply chain management and good internal management. To be able to adapt under various changes.
- 4) To manage resources and sustainable environment, to give priority to the consumption and protection of the environment throughout the business processes by adopting appropriate technology to prevent negative effects on the environment, may happen.
- 5) To promote the cultivation of awareness on environmental protection for employees. To give employees opportunities including stakeholders involving in environmental management.
- 6) To operate businesses with social responsibility through effective activities leading to a happy co-existence in society along with adding values (Value Creation) to the business along with stakeholders in all sectors for a better quality of life.
- 7) To take good care of employees, to develop employees' potential, to empower human capital supporting the company's strategies.
- 8) To promote and develop the management by using the principles of philosophy "Sustainable Business (RINEN)"
- 9) To organize activities creating participation and cooperation with stakeholders in all sectors, formulating guidelines for environmental, social and good governance sustainable development.

1. Sustainable Development and Corporate Social Responsibility

1.1 Sustainable Development and Corporate Social Responsibility Overview

The company focuses on business operations for sustainable growth and conducting business to be a role model for society with ethics and corporate governance principles, the company recognizes the importance of responsibility to stakeholders, economy, society and the environment. Therefore, appointed Organization Sustainability Work Force to determine a principle for sustainable development, operate and take responsibility supervised by Corporate Governance Committee following 8 principles of the Stock Exchange of Thailand. ("Stock Exchange") as follows

- (1) Conducting business with fairness
- (2) Anti-corruption
- (3) Respect for human rights
- (4) Fair treatment to labor
- (5) Responsibility to consumers
- (6) Caring for the environment
- (7) Community or social development
- (8) The innovation and dissemination of innovations from operating business with responsibility to society, environment and stakeholders.



1.2 Sustainable operating and reporting

The Company operates under the philosophy of "Honesty, Equitability, Exclusive Services, Social Responsibility", and emphasizes insurance brokerage services development. The Company offers customer more than just an insurance broker under the concept of "TQM Beside, Fight For fair, your friend at your side, 24 hours a day" focusing on providing 24/7 service to customers. The key that the Company adheres and continues is the sustainable environmental, social and governance policy and social responsibility policy. The company has set the responsibility towards society, environment and stakeholders. In addition, materiality of business was identified in line with the United Nations Sustainable Development Goals, where companies identified and prioritized the materiality and took urgent action in line with international goals. The Board of Directors' meeting No. 4/2563 on September 30, 2020, Agenda 2 had been approved as follows:

- (1) Business operations ethics matched with goal No.8 Decent work and economic growth is to: "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all".

- (2) Legal and regulations compliance matched with goal No.17 Partnership for the goals is to: “Strengthen the means of implementation and revitalize the global partnership for sustainable development”. It is a business essential. The Company must operate in accordance with the laws and regulations, both Thai and international laws. Otherwise, the Company may be suspended or withdrawn. The Company may treat business partners and competitors fairly and equitably, no barriers to enter the market or any action violating fair business conduct.
- (3) Employees’ benefit matched with goal No.3 Good health and well-being is to: “Ensure healthy lives and promote well-being for all at all ages and No.5 Gender equality is to “Achieve gender equality and empower all women and girls”. Because the Company believes that employees work happily can create a lot of benefits and returns for both the Company itself and all stakeholders.
- (4) Human resources opportunity and development (HRD) matched with goal No.8 Decent work and economic growth is to: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”, promote full and fair career and employment potential and valuable work for everyone.
- (5) Effective resources management matched with goal No.12 Responsible consumption and production is to: “Ensure sustainable consumption and production patterns”. and No.13 Climate action is to: “Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy”. An urgent action must be taken to combat climate change and the impacts of it. This is a special goal that the Company attaches to and takes immediate action.



Figure 1. Business Materiality Assessment



Materiality Assessment

Topic	Impact/ Business Materiality	Impact/ Stakeholder Materiality
Cultural Promotion and Development	3.75	3.08
Employees' Well-being (HRM)	4.17	3.50
Employees' Skill Development and Career Path (HRD)	4.08	3.25
Employees' Health and Safety	3.50	2.92
Human Rights	3.83	3.25
Values of Community and Society Development	3.33	3.25
Business Operations Ethics	4.42	4.00
Corporate Governance	3.92	3.25
Customer/Supplier Relations Management	3.58	3.08
Law and Regulations Compliance	4.75	3.83
Risk and Crisis Management	3.25	2.92
Returns of Investment to Shareholders	3.42	3.17
Product and Service Development	3.92	3.08

Figure 2. Business Materiality Assessment result

2. 2020 Sustainable Development and Corporate Social Responsibility

2.1 Economic and business ethics aspect

2.1.1 The Company's value chain

The Company as an insurance and life insurance broker is to provide and offer insurance and life insurance products suitable, value with the best benefits to customers and after-sales service as well. For insurance companies, the Company maintain good relationships by being a quality sales channel, efficiency, and selling according to the plan that both parties agreed including services between the Company and insurance partners for long-term growth

together. In this regard, such transaction is under the supervision of the Office of Insurance Commission (OIC). The Company keeps developing Products and services to meet the needs of customers, partners, as well as improving quality of work processes and employees by using modern tools and technology as the Company's policy of being a Number One Digital Insurance Broker.

2.1.2 Stakeholder analysis

Stakeholder	Expectation	Response
1. Customer	To offer and advice to the best insurance package and services	The Company offers various products answering to all customers' needs and the best aftersales service.
2. Insurance partner	To make good sales volume and have a quality management.	The Company keeps developing employees' and operating system by using advanced technology, including enhancing sales channels and customer segmentation along with profitable portfolio management.
3. Supplier	- To fairly treat all suppliers.	<ul style="list-style-type: none"> - Do not discriminate against business partners. - To promote fair competition. - To comply with the contract terms. - Do not ask for payment of any illegal benefits to business partners. - Supplier Code of Conduct
4. Shareholder and Investor	<ul style="list-style-type: none"> - Financial returns (Profit, dividend, share value). - Management with corporate governance. - The business is growing steadily. - Risk Management. - Internal Audit System 	<ul style="list-style-type: none"> - To comply with corporate governance. - To treat all stakeholders equally. - To manage the Company transparently. - To disclose accurate information.

Stakeholder	Expectation	Response
5. Employee	<ul style="list-style-type: none"> - To provide salary and benefits. - To arrange safe, clean working environment. - Employee Development - Work security 	<ul style="list-style-type: none"> - To pay reasonable and fair compensation. - To provide a provident fund - To provide annual health check - To provide an annual training session. - To follow human rights, treat employees equally and equitably. - To provide a safe and hygienic work environment. - To provide good welfare for employees.
6. Community and Society	<ul style="list-style-type: none"> - To get support for social activities, beneficial to the community and society - Anti-Corruption 	<ul style="list-style-type: none"> - To support educational activities in the community, religion, charity and society - To respond to and manage complaints of the community
7. Government bodies, OIC, SEC, Revenue Department, BMA, DBD, SSO, Police station	<ul style="list-style-type: none"> - To be able to comply with regulations and laws. - Do not make any impact on the environment and community. 	<ul style="list-style-type: none"> - To follow the rules, regulations of the relevant laws. - To disclose information accurately and transparently.
8. Competitor	<ul style="list-style-type: none"> - Fair and transparent business competition. 	<ul style="list-style-type: none"> - To follow the code of conduct, operating fair and transparent business - Not destroying the reputation of competitors by making malicious accusations. - To compete by offering services to customers without cutting prices. - To collaborate in creative business.

2.1.3 Stakeholders, Customers, Business Partners, Non-Life and Life Insurance Company, Supplier Group Participation

2.1.3.1 Customer

The Company realizes the importance of the participation of its customers, believing that a good relationship is based on trust. The opinions and suggestions of customers to the organization are valuable that will affect the achievement of the organization's goal of sustainable development and growth. In addition, customer feedback management will help the organization to respond to customer needs effectively including reducing the risk that will cause damage to the image of the organization. The company operates as follows.

- (1) The Company listens to opinions from customers to bring information to consider and improve the working system for efficiency through the I-SERVICE program at www.tqm.co.th. Customers can use services such as requesting documents, reporting problems and uncomfortable services, or suggesting services with a 24-hour service staff, as well as conducting a satisfaction survey, customer opinions to the Company. The customer has a very good level of service satisfaction and there are suggestions and likes.
 - It is recommended to have a maximum installment payment of 10 months.
 - Customer likes 24/7 service support, and expiration insurance alerts

In that regard, the Company will consider improving the service for better efficiency.

- (2) The Company has provided a channel for receiving complaints from the general public. The complaints can be submitted via website: www.tqm.co.th, in the Contact Us category or by telephone 1737, available 24 hours a day. In 2020, there were more than 100 people introducing the Company to provide online contact channels, 24 hours support and answering questions as well as providing customers with various activities and benefits during the insurance period.

2.1.3.2 Business partners, insurance companies and life insurance companies

From the role of the company in advising and suggesting insurance packages for customers to buy non-life insurance or life insurance, the Company therefore selects insurance plans from insurance companies that have efficient management, corporate governance and honesty, taking care of the protection according to conditions of insurance the contract, the Company has a plan to evaluate and monitor the performance by having organized a meeting to review the performance and discuss to develop work processes, problem solving and planning work to deliver as planned. The meeting will be held at least once a year, Yearly Performance Evaluation to monitor performance according to the criteria set by the Company, consisting of

- Products and services
- Business operations and risk management
- Supporting activities or projects of the company

By assessment results of the top 10 selling partner insurance companies of the year 2020, the evaluation results of all companies were very good.



Figure 1 economic aspect. Meeting with insurance partners for year-plan meeting

2.1.3.3 Supplier

The Company emphasizes the importance of stakeholder participation by believing that a good relationship is based on trust. The opinions and suggestions of stakeholders towards the Company are valuable affecting the achievement of the Company's goal for sustainable development and growth. In addition, stakeholder management helps the organization to respond to the needs of the stakeholders more efficiently. It also reduces the risk that causes damage to the image and the opportunity for business interruption along with being able to create the most benefits for all stakeholders. The company operates as follows.

- (1) The company listens to opinions from suppliers in the procurement group to improve the efficiency of the procurement system by conducting a survey on the suppliers of the procurement group named in the Approved Vendor List once a year, in the year 2020, the survey results could be concluded that such suppliers were satisfied with the work of the Company in a very good level and there are points and comments that would like

- Efficient, transparent and verifiable procurement system
- Fair procurement competition / selection

In this regard, the Company always adheres to the strict policy of procurement operations.

- (2) The Company provides a channel for receiving complaints from business partners and distributors. The complaint can be sent via E-mail to Ms. Ratana Punnipa, Chief Risk Officer: ratana@tqm.co.th. or by calling 02-119-8888 at any time, in the year 2020, there was no complaints from business partners and distributors.
- (3) The Company supports and encourages suppliers for complying with the environmental, social and corporate governance (ESG) policy by prioritizing suppliers with the ESG logo on the product.

2.1.3.4 Shareholder and Investor

- (1) Shareholders' meetings is an important part of communicating with shareholders. The company is aware of importance of the shareholders of the company, therefore, the company holds an annual shareholders' meeting to encourage participation and communication with shareholders and to ensure that shareholders are treated equally, and that shareholders can exercise their rights as shareholders.



The Company promotes and encourages shareholders to exercise their rights in various matters in the annual general meeting of shareholders, i.e. the right to propose an agenda of the shareholders' meeting in advance of the meeting, the right to nominate persons to be elected as directors in advance, the right to send advance question list prior to the meeting, the right to express opinions and ask questions to the meeting, etc., under the rules, regulations, and procedures set by the Company.

The Company sends invitation letters and related documents for each agenda to the shareholders for consideration in advance, and discloses the meeting invitation letter with related documents on the Company's website including a proxy form for shareholders who are inconvenient to attend the meeting to authorize others to attend the meeting on their behalf. The Company appoints 1 independent director to be a proxy for shareholders who are inconvenient to attend the meeting. In the event that shareholders or proxies would like to attend the meeting, the Company facilitates transportation by organizing shuttle bus service for shareholders on specific time, date and the location stated in the meeting invitation letter.



On the shareholders' meeting date, prior to the opening of the meeting, the Company clarifies the rights of shareholders according to the Company's Articles of Association, methods for conducting meetings, including how to exercise the right to vote. After the meeting, the Company announces the resolution to the meeting by 9.00 am of the next business day, and sends a copy of the minutes of the shareholders' meeting within 14 days, also disseminate via SETLink system and the Company's website at <https://www.tqmcop.co.th>.

There were 2 Shareholders' meetings in 2020 as follows:

1. The 2020 Annual General Meeting of Shareholders held on April 29, 2020, there were shareholders attending the meeting in person and shareholders attending the meeting by proxy totaling 483 shareholders or equivalent to 72.9871% of the total issued shares of the Company.

For the 2020 shareholders' meeting, the Company announced the criteria for proposing the agenda of the shareholders' meeting in advance of the meeting, the right to nominate persons to be elected as the Company's directors, the right to send questions to the meeting in advance of the meeting via the Company's website from December 1, 2019 to

December 31, 2019, there was not any shareholder proposing a meeting agenda or submitting questions to the meeting in advance, and none of shareholders nominating any person to take a position as the Company's director.

2. The Extraordinary General Meeting of Shareholders No. 1/2563 held on December 24, 2020, there were shareholders attending the meeting in person and shareholders attending the meeting by proxy totaling 717 shareholders or equivalent to 87.9017% of the total issued shares of the company.

Both meetings were held at Integrity Meeting Room, Floor 6, Punnipa Building 1, TQM Corporation Public Company Limited, No. 123 Ladplakao Road, Chorakhe Bua, Lat Phrao, Bangkok. In the said meetings, all directors of the Company attended the meeting 100% along with executives, auditors and legal advisors. The meetings proceeded according to the agenda without switching or adding. The chairman of the meeting provided opportunities for shareholders to ask questions and express opinions on each agenda freely.



(2) Investor

The Company is committed to corporate governance and adheres to corporate governance principle, sustainable development and fair information disclosure to ensure that all stakeholders receive same and enough information. In 2020, the Company organized investor relations activities to provide information to investors, shareholders and all stakeholders apart from announcing financial statements. The Company understands the needs of investors, shareholders and stakeholders that to know the vision of the executives, corporate goals and other information useful to all parties. Therefore, activities were organized to meet investors, answer questions, receive suggestions, as follows.



- 4 Opportunity Days

No. 1	27 Mar 20	2019 Operating results
No. 2	4 Jun 20	Q1/2020 Operating results
No. 3	31 Aug 20	Q2/2020 Operating results
No. 4	2 Dec 20	Q3/2020 Operating results

- 4 Analyst Meetings

No. 1	6 Mar 20	2019 Operating results
No. 2	21 May 20	Q1/2020 Operating results
No. 3	20 Aug 20	Q2/2020 Operating results
No. 4	12 Nov 20	Q3/2020 Operating results

- Other activities relating to Investor Relations

45 Company visits and executives' interviews

10 Roadshows



Total 63 Investor Relations activities in the year 2020

To contact the Company, submit suggestions and complaints, please contact IR department www.tqmcop.co.th, Mr. Sumrit Rongkawilit Tel.02 119 8888 ext.5234, Mr.Rio Khundeechai Tel.02 119 8888 ext.5009 or e-mail: ir@tqm.co.th

2.1.4 Fair business operation and compliance with laws and regulations

The Company is committed to conducting business properly with honesty, fairness, transparency and disclosure of important information. The Company considers the benefits and impact on shareholders, customers, business partners, employees and all stakeholders as an important matter including fair and appropriate sharing of benefits. In addition, the Company places importance to legal compliance including compliance with international business ethics by requiring the directors, executives and employees to act within the framework of the laws, and regulations and must not be involved in helping or taking any action violating other laws and regulations related in dealing with business partners and competitors. The Company will treat its business partners fairly, not claiming or receiving any benefits unrighteous from partners and if unable to comply with any conditions, the Company will notify the business partners in advance in order to jointly find solutions and will treat competitors within the framework of good competition and does not seek the confidential information of its competitors in dishonest means. However, in the legal practice of other rules related, the Company has to operate its business under the supervision of the Office of Insurance Commission (OIC), in which the subsidiaries have been randomly audited by the OIC to comply with the Act in connection with the juristic insurance broker and the relevant laws. The subsidiaries received a record of

the audit of the said juristic insurance broker from the Office of the OIC, indicating that they had completely complied with the relevant laws.

2.1.5 Non-infringement of intellectual property

The Company has a policy and practice on non-infringement of intellectual property to establish clear guidelines for the prevention and non-infringement of intellectual property. Employees are required to comply with intellectual property and copyright laws, such as trademark laws, patent law, copyright law or other relevant laws. Anyone who violates such policies must be considered for disciplinary offenses in accordance with the Company's work regulations or according to the requirements of the governing body and in the event that the offense is an offense under the provisions of the law, it will be subject to punishment as stipulated by the law.

2.1.6 Anti-corruption

The Company operates on the principle of transparency by not offering compensation, pay bribes, solicit requests or accepting bribes from other persons or entities in any form either directly or indirectly in order to have a mutually beneficial compensation or hope for benefits about the work of the Company, and not conducting illegal transactions involving government officials, other person or organization either directly or indirectly including not donating or paying for convenience or providing any support to other persons or entities as a means of paying bribes and because the Company attaches great importance to anti-corruption, the Company provides an internal control system to prevent any fraud and corruption with the Company's regulations establishing operational procedures. The authorized person for authorizing the payment and the amount responsible must comply with the Company's regulations which must have clear documentary

evidences and also provide training for employees to know about the anti-corruption policy and practice and encourage employees to have honesty in performing their duties and responsibilities.

The Board of Directors has a clear anti-corruption policy stipulated in the charter and code of conduct and anti-corruption policy by communicating at all levels of the Company and third parties to achieve implementation. The Board of Directors has overseen the grievance receiving mechanism and the action in case there are clues and clear guidelines for grievance, fraud and offense. There is a provision about reporting an investigation of ethical violations, receiving complaints of fraud and misconduct in the event that stakeholders have observations about the operations of the Company and its subsidiaries. They can ask for details, report a complaint or the whereabouts of illegal acts, inaccuracy of financial reports, defective internal control system or violation of business ethics through independent directors or the audit committee of the Company. The information of complaints and clues given to the Company will be kept confidential. An independent director or audit committee will instruct the Compliance Officer to examine information and find solutions (if any) and report to the Chairman and the Board of Directors.

The Company has a whistleblowing channel and channels for receiving complaints as follows:



- (1) By post, deliver to
Chairman of the Board of Directors or Chairman of the Audit Committee
TQM Corporation Public Company Limited
123 Ladplakhao Road, Chorakhe Bua Subdistrict, Ladprao District,
Bangkok 10230
- (2) By email
Chairman of the Audit Committee: Maruts211@gmail.com
Independent Director / Audit Committee:
Rutchaneeporn.po@spu.ac.th or chinapat.lawclub@icloud.com
Secretary: cs@tqm.co.th
Relations: ir@tqm.co.th
- (3) The Company's website <https://www.tqmcop.co.th>
- (4) Suggestion / comments / complaints box at the Company

2.1.7 Corruption Risk Assessment

Corruption Risk Assessment is to work proactively in all departments in the Company to identify evaluations and review the risk of corruption including raising awareness of the risk of corruption that could happen and impact on the objectives and operations of the Company. However, the executives of all departments must cooperate in providing information on the corruption risks that occur in their departments.

2.1.7.1 Corruption Risk Assessment consists of 4 main steps as follows:

- (1) To prepare criteria for measuring impact risk and the opportunity to occur including setting the level of risk that the Company can accept.
- (2) To identify risks and the impact of the risk as well as analyzing the severity and possibility of risks before considering the existing internal control measures.
- (3) To evaluate the current internal control system, analyze the severity and possibility of risks following current internal control measures.
- (4) To provide measures to reduce risks to an acceptable level if the current internal control measures are not enough.

Therefore, the management has set the internal audit function providing advisory services to management for assessing fraud risks as well as being a collector of assessment results, to document the risk of corruption of the organization which covers fraud risk diagrams and register fraud risks as well as monitoring the implementation of the risk management plan, to present to the Risk Management Committee, Audit Committee, Board of Directors as well as management and other related departments.

However, such departments or working groups are only responsible for advising and collecting risk information. Risk identification and assessment including the provision of measures to reduce or manage risks is a direct duty of management in each department of the Company. In addition, the internal audit function is responsible for assessing the sufficiency and the effectiveness of the internal control system identified during the risk assessment that sufficient or not to reduce the risk to the level that the Company is acceptable.

The company assesses and reviews fraud risks annually to identify increasing risks or changes in existing risk levels each year which can be changed due to various factors such as changing operating processes, use of new technology and information systems, changes in the duties and responsibilities or new fraud methods, etc. If the Company starts organizational risk assessments, executives can consider conducting a fraud risk assessment along with the risk assessment of the Company.

2.1.7.2 Supervision Guidelines for Prevention and Monitoring of Corruption Risks

- (1) To establish internal control procedures and processes and risk management covering the Company's vital activities including giving gifts, entertainment, charity donation, contribution to the aid and support political activities, providing or receiving bribes in order to prevent the occurrence and monitor corruption risks as well as providing suggestions on appropriate solutions.

- (2) To provide a channel for receiving information, clues or complaints about violation of the law or business ethics of the Company or practice guidelines to prevent involvement with corruption or the internal control system. The policy is to protect information or whistleblowers and will keep the information confidential including measures for examining and determining the disciplinary penalties following related laws.
- (3) The head of the relevant department is responsible for monitoring the performance, errors correction (if any) and reported to the authority accordingly.

2.1.7.3 Guidelines for monitoring the implementation of the Anti-Corruption Policy

The company has set up a guideline for following up and evaluating the implementation of guidelines for preventing involvement with corruption as follows:

- (1) To determine the executives and employees to self-assess their performance regarding the compliance with the Corporate Governance and Business Ethics Manual set by the Company. This includes corporate governance policy, ethics and business ethics on supporting anti-corruption practices to prevent involvement with corruption and employee conduct on a regular basis.
- (2) To provide a supervisory and control department to audit the internal control system, risk management , corporate governance and provide constant feedback by conducting audits according to the annual audit plan which has been approved by the Audit Committee and to report the audit results and recommendations to the Audit Committee.
- (3) To designate the Risk Management Committee to be responsible for ongoing fraud risk testing and assessment to ensure effective implementation of anti-corruption measures, as well as to regularly monitor and improve anti-corruption measures. The assessment results shall be presented to the Audit Committee and report to the Board of Directors.
- (4) If investigating the facts and found that Information from investigations or complaints is reasonable evidence to believe that the transactions or actions having significant impacts on the financial position, and performance of the Company including violation of laws or the Company's business ethics or guidelines to prevent involvement in fraud, corruption or suspicion in financial reports or the internal control system, the Audit Committee will report to the Board of Directors for rectification within the period that the Audit Committee deems appropriate.

2.1.7.4 Summary of key activities of the Anti-Corruption and Corruption Policy in 2020

In 2020, the Company has joined as a member of the Collective Action Coalition for Thailand in combating corruption (CAC) and announcing its intention to fight against corruption and all forms of corruption on September 13, 2020, including participating in anti-corruption activities with the authorities. For example, Road to join CAC and participating in various training courses. The Company is committed to obtaining certification according to CAC standards which is currently in the self-assessment process according to the category and topic of the CAC. The Company received fully cooperation from all departments of the Company.

Communication of Anti-Corruption Measures

Internal	<ul style="list-style-type: none"> To disseminate “Anti-Corruption Measures and “No Gifts Policy” through the Intranet system for all employees to acknowledge. 1) Training on Anti-Corruption and Corruption Policy through orientation to new employees of 175 models, a total of 3,243 people (including staff pre-employment training). 2) To organize a training course “Actions against Corruption and Corruption (Anti-Corruption: Practical)” to current employees, totaling 160 employees, to understand correctly and outside training on “Build an anti-corruption system in the organization” according to Anti-Corruption Practical Guide (ACPG) “
Partners	<ul style="list-style-type: none"> To communicate measures for business partners or those who want to be a business partner in various forms, for example, specifying a statement indicating the intent of SET in combating corruption. To disseminate anti-corruption measures and the policy of not receiving gifts by E-mail to the stakeholders directly.

2.1.8 Risk from business partners

The company places great importance on supply chain management concerning environmental, social and governance sustainable development in order to prevent risks that may arise from direct and indirect impacts on the Company's image and business operations, it is therefore important to effectively manage the relationship with suppliers. The Company conducts procurement with transparency, fairness and verifiable. The Company has clear policies and criteria for selecting suppliers. There is a code of conduct for business partners to be used as a practice guideline including focusing on all forms of anti-corruption as follows:

2.1.8.1 The Company has identified which business partners are important business partners of the Company by clear criteria to group up partners. In 2020, the Company has more than 1,300 merchant partners, the Company has grouped merchants based on key product categories affecting the core business of the Company and has a trade value of 100,000 baht or more as follows:

Group No.	Type	Total
1	Information technology products	10
2	Office equipment and supplies	7
3	Publications	6
4	Document delivery, workers, security, maid	2

2.1.8.2 The Company has processes, procedures, and practices to identify economic risks arising from Company partners by assessing and prioritizing the risks of the 2020 Procurement and Purchasing Department, identifying the risk factors assessment of risks, opportunities, impacts, risk management measures and details of actions. There are two economic risk factors arising from trade partners, namely, dependence on few trading partners and the risk of receiving ineffective products / services as well. In the past year, the department has implemented measures to control risks. The purchasing department has selected at least 3 - 5 registered companies / stores / types of products to follow up and evaluate twice a year if failure to meet the required standards, such store will be canceled and removed from the Approved Vendor list, therefore, the risk is in a controllable level.

2.1.8.3 The Company has processes and practices to identify risks arising from the Company's business partners covering social and environmental issues on human rights for employees and labor, business ethics and compliance with environmental laws by defining the process to analysis risks and assess business partners covering social and environmental issues for the 2020. As a result of the said action, the risk of such issue is at a controllable level.

2.1.9 Sustainable Supply Chain Management

The Company manages its supply chain responsibly to reduce the risk of business interruption to promote business operations that are legally compliant and reduce environmental and social impacts that may arise from supply chain activities.

2.1.9.1 Considering social and environmental issues in procurement

The Company sets social and environmental issues in the Company's procurement policy, procurement of supplies and services, clause 5. To concern the environmental and social friendliness, and all executives and employees in the company having duties to cooperate, support, push and strictly operate under the policy and set social and environmental issues as criteria for selecting new partners in the new company / merchant registration assessment form and used as a guideline for the selection of companies / registered stores of the year 2020 for the evaluation of the selection new business partner from the 4-group.

2.1.9.2 The Company has established a Supplier Code of Conduct covering social and environmental issues as follows:

Supplier Code of Conduct

Business operation

1) Delivery of products and services

Merchants / Partners must deliver quality products and services and the price is reasonable and fair. The delivery must be on time to keep up with customer needs and develop products and services continuously.

2) Compliance with laws and regulations

Merchants / Partners must obey the law both national and local. This includes the rules governing business operations and the necessary licenses.

3) Anti-Bribery and Corruption

The Company has an anti-corruption policy "Collective Anti-Corruption (CAC)" and expressed its intention to strictly comply with the policy on corruption, extortion, fraud or bribery. If any merchant / partner is involved in paying or receiving bribes, the contract will be terminated and the Company will not be responsible for any damages incurred to the business partners due to the cancellation of the said contract.

4) Reward Gifts

Merchants / Partners must acknowledge that employees of the Company will not give or receive gifts, awards, favors that will influence operational decisions or cause unfair benefits, except for giving or receiving according to business practice.

5) Conflicts of Interest

Merchants / Partners must notify the Company immediately if any action is found that may create a conflict of interest between the management, employees and personnel in the group of companies and business partners.

6) Trade secrets

Merchants / Partners must have a process to prevent the leakage of confidential information, whether it is business information or personal information of the Group and must not use such information arbitrarily.

Safety and Working Environment

1) Occupational health and safety

Merchants / Partners must have a health policy occupational health and safety to support a safe and hygienic work environment including providing personal protective equipment to employees adequate and appropriate employees.

2) Prevention, preparation and response in emergencies

Merchants / Partners must have a forecast, identification and assessment of the situation and emergency including planning and having emergency procedures to help reduce the impact from emergency situations that will affect the business continuity.

Human Rights and Labor Practice

1) Human rights

Merchants / Partners must strive for and maintain fair working conditions and be a role model in business and other areas based on human rights principles, such as the non-working of child labor, pregnant women, or other matters that show disrespect for human rights or international standards regarding human rights, rights, liberties and equality principles.

2) Labor and Child Labor

Merchants / Partners must not engage in or encourage the employment of workers under the legal age and must pay compensation to employees with fairness, not taking advantage regarding employees' knowledge and skills.

Environmental impact

1) Environmental management

Merchants / Partners must have an environmental management system in accordance with the law & regulations. This will lead to the development of sustainable performance.

2) Waste, chemicals and hazardous materials

Merchants / Partners must have management, treatment, discharge or disposal of the waste, chemical, and hazardous substance arising from business operations measures in accordance with the law, applicable rules with an examination and good control measures that do not affect the environment

3) Impact on the community

Merchants / Partners must have a systematic assessment, document and control environmental impacts that may arise from operations and the impacts on the surrounding communities.

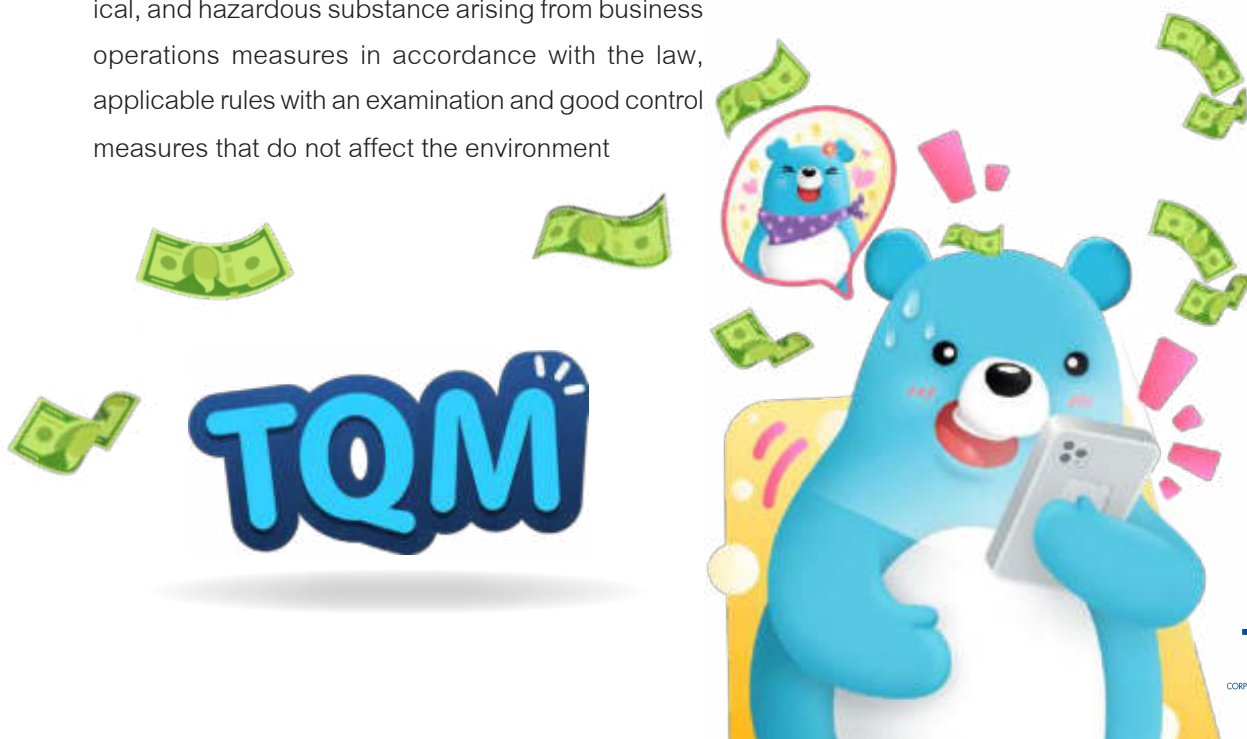
2.1.9.3 The Company monitors compliance the Supplier Code of Conduct and requires the Business Partner to submit a letter of acceptance to the said Code of Conduct and keeps the acceptance letter as evidence. During the year, the Company sends a self-assessment to business partners to self-assess and then analyze and file data as additional evidence.

2.1.9.4 Raising awareness of sustainable business operation

The Company graded a group of merchants / partners into grade ABC on June 1, 2020, a total of 24 and informed the merchants / partners to develop, upgrade, revise the grade B and C to be in Grade A group using the assessment during the year as a development tool.

Annual Assessment Results 2020 on June 1, 2020

Grade A points 25 - 24	2	cases
Grade B points 23 – 21	4	cases
Grade C points 20 - 18	18	cases



2.1.10 Study and Evaluation of Customer Satisfaction

2.1.10.1 The Customer Relations Department conducted a study and assessed the customer satisfaction with the Company's services throughout the year 2020 by targeting a total of 51,000 sample groups. The actual sending were 181,810 surveyed cases, or 356.49% of the target, with the following results:

Satisfaction level	Meaning
5	Very satisfied
4	Satisfied
3	Fair
2	Not satisfied
1	Disappointed

Figure : Satisfaction level

- 1) February, SMS to 12,091 persons, 361 responses, average of satisfaction 4.14.
- 2) April, SMS to 12,889 persons, 501 responses, average of satisfaction was 4.47.
- 3) May, SMS to 10,778 persons, 224 responses, about service inquiry, 56% wants the Company to offer 0% installments for 10 months.
- 4) June, SMS to 22,536 person, 780 responses, average of satisfaction 4.04.
- 5) September, SMS 2 times
 - No. 1 SMS to 39,161 persons, 867 responses, average of satisfaction 4.38.
 - No. 2 SMS to 5,655 person, 112 responses, average of satisfaction 4.36.
- 6) October, SMS 2 times
 - No. 1 SMS to 2,305 persons, 99 responses, average of satisfaction 3.59.
 - No. 2 SMS to 12,856 persons, 364 responses, average satisfaction 4.09.
- 7) November, 2 times
 - No.1 SMS to 18,276 persons, 252 responses. average of satisfaction 4.27.
 - No.2 SMS to 19,668 persons, 309 responses, asking about the decision to buy insurance from TQM, 96% agreed to buy from TQM and tell their friends.
- 8) December, 2 times
 - No.1 SMS to 3,091 persons, 67 respondents, average of satisfaction 4.30.
 - No.2 SMS to 22,504 persons, 491 responses, average of satisfaction 4.59.

2.1.10.2 The use of survey results to develop and improve services

The Company provides an analysis report to improve the services and also training course on 5 and 13 November 2020 on “Communication techniques and conversation etiquette” to develop skills and improve services. There were 145 participants at the level of assistant manager totaling 145 employees to develop their communication skills. This includes understanding the feelings of others communicating skills, such as presenting, talking, presentation skill, listening, active listening, body language, therefore, having communication skills and manners for customers' impression. In addition, it creates credibility resulting in a positive image for employee and the Company.



Figure Economic aspect 1.

Co-sponsored for seminars 'Catch Thai shares after the COVID'

1. 1. To provide investment knowledge to retail investors and the public who interested in investment. the audience may be able to analyze the value of investment after Thailand and the world have faced the impacts of the COVID-19 crisis, TQM executives participated in the discussion to provide information and express their vision of the insurance and life insurance business on August 26, 2020.



2.1.11 Taxation

The Company establishes strict accounting policies and tax operations in accordance with applicable laws and plans for the legal utilization of tax incentives in accordance with key accounting policies of the Company and the policy will be always up to date.

Income tax, including

(1) Current income tax

The Company records current income tax on the amount expected to be paid to the Revenues Department on the basis of taxable profits in accordance with the rules of taxation.

(2) Deferred income tax

The Company records deferred tax on temporary differences between the book values of assets and liabilities at the end of the reporting period and the tax base of the related assets and liabilities by using the current tax rates at the end of the reporting period.

The Company recognizes deferred tax liabilities of all taxable temporary differences. However, deferred tax assets are recognized for deductible temporary differences. This includes the amount of the unused tax loss which is possible that the company will have sufficient future taxable profits to capitalize on the deductible temporary differences and the unused tax losses. The Group reviews the carrying amount of deferred tax assets at the end of the reporting period and will make any adjustments to the carrying amount if the Company will not probably have sufficient taxable profits to utilize some or all of the deferred tax assets. The Group records deferred tax directly to shareholders' equity if it is related to.

2.2 Social Aspect

2.2.1 Human Rights

The Company realizes that businesses must respect the life and human dignity of everyone, which is the foundation of human resource management and development as well as building relations in society. The Company has a guideline to promote and encourage the implementation of fundamental human rights and equality principles to not discriminate regardless of race, nationality, religion, language, skin color, sex, age, education, physical condition or social status including ensuring that employees can work together in a safe and happy working environment. The Company also provides an orientation training for new employees to know the information of the Company before starting work, including the content on respect for human rights for a happy coexistence of employees.

In addition, the Company has continuously coordinated with the Disabled Career Development Center by hiring disable persons to be regular employees of the Company since 2010, as of December 31, 2020, the Company employed totaling of 21 disabled persons re still working in several departments according to the potential and suitability for the job position at the Head Office and branches / service centers in the provinces.

2.2.2 Fair labor treatment and employees care

The Company believes that human resources are the most important factor in business operations to create value and return for the business as the operations in the Company requires knowledge, abilities, as well as dedication, both physical and emotional energy, to achieve goals. Therefore, the Company has established guidelines for treating employees, the management is expected to treat employees fairly without prejudice, support in building capacity for advancement and increasing the efficiency of employees' work, also encourages employees to understand of the code of conduct that employees must follow and not violate. The Company provides appropriate welfare for employees, and treat employees with honesty by listening to reasonable opinions and suggestions, and providing reasonable and fair compensation according to their knowledge, abilities, as well as roles and

responsibilities and the performance. In addition, the Company provides employees with good and competitive welfare at the same level as leading international organizations, such as provident funds, savings cooperatives, loan welfare, scholarships for employees and children. There are also employee relations activities at various times to build morale and happiness in continuing to work with the Company. In addition, the emphasis on labor relations has been continued in the form of a welfare committee in the workplace. In 2020, the Company aimed to improve the quality of life of employees. The employee satisfaction survey (Employee Satisfaction Survey: ESS) found that the average 85% satisfaction rating score. The Company has set an employee satisfaction target of at least 80%, the subject that employees rated the most in terms of pride in working with the Company, rated for 60% of the employees who responded to the assessment. From the aforementioned results, employees are proud of the Company. It was delighted that people talking of the Company in a positive way. As a result, employees jointly create awareness and maintain a good image of the Company and for the least satisfaction survey results was “Opportunities and Progress”, the Human Resources Division then analyzes the various causes that may affect employees in the said satisfaction and consider creating a project “Career Path” in the year 2021 to allow employees in the Company to develop skills and abilities and see the progress of their careers as well as giving rice and flu vaccination to employees across the country due to the COVID-19 crisis affecting the livelihoods of Thai people across the country with concern for employees, therefore, the Company issued an urgent policy from the management to deliver rice to TQM employees nationwide and take care of the health of employees, thus providing 5 strains of influenza vaccination to TQM including welfare arrangements for exercise facilities at the Royal Thai Army Department and badminton court at Sena Center for employees to play and stay healthy. Therefore, the Company has a 3.28% drop in sick leave rate or 407 days decreased compared to the number of sick leave in 2019 as of 12,414 sick leave days and 2020 totaling sick leave 12,007 days.



Figure Social aspect 1. Giving rice to employees and employees' vaccination

2.2.3 Employee Participation

Employees' participation is at the heart of the Company because employees is also one of stakeholders. The company has arranged for employees to take part in being a committee or working group assigned by the management and appointed to take part in the management of the Company such as the welfare committee in the workplace, occupational safety, health and working conditions committees, even Cross Functional Committees, contribute to encouraging employees' morale and power to lead the organization through the following tools.

- 1) Employee Engagement Survey once a year.
- 2) Complaints through the Company's complaint system.
- 3) Organizing a general meeting of the Company for the executives to talk to employees (Town Hall Meeting).
- 4) Internal Communication
- 5) E-mail communication, employee group representative interviews
- 6) Developing employee potential
- 7) Taking care of employees
- 8) Compensation and career advancement
- 9) Business challenges and opportunities

To perform the aforementioned, employees expect the Company to continue to push and develop sustainability issues in order for the Company to continue to grow and be accepted by stakeholders. The issues that important to employees are Human resource development, to provide employees with sufficient knowledge and ability to keep up with the Company's business development and business changes that are likely to be faster today.

2.2.4 Employee's Illness and Injury

Operational safety is essential in business operations. The Learning Development and Management Department has organized a training course on "Workplace Safety" in order to learn about occupational safety, cause of the accident that is not safe (Unsafe Act), unsafe working area (Unsafe Condition) and guidelines for preventing accidents including the trend of danger that will occur in each step, finding solutions and a course "Safety officer in executive work" as a guideline for the implementation of safety by providing knowledge and understanding to be applied in conjunction with the security policy in the Company.

In the year 2020, the company received 3 reports of injuries and illness as follows:

- (1) Miss Patcharee Intuwatanakul accidentally fell while on duty on October 20, 2020, resulting in sprain of the ankle, inability to move or move normally. The Human Resources Department helped coordinate with related departments in documents to meet the requirements of the Social Security Office - Workmen's Compensation Fund
- (2) Miss Warisara Mitmana accidentally fell from the holder and hit her head on December 2, 2020, ? causing injury to her head. The Human Resources Department helped her to hospital and coordinated with the Social Security Office - Workmen's Compensation Fund, documentation of injury, sickness or loss and request for compensation under the Compensation Act for employers, employees or petitioners, fill out (Kor Tor 16) and documents for sending employees to receive medical treatment (Kor Tor 44). Human Resources Department has notified the building department to correct and prevent the occurrence.
- (3) Mr. Paradorn Chumphon involved in an accident from motorcycling to deliver documents to his customers on December 14, 2020. The Human Resources Department contacted and coordinate with the Social Security Office - Workmen's Compensation Fund, documentation of injury, sickness or loss and request for compensation under the Compensation Act for employers, employees or petitioners, fill out (Kor Tor 16) and documents referring employees to receive medical treatment (Kor Tor 44). Human Resources Department invited the agency to attend the meeting to find ways to prevent and drive employees to safely.

2.2.5 Developing potential and opportunities

In 2020, the Company has established human rights policies and practices by equitable treatment, in terms of gender, race, religion, traditions, and people with disabilities, the Company places great emphasis on performance from knowledge and ability as the core through universal assessment tools and models. There is also a compensation policy / guideline that does not discriminate based on fairness principles, therefore organizing relevant training courses such as orientation, charter and ethics supervisor skill development, etc.

The Company focuses and gives great importance to employee development which is the heart of the organization by establishing training courses in accordance with and in relation to the position level role / nature of work as expected by departments and the Company to have higher knowledge, skills and potential to perform the job efficiently. This resulted in a competitive advantage in the year 2020, as well as providing opportunities and promoting career advancement for employees to grow with the Company. Evaluation model and criteria summarize, the results of the development of employee potential that are consistent with the evaluation results of work with training to motivate and keep employees happy with the Company.

From the 2020 performance appraisal, the Competency section plays an important role in achieving the organization's goals according to the core competencies of the company, which has 6 competencies as follows:

1. Excellent service
2. Teamwork
3. Honesty adhering to ethics
4. Communication
5. Commitment to success
6. Consistently pursuing learning

and from the performance appraisal of employees. It was found that the communication potential must be developed to meet the core competencies, article 4 Communication is an urgent development issue, therefore, a curriculum has been developed to develop the potential of the employees that are consistent with the performance assessment results in order to increase operational efficiency, one course consists of four courses, "Communication Techniques and Conversation Etiquette". Effective communication is essential to the success of an organization and is at the heart of the work because humans could not avoid communication whether it is voice communication, gestures, characters, pictures, if communication skills are lacking, it can make things difficult, confusion, duplication, and difficulty in work. Therefore, the development of communication skills Including understanding the feelings of others communicating as well, such as presenting, talking, presentation skill listening to understand others (Active Listening), communication and observing gestures (Body Language). Therefore, employees are able to create an impression on customers and build credibility. This results in a good image for themselves and the organization.

The overall training in 2020 has a total number of 1,843 employees training from the total work force in 2020, representing 47%, divided into 1,816 employees internal training and 27 outside employees training, average training 28 hours / person / year. The course details are as follows:

Internal training for the year 2020

No.	Date of the training	Course	Trained employees
1	May 15, 2020	Sanitation safety and environment	50
2	17 June 2020	Leadership Development and Work in the New Normal Era 27	27
3	18-19 June 2020	Safety officer at supervisor level	25
4	22 June 2020	Development of effective human and work management (HR for Non HR)	20
5	23 June 2020	Risk Management	27
6	24 June 2020	Total Quality Management (TQM)	30
7	25 June 2020	Service development techniques beyond expectations 27	20
8	26 June 2020	Leadership and Management	30
9	25 Jul 2020	Information Management Model DMP	76
10	21 Aug 2020	Health and environmental safety in the workplace	50
11	26 Aug 2020	Leadership and Management	30

Internal training for the year 2020

No.	Date of the training	Course	Trained employees
12	27 Aug 2020	Techniques to develop services beyond expectations	36
13	16 Sep 2020	Leadership Development and Working in the New Normal Era	30
14	23 Sep 2020	Leadership Development and Working in the New Normal era	32
15	24-25 Sep 2020	Safety officer at executive level	25
16	1-2 Oct 2020	Investing in stocks for beginners	65
17	6 Nov 2020	Health and environmental safety in the workplace	50
18	5,13 Nov 2020	Communication techniques and conversation etiquette	145
19	15-17 Nov 2020	TQM - Time to Fly " 2021	101
20	17-18 Dec 2020	Personal Data Protection Act (PDPA)	200
21	19-21 Dec 2020	TQM - Time to Fly'1921: Ep 2	440
22	22- 23 Dec 2020	Anti-Corruption and Corruption Practices (Anti-Corruption: Practical)	100
23	24-25 Dec 2020	Charter and Code of Conduct	<u>200</u>
Total			<u>1,816</u>

External training for the year 2020

No.	Course	Day	Employee
1	Thai Accounting Standard No. 19 "Calculation of employee benefits using actuarial principles"	1	6
2	Facebook Ads & Marketing	2	2
3	Insurance Basics Property Risk	2	2
4	HR TRENDS 2020 : LEADERSHIP IN CRISIS	1	3
5	Establish an anti-corruption system in the organization Anti-Corruption Practical Guide (ACPG)	2	1
6	CFO Refresher	1	1
7	Greenhouse Gas Reduction Policy: Opportunities, Challenges, and Assessment Methods	30	3

External training for the year 2020

No.	Course	Day	Employee
8	Marine and Transportation Insurance	1	2
9	Revenue and Expense Accounting Effect on net profit calculation	1	2
10	Things to consider when preparing financial statements Account opening and presentation of financial statements in accordance with the Financial Reporting Standards before financial submission of the year 2020	1	2
11	Things to remember when submitting financial statements for the year 2020 and be prepared for submission of the financial statements of the year 2020	1	3
Total		<u>43</u>	<u>27</u>

2.2.6 Responsibility to Consumers

The company requires employees of the Company to treat customers in accordance with the established business ethics to take care and be responsible for the customers, both in terms of quality and providing good and standardized services for customer's confidentiality. Employees will not disclose customer information that they have known from business operations. The information shall normally be stored and not disclosed, unless disclosure by law.

The company is committed to the satisfaction and confidence of customers from quality service by establishing a customer service department to provide 24-hour customer support services through the 1737 hotline, the Customer Service Department provides assistance services to customers who call for inquiries, follow up on work and complaints as well as to coordinate with the relevant departments in the event of an accident to get help to customer as soon as possible including inquiries about insurance so that customers and the public who need more information have complete information to support their insurance decisions. In addition, the Company also provide Professional insurance to employees as a compensation to customers in case of any damage from the Company's employees. The Company as well provides various activities to strengthen the relationship between the Company and customers through the TQM Family club project by providing special benefits to project members and customers, including a special health check discount and birthday gifts, etc.

2.2.7 Community or Social development

The company launched guidelines to ensure compliance with relevant laws and regulations. and social responsibility including cooperation, help, support and volunteer in activities that benefit the community and society to promote economic strength as well as the restoration of society and culture through the activities that the Company arranges with customers, executives and employees in order to create a quality of society and environment as follows:



1) Blood donation is one of the activities to improve the quality of life that the Company, together with the National Blood Center, The Thai Red Cross Society. The objective is to take part in supporting the Thai Red Cross Society in promoting and providing blood donation as to help patients who need blood for medical treatment.

Statistics of blood donation between the years 2016 - 2020

Year of blood donation	Number of employees participating	Blood amount (ml)
2016	475	190,000
2017	472	188,800
2018	447	178,800
2019	480	192,000
2020	490	196,000
Total	2,364	945,600



(2) Providing Coronavirus Insurance (Covid-19) to civil servants and officers of Ministry of Defense

The Company in association with Bangkok Insurance PCL provides Coronavirus Insurance (Covid-19) to civil servants and officials on duty for people returning from Wuhan, People's Republic of China, 1,064 policies with total coverage of 53,200,00 baht for the happiness in Thai community. To the Inspector General of the Military Battalion Office of the Permanent Secretary



of Defense, totaling 20 policies, total coverage of 20,000,000 baht, at the same time to support and facilitate the working group at the incident command center bringing Thai people home from the outbreak, TQM's management and staff visited the area to Arphakorn Kiatwong Hospital. Sattahip Naval Base to provide coronavirus insurance (Covid-19) to officials and Thai people returning from Wuhan with a group of medias working to monitor the situation at Sattahip Naval Base, total 1,037 policies, also visited the area at Suvarnabhumi Airport. It is considered the first line of entry in accepting citizens entering the country and is another high-risk area. The Company also provides insurance for tourist police officers at the Operation Center, Operation Division 3, Tourist Police Department 1, totaling 163 policies with total coverage of 8,150,000 baht.



(3) Funding police injured and killed in the shooting incident in Nakhon Ratchasima

The Company funds to help the families of the dead and injured police officers from the shooting incident in Nakhon Ratchasima by giving to the deceased officer 100,000 baht per person, injured 20,000 baht per person, totaling 520,000 baht.



(4) Health education for consumers

The Company co-organized an academic seminar with Somdej Ratchathewi Hospital. It is a practical seminar on prostate cancer and male sexual performance with health insurance coverage for those who come to receive service in the hospital and the public who are interested on December 16, 2020 at Sriracha.

(5) Organizing the National Children's Day 2020

The Company organized the 2020 National Children's Day under the theme "TQM Magic Day Year 8: Make happiness, create smiles with the TQM family". There is space to fully express yourself. There are various game kiosks to have fun, get creative and win many prizes along with full of sweet and savory food stalls that are fully prepared along with giving scholarships to children who came to show their talents and join the Children's Day with TQM family on January 11, 2020 at TQM Head Office.

(6) Giving stationary to the children of Khlong Maha Sawat School

The Company invites volunteer members to experience community ways and give stationary to children at Khlong Maha Sawat School. TQM organizes TQM Natural Camp 2020, bringing lucky customers to organize educational equipment to students and paint the corridors of Khlong Maha Sawat School, Nakhon Pathom Province while also organizing activities to experience the community's way of life to support the products of the villagers along the canal on October 17, 2020.

(7) Rewarding customers to make merit in 9 buddha temples

The Company brings lucky customers from the TQM Family Club project to pay homage to 9 buddha temples along the Chao Phraya River to uphold Buddhism, encourage Thai people to enter the temple and make merit according to the Buddhist traditions and to support the economy of the community surrounding temple on 25 Jan 2020.

(8) Giving 13th accident insurance policy to the police officers

The Company has given accident insurance policy to the police officers for 13 year already. TQM hands an accident insurance policy to officers of Chokchai Police Station and the Khok Kham Metropolitan Police Station, a total of 409 officers, to support and build morale in the performance of duties of all police officers on October 5, 2020 at TQM headquarters.



(9) Happy sharing box, sharing spirit with Thai people

The company cares about people affected by the COVID-19 epidemic. In front of TQM headquarters building, executives and employees are invited to donate consumer goods - consumer goods to the public. This is a direct help to people in the society, including employees as well. It reflects the happiness in the work of the employees, resulting in the Company increasing sales and lower turnover rate.



(10) Donation of funds for convenience stores to share

Company donated to convenience stores to help people affected by the COVID-19 situation. That lack of items used in daily life by setting up a convenience store-like mock up and allow people who want items to come in and select 5 items per person without any cost.



(11) New year safe travel Insurance with OIC.

OIC in cooperation with the insurance industry and TQM organized the “New Year, Safe Travel”. Insurance cares about you. To provide concern to the people, the Company has a booth and campaign and present a New Normal Plus accident insurance policy to the exhibitors and the public for free through the website tqm.co.th with a guest actor Namwan Phurita, the heroine of Channel 3, in order to create a fun and interesting atmosphere as well.



(12) Supporting the HRH Princess Chulabhorn Music Project

The Company supports the music project HRH Princess Chulabhorn. Chulabhorn Wanaram Temple with the Center for Music and Tourism Innovation, Institute of Linguistics and Cultural studies Rajanagarindra, Faculty of Humanities, Kasetsart University are grateful for His Majesty's grace in Her Royal Highness Princess Prince Chulabhorn Walailak Archarajkumari Krom Phrasrisawangkhawat Worakattiyaratnari who devoted her private life, and worked hard for the Thai people and many contributions to the country, deserving that the Thai people could express their gratitude to the Prince. Krom Phrasrisawangkhawat Worakattiyaratnari on the occasion of the celebration of the age of 63 on July 4, 2020. This is a great opportunity to support this activity and to join in the gratitude. The song was released on the YouTube channel 'Kasetsart University Wind Symphony'.

(13) Supporting Aditayathorn Agricultural Project

The Company supports the Aditayathorn Agricultural Project that organizes a career promotion project for local project members in Surin Province who lack of income from the impact of the epidemic situation of infectious disease COVID-19, which is a royal initiative of Princess Aditya Kitikhun concerning for the project members in terms of the lack of income, it affects their livelihoods. This is to connect the needs of producers and consumers to generate income back to local project members as good opportunity to support such activities. The Company places importance to helping and giving back to society. In addition, to donating funds to support the project, the Company participated in the booth at 'Tong Tong Pro', an activity under the project in order to give accident insurance to the public who attend the event.



(14) Giving scholarships to employees' children

The Company offers scholarships to employees' children. There were 359 scholarships from kindergarten level to university level in the amount of 1,122,000 baht and the Company continued to support education because education is an important basis for the whole country and is another channel for forwarding concern and encouraging morale to employees and their families. Employees' children are considered as important mechanisms in society by having a good and suitable education, children grow up to be valuable persons and add value to society. The Company will benefit from the happiness of employees so they can work at their best as the sales grow, and can reduce the turnover rate from 6.85% in 2019 to 4.63% or a decrease of 2.22%.



2.3 Environmental Aspect and Effective Resources Management

The Company realizes the responsibility to the society and the community in the importance of taking care of the environment including natural resources. The Company, therefore, promulgated the environmental policy and a policy to reduce greenhouse gas. Therefore, the Company will not take any action to harm environment, but will prevent and create activities to support environmental protection for the people in the community. This includes cultivating the subconscious of all employees and the company also complies with the standards, laws and regulations related to the environment of the regulators including the assignment of the Sustainable Development Task Force as a key mechanism for environmental management according to the goal of effective resource management in line with the goal No. 12 of United Nations for sustainable and responsible use of resources to ensure sustainable consumption and production patterns and goal No.13 Climate Action, this is an urgent action, it must be taken to combat climate change and its impacts. Which is a special goal that the organization attaches to as an urgent action as well as report to Corporate Governance Committee and the Board of Directors.

Environmental Policy

The Company is committed to conducting business with sustainability on the basis of environmental responsibility. The Company recognizes and places importance to reducing the environmental impact arising from business operations as well as preparing plans and measures to take part in solving the problem of climate change, the policy has been set to comply with international standards of environmental regulation. This is to achieve continuous development with the following guidelines:

- 1) To set objectives and goals for environmental work and monitor the performance that affects the environment and promote continuous improvement.
- 2) To control, prevent, treat and reduce pollution to have the least impact on the environment, including water pollution, air pollution, toxic waste, chemicals, noise, etc., in accordance with laws, regulations, as well as various requirements, including the commitment environmental practice.
- 3) To commit to environmental protection through efficient use of resources and energy from consumption, treatment, and waste control and recycling and emergency planning in appropriate ways.
- 4) To provide education and training to employees. To stimulate and cultivate awareness of the environment, which is the duty of every employee's responsibility.
- 5) To conduct public relations with the community and relevant government agencies to improve the environmental management.

The Company's management will promote and support the implementation of various actions in order to achieve the goal and the environmental policy will be passed on to all employees and ready to be disseminated to the public.

Green House Gas Management Policy

- 1) To modify the process and various devices for higher energy efficiency.
- 2) To promote the use of renewable energy. To reduce the use of natural resources.
- 3) To organize activities to create awareness of energy conservation and dealing with climate change for the board of directors, executives, employees and business partners.
- 4) To cooperate for reforestation and restore the forest area to be a source of carbon dioxide adsorption.
- 5) To promote and campaign for gathering and manage waste for reuse.
- 6) To follow the movement of climate change, in particular the risks that may affect TQM group.
- 7) To raise awareness and enhance knowledge on climate change for employees of TQM Corporation Public Company Limited

The Group of Companies, business partner and all stakeholders with such determination and determination. TQM Group looks forward to being part helps of global warming and climate change problems.

2.3.1 Environmental Management

The Company has established a policy to cultivate the awareness of employees at all levels of the Company in reducing the use of paper consisting of re-used paper, reviewing the printing of documents as needed on a regular basis and storing documents in electronic format (Text and PDF File) as well as adding electronic channels to send and receive documents among partners, the Company and customers such as the data network between each other or FTP (File Transfer Protocol) and Electronics Mail, etc., resulting in the reducing paper usage as well as saving costs within the company. For activities to control the reduction of electricity consumption, The Company has created a on-off power system and automatic air conditioning with timer on-off to reduce the use of electricity during unnecessary periods.

Focusing on resource and environmental management, in 2020, the Company has defined various environmental projects as follows:

- 1) Scrubbing project to separate solid waste and infectious waste: The Company installed waste sorting bins at various locations such as Phannipha Building 1, Punnipa 2 Building, Sang Suk Building, Nam Phet Building and Morakot Building, and installed the waste separation point at the waste sorting room. The short-term goal is to reduce waste by 1% every year.
- 2) Waste water measurement project, wastewater treatment before releasing to the public: In accordance with the standard for controlling the drainage of certain types and sizes of buildings according to the announcement of the Ministry of Natural Resources and Environment. The wastewater quality measurement every year must pass the wastewater quality inspection criteria before releasing to the public according to the announcement of the Ministry of Natural Resources and Environment.

- 3) Environmental management: The Company implements the 5S activity project by raising awareness by publicizing about 5S activities including cleaning, convenience, cleanliness, hygiene, creating habits for employees to have knowledge and understanding about taking care of the surrounding environment, reducing waste accumulation, reduce unnecessary paper usage, reduce waste including energy. Employees are involved in activities of 5S. The score is checked and summarized every month for a better working environment. In 2020, the Company has arranged a total of 12 5S assessments as follows:

1) On January 18, 2020	the assessment result was	75
2) On February 29, 2020	the assessment result was	75
3) On March 21, 2020	the assessment result was	79
4) On April 18, 2020	the assessment result was	81
5) On May 16, 2020	the assessment result was	81
6) On June 20, 2020	the assessment result was	83
7) On July 25, 2020	the assessment result was	82
8) On August 15, 2020	the assessment result was	77
9) On September 19, 2020	the assessment result was	84
10) On October 17, 2020	the assessment result was	83
11) On November 21, 2020	the assessment result was	82
12) On December 19, 2020	the assessment result was	84
A total of 12 assessments	the average assessment result was	81

The results of the comparative assessment of 2019 average 77%, 2020 average 81%, the assessment results was improved by 4%, indicating that employees had a better understanding of how to take care of the environment and reduce unnecessary waste including energy savings, expected average score in 2021 to be 85%.

2.3.2 Efficient use of Energy and Natural Resources

2.3.2.1 Electric power consumption

In 2020, the Company had the total cost of electricity consumption of 16 million baht or 0.106% of the insurance premium according to the date of sale for the year 2020, which could reduce the consumption of electricity by 0.013% compared to the consumption of electric power in 2019, total expenses of 15.2 million baht or 0.119% of the insurance premium according to the date of sale for the year 2019. The Company controls and is responsible for energy use to be efficient at all time. In addition, there is strict compliance with various legal conditions, with a goal of reducing electricity consumption by 0.5% of the percentage of electricity consumption compared to the previous year and projects according to the policy as follows:

- 1) Automatic power on-off scheme is to reduce the problem of leaving the electricity on after work, which is the cause of power consumption. Currently, the Company has completely controlled the on/off orders via Smart Phone of Punnipa 1 Building and Punnipa 2 Building, as well as ongoing to other buildings of the Company.
- 2) A project to change the lamp to LED to increase work efficiency and reduce the wasted energy consumption of fluorescent lamps. The goal is to replace 3,457 fluorescent lamps in Punnipa 1 Building and Punnipa 2 Building by 2021. At the end of 2020, the Company completed 1,602 fluorescent lamps replacement within Punnipa 2 Building.
- 3) Automatic air conditioning on-off project: in order to increase the efficiency of control and prevent leaving the air conditioner on after work and be able to automatically turn on and off the air conditioner efficiently and at the specified time. The points of installation that have been completed were Punnipa 1 Building and Punnipa 2 Building, and ongoing to other buildings of the Company.

2.3.2.2 Water consumption

The Company pays attention to reducing the use of water. Therefore, automatic faucet and urinal flush had been installed to reduce the water consumption. The Company had installed 195 automatic faucets. The goal of 2021 is that the Company will install all automatic faucets and urinal flush valves. Water consumption in 2020 was 2.98 million baht or 0.0198% of the insurance premium according to the sale date of the year 2020 as the beginning value for recording statistics on the project implementation.

2.3.3 The disposal of waste arising from business processes, the Company installed waste sorting bins at various locations such as Punnipa 1 Building, Punnipa 2 Building, Srang Suk Building, Nam Phet Building and Morakot Building, and set up an infectious waste sorting points at the waste sorting room. The Company has a short-term goal of maintaining annual costs from waste disposal amounted to 16,800 baht per year for at least three years, reflecting the control and reduction of the amount of waste generated from business processes significantly on the contrary to the continuous growth of the Company.

2.3.4 Reducing Greenhouse Gas Emissions

The Company focuses on mitigating global warming and managing climate change risks, which are critical and need to be addressed urgently and adhere to the responsibility to all stakeholders for sustainable mutual benefits. Therefore, the Greenhouse Gas Management Policy has been set in reference to the international action guidelines to prepare for the global climate change. In 2020, the Company launched a project to reduce greenhouse gas emissions. The Company's greenhouse gas emissions data from December 2020 to January 2021 equal to 1,954 tons of carbon dioxide. The goal is to reduce gas emissions by 3% by 203, and prepare a flood management plan to prepare for the changing climate.

2.3.5 Community Engagement and Environmental Impact Assessment

2.3.5.1 A survey examining the condition of community and society on the negative impacts of business operations, the Company surveyed the surrounding environment and community whether it was affected by the company's business operation or not. The Company found the need to manage the drainage pipes. Therefore, there was a policy responding to the need to reduce the clogging of sewage.

2.3.5.2 Analysis of community problems and needs, it was found that the surrounding communities wanted the Company to take steps to prevent and control infectious diseases by animal carriers because at this time, many employees and communities must live together. Therefore, the waste from consumption plied up which may be the origin of disease-carrier.

The company has implemented the following disease prevention and control programs.

Project name: Project for the prevention and control of communicable diseases by animal-borne diseases

Objective:

- 1) To identify the causes, control and prevent communicable diseases.
- 2) To reduce the incidence of communicable diseases caused by disease-carrier animals in the community in the area.
- 3) To emphasize the community's awareness of the dangers of disease-carrier animals.

The goal is to reduce disease-carriers.

Benefits: The project were satisfied.

Result: The community is satisfied.

In the year 2020, the Company has implemented 12 times as follows:

- 1) 2 - 4 February 2020
- 2) 18 - 25 February 2020
- 3) 17 - 18 March 2020
- 4) 19 - 21 April 2020
- 5) 17 - 19 May 2020
- 6) 23 - 26 June 2020
- 7) 19 - 21 July 2020
- 8) 16 - 18 August 2020
- 9) 20 - 22 September 2020
- 10) 8 - 18 October 2020
- 11) 8 - 13 November 2020
- 12) 12 - 22 December 2020



2.3.6 Business, Social and Environmental Innovations

The Company encourages to apply knowledge and experience in sustainability to develop and innovate in various fields to enhance economic, social and environmental benefits, especially innovation in work processes at both the internal organization level and the inter-organization level by focusing on creative innovations that bring change for the better productivity and added value in order to make the most of economic, social and environmental benefits at the same time. The Company has a policy to disseminate innovation as for social responsibility. The innovations will be communicated and disseminated to the stakeholders both directly and indirectly. They can acknowledge through a variety of channels to ensure that innovative information is reaching all stakeholders.

2.3.6.1 Innovation project to enhance economic, social and environmental benefits

Project name: Development of e-Document system to reduce paper use and greenhouse gas emissions

Objective:

- 1) To develop a system for creating / converting documents from hard copy to soft copy.
- 2) To develop an electronic document delivery system
- 3) To respond to the strategy of using digital as a supporting factor and drive the organization (Digital Transformation)
- 4) To reduce the consumption of paper and Carbon Footprint, which is part of the greenhouse gas.

Benefits:

- 1) To reduce paper and ink usage for hard copies
- 2) To clear out redundant process (Redundant Process Reduction) required to deliver hard copies.

In the year 2020, the Company could reduce the amount of paper consumption and reduce other related expenses as follows:

- (1) Reducing the use of A4 paper 14,450,518 sheets or equivalent to 28,901 reams, weighing 2.18 kg / ream.
- (2) Reducing the amount of cutting 1,071 trees (calculated from the formula for 1 ton of paper weight equals cutting 17 trees)
- (3) Reducing the amount of carbon dioxide and other greenhouse gases (Carbon Footprint) by 71,824.77 kgCO₂e (calculated from the EF value of 70 gsm A4 paper production, equal to 1.1400 kg CO₂e / kg).
- (4) Reducing the cost of purchasing A4 70 gram paper 1,920,184.83 baht (refer to the market price of the purchasing management system of A4 size 70 gsm, 1 ream, cost 66.44 baht).
- (5) Reducing the amount of ink for printing documents 2,601,093 baht (calculated from the cost of ink for printing documents 18 satang per sheet)
- (6) Reducing the amount of postage delivery up to 260,109,324 baht (calculated from the postage fee of 18 baht per 1 policy)

2020 Insurance Policy Issuance and Delivery

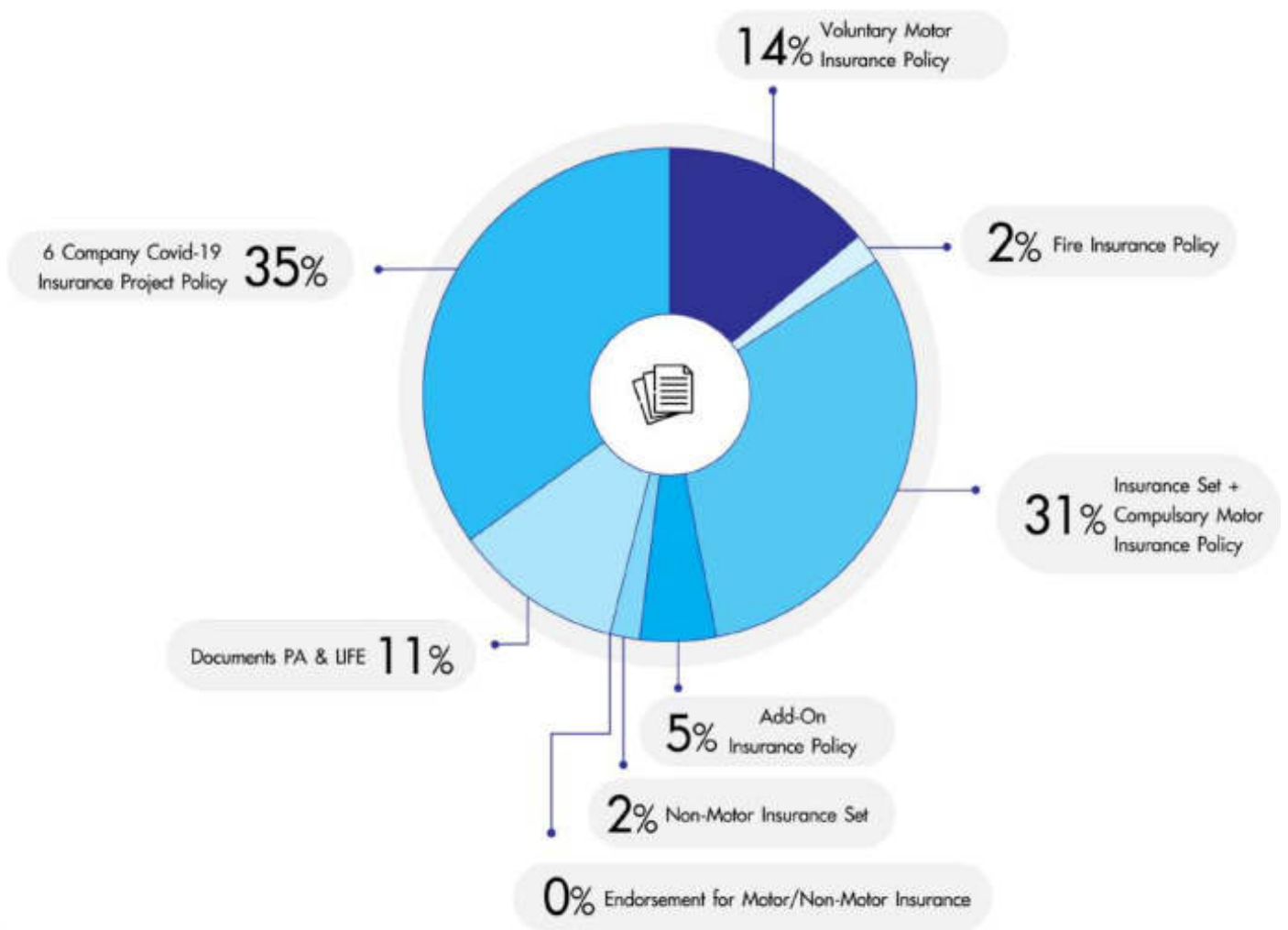


Figure: Environmental aspect - effective resources management 1
Policy proportion - Online Covid-19 insurance policy



General Information and Other Important Information

General information

Company

English company name	TQM Corporation Public Company Limited
Business type :	Holding Company by investing in insurance brokerage companies
Head Office :	123 Lat Pla Khao Road, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0107561000307
Phone:	0 2119 8888
Fax :	0 2119 9000
Website / Company Homepage :	www.tqmcorp.co.th
Registered capital as at 31 December 2020 :	300.0 million baht
Paid-up capital as at 31 December 2020 :	300.0 million baht

Subsidiaries

(1) TQM Insurance Company Limited

English company name	TQM Insurance Broker Company Limited
Business type :	Non-life insurance broker
Head Office :	123 Lat Pla Khao Road, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0105540084143
Phone:	0 2119 8888
Fax :	0 2119 8800
Registered capital as at 31 December 2020 :	400.0 million baht
Paid-up capital as at 31 December 2020 :	400.0 million baht

(2) TJN Insurance Broker Company Limited

English company name	TJN Insurance Broker Company Limited
Business type :	Non-Life insurance broker
Head Office :	123/3 Lat Pla Khao Road, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0105559045381
Phone:	0 2119 9599
Registered capital as at 31 December 2020 :	5.0 million baht
Paid-up capital as at 31 December 2020 :	5.0 million baht

(3) TQM Life Insurance Broker Company Limited

English company name	TQM Life Insurance Broker Company Limited
Business type :	Life Insurance Broker
Head Office :	123/3 Lat Pla Khao Road, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0105551106143
Phone:	0 2119 8888
Fax :	0 2119 8800
Registered capital as at 31 December 2020 :	50.0 million baht
Paid-up capital as at 31 December 2020 :	50.0 million baht

(4) TO2020 Company Limited

English company name	TO2020 Company Limited
Business type :	Joint-venture and domestic and overseas investment
Head Office :	9 Lat Pla Khao 14, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0105556192391
Phone:	0 2119 8888
Fax :	-
Website / Company Homepage :	-
Registered capital as at 31 December 2020 :	5.0 million baht
Paid-up capital as at 31 December 2020 :	5.0 million baht

(5) Casmatt Company Limited

English company name	Casmatt Company Limited
Business type :	IT and software services provider
Head Office :	123 Lat Pla Khao Road, Chorakhe Bua Subdistrict, Lat Phrao District, Bangkok 10230
Company registration number :	0105550075155
Phone:	0 2119 8888
Fax :	0 2119 8800
Website / Company Homepage :	www.casmatt.co.th
Registered capital as at 31 December 2020 :	5.0 million baht
Paid-up capital as at 31 December 2020 :	5.0 million baht

Affiliate

TQLD Company Limited

English company name	TQLD Company Limited
Business type :	Insurance related advisory
Head Office :	92/25 Sathorn Thani Building 2, 11 th Floor, North Sathorn Road, Silom, Bang Rak District, Bangkok 10500
Company registration number :	0105559148619
Phone:	063 065 6919
Website / Company Homepage :	www.noon.in.th
Registered capital as at 31 December 2020 :	3.0 million baht
Paid-up capital as at 31 December 2020 :	3.0 million baht

Reference Persons

Security Registrar

Security Registrar :	Thailand Securities Depository Company Limited
Head Office :	93, The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Bangkok 10400
Phone :	0 2009 9000
Fax :	0 2009 9991

Auditor**Auditor :** EY Office Limited**Head Office :** 33rd floor, Lake Rajiada Office Complex 193/136-137
Rajiadapisek Road Klongtoey, Bangkok 10110**Phone :** 0 2264 0777**Fax :** 0 2264 0789-90**Other**

There was not any significant information affecting investor's decision-making.



Branches

The Northern Part

Chiangmai Branch

Address Palm Spring Plaza, 199/4 Moo 5, Mahidol Rd.,
Tambon Nhonghoi, Amphoe Mueang,
Chiangmai 50000

Tel. 02 1198601

Fax. 02 1199008 ext. 5624

E-Mail chiangmai.brn@tqm.co.th

Pitsanulok Branch

Address 58/17 Moo 10, Tambon Wat Chan,
Amphoe Mueang, Phitsanulok 65000

Tel. 02 1198602

Fax. 02 1199008 ext. 5644

E-Mail pitsanulok.brn@tqm.co.th

Petchaboom Branch

Address 20/7 Tessabunpattana Rd.,
Tombon NaiMueang, Amphoe Mueang,
Phetchabun 67000

Tel. 02 1198603

Fax. 02 1199008 ext. 5674

E-Mail petchaboon.brn@tqm.co.th

Kamphaengphet Branch

Address 630 Charoen Suk Rd., Tombon NaiMueang,
Amphoe Mueang, Kamphaeng Phet
62000

Tel. 02 1198604

Fax. 02 1199008 ext. 5657

E-Mail kamphaengphet.brn@tqm.co.th

Nakhonsawan Branch

Address 195/7 Moo 4, Phahonyon Rd.,
Tombon Nakhonsawanaok, Amphoe Mueang,
Nakhonsawan 60000

Tel. 02 1198605

Fax. 02 1199008 ext. 5661

E-Mail nakhonsawan.brn@tqm.co.th

Chiangrai Branch

Address One Chiang Rai (Phase 1), 299/7 Moo 2,
Tambon Tha Sai, Amphoe Mueang,
Chiangrai 57000

Tel. 02 1198606

Fax. 02 1199008 ext. 5627

E-Mail chiangrai.brn@tqm.co.th

Sukhothai Branch

Address 120/5 Moo 4, Tambon Ban Lum,
Amphoe Mueang, Sukhothai 64000

Tel. 02 1198608

Fax. 02 1199008 ext. 5654

E-Mail sukhothai.brn@tqm.co.th

Phichit Branch

Address 51/34 Sa Luang Rd., Tambon Nai Mueang,
Amphoe Mueang, Phichit 66000

Tel. 02 1198607

Fax. 02 1199008 ext. 5671

E-Mail phichit.brn@tqm.co.th

The Northern Part

Lampang Branch

Address 619/3 Moo 7, Lampang-Meatha Rd.,
Tombon Prabath, Amphoe Mueang,
Lampang 52000

Tel. 02 1198609

Fax. 02 1199008 ext. 5631

E-Mail lampang.brn@tqm.co.th

Uttaradit Branch

Address 236/28 Borom At Rd., Tambon Tha It,
Amphoe Mueang, Uttaradit 53000

Tel. 02 1198610

Fax. 02 1199008 ext. 5647

E-Mail uttaradit.brn@tqm.co.th

Nan Branch

Address 398/3,398/4 Moo 6, Tambon Pha sing,"
Amphoe Mueang, Nan 55000

Tel. 02 1198611

Fax. 02 1199008 ext. 5641

E-Mail nan.brn@tqm.co.th

Phrae Branch

Address 403-404 Moo 9, Tambon NaChak,
Amphoe Mueang, Phrae 54000

Tel. 02 1198612

Fax. 02 1199008 ext. 5637

E-Mail phrae.brn@tqm.co.th

Tak Branch

Address 17/34 Samaksapphakarn Rd.,
Tombon Maesot, Tombon Maesot,
Tak 63110

Tel. 02 1198613

Fax. 02 1199008 ext. 5651

E-Mail tak.brn@tqm.co.th

Phayao Branch

Address 471/5 Phaholyothin Rd., Tambon Mae Tam,
Amphoe Mueang, Phayao 56000

Tel. 02 1198614

Fax. 02 1199008 ext. 5634

E-Mail phayao.brn@tqm.co.th

Maehongson Service Center

Address 15/6 Boriban Mueang Suk Rd.,
Tambon Jong Kam, Amphoe Mueang,
Mae Hong Son 58000

Tel. 02 1198616

Fax. 02 1199008 ext. 5734

E-Mail maehongson.brn@tqm.co.th

Lamphun Branch

Address 238/2 Moo 4, Tambon BanKlang,
Amphoe Mueang, Lamphun 51000

Tel. 02 1198615

Fax. 02 1199008 ext. 5737

E-Mail lamphun.brn@tqm.co.th

Takhli Sub Branch

Address 2060/10 Phahonyothin Rd., Tombon Takhli,
Amphoe Takhli, NakhonSawan 60140

Tel. 02 1198619

Fax. 02 1199008 ext. 4580

E-Mail takhli.brn@tqm.co.th

Maesai Sub Branch

Address 808/4 Moo 8, Tambon Mae Sai,
Amphoe Mae Sai, Chiangrai 57130

Tel. 02 1198618

Fax. 02 1199008 ext. 4504

E-Mail maesai.brn@tqm.co.th

The Northern Part

Wichianburee Sub Branch

Address 173/1 Moo 1, Tombon Sapradu,
Amphoe Wichianburi, Phetchabun 67130

Tel. 02 1198620

Fax. 02 1199008 ext. 4512

E-Mail wichianburee.brn@tqm.co.th

Fang Service Center

Address 439/3 Moo 7, Tambon Maesoo,
Amphoe Fang, Chiangmai 50110

Tel. 02 1198617

Fax. 02 1199008 ext. 4500

E-Mail fang.brn@tqm.co.th



The Central Part

Nakornpathom Branch

Address 12 Soi Thesa 14, Thesa Rd.,
Tambon Phra Prathon, Amphoe Mueang,
Nakhon Prathom 73000

Tel. 02 1198651

Fax. 02 1199008 ext. 5724

E-Mail nakornpathom.brn@tqm.co.th

Ayudhaya Branch

Address 158/131 Moo 3, Tambon Khlongsuanphlu,
Amphoe Phra Nakhon Si Ayutthaya,
Phra Nakhon Si Ayutthaya 13000

Tel. 02 1198652

Fax. 02 1199008 ext. 5521

E-Mail ayudhaya.brn@tqm.co.th

Rayong Branch

Address 222/20-21 Moo 4, Tambon Cheing nein,
Amphoe Mueang, Rayong 21000

Tel. 02 1198653

Fax. 02 1199008 ext. 5548

E-Mail rayong.brn@tqm.co.th

Samutsakhon Branch

Address 88/88 Akkachai Rd., Tambon Mahachai,
Amphoe Mueang, Samutsakhon 74000

Tel. 02 1198654

Fax. 02 1199008 ext. 5514

E-Mail samutsakhon.brn@tqm.co.th

Supanburi Branch

Address 144/31-32 Malai Man Rd., Tambon Rua Yai,
Amphoe Mueang, Suphan Buri 72000

Tel. 02 1198655

Fax. 02 1199008 ext. 5524

E-Mail supanburi.brn@tqm.co.th

Chonburi Branch

Address 660/6 Sukhumvit Rd., Tambon Saen Suk,
Amphoe Mueang, Chonburi 20130

Tel. 02 1198656

Fax. 02 1199008 ext. 5545

E-Mail chonburi.brn@tqm.co.th

Lopburi Branch

Address 69/6 Chomphonpor Ban Hua Chang Rd.,
Tambon Kao Sam Yot, Amphoe Mueang,
Lop Buri 15000

Tel. 02 1198658

Fax. 02 1199008 ext. 5534

E-Mail lopburi.brn@tqm.co.th

Chachoengsao Branch

Address 9/80 Sisothorn Road, New Cut,
Tambon Nai Mueang, Amphoe Mueang,
Chachoengsao 24000

Tel. 02 1198657

Fax. 02 1199008 ext. 5551

E-Mail chachoengsao.brn@tqm.co.th

Chantaburi Branch

Address 81/13 Maharat Rd., Tambon Talat,
Amphoe Mueang, Chanthaburi 22000

Tel. 02 1198659

Fax. 02 1199008 ext. 5554

E-Mail chantaburi.brn@tqm.co.th

Ratchaburi Branch

Address 206/2 Rotfai Rd., Tambon Na Mueang,
Amphoe Mueang, Ratchaburi, 70000

Tel. 02 1198660

Fax. 02 1199008 ext. 5501

E-Mail ratchaburi.brn@tqm.co.th

The Central Part

Saraburi Branch

Address 18/35 Thetsaban 5 Rd.,
Tambon Pak Phraio, Amphoe Mueang,
Saraburi 18000

Tel. 02 1198661

Fax. 02 1199008 ext. 5531

E-Mail saraburi.brn@tqm.co.th

Prachinburi Branch

Address 2/4 Sait Yuthasin Rd., Tambon Na Mueang,
Amphoe Mueang, Prachin Buri 25000

Tel. 02 1198662

Fax. 02 1199008 ext. 5537

E-Mail prachinburi.brn@tqm.co.th

Kanjanaburi Branch

Address 8/102 Soi Prisanee Saeng Chuto Rd.,
Tambon Ban Tai, Amphoe Mueang,
Kanchanaburi 71000

Tel. 02 1198663

Fax. 02 1199008 ext. 5517

E-Mail kanjanaburi.brn@tqm.co.th

Phetchaburi Branch

Address 683/24 Moo 5, Tambon Banmo,
Amphoe Mueang, Phetchaburi 76000

Tel. 02 1198664

Fax. 02 1199008 ext. 5504

E-Mail phetchaburi.brn@tqm.co.th

Sakaeo Branch

Address 97/48 Soi Thetsaban 9/2 Suwannason Rd.,
Tambon Sa Kaeo, Amphoe Mueang,
Sa Kaeo 27000

Tel. 02 1198665

Fax. 02 1199008 ext. 5541

E-Mail sakaeo.brn@tqm.co.th

Trat Branch

Address 108/3 Moo 5, Trat-laem ngop Rd.,
Tambon NongSamt, Amphoe Mueang,
Trat 23000

Tel. 02 1198669

Fax. 02 1199008 ext. 5557

E-Mail trat.brn@tqm.co.th

Chainat Branch

Address 3/1 Phahonyothin Rd., Tambon Ban Kluai,
Amphoe Mueang, Chai Nat, 17000

Tel. 02 1198668

Fax. 02 1199008 ext. 5664

E-Mail chainat.brn@tqm.co.th

Angthong Branch

Address 74/9 Moo 1, Tambon Pa Ngiu,
Amphoe Mueang, Ang Thong 14000

Tel. 02 1198666

Fax. 02 1199008 ext. 5527

E-Mail angthong.brn@tqm.co.th

Authai Branch

Address 218/6 Manirat Rd., Tambon Uthai Mai,
Amphoe Mueang, Uthai Thani 61000

Tel. 02 1198667

Fax. 02 1199008 ext. 5667

E-Mail authai.brn@tqm.co.th

Huahin Sub Branch

Address 6/62 Ban Khaonoi, Leabklongchonlapra
than Rd., Tambon Huahin,
Amphoe Huahin, Prachuapkhirikhan 77111

Tel. 02 1198768

Fax. 02 1199008 ext. 5754

E-Mail huahin.brn@tqm.co.th

The Central Part

Singburi Branch

Address 76/71 Moo 5, Tambon Ton Pho,
Amphoe Mueang, Singburi 16000

Tel. 02 1198673

Fax. 02 1199008 ext. 5744

E-Mail singburi.brn@tqm.co.th

Sattahip Sub Branch

Address 24/6 Moo 4, Sukhumvit Rd., Tambon
Sattahip, Amphoe Sattahip, Chonburi
20180

Tel. 02 1198670

Fax. 02 1199008 ext. 5751

E-Mail sattahip.brn@tqm.co.th

Samutsongkram Branch

Address 69/36 Soi Bangrueahak, Chaiyaporn Rd.,
Tambon Mae Klong, Amphoe Mueang,
Samutsongkram 75000

Tel. 02 1198672

Fax. 02 1199008 ext. 5747

E-Mail samutsongkram.brn@tqm.co.th

Nakhonnayok Branch

Address 193 Moo 5, Tambon Ban Yai,
Amphoe Mueang, Nakhon Nayok 26000

Tel. 02 1198671

Fax. 02 1199008 ext. 5741

E-Mail nakhonnayok.brn@tqm.co.th

Sanamchaikhet Service Center

Address 535/3 Moo 4, Tambon Khu yai mi,
Amphoe Sanam Chai Khet, Chachoengsao
24160

Tel. 02 1198674

Fax. 02 1199008 ext. 4532

E-Mail sanamchaikhet.brn@tqm.co.th

Danchang Service Center

Address 759/9 Moo 19, Tambon Nong Makha Mong,
Amphoe Dan Chang, Suphan Buri 72180

Tel. 02 1198675

Fax. 02 1199008 ext. 4528

E-Mail danchang.brn@tqm.co.th

Pluakdaeng Service Center

Address 294/1 Moo 4, Tambon PluakDaeng,
Amphoe PluakDaeng, Rayong 21140

Tel. 02 1198677

Fax. 02 1199008 ext. 4520

E-Mail pluakdaeng.brn@tqm.co.th

Soidao Service Center

Address 588/17 Moo 1, Tambon SaiKhao,
Amphoe Soidao, Chantaburi 22180

Tel. 02 1198678

Fax. 02 1199008 ext. 4524

E-Mail soidao.brn@tqm.co.th

Banbung Service Center

Address 999/71 Moo 1, Tambon Nongchak,
Amphoe Banbueng, Chonburi 20170

Tel. 02 1198676

Fax. 02 1199008 ext. 4516

E-Mail banbung.brn@tqm.co.th



The Northeast Part

Khonkean Branch

Address 141,141/1,141/2 Banhuathung Moo 14,
Tambon Banpet, Amphoe Mueang,
Khonkaen 40000

Tel. 02 1198701

Fax. 02 1199008 ext. 5584

E-Mail khonkean.brn@tqm.co.th

Bureerum Branch

Address 40/43 Inchan Narong Rd., Tambon Nai
Mueang, Amphoe Mueang,
Buriram 31000

Tel. 02 1198703

Fax. 02 1199008 ext. 5604

E-Mail bureerum.brn@tqm.co.th

Chaiyapoom Branch

Address 109/9 10K, Non Mueang Rd., Tambon
Nai Mueang, "Amphoe Mueang,
Chaiyaphum 36000

Tel. 02 1198705

Fax. 02 1199008 ext. 5607

E-Mail chaiyapoom.brn@tqm.co.th

Ubon Branch

Address 366/2 Moo 17, Ban Kankam, Tambon Rainoi,
Amphoe Mueang, Ubonratchathani 34000

Tel. 02 1198707

Fax. 02 1199008 ext. 5611

E-Mail ubon.brn@tqm.co.th

Karasin Branch

Address 330/4 Anankanak Rd., Tambon Kalasin,
Amphoe Mueang, Kalasin 46000

Tel. 02 1198709

Fax. 02 1199008 ext. 5594

E-Mail karasin.brn@tqm.co.th

Nakornratchasima Branch

Address 222/27-28 Pak Thong Chai Rd., Tambon
Nai Mueang, Amphoe Mueang,
Nakhon Ratchasima 30000

Tel. 02 1198702

Fax. 02 1199008 ext. 5597

E-Mail nakornratchasima.brn@tqm.co.th

Udon Branch

Address 392/22 Moo 5, Tambon Ban Lueam,
Amphoe Mueang, Udon Thani 41000

Tel. 02 1198704

Fax. 02 1199008 ext. 5561

E-Mail udon.brn@tqm.co.th

Sakonnakorn Branch

Address 351/4 Serithai Rd., Tambon ThatCheng
Chum, Amphoe Mueang,
SakonNakhon 47000

Tel. 02 1198706

Fax. 02 1199008 ext. 5577

E-Mail sakonnakorn.brn@tqm.co.th

Roiet Branch

Address 510 Moo 4, Ban Nong Phak Wan,
Tambon Nuea Mueang, Amphoe
Mueang, Roiet 45000

Tel. 02 1198708

Fax. 02 1199008 ext. 5587

E-Mail roiet.brn@tqm.co.th

Nongkhai Branch

Address 148/35 Moo 3, Tambon Mechai
Amphoe Mueang, NongKhai 43000

Tel. 02 1198710

Fax. 02 1199008 ext. 5567

E-Mail nongkhai.brn@tqm.co.th

The Northeast Part

Sisaket Branch

Address 278/13 Moo 8, Ubon- Sisaket Rd.,
Tambon Pho, Amphoe Mueang, Sisaket
33000

Tel. 02 1198712

Fax. 02 1199008 ext. 5617

E-Mail sisaket.brn@tqm.co.th

Surin Branch

Address 14/11 Soi Poiping, Langmueang Rd.,
Tambon Nai Mueang, Amphoe Mueang,
Surin 32000

Tel. 02 1198711

Fax. 02 1199008 ext. 5601

E-Mail surin.brn@tqm.co.th

Maharakham Branch

Address 130/1 Chaloem Phrakiat Ratchkn Thai 9 Rd.,
Tambon Talat, Amphoe Mueang,
Maharakham 44000

Tel. 02 1198713

Fax. 02 1199008 ext. 5591

E-Mail maharakham.brn@tqm.co.th

Lei Branch

Address 288/6 Charoenrat Rd., Tambon KudPong,
Amphoe Mueang, Loei 42000

Tel. 02 1198714

Fax. 02 1199008 ext. 5581

E-Mail lei.brn@tqm.co.th

Amnat Charoen Branch

Address 449/4 Moo 8, Chayangkun Rd.,
Amphoe Mueang, Amnat Charoen 37000

Tel. 02 1198716

Fax. 02 1199008 ext. 5614

E-Mail amnat.brn@tqm.co.th

Nakhonphanom Branch

Address 45/5 Ban phu khea thong, Moo 3,
Tambon Nong Yat, Amphoe Mueang,
Nakhon Phanom 48000

Tel. 02 1198715

Fax. 02 1199008 ext. 5571

E-Mail nakhonphanom.brn@tqm.co.th

Mukdahan Branch

Address 92/3 Mukdaha-Dontal Rd., Tambon
Sribunruang, Amphoe Mueang,
Mukdahan 49000

Tel. 02 1198718

Fax. 02 1199008 ext. 5574

E-Mail mukdahan.brn@tqm.co.th

Yasothon Branch

Address 210 Moo 3, Arunprasert Rd., Tambon Tat
Thong, Amphoe Mueang, Yasothon 35000

Tel. 02 1198717

Fax. 02 1199008 ext. 5621

E-Mail yasothon.brn@tqm.co.th

Nongbualamphu Branch

Address 316/5 Moo 5, Ban Don Noi, Tambon
Nong Phai Soon, Amphoe Mueang,
Nongbualamphu 39000

Tel. 02 1198719

Fax. 02 1199008 ext. 5564

E-Mail nongbua.brn@tqm.co.th

Pakchong Sub Branch

Address 5/6 Thanarat Rd., Tambon Pakchong,
Amphoe Pakchong, Nakhon Ratchasima
30130

Tel. 02 1198720

Fax. 02 1199008 ext. 5727

E-Mail pakchong.brn@tqm.co.th

The Northeast Part

Buengkan Branch

Address 710/5 Tambon Wisit, Amphoe Mueang,
Buengkan 38000

Tel. 02 1198721

Fax. 02 1199008 ext. 5757

E-Mail buengkan.brn@tqm.co.th

Kumphawapi Service center

Address 311/6 Moo 4, Tambon Phandon,
Amphoe Kumphawapi, Udon Thani 41370

Tel. 02 1198722

Fax. 02 1199008 ext. 4544

E-Mail kumphawapi.brn@tqm.co.th

Buayai Sub Branch

Address 227/1 Moo 4, Tambon Bua Yai,
Amphoe Bua Yai, Nakhon Ratchasima
30120

Tel. 02 1198724

Fax. 02 1199008 ext. 4540

E-Mail buayai.brn@tqm.co.th

Nangrong Service center

Address 1/43 Chokchai-DetUdom Rd., Tambon
Thanon Hak, Amphoe Nangrong, Buriram
31110

Tel. 02 1198723

Fax. 02 1199008 ext. 4536

E-Mail nangrong.brn@tqm.co.th

Chumphae Service center

Address 229/5 Moo 2, Tambon Chum Phae,
Amphoe Chum Phae, Khonkaen 40130

Tel. 02 1198725

Fax. 02 1199008 ext. 4548

E-Mail chumphae.brn@tqm.co.th

The Northern Part

The Central Part

The Northeast Part

The Southern Part

Branches



The Southern Part

Nakornsrihammat Branch

Address 135 Wandeeositkunphon Rd., Tambon Naimeuang, Amphoe Mueang, Nakornsrihammat80000

Tel. 02 1198751

Fax. 02 1199008 ext. 5701

E-Mail nakornsrihammat.brn@tqm.co.th

Chumporn Branch

Address 60/5 Moo 11, Tambon Wang Phai, Amphoe Mueang, Chumphon 86000

Tel. 02 1198753

Fax. 02 1199008 ext. 5717

E-Mail chumporn.brn@tqm.co.th

Suratthanee Branch

Address 146/13-14 Moo 1, Sri Kasem Rd., Tambon Makham Tia, Amphoe Mueang, Surat Thani 84000

Tel. 02 1198755

Fax. 02 1199008 ext. 5714

E-Mail suratthanee.brn@tqm.co.th

Prajuab Branch

Address 51/1 Koh Lak Rd., Tambon Prachuap Khiri Khan, Amphoe Mueang, Prachuap Khiri Khan 77000

Tel. 02 1198757

Fax. 02 1199008 ext. 5507

E-Mail prajuab.brn@tqm.co.th

Phangnga Service Center

Address 71/7 Moo 3, Tetsaban Bumrung Rd., Tambon Tumnumphud, Amphoe Mueang, Phangnga 82000

Tel. 02 1198758

Fax. 02 1199008 ext. 5711

E-Mail phangnga.brn@tqm.co.th

Hatyai Branch

Address 681, 681/1 Snambinni Rd., Moo 1, Tambon Khuan Lang, Amphoe Hatyai, Songkhla 90110

Tel. 02 1198752

Fax. 02 1199008 ext. 5687

E-Mail hatyai.brn@tqm.co.th

Trang Branch

Address 236/27 Kantang Rd., Tambon Thap Thieng, Amphoe Mueang, Trang 92000

Tel. 02 1198754

Fax. 02 1199008 ext. 5697

E-Mail trang.brn@tqm.co.th

Krabi Branch

Address 19/1 Watchara Rd., Tambon Phk Nam, Amphoe Mueang, Krabi 81000

Tel. 02 1198756

Fax. 02 1199008 ext. 5704

E-Mail krabi.brn@tqm.co.th

Phuket Branch

Address 37 Dumrong Rd., Tambon Talat Yai, Amphoe Mueang, Phuket 83000

Tel. 02 1198759

Fax. 02 1199008 ext. 5707

E-Mail phuket.brn@tqm.co.th

Pattani Service Center

Address 146/51 Lang Moo Aor Rd., Tambon Rusamelae, Amphoe Mueang, Pattani 94000

Tel. 02 1198761

Fax. 02 1199008 ext. 5681

E-Mail pattani.brn@tqm.co.th

The Southern Part

Narathiwat Service Center

Address 40/6 Rattanawanit Rd., Tambon Bang Nak, Amphoe Mueang, Narathiwat 96000
Tel. 02 1198760
Fax. 02 1199008 ext.5684
E-Mail narathiwat.brn@tqm.co.th

Satun Branch

Address 74 Moo 5, YontrakarnKamthon Rd., Tambon Yan Sue, Amphoe Khuan Don, Satun 91160
Tel. 02 1198763
Fax. 02 1199008 ext. 5694
E-Mail satun.brn@tqm.co.th

Ranong Branch

Address 57/8 Moo 2, Tambon Bangarin, Amphoe Mueang, Ranong 85000
Tel. 02 1198764
Fax. 02 1199008 ext. 5721
E-Mail ranong.brn@tqm.co.th

Tungsong Sub Branch

Address 90 Moo 2, Thung Song-ThungYai Rd., Tambon Khuan Krot, Amphoe Thung Song, Nakornsrihammarat 80110
Tel. 02 1198767
Fax. 02 1199008 ext. 5761
E-Mail tungsong.brn@tqm.co.th

Langsuan Service Center

Address 4/22 Prach Uthit Rd., Tambon Khan Ngoen, Amphoe Langsuan, Chumphon 86110
Tel. 02 1198770
Fax. 02 1199008 ext. 4556
E-Mail langsuan.brn@tqm.co.th

Klongthom Service Center

Address 96/2 Petchkasem Rd., Moo 2, Tambon Khlong Thom Tai, Amphoe Khlong Thom, Krabi 811200
Tel. 02 1198772
Fax. 02 1199008 ext. 4564
E-Mail klongthom.brn@tqm.co.th

Phatthalung Branch

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Yala Branch

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Samui Sub Branch

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Songkhla Sub Branch

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Wiangsa Service Center

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Management Analysis and Discussion

Analysis of Financial Performance

Revenues

The table shows the revenue structure of the Company as shown in the consolidated financial statement separated by business types for the year ended 31 December 2018, 2019, 2020 as follows:

Business Type	Company	For the year ended 31 December					
		2018		2019		2020	
		THB:MB	%	THB:MB	%	THB:MB	%
1. Non-life Insurance	TQM Broker	2,434.7	96.4	2,634.2	94.6	2,998.7	95.6
Brokerage	TJN						
• Brokerage income		1,454.4	57.6	1,570.9	56.4	1,774.7	56.6
• Other service income		980.3	38.8	1,063.3	38.2	1,224.0	39.0
2. Life Insurance	TQM Life	66.4	2.6	77.3	2.8	83.8	2.7
Brokerage							
• Brokerage income		61.2	2.4	71.4	2.6	74.2	2.4
• Other service income		5.2	0.2	5.9	0.2	9.6	0.3
Total service incomes		2,501.1	99.0	2,711.5	97.4	3,082.5	98.3
Other income		23.9	1.0	72.3	2.6	53.6	1.7
Total		2,525.0	100.0	2,783.8	100.0	3,136.1	100.0

The Company and subsidiaries' revenues consist of incomes from non-life insurance brokerage, life insurance brokerage, information technology and software and other income i.e. interest income, dividend income, income from service and consulting, compensation, etc. The incomes from non-life insurance brokerage and life insurance brokerage consist of commission income and other service income of which the company gets paid from insurance partners. The other service income is paid by certain amount and by the proportion defined by the number

of premiums sold by the company e.g. service fee, policy issuance and delivery, accident coordination service and data storage, etc. In addition, other service income is an additional service apart from brokerages servicing to customers and insurance partners depending on the scope of services, relationship and negotiation. The said service income is not under the control of government agencies. The amount of other service income varies depending on the negotiation with the insurance partners.

For the years ended 31 December 2018, 2019 and 2020, the Company and subsidiaries have total revenues of 2,525.0 million baht, 2,783.8 million baht and 3,136.1 million baht respectively, representing an increase of 258.8 million baht or 10.3% growth in 2019 and representing an increase of 352.3 million baht or 12.7% growth in 2020, and 95.6% of the Company and subsidiaries' revenue is the incomes from non-life insurance brokerage.

Non-life Insurance Brokerage Business

The Company and subsidiaries sell non-life insurances; the main income from the non-life insurance brokerage business is commissions which accounted for approximately 56.6% of total revenues while other service income accounted for 39.0% of the total revenues. TQM Broker and TJN earn non-life insurance commissions from being a broker of a non-life insurance company at a mutually agreed rate between TQM Broker and a non-life insurance company. The commission rates are not more than 12.0% of the insurance premium for the compulsory car insurance, and not over 18.0% of the premium for the voluntary car insurance. The above mentioned rates are in accordance with the OIC's announcement. For the year ended 31 December 2018, 2019 and 2020, the Company earned from non-life insurance brokerage business amounted to 2,434.7 million baht, 2,634.2 million baht and 2,998.7 million baht, the proportion is 96.4%, 94.6% and 95.6% of the total revenues of the Company respectively, increasing of both commission income and other service income, continuously growing in line with the growth of the premium sold. The Company is able to enable growth in non-life insurance premium due to the rising number of insurance policies sold, especially the voluntary car insurance following the expansion of

sales to up country branches and advertising as well as comfy and easy payment channels. During the first quarter of the year 2020, the COVID-19 epidemic occurred, enabling the Company to use a developed online channel for "Virus found get paid campaign" and "Insurance Gift" products to provide insurers' coverage for illnesses from the disease and receiving good response, that make the Company received an increase in non-life insurance commission both both voluntary car insurance policy sales and from "Virus found get paid campaign" products. The Company expanded sales channels to branches in other provinces to cover more customers. The Company added online channels to allow customers to purchase insurance by themselves including cooperating with business partners to expand more sales channels and added more payment.

In the year 2020, the incomes from non-life insurance brokerage business increased from 2,634.2 million baht in 2019 to 2,998.7 million baht in 2020, representing a growth of 13.8% from brokerage income and other service income; especially other service income increased by 160.7 million baht from 1,063.3 million baht in 2019 to 1,224.0 million baht in 2020, representing a growth of 15.1% according to the increase in the premium sold of non-life insurance policies, considering the income from being a non-life insurance broker in the form of insurance resulting in most of the increased revenue comes from commission and other service income, mainly from the voluntary car insurance.

Life Insurance Brokerage Business

The Company operates a life insurance brokerage business through TQM Life, licensed to operate a life insurance brokerage business. TQM Life sells 2 types of life insurance, which are (1) individual life insurance

and (2) Company life insurance. TQM Life earns a commission at the agreed rate between TQM Life and life insurance partners, not more than 40% of the first year life insurance premium, which is the highest rate. The life insurance commission rate decreases as the number of years increases. The said life insurance commission rates are in accordance with the announcement of the Office of Insurance Commission. For the years ended 31 December 2018, 2019 and 2020, the Company has income from life insurance brokerage business equal to 66.4 million baht, 77.3 million baht and 83.8 million baht, accounting for 2.6%, 2.8% and 2.7% of total revenue of the Company respectively.

For the year 2020, Life insurance brokerage income increased from 77.3 million baht in 2019 to 83.8 million baht in 2020, representing an increase of 8.4% due to increased commission and other service income. The commission increased from 71.4 million baht in 2019 to 74.2 million baht in 2020, representing an increase of 3.9%. Other service income increased from 5.9 million baht in 2019 to 9.6 million baht in 2020, representing an increase of 62.7% due to the increasing of sales of individual life insurance policies and Company life insurance policies.

Other Income

For the year ended 31 December 2018, 2019 and 2020, the Company earned other incomes which mainly comprised interest income, dividend and service and consulting, compensation, etc. They were 23.9 million baht, 72.3 million baht and 53.6 million baht respectively, a decrease in 2020 due to a decrease of savings interest in relation to the regression of economy.

Service Cost and Expenses

Service cost and expenses of the Company consist of human resources expenses, commission and incentives, sales promotion, expenses related to the delivery of the insurance policy, advertising and public relations expenses and other expenses. For the year ended 31 December 2018, 2019 and 2020, service cost and expenses amounted to 1,287.4 million baht, 1,457.7 million baht and 1,517.4 million baht, representing 51.5%, 53.8% and 49.2% of service revenue.

The majority of service cost and expenses were related to salespersons, salary, bonus and other employee benefits such as social security and provident fund including other employee benefits, representing 43.1%, 42.9%, 41.5% of the service cost and expenses for the year ended December 31, 2018, 2019 and 2020. The second most paid of such service cost and expenses were commission and incentives, representing 25.7%, 23.6%, and 24.2% of the cost and service expenses respectively. The sales promotion and advertising expenses for the year 2020 were 17.6% of the service cost and expenses. There had been activities for the awareness of the company i.e. online advertising through Facebook, Line, and other various marketing activities to strengthen relations with customers and sales promotions to encourage customers for deciding to buy services.

Gross Profit

For the year ended 31 December 2018, 2019 and 2020, the gross profit of the Company increased from 1,213.8 million baht in 2018 to 1,253.8 million baht in 2019 and increased to 1,565.1 million baht in 2020 respectively or calculated as the profit margin, which were 48.5%, 46.2% and 50.8% of service revenues respectively. The gross profit of the Company increased in 2020 as a result of enhancing sales channels online.

Administrative Expenses

The majority of administrative expenses is human resources expenses in the back offices, which consists of salary, overtime, bonus, and other employee benefits such as social security and provident fund including other employee benefits. Administrative expenses decreased from 736.4 million baht in 2018 to 701.9 million baht in 2019 and increased to 747.4 million baht in 2020, representing 29.2%, 25.2%, and 23.8% of total revenue for the year ended December 31, 2018, 2019 and 2020 respectively. Administrative expenses increased in 2020 as a result of TFRS No.9 and 16, effective in the current period.

Income Tax

For the year ended 31 December 2018, 2019 and 2020, income tax expenses increased in accordance with the increased profits of the Company as 96.4 million baht, 116.4 million baht and 167.2 million baht respectively or equivalent to the income tax rate to profit before income tax expenses equaled to 19.3%, 18.7% and 19.2% respectively.

Net Profit and net Profit Margin

From the continuous growth of commission income and other service income where the Company provides services that meet customers' needs well and excellent service combined with distribution channels, service centers and branches nationwide including cost management and effective marketing resulting in the Company's net profit increased steadily from 404.3 million baht in 2018 to 507.2 million baht in 2019 and to 702.0 million baht in 2020 and stronger profitability from the net profit margin of 16.0% in 2018 to 18.2% in 2019 and 22.4% in the year 2020 respectively.

Analysis of Financial Position

Assets

As at 31 December 2020, the main assets of the Company consist of cash and cash equivalents, deposits at bank with restrictions, accrued service income and other receivables, other current financial assets other non-current financial assets, buildings and equipment and right of use assets. As at December 31, 2018, 2019 and 2020, the Company had total assets of 3,824.9 million baht, 4,257.0 million baht and 4,953.9 million baht, respectively. In 2019, total assets increased by 432.1 million baht or 11.3% and in 2020, total assets increased by 696.9 million baht or 16.4% mainly due to the increase in cash and cash equivalents and deposits at bank with restrictions, accrued service income and other receivables following the business expansion. The decrease and increase in other current financial assets and increase in other non-current financial assets were from the better and more stable returns. For the increase of the right of use assets was due to the financial reporting standard No. 16 on lease agreements, effective in 2020.

Cash and Cash Equivalents

As at 31 December 2018, 2019 and 2020, cash and cash equivalents were 848.3 million baht, 959.4 million baht and 1,107.1 million baht respectively, or 22.2%, 22.5% and 22.4% of total assets respectively, as at 31 December 2020, increased from as at 31 December 2019 mainly due to increased sales amounts.

Deposits at Bank with Restrictions

The deposits at bank with restrictions, which is balance of bank deposits of insurance premiums received in advance before due for making payments to insurance companies, where it is prohibited to spend or use on other purposes stated in the broker

agreement, except for interest or other benefits arising from deposits. As at 31 December 2018, 2019 and 2020, the Company holding deposits at bank with restrictions amounted to 782.5 million baht, 924.5 million baht and 1,060.0 million baht or 20.5%, 21.7% and 21.4% of total assets respectively.

Accrued service income and other receivables

As at 31 December 2018, 2019 and 2020, accrued service income and other receivables amounted to 598.3 million baht, 672.5 million baht and 715.1 million baht, representing 15.6%, 15.8% and 14.4% of total assets respectively.

- Accrued service income

The Company operates businesses as non-life insurance broker and life insurance broker, telemarketing, online and direct sales (Face to Face) by earning from commissions and other service income. The Company shall be paid commission income and other service income by insurance companies at the rate agreed, but not more than the highest rate as stipulated by the OIC. The commission income from being a non-life insurance broker and life insurance broker, the Company shall recognize and record as brokerage income and other service income when the policy comes into effect. As at December 31, 2018, 2019 and 2020, accrued service income amounted to 304.8 million baht, 345.0 million baht and 412.6 million baht or 50.9%, 51.3% and 57.7% of accrued service income and other receivables respectively. In the year 2020, accrued service income increased in accordance with the increase in premiums sold, the Company shall clear the accrued service income after the such premiums paid to the insurance companies and getting paid for commission income and other service income from the insurance companies, which the premium paid to insurance companies both with and without company's commission as agreed; in the event that the Company shall pay the entire insurance

premiums, the insurance company shall pay commission and other service fees later depending on the conditions as agreed.

In addition, the Company has set a write-off policy to reduce insurance premium receivables, insurance premiums payables and other payables, which shall be recorded as expenses or income as the case shall be.

- Insurance premiums receivables

The Company shall record premiums receivables when the new policy becomes effective thereof unpaid or fully paid from the installment plan of the retail customers without interest charged as a sales promotion. A customer shall not be allowed to go on an installment plan over the agreed period of the company and each non-life insurance company and life insurance company, which is called the 'free look period' and from corporate customers who may receive credit terms to maintain long-term relationships with the Company of companies. In such cases, the Company shall follow the system of consideration and assessment of the risk of customer with installment plan by the particular qualifications i.e. a customer buying insurance within 1 year from the company, being able to pay off debts and having a good payment history, etc.

As at December 31, 2018, 2019 and 2020, insurance premiums receivables amounted to 286.1 million baht, 317.3 million baht and 289.7 million baht, representing 47.8%, 47.2% and 40.5% of accrued service income and other receivables respectively.

Insurance premiums receivables decreased from 317.3 million baht as at 31 December 2019 to 289.7 million baht in 2020, mainly due to the increase in sales of non-life insurance policies online and convenient payment channels.

From the overview, most of the insurance premiums receivables are still not due and not over 90 days overdue, representing 99.5% of all net insurance premiums receivables showing that most of the insurance premiums receivables are in the period that the company agreed with each non-life insurance company and life insurance company, which is so called 'Free look period', a period which an insurance holder is eligible to cancel a policy. The company maintains an efficient management and monitoring of the collection of receivables.

Therefore, a provision is set for expected credit losses, which may arise from the unsuccessful collection of receivables in relating to TFRS No.9 (B.E. 2562: Allowance for doubtful debt), generally considered from past collection history and analysis of debt term and the amount that is expected to be refunded according to the rate of expropriation of insurance policy in each insurance period/days. In addition, the Company has information on insurance premium receivables, which, the Company considers that the debtor is unable to pay all the debt, the Company may consider making an allowance for the expected credit loss from the inability to collect the debt at the rate of 100%.

According to the Executive Board of Economic Situation from the Impact of the Coronavirus 2019 (COVID-19) Outbreak has approved the measure to establish the credit term standard in Thailand for 30 - 45 days as appropriate for each type of business.

The Company supports the government policy on credit term, which will help the business sector's liquidity and cash management of private enterprises and retail customers, and to maintain a good relationship with customers and partners in the

business value chain to be able to drive the business for overall business sustainability. The term of trade credit is 30 - 45 days as most of the premium receivables are still within the period that the Company has agreed with each insurance company and life insurance company. This can be viewed from the average collection period of the Company in 2018, 2019 and 2020, the average collection period is 38.6 days, 43.1 days and 39.8 days, respectively.

- Other receivables

As at 31 December 2018, 2019 and 2020, other receivables amounted to 4.6 million baht, 8.1 million baht, and 10.2 million baht or 0.8%, 1.2% and 1.4% of accrued service income and other receivables respectively. Other receivables of the Company consist of accrued interest income, withholding tax receivables, etc.

- Employee loans

The Company provides loan benefits for employees in order to help and ease the burden of employees and the Company has clearly provided a written criteria and conditions for such loan. As at December 31, 2018, 2019 and 2020, the loan amounted to 2.8 million baht, 2.1 million baht and 2.4 million baht, representing 0.5%, 0.3% and 0.3% of accrued service income and other receivables respectively.



Other non-current financial assets / Long-term investments

Other non-current financial assets / Long-term investments consist of government bonds, debentures, subordinated debentures and ordinary shares. As at December 31, 2020, other non-current financial assets amounted to 736.2 million, government bonds, debentures and subordinated debentures interest rates between 2.13 to 4.80% per annum and due within June 2029, for investments in ordinary shares worth 249.1 million baht. As at 31 December 2019 and 2020, the Company utilized a government bond in amount of 50.0 billion as a deposit for operating insurance brokerage business stated in the Insurance Act B.E. 2535 (1992).

Deposit at banks pledged as collateral

TQM Broker holds deposit at bank amounted to 0.1 million baht as at 31 December 2020 pledged as collateral for being credit card products sale representative.

TQM Life holds deposit at banks pledged as collateral which is a capital fund in accordance with the OIC's announcement Re: Rules and Conditions for Licensing and the renewal of a license for a juristic person to be a life insurance broker B.E.2554 (2011) requiring the subsidiary being a life insurance broker to maintain the fund at all times holding a life insurance broker license, not less than 0.25% of the net remuneration from the previous fiscal year and not less than one million baht. As at 31 December 2020, TQM Life holds a fixed deposit at banks pledged as collateral in amount of 1 million baht, for being the capital fund for life insurance brokerage business.

TJN holds deposit at banks pledged as collateral in the amount of 1 million baht as at 31 December 2020, which is a capital fund for the insurance broker business stated in the Non-Life Insurance Act B.E.2535 (1992).

Building and Equipment

As at December 31, 2018, 2019 and 2020, buildings and equipment amounted to 92.3 million baht, 79.6 million baht and 93.7 million baht or 2.4%, 1.9% and 1.9% of total assets respectively.

In 2020, buildings and equipment increased by 14.1 million baht due to the change of computer and equipment and the renovation of branches for enhancing sales channels.

The Company has a policy to calculate depreciation based on cost of assets by the straight-line method based on the estimated useful life. The age of a building is 5 and 20 years, building and rental building improvements is 3, 5 and 10 years, furniture and office equipment is 5 years, equipment and computer systems is 3 and 10 years, and vehicles 3 and 5 years.

Rights of use assets

The Company as the lessee has entered into an asset lease agreement for use in the operations of the Company between 1 - 5 years with the right to renew the lease agreement at the end of the agreement. As for the rent paid to the lessor, the rental rate will be adjusted based on the market price. As of December 31, 2020, the Company has rights of use amounted to 581.9 million baht.

Liabilities

As at 31 December 2018, 2019 and 2020, the majority of the Company's liabilities consists of insurance premiums payables, other payables and insurance premiums received in advance and lease liabilities. The liabilities amounted to 1,679.6 million baht, 1,906.7

million baht and 2,554.3 million baht respectively. The increase in total liabilities was mainly due to an increase in insurance premium and other payables, as well as an advance on insurance premiums due to increased sales, and in 2020, the increase in lease liabilities was due to the financial reporting standard No. 16, effective in this year.

Insurance Payables and Other Payables

As at 31 December 2018, 2019 and 2020, insurance premium payables and other payables amounted to 1,170.8 million baht, 1,303.0 million baht and 1,258.2 million baht, or 69.7%, 68.3% and 49.3% of total liabilities respectively.

Insurance premiums payable are insurance premiums received from customers who bought insurance and it becomes effective, but the company does not pay for it as it is not due. The company shall pay for the premiums on the 15th and last day of each month in accordance with the credit term received from the insurance companies which are at 15-30 days. At the end of the period 2020, the premiums of the Company decreased slightly, but advance premiums were increased from uncovered premiums which were not yet billed by the insurance companies.

According to the Executive Board of Economic Situation from the Impact of the Coronavirus 2019 (COVID-19) Outbreak has approved the measure to establish the credit term standard in Thailand for 30 - 45 days as appropriate for each type of business.

The Company was not affected by the measure of credit term standard 30-45 days. Indeed, the Company was under particular term agreements with life and non-life insurance companies for insurance premiums payment, shown in the average repayment periods of the Company as 2018 was 45.7 days, 2019 was 40.3 days and 2020 was 35.8 days.

Insurance Premiums Received in Advance

Insurance premiums received in advance are the insurance premiums that the Company receives in advance from customers who buy insurance in the event that premiums are paid to the Company before the policy comes into effect. As at December 31, 2018, 2019 and 2020, insurance premiums received in advance amounted to 385.1 million baht, 443.1 million baht and 481.2 million baht, or 22.9%, 23.2% and 18.8% of total liabilities, respectively. The Company shall deposit the said insurance premiums received in advance into a bank account supervised by the OIC, which is a deposit at bank with restrictions, it shall be recognized as income when the policy comes into effect.

Lease Liability

The Company obliges under lease agreements according to the Financial Reporting Standards No. 16, which is effective this year, as of December 31, 2020, amounted to 592.7 million baht.

Shareholders' Equity

As at 31 December 2018, 2019 and 2020, Shareholders' equity amounted to 2,145.2 million baht, 2,350.3 million baht and 2,399.6 million baht respectively, compared to shareholders' equity from 2019-2020, increased from retained earnings - unappropriated according to the Company's performance.

On 22 February 2021, the meeting of the Board of Directors has approved the annual dividend payment from the operating results from January 1, 2020 to December 31, 2020 to shareholders at the rate of 1.15 baht per share, amounting to 345 million baht. The record date shall be on March 10, 2021 and dividend payment date shall be on May 14, 2021, which shall be proposed to the shareholders' meeting.

Cash Flow Analysis

Cash flows from operating activities, investing activities and financing activities resulted in the year 2018, 2019 and 2020 the company had cash and cash equivalents equal to 848.3 million baht, 959.4 million baht and 1,107.1 million baht respectively, with details of changes in flows Important cash as follows:

Cash flows from operating activities

Cash flows from operating activities for the year 2019 and 2020 amounted to 493.6 million baht and 693.9 million baht respectively, increased due to the increase in profit before corporate income tax which is in accordance with the sales growth.

Cash flows from investing activities

Cash flows (used in) from investing activities for 2019 and 2020 amounted to (75.7) million baht and 182.7 million baht, respectively. In 2020, the Company had received cash flow from selling other financial assets during the outbreak of COVID-19 as to reduce risks and use it as operating back up.

Cash flows from financing activities

Cash flows used in financing activities for the year 2019 and 2020 amounted to (306.9) million baht and (728.9) million baht respectively. In 2019 and 2020, the Company had cash flows from financing activities, mainly from dividend payment in the amount of 285.0 million baht and 630.0 million baht respectively.

Liquidity and Solvency

Liquidity

For the year 2018, 2019 and 2020, the current ratio was 2.0 times, 1.9 times and 1.8 times, and quick ratio at 0.9 times for 3 years. The liquidity in 2018, 2019 and 2020 decreased slightly. Therefore, the decrease of liquidity was due to the increase of current

assets, cash and cash equivalent, deposits at banks with restrictions, accrued incomes and other receivables, being in the slower rate than the increase of insurance premium creditors and other payables.

Solvency

For the year ended 31 December 2018, 2019 and 2020, debt to equity ratio of the company were 0.8 times, 0.8 times and 1.1 times, respectively. In 2020, there was a higher debt to equity ratio. This was mainly due to an increase in lease liabilities due to Financial Reporting Standard No.16, effective in 2020.



Report of the Board of Directors' Responsibility for Financial Reports

The Board of Directors is responsible for the separate financial statements and the consolidated financial statements of the Company and its subsidiaries as well as information shown in the annual report. The financial statements for the year ending on 31 December 2020 were made according to generally certified accounting standards in Thailand. The appropriate accounting policy has been chosen for use and has been adhered to regularly. Also, discretion has been used carefully and reasonably in the preparation, including disclosure of adequate information in the notes of the separate financial statements and the consolidated financial statements to be able to reflect the operating results, financial status and cash flow, including connected transactions potentially causing a conflict of interest accurately, completely and transparently, which is beneficial to shareholders, investors and the general public with interests. They were audited by the Certified Public Accountant, EY Office Company Limited that has already provided comments unconditionally.

The Board of Directors has provided and maintained an internal control system, an internal audit system and supervision system with effectiveness to ensure the reliability of financial statements that are complete, accurate and sufficient to take care of the Company's property relating to the availability of a good protection system, neither fraudulent transactions nor significant irregular operations.

The Board of Directors has appointed the Audit Committee that consists of 3 independent directors charged with reviewing the accounting policy and responsible for the quality of financial reports, internal control system, internal audit system and risk management system as well as considering complete, adequate and appropriate disclosure of connected transactions. The Audit Committee's opinions appear in the annual report.

The Board of Directors has opined that the Company's internal control system is overall at satisfactory level and can give reasonable assurance about the reliability of the Group's financial statements as of 31 December 2020 by adherence to generally certified accounting standards and compliance with relevant laws and regulations.



(Mr.Unchalin Punnipa)

Chairman of the Board



(Mrs.Napassanun Punnipa)

Chief Executive Officer

TQM Corporation Public Company Limited
and its subsidiaries

Report and consolidated financial statements

31 December 2020





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Independent Auditor's Report

To the Shareholders of TQM Corporation Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of TQM Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of TQM Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TQM Corporation Public Company Limited and its subsidiaries and of TQM Corporation Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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



Key Audit Matters

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

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

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

Recognition of service income

The Group recognises brokerage income and other service income in accordance with accounting policy as discussed in Note 5.1 to the financial statements. The amount of revenue received depends on the commission rate, which is specified in the agent agreements made with insurance companies, and the premiums that are specified in each type of non-life insurance and life insurance policy. There are a variety of commission rates and other service income rates, and types of policy. Moreover, there is uncertainty regarding cancellation of insurance policies during the coverage period. Therefore, there are risks with respect revenue being recognised at an inappropriate amount and earlier than appropriate.

I have examined the revenue recognition of the Group by

- Assessing and testing the effectiveness of the Group internal controls with respect to the recognition of brokerage income and other service income by making enquiry of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of designed controls of the Group.
- Applying a sampling method to select service agreements made between the Group and insurance companies to assess whether revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy.
- Sending confirmation request to major non-life and life insurance companies regarding accrued brokerage income and service income.



- On a sampling basis, examine supporting documents for revenue transactions occurring near the end of the accounting period.
- Performing analytical review of the brokerage income and other service income accounts with the rate specified in the agreements to detect any irregularities in revenue transactions throughout the accounting period.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.

Rosaporn Decharkom
Certified Public Accountant (Thailand) No. 5659

EY Office Limited
Bangkok: 22 February 2021

TQM Corporation Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

				(Unit: Baht)	
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	1,107,046,269	959,393,007	442,564,922	209,107,367
Deposits at banks with restrictions	9	1,060,047,885	924,438,377	-	-
Current investments	11	-	874,221,777	-	860,127,672
Accrued service income and other receivables	7, 10	715,135,345	672,490,399	4,426,014	4,144,054
Current portion of long-term loan to related party	7	6,399,996	6,399,996	-	-
Dividend receivables	7	-	-	317,999,604	329,999,620
Other current financial assets	11	538,553,081	-	500,356,942	-
Other current assets	7, 12	49,637,657	51,928,825	249,006	279,761
Total current assets		3,476,822,233	3,488,872,381	1,265,596,488	1,403,658,474
Non-current assets					
Deposits at banks - pledge as collateral	13	2,101,008	2,901,000	-	-
Long-term loan to related party, net of current portion	7	3,123,220	9,600,004	-	-
Other non-current financial assets	7, 18	736,215,723	-	512,081,910	-
Investment in subsidiaries	14	-	-	475,451,922	470,452,122
Investment in associate	15	-	-	-	-
Long-term investments	18	-	607,529,502	-	412,012,429
Buildings and equipment	16	93,678,380	79,597,715	108,556	214,101
Right-of-use assets	19	581,956,312	-	-	-
Intangible assets	17	22,409,599	14,841,474	45,822	99,465
Deferred tax assets	29	32,648,526	22,170,259	7,317,893	1,549,595
Other non-current assets	7, 18	4,956,696	31,445,938	-	-
Total non-current assets		1,477,069,464	768,085,892	995,006,103	884,327,742
Total assets		4,953,891,697	4,256,958,273	2,260,602,591	2,287,986,216

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

TQM Corporation Public Company Limited and its subsidiaries
 Statements of financial position (continued)
 As at 31 December 2020

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Insurance premium payables and other payables	7, 20	1,258,149,087	1,303,019,509	941,063	242,606
Insurance premium received in advance		481,243,470	443,060,660	-	-
Current portion of lease liabilities	7, 19	98,389,401	-	-	-
Income tax payable		78,067,479	30,479,517	337,830	1,998,227
Provision for short-term liabilities	21	10,799,818	10,621,964	-	-
Other current liabilities		30,788,655	28,405,124	40,627	69,570
Total current liabilities		1,957,437,910	1,815,586,774	1,319,520	2,310,403
Non-current liabilities					
Lease liabilities, net of current portion	7, 19	494,332,240	-	-	-
Provision for long-term employee benefits	22	102,483,957	91,000,769	-	-
Other non-current liabilities		-	109,233	-	-
Total non-current liabilities		596,816,197	91,110,002	-	-
Total liabilities		2,554,254,107	1,906,696,776	1,319,520	2,310,403
Shareholders' equity					
Share capital					
Registered					
300,000,000 ordinary shares of Baht 1 each		300,000,000	300,000,000	300,000,000	300,000,000
Issued and fully paid-up					
300,000,000 ordinary shares of Baht 1 each		300,000,000	300,000,000	300,000,000	300,000,000
Premium on ordinary shares		1,606,753,420	1,606,753,420	1,606,753,420	1,606,753,420
Surplus on business combination under common control		67,932,017	67,932,017	-	-
Retained earnings					
Appropriated - statutory reserve	23	30,000,000	30,000,000	30,000,000	30,000,000
Unappropriated		423,221,799	351,773,445	350,790,265	355,120,771
Other components of shareholders' equity		(28,260,614)	(6,198,378)	(28,260,614)	(6,198,378)
Equity attributable to owners of the Company		2,399,646,622	2,350,260,504	2,259,283,071	2,285,675,813
Non-controlling interest of the subsidiaries		968	993	-	-
Total shareholders' equity		2,399,647,590	2,350,261,497	2,259,283,071	2,285,675,813
Total liabilities and shareholders' equity		4,953,911,697	4,256,958,273	2,260,602,591	2,287,966,216

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

Directors

TQM Corporation Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2020

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit or loss:					
Revenues					
Revenue from contracts with customers	7, 24.1	3,082,508,621	2,711,544,974	-	-
Dividend income	7	7,000,000	4,500,000	618,999,457	526,499,524
Other income	7, 26	11,022,482	23,909,814	1,148,040	12,040,585
Total revenues		3,100,531,103	2,739,954,788	620,147,497	538,540,109
Expenses					
Service costs and expenses	7	1,517,434,793	1,457,699,138	-	-
Administrative expenses	7	747,378,471	701,915,443	11,644,404	10,497,103
Loss on impairment in value of investment in associate		-	-	-	1,200,000
Total expenses		2,264,814,264	2,159,614,581	11,644,404	11,697,103
Operating profit		835,716,839	580,340,207	608,503,093	526,843,006
Finance income	7, 26	35,546,408	43,873,232	18,805,919	18,263,654
Finance cost	27	(2,091,779)	-	-	-
Share of loss from investment in associate	15	-	(645,075)	-	-
Profit before income tax expenses		869,171,468	623,568,364	627,309,012	545,106,660
Income tax expenses	29	(167,175,696)	(116,337,848)	(1,639,569)	(2,562,656)
Profit for the year		701,995,772	507,230,516	625,669,423	542,544,004
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Loss on change in value of available-for-sale investments - net of income tax		-	(6,198,378)	-	(6,198,378)
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>		<i>-</i>	<i>(6,198,378)</i>	<i>-</i>	<i>(6,198,378)</i>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax	22, 29	(546,970)	(11,019,572)	-	-
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	29	(22,062,236)	-	(22,062,236)	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>		<i>(22,609,206)</i>	<i>(11,019,572)</i>	<i>(22,062,236)</i>	<i>-</i>
Other comprehensive income for the year		(22,609,206)	(17,217,950)	(22,062,236)	(6,198,378)
Total comprehensive income for the year		679,386,566	490,012,566	603,607,187	536,345,626
Profit attributable to:					
Equity holders of the Company		701,995,772	507,229,674	625,669,423	542,544,004
Non-controlling interests of the subsidiaries		533	542	-	-
		701,995,772	507,230,516		
Total comprehensive income attributable to:					
Equity holders of the Company		679,386,047	490,012,035	603,607,187	536,345,626
Non-controlling interests of the subsidiaries		519	531	-	-
		679,386,566	490,012,566		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company	30	2.34	1.69	2.09	1.81

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

TQM Corporation Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2020

	Consolidated financial statements										(Unit: Baht)
	Equity attributable to owners of the Company										
	Other components of shareholders' equity										
	Other comprehensive income										
	Issued and fully paid up share capital	Share premium	Surplus on business combination under common control	Retained earnings		Fair value reserve	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated	Unappropriated						
Balance as at 1 January 2019	300,000,000	1,606,753,420	67,932,017	30,000,000	140,562,802	-	-	2,145,240,339	938	2,145,249,277	
Profit for the year	-	-	-	-	507,229,974	-	-	507,229,974	542	507,230,516	
Other comprehensive income for the year	-	-	-	-	(11,019,561)	(6,198,378)	(6,198,378)	(17,217,939)	(11)	(17,217,950)	
Total comprehensive income for the year	-	-	-	-	496,210,413	(6,198,378)	(6,198,378)	490,012,035	531	490,012,566	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	(478)	(478)	
Dividend paid (Note 33)	-	-	-	-	-	-	-	(284,999,870)	-	(284,999,870)	
Balance as at 31 December 2019	300,000,000	1,606,753,420	67,932,017	30,000,000	351,773,445	(6,198,378)	(6,198,378)	2,350,260,504	993	2,350,261,497	
Balance as at 1 January 2020	300,000,000	1,606,753,420	67,932,017	30,000,000	351,773,445	(6,198,378)	(6,198,378)	2,350,260,504	993	2,350,261,497	
Profit for the year	-	-	-	-	701,995,239	-	-	701,995,239	533	701,995,772	
Other comprehensive income for the year	-	-	-	-	(548,956)	(22,062,236)	(22,062,236)	(22,609,192)	(14)	(22,609,206)	
Total comprehensive income for the year	-	-	-	-	701,448,283	(22,062,236)	(22,062,236)	679,386,047	519	679,386,566	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	(544)	(544)	
Dividend paid (Note 33)	-	-	-	-	-	-	-	(629,999,929)	-	(629,999,929)	
Balance as at 31 December 2020	300,000,000	1,606,753,420	67,932,017	30,000,000	423,221,799	(28,260,614)	(28,260,614)	2,399,546,614	958	2,399,547,590	

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

TQM Corporation Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2020

	Separate financial statements							(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity			
			Appropriated	Unappropriated	comprehensive income		Total other components of shareholders' equity	
					Fair value	reserve		
Balance as at 1 January 2019	300,000,000	1,606,753,420	30,000,000	97,576,637	-	-	2,034,330,057	
Profit for the year	-	-	-	542,544,004	-	-	542,544,004	
Other comprehensive income for the year	-	-	-	-	(6,198,378)	(6,198,378)	(12,396,756)	
Total comprehensive income for the year	-	-	-	542,544,004	(6,198,378)	(6,198,378)	536,345,626	
Dividend paid (Note 33)	-	-	-	(284,999,870)	-	-	(284,999,870)	
Balance as at 31 December 2019	300,000,000	1,606,753,420	30,000,000	355,120,771	(6,198,378)	(6,198,378)	2,285,675,813	
Balance as at 1 January 2020	300,000,000	1,606,753,420	30,000,000	355,120,771	(6,198,378)	(6,198,378)	2,285,675,813	
Profit for the year	-	-	-	625,669,423	-	-	625,669,423	
Other comprehensive income for the year	-	-	-	-	(22,062,236)	(22,062,236)	(22,062,236)	
Total comprehensive income for the year	-	-	-	625,669,423	(22,062,236)	(22,062,236)	603,607,187	
Dividend paid (Note 33)	-	-	-	(629,999,929)	-	-	(629,999,929)	
Balance as at 31 December 2020	300,000,000	1,606,753,420	30,000,000	350,790,265	(28,260,614)	(28,260,614)	2,259,283,071	

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

TQM Corporation Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	889,171,468	623,568,364	627,309,012	545,108,660
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	147,305,573	42,284,097	159,218	151,157
Reversal of allowance for doubtful accounts	-	(307,335)	-	-
Impairment loss on financial assets	2,089,661	-	1,263,695	-
Loss (gain) on disposal of equipment	(753,567)	44,838	-	-
Gain on disposal of intangible assets	-	(3,616)	-	-
Loss on written off of equipment	38,497	9,775	-	-
Share of loss from investment in associate	-	645,075	-	-
Short-term provision	177,854	163,991	-	-
Provision for long-term employee benefits	10,809,475	23,292,212	-	-
Gain on bargain purchase	(127,999)	(671,556)	-	-
Gain on fair value adjustments of financial instruments	(1,316,333)	(4,589,647)	(1,148,039)	(4,498,447)
Loss on impairment of investment in associate	-	-	-	1,200,000
Loss on written off withholding tax	21,524	67,093	-	3,742
Gain on lease cancellation	(40,377)	-	-	-
Dividend income	(7,000,000)	(4,500,000)	(618,999,457)	(526,499,524)
Finance income	(35,546,408)	(43,873,232)	(18,805,919)	(16,263,654)
Finance cost	2,091,779	-	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities:	986,931,147	636,129,859	(10,221,490)	(2,600,066)
Operating assets (increase) decrease				
Deposits at banks with restrictions	(135,609,508)	(141,157,097)	-	-
Accrued service income and other receivables	(41,314,848)	(68,810,105)	7	35
Other current assets	3,093,784	(13,052,407)	30,755	(14,304)
Other non-current asset financial assets	8,122,719	-	-	-
Other non-current assets	(4,956,697)	18,561	-	-
Operating liabilities increase (decrease)				
Insurance premium payables and other payables	(37,594,923)	144,655,835	702,308	(612,340)
Insurance premium received in advance	38,182,810	57,840,604	-	-
Other current liabilities	2,274,296	(5,897,660)	(28,642)	(987,758)
Other non-current liabilities	-	109,233	-	-
Cash paid for long-term employee benefits	-	(4,135,400)	-	-
Cash flows from (used in) operating activities	819,126,792	605,701,403	(9,517,362)	(4,414,433)
Cash paid for corporate income tax	(126,641,827)	(113,471,613)	(3,552,725)	(564,429)
Cash received from withholding tax refund	1,402,914	1,417,637	-	-
Net cash flows from (used in) operating activities	693,888,879	493,647,427	(13,070,067)	(4,978,862)

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

TQM Corporation Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
(Increase) decrease in deposits at banks - pledge as collateral	799,992	(901,000)	-	-
Cash received from long-term loan to related party	6,399,996	-	-	-
Cash paid for long-term loan to related party	-	(16,000,000)	-	-
Decrease in current investments	-	254,458,013	-	244,458,027
Cash paid for investment in other current financial assets	(319,300,000)	-	(269,300,000)	-
Proceeds from redemption of other current financial assets	690,310,799	-	630,218,769	-
Cash paid for investment in other non-current financial assets	(174,676,963)	(380,933,171)	(129,677,795)	(296,933,171)
Proceeds from redemption of other non-current financial assets	4,000,100	50,000,000	-	-
Cash received from (paid for) investment in subsidiaries	126,757	(366,446)	-	-
Increase in investments in subsidiaries	-	-	(4,999,800)	(4,999,800)
Cash paid for acquisitions of buildings and equipment	(55,431,309)	(15,670,878)	(3,852)	(35,567)
Cash paid for acquisitions of intangible assets	(13,753,442)	(12,267,748)	-	-
Proceeds from disposal of equipment	1,310,722	99,378	-	-
Proceeds from disposal of intangible assets	-	141,243	-	-
Interest received	35,904,825	41,455,268	19,290,776	16,893,917
Dividend received	7,000,000	4,500,000	630,999,473	281,499,819
Net cash flows from (used in) investing activities	182,693,457	(75,685,350)	876,527,671	240,883,225
Cash flows from financing activities				
Payment of principal portion of lease liabilities	(96,635,822)	-	-	-
Cash paid for direct costs related to the share offering	-	(21,901,118)	-	(21,901,118)
Interest paid	(2,091,779)	-	-	-
Dividend paid	(629,999,929)	(284,999,870)	(629,999,929)	(284,999,870)
Dividend paid by subsidiaries to non-controlling interests	(544)	(476)	-	-
Net cash flows used in financing activities	(728,928,074)	(306,901,464)	(629,999,929)	(306,900,958)
Net increase (decrease) in cash and cash equivalents	147,655,262	111,060,613	233,457,555	(70,998,625)
Cash and cash equivalents at beginning of year	959,393,007	848,332,394	209,107,387	280,103,992
Cash and cash equivalents at end of year (Note 8)	1,107,048,269	959,393,007	442,564,922	209,107,387
Supplemental cash flows information				
Non-cash transactions				
Increase (decrease) in payables from acquisition of buildings and equipment	(7,242,195)	7,204,748	(3,852)	3,852
Increase (decrease) in payable from acquisition of intangible assets	(34,069)	58,850	-	-
Dividend receivable	-	-	317,999,604	329,999,820
Decrease in lease liabilities	(59,638,808)	-	-	-

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

TQM Corporation Public Company Limited and its subsidiaries**Notes to consolidated financial statements****For the year ended 31 December 2020****1. General information****1.1 Corporate information**

TQM Corporation Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Eternal Growth Corporation Company Limited, which was incorporated in Thailand.

The Company is principally engaged in investment in companies that engaged in non-life insurance broker, life insurance broker, and provides procurement and consulting services for computer software and hardware. The registered office of the Company is at No. 123, Soi Ladplakao 25, Ladplakao Road, Jorkaebua, Ladprao, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of TQM Corporation Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
<u>Held by the Company</u>				
TQM Insurance Broker Company Limited	Non-life insurance broker	Thailand	100.00	100.00
TQM Life Insurance Broker Company Limited	Life insurance broker	Thailand	100.00	100.00
Casmatt Company Limited	Provides procurement and consulting services for computer software and hardware	Thailand	100.00	100.00
TJN Insurance Broker Company Limited	Non-life insurance broker	Thailand	100.00	100.00
TO 2020 Company Limited	Investment or holding in other businesses, both of domestic and overseas	Thailand	100.00	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Group's financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach, elected not to take into account forward-looking information when determining expected credit losses.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of a temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 (a) to the financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the financial statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The effect of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Current investments	874,222	(874,222)	-	-
Other current financial assets	-	874,222	-	874,222
Non-current assets				
Right-of-use assets	-	-	749,237	749,237
Long-term investments	607,530	(607,530)	-	-
Other non-current assets	31,446	(31,446)	-	-
Other non-current financial assets	-	638,976	-	638,976

(Unit: Thousand Baht)

Consolidated financial statements				
The effect of				
	31 December	Financial reporting		1 January
	2019	standards related to	TFRS 16	2020
		financial instruments		
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	99,064	99,064
Non-current liabilities				
Lease liabilities, net of current portion	-	-	650,173	650,173

(Unit: Thousand Baht)

Separate financial statements				
The effect of				
	31 December	Financial reporting		1 January
	2019	standards related to	TFRS 16	2020
		financial instruments		
Statement of financial position				
Assets				
Current assets				
Current investments	860,128	(860,128)	-	-
Other current financial assets	-	860,128	-	860,128
Non-current assets				
Long-term investments	412,012	(412,012)	-	-
Other non-current financial assets	-	412,012	-	412,012

4.1 Financial instruments

As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
	The former	Classification and measurement in accordance with TFRS 9			
	carrying amount	Fair value			
		Fair value	through other	Amortised	
		through	comprehensive		
		profit or loss	income	cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	959,393	-	-	959,393	959,393
Deposits at banks with restrictions	924,438	-	-	924,438	924,438
Accrued service income and other receivables	672,490	-	-	672,490	672,490
Long-term loan to related party	16,000	-	-	16,000	16,000
Other current financial assets	874,222	270,219	-	604,003	874,222
Deposits at banks - pledge as collateral	2,901	-	-	2,901	2,901
Other non-current financial assets	638,976	-	147,000	491,976	638,976
Total financial assets	4,088,420	270,219	147,000	3,671,201	4,088,420

(Unit: Thousand Baht)

Separate financial statements					
	The former carrying amount	Classification and measurement in accordance with TFRS 9			
		Fair value			Total
		Fair value through profit or loss	through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	209,107	-	-	209,107	209,107
Accrued service income and other receivables	4,144	-	-	4,144	4,144
Dividend receivables	330,000	-	-	330,000	330,000
Other current financial assets	860,128	260,128	-	600,000	860,128
Other non-current financial assets	412,012	-	147,000	265,012	412,012
Total financial assets	1,815,391	260,128	147,000	1,408,263	1,815,391

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16 the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020.

	(Unit: Thousand Baht)
	Consolidated financial statements
Operating lease commitments as at 31 December 2019	59,461
Less: Short-term leases and leases of low-value assets	(341)
Add: Option to extend lease term	674,215
Add: Service agreements assessed as rental agreements	24,627
Less: Deferred interest expenses	(8,725)
Increase in lease liabilities due to the adoption of TFRS 16	749,237
Lease liabilities as at 31 December 2019	-
Lease liabilities as at 1 January 2020	749,237
Weighted average incremental borrowing rate (percent per annum)	2.26
Comprise of:	
Current lease liabilities	99,064
Non-current lease liabilities	650,173
	749,237

5. Significant accounting policies

5.1 Revenue and expense recognition

Brokerage income

Brokerage income is recognised on the date which the insurance policy comes into effect, net of discount, and services have been completed.

Other service income

Other service income is recognised at a point in time upon completion of the service or recognised over time when services have been rendered taking into account the stage of completion. In this regards, the Group recognised such income when there is highly certainty to receive the money.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividend

Dividend income are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Investments in subsidiaries and associate

Investments in associate are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

5.4 Buildings and equipment/Depreciation

Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Buildings	-	5 and 20	years
Buildings and leasehold improvements	-	3, 5 and 10	years
Furniture, fixtures and office equipment	-	5	years
Equipment and computer system	-	3 and 10	years
Motor vehicles	-	3 and 5	years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

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

5.5 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on intangible assets under installation.

The Group amortised computer software and software's license by using the straight-line method with useful lives is 3 - 10 years.

5.6 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	-	3 - 5 years
Buildings	-	1 - 8 years
Office equipment	-	4 - 5 years
Motor vehicles	-	2 - 4 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of property, buildings and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.7 Related party transactions

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

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

5.8 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.9 Impairment of non-financial assets

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

An impairment loss is recognised in profit or loss.

5.10 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments and they must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.11 Provisions

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

5.12 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

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

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

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.13 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, accrued service income and other receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as dividend income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

At initial recognition, the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For accrued service income and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

Accrued service income and other receivables

Accrued service income and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.

- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.

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

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.15 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Provision for the insurance policy cancellation

The subsidiaries estimate the provision for the insurance policy cancellation from insured persons who are eligible for the cancellation during the effective period. The provision has been made based on the management past experience and/or currently available information regarding the cancellation of insurance policy by the eligible insured persons.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

The relationships between the Company and related parties are summarised below.

Name	Relationship
Eternal Growth Corporation Co., Ltd.	Parent company
TQM Insurance Broker Company Limited	Subsidiary
TQM Life Insurance Broker Company Limited	Subsidiary
Casmatt Company Limited	Subsidiary
TJN Insurance Broker Company Limited	Subsidiary
TO 2020 Company Limited	Subsidiary
TQLD Company Limited	Associate
Bangkok Insurance Public Co., Ltd.	Shareholders
Assets Insurance Public Co., Ltd.*	Shareholders
Thaivivat Insurance Public Co., Ltd.*	Shareholders
The Viriyah Insurance Public Co., Ltd.	Shareholders
Bangkok Life Insurance Public Co., Ltd.	Shareholders
Muang Thai Insurance Public Co., Ltd.*	Shareholders
Muang Thai Life Insurance Public Co., Ltd.	Shareholders
Brilliant Survey Co., Ltd.	Common shareholders and/or directors
Daradaily Co., Ltd.	Common shareholders and/or directors
Daradaily Tour Co., Ltd.	Common shareholders and/or directors
Daradaily Shopping Co., Ltd.	Common shareholders and/or directors
The Perfect Group International Co., Ltd.	Common shareholders and/or directors
Beauty Lab Innovation (Thailand) Co., Ltd.	Common shareholders and/or directors
The Brilliant Deal Trading Co., Ltd.	Common shareholders and/or directors
The Premier Consumer Co., Ltd.	Common shareholders and/or directors
TQR Public Co., Ltd.	Common shareholders and/or directors
Beauty twentyfour Co., Ltd.	Common shareholders and/or directors
Sripatum University	Common directors

* End of related parties during the second quarter of 2020

During the years, the Group had significant business transactions with persons or related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

	Consolidated		Separate		(Unit: Million Baht)
	financial statements		financial statements		Transfer
	2020	2019	2020	2019	pricing policy
<u>Transactions with parent company</u>					
Rental and service expenses	19.4	94.5	-	-	Contract price
Payment for rental and services	76.3	-	-	-	Contract price
Dividend paid	320.7	145.1	320.7	145.1	As declared
Disposal of assets	0.9	-	-	-	Market price
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statement)					
Dividend income	-	-	612.0	522.0	As declared
<u>Transactions with associate</u>					
Interest income	0.3	0.1	-	-	2.5% per annum
Purchases of assets	7.2	3.0	-	-	Contract price
Service expenses	6.9	-	-	-	Contract price
<u>Transactions with related companies</u>					
Dividend income	7.0	4.5	7.0	4.5	As declared
Brokerage income	712.6	1,183.7	-	-	Mutually agreed basis
Other service income	576.3	832.6	-	-	Mutually agreed basis
Information service income	0.1	0.1	-	-	Contract price
Sales promotion expenses	7.1	34.4	-	-	Mutually agreed basis
Advertising expenses	11.7	6.3	-	-	Mutually agreed basis
Service expenses	0.6	2.5	0.2	0.9	Contract price
Training expenses	0.1	0.4	-	-	Market price
Dividend paid	48.9	31.2	48.9	31.2	As declared
<u>Transactions with related individual</u>					
Dividend paid	40.3	40.6	40.3	40.6	As declared

As at 31 December 2020 and 2019, the balances of the accounts between the Company and related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accrued service income - related parties (Presented as accrued service income and other receivables)				
Related companies (Shareholders)	121,954	248,870	-	-
Total	121,954	248,870	-	-
Prepayment - related party (Presented as other current assets)				
Associate	-	27	-	-
Total	-	27	-	-
Dividend receivables - related parties (Presented as dividend receivables)				
Subsidiaries	-	-	318,000	330,000
Total	-	-	318,000	330,000
Rental deposits - related party (Presented as other non-current financial assets / other non-current assets)				
Parent company	18,497	19,071	-	-
Total	18,497	19,071	-	-
Insurance premium payables - related parties (Presented as insurance premium payables and other payables)				
Related companies (Shareholders)	182,651	680,044	-	-
Total	182,651	680,044	-	-
Other payables - related parties (Presented as insurance premium payables and other payables)				
Parent company	1,246	1,195	-	-
Related companies (related by shareholders and/or directors)	677	1,186	227	-
Total	1,923	2,381	227	-
Accrued expenses - related parties (Presented as insurance premium payables and other payables)				
Related companies (related by shareholders and/or directors)	33	8,657	-	-
Total	33	8,657	-	-
Lease liabilities - related parties (Presented as lease liabilities)				
Parent company	522,045	-	-	-
Related companies (related by shareholders and/or directors)	499	-	-	-
Total	522,544	-	-	-

Long-term loan to related party

As at 31 December 2020 and 2019, the balance of loan between the subsidiary and the related party and the movement in loan are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Loan to	Related by	Balance as at 31 December 2019	Increase during the year	Decrease during the year	Balance as at 31 December 2020
TQLD Company limited	Associate	16,000	-	(6,400)	9,600
Less: Current portion		(6,400)			(6,400)
Less: Allowance for expected credit losses		-			(77)
Long-term loan to related party, net of current portion		9,600			3,123

On 30 August 2019, the subsidiary provided a long-term loan to TQLD Company Limited ("TQLD"), an associated company, amounting to Baht 16 million. It will repay the principal with 2.5% interest per annum in 30 installments, commencing the end of January 2020, loan to related party was unsecured.

On 6 January 2020, the subsidiary entered into an agreement with TQLD relating to the big client data development. The term of agreement is 30 months, totaling Baht 17 million.

Set out below is the movement in the allowance for expected credit losses of long-term loan to related party.

	(Unit: Thousand Baht)
	Consolidated financial statements
As at 1 January 2020	-
Allowance for expected credit losses	77
As at 31 December 2020	77

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separated financial statements	
	2020	2019	2020	2019
Short-term employee benefits	55,804	53,944	3,151	3,173
Post-employment benefits	5,138	13,264	-	-
Total	60,942	67,208	3,151	3,173

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	658	731	-	-
Banks deposits	1,106,390	958,662	422,565	209,107
Total cash and cash equivalents	1,107,048	959,393	422,565	209,107

As at 31 December 2020, banks deposits in saving accounts of the Group carried interests between 0.05% and 0.60% per annum (2019: between 0.10% and 1.20% per annum).

9. Deposits at banks with restrictions

The outstanding balance represents deposits at banks with restrictions for premiums that the subsidiaries received from policy holders. The subsidiaries must submit these premiums to insurers, and not use or exploit from premiums or deduct any expenses as stated in the brokerage contracts, except for interest or other benefits arising from deposits.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
Saving and current accounts	810,047	518,437
Fixed deposits	250,001	406,001
Total deposits at banks with restrictions	1,060,048	924,438

10. Accrued service income and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
<u>Accrued service income - related parties</u>				
Aged on the basis of due dates				
Not yet due	72,531	178,506	-	-
Past due				
1 - 90 days	29,418	56,707	-	-
91 - 180 days	15,186	12,056	-	-
181 - 365 days	2,934	1,140	-	-
Over 365 days	1,885	461	-	-
Total accrued service income - related parties	121,954	248,870	-	-
<u>Accrued service income - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	230,372	79,865	-	-
Past due				
1 - 90 days	53,421	14,088	-	-
91 - 180 days	3,749	1,541	-	-
181 - 365 days	1,804	328	-	-
Over 365 days	1,308	301	-	-
Total accrued service income - unrelated parties	290,654	96,123	-	-
Total accrued service income	412,608	344,993	-	-
<u>Insurance premium receivables</u>				
Aged on the basis of effective dates in policy				
Not yet due	44,360	57,396	-	-
Past due				
1 - 45 days	230,204	242,819	-	-
46 - 90 days	13,709	15,776	-	-
91 - 180 days	1,408	1,909	-	-
181 - 365 days	326	455	-	-
Over 365 days	603	436	-	-
Total insurance premium receivables	290,610	318,791	-	-
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts accounts)	(865)	(1,481)	-	-
Total insurance premium receivables, net	289,745	317,310	-	-

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2020	2019	2020	2019
<u>Other receivables</u>				
Interest receivables - unrelated parties	8,564	7,785	4,426	4,144
Other receivables - unrelated parties	2,599	1,080	-	-
Total other receivables	11,163	8,865	4,426	4,144
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts accounts)	(800)	(736)	-	-
Total other receivables - net	10,363	8,129	4,426	4,144
Loan to employee	2,419	2,058	-	-
Total accrued service income and other receivables	715,135	672,490	4,426	4,144

As at 31 December 2020 and 2019, loan to employee is subjected to interest at rate of 12% per annum. The term of loan agreement is one year.

Set out below is the movement in the allowance for expected credit losses of accrued service income and other receivables:

	(Unit: Thousand Baht) Consolidated financial statements
As at 1 January 2020	2,217
Allowance for expected credit losses	(552)
As at 31 December 2020	1,665

11. Other current financial assets/Current investments

(Unit: Thousand Baht)		
Consolidated financial statements		
	2020	2019
<u>Debt instruments at amortised cost</u> (2019: Current investments)		
Fixed deposits	500,359	600,002
Debentures	38,044	4,001
Total	538,403	604,003
Less: Allowance for expected credit losses	(17)	-
Total debt instruments at amortised cost - net	538,386	604,003
<u>Financial assets at FVTPL</u> (2019: Current investments)		
Unit trusts	167	270,219
Total financial assets at FVTPL	167	270,219
Total other current financial assets - net	538,553	874,222

(Unit: Thousand Baht)		
Separate financial statements		
	2020	2019
<u>Debt instruments at amortised cost</u> (2019: Current investments)		
Fixed deposits	500,357	600,000
Total debt instruments at amortised cost	500,357	600,000
<u>Financial assets at FVTPL</u> (2019: Current investments)		
Unit trusts	-	260,128
Total financial assets at FVTPL	-	260,128
Total other current financial assets	500,357	860,128

As at 31 December 2020, other current financial assets of the Group carried interests between 0.25 and 3.00 per annum (2019: between 0.80% and 3.95% per annum).

12. Other current assets

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2020	2019	2020	2019
Prepaid expenses - related party	-	27	-	-
Prepaid expenses - unrelated parties	38,303	35,963	247	280
Advances	71	80	-	-
Supplies	2,509	5,156	2	-
Revenue Department receivables	6,441	6,459	-	-
Deposits	167	4,099	-	-
Others	2,147	145	-	-
Total other current assets	49,638	51,929	249	280

13. Deposits at banks - pledge as collateral

13.1 As at 31 December 2020 and 2019, the subsidiary used fixed deposits amounting to Baht 1 million to maintain the required capital for its non-life insurance broker business under the Insurance Act B.E. 2535.

13.2 As at 31 December 2020 and 2019, the subsidiary used fixed deposits amounting to Baht 1 million to maintain capital in accordance with the Notification of the Office of Insurance Commission B.E. 2554 regarding the rules and conditions for the issue and renewal of a license to operate as a life insurance broker, whereby the subsidiary is required to maintain capital equal to not less than 0.25% of net brokerage revenues of the preceding fiscal year and not less than Baht one million throughout the time that it is licensed as a life insurance broker.

13.3 As at 31 December 2020 and 2019, the subsidiary used saving deposit of Baht 0.1 million to guarantee the duty under the credit and product sales representative agreement.

13.4 As at 31 December 2019, the subsidiaries used savings deposit of Baht 0.8 million to issue letter of guarantee on behalf of the subsidiaries (2020: Nil).

14. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)				
TQM Insurance Broker								
Company Limited	400,000	400,000	100	100	410,000	410,000	605,999	512,000
TQM Life Insurance Broker								
Company Limited	50,000	50,000	100	100	50,301	50,301	-	5,000
Casmatt Company Limited	5,000	5,000	100	100	5,151	5,151	6,000	5,000
TJN Insurance Broker								
Company Limited	5,000	5,000	100	100	5,000	5,000	-	-
TO 2020 Company Limited	5,000	-	100	-	5,000	-	-	-
Total					475,452	470,452	611,999	522,000

TO 2020 Company Limited "TO"

On 12 November 2020, the Company entered into a share purchase agreement with existing shareholders of TO 2020 Company Limited to purchase ordinary shares from its existing shareholders, totaling Baht 5 million (49,998 ordinary shares with a par value of Baht 100 each) at a price of Baht 100 per share amounting to Baht 5 million. The Company made payment for the shares on 12 November 2020. The Company's shareholding in TO is 100%. TO registered the change in its shareholder with the Ministry of Commerce on 12 November 2020.

The Company recorded the net assets of such company at its fair value as at the acquisition date. Details of the fair value and book value of the identifiable assets and liabilities of that company as at the acquisition date are as follows:

	(Unit: Thousand Baht)	
	Fair value	Book value
Assets		
Cash and cash equivalents	5,129	5,129
Total assets	5,129	5,129
Liabilities		
Other payable	1	1
Total liabilities	1	1
Net assets	5,128	5,128
Net assets attributable to the Company's investment (100%)	5,128	
Cash paid under net assets	(128)	
Purchase price	5,000	
Less: Cash and cash equivalents of subsidiary	(5,129)	
Net cash received from purchase of subsidiary	(129)	

Details of acquisition of such company are as follows:

	(Unit: Thousand Baht)
Purchase price	
Cash paid	5,000
Fair value of net assets received	(5,128)
Gain on bargain purchase	(128)

TJN Insurance Broker Company Limited "TJN"

On 1 August 2019, the Company entered into a share purchase agreement with existing shareholders of TJN Insurance Broker Company Limited to purchase ordinary shares from its existing shareholders, totaling Baht 5 million (49,998 ordinary shares with a par value of Baht 100 each) at a price of Baht 100 per share amounting to Baht 5 million. The Company made payment for the shares in August 2019. The Company's shareholding in TJN is 100%. TJN registered the change in its shareholder with the Ministry of Commerce on 27 August 2019.

The Company recorded the net assets of such company at its fair value as at the acquisition date. Details of the fair value and book value of the identifiable assets and liabilities of that company as at the acquisition date are as follows:

	(Unit: Thousand Baht)	
	Fair value	Book value
Assets		
Cash and cash equivalents	4,633	4,633
Deposits at banks with restrictions	779	779
Accrued service income and other receivables	1,447	1,447
Other current assets	102	102
Deposits at banks - pledge as collateral	1,000	1,000
Buildings and equipment	53	53
Other non-current assets	12	12
Total assets	8,026	8,026
Liabilities		
Insurance premium payables and other payables	2,220	2,220
Insurance premium received in advance	111	111
Other current liabilities	24	24
Total liabilities	2,355	2,355
Net assets	5,671	5,671
Net assets attributable to the Company's investment (100%)	5,671	
Cash paid under net assets	(671)	
Purchase price	5,000	
Less: Cash and cash equivalents of subsidiary	(4,633)	
Net cash paid for purchase of subsidiary	367	

Details of acquisition of such company are as follows:

	(Unit: Thousand Baht)
Purchase price	
Cash paid	5,000
Fair value of net assets received	(5,671)
Gain on bargain purchase	(671)

15. Investments in associate

15.1 Details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
TQLD Company Limited	Provide advice or services by using electronic media through the internet	Thailand	40	40	1,200	1,200	-	-
Total					1,200	1,200	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
			2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)						
TQLD Company Limited	Provide advice or services by using electronic media through the internet	Thailand	40	40	1,200	1,200	(1,200)	(1,200)	-	-
Total					1,200	1,200	(1,200)	(1,200)	-	-

15.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of loss from investment in associated company in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Associated company	Consolidated financial statements	
	Share of loss from investment in associated	
	For the years ended 31 December	
	2020	2019
TQLD Company Limited	-	645
Total	-	645

During the years 2020 and 2019, the Company did not receive dividend income from its associated company.

15.3 Investment in associate with capital deficit

The Company recognised share of losses from investment in associate, as listed below, until the value of the investment approached zero. Subsequent losses incurred by this associate has not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this associate. The amount of such unrecognised share of losses is set out below.

Company's name	(Unit: Thousand Baht)			
	Unrecognised share of losses			
	Share of (gain) losses during the years		Cumulative share of losses up to 31 December	
	2020	2019	2020	2019
TQLD Company Limited	(284)	2,922	2,638	2,922
Total	(284)	2,922	2,638	2,922

16. Buildings and equipment

	Consolidated financial statements						(Unit: Thousand Baht)
	Buildings	Buildings and leasehold improvement	Furniture, fixtures and office equipment	Equipment and computer system	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2019	1,759	133,336	187,550	139,082	41,161	813	503,511
Additions	-	1,033	4,798	13,820	53	3,363	23,077
Increase from business acquisition	-	-	111	35	-	-	146
Disposals/Write-off	-	(70)	(2,556)	(525)	-	-	(3,192)
Transfers in (out)	-	1,806	140	1,872	-	(3,818)	-
31 December 2019	1,759	136,105	190,003	154,293	41,224	158	523,542
Additions	-	2,622	9,024	13,605	21,416	1,522	48,189
Disposals/Write-off	-	(4,209)	(6,063)	(2,111)	(1,800)	-	(14,183)
Transfers in (out)	-	1,558	122	-	-	(1,680)	-
31 December 2020	1,759	136,076	193,086	165,787	60,840	-	557,548
Accumulated depreciation:							
1 January 2019	1,489	86,034	161,690	127,830	34,125	-	411,168
Depreciation for the year	270	13,298	9,957	9,019	3,177	-	35,721
Increase from business acquisition	-	-	71	22	-	-	93
Depreciation on disposals/Write-off	-	(70)	(2,430)	(538)	-	-	(3,038)
31 December 2019	1,759	99,262	169,288	136,333	37,302	-	443,944
Depreciation for the year	-	8,905	9,681	10,360	4,567	-	33,513
Depreciation on disposals/Write-off	-	(4,195)	(5,933)	(2,110)	(1,349)	-	(13,587)
31 December 2020	1,759	103,972	173,036	144,583	40,520	-	463,870
Net book value:							
31 December 2019	-	36,843	20,715	17,960	3,922	158	79,598
31 December 2020	-	32,104	20,050	21,204	20,320	-	93,678
Depreciation for the year							
2019 (Included in administrative expenses)							35,721
2020 (Included in administrative expenses)							33,513

(Unit: Thousand Baht)

	Separate financial statements		
	Furniture, fixtures and office equipment	Equipment and computer system	Total
Cost:			
1 January 2019	20	273	293
Additions	19	20	39
31 December 2019	39	293	332
31 December 2020	39	293	332
Accumulated depreciation:			
1 January 2019	1	20	21
Depreciation for the year	4	93	97
31 December 2019	5	113	118
Depreciation for the year	8	97	105
31 December 2020	13	210	223
Net book value:			
31 December 2019	34	180	214
31 December 2020	26	83	109
Depreciation for the year			
2019 (Included in administrative expenses)			97
2020 (Included in administrative expenses)			105

As at 31 December 2020, certain items of buildings and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 387.3 million (2019: Baht 351.1 million).

17. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Computer software - at cost	88,171	74,452	161	161
Less: Accumulated amortisation	(65,761)	(59,611)	(115)	(62)
Net book value at end of year	22,410	14,841	46	99

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of years	14,841	9,217	99	153
Addition - at cost	13,719	12,326	-	-
Disposals during the year - net book value as at disposal date	-	(138)	-	-
Amortisation	(6,150)	(6,564)	(53)	(54)
Net book value at end of years	22,410	14,841	46	99

18. Other non-current financial assets/Long-term investments

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
<u>Debt instruments at amortised cost</u> (2019: Long-term investments)		
Government bond	50,307	50,338
Debentures	366,043	370,192
Subordinated debentures	40,000	40,000
Total	456,350	460,530
Less: Allowance for expected credit losses	(1,850)	-
Total debt instruments at amortised cost - net	454,500	460,530

(Unit: Thousand Baht)		
Consolidated financial statements		
	2020	2019
<u>Equity instruments designated at FVOCI (2019: Long-term investments)</u>		
Quoted equity investments		
Common shares	249,100	147,000
Unquoted equity investments		
Preferred shares	10,000	-
Total equity instruments designated at FVOCI	259,100	147,000
Total	713,600	607,530
<u>Rental deposits (2019: Other non-current assets)</u>		
Rental deposits - related party	19,146	19,071
Less: Allowance for expected credit losses	(649)	-
Total	18,497	19,071
Rental deposits - unrelated parties	4,177	12,375
Less: Allowance for expected credit losses	(58)	-
Total	4,119	12,375
Total other non-current financial assets - net	736,216	638,976

(Unit: Thousand Baht)		
Separated financial statements		
	2020	2019
<u>Debt instruments at amortised cost (2019: Long-term investments)</u>		
Debentures	244,246	245,012
Subordinated debentures	20,000	20,000
Total	264,246	265,012
Less: Allowance for expected credit losses	(1,264)	-
Total debt instruments at amortised cost - net	262,982	265,012
<u>Equity instruments designated at FVOCI (2019: Long-term investments)</u>		
Quoted equity investments		
Common shares	249,100	147,000
Total equity instruments designated at FVOCI	249,100	147,000
Total other non-current financial assets - net	512,082	412,012

During the year, the Group invests in equity instruments designated at fair value through other comprehensive income amounting to Baht 140 million (The Company only: Baht 130 million) and recognised unrealised losses to other comprehensive income amounting to Baht 22 million (The Company only: Baht 22 million).

As at 31 December 2020 and 2019, debt instruments at amortised cost consist of government bond, debentures and subordinate debentures, carried interests between 2.13% and 4.80% per annum which matured within June 2029.

As at 31 December 2020 and 2019, the subsidiary used government bond amounting to Baht 50 million to maintain the required capital for its non-life insurance broker business under the insurance Act B.E.2535.

19. Leases

The Group as a lessee

The Group has lease contracts for various items used in its operations. Leases generally have lease terms between 1 - 5 years. Those lease contracts are non-cancellable and several contracts are identified option to extend lease term.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Buildings	Office equipment	Motor vehicles	Total
As at 1 January 2020	11,127	725,128	6,439	6,543	749,237
Additions during the year	-	4,830	622	3,007	8,459
Decrease during the year	(1,570)	(62,114)	-	(4,415)	(68,099)
Depreciation for the year	(2,818)	(101,603)	(1,592)	(1,628)	(107,641)
As at 31 December 2020	6,739	566,241	5,469	3,507	581,956

b) Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
Lease payments	598,512	-
Less: Deferred interest expenses	(5,791)	-
Total	592,721	-
Less: Portion due within one year	(98,389)	-
Lease liabilities - net of current portion	494,332	-

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)
	Consolidated
	financial statements
	For the year ended
	31 December 2020
Depreciation expense of right-of-use assets	107,641
Interest expense on lease liabilities	2,092
Expense relating to short-term leases	604
Expense relating to leases of low-value assets	51

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 99.6 million, including the cash outflow related to short-term lease and leases of low-value assets. Moreover, the Group had non-cash decrease to right-of-use assets and lease liabilities of 59.6 million.

20. Insurance premium and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Insurance premium payables - related parties	182,651	680,044	-	-
Insurance premium payables - unrelated parties	819,174	365,111	-	-
Other payables - related parties	1,923	2,381	227	-
Other payables - unrelated parties	97,814	84,913	203	12
Payables from purchase of assets	309	7,585	-	4
Accrued expenses - related parties	33	8,657	-	-
Accrued expenses - unrelated parties	156,245	154,329	511	227
Total insurance premium and other payables	<u>1,258,149</u>	<u>1,303,020</u>	<u>941</u>	<u>243</u>

21. Provision for short-term liabilities

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	Provision for cancellation of insurance policy	
As at 1 January 2020	10,622	
Change during the year	178	
As at 31 December 2020	<u>10,800</u>	

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)		
Consolidated		
financial statements		
	2020	2019
Provision for long-term employee benefits at beginning of year	91,001	58,069
Included in profit or loss:		
Current service cost	9,293	7,661
Interest cost	1,516	2,440
Past service cost	-	13,191
Included in other comprehensive income:		
Actuarial (gain) losses arising from		
Demographic assumptions changes	778	-
Financial assumptions changes	(720)	13,775
Experience adjustments	626	-
Benefits paid during the year	-	(4,135)
Provision for long-term employee benefits at end of year	102,494	91,001

The Group expects to pay Baht 5 million of long-term employee benefit during the next year (2019: Nil).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 12 - 18 years (2019: 3 - 23 years)

Significant actuarial assumptions are summarised below:

	Consolidated financial statements	
	2020	2019
	(% per annum)	(% per annum)
Discount rate	1.5 - 1.9	1.4 - 2.0
Salary increase rate	1.5 - 7.6	5.1 - 7.6
Turnover rate	0.0 - 57.3	0.0 - 49.0

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	
	<u>Increase</u>	<u>Decrease</u>
Discount rate (+/- 0.5% and 1%)	(5,036)	5,470
Salary increase rate (+/- 0.5% and 1%)	6,594	(6,099)
Turnover rate (+/- 0.5% and 20%)	(7,396)	3,899

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2019	
	<u>Increase</u>	<u>Decrease</u>
Discount rate (+/- 0.5%)	(4,704)	5,100
Salary increase rate (+/- 0.5%)	5,638	(5,241)
Turnover rate (+/- 0.5%)	(6,099)	2,686

23. Statutory reserve

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

24. Revenue from contracts with customers**24.1 Disaggregated revenue information**

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
Type of goods or service:		
Brokerage income from non-life insurance broker and life insurance broker	1,848,876	1,642,235
Other service income from non-life insurance broker and life insurance broker	1,233,495	1,069,190
Revenue from consulting service for computer business	138	120
Total revenue from contracts with customers	3,082,509	2,711,545
Timing of revenue recognition:		
Revenue recognised at a point in time	3,082,371	2,711,425
Revenue recognised overtime	138	120
Total revenue from contracts with customers	3,082,509	2,711,545

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 31 relating to the segment information:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
External customer	3,093,531	2,735,455
Inter-segment	60,993	57,073
	3,154,524	2,792,528
Adjustments and eliminations	(60,993)	(57,073)
Other income	(11,022)	(23,910)
Total revenue from contracts with customers	3,082,509	2,711,545

24.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	231,716	223,537
Revenue recognised during the year from changes in variable considerations of performance obligations satisfied in previous years	637	897

25. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Gain arising on FVTPL debt instruments	1,316	12,132	1,148	12,041
Gain on exchange	198	-	-	-
Other income	9,508	11,778	-	-
Total	11,022	23,910	1,148	12,041

26. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interest income on debt instruments measured at amortised cost	35,546	43,873	18,806	18,264
Total	35,546	43,873	18,806	18,264

27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interest expenses on lease liabilities	2,092	-	-	-
Total	2,092	-	-	-

28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Salaries and wages and other employee benefits	1,020,998	1,011,619	356	360
Sales commission and sale promotion expenses	622,190	585,150	-	-
Depreciation and amortisation expenses	147,306	42,284	159	151
Rental expenses from operating lease agreements	3,808	61,049	-	-
Service expenses	14,965	51,169	-	400
Repair & maintenance expenses	18,340	12,880	-	-

29. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Current income tax:				
Current income tax charge	172,003	120,135	1,892	2,564
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,827)	(3,797)	(252)	-
Income tax expense reported in profit or loss	167,176	116,338	1,640	2,564

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separated	
	2020	2019	2020	2019
Deferred tax on loss on change in value of available-for-sale investment	-	1,550	-	1,550
Deferred tax on gain from the change in value of financial assets measured at FVOCI	5,515	-	5,515	-
Deferred tax on actuarial losses	137	2,755	-	-
	5,652	4,305	5,515	1,550

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accounting profit before tax	869,171	623,568	627,309	545,107
Applicable tax rate	15% and 20%	15% and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	173,933	124,680	125,462	109,021
Temporary differences and unused tax losses which deferred tax assets have not been recognised	828	(9)	-	240
Tax losses used in the current year	-	(1,673)	-	(1,673)
Effects of:				
Exempt dividend income	(1,400)	(600)	(123,800)	(105,000)
Non-deductible expenses	2,281	2,450	-	1
Additional expense deductions allowed	(8,466)	(8,510)	(22)	(26)
Income tax expense reported in profit or loss	167,176	116,338	1,640	2,563

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful debts accounts)	703	296	253	-
Provision for long-term employee benefits	20,495	18,200	-	-
Unrealised fair value losses on investment	7,065	1,550	7,065	1,550
Provision for the cancellation of insurance policy	2,159	2,124	-	-
Leases	2,227	-	-	-
Total	32,649	22,170	7,318	1,550

As at 31 December 2020, the Group has temporary differences and unused tax losses amounting to Baht 2.1 million (The Company only: Baht 1.2 million) (2019: Baht 1.2 million (The Company only: Baht 1.2 million)).

As at 31 December 2020, the total amount of temporary differences associated with investments in subsidiaries for which deferred tax liability has not been recognised, is Baht 0.8 million (2019: Baht 0.7 million).

30. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit attributable to equity holders of the Company (Thousand Baht)	701,995	507,230	625,669	542,544
Weighted average number of ordinary shares (Thousand shares)	300,000	300,000	300,000	300,000
Earnings per share (Baht/share)	2.34	1.69	2.09	1.81

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- Non-life insurance broker
- Life insurance broker
- Consulting service for computer business

No operating segments have been aggregated to form the above reporting segments.

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

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Thousand Baht)

For the year ended 31 December 2020	Non-life insurance broker	Life insurance broker	Consulting service for computer business	Others	Total segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	3,008,327	83,790	138	1,278	3,093,531	-	3,093,531
Inter-segment revenue	2,400	-	60,993	-	62,393	(62,393)	-
Dividend income	-	-	-	618,999	618,999	(611,999)	7,000
Interest revenue	16,382	304	52	18,805	35,546	-	35,546
Depreciation and amortisation	141,044	3,286	2,817	159	147,306	-	147,306
Income tax expense (income)	163,831	(51)	1,756	1,840	167,176	-	167,176
Segment profit (loss)	684,937	(3,814)	7,081	625,663	1,313,867	(611,671)	701,996
Segment total assets	3,354,092	98,571	30,193	2,265,732	5,748,588	(794,676)	4,953,912
Addition to non-current assets other than financial instruments and deferred tax assets	55,422	6,357	128	-	61,908	-	61,908
Segment total liabilities	2,804,760	44,973	22,443	1,328	2,873,504	(319,240)	2,554,264

(Unit: Thousand Baht)

For the year ended 31 December 2019	Non-life insurance broker	Life insurance broker	Consulting service for computer business	Others	Total segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	2,645,326	77,297	120	12,712	2,735,455	-	2,735,455
Inter-segment revenue	2,909	-	54,164	-	57,073	(57,073)	-
Dividend income	-	-	-	526,500	526,500	(522,000)	4,500
Interest revenue	24,742	769	98	18,264	43,873	-	43,873
Depreciation and amortisation	41,675	95	363	151	42,284	-	42,284
Income tax expense	112,544	987	244	2,563	116,338	-	116,338
Segment profit	480,680	3,872	891	543,217	1,028,660	(521,429)	507,231
Segment total assets	2,627,341	122,209	20,869	1,487,534	4,257,953	(995)	4,256,958
Addition to non-current assets other than financial instruments and deferred tax assets	31,688	3,348	523	40	35,579	-	35,579
Segment total liabilities	1,836,947	59,573	8,878	2,310	1,907,708	(1,011)	1,906,697

Geographic information

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

Major customers

For the year 2020, the Group has revenue from major customers in amount of Baht 2,005 million derived from 4 major customers (2019: 3 major customers in amount of Baht 1,568 million), arising from revenue by the non-life insurance broker segment.

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Group and employees contribute to the fund monthly at the rate of 3 - 5 percent of basic salary. The fund, which is managed by BBL Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 19.9 million (2019: Baht 18.6 million).

33. Dividends

Dividends	Approved by	Total dividend paid (Thousand Baht)	Dividend per share (Baht per share)
Dividends from operating result for the year 2019	Annual General Meeting of shareholders on 29 April 2020	330,000	1.10
Interim dividends from operating result since 1 January 2020 to 30 June 2020	Board of Directors' meeting on 10 August 2020	300,000	1.00
Total dividends for the year 2020		630,000	
Dividends from operating result for the year 2018	Annual General Meeting of shareholders on 25 April 2019	90,000	0.30
Interim dividends from operating result since 1 January 2019 to 30 June 2019	Board of Directors' meeting on 13 August 2019	195,000	0.65
Total dividends for the year 2019		285,000	

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2020 and 2019, the Group has capital commitments as follow:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Related party</u>				
Designing the platform and website for				
life insurance	9.0	15.0	-	-
Designing and developing TQM 24				
application	1.2	-	-	-
<u>Unrelated parties</u>				
The project of system and data				
development	-	0.5	-	-
Designing and developing website for				
inquiring insurance premium and				
insurance administration	0.7	1.4	-	-
Designing and developing ERP system	1.7	-	-	-

34.2 Operating lease commitments

The subsidiaries have entered into several lease agreements in respect of land, office building, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

As at 31 December 2019, the subsidiaries have future minimum lease payments required under operating lease agreements were as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Payment		
Within 1 year	45	-
In over 1 and up to 5 years	14	-

For the year 2019, the subsidiaries recognised rental expenses of Baht 61 million.

As at 1 January 2020, the subsidiaries recognised right-of-use assets as presented in Note 4. During the year 2020, the subsidiaries have rental payment under lease liabilities amounting to Baht 62 million.

34.3 Buildings service agreements commitments

The subsidiaries have entered into buildings service agreements with a related party. Under these agreements, the subsidiaries are committed to pay monthly service fee on the basis as specified in the agreements. During the year 2019, the subsidiaries recognised the service fee under these agreements as expenses amounting to Baht 37 million.

As at 1 January 2020, the subsidiaries recognised right-of-use assets as presented in Note 4. During the year 2020, the subsidiaries have service payment under lease liabilities amounting to Baht 37 million.

34.4 License and service commitments

As at 31 December 2020, a subsidiary has commitments relating to license and marketing service for Marketing Cloud with overseas companies. Future minimum payments under these agreements are USD 0.7 million (2019: Nil).

As at 31 December 2020, the subsidiary has commitment relating to ERP system license. Under the condition of agreement, the subsidiary is committed to pay license fee annually as specific in the agreement, future minimum payment amounting to Baht 2.3 million (2019: Nil).

34.5 Other service agreements commitments

As at 31 December 2020, the subsidiaries have entered into service agreements, future minimum payments under these service agreements expected totaled approximately Baht 6.6 million (the Company only: Baht 0.7 million) (2019: Baht 7.8 million (the Company only: Nil)).

34.6 Consulting agreement commitments

As at 31 December 2020, the Group has entered into consulting agreements. Under these agreements, the Group are committed to pay monthly consulting fee as specified in the agreements, future minimum payments expected totaled approximately Baht 8.7 million (2019: Nil).

34.7 Big client data agreement commitment

As at 31 December 2020, the subsidiary has commitment relating to monthly service fee for client-related big data development in accordance with the agreement with a related party in Thailand as described in Note 7. The future payments expected totaled approximately Baht 10.2 million (2019: Nil).

34.8 Guarantees

As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 17.8 million (2019: Baht 9.0 million) issued by banks on behalf of the subsidiaries in respect of certain performance bonds as required in the ordinary course of business.

35. Litigations

As at 31 December 2020 and 2019, the subsidiary was sued by an ordinary person as a co-defendant with respect to civil cases that the subsidiary had joint liability for damages for a failure to comply with insurance agency agreements. The amount in dispute under these cases totaled Baht 5.5 million. These cases are currently under consideration of the Court of First Instance. The subsidiary is conducting a negotiation with the plaintiff.

The management of the subsidiary believes that there will be no material effects arising from the above case. The subsidiary therefore did not set aside a provision for liability arising from legal cases in the financial statements. However, the subsidiary has insured the liability with an insurance company and has claimed compensation from the insurance company.

36. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets that were measured of fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVPL				
Unit trusts	-	0.2	-	0.2
Financial assets measured at FVOCI				
Common shares	249.1	-	-	249.1
Preferred shares	-	-	10.0	10.0
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Government bonds	-	54.1	-	54.1
Debentures	-	414.3	-	414.3
Subordinated debentures	-	41.0	-	41.0

(Unit: Million Baht)

Separate financial statements

2020

Assets measured at fair value

Financial assets measured at FVOCI

Common shares

Level 1	Level 2	Level 3	Total
249.1	-	-	249.1

Assets for which fair value are disclosed

Financial assets measured at amortised cost

Debentures

-	250.8	-	250.8
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Subordinated debentures

-	20.5	-	20.5
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(Unit: Million Baht)

Consolidated financial statements

2019

Assets measured at fair values

Investments in trading securities

Unit trusts

-	270.2	-	270.2
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Investments in available-for-sale securities

Equity securities

147.0	-	-	147.0
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Assets for which fair value are disclosed

Current investments

Debt securities - maturity within 1 year

-	4.0	-	4.0
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Long-term investments

Held-to-maturity debt securities

-	477.3	-	477.3
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(Unit: Million Baht)

Separated financial statements

2019

Assets measured at fair values

Investments in trading securities

Unit trusts

-	260.1	-	260.1
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Investments in available-for-sale securities

Equity securities

147.0	-	-	147.0
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Assets for which fair value are disclosed

Long-term investments

Held-to-maturity debt securities

-	275.7	-	275.7
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37.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, deposit at bank with restrictions, accrued service income and other receivables, dividend receivables, other current financial assets, deposit at bank - pledge as collateral, long-term loan to related party, other non-current financial assets, insurance premium payables and other payables and insurance premium received in advance. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to cash and cash equivalents, deposits at bank with restrictions, accrued service income and other receivables, other current financial assets, deposit at bank - pledge as collateral, long-term loan to related party and other non-current financial assets. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Group has no significant exposure to foreign currency risk because its financial transactions are in Baht currency.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash and cash equivalents, deposits at bank with restrictions, long-term loan to related party and financial assets. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
2020							
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate	(% per annum)
Within 1 year	1 - 5 years	Over 5 years					
Financial assets							
Cash and cash equivalents	-	-	-	1,094	13	1,107	Note 8
Deposits at banks with restrictions	250	-	-	810	-	1,060	0.05 - 1.65
Accrued service income and other receivables	2	-	-	-	713	715	Note 10
Other current financial assets	539	-	-	-	-	539	Note 11
Long-term loan to related party	6	3	-	-	-	9	Note 7
Bank deposits - pledge as collateral	2	-	-	-	-	2	0.13 - 0.25
Other non-current financial assets	-	364	90	-	282	736	Note 18
Financial liabilities							
Insurance premium and other payables	-	-	-	-	1,258	1,258	-
Insurance premium received in advance	-	-	-	-	481	481	-

(Unit: Million Baht)

Consolidated financial statements							
2019							
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	
Within 1 year	1 - 5 years	Over 5 years					
Financial assets							
Cash and cash equivalents	-	-	-	951	8	959	Note 8
Deposits at banks with restrictions	406	-	-	518	-	924	0.10 - 1.95
Current investments	604	-	-	-	270	874	Note 11
Accrued service income and other receivables	2	-	-	-	670	672	Note 10
Long-term loan to related party	6	10	-	-	-	16	Note 7
Bank deposits - pledge as collateral	2	-	-	1	-	3	0.38
Long-term investments	-	290	171	-	147	608	Note 18
Other non-current assets	-	-	-	-	31	31	-
Financial liabilities							
Insurance premium and other payables	-	-	-	-	1,303	1,303	-
Insurance premium received in advance	-	-	-	-	443	443	-

(Unit: Million Baht)

Separate financial statements											
2020											
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)					
Within 1 year	1-5 years	Over 5 years									
Financial assets											
Cash and cash equivalents	-	-	-	442	1	443	Note 8				
Accrued service income and other receivables	-	-	-	-	4	4	-				
Dividend receivables	-	-	-	-	318	318	-				
Other current financial assets	500	-	-	-	-	500	Note 11				
Other non-current financial assets	-	242	20	-	249	512	Note 18				

(Unit: Million Baht)

Separate financial statements											
2019											
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)					
Within 1 year	1-5 years	Over 5 years									
Financial assets											
Cash and cash equivalents	-	-	-	209	-	209	Note 8				
Current investments	600	-	-	-	260	860	Note 11				
Accrued service income and other receivables	-	-	-	-	4	4	-				
Dividend receivables	-	-	-	-	330	330	-				
Long-term investments	-	165	100	-	147	412	Note 18				

Liquidity risk

The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements				
	Less than 1 year	1 to 5 years	Over 5 years	Total
Financial liabilities				
Insurance premium and other payables	1,258,149	-	-	1,258,149
Insurance premium received in advance	481,243	-	-	481,243
Lease liabilities	100,109	359,209	139,194	598,512
Total financial liabilities	1,839,501	359,209	139,194	2,337,904

(Unit: Thousand Baht)

	Separated financial statements			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
Financial liabilities				
Other payables	941	-	-	941
Total financial liabilities	941	-	-	941

37.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position, except investments which fair value are as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	2020		2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Other current financial assets				
Investments in debt instruments measure at fair value through profit or loss	0.2	0.2	270.2	270.2
Investments in debt instruments designated at amortised cost - maturity within 1 year	38.0	38.3	4.0	4.0
Other non-current financial assets				
Investments in debt instruments designated at amortised cost	454.5	471.1	460.5	477.3
Investments in equity at fair value through comprehensive income				
Common shares	249.1	249.1	147.0	147.0
Preferred shares	10.0	10.0	-	-

(Unit: Million Baht)				
	Separate financial statements			
	2020		2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Other current financial assets				
Investments in debt instruments measure at fair value through profit or loss	-	-	260.1	260.1
Other non-current financial assets				
Investments in debt instruments at amortised cost	263.0	271.3	265.0	275.7
Investments in equity at fair value through comprehensive income				
Common shares	249.1	249.1	147.0	147.0

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

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, deposits at banks with restrictions, accrued service income and other receivables, dividend receivables, insurance premium payables and other payables and insurance premium received in advance, their carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debts securities is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association.
- The fair value of equity securities is generally derived from quoted market prices, or base on generally accepted pricing models when on market price is available.
- The fair value of unit trusts is determined by using the net asset value announced by asset management company.
- Long-term loan to related party their carrying amounts in the statement of financial position approximates their fair value.

During the current year, there were no transfers within the fair value hierarchy.

38. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 1.064:1 (2019: 0.811:1) and the Company's was 0.001:1 (2019: 0.001:1).

39. Events after the reporting period

- 1) On 9 February 2021, the Company subscribed for shares additionally issued via Initial Public Offering (IPO) as allocated by TQR Public Company Limited, which is a related party and engaged in re-insurance brokerage business, of 190,000 shares with a par value of Baht 0.50 each, at a price of Baht 5.10 each, or a total Baht 969,000. The share subscription has been approved by a resolution passed the Board of Directors meeting on 23 December 2020.
- 2) On 22 February 2021, the Board of Directors passed a resolution as follow:
 - Approved a dividend payment from operating results from 1 January 2020 to 31 December 2020 at Baht 1.15 per share, or a total of Baht 345 million. The list of shareholders who are entitled to receive dividend will be determined on 10 March 2021, and the dividend will be paid on 14 May 2021, to present to the Annual General Meeting of Shareholders.
 - Acknowledged the name change of TQLD Company Limited, an associate company, to TQD Company Limited. Currently the change of name is in the process of registering with the Ministry of Commerce.
 - Acknowledged the investment of the subsidiary to register the establishment of Easy Lending Company Limited with the Ministry of Commerce. This company is principally engaged in personal loan service, with registered share capital of Baht 50 million (500,000 ordinary shares with a par value of Baht 100 each), in which the subsidiary invested in 499,997 shares of Baht 100 each, totaling Baht 50 million, representing 99.99% shareholding. Currently, such company is in the process of applying for a personal loan license under supervision of the Bank of Thailand.

On 15 February 2021, the Group restructured its organisation by allowing the subsidiary to sell ordinary shares in Easy Lending Company Limited of Baht 100 each, totaling Baht 50 million, to the Company. The Company settled share payment and registered the change in shareholders with the Ministry of Commerce on 19 February 2021.

- Acknowledged the investment of the subsidiary to register the establishment of the Surekrub.com Company Limited, which is principally engaged in non-life insurance brokerage business, with registered share capital of Baht 10 million (1,000,000 ordinary shares with a par value of Baht 100 each). The subsidiary invested 599,997 shares of Baht 10 each, totaling Baht 6 million, representing 60% shareholding in this company. Surekrub.com Company Limited is currently in the process of registering its establishment with the Ministry of Commerce.

40. Reclassification

The Group classified some items in the financial statement for the year 2019 to consistent with the classifications of the current year as follow:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	For the year ended 31 December 2019	
	As reclassified	As previously reported
Service costs and expenses	1,457,699	1,413,892
Administrative expense	701,915	745,722

The reclassifications had no effect to previously reported profit or shareholders' equity.

41. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2021.

TQM never Stops to do the best
for you.





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