

ANNUAL REPORT

AS OF 31 DECEMBER, 2017

THAIVIVAT INSURANCE PUBLIC CO., LTD.

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Part 1

Business Operation

1. Policy and Business Overview

Thaivivat Insurance Public Co., Ltd. has operated general insurance business for more than 65 years serving Thai society by offering variety of insurance products along with quality services on the basis of transparent management, having good governance, and strengthen financial status. In 2017, the company won Thailand ICT Excellence Awards 2017 in Innovation Projects from the Ministry for Digital Economy and Society. It was the success of adaptation of insurance industry to the digital age. From new innovation “Pay-Per-Use Motor Insurance” insurance premium is based on the actual driving, choose open-close insurance through smartphone application. The company also got the award for business ethics and good governance from the Thai Chamber of Commerce in honor of the Thai Chamber of Commerce in 2017.

Our company focuses on being a stable insurance company for Thai people. We have an asset management as sufficiently reserve money both for the debt and insurance contract obligation including Risked-Based Capital Maintenance according to the law. Therefore, we have a strong financial status for serving people. Moreover, we choose the risk management efficiently by focusing on quality underwriting together with competitive strategic adjustment by finding new marketing channels through the counter services or online. Simultaneously, we consider the people requirements by developing good insurance products and services. Besides the transparent management with corporate governance principle, our company also has participated in the Social Benefit Projects without expecting any profit such as, Micro-Insurance Project which is focused on giving insurance services with easy-to-access price for people and Rice Insurance Project with the government since 2011 which has been created income stability for farmers.

There are 3 things of the company goal in operation: 1) Develop the company to have a strong financial status and management with good governance. 2) Develop valuable products to reduce risk and to alleviate properly people loss or damage. And 3) Develop standard service and create satisfaction fairly to our customers and partners. The company is ready to be the consultant of all insurances for customers and population by having various guidelines in organization development continuously, human and intellectual capital development, innovation development and operational process improvement to be standard and effective.

2. Nature of Business

(1) Company background

- 8 October 1951 Registered to establish company with paid registered capital as Baht 10 Million in the name of Thaivivat Insurance Co., Ltd. with the purposes to operate non-life insurance business which primarily the company took only Fire Insurance and Marine Insurance. The head office was located at 2nd Floor B.L.Hua building, Wat Tuek Intersection, Bangkok with 9 company founders as following:-
1. Captain Somwang Sarasarn
 2. Mr. Wai Wongtrakul
 3. Mr. Siwa-aut Assawakiat
 4. Mr. Kasem Pangsrivong
 5. Mr. Ma Chunleng (Mr. Preeha Assawaintra)
 6. Mr. Changtang Sae Bae (Mr. Sermsak Assawatorn)
 7. Mr. Thong Assawarak
 8. Mr. Tingkiang Sae Bae (Mr. Yon Assawathanakul)
 9. Mr. B L Hua or Mr. Luehua Sae Bang
- 1973 To get the licensed Non-Life Insurance No.8/2516 issued by Insurance Office, Ministry of Commerce.
- 1974 To expand business of Motor Insurance and moved the head office from B.L.Hua Building to Tinnakorn Building Suriyawong Road Bangkok.
- 1975 To Open the Miscellaneous Insurance Department and provided for professional to be in charge of the operation. Meanwhile, the company expanded the business of various investments.
- 1980 For the rapid expansion, the company brought the computer system to be used in the organization for developing Information Technology System which was the crucial factor of management work in the present and expanded the Service Center to many provinces surrounded Bangkok for customers convenience such as Chonburi, Ratchburi, Saraburi and Nakornratchasima provinces.

- | | |
|------|---|
| 1984 | To Lease the radio broadcast frequency from CAT Telecom to take the modern technology for efficiency use of communication between Claim Staff and the company for a better facility to the insured. It was the first company to take this modern technology for the insurance work. |
| 1989 | From applying the new technology for our service, it made the company be chosen to receive the HI-TECH AWARD service. |
| 2008 | To take the new technology for Emergency Help Services on car accident 24 hours with Mobile Tracking System. |
| 2009 | To provide Helicopter services to evacuate emergency patient by air. |
| 2013 | Receiving the award of the insurance company with the excellent management in 2012 granted by OIC |
| 2015 | Receiving the award of the insurance company with the excellent development in 2014 granted by OIC |
| 2017 | Receiving the award of the Thailand ICT Excellence Awards 2017 in Innovation Projects |
| 2017 | Receiving the award for the business ethics and good governance from the Thai Chamber of Commerce |

(2) Business Operation

Non-Life Insurance business operation of Company can be divided as following

1. Motor Insurance

- 1.1. Compulsory Insurance according to the Protection for Motor Vehicle Victims Act 1992
- 1.2 Voluntary Insurance Class 1
- 1.3 Voluntary Insurance Class 2
- 1.4 Voluntary Insurance Class 3
- 1.5 Voluntary Insurance Class 4
- 1.6 Voluntary Insurance Class 5

2. Fire Insurance

3. Marine Insurance

3.1 Cargo Insurance

4. Miscellaneous Insurance

4.1 Personal Accident Insurance

4.2 Travel Accident Insurance

4.3 Health Income Compensation Insurance

4.4 Critical Illness Insurance

4.5 Contractor All risks Insurance

4.6 Contractor Plant and Machinery Insurance

4.7 Boiler Explosion Insurance

4.8 Public Liability Insurance

4.9 Golfer Indemnity Insurance

4.10 Neon Sign Insurance

4.11 Burglary Insurance

4.12 All Risks Insurance

4.13 Health Insurance

4.14 Global Travel Accidental and Health Insurance

1. Reinsurance is the important basic of insurance to help risk diversification by making reinsurance treaty with the reinsurance company. At the same time, we receive the reinsurance from other company as the risk diversification.

Important changes of company

Oct. 1951	Registered capital Baht 10,000,000 common shares, value per share is Baht 1,000.00
Jan. 1981	Increased registered capital to Baht 20,000,000 common shares, value per share is Baht 100.00
Nov. 1987	Increased registered capital to Baht 30,000,000 common shares, value per share is Baht 100.00
Jul. 1992	Opened head office at Dindaeng area, the 11-storey high building with usage area 5,596 square meters and parking area 3,320 square meters

Oct. 1992	Increased registered capital to Baht 60,000,000 common shares, value per share is Baht 10.00
Nov. 1993	Registered as public company and traded in the securities exchange of Thailand.
Jul. 1994	Increased registered capital to Baht 101,000,000 common shares, value per share is Baht 10.00
Jul. 1999	Increased registered capital to 126,250,000 Baht common shares, value per share is 10.00 Baht. The English company name was changed from Pacific Insurance Public Co., Ltd. to be Thaivivat Insurance Public Co., Ltd.
Sep. 2003	Converted share value from Baht 10.00 to Baht 1.00
Apr. 2005	Increased registered capital to Baht 151,500,000 common shares, value per share is Baht 1.00
May 2015	Increased registered capital to Baht 303,000,000 common shares, value per share is Baht 1.00

(3) Revenue structure

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

Past 3 years of company's income

(Unit: Million Baht)

	Separate Financial Statement						Consolidated Financial Statement	
	2015	%	2016	%	2017	%	2017	%
Underwriting income	2,527.88	96.2	2,705.36	95.0	2,737.29	95.0	2,737.64	96.5
Investment income	85.44	3.3	121.22	4.3	90.60	3.2	92.73	3.3
Other income	13.72	0.5	20.56	0.7	6.32	0.2	6.30	0.2
Total income	2,627.04	100.0	2,847.14	100.0	2,834.21	100.0	2,836.67	100.0

Business operation of each product line

(1) Product or service characteristics

There are 4 main services of company as follows:

1. Motor insurance
 - 1.1. Compulsory insurance
 - 1.2. Voluntary insurance is divided into 5 types such as class 1, class 2, class 3, class 4, and class 5 with different coverage.
1. Fire insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from fire or lightning or gas explosion of household consumption and has coverage extension to water damage, explosion, riot, strike, hail, flood, earthquake, windstorm, and aircraft etc.
2. Marine and transportation insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from transportation.
3. Miscellaneous insurance includes several kinds of insurance such as personal accident insurance, travel accident insurance, health insurance, compensation indemnity insurance, critical illness insurance, contractor all risks insurance, burglary insurance, health insurance, global travel insurance etc.

(2) Marketing and competitive situation

A. Policy, important product characteristic and service

Competitive strategy to have rapid and convenient services as well as to create impression to the insured, advertise, use modern communication technology and provide staff training all time.

Advantage

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

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

Disadvantage

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

Target customers

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

B. Competitive situation

In 2017, total non-life insurance premiums are 221,000 million Baht, growing 4.3% from 2016. Due to the first car project in 2011-2012 which is being expired and prohibited from trading under the project conditions from the end of 2016 resulting the demand for new cars in 2017-2019 that leads to fierce competition for market share expansion including premium competition or high commission to encourage agents and brokers to sell more insurance and maintain old policy coverage ratio not less than 70% of motor and property insurances which has been accepted by leading reinsurers. The company emphasizes innovation leadership, digital strategy adaptation and taking technology to develop new products for both corporate and retail customers. We sell through various distribution channels to reach the most targeted customers such as agents, brokers, banks (Banc assurance), financial institutions, telemarketing, convenience stores, online channel and claim services improvement via Smartphone applications.

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

No.	Class of Business		Year	Direct Premium (Unit : Million Baht)			
				2014	2015	2016	2017
			Sub Class				
1	Motor	1.1	Voluntary	102,515	104,111	105,508	110,160
		1.2	Compulsory	15,388	16,294	16,679	15,958
			Total	117,903	120,405	122,187	126,118
2	Fire	2	Fire	11,058	10,484	10,233	9,850
3	Misc.	3	Misc.	70,991	72,970	74,124	77,110
4	Marine	4	Marine	5,293	5,338	5,267	5,356
5	Grand Total			203,077	205,247	211,813	218,434

(3) Products or services

A. Sources of fund

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

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

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

The company has maintained the fund of operating non-life insurance not less than Baht 30 million by considering the ratio of fund sufficiency. It calculates the company fund divided by the maintained fund not less than 140%. As of December 31, 2017, the company has the fund as accounting Bah 1,170,959,239.23 t and there was a level a level of capital adequacy as CAR Ratio 331.14%

C. Liquidity

Liquidity management for insurance premium of the company to the suitable loss ratio, in the year 2017 the loss ratio is 62.28% increasing 5.13% from 2016.

3. Risk factors

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

1. Strategic Risk

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

The company has set up strategies by taking into account of major risks that might affect company performance such as risk from economic fluctuation and regulation changes. In addition, company has periodically reviewed, analyzed and adjusted strategies to match with the current situation.

The company has managed people risk by arranging training program for the staffs periodically and setting up recruitment plan that is in line with company expansion plan. In addition, internal control process is implemented to ensure the transparent operation.

2. Operational Risk

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

- People Risk such as lack of knowledge, skill, experience and responsibility; carelessness; insufficient staffs that cause human error, fraud of staff including fraud claim from customer or partner such as garage, hospital, etc.
- Process Risk such as deficient working system, weak internal operation process, structure organization of inter-control unit, responsibility division in approved person and paid, specification of approval limit. To mitigate the process risk, the company has reviewed its operating process and working manual continuously in order to make the operating process become more effective.

- Technology Risk such as inefficient computer system; incorrect, delay and pirated data.
The company invests in up to date hardware and software, sets to have security process, limits to information access for only authorized or approved person.

3. Liquidity Risk

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

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

4. Insurance Risk

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

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

5. Market Risk

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

- To build the stable investment return in the long term higher than the inflation rate.
- The investment policy of company in asset allocation is the investment mix for diversification by giving the weight of investment of criteria as the Office of Insurance Commission that focuses on safety and careful investment. The company divides investment to different asset classes by considering the investor situation to accept risk on and risk off including decision to choose the asset diversification into low risk such as government bond, debenture, equity of the high stability company to have regular income and profit, not much fluctuation, liquidity and high dividend that help create a high level returns.

- The ways of investment management, to adjust investment plan to be consistent and timely in the worldwide equity market situation that has more connection. The upside inflation and interest trend in market fluctuation increase returns more than the market. To make more active management, adjust investment portfolio to the tactical asset allocation between asset and security selection in order to support changing of financial economy trend not more than 1 year or to have the event risk and adjust to the dynamic asset allocation 1-3 year in order to cope with the economic cycle change such as in the economic recovery period and no inflation problem that increase portfolio in equity investment.

6. Credit Risk

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

4. Business Assets

(1) Main fixed assets used in business operation : Thaivivat Insurance Pcl.

Asset Type	Ownership	Value (Million Baht)	Obligation
1. Head Office Building - 11 stories building with 5,500 sq.m. usage area located at 71 Dindaeng Road, Samsannai Phayathai Bangkok	Owner	154,441,604.73	-
- 4 stories building with 1,215 sqm. usage area located at 1 Dindaeng Road, Dusit Bangkok	Owner	30,560,357.00	-
2. Branch Office especially for indemnity claim service - Nakhon Ratchasima branch 1528 Issarapab Road, Thambon Nai Muang, Amphoe Muang, Nakhon Ratchasima	Owner	1,008,441.00	-
- Chon Buri branch 136/88-9 Moo 9 Sukhumvit Road, Thambon Bansuan, Amphoe Muang, Chon Buri	Owner	2,884,427.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
- Sara Buri branch 175/30-33 Moo 8 Phahon Yothin Road, Thambon Hua Sai, Amphoe Nong Kae, Sara Buri	Owner	9,415,803.01	-
- Lam Pang-Chiang Mai branch 152/1 Moo 11 Lam Pang-Chiang Mai Road, Thanbon Umong, Amphoe Muang Lam Phun, Lam Phun	Owner	8,548,953.25	-
- Pattaya branch title deed no. 151138 land no. 661 21 Sq.Wah area and commercial building 392/91 Moo 6 Thambon Na Kaer, Amphoe Bang Lamung, Chon Buri	Owner	5,850,000.00	-
- Ubon Ratchathani branch title deed no. 68108 land no. 3 29.2 Sq.Wah, Thambon Jar Ramae, Amphoe Muang Ubon Ratchathani, Ubon Ratchanthani	Owner	4,036,644.00	-
- Ratchaburi title deed no. 83237 54.2 Sq.Wah area and commercial building no. 73/5 Petchakasem Road, Thambon Na Muang, Amphoe Muang Ratchaburi, Ratchaburi	Owner	5,500,000.00	-
- Hua Hin branch title deed no. 26808 28.4 Sq.Wah area and commercial building no. 57/1 Petchakasem Road (TL.4), Thambon Hua Hin, Amphoe Hua Hin, Prachuap Khiri Khan	Owner	4,500,000.00	-
- Udonthani branch, title deed no. 19003 31.3 Sq.Wah area and commercial building no. 200/223 Muang Udon Thani triangle Road, Thanbon Sam Phrao, Amphoe Muang, Udonthani	Owner	5,500,000.00	-
- Sara Buri 2 branch title deed no. 15525 20 Sq. Wah area and commercial building no. 67/10 Mittraphab Road, Thambon Pak Pure, Amphoe Muang, Sara Buri and title deed no. 188860-188862 30 Sq.Wah Area	Owner	1,500,000.00	-
- Pitsanulok Branch Title Deed no. 178018 24 Sq.Wah area and Commercial Building no. 206/3 Sriharajdechochai Road, Tambon Naimuang, Amphoe Muangpitsanulok, Pitsanulok	Owner	5,900,000.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
-Mahasarakam Branch Title Deed no. 89533 51 Sq. Wah area and Commercial Building No. 290-290/1 Muangmahasarakam, Mahasarakam	Owner	7,500,000.00	-
-Surin Branch Title Deed no. 175968 23 Sq.Wah area and Commercial Building no.10, Moo 2,Liengmuangsurin Road, Tambon Nokmuang, Amphoe Muangsurin, Surin	Owner	4,400,000.00	-
-Tak Branch Title Deed no. 54628 20.6 Sq.Wah area and Commercial Building no.154/10, Phahonyothin Road, Tambon Mai Garm, Amphoe Muang, Tak	Owner	4,000,000.00	-
-Phuket Branch Title Deed no.106900 19.4 Sq.Wah area and Commercial Building no.92/31, Thepkasattre Road, Tambon Kokkaew, Amphoe Muang, Phuket	Owner	6,700,000.00	-
-Nakornsawan Branch Title Deed no.114113 23.8 Sq.Wah area and Commercial Building no. 132/10, Moo 10, Tambon Nongkrot, Amphoe Muangnakornsawan, Nakornsawan	Owner	4,500,000.00	-
-Khongon Branch Title Deed no.280233 20 Sg.Wah area, address no. 92/106 Moo 14, Mitrapap, Tambon Naimuang, Amphoe Muangkhongan, Khongan, Khongan Province	Owner	8,800,000.00	-
- Chantraburi Branch Title Deed no.68769 26.2 Sg. Wah area, address no. 90/7 Moo 11 Sukhumvit Road, Tambon Pluppa, Amphoe Muang, Chantraburi Province	Owner	4,390,000.00	-
- Chiangrai Branch Title Deed no.132167 448 Sq. Wah area, address no.478/9 Moo5 Phaholyothin Road, Tambon Rimko, Amphoe Muang Chiangrai, Chiangrai Province	Owner	7,340,000.00	-
-Suratthani Branch Title Deed no.107136 18.3 Sq. Wah area, address no.118/38 Moo 1 Surat-Kongbin 7 Road, Tambon Watpradoo, Amphoe Muang-Suratthani, Suratthani Province	Owner	5,500,000.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
-Nakornsrihammarat Branch Title Deed no.157993 20.8 Sq. Wah area, address no.43/8 Pattanakarnkookwang, Tanbon Naimuang, Amphoe Muang, Nakornsrihammarat Province	Owner	6,500,000.00	-
-Hadyai Branch Title Deed no.31.3 Sq. Wah area, address no.84/47 Lopburiramesuan, Tambon Klonghae, Amphoe Hatyai, Songkla Province	Ownerr	6,500,000.00	
-Maesod Branch Title Deed no.60204 33.90 Sq. Wah area, address no.81/14 Saiasia Rd., Tumbon Maesod, Amphoe Maesod, Tak Province	Owner	6,000,000.00	-
-Kanchanaburi Branch Title Deed no.30825 21.30 Sq. Wah area, address no.65/35 Moo 9, Liengmuang Rd., Tumbon Pakprak, Amphoe Muang Kanchanaburi, Kanchanaburi Province	Owner	4,800,000.00	-
-Kampangpetch Branch Title Deed no.70135 29.08 Sq. Wah area, address no. 781/7 Ratchadamneon1, Tambonnaimuang, Amphue Kampangpetch, Kampangpetch Province	Owner	5,500,000	-
3. A place for spare part keeping and car junk business - Commercial building no. 224/3-4 Thambon Bang Khlo, Yannawa district, Sathu Pradit, Bangkok	Owner	15,601,734.00	-
- Commercial building no. 58/12-13 Prathum Thani-Lat Lum Kaew Road, Thambon Ban Chang, Amphoe Muang Prathum Thani, Prathum Thani	Owner	5,000,000.00	-
- Land at Prakanong title deed no. 7347 371 Sq. Wah area located at Thambon Khong Ton, Prakhanong district, Bangkok	Owner	28,082,653.00	-
- Building no. 67/9 Mittraphab Road, Thambon Pak Pure, Amphoe Muang, Sara Buri	Owner	541,077.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
4. A place for recreation location of employee			
- Metro Jomthien condominium suite no. 420 Moo 12, Jomthien Beach Road, Thambon Nong Preur, Amphoe Bang Lamung, Chon Buri	Owner	5,053,004.00	-
- Residence house Samut Prakan no. 605/18-19 Moo 2, Thambon Bang Phu Mai, Samut Prakan	Owner	3,000,000.00	-
- Bang Kapi condominium no. 142 Soi Lat Phrao, Thambon Klong Jun, Bang Kapi district, Bangkok	Owner	1,500,000.00	-
- Rayong villa 229/7-8 Moo 6 Rock Gargen Beach project, Sukhumvit-Aow Kai, Thambon Krum, Amphoe Klang, Rayong	Owner	3,200,000.00	-
- Commercial building no 108/6-7 Ratchada Pisek road, Soi Therd Thai 33, Bukkalo, Thon Buri, Bangkok 10600 and being use as a emergency backup office when 2010	Owner	7,000,000.00	-
- House at Kao Phra Nond Kilometer no. 18 Thanarat-Muaklek, Ban Kudkla road, Thambon Moosi, Amphoe Pak Chong, Nakhon Ratchasima	Owner	8,148,867.50	-
5. Decoration Accessories	Owner	39,165,597.18	-
6. Office Supply	Owner	78,839,152.08	-
7. Vehicle	Owner	79,085,139.47	-
Total		596,293,454.22	

Net Asset Value

(Unit : Baht)

	Consolidated Financial Statement	Separate Financial Statement
1. Net Asset Value	5,221,661,599.49	5,208,199,175.38
2. Net Asset Value deduct Assumed Liability	1,182,753,047.65	1,170,959,239.23
3. Net Asset Value Per Share	3.90	3.86
4. Number of share calculated by weight average (Shares)	303,000,000	303,000,000

(2) Investment in securities

Investment policy of company is in the Investment scope of the Office of Insurance commission

5. Legal Disputes

It is the legal disputes as non-life insurance business operation of company

6. General Information

6.1 Company details

Thaivivat Insurance Public Co., Ltd.

Main business : Non-Life Insurance business

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

Company registration : 0107536001427 (Former PCL. 216)

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

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

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

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

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

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

6.2 Investment in subsidiary

Laovivat Insurance Company Limited

Main business : Non-Life Insurance business

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

Company registration : 614147369900

Registered capital 16,000,000 kip

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

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

Part 2

Management and Corporate Governance

7. Securities and Shareholders Information

(1) Company Securities

Company has registered capital for 303 Million Baht, paid-up capital 303 Million Baht, divide into 303,000,000 common shares, value per share 1 Baht.

Increase / Decrease in the past 6 years period				
Month/Year	Paid Capital			
Capital Registered	Registered Capital	Increased Capital	After Increased Capital	Offer to...For...
Paid	(Million Baht)	(Million Baht)	(Million Baht)	
March 1992	30	30	60	To expand business by offering to the existing share holders 1 million shares and sell to the public 2 million shares
July 1994	60	41	101	To expand business by offering to existing share holders 4 million shares and sell to staff 100,000 shares
June 1999	101	25.25	126.25	To use for current cash and company fund to increase the insurance risk, to sell to the existing shareholders in the ratio 4:1
May 2005	126.25	25.25	151.50	To pay dividend as common share of company in the ratio 5 existing shares to 1 new share to the shareholders
May 2015	151.50	151.50	303	To pay dividend as common share of company in the ratio 1 existing shares to 1 new share to the shareholders

Company has the investment in securities as follows:

	Consolidated Financial Statement	Separate Financial Statement	
Trading securities	278,189,003.96	278,189,004.00	Baht
Available-for-sale investments	2,249,481,282.82	2,249,481,282.82	Baht
Held-to-maturity investments	503,135,353.90	453,319,353.90	Baht
Other investments	<u>3,720,650.00</u>	<u>3,720,650.00</u>	Baht
Total investment in securities	<u>3,034,526,290.68</u>	<u>2,984,710,290.68</u>	Baht

(2) Shareholders

Major shareholders 10 lists (Data as of 16 MARCH 2017)

Shareholders	Amount	Ratio (%)
1. Tungjaimun Co., Ltd.	69,570,840	22.96
2. M.A. International Co., Ltd.	68,384,280	22.57
3. Ms. Jiraporn Buranasombat	18,239,400	6.02
4. BARCLAY BANK PLC, SINGAPORE	15,096,000	4.98
5. Janephan Property Co., Ltd.	15,082,648	4.98
6. Ms. Janejira Asvatanakul	12,600,000	4.16
7. Mr. Thepphan Asvatanakul	12,600,000	4.16
8. Ms. Rojana Theravithayangkura	9,450,000	3.12
9. Mr. Jiraphant Asvatanakul	8,781,128	2.90
10. Mr. Jiraphat Asvatanakul	5,954,400	1.97

(3) Dividend Payment Policy

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

8. Management Structure

8.1 and 8.2 names of Board of Directors and Executive Board

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

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

The Company has set up a policy which prohibits the Company's directors, advisors, management, staffs or staffs having gained the knowledge of the Company's operating results either directly or indirectly, including relevant parties from selling-buying the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public. Under such policy, the directors, advisors, management and staffs from managerial level or above who buy or sell the Company's shares must

notify the Legal Department by the following day after which such buying-selling takes place to be further reported to the SEC or directly report to the SEC within three days following the acquisition or distribution of such shares. In addition, all securities holding of the Board of Directors, the management and the Auditors must always be reported to the Board of Directors' Meeting.

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

The Board of Directors Qualifications

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

- No. 1 There are not at least 7 members from the Board of Directors and more than half of total member need to have residence in the Kingdom of Thailand.
- No. 2 Let share holder meeting elect directors as the following rules and methods.
 - (1) One share holder has the vote equal to 1 share per 1 vote
 - (2) Each share holder must use all the vote having as (1) to elect 1 person or several persons to be Directors but the vote cannot be separate or distribute to each one.
 - (3) The person that gain the highest vote on descending order will be the one who was elected to be Directors equal to the amount of Director that should to have or should be elected at that time. In case of the second runner up has equal vote to the highest vote person has more than the Director amount that should have or should be elected at that time, Let the Chairman votes for the final decision.
- No. 3 In every annual Ordinary Meeting, 1/3 of the Directors need to be resigned. If the Directors number cannot be divided into 3 parts, the resigning member will try to be the closet to 1/3. Director that must be resigned in first year and second year after company registration has to draw lots which one will resign. For later years onward let the longest in charge Directors be the one to resign.

- No. 4 Besides from term-wise vacate, Director will vacate when
- (1) Decease
 - (2) Resign
 - (3) Disqualify or forbidding characteristic of the law
 - (4) Share holder meeting votes to vacate
 - (5) Convicted by the court to vacate
- No. 5 Any Director will resign from the position, need to submit the resignation to the company. The resignation effective by counting from the date that resignation reached the company.
- No. 6 In case of the there is a vacant Director position by other reasons, except from leaving by term, Board of Director elect a person which qualified by regulation of the law to become Director instead of the next Board of Directors meeting except the term of that Director left less than 2 months. The person who replaces that vacant position will be in the position just equal to the rest of term of that vacant position. The resolution of Board of Directors according to the first paragraph must combine with the vote not less than 3/4 of the rest of Directors.
- No. 7 Shareholders meeting may make a resolution for any of the Director to leave from the position before end of term with the vote not less than 3/4 of the share holders number which come to the meeting and has the voting right and has the total stock count not less than a half of all share holder stock number by the share holders come to the meeting and has the voting right.
- No. 8 Director can be or cannot be the share holders.
- No. 9 Let the Board of Directors elect the one person to become Chairman. In case of by the agreement of Board of Directors, they can elect one or many Vice Chairman. The Vice Chairman will have the responsibility according to the delegation of Chairman.
- No. 10 In the Board of Director meeting, the member should be more than half of all member. In case of Chairman cannot participate in the meeting or unable to be on duty, if there is Vice Chairman let the Vice Chairman become the Chairman. If there is no Vice Chairman or exist but cannot on duty, let the Directors those come to the meeting elect one to be Chairman in the meeting. The final decision of the meeting is on majority vote. One Director will have one vote except the one who has the conflict of interest will have no right to vote in that agenda. If the vote is equal let the Chairman in the meeting vote as a final decision.

- No. 11 For the Board of Director meeting call, let the Chairman or the designated Director submit the letter of meeting appointment not at least 7 days before the meeting date except in urgent case for the sake of the company. The meeting call will be in other ways and the date can be set earlier.
- No. 12 Directors need to practice on their duty according to the law, purposes, and regulation of the company including the share holders meeting regulation.
- No. 13 It is prohibit to Directors for operate business, be a partner, or be a share holder in other juristic persons with the same state and is a competitor with business of company excepted that was informed to the share holder meeting before a promoted resolution.
- No. 14 Directors must inform company without delay if there is a conflict of interest in the contract with the company or being share holder or hold debenture in more or less manner in the company or group of company.
- No. 15 Let the Board of Directors must set up a meeting once in every 3 months

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

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

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

Committee Meeting in 2017 has 6 meetings

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

Sub-Committees

1. The Audit Committee

The Audit Committee consists of three members and should hold meetings at least once every quarter.

Members of the Audit Committee are as follow:

- | | | |
|----|------------------------------|--------------------------|
| 1. | Dr. Phisit Setthawong | Audit Committee Chairman |
| 2. | Ms. Pilai Piamphongsarn | Audit Committee |
| 3. | Ms. Pranee Phasipol | Audit Committee |
| 4. | Mr. Krailoes Hanvivadhanakul | Secretary |

Authority, duty, and responsibility of Audit Committee

Audit committee has duty as delegated from Company Board of Director as following

- 1) Check up company to have the correct financial report and sufficient.
- 2) Check up company to have Internal Control System and Internal Audit System that proper and effective and consider independence of Internal Audit Unit
- 3) To review the Company's risk management system in accordance with the defined risk management framework to ensure system effectiveness which will enable the Company to achieve the determined objective both in terms of performance efficiency and effectiveness.
- 4) Check up the company to perform duty according to the law about Securities and Securities Exchange Market
- 5) Consider to promote a person that has independence for doing accounting audit duty of the company and propose the compensation of that person including participate in audit meeting without management party at least once a year.
- 6) Consider transactions that related or may conflict of interest, to be in law and regulation of Securities Exchange of Thailand in order to be confident that the transactions are reasonable and profit optimistic to the company.
- 7) To review corporate compliance with Anti-Corruption Policy and report to the Board of Directors.
- 8) Provide auditing report and Audit Committee activities by publish in the company annual report
- 9) The report need to be sign off by the Audit Committee Chairman and at least combined with the

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

Board of Directors establish Internal Audit unit being a unit inside company by having Director of Audit Department (Khun Krailoes Hanvivadhanakul) become the responsible person.

Education

MBA, University of Chicago, USA

Master of Economic, Thammasat University

Bachelor of Economic, Thammasat University

Work Experience during the Past 5 Years

2013-2017 Executive Vice President, Thaivivat Insurance Public Company Limited

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

Audit committee meeting has 6 meetings, all three directors attend all meetings.

2. Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of two Independent Directors and two Executive Directors, each of whom shall hold an office term three years. Nomination and Remuneration

Committee has a meeting at least once a year. Members of the Nomination and Remuneration Committee are as follow:

- | | |
|-----------------------------|--|
| 1. Mr. Phisit Setthawong | Independent Director and Nomination and Remuneration
Committee Chairman |
| 2. Mrs. Pilai Piumpongsarn | Independent Director and Member |
| 3. Mr. Thawan Viranont | Member |
| 4. Mrs. Sutepee Asvatanakul | Member |

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

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

1 Nomination

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

2 Remuneration

2.1 To review the suitability of current remuneration criteria.

2.2 To consider remuneration data of other companies within the same industry.

2.3 To determine appropriate criteria to ensure that expected results and fairness can be achieved and to ensure that the persons contributed to the Company's success have been rewarded.

2.4 To consider every type of remuneration payment by taking into account the amount and percentage of remuneration payment of each type to ensure they are appropriate. Key principles to consider when determining payment of each type of remuneration include:

2.4.1 Retainer Fee such as monthly allowance, annual allowance, etc. should consider these three factors including: (1) practices applied by companies within the same industry; (2) operating results and business size of the Company; and (3) responsibilities, knowledge, abilities and experience of Director or President required by the Company.

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

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

2.5 To ensure that all remuneration payments are in compliance with the criteria set out by government offices or relevant recommendations.

Nomination and remuneration committee meeting in 2017 has one meeting, all four directors attend all meetings.

3. Investment Committee

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

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

Scope of powers, duties and responsibilities of Investment Committee

1. To determine Investment Policy to be proposed to the Board of Directors for approval.
2. To consider and approve the Company's investment plan which should be in line with the defined Investment Policy and overall Risk Management Policy.
3. To oversee the Company's investments to ensure they are in accordance with the defined Investment Policy, overall Risk Management Policy, including relevant practices, regulations and legal requirements.
4. To ensure corporate governance and transparency within the organization, including preventing potential conflict of interest in relation to the Company's investment transactions.
5. To ensure the adequacy of work system, personnel and information relevant to the Company's investments.
6. To manage investment capital in accordance with the Investment Policy approved by the Board of Directors.
7. To report investment outcomes to the Board of Directors on regular basis.

Investment committee meeting in 2017 has two meetings, all three directors attend all meetings.

4. Risk Management Committee

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

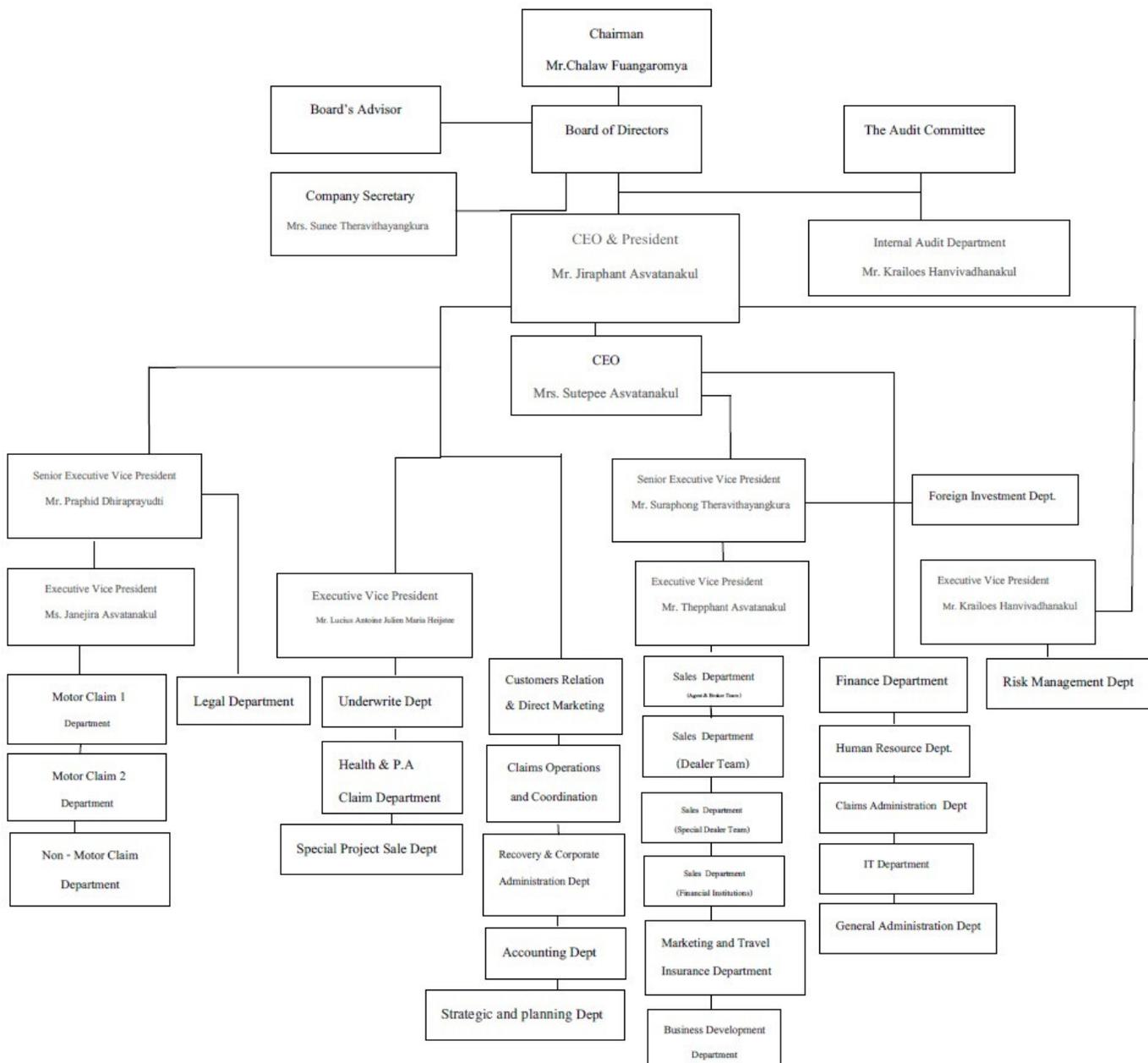
Scope of powers, duties and responsibilities of Risk Management Committee

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

4. To determine Business Continuity Management Policy and prepare Business Continuity Plan.

Risk management committee meeting in 2017 has 6 meetings

- | | | |
|---------------------------------|----------------------------------|----------------------|
| 1. Mr. Jiraphant Asvatanakul | Chairman | (Attendance 5 times) |
| 2. Mr. Praphid Dhiraprayudti | Vice Chairman | (Attendance 5 times) |
| 3. Mr. Krailoes Hanvivadhanakul | Vice Chairman | (Attendance 5 times) |
| 4. Ms. Rutchanee Wongkijpatana | Director | (Attendance 4 times) |
| 5. Ms. Luspan Teumtongchai | Director | (Attendance 5 times) |
| 6. Mr. Kanokchat Tarvonranan | Director | (Attendance 6 times) |
| 7. Ms. Nantawan Arunpiriyakul | Director | (Attendance 5 times) |
| 8. Mr. Thanawut Boonput | Director and Secretary | (Attendance 6 times) |
| 9. Ms.Dutsadee Wannakhlam | Director and Assistant Secretary | (Attendance 6 times) |



8.3 Company Secretary

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

Mrs. Sunee Theravithayangkura Age 65, % Holding = 0.006%

Director Appointed from 18 June 1986 – Present

Company Secretary Appointed from 14 August 2008 – Present

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

Sister-in-law of Mr. Jiraphant Asvatanakul

Education / Trainings

Bachelor of Law, Thammasat University

Diploma in Director Accreditation Program (DAP) (IOD)

Work Experience during the Past 5 Years

2012-2016 Director and Company Secretary, Director of Benefits Department (Thaivivat Insurance Pcl.)

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

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

8.4 Head of Corporate Compliance Operation

Ms. Nanthawan Arunpiriyakul Position Benefits Department Manager

Education

Bachelor of Law, Thammasat University

Master of Business Administration, Ramkhamhaeng University

Work Experience during the Past 5 Years

2012-2016 Benefits Department Manager, Thaivivat Insurance Public Company Limited

Scope of powers, duties and responsibilities

1. To ensure compliance with the laws

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

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

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

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

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

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

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

2. To coordinate with both external and internal agencies

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

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

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

- 2.2. To coordinate, on behalf of the Company, with the Office of Insurance Commission (OIC) or other regulators required by law.
- 2.3. To coordinate, on behalf of the Company, with the Office of Anti-Money Laundering and Combating the Financing of Terrorism (AMLO) or other governmental agencies concerning AML/CFT matters.
- 2.4. To coordinate with the internal units in preparing reports required by external agencies or by laws.
- 2.5 To provide legal knowledge and prepare information on non-life insurance laws or any other interesting laws or laws concerning key transactions of the Company in order to provide trainings to organizational staffs.

8.5 Directors and Executives Compensation

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

A. Company Directors receive compensation in term of attendance fee and bonus in the year 2016 are as following

Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Mr. Chalaw Fuangaromya	Independent Director, Chairman and Chairman of the Investment Committee	6/6	150,000	585,000	735,000
Dr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	6/6	195,000	545,000	740,000
Ms. Pilai Piamphongsarn	Independent Director, Audit Committee and The Nomination and Remuneration Committee	4/6	165,000	410,000	575,000
Ms. Pranee Phasipol	Independent Director, Audit Committee and Investment Committee	4/6	180,000	420,000	600,000
Mrs. Supaporn Burapakusolsri	Independent Director	6/6	90,000	300,000	390,000
Mr. Jiraphant Asvatanakul	Director and Investment Committee	6/6	-	230,000	230,000
Ms. Sutepee Asvatanakul	Director and The Nomination and Remuneration Committee	6/6	-	220,000	220,000
Mr. Thawan Wiranont	Director and The Nomination and Remuneration Committee	6/6	-	220,000	220,000
Ms. Sunee Theerawittayakul	Director Company Secretary	4/6	-	210,000	210,000
TOTAL			780,000	3,140,000	3,920,000

B. Company Executive from Department Manager level onward of the company total 26 persons received compensation in term of 2017 salary and bonus 64,260,000 Baht

8.6 Human Resources

In 2017, we have all employee as 559 persons, compensation in the form of salary and bonus 257,258,967 Baht including provident fund 11,057,022 Baht.

The Share holding of Directors and Top Managements in 2017				
Name	Position	January	July	December
Mr. Chalaw Fuangaromya	Independent Director, Chairman and Chairman of the Investment Committee	-	-	-
Dr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	-	-	-
Mrs. Pilai Piamphongsant	Independent Director, Audit Committee and The Nomination and Remuneration Committee	-	-	-
Mrs. Pranee Phasipol	Independent Director, Audit Committee and Investment Committee	-	-	-
Mrs. Supaporn Burapakusolsri	Independent Director			
Mr. Jiraphant Asvatanakul	Director and Investment Committee	8,781,128	8,781,128	8,781,128
Mr. Thawan Viranont	Director and The Nomination and Remuneration Committee	18,000	18,000	18,000
Mrs. Sutepee Asvatanakul	Director and The Nomination and Remuneration Committee	4,752,384	4,725,384	4,725,384
Mrs. Sune Theravithayangkura	Director and Company Secretary	18,000	18,000	18,000
Ms. Sirintr Nuntavoraset	Advisor of CEO	107,640	107,640	107,640
Mr. Suraphong Theravithayangkura	Senior Executive Vice President	476,040	476,040	476,040
Mr. Praphid Dhiraprayudti	Senior Executive Vice President	50,264	50,264	50,264
Mr. Krailoes Hanvivadhanakul	Executive Vice President	-	-	-
Mr. Lucius Antoine Julien Maria Heijstee	Executive Vice President	-	-	-
Mr. Thepphen Asvatanakul	Executive Vice President	12,600,000	12,600,000	12,600,000
Ms. Janjira Asvatanakul	Executive Vice President	12,600,000	12,600,000	12,600,000
Mr. Pimol Chantaveerakul	Vice President	-	-	-
Mr. Somkrit Suracheevakit	Vice President	-	-	-

9. **Corporate Governance**

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

1. Rights of Shareholders

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

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

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

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

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

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

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

In 2017, the Company held General Shareholders' Meeting on April 10, 2017. The meeting was attended by eight directors.

The Company assigned Thailand Securities Depository Company Limited, the registrar of the Company's shares, to deliver meeting notices to the shareholders fourteen days in advance of the day of the meeting. The Chairman equally allowed all shareholders attended the meeting the right to inspect the business operations of the Company, including the right to ask questions and express opinions, all of which had been recorded in the prepared meeting minutes.

2. Equitable Treatment among Shareholders

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

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

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

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

The Company formulated Insider Trading Policy in order to prevent the use of internal information that may affect buying-selling of securities of the Company. This policy aims to prevent directors or executives from improperly using internal information to achieve personal interests or interests of others. No directors, advisors, executives or staffs having gain advance knowledge of the Company's operating results either directly or indirectly, including relevant parties are allowed to buy or sell the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public. Throughout the past year, the Company's directors and executives have strictly complies with such policy and no buying-selling of shares had been observed during such period. Moreover, executives or departments that have authorized access to internal information are prohibited from disclosing such information to external parties or irrelevant persons as per the details disclosed in Insider Trading Section.

3. Roles of Stakeholders

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

Customers The Company recognizes the importance of good service quality as it is an essential key to building customer satisfaction and reliability in providing the Company's services. At the same time, the Company focuses on developing high quality products capable of satisfying customer demands to ensure highest customer satisfaction.

4. Information reveal and transparency

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

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

Company has defined a clear policy of committee compensation. The compensation will be at the same level in the industry and high enough to retain the member that has the qualification as required which was approved from the share holder meeting. In the part of compensation to the Executives will follow the principle and policy that defined by Board of Directors which related to the company performance outcome and performance of each Executives. Financial compensation was identified in the page 34-35 but not reveal the compensation of the member that is the Executives in the part of being received from become other company committee because it is not the company information.

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

5. Responsibility of Board of Directors

There are 9 members of Board of Directors combined with 4 members that is executive, 1 members that is non-executive and 5 independent members. In the part of Chairman is independent member. No any relationship with the management part and the same person with President. For duty separation to define the policy of control and routine management, the company just only has the Executives committee and Audit committee which has assigned member and responsibility in detail at page 24-30

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

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

the audit result to the Audit Committee and receive evaluation result from the Audit Committee for having independent to the Internal Audit and enable to fully perform the audit responsibilities.

Trade Partners The Company is committed to perform its business with fairness and ensure equitable treatment among all trade partners as well as strict compliance with the terms and conditions set forth by the trades and agreements in which the Company is engaged. The Company shall also emphasize on selecting appropriate trade partners that possess a keen sense of morality, professionalism and good reputation.

Shareholders The Company is committed to achieve good operating results to ensure good profits and satisfaction among the shareholders.

Employees The Company recognizes its employees as the most valuable resource and has therefore continuously carried out personnel development to ensure that its employees are ready to move forward together with the Company. In addition, suitable remuneration and staff welfare policies equivalent to similar businesses had been established.

Competitors The Company shall compete in a manner which demonstrates a keen sense of morality and shall not violate or obtain any trade secrets of its competitors by unlawful methods. The Company shall strictly uphold fair competition and shall not attempt to seek any trade secrets of its competitors by inappropriate means or discrediting its competitors.

Creditors The Company shall pay all debts within the specified timeframe, strictly comply with agreement terms and conditions and ensure equitable and fair treatment among all creditors, particularly in terms of guarantee terms and conditions and capital management. In the event of failure to comply with the established terms and conditions and resulted in defaults, the Company shall immediately notify relevant creditor in advance without concealing any facts in order to jointly seek fair and reasonable solutions, including ensuring appropriate capital management structure in order to maintain reliability among creditors.

Debtors The Company shall strictly comply with the agreement terms and conditions. In the event any debtor fails to comply with the agreement terms and conditions and resulted in defaults, the Company shall conduct negotiation in order to seek fair and reasonable solutions.

Society and EnvironmentThe Company recognizes the importance of corporate social responsibility and is therefore committed to continuously support and participate in social and community development activities.

Human Rights By realizing the importance of human rights, the Company therefore set up human rights-related policy which provides equal rights and freedom among every employee in performing his/her duties, including career growth in accordance with the Company's regulation. The Company shall also share some knowledge and understanding on basic human rights to be applied in intellectual property-related works. The Company shall strictly comply with intellectual property laws. It also established a policy which prohibits the support of any operations that may result in the violation of any type of intellectual property rights. Meanwhile, every employee shall be responsible for securing the confidentiality of all information in relation to the Company's intellectual property whether it be insurance products, computer system, operation manual or any other items developed by the employees during operation as assigned by the Company and must not use any intellectual property of others without the owner's consent.

Anti-Corruption The Company has determined anti-corruption policy and related practice, all of which has been approved by the Board of Directors and disseminated among the employees, trade partners and general public to be strictly followed.

Performance Evaluation of the Board of Directors and Sub-committees

In 2017, the Board of Directors evaluated the performance of the Board of Directors. It was divided into 6 topics: Structure and Qualification of the Board; Roles, duties and responsibilities of the Board; the Board Meeting; Director action; Relationship with Management and the self-development of directors and executive development. The evaluation allows each director independently to rate each topic, add scores of each topic of each director and divided by the number of directors. The average score was 3.65 points from total of 4 points or 91.25 percent. The Board had also evaluated the sub-committees performance

which are divided into 3 topics: Structure and Qualifications of the Sub-committee; the Sub-committee; roles, duties and responsibilities of sub-committees.

It was the same Board evaluation, the result was as follows:

- the average score of Audit Committee was 3.62 points from total of 4 points, or 90.5%.
- the average score of Nomination and Remuneration Committee was 3.49 points from total of 4 points, or 87.25%
- the average score of Investment Committee was 3.95 points from total of 4 points, or 98.75%.

Performance Evaluation of President

Board of Directors evaluated the President which was divided into 10 topics: Performance Measurement, Strategic Specification, Practice and follow up strategy, Planning and Financial Performance, the Board Relationship, External Relationship, Management and staff relationship, inheritance, Product and Service Knowledge and private features. The evaluation method allowed each director to rate each topic independently, took each rating of total directors, added and divided by the number of directors. The results of all topics are average 3.95 points from 4 points or 96.25 percent. CEO Development of topic 2, the directors had the opinion that CEO key strength should maintain the leadership and vision. The CEO should develop more to accelerate the planned work and follow up the results closer next year.

9.2 Nomination and Appointment of Directors and Executive

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

9.2.1 Director and Independent Director Qualifications

1. Director Qualifications

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

2. Independent Director Qualifications

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

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

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

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

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

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

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

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

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

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

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

3. Audit Committee Qualifications

Members of the Audit Committee must have the following characteristics:

1) Completely met all independent director qualifications

2) Must not be a director who had been assigned by the Board of Directors to make decisions concerning the business operations of the Company, its parent company, subsidiary, associated company, same-level subsidiary or juristic person with potential conflict of interest.

3) Must not be a director of the parent company, subsidiary or same-level subsidiary that is a registered company.

4) At least one member of the Audit Committee must have adequate knowledge and experience to ascertain the integrity of the Company's financial statements.

9.2.2 Director and Independent Director Nomination Process

In appointing directors who resigned by rotation, the Nomination and Remuneration Committee shall propose the nomination list which consists of persons having met the required qualifications to the Board of Directors for consideration before presenting to the shareholders' meeting for appointment. The Company also set up requirements for the appointment of director position which are stipulated in the Articles of Association of the Company as disclosed under Management Structure Section.

Rights of Minor Shareholders Concerning the Appointment of Directors

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

9.2.3 Executive Nomination Process

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

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

9.3 Insider Trading

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

1. No directors, advisors, executives or staffs of the Company are allowed to use any internal information for the benefits of buying-selling securities as it shall be treated as violation of the law and against the defined conflict of interest principle as well as unfair treatment to other shareholders. Any disclosure of internal information to third parties or irrelevant persons is also strictly prohibited.

2. All directors, advisors, executives and staffs of the Company must strictly comply with the laws, rules and regulations concerning insider trading, including laws in relation to securities and stock exchange and other related requirements.

3. No directors, advisors, executives or staffs having gain advance knowledge of the Company's operating results either directly or indirectly, including relevant parties are allowed to buy or sell the Company's shares during the 60-day period prior to the disclosure of the Company's financial statements to the general public.

4. All directors, advisors, executives and staffs from manager level or above who buy or sell shares of the Company must notify Legal Department regarding such buying or selling within the following day in order to be further reported to the SEC or directly report to the SEC within 3-day period starting from the date of acquisition or disposition of such shares. The securities holding of each member of the Board including the executives and the Auditor of the Company must always be reported at each Board of Directors' Meeting. Throughout the year 2016, the Company had strictly followed the defined regulation.

9.4 Account Auditor compensation

Ernst & Young Office Co., Ltd. is the well known company and accepted in international level that agreed from The Securities and Exchange Commission and take part in giving advisory to the Office of Insurance Commission in starting to use Risk Based Capital (RBC) including the accounting audit experience to other disaster insurance company. Even more, there is no relationship and/or conflict of interest between auditor and the company/executives/major share holders. In fiscal year of 2016, the

Accounting has the compensation of account auditor totally as 2,320,000.- Baht with the following detail:

1. Annual audit fee 890,000.- Baht
2. Three quarters accounting review 510,000.- Baht
3. RBC transaction audit second quarter 160,000.- Baht
4. Annual RBC report review fee 370,000.- Baht
5. Review and consolidated financial statement audit 320,000.- Baht
6. Other review 70,000.- Baht

Compliance with good corporate governance policy

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

10. Social Responsibility

Thaivivat Insurance Public Company Limited prepared this Corporate Social Responsibility Report for the year 2017 to reflect its policy, strategy, thinking process and its business operation in the capacity as a finance institution which contributed to the development of Thai society in terms of financial stability for Thai people and Thai business through insurance business transaction of the Company as well as the disclosure of its operating results to interested parties, not only in the financial aspect, but also in the aspect of social and environmental issues. The Company had the policy of running its business under the ethical principles and good business governance, taking into account the social and environmental responsibility at the distant and immediate level. It therefore plunged into the CSR-in-process and the CSR-after-process continually.

Guidance for Reporting

This Report covered the operation in 2017. The information was compiled from its previous operations, particularly, centering on its operation at the head office, the principal office, to lay down the policy, strategies and the operations as a whole of the Company. Moreover, mentions were of the guidelines for development of the company and its personnel to be ready for the responsibility according to the mission assigned as well as the data in relation to its internal operations along the CSR line concerned.

Thaivivat Insurance PCL was aware of its limitation and its readiness to declare the information in the Report. However, this report applied the guideline on preparing a report based on the corporate social responsibility of Stock Exchange of Thailand as a reference framework for consistency with the standard of a listed public company in the Stock Exchange of Thailand in which the Company was listed since 1991.

Criteria for Reporting Content Selection

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

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

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

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

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

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

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

Engagement with the Stakeholders

Stakeholder	Expectation	Practice	Contact Channel
Customer	<ul style="list-style-type: none"> - Well-defined products that are able to provide the required protection and are highly understandable - Excellent sale and after-sale service quality - Fair compensation - A highly stable insurance company capable of paying compensation when an incident occur 	<ul style="list-style-type: none"> - Sales promotion - Excellent sale and after-sale service quality - Provide protection as per the given insurance policy - Develop high quality products that can serve customer demands - Deliver fair, accurate and quick compensation payment - Manage insurance related risk in accordance with regulation of Office of Insurance Commission (OIC) 	<ul style="list-style-type: none"> - Satisfaction Survey - Provide channel (s) for comments/suggestions - Head Office and Branches - Customer Relations Tel. 02 695 0777 - Claim Hotline Tel. 02 695 0700 - Website: thaivivat.co.th - Facebook: www.facebook.com/thaivivat
Trade Partner	<ul style="list-style-type: none"> - Follow the trade agreement - Increase the quantity/value of products and services 	<ul style="list-style-type: none"> - Conduct business with fairness - Equitable and fair treatment among all trade partners - Strict compliance with trading terms and conditions including the established agreement 	<ul style="list-style-type: none"> - Policy and Code of Business Ethics - Site visit and evaluation - Website: thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
		<ul style="list-style-type: none"> - Select appropriate trade partner that demonstrates ethics, professionalism and good reputation - Establish clear procurement procedure 	
Personnel	<ul style="list-style-type: none"> - Fair compensation - Follow Code of Ethics in relation to labor - Ensure safety of life and properties - Offer opportunity for knowledge development and professional career path - Balance between work and life 	<ul style="list-style-type: none"> - Support skills and knowledge training - Has a policy on providing appropriate staff compensation and welfare and equivalent to that of other businesses of similar nature - Career stability and good career path - Pleasant and safe working environment - Activities for building corporate bond 	<ul style="list-style-type: none"> - Communicate with personnel regarding staff welfare - Satisfaction Survey - Meetings by function - Complaints Handling Unit, HR Department - Directly raise complaint to the Management - E-mail: hrdept@thaivivat.co.th
Shareholder	<ul style="list-style-type: none"> - Business growth - Good corporate governance - Rights and equality of shareholders - Anti-corruption - Access to accurate information 	<ul style="list-style-type: none"> - Long-term and continuous returns - Conduct business based on the principles of good governance and corporate governance - Disclose reports as per defined schedule and the regulation of SET 	<ul style="list-style-type: none"> - Annual Report - Shareholders' Meeting - Contact Investor Relations Tel.1231 ext. 5938 - E-mail: nantawan_aru@thaivivat.co.th - Website: thaivivat.co.th/th/investor_contact.php
Competitor	<ul style="list-style-type: none"> - Compete in business with a sense of morality 	<ul style="list-style-type: none"> - Compete with morality - Must not seek trade secrets of competitors through unacceptable means - Must not damage the reputation of competitors through discredits 	<ul style="list-style-type: none"> - Website:thaivivat.co.th
Creditor	<ul style="list-style-type: none"> - Prompt debt payment - Compliance with the defined terms and conditions 	<ul style="list-style-type: none"> - Strictly follow debt payment deadline and the agreement terms and conditions - Comply with the terms and conditions in relation to guarantee and capital management - In case of failure in following the agreed terms and conditions which resulted in defaults, the Company shall immediately notify the creditor in advance and shall completely disclose all information to jointly seek proper solution 	<ul style="list-style-type: none"> - Contact Finance Department Tel. 1231 - Website: thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
		- Ensure appropriate capital management structure existed to maintain creditor confidence	
Debtor	<ul style="list-style-type: none"> - Compliance with relevant requirements and conditions - Interest rates are in accordance to the law 	<ul style="list-style-type: none"> - Strict follow the agreement terms and conditions - In case debtor fails to follow the agreed terms and conditions which resulted in default, the Company will negotiate with that debtor in order to seek fair and reasonable solution 	<ul style="list-style-type: none"> - Contact Finance Department Tel.1231 - Website: thaivivat.co.th
Society and Environment	<ul style="list-style-type: none"> - Conduct business with responsibility - Carry out community development - Legal compliance - Cooperate in government projects 	<ul style="list-style-type: none"> - Recognize and demonstrate accountability toward the economic, social and environmental impacts resulting from the Company's business operations - Conduct business based on the principle of good corporate governance and under the supervision of government agencies - Support, assist and participate in various social and community development activities 	<ul style="list-style-type: none"> - Contact the Company Tel. 1231 - Website: thaivivat.co.th - Contact the Company's Secretary Office

GOOD CORPORATE GOVERNANCE AND FAIR BUSINESS OPERATION

Policies and Guidelines

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

Thaivivat Insurance PCL took into account equality, fairness, avoidance of taking unfair advantage and the honesty in running the insurance business through protection of the interest in collaboration with persons involved who would be treated fairly in the course doing business by strict compliance with the law

and rules jointly formulated; espousing business ethics in doing business, not demanding for, not receiving and distributing any interest in bad faith in trading with the trading partners according to the principles of good governance.

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

Corporate Governance Related Agencies

The Compliance Department was established under control of the Benefits Department as a center of compilation and tracing data and information of relevant external regulations. The regulations are translated and/ or summarized for benefits of company's departments and personnel to comply with those relevant regulations.

Moreover, an internal audit unit was set up as an independent organization, to report directly to the Audit Committee and the Company's Board of Directors, to have the duty to audit, review internal activities, operations within the company; to provide counseling, propose opinions and advice on remedying, improving the operation properly and efficiently. As regards the report on good governance, it was already reported in the Form of Items of Annual Data 2017 (Form 56-1) on the heading of "Management." And on website www.thaiviat.co.th

ANTI-CORRUPTION

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

By recognizing the importance of preventing corruption and supporting anti-corruption operation in wider scale, the Company therefore developed Anti-Corruption Policy and Code of Conduct for Anti-Corruption and has continuously carried out transparency and operational performance review and audit on

yearly basis, including ensuring that the Company's operational performance in all aspects are in compliance with the determined operational standard. The Company's Anti-Corruption Policy shall be reviewed on two-year basis as deemed appropriate or whenever significant changes are required.

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

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

Letter	Nantawan Arunpiriyakul, Compliance Section Thaivivat Insurance PCL 71 Din Daeng Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok 10400
E-letter	Nantawan_aru@thaivivat.co.th
Telephone	0 2695 0800

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

Disclosure of Information and Reports

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

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

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

RESPONSIBILITY TO CONSUMERS

Thaivivat Insurance PCL is determined to create satisfaction in the product and assurance in service to the insured with responsibility to the insured that the insured receives good, quality service at suitable price in accordance with the supervisory criteria of the Office of the Insurance Commission (OIC). That is, the format and the text in the insurance policy must be consistent with the rate of insurance premium and have the clear meaning as well as the definition being used must correct according to technical principle as to preclude the problem of legal interpretation in the event of complaint in relation to premium. Furthermore, the rate of premium being applied is suitable and at the rate approved by the registrar.

In addition, there has been various developments, improvements on the format of the insurance as to suit the changing need of Thai society as well as continual development and improvement on service in

tandem with the changing technology as to create convenience, speed in providing service to the insured as well as maintaining relationship and sustainability with the customers seriously and consistently.

The Company's Indemnity Capability Upon Claiming

The stability of an insurance company is highly crucial to maintaining the credibility of its insurance products. As a type of financial institution, insurance companies can directly affect the insurer as well as the overall economy of the country, particularly in terms of its indemnity capability. Bearing this in mind, Thaivivat Insurance Public Company Limited realizes the importance of maintaining the financial position required by laws and the regulations of relevant regulators such as OIC. In 2017 as of Quarter 3, the Company's capital adequacy ratio (CAR) reached over 300%, marking its high level of indemnity capability.

Service in compensation

The company has formulated a policy in relation to the payment of compensation to ensure speedy, timely service in this aspect and capable of helping the people substantially by considering to pay the compensation within 14 days. This is for speedy response to the need of the insured in timely manner in strict compliance with the terms and conditions of the agreement made with the customer as to preclude a lawsuit that might be damaging to the company.

The company has introduced innovation and new technologies to be adapted to the insurance service work with application of e-claim system to the service in full management of compensation to enhance the efficiency, facilitating the speed for the customer who met with the accident, thus increasing the potential of providing service of the peril survey staff, enabling them to print out a repair order at the point of accident throughout 24 hours. Moreover, the company has opened 27 branches to provide service in compensation countrywide including the repair notice service for the insured of motor car insurance in the motor car service center which joins the project for the convenience of the insured to claim for indemnity and to provide advice and assistance to the insured.

Thaivivat Application

In 2017, Thaivivat Insurance Public Company Limited had introduced its brand-new insurance service function to support the 'Pay-Per-Use Motor Insurance' with the 'TBeacon' technology connected to the Thaivivat application on smart phone. TBeacon provides automatic start and stop insurance function in addition to several services on customers' smart phones including car accident hotline and insurance premium payment. When reporting a car accident, a customer would not be required to dial any phone number as the location of the accident, the nearest hospital, and the service center could intelligently be tracked by the application of GPS. The Thaivivat application can be installed on the IOS and Android mobile platforms.

The Development of the Pay-Per-Use Motor Insurance

On March 30, 2017, Thaivivat Insurance Public Company Limited was honored with the 'Thailand ICT Excellence Award 2017' in the Innovation Project category by the Ministry of Digital Economy and

Society in the Thailand ICT Management Forum & Thailand ICT Excellence Awards 2017 held under the theme ‘Leading Digital Transformation: From Idea to Action’. This honorable award could guarantee the company’s splendid achievement of product innovation. Admittedly, the Pay-Per-Use Motor Insurance was developed to highly satisfy all customers, where insurance premiums could be calculated from the actual driving time and distance. This was considered one for the most innovative insurance products in the current market.

Development of Diverse Purchase and Premium Payment Channels

In respect to service improvement, the Company has added additional channels for customer to conveniently access its insurance products and constantly improves the quality of existing insurance services. The Company offers diverse purchase channels to ensure highest convenience for customers. This includes insurance agents and brokers, counter service at department stores and convenient stores nationwide as well as the Company’s website thaivivat.co.th. Certified by the Department of Business Development, the Company guarantees completely safety in terms of online purchase and payment. Through this system, the insurer is given a wide range of options for payment namely credit card, bank counters and mobile payment.

Other services

- **The customer relations center**

To make the customers convenient as the one stop service, we provide proficient staffs who will give you an advice, help you to understand, solve problems initially and follow up to take care the customer’s problems to be fixed properly and efficiently.

Moreover, Customer Relations is a department that stores the data of customers’ satisfaction towards the service, the data of problems will be based to improve company’s service and operation. Customer Relations can be reached at telephone number 02-695-0777 and 1231 in office hours (Monday - Friday at 8.00-18.00 hrs.) website www.thaivivat.co.th and facebook www.facebook.com/thaivivat.

- **Claim Service Center.**

To provide the service promptly in assisting the customers all over the country, especially for car and health insurance, the company provides a center to receive accident notifying and to investigate car accidents for 24 hours every day with the real-time tracking system of staffs through satellite that use GPS (Global Positioning System). The staffs at the Claim Service Center will report the accidents to investigating staffs who are the nearest to accident spots to service sharply and make the customers feel secured. In addition, the customers who registered and installed Thaivivat mobile Application on mobile phone can notify by pressing the button “Emergency Notification” without putting phone number and route explanation because the accident spots will be sent to the company immediately.

Claim Service Center can be reached at 02-695-0700 and 1231 24 hours every day.

- **Roadside assistance service.**

The service is for the customers whose car is broken on the way that might be caused by broken engine or equipments that make the car cannot be driven. Staffs are provided to give a technical advice to assist solving the circumstances. There are also onsite Technicians to initially assist at the spot of accident and provide car towing service to an automobile repair center. The service is for 24 hours. Please contact Claim Service Center.

Products and Services

for Community and Social Development

The community and social development is a key composition of sustainable business development. Currently business development and investment at Asian regional level call for business to take into account increased social responsibility. It is imperative that importance be attached to the community and social development in the light of an advantage and composition of the sustainability in doing business.

By realizing the importance of insurance and insurance service accessibility, the Company therefore introduces micro-insurance program as alternative choice for consumers and focuses on minimizing damages from road accidents in line with its motor insurance program which is the Company's core product. These had been carried out under "Excellent Service Program" which took place during the 2017 New Year and Songkran Festival as per the following details:

Micro-insurance

Thaivivat Insurance PCL had carried out the work for community and social development in accordance with the policy of the Office Insurance Commission (OIC) in the Insurance Development Plan No 3 (2017-2020). In particular, on the part of enhancing confidence, the awareness of the importance of insurance and the access to the insurance system by the people at all level. Since suitable insurance plays a role in the stability of the quality of life of the people which is the participation in important development of Thai society.

The company has provided service in insurance in various, distinct formats taking into account the needs of the people which are changing in tandem with social and economic situation. The company also envisions the importance of access to the insurance system by the public at all levels. The company therefore has a policy to promote micro-insurance with simplified coverage, economic premium rate. All level of the public can access micro-insurance easily thanks to comprehensive distribution channels. Key micro-insurance products of Thaivivat for 2017 are the following:

1. Cancer Micro-insurance

to cover cancer in collaboration with the counter service under the All Insurance Project, which emphasizes public access to sale of micro-insurance by selling via the counter service with over 6,000 branches in Thailand cancer Micro-insurance program consists of: 1. “Jai Pum Micro-Insurance for Cancer” covering all types of cancers except skin cancer at premium rate of 711 Baht per year and total insurance amount of 70,000 Baht and 2. “Jai Pum Plus Micro-Insurance for Cancer” covering all types of cancer except malignant melanoma and skin cancer.

2. Rice Insurance for the 2017 harvest year

Thaivivat is among the 16 insurance companies that joined the Rice Insurance Project with the government with to help build income stability among rice farmers in targeted areas nationwide totaling 30 million Rai by reducing costs and risks in relation to yields. This is done by dividing the insured rice fields into 5 zones based on risk level. The average damage criteria from 2005 – 2012 was studied in order to determine the appropriate premium rate for each risk level. Under such program, rice farmers will be entitled to seven types of natural disasters coverage including flooding or heavy rain, drought, delayed rainy season, storm or typhoon, cold weather or frosts, hailstorm and fire at premium rate of 1,111 baht per Rai, including weeds and epidemics at premium rate of 555 Baht per Rai. The Company also offers In-season Rice Field Insurance Program is available at the Bank of Agriculture and Agricultural Cooperatives so that rice farmers nationwide can have access to insurance service.

3. “200” micro-insurance

Thaivivat Insurance PCL is an insurance company participating in the “Insurance coverage 200 policy” project in collaboration with the Office Insurance Commission (OIC). The insurance coverage 200 is a personal accident micro-insurance to provide coverage to the insured in the event of death, loss of limbs, eyesight, and complete disability due to accident. The coverage is 1 year with premium of mere 200 Baht for the insured aged 20 – 60 years having the objective to provide opportunity to the people at all level to by insurance policy at affordable price.

“Excellent Service” Program during New Year and Songkran Festival

Both public and private sectors recognizes the significance of road accidents, particularly when Thailand is ranked among the top countries having the highest rate of road accidents in the world. This brings not only losses of life and property but also prevents the country from becoming fully developed. In response, numerous campaigns and projects has been continuously carried out to minimize the number of road accidents as well as losses of life due to road accidents. Among this, car insurance plays a vital role in non-life insurance industry. For this reason, the Company therefore initiated a campaign called “Excellent Service during New Year and Songkran Festival 2017” by working together with Department of Highways and

Expressway Authority of Thailand in order to facilitate both the citizens and government officials were assigned on duty to assure road safety during the special holidays, including providing car insurance service during New Year and Songkran season during which the number of commuters traveling on public roads it's at the highest not to mention highest risk of road accidents.

Thaivivat Insurance Public Company Limited had launched its 'Excellent Services during the Festive Seasons 2017' project with the following practices.

1. Deployed teams of accident inspection and operations officers to be stationed at security checkpoints in various provinces across the country, with the maximization of workforces at major highways, heavy traffic areas, and significant tourist attractions, as part of the goal to be prepared for possible accidents and untoward cases.

2. Increased the number of operations and customer service officers to cope efficiently with accidents and untoward cases that might occur during festive seasons like the New Year and Songkran celebrations.

Personnel Benefits

Personnel are valuable resource who must be cared for and their ability upgraded for readiness to perform the duty efficiently. The Company therefore attaches importance to the development of staff at all levels as to enhance the knowledge, ability, skill, creating good attitudes by attaching the importance to developing the body of knowledge by means of both internal training within the company and with various external organizations. Moreover, the company has yet introduced a policy in determining fair remuneration with assessment of work performance at least twice a year and to follow up on salary rate movement as to formulate correct, suitable salary in terms of incentive and welfare benefits.

Apart from proper refreshment leave, Thaivivat Insurance also put a concern on health care and life quality of the staff as well as their family. Various incentives and welfare benefits which the company accords to its personnel are to ensure that all of thaivivat's staff is happy at work which will lead to effective work performance

Members of staff and personnel of the Thaivivat Insurance PCL when having satisfactorily passed the probation would be placed in employment as a regular employee and all regular employees would receive remuneration and are entitled to various fringe benefits from the Company as follows:

Welfare for Better Quality of Life

- **Staff Provident Fund**

The company also introduced a policy for every member of the staff to have savings for use after they leave the employment of the Company by means of establishing the Staff Provident Fund for employee who having worked for 3 years consecutively to be eligible for membership. A member of the Staff Provident Fund contributes 5 percent of the staff's monthly salary to the Fund on a monthly basis and the Company contributes at the rate of 7.5 percent of the staff's monthly salary on a monthly basis. This Staff Provident Fund is managed by the Fund Management Company as the Fund manager.

- **Loan welfare**

Personnel of the Company having completed at least 1 year of work as a staff of the Company shall be entitled to apply for loans with the Company either for residential, medical or educational purposes.

- **Financial Aids for Personnel and Family Members**

The Company shall provide financial aids in two circumstances: marriage of the personnel and funeral of personnel's father or mother.

- **Medical treatment**

Besides taking out social security insurance for every member of staff to accommodate the entitlement to medical treatment in accordance with the labor law, the Company has arranged for the availability of a nurse team from Chula Hospital to provide first-aid care and diagnosis for referral in the case of serious illness as welfare for members of the staff on every working day at the company's principal office at which most of the employees of Thai Viva Insurance PCL are working.

- **Accident insurance**

Accident insurance is taken out for the welfare of the employee. The company has taken out personal accident insurance coverage for members of the staff in the event of deadly accident as to alleviate the burden of the staff's family.

- **Health Insurance**

To ensure personnel convenience, the Company provides health insurance to all personnel covering additional medical expenses apart from the ones provided by social security

Employees' benefits and Development

Thaivivat Insurance Public Company Limited provides training to develop the proficiency of staffs constantly to improve insurance knowledge and other required skills for insurance operation and services. In 2017, organizational restructuring had been carried out by clearly separating Personnel Development Department from HR Department to ensure better personnel development efficiency.

Each year the Company begins by providing knowledge training to newcomers. In 2017, Thaivivat Insurance Public Company Limited had introduced its career orientation program titled 'Get to Know Insurance

Business' to provide new employees with sufficient knowledge on insurance and other related business matters, at Thaire Services Company Limited on Ratchadapisek Road.

- Class 1, July 19, 2017, participated by 18 new employees.
- Class 2, December 6, 2017, participated by 15 new employees.

After completing the career orientation program, Thaivivat Insurance also held further training programs to maximize employees' knowledge and expertise on their responsible daily operations. In 2017, remarkable training programs could be described as follows:

- 'Efficient Teamwork' – hosted by Mr. Kanokchat Thavoranand, Motor Claims Manager. Held on the 6th floor of Thaivivat Insurance Headquarters, the training program, designed to encourage all employees to cooperate and reduce conflicts in working as a team, was divided into six major classes explained below:

Class 1, October 29, 2017, participated by 35 employees.

Class 2, November 11, 2017, participated by 27 employees.

Class 3, November 18, 2017, participated by 34 employees.

Class 4, November 25, 2017, participated by 46 employees.

Class 5, December 9, 2017, participated by 28 employees.

Class 6, December 16, 2017, participated by 31 employees.

- 'Setting Priority of Routine Tasks' – hosted by Mr. Somkrit Suracheevakrit, Sales Director. The training program, participated by 45 supervisors, was held on November 4, 2017 on the 6th floor of Thaivivat Insurance Headquarters, aiming to generate greater understanding towards effective management, considered a key role in managing team.
- 'Power Vision: Design and Development' – hosted by Ms. Ratchanee Wongkitpattana, Senior Manager. Organized on November 18, 2017 on the 6th floor of Thaivivat Insurance Headquarters, the training program aimed to stimulate the IT program design and development, joined by 17 employees.
- 'Coordination with Efficiency and Happiness' – hosted by Ms. Pimol Chantaveeworakul, Operations Director. The training program, held on November 22, 2017 on the 6th floor of

Thaivivat Insurance Headquarters, was designed to increase work efficiency and professionalism, while being happy with responsible tasks, participated by 54 employees.

Aside from the internal training programs, Thaivivat Insurance also provided its employees with further training sessions organized by external organizations. More specifically, employees were required to complete an approximate training period of eight hours per year.

Employment Opportunity for the Disabled

At Thaivivat Insurance, we accept people with physical disabilities to join our team by offering employment in appropriate positions based on their physical capability. The Company also formulated remuneration standard and provides equal opportunity to progressive career path.

Career Opportunity for the Disables

At present, Thaivivat Insurance Public Company Limited has recruited six disables with outstanding skills and abilities to work in certain departments.

Blindness	-	1 employee
Hearing Problem	-	4 employees
Movement Difficulty	-	1 employee

Employee Relations Activity

Thaivivat Insurance Public Company Limited has organized its employee relations activity on a yearly basis, aiming to foster concrete relationship among employees from different departments in the organization. Additionally, employees have been encouraged to recognize the importance of exercise, while creating bonding and teamwork in the workplace.

Occupational Safety

Thaivivat Insurance Public Company Limited is strictly committed to providing its employees with occupational safety, as part of the intention to promote a better quality of life and wellbeing among employees at all levels. To achieve the next level of occupational safety development, it is greatly necessary for the company to determine security policies in order to be ready for any unexpected circumstance.

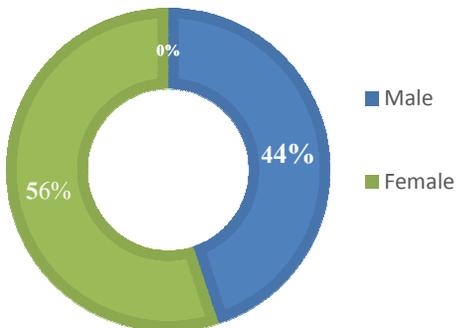
- The company conducts a fire prevention training and a fire evacuation drill on a yearly basis, where fire extinguishers and other related devices will be inspected and maintained in good

conditions at all times, prompting employees to cope efficiently with a real situation that may take place. In 2017, the company organized its fire prevention training on December 9, supported by a team of fire specialists from Suthisan Fire Station, while the fire evacuation drill was conducted on December 11. Both drills were held at Thaivivat Insurance Headquarters.

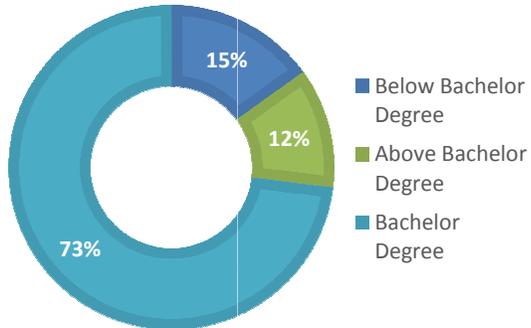
- In the same year, the company had also issued policies and principles on operations and management for all employees to pursue, with regard to the effectiveness of occupational safety.
- For those in necessity of using a car or a motorbike, the company had ordered them to strictly pursue the driving safety rules and other technical requirements. In 2017, there were two accident cases occurred, where two people were minimally injured from the accidents and already recovered from the injuries.

An overview of the personnel of Thaivivat Insurance PCL

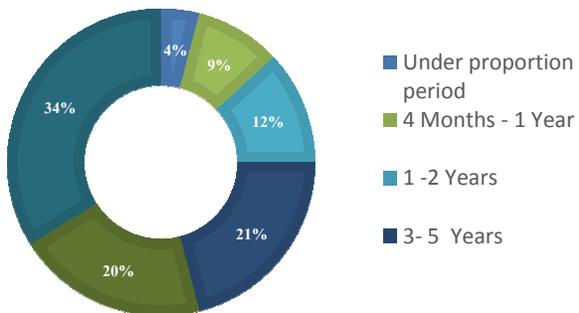
PERSONNEL PROPORTION BY GENDER



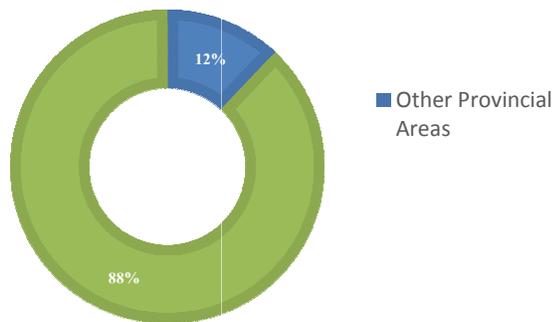
PERSONNEL PROPORTION BY EDUCATION



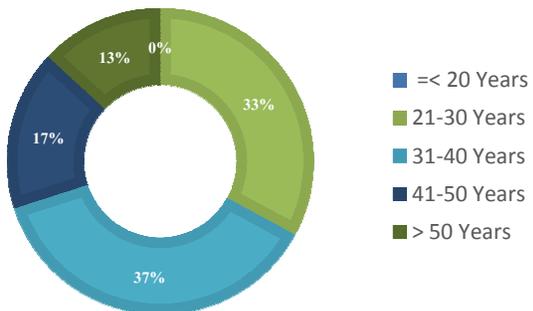
PERSONNEL PROPORTION BY EMPLOYMENT PERIOD



PERSONNEL PROPORTION BY PROVINCE



PERSONNEL PROPORTION BY AGE



Community and Society Development Activities

The Company is aware of the importance of community and social development by respecting and upholding the basic principles human rights both in business process and community and social development activities. Apart from business process such as human resource management which is also the key to achieving business growth and sustainability, the Company also has a policy on ensuring fair and equal treatment among every group of personnel and stakeholders regardless of their color, race, gender, ethnicity, nationality, financial status and physical disability, including respecting and accepting differences in terms of view, society, environment, law and culture (For more details, see section “Personnel Benefits”). In 2017, the Company had carried out several community and social development activities through donations and charity as per the following details

Educational Promotion Activity

The Company has continuously supported equal opportunity as per the basic principle of human rights among all social groups, especially the rights to basic education. This is because building competent human resource completed with required knowledge and skills and a keen sense of integrity is vital to driving national security and development. In 2017, the Company had provided educational supports as follow:

During November 25-26, 2017, Thaivivat Insurance Public Company Limited held its charity rally to mark the 250th anniversary of the Thonburi Kingdom discovered by King Taksin the Great. This knowledge-based activity aimed to raise funds for Wat Intharam School’s construction of a sound lab room.

Contributions to Community and Society Development Activities

● Community and Society

Thaivivat Insurance Public Company Limited offered financial donations to certain community and society development projects and made positive contributions to local agencies.

- Organized its Big Cleaning Day as part of Thailand’s merit-making activities in dedication to His Majesty the late King Bhumibol Adulyadej. This voluntary activity was held on September 16, 2017 at Wat Phai Ton in Bangkok’s Phayathai district. Aside from the cleaning activity, the company also donated drinking water and presented sandalwood

flowers to those present at the venues of His Majesty the late King Bhumibol Adulyadej's Royal Cremation.

- Held a marigold flower plantation activity in remembrance of His Majesty the late King Bhumibol Adulyadej on October 5, 2017.

- **Sports, Religion, and Culture**

Thaivivat Insurance Public Company Limited presented its financial donations to certain projects related to the development of sports, religion, and culture.

- Conducted a Kathin ceremony at Wat Khao Sala Atun Thana Jaro in Surin province.
- Held a Krathin ceremony at Wat Klang Warawan in Samut Prakan province.
- Co-hosted a religious ceremony dedicated to His Majesty the late King Bhumibol Adulyadej on September 6, 2017.
- Held an afternoon praying activity on every Buddhist holy day and Friday during 12:30 – 13:00 hrs.

Environmental Management

The company is determined to conserve society and the environment by means of doing its business under the code of ethics and good corporate governance in tandem with care and attention given to society and the environment that leads to sustainable development in spite of the fact that Thaivivat PCL is not in the industrial sector that necessitates the use of natural resources in the production comprehensively; but it cannot be denied that the company has used the natural resource in the aspect of energy and various resources to drive the business. The company therefore attaches importance to create the awareness of using energy and the company's personnel resource economically and cost-effectively as well as the awareness of the commitment to care for the environment and the personnel of the company.

Energy Conservation Project (Utilization of LED Light Bulbs)

In 2017, Thaivivat Insurance Public Company Limited had determined to utilize LED light bulbs in all areas to support the energy conservation project launched by the Department of Alternative Energy Development and Efficiency, the Ministry of Energy. The energy conservation project also aimed to

encourage investors and business entrepreneurs to reduce energy consumption, save energy cost, and increase competitiveness, leading to substantial minimization of energy imports for Thailand as a whole.

The utilization of LED light bulbs at Thaivivat Insurance Headquarters, a high-rise building of 11 storeys with 2,557 light bulbs in total, was completed in May 2017, which helped save the electricity cost of up to 860,801.41 Baht. This energy-focused project had been expected to hugely reduce the company's overall operating cost in the long run.

11. Internal Control and Risk Management

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

Control Environment

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

Risk Assessment

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

Control Activities

10. The company has control measures to reduce risk to an acceptable level.
11. The company selects and develops the control activities with technology systems to help support company objectives.
12. The company provides control activities through a policy which defines expectations and procedures to practice information and communication systems.
13. The company has related and quality data to support the internal control that can be carried out as specified.
14. The company communicates internal data including objectives and responsibilities in the internal control that can be proceeded.
15. The company communicates with external agencies about issues that may affect internal control.

Monitoring activities

16. The company monitors and evaluates the internal control to ensure that it has still been proceeded completely.
17. The company evaluates and communicates the defect of internal control in time to the responsible persons including senior management and the Board of Directors.

The Executive Committee has evaluated the company's internal control and has an opinion that the company has the suitable and appropriate internal control system and risk management to operate effectively.

The Audit Committee Opinion

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

In the year 2016, Audit Committee has performed the duties as delegate by the company's Board of Directors and has the Internal Audit working unit operated as the scope, duty, and responsibility defined in the Internal Audit Operation Manual of company.

12. Related Transactions

None

Part 3

Financial Status and Operation Result

13. Important Financial Data

Financial Status and Operation Result

Consolidated statements of financial position

(Unit: Thousand Baht)

	Separate financial statement						Consolidated financial statement	
	2015	%	2016	%	2017	%	2560	%
Assets								
Cash and cash equivalents	326,834	7.1%	228,895	4.7%	237,380	4.6%	240,644	4.6%
Premium receivables	426,054	9.3%	373,438	7.7%	483,761	9.3%	483,828	9.3%
Accrued investment income	7,840	0.2%	6,811	0.1%	6,905	0.1%	9,005	0.2%
Reinsurance assets	418,192	9.1%	514,900	10.6%	476,375	9.1%	476,375	9.1%
Reinsurance from receivables contracts	65,857	1.4%	19,113	0.4%	52,071	1.0%	51,584	1.0%
Investment assets								
Investment in securities	2,506,557	54.6%	2,701,322	55.7%	2,984,710	57.3%	3,034,526	58.1%
Loans	7,996	0.2%	7,381	0.2%	5,715	0.1%	5,715	0.1%
Investment in subsidiary	-	0.0%	-	0.0%	67,200	1.3%	-	0.0%
Property, buildings and equipment	277,547	6.0%	288,056	5.9%	284,833	5.5%	292,109	5.6%
Goodwill	-	0.0%	-	0.0%	-	0.0%	18,720	0.4%
Intangible assets - computer software	8,772	0.2%	7,381	0.2%	6,173	0.1%	6,362	0.1%
Deferred tax assets	73,276	1.6%	80,928	1.7%	79,009	1.5%	79,009	1.5%
Other assets	471,017	10.3%	625,463	12.9%	524,068	10.1%	523,785	10.0%
Total assets	4,589,943	100.0%	4,853,688	100%	5,208,200	100.0%	5,221,662	100.0%
Liabilities and equity								
Liabilities	2,481,710	54.1%	2,576,140	53.1%	2,824,323	54.2%	2,825,442	54.1%
Insurance contract liabilities	358,657	7.8%	480,105	9.9%	507,548	9.7%	507,548	9.7%
Income tax payable	-	0.0%	178	0.0%	2,734	0.1%	2,734	0.1%
Employee benefit obligations	77,089	1.7%	75,195	1.5%	87,821	1.7%	87,820	1.7%
Other liabilities	577,716	12.6%	617,492	12.7%	614,815	11.8%	615,365	11.8%
Equity	1,094,772	23.8%	1,104,577	22.7%	1,170,959	22.5%	1,182,753	22.7%
Total liabilities and equity	4,589,943	100.0%	4,853,688	100.0%	5,208,200	100.0%	5,221,662	100.0%

Consolidated statements of comprehensive income

(Unit: Thousand Baht)

	Separate financial statement					Consolidated financial statement		
	2015	%	2016	%	2017	%	2560	%
Profit or loss:								
Income								
Gross premium written	3,125,705	119.0%	3,229,683	113.4%	3,545,875	125.1%	3,547,253	125.0%
Less: Premium ceded to reinsurers	(701,753)	-26.7%	(843,532)	-29.6%	(848,001)	-29.9%	(848,001)	-29.9%
Net premium written	2,423,952	92.3%	2,386,151	83.8%	2,697,874	95.2%	2,699,252	95.2%
Add (less): Unearned premium reserves (increase)	(116,478)	-4.4%	75,925	2.7%	(188,893)	-6.7%	(189,922)	-6.7%
Net earned premium	2,307,474	87.8%	2,462,076	86.5%	2,508,981	88.5%	2,509,330	88.5%
Fee and commission income	220,410	8.4%	243,288	8.5%	228,307	8.1%	228,307	8.0%
Investment income	77,154	2.9%	59,021	2.1%	66,131	2.3%	68,263	2.4%
Gain on investments	26,242	1.0%	51,712	1.8%	4,361	0.2%	4,361	0.2%
Gain on fair value adjustment of investments	(17,951)	-0.7%	10,489	0.4%	20,107	0.7%	20,107	0.7%
Other income	13,715	0.5%	20,550	0.7%	6,317	0.2%	6,303	0.2%
Total income	2,627,044	100.0%	2,847,136	100.0%	2,834,204	100.0%	2,836,671	100.0%
Expenses								
Claims and loss adjustment expenses	1,881,772	71.6%	1,987,110	69.8%	2,047,672	72.2%	2,048,394	72.2%
Less: Claim recovered from reinsurers	(366,618)	-14.0%	(327,606)	-11.5%	(485,170)	-17.1%	(485,217)	-17.1%
Commission and brokerage expenses	545,508	20.8%	546,870	19.2%	588,497	20.8%	588,633	20.8%
Other underwriting expenses	211,133	8.0%	239,460	8.4%	226,385	8.0%	226,868	8.0%
Operating expenses	333,823	12.7%	375,911	13.2%	422,912	14.9%	426,211	15.0%
Total expenses	2,605,618	99.2%	2,821,745	99.1%	2,800,296	98.8%	2,804,889	98.9%
Profit before income tax	21,426	0.8%	25,391	0.9%	33,908	1.2%	31,782	1.1%
Income tax revenue (expenses)	899	0.0%	(294)	0.0%	341	0.0%	341	0.0%
Profit for the year	22,325	0.8%	25,097	0.9%	34,249	1.2%	32,123	1.1%
Other comprehensive income:								
Exchange differences on translation of financial statements in foreign currency	-		-		-		(6,240)	
Gain (loss) on changes in value of available-for-sale investments	(18,789)		(8,581)		64,428		64,428	
Actuarial gain (loss)	3,763		8,403		(5,324)		(5,324)	
Income tax effect	3,005		36		(11,821)		(11,821)	
Other comprehensive income for the year - net of income tax (loss)	(12,021)		(142)		47,283		41,043	
Total comprehensive income for the year	10,304		24,955		81,532		73,166	
Basic earnings per share (Baht)	0.07		0.08		0.11		0.11	
Dividend per share (Baht)	0.05		0.05		0.07		0.07	
Shares	303,000,000		303,000,000		303,000,000		303,000,000	

Consolidated statements of cash flows

(Unit: Thousand Baht)

	Separate financial statement			Consolidated financial statement
	2015	2016	2017	2560
Cash flows from (used in) operating activities				
Direct premium written	3,074,914	3,310,865	3,388,520	3,390,462
Cash paid for reinsurance	(184,682)	(148,386)	(252,688)	(252,688)
Interest income	46,123	19,815	27,250	27,281
Dividend income	43,186	40,296	39,602	39,602
Other investment income	4,063	3,074	2,480	2,480
Other income	7,480	16,129	3,703	3,689
Claim incurred on direct insurance	(1,602,361)	(1,710,347)	(1,683,281)	(1,683,500)
Loss adjustment expenses on direct insurance	(27,841)	(29,622)	(31,202)	(31,202)
Commission and brokerage on direct insurance	(532,430)	(561,194)	(569,540)	(569,745)
Other underwriting expenses	(117,012)	(145,082)	(126,146)	(126,146)
Operating expenses	(481,575)	(609,349)	(587,515)	(590,329)
Income tax	(25,785)	(7,289)	(7,129)	(7,090)
Investment in securities	(705,663)	(381,434)	(176,911)	(176,911)
Loans	2,975	1,246	3,636	3,636
Deposits at financial institutions	757,652	150,672	79,135	50,119
Net cash from (used in) operating activities	259,044	(50,606)	109,914	79,658
Cash flows from (used in) investing activities				
Investment in subsidiary	-	-	(67,200)	(22,395)
Purchases of property, buildings and equipment	(59,938)	(32,258)	(19,263)	(27,348)
Disposals of equipment	863	75	184	184
Net cash used in investing activities	(59,075)	(32,183)	(86,279)	(49,559)
Cash flows from (used in) financial activities				
Dividend paid	(16,833)	(15,150)	(15,150)	(15,150)
Net cash used in financial activities	(16,833)	(15,150)	(15,150)	(15,150)
Decrease in translation adjustments	-	-	-	(3,200)
Net increase (decrease) in cash and cash equivalents	183,136	(97,939)	8,485	11,749
Cash and cash equivalents at beginning of year	143,698	326,834	228,895	228,895
Cash and cash equivalents at end of year	326,834	228,895	237,380	240,644

Financial ratios

	Separate financial statement			Consolidated
	2015	2016	2017	2560
(1) Liquidity ratio				
1.1 Liquidity ratio	0.57	0.51	0.50	0.50
1.2 Premium receivable turnover ratio	44.09	44.56	43.52	49.10
(2) Profitability ratio				
2.1 Retention ratio	77.57	73.89	76.08	76.09
2.2 Loss ratio	59.94	61.34	57.08	57.10
2.3 Gross profit margin ratio	(3.08)	(4.30)	(2.30)	(2.46)
2.4 Gross profit to total income ratio	(2.96)	(4.09)	(2.22)	(2.37)
2.5 Underwriting expense ratio	43.14	42.96	45.22	45.36
2.6 Return on investment ratio	3.01	4.13	2.75	3.03
2.7 Net premium written ratio	2.21	2.17	2.37	2.36
2.8 Net profit margin ratio	0.85	0.88	1.21	1.13
2.9 Return on equity ratio	2.03	2.28	3.01	2.81
(3) Efficiency Ratio				
3.1 Return on assets ratio	0.50	0.53	0.68	0.64
3.2 Assets turnover ratio	0.59	0.60	0.56	0.56
(4) Financial Ratio				
4.1 Debt to equity ratio	3.19	3.39	3.45	3.41
4.2 Policy Liability to Capital Fund	1.82	1.85	1.96	1.94
4.3 Unearned premium reserve to equity ratio	1.15	1.07	1.17	1.16
4.4 Unearned premium to assets ratio	29.37	26.44	27.79	27.73
4.5 Dividend payout ratio	67.86	60.37	61.93	61.93
(5) Net earnings per share	0.07	0.08	0.11	0.11
(6) Dividend per share	0.05	0.05	0.07	0.07
(7) Book value per share	3.61	3.65	3.86	3.90

14. Report of Board Responsibility for Financial Report

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

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

The Board of Directors have an opinion that the company's internal controls is at a satisfactory level, can be reasonably confident and reliable in the financial statements as of 31 December 2017 which the company auditors has audited according to the auditing standards generally accepted and expressed the opinion that the financial statements position and operation results are correct in accordance with generally accepted accounting principles.

15. Analysis and Explanation of Management Department

Performance

Comparison in 2017 and 2016, the company's underwriting income had increased Baht 31.93 million or 1.18% and investment income decreased Baht 30.62 million or 25.26% due to Thai money market by The stock exchange of Thailand (SET) while the underwriting expenses and operating expenses decreased Baht 21.45 million or 0.76% resulting in net profit increased from prior year.

Underwriting revenue and expense

The company had underwriting income Baht 2,737.29 million that increased 1.18% as compared in 2016 however it had underwriting expenses and operating expense Baht 2,800.30 million, decreased 0.76% from 2016. So in 2017 the company had underwriting loss Baht 63.01 million which decreased 45.86% from 2016 due to the continuous expansion of Thai economy. So the company develops new innovation tool to make more interesting product or service to gain more underwriting income, maintain market share and reduce underwriting and operating expenses resulting in underwriting profit.

For consolidated financial statement, the company and subsidiary company had underwriting income Baht 2,737.64 million and underwriting expenses and operating expense Baht 2,804.89 million. So in 2017 the company had underwriting loss Baht 67.25 million.

Investment income

Besides the underwriting income, the company had a main investment income with investment ratio as the Office of Insurance Commission (OIC) announcement which had the investment amount as of year end 2017 shown in the Financial Statements and recorded as market price Baht 2,990.42 million that increased Baht 281.27 million from 2016. In 2017, the company has decreasing investment income and profit Baht 30.62 million or 25.26% from 2016 due to the current Thai money market.

For consolidated financial statement, the company and subsidiary company had the investment amount as of year end 2017 shown in the Financial Statements and recorded as market price Baht 3,040.24 million.

Investment assets as at 31 December 2017

	Separate financial statement				Consolidate financial statement	
	2015		2016		2017	
	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %
Types of investment						
Deposits at financial institutions	186	6.8%	106	3.6%	156	5.1%
Bond and state enterprise	290	10.7%	347	11.4%	347	11.4%
Debenture	294	10.9%	584	19.1%	584	19.2%
Commoc stock	371	13.7%	409	13.4%	409	13.5%
Unit trust	1,560	57.6%	1,538	50.3%	1,538	50.6%
Investment in subsidiary	-	0.0%	67	2.2%	-	0.0%
Other	7	0.3%	6	0.2%	6	0.2%
Total investment	2,708	100.0%	3,057	100.0%	3,040	100.0%

Financial Status

The company had total assets Baht 5,208.20million increased 7.30% from 2016;cash and cash equivalents Baht 237.38million or 4.56% of total assets; investment assets included deposits at financial institution, debt instrument, equity instrument, bond,investment in subsidiary and other investmentsBaht 3,057.62 million or 58.71%, reinsurance assets and premium receivables Baht 1,012.21 millionor 19.44%, property, buildings andequipment and other assets Baht 900.99 million or 17.30%

For liabilities, the company had total liabilities Baht 4,037.24 million, increasing 7.69% from 2016. The main itemis insurance contract liabilitiesincluded loss reserves, outstanding claim and premium reserves Baht 2,824.32 million, increasing9.63% from 2016.Furthermore, the company had the reinsurance liabilities and other liabilities Baht 1,212.92 million, increasing3.41% compared with 2016.

The company had total equity Baht 1,170.96 million increased 6.01% from 2016. The company had net profit Baht 34.25million and other comprehensive income in gain (loss) on changes in values of available-for-sale investments and actuarial gain (loss) 47.28 million baht.

For consolidated financial statement, the company and subsidiary company had total assets Baht 5,221.66 million; cash and cash equivalents Baht 240.64 million or 4.61%; investment assets included deposits at financial institution, debt instrument, equity instrument, bond, investment in subsidiary and other investments Baht 3,040.24 million or 58.22%, reinsurance assets and premium receivables Baht 1,011.79 million or 19.38%, property, buildings and equipment and other assets Baht 928.99 million or 17.79%

For liabilities, the company and subsidiary company had total liabilities Baht 4,038.91 million. The main item is insurance contract liabilities included loss reserves, outstanding claim and premium reserves Baht 2,825.44 million. Furthermore, the company had the reinsurance liabilities and other liabilities Baht 1,213.47 million.

The company had total equity Baht 1,182.75 million. The company had net profit Baht 32.12 million and other comprehensive income in exchange differences on translation of financial statements in foreign currency (loss), gain (loss) on changes in values of available-for-sale investments and actuarial gain (loss) 41.04 million baht. However it consisted non – controlling interests of the subsidiary Baht 18.08 million.

In 2017, the company had direct premium written Baht 3,545.01million with growth rate 9.78% which was same as total non-life insurance business and in 2017 the company had market share of voluntary motor insurance in the 10th ranking.

Direct insurance premium comparative table

(Unit: Million Baht)

	2017		2016		2015	
	Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.
1 Total Direct premium written	218,434	3,546	211,813	3,229	209,197	3,125
Growth rate	3%	10%	1%	3%	2%	3%
2 Fire	9,850	163	10,233	169	10,484	176
Growth rate	-4%	-4%	-2%	-4%	-5%	0%
3 Marine	5,356	13	5,268	17	5,338	16
Growth rate	2%	-26%	-1%	6%	1%	14%
4 Motor	126,118	2,612	122,188	2,337	120,405	2,367
Growth rate	3%	12%	1%	-1%	2%	4%
5 Miscellaneous	77,110	758	74,124	706	72,970	566
Growth rate	4%	7%	2%	25%	3%	-2%

Economic condition

In 2017, the Thai economy grew by 3.9%, improved from the previous year's growth of 3.2%. The main driver was foreign economic growth. Export growth accelerated 9.9%, the highest in six years in all major export markets, and spread to almost all product categories according to the accelerated economy expansion of major trading partners and developed countries. Thai currency (Baht) strengthened by 10% against the beginning of the year, but average Thai Baht appreciation is less than 4% same as the region, it did not affect exports. Crude oil prices increased from 41.4 to 52.8 dollars per barrel in a year after the OPEC and its allies led by Russia agreed to cut production resulting export prices of crude oil increased especially petroleum products, petrochemical products and rubber products. Exports of major agricultural products increased due to favorable weather conditions, rainfall and irrigation water while tourism revenue continued to expand. The number of international tourists reached 35.3 million people, increased of 8.7% from 32.5 million people in 2016, which increased in almost all nationalities.

The overall economy continued to expand but the positive impact of economic growth on employment and household incomes had not been strong. The prices of agricultural commodities declined as an increase of higher output. The high level of household debt resulting relatively low inflationary pressures on domestic demand. The overall financial condition remains at a relaxed level and contributes to economic growth reflecting on the cost of fundraising in credit and debt markets of the corporate sector remains low, financial stability was good. The expansion of private consumption is supported by the income base improvement in the economy including inflation and interest rates were still low.

Private investment has shown signs of recovery in 2017. Investors are interested in applying for BOI investment in Map Ta Phut Industrial Estate in target industry 250,000 million baht especially in the automotive, electrical and logistics. The investors were still waiting for clarity of the East Economic Development Act which was under consideration of agenda 2 and 3 of the National Legislative Assembly (NIA) members.

Expenditure on public utilities and public investment also expanded though some projects are delayed due to performance constraints, disbursements and heavy rains on construction. Most state-owned enterprises invested in the plan, but there are some projects postponed the investment.

The State Welfare project for little income people with little income Baht 30,000 – 100,000 with cooperation of the Ministry of Finance, the Department of Central Bank, State Bank, Ministry of Commerce. Many provinces provide basic assistance to reduce ng household expenses with 11.4 million qualified people.

Total new car sales increased by 13.3% from 0.76 million units in 2016 to 0.87 million units in 2017, resulting in the Thai car market grew the first time in four years with an improvement of consumer confidence, buying power recovery, the camping car and new variety of cars with promotional activities to stimulate the market. As the motorcycle market continued to grow with sales 1.81 million units, an increase of 4.2%.

The Monetary Policy Committee (FOMC) of the Federal Reserve raised interest rates for Monetary Policy Normalization three times in 2017 to 1.25% - 1.50% as expected, due to strong job market, unemployment rate below 4.5% showing confidence in economic expansion. The Monetary Policy Committee (MPC) maintains a policy interest rate of 1.5% per annum to support the economy to grow robustly and to maintain price stability according to the monetary policy of other countries such as the European Union and Japan also pursued a relaxed monetary policy. The European Central Bank (ECB) has extended its buy-in period for QE which originally scheduled to end December 2017, to be the fourth quarter 2018 to oversee economic recovery. The effectiveness of easing Thailand's monetary policy towards the real economy may be limited. This is partly because commercial banks are cautious in lending due to concerns over poor credit quality, high debt burden on households with more liquidity of commercial banks.

For price stability, average inflation rate was 0.6% up from 0.2% in 2016 as a rise in domestic oil prices while external stability, Thailand's current account registered a record USD 4.86 billion up from last year USD 4.82 billion. The International reserves were about 3.5 times higher than short-term foreign debt, exchange rates were also conducive to exports.

The stock market

In 2017, was a special year for investment. Foreign exchange markets in both developed and emerging markets rose sharply as the New High was due to the global economic recovery. The liquidity was a lot, low interest rate and inflation. The US tax reform legislation were supported the global equity year end, the government has issued stimulus packages and continued to push for capital investment projects. They were tax deduction for tourism in 55 secondary provinces, measures to help people with low purchasing power including state welfare fund phase 2 for those who earn less than Baht 30,000 per year, signing contract for the construction of the 5 ways dual train project. Approval of the construction of the first high-speed rail in Thailand from Central to Pang Asoke. The SET Index rose 13.7% from 2016 to close at 1,753.71 index points, reflecting both earnings improvement of listed companies and economy expectation that was one of the global equity markets with good return. The forward P/E ratio was 17.46 times with a dividend yield of 2.8% Foreign investors net sold Baht 26,000 million.

Trends

The World Bank forecasts that the global economy will grow by 3.1%, with a wide range of regions. The developed world economy is expected to grow better with consumption and a stronger labor market including the US tax reform system at the end of December 2017 that will help stimulate the US economy in the next phase. The improvement in commodity prices and fiscal position, especially in India, Russia, Brazil and Middle East are likely to accelerate from the last year including the expansion of Eurozone economy, Japan and China with slowdown trend. As a result, the overall economy and trade volume in the world expand same as last year.

However, the global economy may face the risk of adopting a trade policy. "America Must Come First" by President Donald Trump and the political strained situation both in the Korean peninsula and in the Middle East. In addition, if the United Kingdom fails to reach a compromise agreement with the European Union (Brexit) in a smooth process that may be serious risks to the European economy recovery in 2018. Negotiations on the Brexit have no clear plan which will be a negative factor for European investment decisions. In the past, the Brexit process had a slowdown effect in the UK economy.

Continuous expansion of major economies and a more resilient recovery of the global economy is likely to push up key commodity prices and inflation in key countries. Crude oil prices in the world market are likely to rise after OPEC and non-OPEC reach a renewal of crude oil production until the end of 2018 resulting main economic countries adjust their monetary policy more normal. Federal Reserve has a trend to raise the policy rate three times in 2018 to 2.0% - 2.25% together with the implementation of balance sheet reduction measures. The European Central Bank is likely to keep its policy rate unchanged for at least the first three quarters along with the implementation of asset acquisition plan. Other developing countries have a shift sign in monetary policy as inflation rate and interest rates rise in the United States. Although the Bank of Japan is likely to maintain its policy rate and keep asset acquisition at the same level as last year.

The Bank of Thailand expects Thai economy to grow by 3.9% in 2018 driven by the export and tourism sectors which get benefit from the global economic expansion. Exports of Thai products in 2018 are likely to expand at a slower pace of 4%, due to both the volume and prices accelerating to the previous period. Private consumption expands gradually by many supporting factors such as higher farm income than last year due to production increase, labor income in manufacturing sector for export and tourism sector improvement especially for high – income groups. The debt burden of first car is running out, the government is preparing a mid – year 2018 expense budget Baht 150,000 million to strengthen the local economy and agricultural reforms such as phase 2 of individual assistance measures, promotion of agricultural insurance, district development fund, agricultural infrastructure increase such as silos, barns, communal barns and reduction of rubber plantation area. In 2018, the federal investment limit increases from last year by allocation to good agencies, good disbursement as well as investment in many state-owned enterprises has been postponed from 2017. However, there are risks from the Government Procurement and Management Act in 2017 which may lead to delay in some agencies that have never used the new system such as local government organizations in the early stages. The government has a policy to drive five major projects under the East-East Economic Corridor in the form of Public Private Partnership (PPP). It helps increase investor confidence both in Thailand and abroad with total investment of more than Baht 600,000 million. All TORs will be completed by the third quarter 2018, they are U-Tapao Airport and Eastern Aircraft Town; U-Tapao Airport Maintenance Center; high-speed rail linking 3 airports; Laem Chabang Port Phase 3 and Map Ta Phut Industrial Port Phase 3

Small and Medium Enterprise Development Bank of Thailand prepares to issue the credit package Bht.70,000 million for SMEs that face financial problem to access difficult capital. They can apply for a loan without any collateral.

Inflation is likely to increase slowly by oil price factor. But the weather is very favorable to the market, fresh food prices are likely to remain low and structural factors are changing as technology advances and higher price competition. Inflation estimation in 2018 is 1.1% and unemployment rate remains low.

Non-life insurance business is expected to grow by 3% in 2018. The rice insurance program has been trusted by over 1.5 million farmers. The insurance covers over 26 million rai to bring the insurance system into the risk management. For motor insurance, new car market continues to grow due to small car engine not more than 1,500 cc, 1.1 million cars purchased during the first five – year car project were out of business from mid – 2017 resulting some consumers decide to change new car under the economic growth together with low interest rate. Toyota Motor Thailand Co.,Ltd. expects the car market in 2018 to grow continuously with the total sales volume 900,000 units increasing 3.4% from last year. The customers confidence and each camp has started to launch new cars that help to stimulate the local car market. Coupe market will expand more than commercial vehicles that are pressured by low agricultural prices.

The rate of property insurance risk is likely to decrease from last year due to the reinsurance company has reduced its premium on natural risks with no serious natural disasters.

Accuracy of Information Acceptance

Accuracy acceptance of information in Annual Information Record Presentation Form is given to Authorized Committee Member to sign off company commitment. Sign off and seal with company stamp (if available) in that form together with authorize to any person do the counter sign on that form as well by using the following statement and format.

“Company has revised and check up the information in this Annual Information Record Presentation Form with careful. I confirms that the information is correct and complete, not fake, not make other misunderstanding or not lacking of information should be report in main point. Except from those, company confirm that

(1) Financial statement and financial information summarized in the form has represented the correct information with completeness in the main point concerns about financial status, performance result, and cash flow of company and subsidiary.

(2) Company has managed to have an good information reveal system. To assure that company has revealed information in the part of main point both belongs to company and subsidiary with correctness and completeness together with control and look after to perform according to the system mention.

(3) Company has managed to have a good internal control system and control it to perform according to the system mention and company has informed the internal control system evaluation at December 31, 2016 to the Accounting Auditor and Audit Committee of the company. The evaluation was covered with defects and important modification of internal control system together with dishonesty deeds that may effect to the financial report preparation of the company and subsidiary.

In doing this for become an evidence that all document is the same set as company has correctly approved. Company has assigned Mrs. Sunee Theravithayangkura become an authorized sign off person for countersign the this document with every page. If any document don't have her countersign signature, company consider as the document is not the correctness approval information by the company as mention before”

	Name	Position	Signature
1	Mr. Jiraphant Asvatanakul	President & CEO
2	Mr. Thawan Viranont	Advisor of CEO
3	Mrs. Sutepee Asvatanakul	Vice President
4	Mrs. Sunee Theravithayangkura	Director and Company Secretary
5	Mrs. Duangkaew Viriyanusak	Senior Accounting Manager

	Name	Position	Signature
	Authorized Person :		
	Mrs. Sunee Theravithayangkura	Director and Company Secretary

In order that Section 89/20 *** Securities and Securities Exchange Market Act 1992 which amended and added by Securities and Securities Exchange Market Act (Issue 4) 2008 defined that committee and executives must accompany with admit guilty to persons that trade the company's securities in any damage happened according to information exposure to share holder or public person by represent a not true information in main point or by conceal the fact that should inform in the main point. In case of financial statement and report concerns financial status and performance results of company or other reports that need to reveal as Section 56 or Section 199 by not limit responsibility at only committee or executives which sign off for the correctness of information in that document. However, Committee or Executives which can prove that by position and responsibility, unperceived the reality of information or lack of information that should be informed. They no need to admit guilty as Section 89/20

Remark: *** Use to control with companies under the control of group 3/1 of Securities and Securities Exchange Market Act BE 2535 which amended and added by Securities and Securities Exchange Market Act (Issue 4) 2008

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Chalaw Fuangaromya	Age 80 years
Independent Director	Date appointed April 5, 2012
Chairman	April 8, 2015
Chairman of the Investment Committee	May 12, 2016

Education / Training

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

Training Course in 2017 - None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2017)

2012-2014	Chairman of the audit Committee, Thai re Life Assurance PCL , Insurance
2012-2015	Chairman of the audit Committee, Thaivivat Insurance PCL. , Insurance
2008-2012	Chairman, Professional Waste Technology (1999) PCL, Professional Services

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

Listed Company

- None

Limited Company - None

Special Activity

- Committee, The Thai Tapioca Development Institute

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Pilai Piampongsarn Age 81 years
Independent Director Date appointed June 2,1999
The Audit Committee February 23,2009
The Nomination and Remuneration Committee August 11, 2016

Education / Training

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

Training Course in 2017 - None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2017)

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

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

Listed Company

The audit committee , Crown Seal PCL. , Packaging

Limited Company

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

Special Activity - None

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Phisit Setthawong Age 73 years
Independent Director Date appointed October 28, 2005
The Audit Committee April 5, 2012 - April 8,2015
Chairman of the Audit Committee April 8, 2015
Chairman of the Nomination and Remuneration Committee August 11, 2016

Education / Training

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

Training Course in 2017

- None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2017)

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

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

Listed Company - None

Limited company - None

Special Activity - None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Pranee Phasipol	Age 68 Years	
Independent Director	Date appointed	April 8,2015
The Audit Committee		April 8,2015
The Investment Committee		May 12,2016

Education / Training

- B.A.,Major: Accounting (Second Class Honors), Thammasat University
- M.A.Accounting, Thammasat University
- Diploma, National Defence College, The Joint State - Private Sector Course, Class 2003-2004
- Diploma in Public Law, Batch 9,Thammasat University and The Office of the Council of State
- Top Executive Program in Commerce and Trade, Batch 2, Commerce Academy , UTCC
- Certificate of Civil Service Executive Development Program,
- Course 1, Batch 30, Office of the Civil Service Commission
- Certificate of Change Management, Ripa International, UK
- Certificate of Distance Learning Course for Insurance Supervisors (Module 2), World Bank
- Certified Public Accountant
- Director Certification Program 10/2001,Thai Institute of Directors (IOD)
- Advance Audit Committee Programs
- HRP : Risk Management Plan class 11/2016 (IOD)
- RNG : Role of the Nomination and Governance Committee class 8/2012 (IOD)

Training Course in 2016 None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2017)

2014 - Present The audit committee, The Nominating and Cooperate Governance Committee, Dusit Thani PCL. , Tourism & Leisure

2012 - Present Independent Director , Chairman of The audit committee and Chairman of the Nomination and Compensation Committee, SCI Electric Manufacturer Co., Ltd. , Energy

Present - Member of Foreign Business Commission, Ministry of Commerce

Present - The audit committee The Support Arts and Crafts International Center of Thailand

Present - Member of Life Insurance Fund Commission, Life Insurance Fund

Present - Chairman of Ethics /Committee and Member of CPA Examination Committee, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

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

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

Listed Company

The audit committee, Dusit Thani PCL. , Tourism & Leisure

Limited Company

Independent Director , Chairman of The audit committee and Chairman of the Nomination and Compensation Committee, SCI Electric Manufacturer Co., Ltd. , Energy

Special Activity

Member of Foreign Business Commission, Ministry of Commerce

The audit committee The Support Arts and Crafts International Center of Thailand

Member of Life Insurance Fund Commission, Life Insurance Fund

Chairman of Ethics /Committee and Member of CPA Examination Committee, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

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

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Supaporn Burapakusolsri Age 64 years
Independent Director Date appointed November 14,2016

Education / Training

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

Training Course in 2016

Newly issued of standards financial reporting and tax implications.
Audit Committee Guide for Compliance and. Ethical Culture Oversight
Business in the Age of Uncertainty
National Research Alliance Dialogue on Corporate Governance 2017

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017 - Present Independent Director,Chairman of The Audit committee, S N Service Solution Company Limited, Food Drink and Service

2015 – Present Independent Director, Chairman of the Audit Committee, Member of Nomination and Remuneration Committee, Chewathai Public Company Limited, Real Estate

2015 – 2015 Independent Director, Chairman of the Audit Committee , Chewathai Company Limited , Real Estate

2008 – 2013 Senior Executive Vice President, Planning and Finance Chief Financial Officer (CFO) Airport of Thailand Public Company Limited , Transportation & Logistics

2008 – 2012 Director Suvarnabhumi Airport Hotel Company Limited , Hotel

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

Listed Company

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

Limited Company

Independent Director,Chairman of The Audit committee, S N Service Solution Company Limited, Food Drink and Service

Managing Director, Coperate Service Company Limited,Accounting and auditing

Director, WSKP Intertrade Company Limited,Marketing Consultant

Director, WSKP International Company Limited,Business Consultant

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority, control and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Jiraphant Asvatanakul	Age	58 years
Director	Date Appointed	May 12,1986
The Investment Committee		May 12,2016

Education / Training

- B.A. Economics, Thammasart University
- Master in Professional Accounting, University of Texas at Austin, U.S.A.
- Diploma, National Defence College, The National Defence Course Class 56
- Thailand Insurance Leadership Program Class 1 - OIC Advance Insurance Institute
- Top Executive Program in Commerce and Trade, Batch 8, Commerce Academy , UTCC
- Director Accreditation Program (DAP),Thai Institute of Directors (IOD)
- Top Executives Program Class 22,Capital Market Academy

Training Course in 2017 None

Company Shareholding (%)

8,781,128 shares 2.89%

Family Relationship to Management

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

Working Experience for the Past 5 Years (Information as December 31, 2017)

1983- Present	CEO and President Thaivivat Insurance PCL. , Insurance
2014-2015	Director, The Re Life Assurance PCL. , Insurance
2015-Present	Director, Policy Protection Fund
2016- Present	Independent Director , Member of the audit committee, Member of the nomination and Remuneration Committee , Vichitbhan Palmoil PCL., Agribusiness
1992-Present	Director ,Member of the nomination and Remuneration Committee, Thai Reinsurance PCL. , Insurance
2000- Present	Vice Chairman ,Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd. , Insurance
2010-Present	Director, T.I.I. Co., Ltd. (Thailand - Insurance Institute)
2017-Present	Director, Thai General Insurance Association
2007-Present	President, Thai General Insurance Association
2013- Present	Director, The Federation of Insurance Company in Thailand
2017-Present	Director, Thai Chamber of Commerce and Board of Trade of Thailand

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

Listed Company

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

Limited Company

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

Special Activity

- President, Thai General Insurance Association
- Director, The Federation of Thai Insurance Organizations
- Director, The Thai Chamber of Commerce and Board of Trade of Thailand
- Director, Policy Protection Fund
- Director, Honorable Committee UTCC Council
- Director, The Thai Chamber of Commerce Foundation
- Director, Police Major General, Sararin Foundation

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

<u>Name / Age / Position / Date appointed</u>			
Mr. Thawan Viranont	Age 69 years		
Director		Date Appointed	April 29,1993
The Nomination and Remuneration Committee			August 11,2016
<u>Education / Training</u>			
- B.A. Law, Thammasart University			
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)			
<u>Training Course in 2017</u>			
None			

Company Shareholding (%)

18,000 shares 0.01%

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2017)

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

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

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

<u>Name / Age / Position / Date appointed</u>	
Mrs. Sutepee Asvatanakul	Age 57 years
Director	Date appointed June 18, 1986
The Nomination and Remuneration Committee	August 11, 2016
<u>Education / Training</u>	
- B.A. Liberal Arts, Thammasart University	
- Master of Business Administration , Tarlenton State University (U.S.A)	
- Thailand Insurance Leadership Program Class 2 - OIC Advance Insurance Institute	
- Director Certification Program (DCP), Thai Institute of Directors (IOD)	
<u>Training Course in 2017</u>	- None

Company Shareholding (%)

4,725,384 shares 1.56%

Family Relationship to Management

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

Working Experience for the Past 5 Years (Information as December 31,2017)

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

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Vipheth Sihachakr Age 51 years

Chairman

Education / Training

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

Training Course in 2016

None

Company Shareholding (%)

-

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017- Present President Laovivat Insurance

Personal Business

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Thawan Viranont Age 69 years
Vice President

Education / Training

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

Training Course in 2016

None

Company Shareholding (%)

-

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017-Present Vice President Laovivat Insurance
2015- Present Advisor of CEO Thaivivat Insurance PCL. , Insurance
1999-2014 Executive Vice President Thaivivat Insurance PCL. , Insurance

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical
Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Pasatxay Philaphandeth Age 53 years

Vice President

Training Course in 2016

None

Company Shareholding (%)

-

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017- Present President Laovivat Insurance

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Pongsapoj Piamcharoen Age 53 years

Director

Training Course in 2016

None

Company Shareholding (%)

-

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017- Present President Laovivat Insurance

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mrs. Natamon Charoenwannawong Age 62 years

Director

Training Course in 2016

None

Company Shareholding (%)

-

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31,2016)

2017- Present President Laovivat Insurance

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

Listed Company

- None

Limited Company

- None

Special Activity

- None

AUDIT COMMITTEE REPORT 2017

To : Shareholders

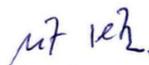
Thaivivat Insurance Public Co., Ltd.'s Audit Committee comprises of 3 Independent Directors who have high qualification with experience of Economics, Business Administration, Accounting and Auditing as regulated by the Securities and Exchange Commission and Stock Exchange of Thailand. Mr. Phisit Setthawong (Chairman of the Audit Committee), Mrs. Pilai Piumpongsarn and Mrs. Pranee Phasipol (Audit Committees) with 3 years term.

In 2017, the Audit Committee performed independently as the Directors assignment with 6 meetings that all committees attended all meetings to carry out their scope, duties and responsibility. The company provided the Audit Committee meetings with auditor, internal auditor and management representative to consider the problems, exchange opinion including giving advice on matters that are beneficial to the company management as the principles of good corporate governance. The Audit Committee reported the meeting results every time as follows :

1. Reviewing the Company's quarterly and fiscal year 2017 by auditor inquiry about the accuracy, reliability of financial report and disclosures adequacy. The Audit Committee agrees that the company financial report is complete according to the generally accepted accounting principles and the auditors propose unqualified report. In addition, the Audit Committee had only once meeting a year with auditor, the auditor reported that it had freedom to practice and got good cooperation from the management.
2. Reviewing the adequacy evaluation of internal control system as the evaluation given by the Securities and Exchange Commission that was prepared by management. Asking more information and agrees that the company has sufficient internal control system and management as the principles of good corporate governance.
3. Reviewing the risk management including various measures to manage risks that have significant business operations and agrees that the company has appropriately treated and the internal audit department monitors operation result as the Board of Directors specification.
4. Reviewing the company has operated legally according the Stock Exchange of Thailand's stipulation, Insurance Act and related laws as the Office of Insurance Commission registrar announcement together with the company regulations operation and agrees that the company has continuously good practice according to laws, regulations and requirements.
5. Reviewing and giving opinion in the data disclosures of related transactions or opposite transactions in company benefit according to the Stock Exchange of Thailand by consideration the suitability of transaction details and necessity. The Audit Committee agrees that the transactions were reasonable and fair including complete and adequate disclosures.
6. The company has a policy to operate business with mainly transparency, honesty, accuracy, justice and ethics by making a manual of measure and procedure for the Anti-Corruption to suit the environment of business operation. In 2016, the company has been certified CAC (Collective Action Coalition) of the Thai private sector for the Anti-Corruption.

7. Consideration and approval in the internal audit plan in 2018 to be consistent with the company business by emphasizing the effective operation auditing, the internal control system assessment and risk management.
8. Consideration the Auditor nomination, The Audit Committee agrees that the auditor from EY Office Limited professional, independent, has carried out its duties well and efficiently and proposes to the Board of Directors be re-appointed Ms.Nonglak Punnoi (Certified Public Accountant No.4172), Ms.Somjai Khunnaprasut (Certified Public Accountant No. 4499), Ms.Ratchada Yongsawasvanich (Certified Public Accountant No.4951) and Ms. Narissara Chaisuwan (Certified Public Accountant No.4812) from EY Office Limited by the ordinary shareholder's meeting as the company's auditor for the year 2018.

On behalf of the Audit Committee



(Mr.Phisit Setthawong)

Chairman of the Audit Committee

Director of Audit Department

Name	Age (Year)	Education	Work Experience during the parts years		
			During	Position	Company
					Business
Mr. Krailoes Hanvivadhanakul	59	1. Bachelor of Economic, Thammasat University 2. Bachelor of Economic, Thammasat University 3. MBA, University of Chicago. USA	2012-2017	Executive Vice President, Thaivivat Insurance Public Company Limited	Thaivivat Insurance Public Company Limited

Attachment 4 Details of asset valuation

None

Attachment 5 Others

None