

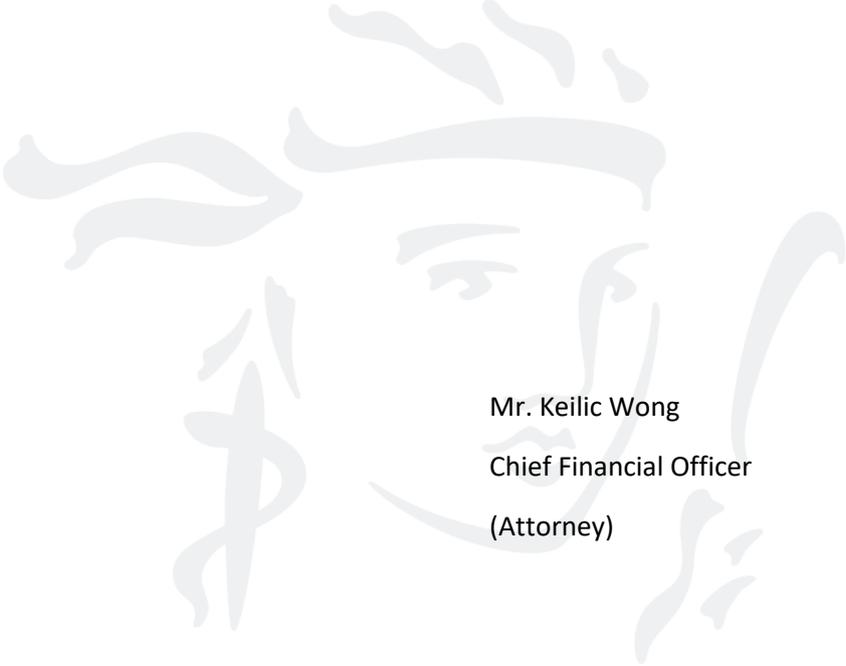
**-Translation-**

Por Phor Chor 1 Form (Annual)

**Information Disclosure Form**

**1 Certification of the accuracy of information disclosure**

The Company has reviewed the disclosed information with care and certifies that the disclosed information is complete and accurate, not being a false or misleading statement, or lacks material/significant information. The Company, hereby, certifies the accuracy of all the information disclosed in this report.



Mr. Keilic Wong  
Chief Financial Officer  
(Attorney)

Disclosed on 30 May 2025

For the Year 2024

Remark: Translation for information only. In case of any discrepancy between the English and the Thai version of this document, the Thai version shall prevail in all respects.

## Section 2 Disclosure Information

### 1. The Company's history, policy, objectives and strategies, business overview, product description and key services, how to contact the Company, procedures and time-frame of filing for policy benefit

#### 1.1 The Company's General Information

Prudential Life Assurance (Thailand) Public Company Limited ("the Company") is a subsidiary of Prudential plc, founded in England, with a history of operating life insurance business worldwide for over 177 years and more than 102 years in Asia. Today, Prudential plc is a leading international financial services group, which provides life and health insurance and asset management in Asia and Africa.

Prudential began operations in Thailand in 1995 as one of the leading providers of life and health insurance services. Prudential provides protection solutions to Thai people through multi-distribution channels - bancassurance, agency, telemarketing, digital and alternative channels including group insurance. At present, the Company is located at 944 Mitrtown Office Tower, 10th, 29th-31st Floor, Rama 4 Road, Wangmai, Pathumwan, Bangkok 10330.

For more information about the Company's General Information, please visit our website

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/>

#### 1.2 Strategic Direction

**Purpose** of the Company is to "For every life, for every future".

**Mission** of the Company is to "Partners for every life, Protector for every future".

PLT's strategic direction for FY2025-2027 is based on the 3 strategic pillars:

##### 1. Enhancing Customer Experiences:

The Company emphasises on retaining its top quartile Net Promoter Score (NPS), which will help solidify customer experience, loyalty, and lifetime value whilst improving existing customer retention and new customer expansion. It leverages its data and technology to develop offerings that meet the needs of customers at different life stages and strengthen its competitive edge.

##### 2. Technology-Powered Distribution:

The Company leverages modern technology to strengthen sales capability and enhance efficiency across all distribution channels. Utilising advanced sale tools that effectively and seamlessly manage customer data and track sales performance, the overall performance of sales team and customer satisfaction can be significantly uplifted.

### **3. Transforming Health Business Model:**

With immense opportunities in the health sector as Thai people become more health conscious and medical cost continues to surge, The Company is committed to being a reliable partner who offers comprehensive healthcare journey—from disease prevention, diagnosis, rehabilitation, to managing chronic illnesses. The Company focuses on enhancing its core health insurance capabilities by using technology and data analytics to improve operational efficiency, product development, customer responsiveness, and customer satisfaction.

To achieve this vision, the Company has planned and outlined five key strategic priorities as follows:

#### **1. Advocacy for life-time value:**

Creating positive and lasting relationships with customers by offering products that meet the specific need of every life stage and delivering excellent and responsive customer service across every touchpoints. This approach aims to make customers feel valued and continuously cared for.

#### **2. Optimize existing partnership engines:**

Strengthening partnership sales model and proposition to ensure effective collaboration and enhanced capabilities of sellers across existing channel partnerships through targeted training and the use of advanced sales tools to effectively analyse, manage, and close sales.

#### **3. Broaden customer HNW propositions:**

Fortifying High Net Worth (HNW) proposition to create long-term satisfaction and sustainably address the demand for more personalised and sophisticated solutions and services by integrating product innovation, end-to-end process improvement, value-added services, and a refined sales model.

#### **4. Protect the product portfolio from interest rate risk:**

Protecting product portfolio from interest rate volatility - using effective data analysis and risk management - to ensure growth with more balanced product mix across distribution channel by shifting to lower interest rate sensitive products whilst maintaining growth in new business profit.

#### **5. Scale agency:**

Establishing strong foundation to elevate the performance of agency force whilst uplifting the number of full-time agents and their capabilities through enhanced recruitment and training programme, competitive compensation scheme, and operating model.

The key to building a strong foundation for the strategic pillars mentioned above lies in three group enablers, which are:

### **1. Open-Architecture Technology Platforms:**

Open technology platforms enable the Company to adapt and respond quickly to market changes. This flexibility allows for seamless integration of various systems, ensuring efficient inter-departmental operations and coordination with partners. Additionally, these platforms support innovation by accommodating new technologies and continuously offering new services to customers.

### **2. Engaged People & High-Performance Culture:**

The Company focuses on creating a culture where employees are engaged and feel a sense of belonging, which enhances employee satisfaction and loyalty. Promoting a work culture that emphasizes efficiency and results helps the Company achieve its business goals effectively. Additionally, the Company prioritizes the development of employees' skills and capabilities through training and lifelong learning.

### **3. Wealth & Investment Capabilities:**

The Company plans to enhance its capabilities in managing customer wealth by using appropriate investment strategies and precise data analysis. This strong investment capability allows the Company to create added value for customers and stakeholders. Additionally, the Company leverages its analytical and investment capabilities to identify new market opportunities and gain a competitive advantage.

For more information about the Strategic Direction, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/>

### **1.3 Business Overview**

The Company focuses on multi-channel distribution strategy. Our current distribution channels consist of Bancassurance, Agency, Direct/Tele marketing, digital platform and alternative channels including Group insurance.

For more information about the Business Overview, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/>

## 1.4 Company's product and key services and percentage of premium by type

### 1.4.1 Company's product and key services

The Company offers a comprehensive range of products as follows; (1) Credit Life Protection such as auto, mortgage, and SME loans, (2) Investment-linked Insurance Plan (ILP) to provide life coverage and opportunity to get higher return from investing in mutual funds, one of financial planning tools for customers' life stage needs, (3) Ordinary Life Insurance (i.e. whole life, endowment, term, annuity and return of premium insurance) for wealth protection and financial security solutions together with a variety of riders based on customers' choices, and (4) Health with as-charged, discount options, and switch benefit, and protection riders covering accidents and critical illness with comprehensive feature.

For more information about our current products and services, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/savings/>  
<https://www.prudential.co.th/corp/prudential-th/en/support/>  
<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>

### 1.4.2 Percentage of premium by type

Percentage of premium by type for the year 2024

Unit: Million Baht

Description	Ordinary					Industrial	Personal Accident	Group	Total
	Whole Life	Endowment	Term	Others	Total				
Gross premium	785	22,967	61	8,639	32,452	-	14	5,308	37,774
Percentage	2%	61%	0%	23%	86%	-	0%	14%	100%

Remarks: Data from TLAA

## **1.5 Contact channels & method of filing for policy benefits**

### **1.5.1 Procedure, time-frame, documents and method of filing for policy benefits**

In order to be convenient for the insured to request the policy benefits, the Company provides the information about procedures, time-frames, documents and methods of filing for policy benefits such as maturity benefit, cash surrender, and claim benefits in the Company's website. In addition, the customer could view and manage the policy via PRUservices and PRUconnect on digital platform as well.

For more information about procedures, time-frames, documents and methods of filing for policy benefits, please visit our website

Policy Service

<https://www.prudential.co.th/corp/prudential-th/en/policy-service/life-insurance-policy-service/>

<https://www.prudential.co.th/corp/prudential-th/en/policy-service/car-hire-purchase-protection-plan/>

<https://www.prudential.co.th/corp/prudential-th/en/policy-service/ul-policy-service/>

Claims Service

<https://www.prudential.co.th/corp/prudential-th/en/how-to-claim/>

### **1.5.2 How to contact Company in case of complaints**

The Company provides various methods for the policyholders to communicate with the Company including a customer hotline, website, email, fax or post.

For more information about how to contact the Company, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/contact-us/>

## **2. Company's corporate governance and internal controls including details on the implementation framework and processes**

### **2.1 Company's Corporate Governance and Internal Controls**

#### **Corporate Governance**

The Company has developed a Corporate Governance Framework with policies, standards and guidelines to support its directors, executives, employees and other stakeholders to carry out their roles and responsibilities in attaining long-term operational performance, with credibility and sustainability.

This framework is endorsed by the Board of Directors to assist them in ensuring that the principles of good corporate governance are practiced and an appropriate corporate governance structure, with efficient process and mechanism to control, supervise, audit and continually monitor operations of the Company, is in place.

The Company sets high priority for good corporate governance and believes that this is in the heart of running its business. Together with the mission of the Prudential Group to be partners for every life and protectors for every future, by providing simple and accessible financial and health solutions, the Prudential Group has drawn up the Code of Business Conduct that sets the values and standards required across its business operations, in its "Group Governance Manual", which is fully adopted by the Company. The Code forms the basis of the Company's integrity in its responsibility toward its customers, shareholders, business partners, competitors, regulators and all its employees. The management and employees of the Company follow the framework of this Code.

For more information about the Code of Business Conduct, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

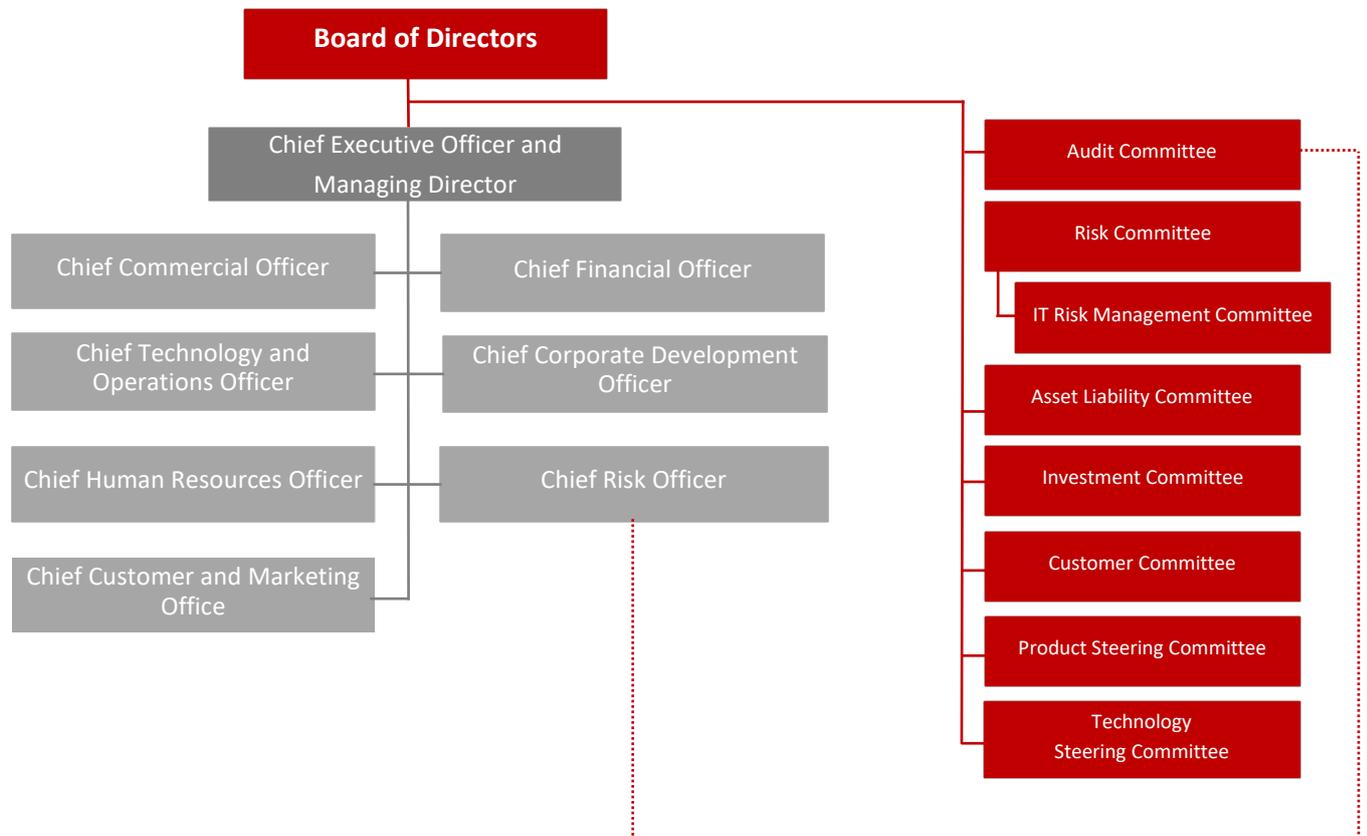
#### **Internal Controls**

The Company establishes standard operating procedures with clear goals and objectives, setting out roles and responsibilities with pre-defined authority limits where necessary, to ensure effective operations of the business. These are reviewed, monitored and assessed regularly to maintain sufficiency of the internal controls. Group-wide Internal Audit provides the independent assessment at least annually to the Audit Committee and Board of Directors.

For more information about the Internal Controls, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

**2.2 Company's organization chart**



## 2.3 Company's management structure

### Board of Directors

The Board has the duty and responsibility to establish good Corporate Governance Framework, strategy and important policies and to ensure that the Company has effective mechanism to control, supervise and monitor the operation of the Company on a regular basis and to ensure that the Company is operated with fairness, transparency and accountability to the stakeholders under the concept of corporate governance and creating long-term value to the Company. The Board of Directors meeting shall be scheduled at least quarterly. Additional meetings may be called to examine and consider such other matters related to the Board of Directors' responsibilities as the Committee may consider desirable.

Board of Directors consists of 7 members as follows:

Name	Position
1. Mr. Dennis Thean Oon Tan	Chairperson
2. Mr. Bundit Jiamanukoonkit	Chief Executive Officer & Managing Director
3. Mr. Benjamin James Bulmer	Director
4. Mr. Subhak Siwaraksa	Director
5. Mr. Supapong Asvinvichit	Director
6. Mr. Tatchapol Poshyanonoda	Director
7. Mr. Gavintorn Atthakor	Director

For more information about Board of Directors, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/management-team/>

## Executive Committee

Management team has the duty and responsibility to do the strategic planning and decision-making for the organizations according to the mission, vision and values of the organization, to manage and regular review of operational and financial performance of the business by presenting proposals for the business plans and the achievement, to be responsible for compliance with the Company's policies and relevant regulations by establishing and monitoring of internal controls and risk management throughout the business. The Executive Committee meeting shall be scheduled at least monthly. Additional meetings may be called to examine and consider such other matters related to the Executive Committee's responsibilities as the Committee may consider desirable.

Management Team consists of 8 members as follows:

Name	Position
1. Mr. Bundit Jiamanukoonkit	Chief Executive Officer and Managing Director
2. Mr. Keilic Wong	Chief Financial Officer
3. Mr. Trevor Ty	Chief Risk Officer
4. Ms. Pasalaree Theerasas	Chief Technology and Operations Officer
5. Mr. Don Charnsupharindr	Chief Commercial Officer
6. Ms. Sudawan Ariyasap	Chief Human Resources Officer
7. Mr. Itt Apiraktivong	Chief Corporate Development Officer
8. Mr. Nitipong Pruchyanimit	Chief Customer and Marketing Office

For more information about our management structure, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/management-team/>

The Board has established the following Board Appointed Committees to assist in the management of the Company's business and discharge of its duties:

1. Audit Committee
2. Risk Committee
  - Information & Technology Risk Management Committee
3. Asset Liability Committee
4. Investment Committee
5. Customer Committee
6. Product Steering Committee
7. Technology Steering Committee

## 2.4 Board Approved Committees

### 2.4.1 Audit Committee

The Board of Directors has delegated authority to the Audit Committee to review financial reporting, risk management, compliance and governance frameworks and internal controls to ensure compliance with laws and regulations and meet Group standards. Furthermore, the Audit Committee oversees the assurance work carried out by Group-wide Internal Audit and external audit. A review of the effectiveness of internal controls is carried out by Group-wide Internal Audit, with recommendations provided to the Audit Committee. In turn, the Audit Committee provides oversight over processes developed to address these recommendations in a timely manner. The Audit Committee meeting shall be scheduled at least quarterly. Additional meetings may be called to examine and consider such other matters related to the Audit Committee’s responsibilities as the Committee may consider desirable.

The Audit Committee consists of 4 members including the representatives appointed by the Board of Directors as follows:

Name	Position
1. Mr. Subhak Siwaraksa	Chairman – Independent Non-Executive Director
2. Mr. Supapong Asvinvichit	Member – Independent Non-Executive Director
3. Mr. Tatchapol Poshyanonoda	Member – Independent Non-Executive Director
4. Mr. Benjamin James Bulmer	Member – Director

## 2.4.2 Risk Committee

The Board of Directors has delegated authority to the Risk Committee to assist the Board of Directors in providing direction and oversight of the Company overall risk appetite, risk tolerance and strategy, overseeing and advising the Board of Directors on the current and potential future risk exposures of the Company (including regulatory risk), reviewing and approving the risk framework, monitoring its effectiveness and adherence to the various risk policies. The Risk Committee meeting shall be held not less than four times a year. The Chair or Committee members may convene additional meetings at any time to deal with matters within the remit of the Committee.

The Committee shall consist of not less than 5 members, at least 2 of whom, including the Chair, must be independent non-executive directors as follows:

Name	Position
1. Mr. Tatchapol Poshyanonoda	Chairman – Independent Non-Executive Director
2. Mr. Subhak Siwaraksa	Member – Independent Non-Executive Director
3. Mr. Gavintorn Atthakor	Member – Independent Non-Executive Director
4. Mr. Dennis Thean Oon Tan	Member – Director
5. Mr. Bundit Jiamanukoonkit	Member – Executive Director

### - Information & Technology Risk Management Committee

The Board of Directors has delegated authority to the Information & Technology Risk Management Committee as a sub-committee of the Risk Committee, to oversee and ensure the Company manages IT risk, IT security and data security in line with the Company's direction and regulatory framework, including instances where third-party IT service providers are used.

The Committee consists of 4 members as follows:

Name	Position
1. Mr. Trevor Ty	Chief Risk Officer (Chairman)
2. Mr. Bundit Jiamanukoonkit	Chief Executive Officer and Managing Director
3. Ms. Pasalaree Theerasas	Chief Technology and Operations Officer
4. Mr. Itt Apiraktivong	Chief Corporate Development Officer

### 2.4.3 Asset Liability Committee

The Board of Directors has delegated authority to the Asset Liability Committee (“ALCO”) to exercise direction and oversight over the asset and liability position and its management, including investment management, capital and liquidity management, reinsurance and aspects of in-force product management. The ALCO meeting shall be scheduled at least four times per year. Additional meetings may be called to examine and consider such other matters related to the ALCO’s responsibilities as the Committee may consider desirable.

The Committee consists of at least 3 members as follows:

Name	Position
1. Mr. Keilic Wong	Chief Financial Officer (Chairman)
2. Mr. Bundit Jiamanukoonkit	Chief Executive Officer and Managing Director
3. Mr. Tak Chung Tony Yau	Head of Capital and Investment Management
4. Mr. Trevor Ty	Chief Risk Officer
5. Mr. Duncan Vivian Morris	Chief Actuary

#### 2.4.4 Investment Committee

The Board of Directors has delegated authority to the Investment Committee, reporting directly to the Board of Directors, to establish the Company's investment framework by setting investment policy and guideline and proposing to be approved by the Company's Board of Directors. The Committee reviews and approves investment plans and investment risk management policies, as well as supervises and monitors the Company's investment to ensure that they are in line with the overall investment and risk policies, and the provisions of related laws. The Committee is also responsible in the areas of governance, transparency and conflicts of interests that may arise from investment activities, as well as to ensure that the Company has adequate system, personnel and information for investment management. The Committee shares report the investment performance to the board at least once a year.

The Investment Committee meeting shall be scheduled at least quarterly. Additional meetings may be called to examine and consider such other matters related to the Investment Committee's responsibilities as the Committee may consider desirable.

The Committee consists of 5 members as follows:

Name	Position
1. Mr. Keilic Wong	Chief Financial Officer (Chairman)
2. Mr. Bundit Jiamanukoonkit	Chief Executive Officer and Managing Director
3. Mr. Trevor Ty	Chief Risk Officer
4. Mr. Tak Chung Tony Yau	Head of Capital and Investment Management
5. Mr. Don Guo	Chief Investment Officer, Representative from Prudential Group

#### 2.4.5 Customer Committee

The Board of Directors has delegated authority to the Customer Committee, to make strategic direction and to manage to elevate customer experience and to build a culture of fair treatment of customers as part of its business operations, and to drive customer-centricity across PLT, which ultimately lead to business growth and sustainability.

The Committee consists of 9 members as follows:

Name	Position
1. Mr. Bundit Jiamanukoonkit	Chief Executive Officer, (Chairperson)
2. Mr. Trevor Ty	Chief Risk Office
3. Mr. Keilic Wong	Chief Financial Officer
4. Ms. Pasalaree Theerasas	Chief Technology and Operations Officer
5. Mr. Don Charnsupharindr	Chief Commercial Officer
6. Mr. Itt Apiraktivong	Chief Corporate Development Officer
7. Mr. Nitipong Pruchyanimit	Chief Customer and Marketing Office
8. Mr. Chalernpol Chaiprasert	Director of Customer Care and Operations
9. Ms. Sirintorn Hattasarepong	Vice President, Customer Segment Strategy

#### 2.4.6 Product Steering Committee

The Board of Directors has delegated authority to the Product Steering Committee, to make strategic direction and decisions, and provide oversight and governance on product development and approval process, and ensure business practices, policies and guidelines, and local regulatory requirements are adhered to for the product development and approval process.

The Committee consists of 8 members as follows:

Name	Position
1. Mr. Budit Jiamanukoonkit	Chief Executive Officer and Managing Director (Chairperson)
2. Mr. Trevor Ty	Chief Risk Office
3. Mr. Keilic Wong	Chief Financial Officer
4. Ms. Pasalaree Theerasas	Chief Technology and Operations Officer
5. Mr. Don Charnsupharindr	Chief Commercial Officer
6. Mr. Itt Apiraktivong	Chief Corporate Development Officer
7. Mr. Todo Tanoto	Head of Product Solution
8. Mr. Duncan Vivian Morris	Chief Actuary
9. Mr. Nitipong Pruchyanimit	Chief Customer and Marketing Office

#### 2.4.7 Technology Steering Committee

The Board of Directors has delegated authority to the Technology Steering Committee, to oversee the uses of information technology (IT) that is appropriate to its business strategies and the IT usage is flexible as it can respond to any changes in IT and business operations in the future and cyber threat.

The Committee consists of 7 members as follows:

Name	Position
1. Ms. Pasalaree Theerasas	Chief Technology and Operations Officer (Chairman)
2. Mr. Bundit Jiamanukoonkit	Chief Executive Officer and Managing Director
3. Mr. Keilic Wong	Chief Financial Officer
4. Mr. Don Charnsupharindr	Chief Commercial Officer
5. Mr. Trevor Ty	Chief Risk Officer
6. Mr. Itt Apiraktivong	Chief Corporate Development Officer
7. Mr. Nitipong Pruchyanimit	Chief Customer and Marketing Office

For more information about Sub-Committees, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

## **2.5 Director's and Executive's selection and appointment**

### **Director's Selection and appointment**

The Company recruits and selects capable candidates based on qualifications by law and regulations, skills, experience, and functional expertise, to replace Directors, who have completed their term, resigned or have been discharged and propose for the approval of Group Head Office, the Board of Directors and/or in a shareholders' meeting as stipulated in the Company's regulation.

### **Executive's Selection and appointment**

As for the principles for the hiring of "Senior Management" members for the Company, "Senior Hiring" is defined as the search and recruitment activities for the CEO and CEO's direct reports. The evaluation and assessment process must be finalized by 2 managers such as the CEO and the management from the headquarters of the Company group. The leadership assessment and/or any additional assessment instrument will be designed by Group Head Office Human Resources and the formal Employment Screening is the responsibility of the Company.

For more information about Director's and Executive's selection and appointment, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

## **2.6 Remuneration policy**

### **Director's Remuneration**

The Company has established a set of well-defined procedures for setting the directors' remuneration. Each year, the appropriateness of the remuneration is reviewed with respect to the scope of responsibilities of each director to ensure that the Company's remuneration is comparable to that of other companies in the same industry. The proposed remuneration is then tabled at the General Meeting of Shareholders for approval. Once approved this will remain effective until a General Meeting of Shareholders determines otherwise. The approved remuneration will only be payable to Non-Executive Directors.

Remuneration for Directors who are also employees is considered on a yearly basis in line with the Company's employee remuneration policy and principles. The remuneration is aligned with the Company's objectives in order to support the delivery of the Company's business plans and strategies; and complies with the related legislative and regulatory requirement.

### **Executive's Remuneration**

Total compensation includes salary, short-term and long-term bonus and other benefits that are competitive in the local environment. This is to ensure that senior management remuneration is appropriately positioned against external market salary information. The remuneration policy is geared towards rewarding contribution to the business and must be conscious of internal equity. Rewards should be underpinned by a thorough annual performance appraisal where the achievements against targets over the prior financial reporting period.

For more information about Remuneration policy, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

### **3. Enterprise Risk Management: ERM and Asset Liability Management: ALM**

#### **3.1 Enterprise Risk Management: ERM**

Risk Management is an essential process of the Company to protect, maintain and support the Company to maximize risk-adjusted returns and to provide a competitive rate of return that supports the profitable growth of its business, while safeguarding the Company's financial strength. Therefore, management is able to effectively manage the uncertainty according to the situation and reduce the impact and uncertainty on the Company direction, strategies, decision and operation.

The Company implements the Risk Management Policy to promote the effectiveness and efficiency of the Enterprise Risk Management, ensure a sufficient resource allocation and meet insurance obligations. It also helps promote good corporate governance and trustworthiness within the organization and industry.

The risk management process of the Company is comprised of risk identification, risk measurement and assessment, risk management and control, and risk monitoring and reporting.

#### **3.2 Asset Liability Management: ALM**

Assets and liability management is one of the key responsibilities of Asset Liability Committee (ALCO), whose roles are to monitor, review, and analyze risks that could impact the Company's capital adequacy, with consideration of risk appetite, economic outlook, implicit product guarantees, policyholders' reasonable expectations and profitability to the Company.

The Company manages duration matching by setting asset duration target to be approximately in line with liability duration to manage sensitivities against future market interest rate movements and manage the investment cash flows to ensure that they will meet contractual obligations of policyholders.

For more information about Enterprise Risk Management: ERM and Asset Liability Management: ALM, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

**4. Expected underwriting risks that might significantly affect to company financial position, reinsurance management, relation between capital and risk of company and concentration risk**

**Underwriting risks**

The Company underwrites its risks based on the principal of both medical and financial health of customers. There may be other factors to be considered as part of the underwriting process based on occupation and lifestyle of the risks being underwritten. The Company would also apply risk aggregation rules where deemed appropriate. The processes of underwriting are also in line with the reinsurance arrangements of the Company.

**Reinsurance management**

Reinsurance management is defined as a process of retention versus ceding of risks to the reinsurer. The Company enters into reinsurance arrangements based on risk appetite and to ensure adequate capital management. Risks considered include large risks (individual and portfolio level), concentration risk and emerging health risks. The Company reviews its panel of reinsurers from time to time as well as with the creation of new customer solutions.

For more information about Risk Management, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/corporate-governance/>

## **5. The valuation, method and assumption to assess insurance contract liabilities**

### **Long-term technical reserves**

The Company determines the long-term technical reserves based on the approved actuarial methodology.

### **Process involved in determining assumptions**

The Company determines assumptions in relation to mortality, morbidity and pricing rates that were established at the time when insurance products designed and as approved by the Office of Insurance Commission. These assumptions are used for calculating the liabilities over the life of the contract. There are no changes in assumption from last year.

### **Short-term technical reserves**

Short-term technical reserves consist of loss reserve, outstanding claims and premium reserves.

### **Process involved in determining assumptions**

The Company determines the loss reserves and outstanding claims in accordance with the Company's claim assessment. The assumptions used in the estimation are intended to result in provisions which are sufficient to cover any liabilities arising from insurance contracts that can be foreseen to a reasonable extent.

However, given the uncertainty in establishing a provision for insurance claims, it is likely that the final liability could be significantly different from the original liability established.

Provision is made at the reporting date for the expected ultimate cost of settlement of all claims incurred in respect of events up to that date, whether reported or not.

The Company uses "Bornhuetter-Ferguson" method, "Chain Ladder" method and "Expected Loss Ratio" method to estimate claims incurred but not reported depending on the maturity of a particular line of business and the type of business written.

Information of Policy Liabilities Valuation as follows:

Unit: Million Baht

Description	Year 2024		Year 2023	
	Book value	Appraisal value	Book value	Appraisal value
Long-term technical reserves	156,246	148,764	136,866	125,075
Short-term technical reserves	700	591	758	658
Unpaid policy benefits	467	467	502	502
Due to insured	1,589	1,589	1,346	1,346

Remark: Book value is value of liability from insurance contract liabilities appraised according to accounting standard. The key objective is to enable investors to analyze economic value of liability from insurance contract liabilities according to accounting standards in Thailand. The said value was audited by certified public accountant.

Appraisal value is value of insurance contract liabilities assessed under the Notification of the Insurance Commission on Asset Valuation and Life Assurance Valuation. Primary purpose is for overseeing the financial security of insurance companies and to ensure that the Company is able to fully cover the Insured Person's insurance benefits according to the insurance policy. It is required assessment from actuary that qualified by the registrar according to actuarial standard. The assumption used for determining this shall be in line with actual experience or in case that the Company has no enough experience, it could be referred to the industry experience and adjust to be suit to the Company's portfolio characteristic. Moreover, reserve must include Provision of Adverse Deviation, which is prescribed by the OIC.

Notice: in some period, book value and appraisal value of insurance contract liabilities may be materially different. This is due to the differences of objective and methodology that said above. By the way, the one who will use the information above should carefully study and understand the objective and methodology to calculate book value and appraisal value before making decision.

For more information about the valuation, method and assumption to assess insurance contract liabilities, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>

## 6. The Company's Investment

### Investment Business

The Company's investment objectives are to invest in a broad range of fixed income and equity securities that produces a consistent and stable rate of return in the long run and in those securities that matches with the liability characteristics, while maintaining a low risk profile. The investment philosophy marries fundamental security selection with macro views. The fund invests in government bonds and Investment Grade corporate bonds, as well as equity with strong fundamental. The low risk profile is achieved by having a well-diversified portfolio of high-quality assets in different markets and classes. Offshore securities include bonds issued by sovereigns and companies with solid profile in Asia and the US.

### Investment management guideline

The Company's Investment Committee and Asset-Liability Committee approve the overall investment mandates, including Strategic Asset Allocation and investment risk framework. Eastspring Investments (Singapore) Limited is appointed as fund manager to manage the portfolio as per the investment guidelines. The Investment Committee is responsible for the oversight of the investment execution and performance to ensure they are in compliance with the mandates and regulations.

### Assumption and valuation method

- **Financial Statements**

The assumption and valuation are prepared in accordance with Thai Financial Reporting Standards (TFRSs), guidelines promulgated by the Thailand Federation of Accounting Professions ("TFAC").

- Cash and cash equivalents, and policy Loans, are stated at the principal amounts less allowance for doubtful accounts which approximates the fair value.
- Debt securities are stated at the clean price on the last day of the period provided by the Thai Bond Market Association and foreign issued debt securities are based on broker and dealer quotes.
- Listed equities use quoted prices (unadjusted) published by Security Exchange.
- Equity securities that are not marketable are valued using the adjusted net asset method.
- Unit trusts use quoted prices (unadjusted) in active markets for identical assets or liabilities, or using the net asset value (NAV) on the last business day of the period provided by assets management companies.
- Promissory notes use a discounted cash flow technique, which uses contractual cash flows and a market - related discount rate.
- For simple over-the-counter derivative financial instruments are based on counterparty quotes and group rate.

- **Solvency Report**

The assumption and valuation are prepared in accordance with announcement of OIC Committee: Assessment of Asset and liability of Life Assurance Company.

Unit: Million Baht

Investment assets	As at 31 December			
	Year 2024		Year 2023	
	Book value	Appraisal Value	Book value	Appraisal Value
Cash and Deposits	1,445	1,445	5,205	5,205
Debt securities	129,052	129,052	106,969	106,027
Equity securities	5,103	5,103	4,190	4,190
Unit trusts	15,415	15,415	12,666	12,666
Policy loans	4,795	5,581	4,446	5,097
Other Loans	-	-	-	-
Warrants	-	-	-	-
Derivatives	4,317	4,317	1,459	1,459
Others	-	-	-	-
<b>Total</b>	<b>160,127</b>	<b>160,913</b>	<b>134,935</b>	<b>134,644</b>

Remark:

- Book value refers to assets and liabilities as assessed by the Financial Reporting Standards
- Appraisal value refers to the assets and liabilities assessed under the Notification of the Insurance Commission on Asset Valuation and Life Assurance Valuation. Primary purpose is for overseeing the financial security of insurance companies and to ensure that the Company is able to fully cover the Insured Person's insurance benefits according to the insurance policy.

For more information about the Company's Investment, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>

## 7. Financial Performance

Unit: Million Baht

Description	Year 2024	Year 2023
Gross premium written	35,888	32,331
Net premiums earned	35,244	31,818
Net investments income	4,175	3,795
Commission and brokerage income	115	1,141
Gains on investments	1,020	270
Long-term technical reserve increase from prior year	19,380	10,387
Net benefits payments and insurance claims expenses	10,955	16,718
Net profit	1,129	957

Remarks: Data from Financial statements for the year ended 31 December 2024

The analysis of financial performance year 2024 comparison with financial performance year 2023 are as follows;

The Company has the net profit amounted Baht 1,129 million, increased by Baht 172 million from the previous year mainly due to the decrease in net claim and benefit amounted Baht 5,763 million due to lower maturities payment, the increase in net premium earned amounted Baht 3,426 million, the increase in gains on investments amounted Baht 750 million, the increase in net investments income amounted Baht 380 million, offset by the increase in reserve movement amounted Baht 8,993 million due to growth from new and in-force portfolio, and the decrease in commission and brokerage income amounted Baht 1,026 million mainly due to the commission received in 2023 under a new quota share reinsurance arrangement.

Unit: Percentage

Description	Year 2024	Year 2023 (Revised*)
First year underwriting expenses: Net premiums written	38.84	40.24
Renewal year underwriting expenses: Net premiums written	11.72	11.19
Return on equity ratio	3.19	3.23
Return on assets ratio		
- Return on total assets ratio	0.53	0.51
- Return on total assets excluded unit linked and universal life ratio	0.57	0.55
Return on Investment ratio		
- Return on Investment ratio	2.54	2.65
- Return on Investment excluded unit linked and universal life ratio	2.77	2.92
Ratio of invested assets to insurance reserve (Appraisal value)	118.01	119.63

Remark:

- Appraisal value refers to the assets and liabilities assessed under the Notification of the Insurance Commission on Asset Valuation and Life Assurance Valuation. Primary purpose is for overseeing the financial security of insurance companies and to ensure that the Company is able to fully cover the Insured Person's insurance benefits according to the insurance policy.
- Unit Linked Insurance is a life insurance that provides both life insurance protection and Investment in mutual funds. The policy value depends on the unit value. Assets in the Fund belong to the insured, not to the Company.
- Universal life insurance is a clearly defined policy that separate life insurance part and investment part. The return on investment depends on the Company's investment but not less than the minimum return.

\*Revised: As the Office of Insurance Commission has revised the formula for calculating the ratio of invested assets to insurance reserve (appraisal value) in Q4 2024. Consequently, the ratios for year 2023 have been adjusted to ensure comparability.

For more information about the Financial Performance, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>

## 8. Capital Adequacy

The Company's capital management policy is to maintain a strong capital base to meet policyholders' obligations and the requirements of the Office of Insurance Commission, to create shareholder value and deliver sustainable returns to shareholders. The Company performed its own risk and solvency assessment (ORSA) incorporating with its business plan, company key risk, and capital management, taking into account strategic risks and external factors which could negatively affect capital adequacy. Capital management is one of the key responsibilities of Asset and Liability Committee (ALCO). The Company activities to effectively monitor and test our capital sufficiency on a regular basis include but not limited to

- Testing capital adequacy in 3 years Business Plan;
- Regularly testing and forward projection of capital adequacy based on going concern basis and economic downturn; and
- The sensitivity test on any significant changes to assess the impact of key risk variables for better informed decisions.

In accordance with and the requirements of the Office of Insurance Commission, all insurers are required to maintain a minimum at least 140% of capital adequacy ratio. It is the Company's policy to hold capital levels in excess of the minimum requirement. As at 31 December 2024, the capital adequacy ratio is at 378%.

Unit: Million Baht

Description	As at 31 December	
	Year 2024	Year 2023
Total assets	199,771	170,781
Total liabilities	160,346	136,220
- Insurance contract liabilities	151,410	127,582
- Other liabilities	8,936	8,638
Shareholders' equity	39,425	34,562
Common Equity Tier 1 ratio (Percentage)	378%	357%
Tier 1 ratio (Percentage)	378%	357%
Capital Adequacy Ratio (Percentage)	378%	357%
Total Capital Available	21,167	15,823
Total Capital Required	5,598	4,430

Remark:

- According to the Notification of the Office of Commission regarding "Type of Capital Fund including Rules, Procedures and Conditions for Calculating the Life Insurance Capital Fund", the Registrar may impose necessary measures to supervise a company with a capital adequacy ratio lower than one hundred and forty percent.

- The above items are calculated by using the appraisal value according to the Notification of the Insurance Commission regarding "Asset and Liability Valuation of Life Insurance Company".

For more information about the Capital Adequacy, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>

## 9. Audited Financial Statements

For Financial statements for the year ended 31 December 2024, please visit our website.

<https://www.prudential.co.th/corp/prudential-th/en/about-prudential-thailand/our-financial-performance/>