

ANNUAL REPORT

AS OF 31 DECEMBER, 2019

THAIVIVAT INSURANCE PUBLIC CO., LTD.

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Part 1

Business Operation

1. Policy and Business Overview

In 2019, the company got an outstanding development award of non-life insurance companies of the year 2018 and non-life insurance company that brought technology to the best insurance system of the year 2019 from the Ministry of Finance in Thailand Insurance Expo 2019, organized by the Office of Insurance Commission (OIC). The company also got the certificate from Thailand's Private Sector Collective Action Coalition Against Corruption – CAC in the CAC National Conference Day 2019.

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 Pangsriwong
 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
2018	Receiving the creative technology innovation award in Thailand Insurance Expo 2018
2018	Receiving the award and certificate of innovation and innovative organization from National Innovation Agency
2019	Receiving an outstanding development award of non-life insurance companies of the year 2018 and non-life insurance company that brought technology to the best insurance system of the year 2019
2019	Receiving the certificate from Thailand's Private Sector Collective Action Coalition Against Corruption – CAC in the CAC National Conference Day 2019

(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					
	2017	%	2018	%	2019	%	2017	%	2018	%	2019	%
Underwriting income	2,737.3	96.6	3,217.3	99.1	3,733.7	96.2	2,737.6	96.5	3,219.8	99.1	3,736.3	96.1
Investment income	90.6	3.2	20.2	0.7	134.1	3.5	92.7	3.3	23.2	0.7	136.7	3.5
Other income	6.3	0.2	7.4	0.2	14.6	0.4	6.3	0.2	7.4	0.2	14.5	0.4
Total income	2,834.2	100.0	3,244.9	100.0	3,882.4	100.0	2,836.6	100.0	3,250.4	100.0	3,250.5	100.0

Business operation of each product line

(1) Product or service characteristics

There are 4 main services of company as follows:

1. Motor insurance

1.1. Compulsory insurance

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

1. Fire insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from fire or lightning or gas explosion of household consumption and has coverage extension to water damage, explosion, riot, strike, hail, flood, earthquake, windstorm, and aircraft etc.

2. Marine and transportation insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from transportation.

3. Miscellaneous insurance includes several kinds of insurance such as personal accident insurance, travel accident insurance, health insurance, compensation indemnity insurance, critical illness insurance, contractor all risks insurance, burglary insurance, health insurance, global travel insurance etc.

(2) Marketing and competitive situation

A. Policy, important product characteristic and service

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

Advantage

- To operate the longest motor insurance business of all insurance companies in present which makes the company have experience for giving service to the insured and related person as well as to have the database of complete underwriting
- To have a long term relationship with customer base
- To have a company culture to understand customer and related person requirements which makes impression to the customer and related person in our services
- The company has a good customer base with risk distribution and a large amount of company fund that makes the company be able to handle risk in high level

Disadvantage

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

Target customers

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

B. Competitive situation

The total insurance premium market in 2019 is 245,010 million baht, an increase of 5.1 % from 2018 due to overall selling cars have higher price and the non-life insurance business has adjusted car insurance premium rates because of increasing compensation rate. Expansion of large-scale investment projects by the public and private sectors is a catalyst of continuous growth for the insurance industry in Engineering and IAR insurances. The aging society and increasing medical expenses every year make the health insurance market increase high competition and direct insurance premiums have grown considerably. In addition, the use of technology in sales, product design to meet the customer needs today and importance realization of the travel and accident insurance resulting finding insurance policies easier and more demand. This insurance premiums grows in the same direction as health insurance. The company emphasizes innovation

leadership, digital strategy adaptation and taking technology to develop new products for both corporate and retail customers. We sell through various distribution channels to reach the most targeted customers such as agents, brokers, banks (Banc assurance), financial institutions, telemarketing, convenience stores, online channel and claim services improvement via Smartphone applications.

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

No.	Class of Business		Year	Direct Premium(Unit : Million Baht)			
				Sub Class	2016	2017	2018
1.	Motor	1.1	Voluntary	105,508	110,160	118,870	126,147
		1.2	Compulsory	16,680	15,958	18,063	18,511
			Total	122,188	126,118	136,933	144,658
2.	Fire	2.	Fire	10,233	9,850	10,165	10,072
3.	Misc.	3.	Misc.	74,124	77,110	80,470	85,338
4.	Marine	4.	Marine	5,268	5,356	5,522	5,431
Grand Total				211,813	218,434	233,090	245,499

(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 Baht30 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, 2019, the company has the fund as accounting Baht 1,320,047,722 and there was a level a level of capital adequacy as CAR Ratio 236.26

C. Liquidity

Liquidity management for insurance premium of the company to the suitable loss ratio, in the year 2019 the loss ratio is 55.45% increasing 3.01% from 2018.

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

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

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	157,641,604.73	-
- 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	-
- 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 UdonThani triangle Road, Thanbon Sam Phrao, Amphoe Muang, Udonthani	Owner	5,500,000.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
- 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	-
-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	-
-Khongan 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.478/9Moo5 Phaholyothin Road, Tambon Rimko, Amphoe Muang Chiangrai, Chiangrai Province	Owner	7,340,000.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
-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	-
-Nakornsrihammarat Branch Title Deed no.157993 20.8 Sq. Wah area, address no.43/8 Pattanakarnkookwang, Tambon 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	Owner	6,500,000.00	-
- Maesod Branch Title Deed no.60204 33.90 Sq. Wah area, address no.81/14 Saiasia Rd., Tambon 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., Tambon 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	5,500,000.00	-
-Rayong Branch Title Deed no.179777 and no. 17977844.3 Sq. Waharea, address no. 70/16-17,Rayong Bypass Rd. (National highway 3), ChoengNoen, MuangRayong, Rayong	Owner	15,000,000.00	-
-Pattani Branch Title Deed no.6540822.5 Sq. Waharea, Na Kluea Rd., A No Ru, Muang, Pattani	Owner	9,000,000.00	-
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, Prakanong district, Bangkok	Owner	28,082,653.00	-

Asset Type	Ownership	Value (Million Baht)	Obligation
- Building no. 67/9 Mittraphab Road, Thambon Pak Pure, Amphoe Muang, Sara Buri	Owner	541,077.00	-
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. Building Improvement	Owner	18,036,170.50	-
6. Decoration Accessories	Owner	45,410,381.31	-
7. Office Supply	Owner	95,243,151.32	-
8. Vehicle	Owner	90,882,324.77	-
9. Work in process	Owner	521,325.00	-
Total		676,496,918.39	

Net Asset Value

(Unit : Baht)

	Consolidated Financial Statement	Separate Financial Statement
1. Net Asset Value	6,530,719,262	6,533,370,303
2. Net Asset Value deduct Assumed Liability	1,313,573,063	1,320,047,722
3. Net Asset Value Per Share	4.4	4.3
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:

(Baht)

	Consolidated Financial Statement	Separate Financial Statement
Trading securities	350,044,735	350,044,735
Available-for-sale investments	3,039,533,135	3,039,533,135
Held-to-maturity investments	385,340,583	344,359,250
Other investments	3,720,650	3,720,650
Total investment in securities	<u>3,778,639,103</u>	<u>3,737,657,770</u>

(2) Shareholders

Major shareholders 10 lists (Data as of 26 November 2019)

Shareholders	Amount	Ratio (%)
1. M.A. International Co., Ltd.	76,084,280	25.11
2. Tungjaimun Co., Ltd.	69,570,840	22.96
3. Ms. Jiraporn Buranasombat	18,239,400	6.02
4. BANK OF SINGAPORE LIMITED	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	9,620,000	3.12
9. Mr. Jiraphat Asvatanakul	5,954,400	1.97
10. Mrs. Sutepee Asvatanakul	4,725,384	1.56

(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. | Mr. Phisit Setthawong | Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee * |
| 3. | Mrs. Pilai Piamphongsarn | Independent Director, Audit Committee and The Nomination and Remuneration Committee * |
| 4. | Mrs. Pranee Phasipol | Independent Director, Audit Committee 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 2019 has 6 meetings

- | | | |
|---------------------------------|---|----------------------|
| 1. Mr. Chalaw Fuangaromya | Independent Director, Chairman and Chairman of the Investment Committee * | (Attendance 6 times) |
| 2. Mr. 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 5 times) |
| 4. Mrs. Pranee Phasipol | Independent Director, Audit Committee and Investment Committee * | (Attendance 5 times) |
| 5. Mrs. Supaporn Burapakusolsri | Independent Director * | (Attendance 6 times) |
| 6. Mr. Jiraphant Asvatanakul | Director and Investment Committee | (Attendance 6 times) |
| 7. Mrs. Sutepee Asvatanakul | Director and Nomination and Remuneration Committee | (Attendance 5 times) |

- | | | |
|----------------------------------|--------------------------------|----------------------|
| 8. Mr. Thawan Viranont | Director | (Attendance 5 times) |
| 9. Mrs. Sunee Theravithayangkura | Director and Company Secretary | (Attendance 6 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. | Mr. Phisit Setthawong | Audit Committee Chairman |
| 2. | Ms. Pilai Piamphongsarn | Audit Committee |
| 3. | Ms. Pranee Phasipol | Audit Committee |

Authority, duty, and responsibility of Audit Committee

1. The Audit Committee has authority as follows :

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

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

- 2.1 Check up company to have the correct financial report and sufficient.
- 2.2 Check up company to have Internal Control System and Internal Audit System that proper and effective and consider independence of Internal Audit Unit
- 2.3 To review the Company's risk management system in accordance with the defined risk management framework to ensure system effectiveness which will enable the Company to achieve the determined objective both in terms of performance efficiency and effectiveness.
- 2.4 Check up the company to perform duty according to the law about Securities and Securities Exchange Market
- 2.5 Consider to promote a person that has independence for doing accounting audit duty of the company and propose the compensation of that person including participate in audit meeting without management party at least once a year.

2.6 Consider transactions that related or may conflict of interest, 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.

2.7 To review corporate compliance with Anti-Corruption Policy and report to the Board of Directors.

2.8 Provide auditing report and Audit Committee activities by publish in the company annual report that needs to be signed off by the Audit Committee Chairman and at least to have the details as follows:

- (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.

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

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

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

Sukhothaihummatiraj University, Bachelor of Accounting (2004)

Work Experience during the past 5 years:

2014-2019 Deputy Manager, Thaivivat Insurance Public Company Limited

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

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

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

Audit Committee meeting in 2019, there are 7 meetings and number of meeting attendance as follows.

1. Mr. Phisit Setthawong Independent Director and Chairman of the Audit Committee (Attendance 7 times)
2. Ms. Pilai Piamphongsarn Independent Director and Audit Committee (Attendance 7 times)
3. Ms. Pranee Phasipol Independent Director and Audit Committee (Attendance 7 times)

2. Nomination and Remuneration Committee

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

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

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

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

1 Nomination

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

1.6 Nomination and Remuneration Committee may be assigned to consider the nomination of Top Management, particularly President Position.

2 Remuneration

2.1 To review the suitability of current remuneration criteria.

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

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

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

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

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

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

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

In which the company has a policy of remuneration for directors Senior management And the President By considering, studying, analyzing, comparing, compensation to be comparable with other similar sized companies. And other companies in the same industry In order to motivate and maintain the executive committee And the President Quality that is with the company

Nomination and remuneration committee meeting in 2019 has one meeting with attendance as follows:

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

3. Investment Committee

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

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

Scope of powers, duties and responsibilities of Investment Committee

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

Investment committee meeting in 2019 has two meetings with attendance as follows:

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

4. Good Corporate Governance Committee

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

1. Mrs. Pranee Phasipol, Independent Director, Audit Committee, Investment Committee and Chairman Good corporate governance
2. Mrs. Supaporn Buraphonkusolsri, Independent Director and Member of the Corporate Governance Committee

3. Mr Thawan Viranont Advisor to the President And the Corporate Governance Committee

Good Corporate Governance Committee has the following powers and duties

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

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

5. Risk Management Committee

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

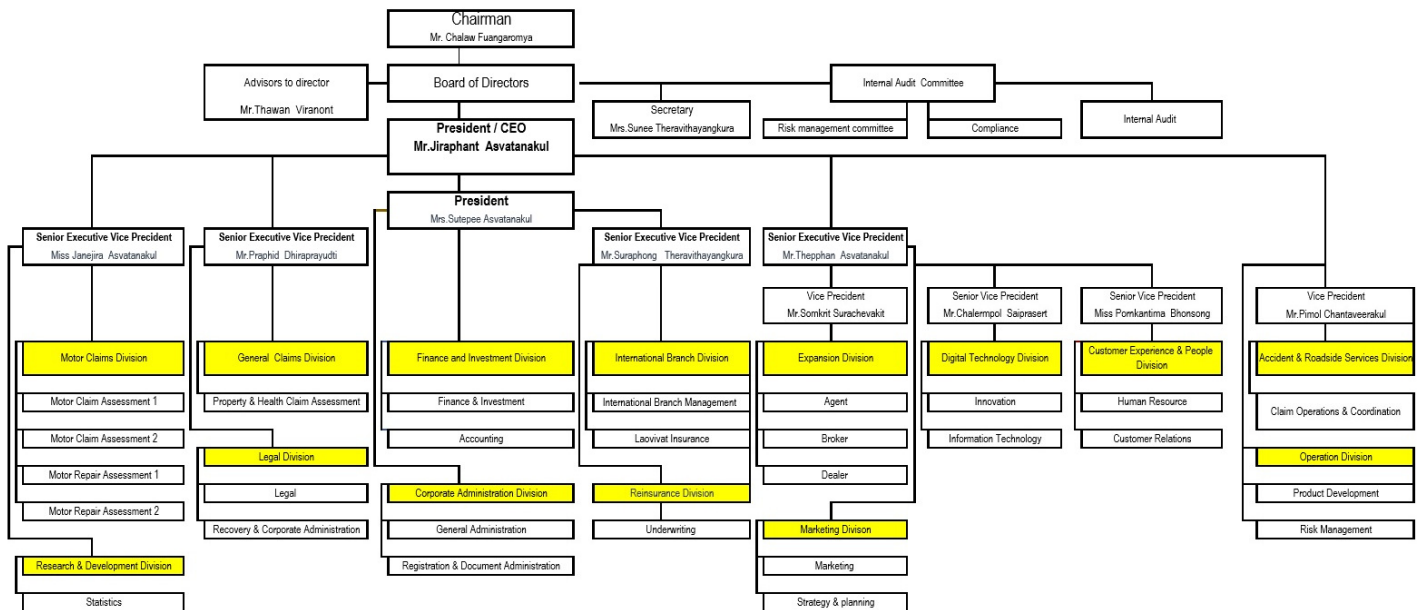
Scope of powers, duties and responsibilities of Risk Management Committee

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

Risk management committee meeting in 2019 has 6 meetings

- | | | |
|--------------------------------|---------------|----------------------|
| 1. Mr. Jiraphant Asvatanakul | Chairman | (Attendance 5 times) |
| 2. Mr. Praphid Dhiraprayudti | Vice Chairman | (Attendance 6 times) |
| 3. Ms. Rutchanee Wongkijpatana | Director | (Attendance 6 times) |
| 4. Mr. Somkrit Surachevakit | Director | (Attendance 5 times) |

- | | | |
|-------------------------------|------------------------|----------------------|
| 6. Mr. Kanokchat Tarvonranan | Director | (Attendance 6 times) |
| 7. Ms. Nantawan Arunpiriyakul | Director | (Attendance 6 times) |
| 8. Mr. Thanawut Boonput | Director and 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. Sunee Theerawithayangkul to be in Company Secretary position and effected since 14 August 2008 onward until now.

Mrs. Sunee Theravithayangkura Age 67, % Holding = 0.006%

Director Appointed from 18 June 1986 – Present

Company Secretary Appointed from 14 August 2008 – Present

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

Sister-in-law of Mr. Jiraphant Asvatanakul

Education / Trainings

Bachelor of Law, Thammasat University

Diploma in Director Accreditation Program (DAP) (IOD)

Work Experience during the Past 5 Years

2013-2018 Director and Company Secretary (Thaivivat Insurance Pcl.)

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

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

8.4 Top Responsibilities in Accounting and Finance (CFO)

Mrs. Sutepee Asvatanakul, President

Educational qualifications

Bachelor of Arts Thammasat University

Master of Business Administration, Tarleton State University, USA

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

Certificate, Director Certification Program (DCP) (IOD)

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

8.5 Accounting Supervisor (Accountant)

Miss Sareeporn Saengsirtrakul, Accounting Manager

Appointed from March 6, 2018 to the present.

Educational qualifications

Bachelor of Accounting Thammasat University

Master of Accounting Thammasat University

Training in 2019

Keeping pace with the new financial reporting standards in the future that will be used in 2019 and 2020, version 1/62.

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

Work experience in the past 5 years (data as of 31 December 2019)

2014 - 2017 Assistant Auditor

2018 to present, Accounting Manager

8.6 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

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

Scope of powers, duties and responsibilities

1. To ensure compliance with the laws

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

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

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

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

regulations.

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

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

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

2. To coordinate with both external and internal agencies

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

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

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

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

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

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

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

8.7 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.

The remuneration structure of the Board of Directors

The shareholders' meeting No. 26/2019 has approved the remuneration and meeting allowances of the Board of Directors and the sub-committees as follows :

Directors Remuneration		In 2019
1. Directors Fee (Baht / Board)		3,480,000
Number of Directors		9
2. Audit Committee Fee (Baht / Board)		640,000
Number of Directors		3
3. Nomination and Remuneration Committee Fee (Baht / Board)		-
Number of Directors		3
.4Investment Committee Fee) Baht / Board)		-
Number of Directors		3
Attendance Fee (Baht / Time / Person)		
1 Board of Directors		
- Chairman		30,000
- Director		20,000
2 Audit Committee		
- Chairman		20,000
- Director		20,000
3. Nomination and Remuneration Committee		
-Chairman		20,000
- Director		20,000
.4Investment Committee		
-Chairman		20,000
- Director		20,000
.5Good Corporate Governance Committee		
-Chairman		20,000
- Director		20,000

A. Company Directors receive compensation in term of attendance fee and bonus in the year 2019
are as following

(Bath)

Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Mr. Chalaw Fuangaromya	Independent Director, Chairman of the Board And Chairman of the Investment Committee	6/6	220,000	680,000	900,000
Mr. Phisit Setthawong	Independent Director, Chairman of the Board Audit, Nomination and Remuneration Committee Chairman	6/6	280,000	570,000	850,000
Ms. Pilai Piamphongsarn	Independent Director, Audit Committee Nomination and Remuneration Committee	5/6	260,000	560,000	520,000
Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Ms. Pranee Phasipol	Independent Director, Chairman of the Board And Chairman of the Investment Committee	5/6	280,000	560,000	840,000
Mrs. Supaporn Burapakusolsri	Independent Director	6/6	120,000	350,000	470,000
Mr. Jiraphant Asvatanakul	President And investment committee	6/6	160,000	350,000	510,000
Ms. Sutepee Asvatanakul	Director and Nomination and Remuneration Committee Chairman	5/6	120,000	350,000	470,000
Mr. Thawan Wiranont	Nomination and Remuneration Committee Chairman	5/6	100,000	350,000	450,000
Ms. Sunee Theerawittayakul	Director Company Secretary	6/6	120,000	350,000	470,000
TOTAL			1,660,000	4,120,000	5,780,000

* Meeting fee including sub-committee meeting

B. Company Executive from Department Manager level onward of the company total 24 persons received compensation in term of 2019 salary and bonus 63,979,500 Baht

8.6 Human Resources

In 2019, we have all employee as 608 persons, compensation in the form of salary and bonus 314,206,889 Baht

Including provident fund contribution 12,864,298 Baht

The Share holding of Directors and Top Managements in 2019				
Name	Position	January	July	December
Mr. Chalaw Fuangaromya	Independent Director, Chairman and Chairman of the Investment Committee	-	-	-
Mr. Phisit Setthawong	Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	-	-	-
Mrs. Pilai Piamphongsant	Independent Director, Audit Committee and 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	1,081,128
	Spouse	4,725,384	4,725,384	4,725,384
	Juristic Entities that have control business	137,955,120	137,955,120	145,655,120
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
	Spouse	8,781,128	8,781,128	1,081,128
	Juristic Entities that have control business	137,955,120	137,955,120	145,655,120
Mrs. Sunee Theravithayangkura	Director and Company Secretary	18,000	18,000	18,000
Mr. Suraphong Theravithayangkura	Senior Executive Vice President	476,040	476,040	476,040
Mr. Praphid Dhiraprayudti	Senior Executive Vice President	50,264	50,264	50,264
Mr. Thepphen Asvatanakul	Executive Vice President	12,600,000	12,600,000	12,600,000

The Share holding of Directors and Top Managements in 2019				
Name	Position	January	July	December
Ms. Janjira Asvatanakul	Executive Vice President	12,600,000	12,600,000	12,600,000
Mr. Pimol Chantaveerakul	Vice President	-	-	-
Mr. Chalernpol Saiprasert	Senior Director of Innovation	-	-	-
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 2019, the Company held General Shareholders' Meeting on April 29, 2019. 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 Board of Directors requires directors and executives to disclose information in relation to their stakeholding and that of relevant parties so that the Board of Directors may consider those business transactions with potential conflict of interest and make decision to ensure the overall benefits of the Company. Those directors and executives having stakeholding in any transaction relevant to the Company should not participate in the decision-making process of such transaction

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

have authorized access to internal information are prohibited from disclosing such information to external parties or irrelevant persons as per the details disclosed in Insider Trading Section.

3. Roles of Stakeholders

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

- | | |
|----------------|---|
| 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. |
| 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 Environment The Company recognizes the importance of corporate social responsibility and is therefore committed to continuously support and participate in social and community development activities.

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

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 34-37 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

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

The board has monitored the implementation of company's strategy. The board meeting in every quarter, the board has followed up the management performance by specifying a report on the operation results and company performance especially in terms of financial goals and various plans according to the strategy plan and is responsible for overseeing risks and internal control systems of the whole company. The Risk Management Committee is responsible for determining the company risk management policy with the risk management department to support and propose the result of consideration, risk management and internal control to the Audit Committee consideration for report to the Board of Directors.

Duties of the Chairman of the Board

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

Scope of duties of the board

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

Scope of duties of the President

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

There are 9 members of Board of Directors combined with 4 members that is executive, 1 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 20-28

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

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

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

In 2 0 1 9 , the Board of Directors evaluated the performance of the Board of Directors by dividing the assessment topics into 6 categories. Each director gave score each topic, added each topic scores of all directors and divided by number of directors to get the result as follows :

	Average score
1. Structure and qualifications of the Board of Directors	3.67
2. Roles, duties and responsibilities of the Board of Directors	3.71
3. Board meeting	3.69
4. Directors' duties	3.75
5. Relationship with management	3.76
6. Self-development of directors and executive development	3.63

An overview of the self-assessment of the Board of Directors on an individual basis was at Fa good level with an average score of 3.70 from 4.00, equivalent to 92.45% The highest score of Evaluation topic was the roles, duties and responsibilities of the Board of Directors and the lowest score was the Board of Directors meeting including the performance evaluation of individual sub-committees by dividing into 3 categories: the structure and qualifications of the sub-committee meetings and roles, duties and responsibilities of sub-committees by using the same performance evaluation of the Board of Directors. The results were as follows:

As well as evaluating the performance of the sub-committees individually. The assessment topics are divided into 3 categories, which are the structure and qualifications of the board. Subcommittee Meetings and Sub-Committee Roles and Responsibilities By using the same evaluation form for evaluating the performance of the board of directors Assessment results for all categories The evaluation results are as follows

As well as evaluating the performance of the sub-committees individually. The assessment topics are divided into 3 categories : the structure and qualifications of the Board of Directors, Subcommittee Meetings and Sub-Committee Roles and Responsibilities by using the same evaluation form of performance evaluation of the board of directors. The evaluation results are as follows :

Audit Committee got an average score 3.60 points from 4.00 points, equivalent to 90%

Average score

- | | |
|---|------|
| 1. Structure and qualifications of the Board of Directors | 3.62 |
| 2. The Board of Directors meeting | 3.50 |
| 3. Roles, duties and responsibilities of the Board of Directors | 3.67 |

Nomination and Compensation Committee got an average score 3.68 points from 4.00 points, equivalent to 92%

Average score

- | | |
|---|------|
| 1. Structure and qualifications of the Board of Directors | 3.67 |
| 2. The Board of Directors meeting | 3.75 |
| 3. Roles, duties and responsibilities of the Board of Directors | 3.62 |

Investment Committee got an average score 3.96 points from 4.00 points, equivalent to 99%

	Average Score
1. Structure and qualifications of the Board of Directors	4.00
2. The Board of Directors meeting	3.89
3. Roles, duties and responsibilities of the Board of Directors	4.00

Performance evaluation of Chief Executive Officer and President

In section 1, the Board of Directors evaluated performance of the Chief Executive Officer and President by dividing topics into 10 categories. Each director gave score each topic, added each topic scores of all directors and divided by number of directors. The results of all categories were 13.96 points from 4.00, equivalent to 98.97%.with details as follows :

	Average Score
1. Leadership	3.91
2. Strategy formulation	3.98
3. Compliance with the strategy	3.98
4. Financial planning and performance	4.00
5. Relationship with the Board of Directors	3.96
6. External relations	3.91
7. Administration and relationship with personnel	3.94
8. Succession	3.93
9. Knowledge of products and services	4.00
10. Personal features	3.96

In section 2, regarding CEO development, the Board of Directors is of the opinion that Key strengths that CEOs should maintain are Knowledgeable in business Have the ability to coordinate with all departments And look for the common good and others more than their own The issue that the CEO should be developed in the next year is the commitment to create excellence in business. And there is a distribution of decisions

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.

9.3 Nomination process for directors and executives

Board of Directors assigned the Nomination and Remuneration Committee to act as a recruiting person to hold director position suitable to the organization nature. Consider the names of persons who have been

nominated and select persons who are qualified in accordance with specified qualification criteria. To verify that the nominated person has qualification as laws and regulations. The official nominates for committee to consider and contain the names in the shareholders' meeting notice for the shareholders to appointment consideration.

9.3.1 Rights of Minor Shareholders Concerning the Appointment of Directors

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

9.3.2 Executive Nomination Process

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

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

9.4 Supervision of subsidiaries operations

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

9.5 Insider Trading

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

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

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

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

4. All directors, advisors, executives and staffs from manager level or above who buy or sell shares of the Company must notify Legal Department regarding such buying or selling within the following day in order to be further reported to the SEC or directly report to the SEC within 3-day period starting from the date of acquisition or disposition of such shares. The securities holding of each member of the Board including the executives and the Auditor of the Company must always be reported at each Board of Directors' Meeting. Throughout the year 2019, the Company had strictly followed the defined regulation.

9.6 Account Auditor compensation

EY Office Co., Ltd. is the well known company and accepted in international level that agreed from The Securities and Exchange Commission and take part in giving advisory to the Office of Insurance Commission in starting to use Risk Based Capital (RBC) including the accounting audit experience to other disaster insurance company. Even more, there is no relationship and/or conflict of interest between auditor and the company/executives/major share holders. In fiscal year of 2018, the

Accounting has the compensation of account auditor totally as 2,690,000.- Baht with the following detail:

1. Annual audit fee	1,260,000.-	Baht
2. Three quarters accounting review	900,000.-	Baht
3. RBC transaction audit second quarter	160,000.-	Baht
4. Annual RBC report review fee	370,000.-	Baht

9.7 Compliance with good corporate governance policy

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

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

10. Social Responsibility

Thaivivat Insurance Public Company Limited prepared this Corporate Social Responsibility Report for the year 2019 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 2019. The information was compiled from its previous operations, particularly, centering on its operation at the head office, the principal office, to lay down the policy, strategies and the operations as a whole of the Company. Moreover, mentions were of the guidelines for development of the company and its personnel to be ready for the responsibility according to the mission assigned as well as the data in relation to its internal operations along the CSR line concerned.

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

Criteria for Reporting Content Selection

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

- 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. 1231 - Claim Hotline Tel. 1231 Ext.2 - 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 - Select appropriate trade partner that demonstrates ethics, professionalism and good reputation - Establish clear procurement procedure 	<ul style="list-style-type: none"> - Policy and Code of Business Ethics - Site visit and evaluation - Website: thaivivat.co.th
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

Stakeholder	Expectation	Practice	Contact Channel
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 - Ensure appropriate capital management structure existed to maintain creditor confidence 	<ul style="list-style-type: none"> - Contact Finance Department Tel. 1231 - Website: thaivivat.co.th
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 	<ul style="list-style-type: none"> - Recognize and demonstrate accountability toward the economic, social and environmental impacts resulting from the Company's business operations 	<ul style="list-style-type: none"> - Contact the Company Tel. 1231 - Website: thaivivat.co.th - Contact the Company's Secretary Office

Stakeholder	Expectation	Practice	Contact Channel
	<ul style="list-style-type: none"> - Legal compliance - Cooperate in government projects 	<ul style="list-style-type: none"> - 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 	

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.

• Business ethics

Thaivivat Insurance Public Company Limited has committed to good corporate governance and business ethics by focusing on fair customer service, sufficient disclosure and taking care of all interested parties : shareholders, employees, customers, business partners and creditors, competitors, as well as society and environment, not only applies to companies but also subsidiaries including directors, executives, and subsidiaries employees in order to achieve sustainability objectives in business and society including creating maximum value for shareholders, benefit all stakeholder groups as well as guideline for directors, executive and employees in complying with the relevant laws, rules and regulations including ethics and

code of ethics to ensure that all employees have the knowledge and understanding of rules, regulations, as well as business ethics and can be used to perform their duties correctly and appropriately. The company therefore requires all employees to take a test on business ethics and internal controls on the company's intranet annually and use the results to assess the level of employees knowledge and understanding in order to improve communication for employees to understand thoroughly and realize their duties in promoting good corporate governance of the organization. The company develops and improves the tests in accordance with the ever-changing laws and regulations and requires that the staffs who did not meet the specified test results, learn more and try to pass the tests. In addition, the company requires current employees to take tests as a part of performance indicators, the employees who come in during the year, they are also required to do this test besides listening to the orientation rules. The test results are a part of consideration of the annual performance evaluation of employees.

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 2019 (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.

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

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

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

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

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

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

Disclosure of Information and Reports

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

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

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

RESPONSIBILITY TO CONSUMERS

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

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

Compensation for incidents

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

Claims service

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

The company has applied innovations and new information systems to its insurance services by adopting the E-Claim system to improve claims management services and convenience for customers in accidents. To enhance service quality, accident inspectors can print repair order instantly at the point of accident 24/7 across the country. Additionally, the company has opened 27 branches nationwide to offer claims services and provided repair services for car insurers at participating car service centers to ensure convenience of the insured in claiming compensation and acquiring counseling services.

Insurance product development and innovation

The company has always strived to develop products to meet consumer needs. In 2019, the company received the following innovation awards:

On 27 September 2019, Thaivivat Insurance Public Company Limited received 2018 Outstanding Non-Life Insurance Development Award and 2018 Outstanding Non-Life Insurance Company that has applied technology to insurance system with the honor of Minister of Finance, Mr. Uttama Savanayana at Thailand Insurance Expo 2019 organized by the Office of Insurance Commission (OIC) to promote people's trust in the insurance industry and to demonstrate the industry's commitment to product development and innovation by applying technology to insurance business to meet the needs of consumers and increase service convenience.

Thaivivat Active Health Insurance development

Active Health Insurance is an insurance product that has continuously been improved and developed. After its official launch last year, the company has aimed to motivate Thai people to take good care of their health since health is the basis for every aspect of life. When Thai people take good care of their health and have adequate risk prevention, they will be able to fulfill their life goals. This encourages the company to improve its products, and with the concept of health insurance that provides protection and care in the event of

illnesses, Active Health Insurance aims to reduce health risks and allow the insured to live freely with a healthy and happy body and broad coverage from the product.

In 2019, the company has improved its products to provide greatest benefits for consumers by developing mobile applications and applying wearable technologies to accurately measure physical performance of consumers. Other benefits are also offered to consumers to meet their lifestyle including their food and exercise preferences. Active Bonus Point is given to incentivize consumers to exercise with a variety of exercise options including exercise classes and discounts for healthy food products to promote good health in all aspects of life.

"On-Off Car Insurance" development

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

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

"On-Off Travel Insurance" development

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

their trips by offering translation service to allow travelers to communicate easily with local people and foreign currency information which is very useful for international travelers.

A variety of ways to purchase and pay premiums

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

Other services

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

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

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

You can contact the accident reporting center every day at 1231, 24 hours a day.

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

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

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

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

Micro-insurance

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

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

1. Cancer micro-insurance

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

2. In-season rice insurance for 2019 harvest season

The company is one of the 22 companies that participated in the government's in-season rice insurance programme with the objective of providing financial protection for farmers in the target areas of 30 million rai across the country, reducing the cost and risk that may occur with their crops. Farmers receive a coverage of 1,260 baht per rai for seven types of natural disaster including floods or heavy rains, drought or intermittent rain, storm or typhoon, cold weather or frost, hail, and fire. Farmers will receive a coverage of 630 baht per rai for pests and disease epidemics. The insurance is available at the Bank for Agriculture and Agricultural Cooperatives for easy access.

3. 200 micro-insurance

The company is one of the insurance companies that participated in the "200 Insurance" project in collaboration with the Office of Insurance Commission (OIC). 200 Insurance is a personal accident insurance

for individuals which provides a coverage of 100,000 baht for death, loss of hands, feet, and sight, and permanent disability caused by an accident, 50,000 baht for homicide, and 10,000 baht for death caused by an illness. The annual premium is 200 baht for people aged 20 to 60 years old with an aim of providing the opportunity for people of all levels to purchase accident insurance at an affordable price.

4. Home fire micro-insurance

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

5. Maize insurance

The company is one of the 14 companies participating in the Maize Insurance Programme with the objective of providing financial protection for farmers in the target areas of 2 million rai in 33 provinces, supporting farmers to grow maize after the rice farming season to prevent the oversupply of rice and price slump, and reducing the costs and risks that may occur to the crops. Farmers will receive a coverage of 1,500 baht per rai for 8 types of natural disaster consisting of floods or heavy rains, drought, intermittent rain, storm or typhoon, cold weather or frost, hail, fire and wild elephants and a coverage of 750 baht per rai for pests and disease epidemics. The insurance is available at the Bank for Agriculture and Agricultural Cooperatives to provide farmers with easy access to insurance.

6. Longan micro-insurance

The company is one of the two companies that participated in the Retail Longan Crop Micro-insurance Against Drought Programme using the drought index (measured by satellite) sold through the Bank for Agriculture and Agricultural Cooperatives (BAAC) to provide risk protection against drought for farmers. The insurance is available in 24 districts of Chiang Mai with the targeted areas of 100,000 rai (from the approximately 300,000 rais of Chiang Mai plantation land) with the first sales in January and February 2019 in order to provide protection against drought for longan farmers during March and April 2019. Farmers who borrowed from the Bank for Agriculture and Agricultural Cooperatives (BAAC) can request one unit of insurance for every 10,000 baht of the amount borrowed with a premium of 299 baht per protection unit with a maximum coverage of 2,100 baht. The coverage is divided into two parts including 900-baht compensation in the event of longer drought period than the drought index and 1,200-baht compensation in the event of continuous longer drought period than the high drought index. The total coverage from both parts must not exceed 2,100 baht. However, if the insured area faces continuous drought (having no rainy day or daily rain of

less than one millimeter consecutively) for more than the number of days determined as the drought index or the high drought index, the company will pay compensation to farmers through their BAAC accounts.

7. Milk cow insurance

The company co-operated with the Bank for Agriculture and Agricultural Cooperatives (BAAC) to distribute milk cow insurance through the bank, which has more than 1,000 branches. Dairy farmers (the insured) receive coverage for the loss or damage in four cases: 16,500 - 18,000 baht of the sum insured for the death of milk cows caused by accidents, fire, lightning, flood, landslide, storm, and earthquake, 16,500 - 18,000 baht of the sum insured for the death of milk cows caused by illness, 3,300-3,600 baht of the sum insured for the loss caused by milk cow's illness due to foot-and-mouth disease which prevents cows from producing milk, 1,650-1,800 baht of the sum insured for the loss caused by milk cow's illness due to mastitis. The compensation will be paid according to the agreed amount as specified in the insurance policy per cow per year. The insurance premium is between 600-1,257 baht for the dairy cow aged at least 18 months but not more than 8 years and all cows on the farm must be in healthy conditions guaranteed by a health certificate from a vet.

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

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

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

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

Knowledge and access to insurance

Consumers' knowledge and understanding of insurance is important. Even though technology has increasingly been used to connect information, some consumers do not have access to information about insurance, resulting in some consumers not see the importance of insurance which will reduce the risk of life

and property in unforeseeable events. As an insurance provider, the company has become a part of the effort to disseminate knowledge and promote the understanding of insurance among the public as well as provide access to information as follows:

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

Together ness

Demonstrate compassion and care for others as if they were part of the family

- Employee Benefits
- Engagement in community and social development
- Environmental Management

Employee care

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

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

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

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

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

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

Welfare for good quality of life

- Provident Fund: The company encourages employees to save for retirement by setting up a provident fund for employees who have worked for the company for at least three years, consecutively. Employees who are members of the fund pay a contribution at the rate of 5, 10, or 15 percent of their monthly salary and the company pays a contribution to the fund at the rate of 7.5 percent of their monthly salary. The provident fund is managed by a fund management company who is the fund manager.
- Employee loan: Employees are entitled to borrow from the company after three years of employment. The objective of the loan must be for housing, medical care, or education.
- Financial assistance for employees and their families: for employees' weddings and their parents' funerals
- Medical treatment: Aside from providing social security as required by the labour law, the company has set up a nursing team from Chulalongkorn Hospital to provide first aid and conduct a diagnosis for cases that are serious and must be sent to the hospital. The service is available every working day at the head office building, which is the main place of operations.
- Accident insurance: For employee welfare, the company provides personal accident insurance to employees in the event of death caused by accident to ease the burden of the employee's family.
- Health insurance: To increase convenience for employees, the company has provided health insurance to support employees' medical care in addition to the medical treatment benefits under the social security programme.

Changes in employee care and development

The company has provided trainings to develop the capacity of employees on a regular basis, both on the knowledge of insurance and other skills necessary for providing insurance services and operations. In 2019, after the company's work restructuring, the personnel development department became clearly separated from the human resource management department with the aim of greater efficiency in personnel development.

Initially, the company provided training courses to new employees in 2019 as follows:

- "Get to Know Insurance Business" course – basic knowledge of insurance at ThaiRe Services Company Limited, Ratchada Road, Bangkok
The first class on 4 September 2019 with 17 new employees
- "Car products and customers' frequently asked questions" course by Khun Naiyana Paoin and Khun Sirithorn Praisin at Thaivivat Insurance Building, 6th Floor Meeting Room, with the objective of providing knowledge and promoting understanding about the company's products and customers' frequently asked questions

The first class on 7 November 2019 with 42 employees

- "Basic Insurance Product Knowledge" course by Khun Duangchuda Prueksapisarn at Thaivivat Insurance Building, 6th Floor Meeting Room, with the objective of providing basic insurance knowledge

The first class on 14 November 2019 with 57 employees

After receiving the basic trainings, the company also organizes training courses that increase employees' skills and are practical for work. In 2019, important training courses include:

- "Core Android Programming" course by Khun Chaiyasit Tayabowon held on 12-26 January 2019 at Code Mobile Company Limited, Bang Kho Laem, Bangkok. The objective was to allow participants to understand and be able to develop professional applications on Android in a short period of time. One employee attended the course.

- "Line API Chatbot" course by Khun Sitti Tiammekha held on 27 April 2019 at 3 Digits Academy (3DS INTERACTIVE), Sathorn Mansion, Bangkok. The objective was to allow participants to learn about how LINE API can be applied to the company's operations. One employee attended the course.

- "Privacy Law & Professional Indemnity" course by Khun Athistha Chitranukroh and Khun Paveena Juchuan held on 11 September 2019 at Hotel Aetas Lumpini Hotel, Bangkok. The objective was to provide knowledge and understanding about insurance for members and interested parties. Two employees attended the course.

- "AWS Technical Essentials" course by Dr. Wit Niannattrakul held on 13 September 2019 at Thaivivat Insurance Building, 6th Floor Meeting Room. The objective was to allow participants to learn how to use all the parts of AWS Management Console. 11 employees attended the course.

- "Architecting on AWS" course by Dr. Wit Niannattrakul held from 20 September to 4 October 2019 at Thaivivat Insurance Building, 6th Floor Meeting Room. The objective was to build a more efficient infrastructure that uses AWS to increase efficiency and reduce costs. 11 employees attended the course.

- "Workshop on Creating Workplace Participation for LGBT People to Promote Business and Human Rights in Thailand" by Emeritus Professor Withit mantraporn and Mr Doug Kerr held on 22 August 2019 at Shangri-La Hotel, Bang Rak, Bangkok with the objective of providing knowledge and understanding about the UNGPs principles, promoting the national action plan on business and human rights to prepare for the implementation of the national action plan on business and human rights, and preventing workplace discrimination. Three employees attended the workshop.

- "CompTIA Security +" course by Ajarn Sanan Kuerkulsasanakij held on 27-30 August 2019 at Software Park Building, Chaeng Wattana Road, Nonthaburi. The objective was to promote and develop more information security experts for the labour market and to keep up with the digital economy. One employee attended the course.

- "Machine Learning for Data Analytics" course by Asst. Prof. Dr. Suranapee Phoomwutisan held on 30 August 2019 at the Thai General Insurance Association, Soi Sukhumvit 64/1, Bangkok. The objective was for the participants to study the process of collecting large data for classification and to analyze and use that information in the future. Two employees attended the course.

- "What should employers who are required to remit money according to the Student Loan Act B.E. 2560 (2017) do?" course by Mr Chainarong Katchapanan, Nantawan Wongkachonkitti, and Ms Anchalee Phuriwitwattana held on 30 October 2019 at the Miracle Grand Convention Hotel, Lak Si, Bangkok. The objective was to publicize and promote knowledge and understanding about the criteria and conditions for the repayment to the student loan fund following the Act and to inform companies about the procedures, responsibilities, and how to deduct the salaries of employees who are borrowers. Two employees attended the course.

- "Personal Data Protection Act B.E. 2562 (2019) : Processes and Practices, Class 5 and Class 6" by Asst. Kanathip Thongraweewong and colleagues held on 17-18 October 2019 and 25-26 November 2019 at Amara Hotel, Surawong Road, Bangkok. The objective was to promote an understanding of the principles and essence of the Personal Data Protection Act B.E. 2562 (2019) such as the relationship of the digital legal system, key definitions, interpretation, enforcement, exceptions, penalties, as well as the impact on operators and business sectors. Two employees attended the course.

- "PEOPLE ACCELERATOR: Reskilling & Upskilling Your Workforce, The Key Success Factor for Your Business Transformation" by Khun Nopparat Phakdee held on 8 November 2019 at the Thai General Insurance Association, Sukhumvit Soi 64/1, Bangkok. The objective was to realise the potential and develop the mindset for lifelong learning and skills to cope with the fast-changing world. Two employees attended the course.

- "Personal Data Protection Law for Human Resource Management" course by Asst.Prof. Kanathip Thongraweewong and colleagues held on 11-12 November 2019 at Amara Hotel, Surawong Road, Bangkok. The objective was to create an understanding of the principles and essence of the Personal Data Protection Act B.E. 2562 (2019) as well as the impact and preparation for compliance of the human resource management department. Four employees attended the course.

- "Winning Strategies in Arbitration and Verdicts Related to Car Insurance" course by Mr Songserm Sutthipanya, Mr Kraipan Phasuk, and Ms Patcharin Buraphatsiri held on 11 December 2019, at the Thai General Insurance Association, Sukhumvit Soi. 64/1 Bangkok. The objectives was to enhance the skills in analysing and interpreting insurance policies, especially car insurance policies, following the policy conditions and related law as well as to provide knowledge about how to implement effective strategies in arbitration and verdicts related to car insurance to ensure accuracy and efficiency. Five employees attended the course.

- "Accident and Health Insurance Training Programme, Class 2" by Mr Kidej Anant Siriprapa and colleagues held on 12-26 December 2019 at the Thai General Insurance Association, Sukhumvit Soi 64/1, Bangkok. The objective was to increase the skills and offer techniques for accepting insurance application and considering compensation payment for accident or health insurance. Two employees attended the course.

- "Training Programme for Claims Employee (Property Insurance) with a work duration of no more than 2 years" by Mr Chaiyot Soonhor and colleagues held on 13-18 December 2019 at the Thai Insurance Association, Sukhumvit Soi 64/1, Bangkok. The objective was to increase the skills, knowledge,

and understanding about the basics of insurance, risk management, terms and coverage of insurance policies, claims management principles, and laws related to claims management. Two employees attended the course.

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

Employing people with disabilities

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

In 2019 until the present, the company has six employees with disabilities.

one visually impaired employee

five hearing impaired employees

Labour relations

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

Workplace safety

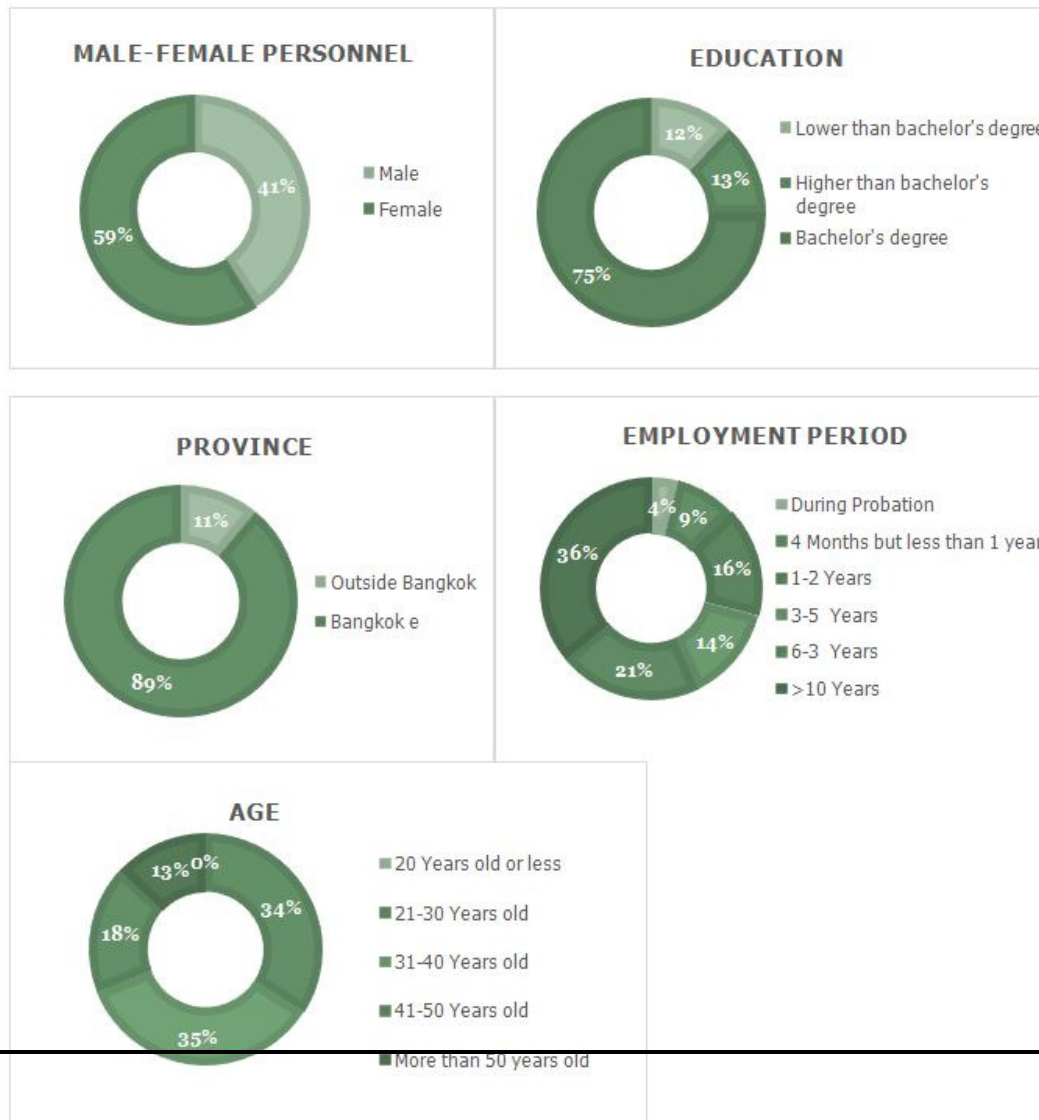
The Board of Directors concern about the welfare, health and safety of employees and realizes that those issues affect the quality of life and is one of the factors that help promote efficient operations and confidence at work. The Board of Directors set policies and allow the company to prepare appropriate and important precautionary measures in advance. One of the key measures is to implement preventive measures, promote fire prevention awareness, conduct annual fire drill, and check the availability of fire distinguishers and warning systems on a regular basis to ensure that employees are aware of the procedures when facing a real situation. In 2019, the company has provided the following trainings:

- Fire prevention on 2 November 2019 by inviting speakers from Phra Khanong Fire Station, Fire and Rescue Operations Division 2, Office of Disaster Prevention and Mitigation to provide basic knowledge, both in theory and practice. The fire drill was conducted on 5 November 2019 at the Thaivivat Insurance Building with the supervision from the Phra Khanong Fire Station's staff.

- Safety-related policies and procedures for operational staff and accident inspectors. For staff who need to drive a car or a motorcycle for work, especially accident inspectors (claims staff) and customer service staff and agents (employees sending policies and documents), the company has safety rules and regulations for individuals (driving strictly in accordance with traffic regulations, properly dressed with uniforms, having reflective strips as required by the company, and wearing a helmet and fastening a safety belt) and vehicles used (the company's car that passed the inspection test, has a camera installed, and has GPS attached to the staff). There are also strict penalties for lack of traffic discipline. In 2019,

- There are five accidents during work. The injured staff were two Bangkok operation staff (accident inspectors) and three Finance and Investment staff. All have already recovered.

Overview of Thaivivat Insurance’s Personnel 2019



Engagement in community and social development

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

Activities to promote education

The company continues to support human rights and equality among people in the society, especially the right to basic education, since it realizes that creating human resources who are highly competent and ethical is a crucial part of the country's stability and development. In 2019, the company provided assistance in education as follows:

- On 11 January 2019, the company donated learning media for small children to the Child Development Center, Borabor Subdistrict Administration Organisation, Maha Sarakham, on the occasion of the 2019 National Children's Day to support the center in improving teaching and learning. The company also provided the opportunity for on-site visit for teaching and learning enhancement through the "Reducing Inequality through Quality Early Childhood Education: RIECE Thailand" project. The project was created to help young children at the Child Development Center, Tha Song Khon Subdistrict Administration Organization (Ban Bo Noi), Maha Sarakham, grow into quality adults. Research in educational economics over the past decades clearly showed that early childhood development plays an important role in building human capital for the country's population which will help increase the productivity of the society, reduce social costs that may be caused by crimes and drug addiction. Thaivivat Insurance, as an organization that values education, has therefore joined in to support the development of early childhood education to ensure quality and sustainable education. In 2019, activities were carried out continuously as follows:

- Reducing Inequality through Quality Early Childhood Education: RIECE Thailand

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

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

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

- Thaivivat Insurance in collaboration with Channel 3 organized the "Broken 2 Summer Camp" project at The Market Bangkok Ratchaprasong to promote and create social understanding among children and teenagers including their families and support modern and quality education. There was a mental health session with Dr. Dale and Asst. Dr. Suridej Tripathi on the topic of being a teenager and quality parents of the new generation that introduced ways of thinking that do not make parents overly worried and know how to handle serious problems. 37 pairs of parent and child were selected to join the activity with the three gurus: Kru Sean, who talked about positive thinking, Kru Chris, who taught fun English, and Kru Lipta, who taught music for those who love music.

- On 16 August 2019, the company provided a 240,000-baht scholarship to Mr Somchai Yuphum, an undergraduate student at the Faculty of Early Childhood Education, University of the Thai Chamber of Commerce for his entire undergraduate study.

- On 28 August 2019, the company provided a 264,650-baht scholarship to Mr Kishasit Samati, an undergraduate student at the Faculty of Economics, University of the Thai Chamber of Commerce for his entire undergraduate study.

Both students have good academic performance and strong determination to study at the bachelor's degree level but lack financial support. As a result, the company has provided scholarships to the two students to support the country's future generation in becoming good and quality citizens in the future.

Donations for social and community development

Society and community

In 2019, the company provided financial assistance to the following organizations:

- Throughout 2019, amidst high competition in today's society, which resulted in different ideologies across the country and often times, in social violence that seems to create a lack of unity, we often witness the love, unity and support of Thai people who can always overcome any crisis. The phrase "Thai people love each other" is deeply rooted in our blood and nation, and Thaivivat Insurance as a company that promotes love and unity among people in the nation, has always recognized the importance of social support. As a result, on 14 September 2019, the company's employees and executives organised a volunteer activity, "Thaivivat Ruam Jai, Tam Seesan, San Fan Hai Nong", at Wat Sadet School (Sutthi Witthayanusorn), Amphawa District, Samut Songkhram Province to paint and improve the school building for the students. Additionally, it was an opportunity to encourage all employees to participate in social and community development activities and to raise awareness of society and a corporate culture that promotes public engagement. The company also donated 102,250 baht for the paint materials and equipment to the school.

- On 28 September 2019, employees and executives organized an activity, "2019 Thaivivat Volunteers – Planting and Making Salt Earth and Weir" at the Phachi River Wildlife Sanctuary, Suan Phueng District, Ratchaburi Province, in collaboration with the officials of the Phachi River Wildlife Sanctuary planted trees and created salt earth and weir to restore water and balance to the forest as well as to create a sense of responsibility for preserving and caring for the nature among employees.

- Today, there are still medical equipment and tool shortages, especially in small hospitals with a large number of patients. The company has always recognized the importance of public health and medical development since it is an organization that is vital to people's life and health. Therefore, the company joined the "Kao Kon La Kao" charity runs led by Toon Bodyslam to support the event aimed to raise donations for hospitals in the north, south, and northeast of Thailand by providing personal accident insurance for staff participating in the runs worth over 90 million baht and donating 100,000 baht for each of the three charity runs as follows:

- On 23 August 2019, the company donated 100,000 baht to the "Kao Kon La Kao" charity run for the northeastern region to pay for medical equipment for eight hospitals including Khon Kaen 2 Hospital, Pol Hospital, Kumphawapi Hospital, Nong Han Hospital, Saekrai Hospital, Sangkom hospital, Na Wang Hospital, and Bueng Kan Hospital, and provided personal accident insurance for participating staff.

- On 27 October 2019, the company donated 100,000 baht to the "Kao Kon La Kao" charity run for the southern region to pay for medical equipment for seven hospitals including Maharaj Nakhon Si Thammarat Hospital, Trang Hospital, Krabi Hospital, Phang Nga Hospital, Takuapa Hospital, Vachira Phuket Hospital, and Saiburi Crown Prince Hospital, Pattani Province, and provided personal accident insurance for participating staff.

- On 22 December 2019, the company donated 100,000 baht to the "Kao Kon La Kao" charity run for the northern region to pay for medical equipment for seven hospitals including Thong Saen Khan Hospital, Uttaradit Province, Uttaradit Hospital, Uttaradit Province, Umphang Hospital, Tak Province, Srisangwan Hospital, Mae Hong Son Province, Wiang Kaen Hospital, Chiang Rai Province, Samoeng Hospital, Chiang Mai Province, and Maharaj Nakorn Chiang Mai Hospital, Chiang Mai Province, and provided personal accident insurance for participating staff.

- On 27 January 2019, the company provided personal accident insurance at the 25th Thai Sikh Walk-Run Charity aimed to raise funds that would be presented to His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun by virtue of the royal charity and to encourage the young generation and the public to use their free time for exercise and to help Thai runners develop their skills to the same level as international runners.

- On 30 June 2019, the company provided personal accident insurance at the Friends for Life Charity Run 2019 to promote health and provide financial support for the purchase of medical equipment for five large government hospitals including Siriraj Hospital, Chulalongkorn Hospital, Ramathibodi Hospital, Rajavithi Hospital, and Thammasat University Hospital that would help patients with the need for medical equipment and to enhance medical treatment capacity for the public.

Sports, religions, and cultural arts

In 2019, the company donated to the following organizations to support religions, cultural arts, and sports:

- On Sunday, 17 November 2019, the company provided personal accident insurance to participants of the 32nd Bangkok Marathon to promote and preserve beautiful cultural traditions and tourism by inviting foreigners to participate in the race.
- Throughout the years, the company has always recognized the importance of cultural preservation and been ready to promote Thai cultural arts and the love of the nation's cultural heritage and to encourage people to become more engaged with the preservation of the nation's cultural heritage. In 2019, the company supported a marathon race to promote Thai culture and traditions. On 17 January 2019, the company provided accident coverage for runners at the "Ban Chiang Marathon 2019" held at the Ban Chiang National Museum, Udon Thani Province, to promote ecotourism since Ban Chiang is considered one of the important archaeological sites that allow you to discover life in prehistoric times dated back more than 5,000 years.

Environmental management

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

- On 16 May 2019, the company provided fire insurance policies worth 150,000,000 baht of protection to the Sirindhorn International Environmental Park Foundation to support the foundation in carrying out activities to rehabilitate and conserve the environment since the Sirindhorn International Environmental Park is a learning and training center for the rehabilitation and conservation of natural resources, the environment, and energy following the royal international initiative, innovation that connects science, technology, and local wisdom, and promotion of the application of the sufficiency economy philosophy for sustainable community development. The park has a local and international network of research and knowledge development with an aim of promoting knowledge and understanding of environmental rehabilitation and energy conservation following the royal initiative among children, youth, local community scholars, and the general public.
- On 20 January 2019, the company provided accident insurance for participants of the Farm Chokchai Tour de Farm 7 cycling event at Chokchai 3 Farm, Thanarat Road, Km 12, Pak Chong, Mu Si, Nakhon Ratchasima Province, in order to encourage people to exercise and take care of their health and to promote sports as well as nature tourism in Khao Yai, Pak Chong.

Trainings on environmental improvement

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

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Trainings on environmental improvement

In 2019, the Board of Directors have promoted environmental knowledge and trainings for the staff and established environmental policies that have been communicated to employees through activities and trainings on environmental awareness as follows:

- Energy conservation

By raising awareness about energy conservation among employees to make energy consumption in the organization more efficient and to increase the value of energy usage and reduce leakage, loss, and costs.

- Water conservation

To cope with water shortages, reduce the organization's cost of water supply, and allow employees to learn about ways to use water efficiently by changing the way water is used and choosing water-saving devices.

- Waste reduction

To create a guideline for waste reduction in the organization and communities with a focus on the root causes of the problem rather than on the symptoms.

- Facing global warming

A course to provide knowledge about how to deal with changes resulting from climate change such as flood, drought, and food shortages.

Electronic product development for the environment (reduce paper usage)

In 2019, the company has improved and developed its business to become more electronic to promote environmental preservation by reducing the amount of paper used

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

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

- Paper reuse (use both sides of the paper)
- Paper sorting (Paper with blank pages, colored paper, and white paper) for recycling

purposes

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

Installing water sprinklers on the building's rooftop to reduce the amount of PM 2.5 particle

In 2019, due to the issue of PM 2.5 particle in Bangkok and surrounding provinces, the company recognized the importance of public health and co-ordinated with Phayathai District Office to solve the problem by installing water sprinklers on the rooftop of Thaivivat Insurance's head office, Din Daeng Road to help reduce the amount of the particle which requires 120 - 150 PSI water sprinkler. During the period, the company operated the sprinklers continuously during two periods, 9-10AM and 4-5PM, until the amount of the particle decreased.

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

Monitoring activities

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

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

The Audit Committee Opinion

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

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

12. Related Transactions

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

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

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					
	2017	%	2018	%	2019	%	2017	%	2018	%	2019	%
Assets												
Cash and cash equivalents	237,380	4.6	227,320	4.0	224,225	3.4	240,644	4.6	229,767	4.1	225,295	3.4
Premium receivables	483,761	9.3	523,144	9.3	610,197	9.3	483,828	9.3	523,278	9.3	610,378	9.3
Accrued investment income	6,905	0.1	7,306	0.1	5,410	0.1	9,005	0.2	12,040	0.2	12,104	0.2
Reinsurance assets	476,375	9.1	408,451	7.2	527,109	8.1	476,375	9.1	408,451	7.2	527,109	8.1
Reinsurance from receivables contracts	52,071	1.0	215,938	3.8	151,801	2.3	51,584	1.0	215,132	3.8	149,908	2.3
Investment assets												
Investment in securities	2,984,710	57.3	3,216,491	57.1	3,737,658	57.2	3,034,526	58.1	3,262,294	57.7	3,778,639	57.9
Loans	5,715	0.1	7,168	0.1	7,698	0.1	5,715	0.1	7,168	0.1	7,698	0.1
Investment in subsidiary	67,200	1.3	67,200	1.2	67,200	1.0	-	0.0	-	0.0	-	0.0
Property, buildings and equipment	284,833	5.5	312,883	5.5	325,866	5.0	292,109	5.6	317,223	5.6	327,892	5.0
Goodwill	-	0.0	-	0.0	-	0.0	18,720	0.4	18,240	0.3	16,320	0.2
Intangible assets - computer software	6,173	0.1	10,088	0.2	10,014	0.2	6,362	0.1	10,200	0.2	10,024	0.2
Deferred tax assets	79,009	1.5	91,702	1.6	116,754	1.8	79,009	1.5	91,702	1.6	116,754	1.8
Other assets	524,067	10.1	554,395	9.9	749,440	11.5	523,784	10.0	553,948	9.9	748,598	11.5
Total assets	5,208,199	100.0	5,642,086	100.0	6,533,372	100.0	5,221,661	100.0	5,649,443	100.0	6,530,719	100.0
Liabilities and equity												
Liabilities	2,824,323	54.2	3,133,928	55.5	3,825,740	58.6	2,825,442	54.1	3,135,720	55.5	3,828,683	58.6
Insurance contract liabilities	507,548	9.7	506,563	9.0	470,391	7.2	507,548	9.7	506,563	9.0	470,391	7.2
Income tax payable	2,734	0.1	15,421	0.3	12,727	0.2	2,734	0.1	15,421	0.3	12,727	0.2
Employee benefit obligations	87,820	1.7	91,216	1.6	122,474	1.9	87,820	1.7	91,216	1.6	122,473	1.9
Other liabilities	614,815	11.8	647,204	11.5	781,992	12.0	615,364	11.7	647,872	11.4	782,872	12.0
Equity	1,170,959	22.5	1,247,754	22.1	1,320,048	20.2	1,182,753	22.7	1,252,651	22.2	1,313,573	20.1
Total liabilities and equity	5,208,199	100.0	5,642,086	100.0	6,533,372	100.1	5,221,661	100.0	5,649,443	100.0	6,530,719	100.0

Consolidated statements of cash flows

(Unit : Thousand baht)

	Separate financial statement			Consolidated financial statement		
	2017	2018	2019	2017	2018	2019
Cash flows from (used in) operating activities						
Direct premium written	3,388,520	4,103,005	4,744,556	3,390,462	4,107,218	4,750,562
Cash paid for reinsurance	(252,688)	(310,641)	(40,250)	(252,688)	(311,270)	(40,944)
Interest income	27,250	30,015	30,822	27,281	30,302	30,985
Dividend income	39,602	36,215	50,795	39,602	36,215	50,795
Other investment income	2,480	2,737	2,238	2,480	2,737	2,238
Other income	3,590	1,791	11,989	3,758	4,244	11,980
Claim incurred on direct insurance	(1,816,380)	(2,121,534)	(2,538,691)	(1,817,464)	(2,124,209)	(2,541,349)
Loss adjustment expenses on direct insurance	(33,463)	(41,767)	(52,293)	(33,479)	(41,818)	(52,330)
Commission and brokerage on direct insurance	(569,540)	(665,456)	(764,884)	(569,745)	(665,951)	(765,821)
Other underwriting expenses	(224,342)	(266,258)	(361,764)	(224,516)	(266,427)	(361,998)
Operating expenses	(353,112)	(384,639)	(456,177)	(354,855)	(390,531)	(458,548)
Income tax	(7,129)	(20,931)	(55,930)	(7,090)	(20,931)	(55,930)
Investment in securities	(176,911)	(243,183)	(618,506)	(176,911)	(243,183)	(618,506)
Loans	3,636	(1,454)	(530)	3,636	(1,454)	(530)
Deposits at financial institutions	79,135	(50,838)	142,946	50,119	(48,102)	142,946
Net cash from (used in) operating activities	110,648	67,062	94,321	80,590	66,840	93,550
Cash flows from (used in) investing activities						
Investment in subsidiary	(67,200)	-	-	(22,395)	-	-
Purchases of property, buildings and equipment	(19,263)	(48,691)	(35,057)	(27,348)	(49,000)	(35,426)
Purchases of intangible asset	(846)	(7,593)	(1,968)	(1,044)	(7,781)	(1,968)
Disposals of equipment	296	372	209	296	372	231
Net cash used in investing activities	(87,013)	(55,912)	(36,816)	(50,491)	(56,409)	(37,163)
Cash flows from (used in) financial activities						
Dividend paid	(15,150)	(21,210)	(60,600)	(15,150)	(21,210)	(60,600)
Net cash used in financial activities	(15,150)	(21,210)	(60,600)	(15,150)	(21,210)	(60,600)
Decrease in translation adjustments	-	-	-	(3,200)	(98)	(259)
Net increase (decrease) in cash and cash equivalents	8,485	(10,060)	(3,095)	11,749	(10,877)	(4,472)
Cash and cash equivalents at beginning of year	228,895	237,380	227,320	228,895	240,644	229,767
Cash and cash equivalents at end of year	237,380	227,320	224,225	240,644	229,767	225,295

Financial ratios

	Separate financial statement			Consolidated financial statement		
	2017	2018	2019	2017	2018	2019
(1) Liquidity ratio						
1.1 Liquidity ratio	0.50	0.49	0.49	0.50	0.49	0.49
1.2 Premium receivable turnover ratio	43.52	43.67	42.47	43.50	43.64	42.43
(2) Profitability Ratio						
2.1 Retention Ratio	76.10	78.49	79.51	76.09	78.50	79.52
2.2 Loss ratio	57.08	52.44	55.45	57.10	52.49	55.49
2.3 Gross profit margin ratio	13.15	18.25	14.15	13.11	18.21	14.11
2.4 Gross profit to total income ratio	12.70	18.10	13.61	12.65	18.04	13.56
2.5 Underwriting expense ratio	45.22	44.04	44.78	45.36	44.24	44.91
2.6 Return on investment ratio	2.81	0.58	3.32	2.83	0.66	3.41
2.7 Net premium written ratio	2.37	2.69	2.98	2.36	2.68	2.98
2.8 Net profit margin ratio	1.21	3.56	2.99	1.13	3.41	2.89
2.9 Return on equity ratio	3.01	9.54	9.04	2.81	9.09	8.74
(3) Efficiency Ratio						
3.1 Return on assets ratio	0.68	2.13	1.91	0.64	2.04	1.84
3.2 Assets turnover ratio	0.56	0.60	0.64	0.56	0.60	0.64
(4) Financial Ratio						
4.1 Debt to equity ratio	3.45	3.52	3.95	3.41	3.51	3.97
4.2 Policy Liability to Capital Fund	1.96	2.01	2.38	1.94	2.01	2.40
4.3 Unearned premium reserve to equity ratio	1.17	1.32	1.52	1.16	1.32	1.53
4.4 Unearned premium to assets ratio	27.79	30.97	32.35	27.73	30.96	32.40
4.5 Dividend payout ratio	61.93	52.53	52.20	66.03	54.75	54.03
(5) Net earnings per share	0.11	0.38	0.38	0.11	0.37	0.37
(6) Dividend per share	0.07	0.20	0.20	0.07	0.20	0.20
(7) Book value per share	3.86	4.12	4.36	3.90	4.13	4.34

Report of Board Responsibility for Financial Report

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

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

The Board of Directors have an opinion that the company's internal controls is at a satisfactory level, can be reasonably confident and reliable in the financial statements of Thaivivat Insurance Public Company Limited and its subsidiary as of 31 December 2019 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 Thai Financial Reporting Standards.



Mr. ChalawFuengarom
Chairman

14. Analysis and Explanation of Management Department

Performance

Comparison in 2019 and 2018, the company's underwriting income had increased Baht 516.4 million or 16.1% and investment income increased Baht 113.9 million or 562.3% due to Thai money market by The stock exchange of Thailand (SET) while the underwriting expenses and operating expenses increased Baht 638.0 million or 20.6% resulting in net profit slightly increased from prior year.

Underwriting revenue and expense

The company had underwriting income Baht 3,733.7 million that increased 16.1% as compared in 2018 however it had underwriting expenses and operating expense Baht 3,742.3 million, increased 20.6% from 2018. So in 2019 the company had underwriting loss Baht 8.6 million which underwriting result decrease 107.6% from 2018 because

the Company has continuous products development by using new innovation in products design to facilitate and meet the insured needs together with the continuous sales promotion activities.

For consolidated financial statement, the company and its subsidiary had underwriting income Baht 3,736.3 million that increased Baht 516.4 million or 16.1% and underwriting expenses and operating expense Baht 3,751.4 million or 20.5% Therefore, the company had underwriting loss Baht 15.1 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 2019 shown in the Financial Statements and recorded as market price Baht 3,745.4 million that increased Baht 521.7 million from 2018. In 2019, the company has increasing investment income and profit Baht 113.9 million or 562.3% from 2018 due to the current Thai money market.

For consolidated financial statement, the company and its subsidiary had the investment amount as of year end 2019 shown in the Financial Statements and recorded as market price Baht 3,786.3 million which increased Baht 516.9 million from 2018.

Investment assets as at 31 December 2019

(Unit : Million baht)

	Separate financial statement				Consolidated financial statement			
	2018		2019		2018		2019	
	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %	Amount (Million Baht)	Portion %
Types of investment								
Deposits at financial institutions	156	4.7	13	0.3	202	6.2	54	1.4
Bond and state enterprise	686	20.9	444	11.6	686	21.0	444	11.7
Debenture	434	13.2	408	10.7	434	13.3	408	10.8
Common stock	347	10.5	411	10.8	347	10.6	411	10.9
Unit trust	1,593	48.4	2,461	64.6	1,593	48.7	2,461	65.0
Investment in subsidiary	67	2.0	67	1.8	-	-	-	-
Other	7	0.3	8	0.2	7	0.2	8	0.2
Total investment	3,290	100.0	3,812	100.0	3,269	100.0	3,786	100.0

Financial Status

The company had total assets Baht 6,533.4 million increased 15.8% from 2018; cash and cash equivalents Baht 224.2 million or 3.4% of total assets; investment assets included deposits at financial institution, debt instrument, equity instrument, bond, investment in subsidiary and other investments Baht 3,812.6 million or 58.4%, reinsurance assets and premium receivables Baht 1,289.1 million or 19.7%, property, buildings and equipment and other assets Baht 1,207.5 million or 18.5%

For liabilities, the company had total liabilities Baht 5,213.3 million, increasing 18.6% from 2018. The main items are insurance contract liabilities included loss reserves, outstanding claim and premium reserves Baht 3,825.7 million,

increasing 22.1% from 2018. Furthermore, the company had the reinsurance liabilities and other liabilities Baht 1,387.6 million, increasing 10.1% compared with 2018.

The company had total equity Baht 1,320.0 million increased 5.8% from 2018. The company had net profit Baht 116.1 million and other comprehensive income in gain (loss) on changes in values of available-for-sale investments and actuarial gain (loss) Baht 16.8 million.

For consolidated financial statement, the company and its subsidiary had total assets Baht 6,530.7 million increased 15.6% from 2018; cash and cash equivalents Baht 225.3 million or 3.4%; investment assets included deposits at financial institution, debt instrument, equity instrument, bond and other investments Baht 3,786.3 million or 58.0%, reinsurance assets and premium receivables Baht 1,287.4 million or 19.7%, property, buildings and equipment and other assets Baht 1,231.7 million or 18.9%

For liabilities, the company and its subsidiary had total liabilities Baht 5,217.1 million increased 18.7% from 2018. The main item is insurance contract liabilities included loss reserves, outstanding claim and premium reserves Baht 3,828.7 million increasing 22.1% from 2018. Furthermore, the company had the reinsurance liabilities and other liabilities Baht 1,388.4 million, increasing 10.1% compared with 2018.

The company had total equity Baht 1,313.6 million. The company had net profit Baht 112.2 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) Baht 9.4 million. However it consisted non – controlling interests of the subsidiary Baht 13.3 million.

In 2019, the company had direct premium written Baht 4,803 million with growth rate 115.7% which was higher than total non-life insurance business and in 2019 the company had market share of motor insurance in the 12st ranking.

The Market Share of Non-Life Insurance for the past 3 years

Unit: Thousand Baht

Type of Insurance	Rank	2019	Rank	2018	Rank	2017
Fire	13	153,530	11	152,206	11	145,361
Marine	29	12,594	31	10,423	31	12,867
Motor	12	3,768,297	12	3,223,592	14	2,551,738
Miscellaneous	23	936,333	26	795,140	26	699,089
Total	15	4,870,754	15	4,181,362	16	3,409,055

*Data from The Insurance Premium Rating Bureau as of 06/02/2020

Direct insurance premium comparative table

(Unit : Million baht)

		2019		2018		2017	
		Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.	Non life insurance	Thaivivat Insurance Plc.
1	Total Direct premium written	245,499	4,803	233,090	4,150	218,434	3,545
	% Growth rate	5%	16%	7%	17%	2%	3%
2	Fire	10,072	152	10,165	157	9,850	163
	% Growth rate	-1%	-3%	3%	-3%	-5%	0%
3	Marine	5,431	13	5,522	11	5,356	13
	% Growth rate	-2%	14%	3%	-12%	1%	14%
4	Motor	144,658	3,746	136,933	3,244	126,118	2,612
	% Growth rate	6%	15%	9%	24%	2%	4%
5	Miscellaneous	85,338	893	80,470	738	77,110	758
	% Growth rate	6%	21%	4%	-3%	3%	-2%

Economic condition

In 2019, the global economy was slow down from the US-China trade war, uncertainty of the Brexit and low interest rates resulting the slowdown global economy.

The IMF cut its global growth forecast in 2019 to the lowest level 3% from the previous year 3.2% and the global economic growth forecasts in 2020 have been revised down to 3.4% from 3.5%. The World Bank adjusted forecast in 2019 to be 2.6% from 2.9% last year and expects the global economy growth in 2020 to be only 2.7% that is not different from the IMF. The economy is likely to be affected by the trade war and financial tightness occurring around the world.

The Thai economy throughout the year 2019 grew below expectation. The manufacturing and export sectors especially agricultural products related to the country majority were still be downtrend resulting overall agricultural product prices remained stable to low. The Manufacturing Production Index (MPI) shrank by 3.8 % while MPI rose by 3.6 percent in 2018. The Consumer Confidence Index in December 2019 stood at 68.3 from 69.1 in November. This was the lowest number in 68 months and decreased continuously for the 10th month. The overall economic confidence index in December was at 56.0, down from November at 56.4 because consumers are concerned about present and future of political stability, slow recovery of Thai economy, public purchasing power unrecovered, appreciation Baht and uncertain situation of the world economy.

Election results in March 2019, the PPP has established a government and Gen. Prayut Chan Ocha is the prime minister after a long absence of elections due to the 2014 coup. After establishing the cabinet, Fitch and Moody's have adjusted their outlook on the Thai economy to be positive from original stable, this has been the first time perspective since 2003, reflecting the positive view on investment and human capital improvement in Thailand. Thailand has a business atmosphere that encourages competition and could accept well external factors.

In 2019, the policy interest rate was reduced by 0.50%, with the MPC resolving to reduce the total interest rate twice by 0.25% each time, the first reduction in 4 years resulting the lowest level of policy rate 1.25%. Thai government bond

yields of 5 years and 10 years reduced to a low level of 1.34% and 1.43% that was the lowest in many years. The appreciation Baht of last day was 29.96 baht / dollar, it was the most appreciation currency 7.6% in Asia.

Economic Trends and Stock Markets in 2020

MP Resolution on December 16, 2019 was maintained the policy interest rate at 1.25%, assessing that the Thai economy is likely to expand below the original estimate and below the potential level due to the declining exports, remaining low inflation, Government spending and private investment trend expand lower than expected, slowdown private consumption from declining household income and employment while household debt is high and may increase during the economic slowdown.

Governor of the Bank of Thailand comments the Thai economy in 2020 would grow by 2.8%, but Thailand has more potential, the economy should expand at the level of 3.5-4% because Thailand had significant political changes of Elections in March 2019 causing suspension of various projects and waiting for the new government. But after this, the economy will have a good boost from the 2020 budget that will be passed by the House of Representatives. The large projects are going forward including many projects investment. The current account balance in 2019 is in surplus at 6% of GDP, or about US \$35 billion which is reduced from 2-3 years ago to US \$44 billion. In 2020, the surplus will be reduced to US \$30 billion.

Exports and imports were mainly affected by the global economic slowdown from the trade war resulting international trade and exports in many countries around the world have shrunk. Thai exports in 11 months were reduced by 2.8 percent with export value at US \$227,090 million and import value at US \$218,081 million decreasing 5.2 percent. Thailand still has a trade surplus of \$9,009 million, and the Ministry of Commerce predicts that exports in 2019 should be -2 percent or valued at US \$247,898 million while exports in 2020 is expected to grow at 3% or value at US \$250,000 million. The private sector, Kasikorn Thai Research Center views that exports in 2020 should be -1 percent.

Factors affecting the SET in 2020

Budget delays in 2020, budget limit 3.2 trillion Baht is expected to pass the parliament and announced in late February, not later than mid March 2020 which is delayed 4-5 months, resulting late disbursement of an investment budget 6.55 billion Baht that affects the progress of large investment projects.

Drought problem, Kasikorn Thai Research Center expects to be severe and long until May 2020 because the water level of large dam is only 30 percent. The drought situation in 2020 should be more severe than last year that affects the agricultural products to be harvested during this drought season Including affecting farmers income to face difficulty. To assess the value of economic losses may be 17,000-19,000 million Baht or 0.10-0.11 percent of GDP which is a damage assessment of mainly rice, cassava and sugarcane.

The appreciation of Baht affects exports, especially agricultural products which is 10% of export value. The baht is still likely to strengthen because the current account balance in 2020 is still in surplus due to the export and import value tends to be stable from the previous year and tourism continues to grow at a slow rate. In addition, current account surplus at a high level, huge reserves to foreign debt also make the Baht be a regional safe haven.

SET INDEX in 2019 closed at 1579.84, Forward PE was at 16.90 times, the average daily trading value including MAI was 5.31 billion Baht per day, foreign net sales 4.47 billion Baht. In 2020, the company profits in the stock market will

not increase much as GDP growth about 2.5-2.8% and profits of listed companies increase approximately 3.5-4.5% due to the economy is likely to grow below the potential, the late budget uncertainty, the last longer drought than usual and the stronger Baht than other countries in the same region. However, the economy could return to expand about 3.00% to 3.50% from public and private investment or household consumption recovery. The possibility of these factors should be seen at the end of second quarter resulting the company profits would increase 5-6%. SET INDEX forecasts in 2020 will be approximately 1,500 - 1,596 points, for the best case will be 1,536 - 1,635 points and Forward PE 15.5-16.5 times.

In 2020, the non-life insurance business will grow by 5.6% as a result of the accelerated growth of the Thai economy which will grow by 3.3%, supported by private spending, government spending and investment in large scale transport infrastructure of state enterprises This will help build confidence for the private sector to invest more in the country. For external demand, expects the export of goods and services to expand at a faster pace from 2019 as the economic growth of Thailand's trading partners.

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, 2018 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	Director
3 Mrs. Sutepee Asvatanakul	Vice President
4 Mrs. Sunee Theravithayangkura	Director and Company Secretary
5 Ms. Sareeporn Saengsirtrakul	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 82 years
Independent Director Date appointed April 5, 2012
Chairman April 8, 2015
Chairman of the Investment Committee May 12, 2016

Education / Training

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

Training Course in 2019 - None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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

<u>Name / Age / Position / Date appointed</u>	
Mrs. Pilai Piamongsarn	Age 83 years
Independent Director	Date appointed June 2, 1999
The Audit Committee	February 23, 2009
The Nomination and Remuneration Committee	August 11, 2016
<u>Education / Training</u>	
- 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)	
<u>Training Course in 2019</u>	- None

Company Shareholding (%)

None

Family Relationship to Management

None

<u>Working Experience for the Past 5 Years (Information as December 31, 2019)</u>	
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

<u>Other positions in Company or any organization in the past year.</u>	
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 75 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 2019

- None

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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 70 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, DCPU 3/2015, ACP 20/2010 , Thai Institute of Directors (IOD)
- Advance Audit Committee Programs

Training Course in 2019

- IT Governance and Cyber Resilience Program (ITG) 11/2019, สมาคมส่งเสริมสถาบันกรรมการบริษัทไทย
- Boards that Make a Difference (BMD) 9/2019, สมาคมส่งเสริมสถาบันกรรมการบริษัทไทย
- LEGAL & TAX IHQ ITC & ROH, Omega World Class

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31, 2019)

Present	Independent Director, Member of Audit Committee ,Dusit Thani PCL. , Tourism & Leisure
2017 - 2018	Independent Director, Member of Audit Committee, Member of Compensation Committee and Member of Governance and Nomination Committee, Dusit Thani PCL. , Tourism & Leisure
Present	Independent Director , Chairman of Audit Committee and Member of the Nomination and Compensation Committee, SCI Electric PCL. , Energy
2017	- Member of Foreign Business Commission, Ministry of Commerce
2017	- The audit committee The Support Arts and Crafts International Center of Thailand

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

Listed Company

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

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

Limited Company

-None

Special Activity

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

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

- 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 65 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 Management Commercial Program, Singapore
- Advance Audit Committee (AACP23/2016) , IOD

Training Course in 2019

- IT the thing that directors must know but do not dare to ask – IOD
- Audit Committee of the future-driving through the era of disruption – IOD
- COSO ERM 2017 Enterprise Risk Management Integrating with Strategy and Performance – TFAC
- "Business sustainability in the digital age "Know quickly ... use to be" – EY
- Tax knowledge Training – PwC
- Accounting Standards Training Year 2019 - PwC
- Tales of fraud and wrong news, accounting standards of listed companies, Class 1/2019 – TFAC
- How Block chain influence the business operations – TFAC
- Refreshment Traditional Costing Class 1/2019 – TFAC
- Financial reporting standards overview And the auditing standards of Thailand version 2/2019 – TFAC
- Proactive Insur Tech for National Sustainability - OIC

Audit Adjustment – SEC

Company Shareholding (%)

-None

Family Relationship to Management

-None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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

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

Listed Company

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

Limited Company

- None

Special Activity

- None

The disclosure of biographical

Director, Executive, Authority, control and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Jiraphant Asvatanakul	Age	60 years
Director , President and CEO	Date Appointed	May 12, 1986
The Investment Committee		May 12, 2016

Education / Training

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

Training Course in 2019

- Speaker - How can non-life insurance manage risk for you and your business? - TGIA
- Speaker - Insurance Ratings Outlook 2020” - Tris and S&P

Company Shareholding (%)

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

Family Relationship to Management

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

Working Experience for the Past 5 Years (Information as December 31, 2019)

1986- Present	President and CEO Thaivivat Insurance PCL. , Insurance
1993-Present	Director , Thai Reinsurance PCL. , Insurance
2012-Present	Director, Member of the nomination and Remuneration Committee, Thai Reinsurance PCL. , Insurance
2001- Present	Vice Chairman ,Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd. , Insurance

Working Experience for the Past 5 Years (Information as December 31, 2019)

2009 – 2019	Director, T.I.I. Co., Ltd. (Thailand Insurance Institute)
2002 - Present	Nomination and Remuneration Committee, Thai Reinsurance Public Co., Ltd.
2015-2017	Director and Treasurer, Thai Chamber of Commerce
2016 – Present	Independent Director, Audit Committee and Nomination and Remuneration Committee, Vichitbhan Palm oil Public Co., Ltd
2017- 2019	President, Thai General Insurance Associatio
2019-Present	Director, Thai General Insurance Associationn
2013 – Present	Director, Thai Insurance Business Council
2015- Present	Director and Treasurer, Thai - Chinese Business C
2016 – Present	Chairman of Thai - Iran Business Council
2017 -2019	Director and Secretary General, Thai Chamber of Commerce
2019 – Present	Director and Vice Chairman, Thai Chamber of Commerceouncil.
2017- Present	Director, Policy Protection Fund

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

Listed Company

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

Limited Company

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

Special Activity

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

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Mr. Thawan Viranont	Age 71 years	
Director	Date Appointed	April 29, 1993
The Nomination and Remuneration Committee		August 11, 2016

Education / Training

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

Training Course in 2019

None

Company Shareholding (%)

18,000 shares 0.01%

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31, 2019)

2015- 2017	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

Mrs. Sutepee Asvatanakul Age 59 years
Director , Managing Director and CFO Date appointed June 18, 1986
The Nomination and Remuneration Committee August 11, 2016

Education / Training

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

Training Course in 2019

- Financial Reporting Standard No. 9 Financial Instruments (TFRS 9) + TFAC

Company Shareholding (%)

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

Family Relationship to Management

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

Working Experience for the Past 5 Years (Information as December 31, 2019)

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

Mrs. Sunee Theravithayangkura Age 68 years

Director Date appointed June 18, 1986

Company Secretary August 20, 2008

Education / Training

- B.A. Law, Thammasart University

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

Training Course in 2019

None

Company Shareholding (%)

18,000 shares 0.01%

Family Relationship to Management

- Sister of Mrs. Sutepee Asvatanakul

- Sister in Law Mr. Jiraphant Asvatanakul

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

Listed Company - None

Limited Company - None

Special Activity - None

The Corporate Secretary has the following Responsibilities:

1. Preparing and keeping documents below.

a) Registration of The Committee.

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

c) Notice and Minutes of Shareholders Meeting

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

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

The disclosure of biographical

Director, Executive, Authority control, and Corporate Secretary

Name / Age / Position / Date appointed

Ms. Sareeporn Saengsirtrakul Age 30 years

Accounting Manager Date appointed March 6, 2018 - Present

Education / Training

- B.A. Accountancy, Thammasart University

- Master of Accountancy, Thammasart University

Training Course in 2019

- New Thai financial reporting standards effective in 2019 and 2020, 1/62

- Thai financial reporting standards 17 (IFRS 17): Insurance Contracts

Company Shareholding (%)

None

Family Relationship to Management

None

Working Experience for the Past 5 Years (Information as December 31, 2019)

2014 – 2017 Assistant auditor, EY Office Limited

2018 – Present Accounting Manager, Thaivivat Public Company Limited

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

Listed Company - None

Limited Company - None

Special Activity - None

The Corporate Secretary has the following Responsibilities:

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

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

Name / Age / Position / Date appointed

Mr. Vipheth Sihachakr Age 52 years

Chairman

Education / Training

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

Training Course in 2019

- None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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 70 years

Vice President

Education / Training

- B.A. Law, Thammasart University

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

Training Course in 2019

None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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 54 years

Vice President

Training Course in 2019

None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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 54 years

Director

Training Course in 2019

- Bachelor of Law

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2019)

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

Report of the Board of Directors' Responsibilities for Financial Reports

Thaivivat Insurance Public Company Limited 's Board of Directors has given importance to the duties and responsibilities in accordance with the good corporate governance policy, supervise the financial statements and financial information in annual reports to have accurate, complete and sufficient information. The financial statements comply with general accepted accounting standards in Thailand and the relevant criteria stipulated by the Office of Insurance Commission that select the appropriate accounting policies, practice regularly and use discretion carefully including disclose an important information sufficiently in the notes to the financial statements and has been audited and certified by an auditor.

The Board of Directors has established a risk management system, internal control system, internal audit and appropriate supervision efficiently to ensure that the company has accurate, complete and timely accounting records as well as risk prevention from operations. In this regard, the Board has appointed an Audit Committee consisting of independent, non-executive directors to supervise this matter.

The Board of Directors has an opinion that the overall internal control system of company is satisfactory and provide reasonable confidence in the reliability of the company financial statements as of 31 December 2019, which the auditor audited as generally accepted auditing standards and expressed his opinion that the financial statements accurately show the financial status and business operations in accordance with generally accepted accounting principles.



Mr. ChalawFuengarom

Chairman

Audit Committee Report 2019

To shareholders

The Audit Committee of Thaivivat Insurance Public Company Limited consists of 3 independent directors who are experts and have experience in economics, business administration, accounting, auditing as regulated by the Securities and Exchange Commission, Thailand. Mr. Phisit Setthawong is the chairman of the Audit Committee, Mrs. Pilai Piumpongsarn and Mrs. Pranee Phasipol are the audit committees with 3 years term and Ms. Yupin Trongpitakul acting as the secretary of the Audit Committee.

In 2019, the Audit Committee Performed duties independently as the Board of Directors assignment with 7 meetings that all committees attended all meeting to carry out their scopes, duties and responsibilities. The company provided the Audit Committee meetings with auditor, management representative and internal auditor to consider and discuss the issues including giving advice on matters that are beneficial to the company management in accordance with the principles of good corporate governance. The Audit Committee reported the meeting results every time that are summarized as follows :

1) Reviewing the company's quarterly and fiscal year 2019 by auditor and management inquiry about the accuracy, completeness, and reliability of financial report, financial statement preparation in accordance with the Financial Reporting Standards and adequacy of information disclosure. The Audit Committee agrees that the company financial report correctly and appropriately in accordance with the Financial Reporting Standards and the auditors propose unqualified report. In addition, the Audit Committee held one meeting with the auditor specifically without the management and internal auditor. The auditor reported it had freedom to perform and got good cooperation from all departments.

2) Reviewing risk management according to the company risk management framework. The Audit Committee agrees that the company has complied with the risk management plan and follows up adequately together with regularly reviews risk management in accordance with current situation which is the rules of regulator.

3) Reviewing the company has operated legally in accordance with the securities and exchange law, the Stock Exchange of Thailand's regulations, Non-life Insurance Act, related laws and the Office of Insurance Commission registrar announcement including the company regulations operation and agrees that the company has continuously good practice according to laws, regulations and requirements.

4) 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 transactions details and necessity as normal business transactions. The Audit Committee agrees that the transaction is reasonable and has complete and adequate disclosures.

5) Reviewing the company effective assessment of internal control system according to the internal control principles of COSO which are certified by the related management including the anti-corruption of risk assessment and agree that the company has an appropriate, sufficient internal control system and good corporate governance management. In addition, in 2019 the company has been recertified CAC (Collective Action Coalition) of the Thai Private Sector for the Anti-Corruption.

6) Reviewing practice and policies changes related to good corporate governance principles annually such as the anti-money laundering rule, the anti-money laundering policies and risk management including audit committee charter review to be suitable for the current situation.

7) Consideration the internal audit independence in approval for appointment, transfer, lay off, performance evaluation as well as considering the operational guidelines and annual internal audit plan with emphasis on checking the operation effectiveness, internal control systems assessment and risk management for the company business operations.

8) Consideration and appointment to the auditor for 2020, The Audit Committee agrees that the auditor from EY Office Company Limited professional, independent, good performance and efficiency. Therefore proposing to the Board of Directors for approval the annual general meeting, appointing Ms. Somjai Khunapasut, Certified Public Accountant No. 4499 or Ms. Rachada Yongsawadwanich, Certified Public Accountant No. 4951 or Ms. Narissara Chaisuwan, Certified Public Accountant No. 4812 or Ms. Wanwilai Phetsang, Certified Public Accountant No. 5315 of EY Office Company Limited, any auditor to be the auditor with the audit fees 2,950,000 Baht in 2020.

From the duties performance of Audit Committee, considering audit reports of internal audit and various management departments, the Audit Committee agrees that the company's internal control system has adequate efficiency and effectiveness and ensure that the company financial reports prepared accurately according to the Financial Reporting Standards, compliance with the law and regulations of relevant departments without finding any significant defects.

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
Ms. Yupin Trongpitakkul	54	1. Sukhothaithummatiraj University, Bachelor of General Management (1994) 2. Sukhothaithummatiraj University, Bachelor of Accounting (2004)	2014-2018	Deputy Manager, Thaivivat Insurance Public Company Limited	Thaivivat Insurance Public Company Limited

Report of the Nomination and Remuneration Committee

To : Shareholders of Thaivivat Insurance Public Company Limited

The Nomination and Remuneration Committee perform duties as assigned by the Board of Directors under the duties and responsibilities as specified in the Nomination and Numeration Committee Charter to select and propose a person to be a director and senior executive of the company including proposing remuneration and other benefits policies for the Board of Directors and various sub-committees. The Nomination and Remuneration Committee consists of 4 members, 2 of which are independent directors and 2 executive directors.

In 2019, the Nomination and Remuneration Committee held 1 meeting to consider important issues and meeting report together with comments and recommendations to the Board of Directors for consideration as follows :

1. To consider the selection the company directors in place of the directors whose term expired which considered from the person with suitable qualifications, complete the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand and no prohibited characteristics according to the law. By considering qualifications, experience, and knowledge that will benefit the company for presentation to the meeting of the Board of Directors and Shareholder meeting for further consideration and approval.

2. To consider the remuneration of directors and various sub-committees in detail, directors are assigned additional duties and responsibilities in the sub-committee will receive additional remuneration as workload and responsibility appropriately.

The Nomination and Remuneration Committee perform duties as assigned with prudence, transparency, fairness and independence in accordance with good corporate governance principles by considering the best interests of company and all stakeholders.



Mr. Phisit

Sethawong

Chairman of the Nomination and Remuneration Committee

Investment Committee Report

To: Shareholders of Thaivivat Insurance Public Company Limited

The Investment Committee has performed duties as assigned by the Board of Directors under the duties and responsibilities stipulated in the consideration and approval of matters relating to the company investment. The Investment Committee consists of 3 members, 2 of which are independent directors and 1 executive director. In 2019, the Investment Committee held 2 meetings to consider important matters and the meeting report together with comments and recommendations to the Board of Directors for consideration as follows :

1. To consider the investment policy framework for approval from the Board of Directors
2. To consider and approve the company's investment plans according to the investment policy framework and the overall risk management policy.
3. To supervise the company investment in accordance with the investment policy framework, risk management policy including investment procedure regulations and legal requirements.
4. To supervise on corporate governance, transparency and conflict of interest prevention related to the company's investment transactions.
5. To supervise the work system, personnel, and information used for the company investment to be sufficient in operation.
6. To manage investments according to the investment policy framework approved by the Board of Directors.

The Investment Committee has performed duties as assigned with prudence, transparency, fairness and independence with regard to the best interests of company and all stakeholders.



Mr. ChalawFuengarom
Investment Committee Chairman

Attachment 4 Details of asset valuation

None

Attachment 5 Others

None