



TOKIO MARINE
INSURANCE GROUP

Public Disclosure Report 2020

Tokio Marine Safety Insurance (Thailand) PCL.

I hereby certify that the foregoing statement in this report is complete and accurate and contains neither any materially misleading statements nor any omissions of material information that ought to be declared.

Signature

(Mr. Sutechai Santivarakum)

Position

Chief Executive Officer



Signature

(Mr. Hironori Kiryu)

Position

President

Date

28th May 2021

Reporting Year

2020

Tokio Marine Safety Insurance (Thailand) PCL.

S&A Building, 2nd - 6th floors, No.302, Silom Road,
Khwaeng Suriyawong, Khet Bangrak, Bangkok 10500
Tel. 0-2257-8000 Fax 0-2253-3701, 0-2253-4222
Claims Services Tel. 0-2257-8080 Fax 0-2655-0143

บมจ. คู้มกัยโตเกียวมารินประกันภัย (ประเทศไทย)

อาคารเอสแอนด็อ ชั้น 2-6 เลขที่ 302 ถนนสีลม
แขวงสุริยวงค์ เขตบางรัก กรุงเทพมหานคร 10500





1.1 Overview and Background

Tokio Marine Safety Insurance (Thailand) PCL. (“TMSTH”) sets a path of ‘Foster a Sustainable Future’ vision. This synergizing model has formed new legacy for Thailand’s insurance industry when global expertise empowers its partnership with Thailand’s leading insurer to enhance the stability of financial strength, expertise and strong network nationwide which led Tokio Marine Safety Insurance (Thailand) PCL. become one of Thailand’s leading insurer. We aim to develop various kind of products and services and take care of our customers anytime, anywhere with trustworthy and stability.

1.2 Policy/Vision/Objective/Business Strategy

Tokio Marine Safety Insurance (Thailand) PCL. conducts its business followed by ‘Foster a Sustainable Future’ vision which the organization has been defined the corporate culture needed to be in line with the organization's vision and goals.

The corporate culture is what we shall shape through our behavior and our way of work, process, system and strategy over years, rather than just follow as rule. To align with our company goal, the company has defined what should be the attributes, namely "Look beyond profit", "Deliver results through collaboration" and "Build trust and empowerment

Look beyond profit

- Realize our business purpose and understand the meaning of our existence
- Build a sustainable future for all stakeholders including customers, business partners, society and colleagues.

Deliver results through collaboration

- Drive results leveraging our network of TMSTH as well as our stakeholders
- Drive agility to promote innovation and competitiveness



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Build trust and empowerment

- Develop employee's career plan through providing training and opportunities
- Empower employees to have responsibility with accountability

1.3 Business Description

Tokio Marine Safety Insurance (Thailand) PCL. is a subsidiary of Tokio Marine Group which is the 1st Japanese insurance company has been founded since 1879 with strong financial and expanding its business 46 countries (As of 2020) such as Japan, US, UK, South Africa, India, Malaysia, Brazil, Philippines, etc. as well as Thailand. Tokio Marine & Nichido Fire Insurance, which is a subsidiary of TMHD also has been rated highest among Japanese Financial Institutions by international rating agencies such as Standard & Poor's (A+) and Moody's (Aa3) and A.M. Best (A++). as of end of March 2020)

Tokio Marine Safety Insurance (Thailand) PCL. has gained full support in every field of operation and technique from Japan which has resulted in stronger financial and higher performance which has been ranked in A of S&P credit ratings (As of November 12, 2020). The rating on Tokio Marine Safety Insurance (Thailand) PCL. (TMSTH) reflects the important role the insurer plays in supporting the wider group's strategy in Asia The company aims to provide various products with first class service to customers with social responsibility.

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1.4 Product detail, Important Service and Portfolio Mix

The main channel of the Company is Japanese Business and Local Business. The biggest proportion of written premium comes from Motor Insurance. The Company is 1st ranking for Marine Insurance in Insurance Industry in Thailand. The table below shows the Company's premiums from 3rd February 2020 (Amalgamation Date) to 31st December 2020. (Total 11 Months)

Unit : Million Baht

Description	Fire	Marine		Motor		Miscellaneous					Total	
		Marine hull	Marine cargo	Compulsory	Voluntary	All risks	Public liabilities	Engineering	Personal accidents	Health insurance		Others
Direct premium written	44	19	834	459	10,205	1,947	246	117	1,351	254	150	15,626
Net written premium	11	7	462	459	10,190	220	114	24	1,297	255	63	13,100
Proportion of direct	0.28%	0.12%	5.34%	2.94%	65.30%	12.46%	1.58%	0.75%	8.64%	1.63%	0.96%	100.00%

Remark : The information is obtained from annual report





1.5 Company Contact Channel and Claim Process

1.5.1 Claim Process and Required Documents

Claim Process and Procedure of Motor Claim

Claim Procedure for Motor- Compulsory Insurance

1. We will clarify or confirm the terms of the policy coverage in respect of the claim made.
2. Verify the third party's accident information, supporting documents/evidences/reasons.
3. In case of bodily injury claims, company will ensure the symptoms of injured person and also verify the rights of the third party or its authorized person.
4. Once the negotiation with third party is finalized, company will approve the indemnity accordingly.
5. For medical benefits, company will verify the correctness of documents prior to approval of payment for the Medical benefits.

Required Documents for claims approval

1. Copy of third party's ID card, Copy of third party's household registration, insurance policy.
In case other person acts on third party behalf, the authorized letter and copy of such person's and third party's ID is required.
2. Proof of loss.
3. Receipt or evidences which show amount of money payment according to the loss/accident.
4. Confession Evidence, police report or signed agreement (if applicable)



Duration of compensation consideration process

1. For Medical claims: we will settle within 7 days of receipt of complete documentation.
2. Once negotiation finalized, the settlement will be made within 7 days from the date of negotiation done.

However, the settlement shall follow OIC's rules and regulations.

Claim Procedure for Motor - Voluntary Insurance

1. Verify the insurance coverage.
2. Verify the accident information, supporting documents/evidences/reasons.
3. Assess the loss and find the repairer or negotiate the repair costs according to the actual loss.
4. In case of bodily injury claims, company will ensure the symptoms of injured person and also verify the rights of the third party or its authorized person.
5. Propose for Approval or negotiate according to agreement.
6. Once the negotiation with the victim party is finalized, company will approve the indemnity accordingly.
7. For the indemnity as per receipt, company will verify the correctness of documents prior to approval of payment.

Required Documents for claims approval

1. Copy of ID card, copy of household registration, vehicle registration book, valid insurance policy. In case need someone to act on behalf, the evidence of both persons are required.
2. Proof of loss.
3. Receipt or evidences showing actual expenses according to the loss/accident.
4. Confession Evidence, police report or signed agreement (if available)



Claim Procedure for Property Insurance

1. When loss or damage occurs;
 - The insured must stop or mitigate the incident as fast as possible.
 - The insured must prevent its possible continuing or further damage.
 - Any loss or damage caused by theft/burglary must be reported to the local police precinct. A copy of the police report should also be obtained to be produced as evidence for the claim. In the event that the loss of or damage to the insured's property was caused by a third party, it is advised that the insured notice such third party for damages and keep records of notice for protecting insured's rights.
2. All damaged property or pertinent evidence must be kept as close to the original state as possible so that our surveyor / claims assessor can detect the damage.

Notification of incident, loss or damage

1. The insured should notify us of the incident as soon as possible at 02-257-8080 or Hot Line: 02-655-6901-2 or E-mail: customer-hotline@tokoimarinafety.co.th
2. The insured is requested to prepare the following documents for us:
 - Notification of loss or damage or fill in the claims form at our website;
 - Copy of insured's ID card or company's directors (certified as true);
 - Copy of household registration of insured or company registration (certified as true);
 - Quotations for repair/replacement of the damaged parts and document shows amount of loss such as surveyor's report;
 - Accident report and/or photographs of damaged property;
 - Copy of police report;
 - Other relevant documents in addition to the mentioned above if require.
3. Where necessary, we will appoint a surveyor to arrange a damage survey at a time and date of the insured's convenience. At the meantime, insured should prepare the relevant



documentation regarding the damaged property such as house/building plan, purchase receipt, brand, and model and manufactured year of damaged product.

Turnaround for claims processing and settlement

1. We normally process and determine the settlement of an insurance claim within 15 days of receipt of complete documentation.
2. Once the insured agree with the settlement amount, the payment shall be made within 15 days.

Note: Our claims process will depend on the terms of coverage of each specific policy effective at the time of the incident. We reserve the right not to inform the duration of consideration and we may also request further information and/or other relevant documents in addition to the items mentioned above, as necessary and in support of consideration of the claim.

Claim Process and Procedure of Non-Motor Claim

1) Claim Notification Process

- The insured shall notify the incident without any delay via the hotline number 02-257-8000 (24 hours a day, 7 days per week) or via Agent/Broker/Branches of Tokio Marine Insurance (Thailand) PCL. nationwide.
- The insured shall specify the brief details of claim, for example, date and time of loss, cause of loss, and loss estimation, along with the name and contact phone number of the claimant as channel for communication with claim department and/or loss adjustment process
- The insured shall provide all support documents and co-operative with the Insurer during claim consideration process
- For Travel Insurance Policy or Personal Accident Insurance Policy, the insured can directly contact with our partner as per contact number shown on the package booklet.



2) Claim Coverage Consideration

Once the Insurer has received the Claim Notification (as mentioned on No.1), Non-Motor Claims Department will continue the claim consideration process, as follows:

- Checking details of claim e.g. Insured Name, Period of Insurance, Property Insured, Coverage, and Exclusions
- Considering the coverage of claim based on the information provided
- In case, there is NO record of the insured policy or the claim falls beyond the policy coverage, the Insurer shall immediately contact and notify the insured

3) Site Investigation

In case the loss requires in depth details or site investigation in order to support the claim consideration, the insurer may:

- Assigning the survey team (Tokio Marine's persona or appointed certified loss adjuster/surveyor) to investigate the claim at the site of the incident. Notwithstanding, the insured/ claimant shall provide support, assistance and cooperating with the survey team for efficiency and smooth claim investigation process

4) Claim Calculation & Loss Adjustment

Once the Insurer receives required document and sufficient information from the insured/ survey team, the company shall:

- Adjusting the claim amount based on the coverage of policy
- Notify the claim consideration and claimable amount to the insured

5) Loss Adjustment Acceptance

Once Non-Motor Claims Dept. has finished the claim consideration, the Company shall notify the amount claimable under the coverage of the insured's policy period to the insured and/or beneficiary. Without any objection on this calculation/ adjustment, the insured's Authorized Person shall sign on the Loss Acceptance Form, stamp the company crest, in order to accept the indemnification amount.

6) Claim Indemnification Process

The insured and/or beneficiary are required to prepare these documents to the insurer:



- Copy of ID Card/ Passport, Copy of House Registration, Copy of Company Affidavit, and other support document, if any
- Once the required documents are completely submitted, the insurer will continue the indemnification process to the insured

7) Claim Payment Period

The Insurer shall indemnify the claim amount to the insured/ beneficiary within 15 days upon the completion of document required.

1.5.2 Complaint Process

Channels of Complaint to Tokio Marine Safety Insurance (Thailand) PCL. are as follows:

- 1) Tokio Marine Safety Insurance (Thailand) PCL.
Orakarn Building, 1st, 2nd, Floors, No. 26/ 5-8 Chidlom Road, Lumpini, Pathumwan, Bangkok 10330
- 2) Complaint through telephone: call 02-655 6901-2, 02-257 8000, 02-686 8888
- 3) Complaint through company's website: www.tokiomarine.com
- 4) Complaint through email: info@tokiomarinesafety.co.th,

Customer-hotline@tokiomarinesafety.co.th



2. Good Governance and Company's Internal Control and Processes

2.1 Good Governance Policy & Internal Control

In order for Tokio Marine Safety Insurance (Thailand) Public Company Limited to have an international standard of business practice and business operations, the Company has established good corporate governance policy as the practical guidelines for Board of Directors, executives and employees of the Group Company to conduct business with ethics, transparency and accountability. The Company shall create trustworthy business among customers and its partners in order to make a sustainable growth in the future.

Details of Corporate Governance Policy of Tokio Marine Safety Insurance (Thailand) Public Company Limited are as follows;

- Clearly dividing the roles of Board of Directors and management.
- Defining strategies and operational policies including resource allocations to achieve objectives and goals, as well as monitoring, controlling and evaluation.
- Encouraging and promoting the culture of morality and business ethics.
- Having framework, policies, risk management system and internal control, including Risk Management & Compliance Committee and Risk Management Unit.
- Having information disclosure policy, confidential information management to prevent data leakage and security of data under the appropriate, impartial, accurate, current and understandable method.
- Having policy reviewed and adjusted regularly to continuously develop corporate governance.
- Conducting business with ethics, respect for rights, and responsibilities to the shareholders and stakeholders.



2.2 Organization Chart

BKK BU	Branch	Automobile Industry Marketing	Business Development	UW	Claim	Finance & Accounting	Governance	Back Office	Management Office
Multi-National Marketing	Central			Retail	Motor	Accounting	Compliance & Legal	HR Management	Corporate Management
Local Broker	North & Northeast			Commercial	Non Motor	Finance	Risk Management	HR Development	Corporate Secretary
Agent Business	South				TM Claim Service	Investment	Internal Audit	GA	
International Broker								IT	
Dealer Business 1								Production	
Dealer Business 2								Recovery	
Bank & Finance									

*Latest information as of 1st January 2021



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2.3 Management Structure

Board of Director



Mr. Chongrak Sripunporn, Chairman



General Chayuth Suwanamas, Independent director



Mr. Niti Osathanugrah, Independent director



Mr. Shinkichi Miki, Director



Mr. Saloon Tham, Director



Mr. Hironori Kiryu, Executive Director



Mr. Sutechai Santivarakum, Executive Director

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Management Team



Suteechai Santivarakum
Chief Executive Officer



Hironori Kiryu
President



Paichayon Sutheerapongpun
Executive Vice President



Suwanna Prasongtunskul
Senior Vice President



Takatsugi Kiyosue
Senior Vice President



Seree Gavinratchatarot
Executive Vice President



Kriengkrai Chaivate
Executive Vice President

Remark: Latest information as of May 2021

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Petch Nudjavithayaporn
Executive Vice President



Prasopsuk Ittitammawong
Senior Vice President



Adisak Moksiri
Executive Vice President



Pichit Tungtummakron
Executive Vice President



Yoshinori Fukaura
Senior Vice President

Remark: Latest information as of May 2021

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2.4 Board of Directors' Appointed Committees

2.4.1 Management Committee

Its primary objective is to provide consultation, guidance and decision making for strategic and operational issues of core business and other business of the Company and to address any key issues or problems identified or raised.

- Mr. Suteechai Santivarakum (Chairman)
- Mr. Hironori Kiryu (Chairman)
- Ms. Petch Nudjavitayaporn
- Mr. Paichayon Sutheerapongpun
- Mr. Seree Gavinratchatarot
- Mr. Adisak Moksiri
- Mr. Kriengkrai Chaivate
- Mr. Pichit Tungtummakron
- Mrs. Prasopsuk Ittitammawong
- Ms. Suwanna Prasongtunskul
- Mr. Takatsugi Kiyosue
- Mr. Yoshinori Fukaura (Secretary)

Remark: Latest information as of May 2021



2.4.2 Audit Committee

Its primary objective is to assist the Board in providing an independent review of the effectiveness and appropriateness of internal audit and internal control of the Company, verifying the correctness and adequacy of financial statement and financial disclosure, and performing other duties and responsibilities as assigned by the Board.

- Mr. Chongrak Sripunporn (Chairman)
- General Chayuth Suwanamas
- Mr. Saloon Tham
- Mr. Teerasut Chaiprasitphon (Secretary)

2.4.3 Risk Management & Compliance Committee

Its primary objective is to manage and oversee the risk management activities of the Company to set a policy of Enterprise Risk Management of the Company and to ensure an appropriate risk management process is in place and functioning effectively, as well as to manage and oversee the compliance activities of the Company to ensure that required regulations are adhered to, and that an appropriate compliance monitoring process is in place and functioning effectively.

- Ms. Petch Nudjavitayaporn (Chairman)
- Mr. Suteechai Santivarakum
- Mr. Hironori Kiryu
- Mr. Adisak Moksiri
- Mr. Pichit Tungtummakron
- Mr. Seree Gavinratchatarot
- Mr. Yoshinori Fukaura
- Mr. Tetsushi Honjo (Secretary: Risk Management)
- Ms. Chidchanok Chanbankhot (Secretary: Compliance)

Remark: Latest information as of May 2021



2.4.4 Investment Committee

Its primary objective is to manage and oversee the investment activities of the Company to set investment guidelines and strategies, to ensure the activities comply with the guidelines and strategies, and to monitor and review investment status and performance of the Company.

- Mr. Adisak Moksiri (Chairman)
- Mr. Suteechai Santivarakum
- Mr. Hironori Kiryu
- Ms. Petch Nudjavitayaporn
- Mr. Taketsugu Suzuki (Representative of TMA)
- Ms. Supavadee Chookiatmetha (Secretary)

2.4.5 Nomination & Remuneration Committee

Its primary objectives are to establish a documented formal and transparent procedure for the appointment of directors and senior managements, and to assess the effectiveness of individual directors, the board as a whole, and senior managements on an on-going basis. The NRC also provides a formal and transparent procedure for developing a remuneration package for directors and senior managements and ensures their compensation is competitive and consistent with the Company's objectives, strategy and culture.

- Mr. Saloon Tham (Chairman)
- Mr. Chongrak Sripunporn
- Mr. Shinkichi Miki
- Mr. Yoshinori Fukaura (Secretary)

Remark: Latest information as of May 2021



2.4.6 Information Technology Steering Committee

Its primary objective is to manage and oversee the investment activities of the Company to set investment guidelines and strategies, to ensure the activities comply with the guidelines and strategies, and to monitor and review investment status and performance of the Company.

- Mr. Seree Gavinratchatarot (Chairman)
- Mr. Suteechai Santivarakum
- Mr. Hironori Kiryu
- Mr. Yoshinori Fukaura
- Mr. Adisak Moksiri
- Mr. Pichit Tungtummakron
- Ms. Petch Nudjavitayaporn
- Mr. Paichayon Sutheerapongpun
- Mr. Kriengkrai Chaivate
- Mrs. Prasopsuk Ittitammawong
- Mr. Biren (Representative of TMA)
- Mr. Sarawut Pienluprasith (Secretary)

Remark: Latest information as of May 2021



2.5 Nomination for directors, independent directors and executive management

The Board of Director has appointed Nomination and Remuneration Committee to be responsible for recruitment of the qualified and competent candidates for the positions of directors, independent directors and executives. The criteria of nomination and remuneration are as follows:

- 1) The nomination procedures of directors, independent directors and executives shall be transparent and accountable.
- 2) Nomination and Remuneration Committee shall ensure that the candidate for the position is competent and have suitable qualifications.
- 3) The prospective director shall not have any forbidden qualification in accordance with Section 34 of Non-Life Insurance Act B.E. 2535 and Public Company Limited Act B.E. 2535. Nomination and Remuneration Committee shall give the advice to Board of directors to identify suitable candidates and to carry out the necessary evaluation/assessment of the candidates.
- 4) Nomination and Remuneration Committee shall realize that the competency and experience of Board of Directors, as a whole, is diverse with the appropriate composition in the areas of finance, accounting, legal, and business management.
- 5) In addition, Nomination and Remuneration Committee shall regularly review remuneration structure as to be suitable for knowledge, skills and responsibilities of the directors, independent directors and executive management of the Company.



3. Enterprise Risk Management (ERM) and Asset Liability Management (ALM)

3.1 Enterprise Risk Management :ERM

The Company stringently executes ERM which is in line with Risk Management Framework and Risk Management Policy of the Company.

The Company's Risk Appetite is broadly classified into **Financial & Non-Financial** risk types as follows: -

- **Financial Risk Type**

Under this category, we have identified and define risk appetite for 4 main financial risks:

- Solvency
- RoE
- Underwriting
- Investment

- **Non-Financial Risk**

- Under this category, we have defined the risk appetite for 7 non-financial risks:

- Business Continuity
- Reputation
- Cyber Security
- Projects
- Compliance
- Fraud
- Outsourcing

We identify and assess risks on for all major activities and all risks, which may impact profit, capital, reputation, and existence of the Company. These risks are prioritized and found mitigation measures. Moreover, Key Risk indicators (KRI) are also defined for monitoring and managing to be acceptable risks.



Moreover, the Company also has Business Continuity Plan since we emphasize the importance of employee safety, including awareness of the insurer's obligation to the insured, in case of any critical situations or events of emergency.

The Company's Enterprise Risk Management process shall base on the following process:

1) Risk Identification

To identify significant risks to the achievement of business objectives, cause of risks and risk owner, the process of which shall be done at all level within the organization from the operation levels to management level and provide risk register

2) Risk Assessment

Then, the Company assesses based upon vulnerabilities and threats, as well as the likelihood of the threats being realized and the potential impact on the Company. To assess and prioritize each risk base on the set internal standards. The assessment shall be done in two dimensions including likelihood and severity of the risks.

3) Risk Treatment

The Company establishes risk management plans. The objectives are reduction the risk impact to be acceptable risk. Risk response will be considered from the appropriateness of circumstances, costs, and the benefits altogether.

4) Risk Monitoring

The Company shall manage, monitor and follow-up in order to ensure the Company's risks to be in acceptable risk appetite level, including regularly reporting the effectiveness of risk control to Executive Management.

5) Risk Reporting

There are reporting the results from all risk management processes by reporting information on the significant risks faced by the business, including risk status to ensure the effectiveness of the Risk Management Framework. In addition, the Company should prepare risk management documents to be ready for OIC's audit.



3.2 Asset Liability Management (ALM)

The company's investment policy is to invest in low risk assets whereas majority of investment is in Debt Instruments and Bank Deposits. The company only allows to invest in assets with credit rating A- and above. Furthermore, the company set up investment restrictions such as counter party limit, issuer limit and the company also sets up strategic asset allocation in order to diversify investment risks.

The company reduces the risks associated with business-related equities with asset management in line with the characteristics of insurance liabilities as the first principle, and aim to secure stable profits while maintaining sufficient liquidity for claims payments and other capital needs.



Unit : Million Baht

Description	2020	
	Book value	Fair value
Total investment assets	18,900	19,010
Total liquid assets	18,690	18,800
Total liabilities	19,443	16,294
Insurance liabilities	15,454	12,331



4. Linkage between Risk, Strategy and Capital

The company establish an effective and efficient integrated risk management system and also to allocate the resources for the management of risks appropriately to fully comply with the company business obligations which eventually will result in sufficiency of capital and sound financial stability. Reinsurance is one part of risk management and considers the capital of the Company and the minimum acceptable capital adequacy ratio to be maintained by TMSTH, retention levels and reinsurance program.

The company has in placed a guideline for the selection of reinsurers strictly in accordance with the credit rating of the reinsurers. The credit rating of reinsurers is being updated regularly and binding of risks with any reinsurer must be done in compliance with the list of reinsurers who met with the group's minimum credit rating requirement. Treaty agreements will contain special clause to allow TMSTH to terminate reinsurers if the credit rating of reinsurers is downgraded below minimum acceptable level.

Rules on concentration of reinsurance are based on financial strength of each treaty reinsurer as set out in

Our Underwriting Guidelines and the Office of Insurance Commissioner whichever threshold is lower.

Unit : Million Baht

Description	Amount
Insurance reserve recovered from reinsurers	2,515
Amount due from reinsurance	504
Deposits on reinsurance	0



5. Valuation, method, and assumption in assessing insurance contract

The method of assessing liabilities from insurance contract is in accordance with the Notification of Valuation of Assets and Liabilities of Non-Life Insurance Company BE 2554. The actuarial methodology used for calculating the appraisal value in accordance with Actuarial Standards on insurance reserve for risk based capital BE 2557.

Unit : Million Baht

Description	2020	
	Book value	Fair value
Insurance liabilities		
Long-term insurance liabilities	2,821	746
Short-term insurance liabilities		
- Premium liabilities	8,224	6,938
- Claim liabilities	4,409	4,646



6. Investment

The primary objectives of the company's investment is to manage liquidity and security, to control risks and to achieve suitable level of return. Investment asset allocation and investment plan take into account liquidity, concentration and counterparty risk management and shall be consistent with the enterprise risk management policy, insurance portfolios, capital & solvency risk appetite and asset and liability management. This is to mitigate counterparty default risks and volatility from investment market risks and to ensure that the company maintains sufficient liquidity to meet insurance liabilities, claim payments and other financial obligations.

Investment Department has segregation of duties. Front Office compiles and analyzes investment data and makes investment proposal for management approval. Back Office sends instructions to the custodian for settlement of investment transactions, reconciles data between internal reports and the custodian's reports; and prepares for appropriate accounting booking and reconciliation. Investment Department regularly reports performance, related risks and key investment activities to Investment Committee. Internal audit is also appropriately arranged.

The company uses investment asset valuation and appraisal methods as per related financial reporting standards and complies with Notification of Insurance Commission on the *Valuation of Assets and Liabilities* for Non-Life Insurance Companies B.E.2554 and its amendments.



Unit: Million THB

Description	As at 31 December			
	2020		2019*	
	Book value	Fair value	Book value	Fair value
Deposit at financial institutions and certificate of deposit	4,465	4,465	4,929	4,929
Debt securities (Bonds, debentures, promissory notes, bill of exchanges, convertible bonds and savings lottery)	13,431	13,541	13,191	13,253
Equity securities (excluding investments in subsidiaries and associates)	156	156	270	373
Investment units	804	804	1,436	1,436
Loans	43	43	44	44
Warrants (Stock warrants, bond warrants and investment unit warrants)	0	0	0	0
Derivatives	0	0	0	0
Other investments	0	0	0	0
Total investment assets	18,900	19,010	19,871	20,035

Remarks:

- Book value** means valuation of assets and liabilities using financial reporting standards.
- Fair value** means valuation of assets and liabilities as per the Notification of Insurance Commission on the *Valuation of Assets and Liabilities* for Non-Life Insurance Companies for the purpose of financial stability supervision and to ensure that insurance companies meet their insurance liabilities to the insureds.
- * 2019 data** shows the sum amount of Safety Insurance PCL. and Tokio Marine Insurance (Thailand) PCL.



7. Company Performance

In 2020, our gross written premium was 16,013 million Baht and market share was 6.9%. As of December 2020, the Company's motor portfolio dominates its business mix, accounting for 67%, followed by miscellaneous (28%), and marine insurance (5%) respectively.

Net Profit after tax in 2020 was 1,344 million Baht mainly arose from robust portfolio improvement as well as decrease in losses due to less traffic from Lock down situation during wide spread of Covid-19.

Unit : Million Baht

Description	2020
Gross written premium	16,013
Net premium earned	13,577
Investment income and other income	422
Net profit for the year	1,344

Financial Ratios (%)

Description	2020
Loss ratio	54.11%
Expense ratio	30.73%
Combined ratio	84.84%
Liquidity ratio	266.53%
Return on equity	16.11%



8. Capital Management

The Company has Total Capital Available (TCA) more than 9,800 million baht. The Paid-up Capital is 4,097 million baht. Investment Charge is the biggest portion of Total Capital Required (TCR). The company has set Risk Tolerance for CAR at 200% which is in accordance with our Risk Management Policy.

CAR is reported to Risk Management & Compliance Committee and Board of Director every quarter.

As the company is under Tokio Marine Group who is a large multinational insurance company. Therefore, the company adopted international risk management policy and regularly monitored by the Group.



Unit : Million Baht

Description	As at 31 December
	2020
Total assets	27,053
Total liabilities	19,443
- Insurance liabilities	15,454
- Other liabilities	3,988
Total equity	7,611
Common Equity Tier 1 (CET 1) ratio (%)	573.88%
Tier 1 ratio (%)	573.88%
Capital adequacy ratio (CAR) (%)	573.88%
Total capital available (TCA)	9,820
Total capital required (TCR)	1,711

Remark: * Information as of 2020 was calculated based on RBC2 Framework,



TOKIO MARINE
INSURANCE GROUP

9. Financial Statement

Please see financial information at

https://www.tokiomarine.com/content/dam/th/Non%20Life/About%20Us/Financial-Information/Documents/Financial-Information/FinancialInformation-TokioSafety/2020Q4%20TMSTH%20FS%20EN_Signed.pdf



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