

## 2024 BOARD OF DIRECTORS' PERFORMANCE REPORT AND 2025 PLAN DIRECTION/ORIENTATION

### PART I

#### 2024 BOARD OF DIRECTORS' PERFORMANCE REPORT

##### 1. Business Performance in 2024:

\* Business Performance in 2024:

Units: Billion VND

No.	Indicators	Actual 2023	Plan 2024	Actual 2024	Completion Rate
1	Total Revenue	4,847.6	4,768.5	5,279	110.7%
2	Direct Insurance Premium	4,023,4	4,024	4,396.5	109.2%
3	Profit Before Tax	283,7	288.8	291.2	100.8%
4	Dividend Payout Ratio	12%	Minimum 10%	12%	120%

According to the Vietnam Insurance Association, the total revenue of the non-life insurance market in 2024 reached VND 78,291 billion, growing by 10.21% compared to the previous year. Despite the challenging non-life insurance market, PJICO's total revenue in 2024 reached **VND 5,279 billion, fulfilling 110.7% of the target**. Direct Insurance Premium reached **VND 4,396.5 billion, achieving 109.2% of the target**, while profit before tax reached VND 291.2 billion, fulfilling 100.8% of the target. The Board of Directors evaluates that *in 2024, PJICO has successfully and comprehensively completed the business targets set by the General Meeting of Shareholders.*

The Board of Directors acknowledges and commends the achievements of the Executive Board, unit leaders, and all employees who have worked tirelessly to achieve these results in 2024.

##### 2. Activities of the Board of Directors in 2024:

In 2024, the Board of Directors organized its activities in accordance with the provisions of the Charter and the provisions of law, specifically:

*2.1. Organization of the General Meeting of Shareholders for the term of the Board of Directors in 2024 and meetings of the Board of Directors:*

- The BOD successfully directed and organized the AGM for the 2024-2029 term, electing 07 members to the BOD for the new term.

- Conducted 05 direct meetings, issued 25 Resolutions and 90 Decisions concerning the responsibilities and duties of the BOD.

- All BOD members fully exercised their rights and obligations in accordance with the law, charter, and internal regulations, successfully overseeing and managing their assigned areas.

*2.2. Guidance on Business Plan Implementation in 2024:*

- Based on the AGM Resolution, the BOD issued Resolution No. 08/2024/PJICO/NQ-HĐQT dated May 2, 2024, approving the 2024 business plan as the foundation for the Executive Board to implement.

- The BOD regularly monitored PJICO's business progress and required the Executive Board to provide periodic reports to ensure timely adjustments and decision-making.

- The BOD quarterly disclosed business activities to shareholders in compliance with stock market regulations.

*2.3. Organizational and Personnel Matters :*

- On April 10, 2024, during the AGM, 07 members were elected to the BOD for the 2024-2029 term. The BOD agreed and issued Resolution No. 05/2024/PJICO/QĐ-HĐQT dated April 10, 2024 on electing Mr. Pham Thanh Hai to continue holding the position of Chairman of the BOD, term of Member of the Board of Directors 2024-2029.

- Resolution No. 06/2024/PJICO/NQ-HĐQT dated April 19, 2024, was issued to finalize the personnel of the Audit Committee for the 2024-2029 term (whereby Ms. Le Thi Lan Anh – Independent Member of the BOD assumes the position of Chairwoman of the Audit Committee).

- Continued direction in implementing personnel management in accordance with the "PJICO Personnel Organization Regulations" issued under Decision No. 28/2022/PJICO/QĐ-HĐQT, covering management decentralization, standards, planning, evaluation, appointment, and reappointment of personnel. The BOD has appointed/reappointed 01 Deputy Chief Executive Officer, 01 Corporate Governance Officer cum Secretary, and appointed/reappointed/dismissed unit directors in compliance with PJICO's processes and regulations.

- Directed the implementation of the restructuring plan for the Committees under the BOD to enhance the corporate governance system of PJICO ; conducted research and formulated a sustainable development strategy in accordance with ESG standards and governance models based on best practices for the 2024-2029 period. Accordingly, the BOD issued Decision No. 26/2024/PJICO/QĐ-HĐQT on June 15, 2024, establishing the Risk Management Committee under the BOD.

- In 2024, the BOD also issued several regulations within its authority, such as the Reward and Recognition Regulation and the Risk Management Regulation; established research subcommittees to amend the Investment Regulations and Personnel Organization Regulations to further refine PJICO's internal governance framework.

*2.4. Continued research on the brand identity strategy for the 2024-2030 period with a vision for 2040:*

- At the 2024 Annual General Meeting of Shareholders on April 10, 2024, the AGM approved the new brand identity logo. As of now, PJICO has established a brand identity standard system, including office publication design, signage systems, advertising systems, and online communication systems to comprehensively implement the office publication changes; and is progressively executing the nationwide transition to replace signage systems and other related elements.

- PJICO's internal code of conduct has been fundamentally developed and is undergoing review for approval.

- Notably, PJICO also organized a large-scale music festival at the August Revolution Square in January 2025 to market and promote the new brand identity logo and expand its reach to younger customer segments.

*2.5. Continued supervision of the digital transformation implementation according to the consultancy firm's report on PJICO's digital transformation strategy approved by the BOD, ensuring adherence to the roadmap and quality recommendations from the consultancy firm.*

- Periodically, based on the Executive Board's reports, the BOD provides directives on the progress of PJICO's digital transformation to ensure alignment with the 2023-2028 digital transformation roadmap.

*2.6. Maintenance of annual financial strength ratings:*

- PJICO continues to be rated by A.M. Best with an international financial strength rating of "B++" (Good), an issuer credit rating of "bbb" (Good), and a stable outlook for upgrade potential. PJICO's National Scale Rating (NSR) after adjustment based on the national rating is "aaa.VN."

*2.7. Internal control activities:*

- The BOD, in coordination with the Audit Committee, supervises PJICO's transactions with related parties in accordance with legal regulations.

- Directed the Internal Audit Department to conduct inspections and audits according to the approved plan to ensure PJICO's operations comply with both legal and internal regulations, and to address any arising deficiencies.

#### *2.8. Supervision of the Chief Executive Officer and other executives:*

- The BOD closely monitors and supervises the executive management of the Chief Executive Officer and the Executive Board to ensure PJICO's organizational operations comply with its authority, internal regulations, and legal requirements. Quarterly, the BOD holds meetings to assess corporate governance and business performance, with the participation of the entire Executive Board, enabling PJICO to report and explain emerging issues. Additionally, the BOD discusses and resolves challenges to facilitate PJICO's operations while ensuring compliance with legal regulations.

- The BOD has directed, monitored, and collaborated with the Chief Executive Officer to implement and fully comply with the requirements of state regulatory bodies under the Ministry of Finance, the State Securities Commission, and other relevant authorities.

- The Audit Committee, consisting of BOD members, performs oversight functions to inspect and monitor all aspects of PJICO's operations following legal and BOD-issued regulations.

- The Chief Executive Officer and Executive Board members have fulfilled their assigned responsibilities, demonstrating accountability in their designated management areas and complying fully and promptly with directives from the AGM and BOD.

### **3. Operations of the Divisions under the Board of Directors:**

#### **3.1. Internal Audit Division:**

- The Internal Audit Division executed the 2024 internal audit plan approved by the Board of Directors in Official Letter No. 09/2024/PJICO/CV-HĐQT dated January 31, 2024. Accordingly, the BOD approved the audit plan for 18 units, and the Internal Audit Division successfully completed audits at all 18 units. Upon completion of the audit sessions, the Internal Audit Division submitted the audit results report to the CEO for direction on corrective actions. Additionally, the division provided periodic quarterly audit results reports to the Audit committee and the BOD.

#### **3.2. General Affairs Division:**

The General Affairs division has effectively fulfilled its advisory and support functions for the BOD in managing and handling various aspects of PJICO's activities.

The division has successfully managed shareholder affairs, ensuring that shareholder rights are fulfilled promptly, accurately, systematically, and professionally. It has also complied with regulatory requirements on information disclosure and shareholder rights execution. Furthermore, the division has organized the preparation of programs, content, and materials for Board of Directors meetings and coordinated with relevant functional departments to implement procedures for the AGM meetings.

### **3.3 Risk Management Division:**

- Established on June 15, 2024, the Risk Management Committee is currently implementing its operations in accordance with the functions and responsibilities approved by the BOD. It serves as an advisory body to the BOD on all matters related to risk management across PJICO.

### **4. Salaries and Remuneration of the Board of Directors:**

PJICO applies salary and remuneration policies for the members of the BOD in accordance with legal regulations and the content approved in the resolution of the 2024 AGM. Details of the salaries and remuneration of the BOD members in 2024 are outlined in the resolution of the AGM.

### **5. Ensuring Shareholder and Investor Benefits:**

- PJICO ensures fairness in the rights and benefits of all shareholders. It consistently provides shareholders with information following the principles of transparency and openness regarding its business operations. PJICO also adheres strictly to legal regulations on reporting obligations for publicly listed companies.

- PJICO's activities are always directed toward maximizing shareholder benefits by generating additional value for shareholders. This commitment was realized in the first quarter of 2024 when, based on the projected business performance for 2023, PJICO made an interim dividend payment for 2023 at a rate of 10% in cash. Additionally, PJICO proposed to the General Meeting of Shareholders a total dividend payment for 2023 of 12% in cash.

- Ensuring fairness in the rights of all shareholders, PJICO provides clear, transparent, accurate, and timely information in compliance with legal regulations.

## **PART II**

### **2025 PLAN DIRECTION/ORIENTATION OF THE BOARD OF DIRECTORS**

#### **1. Key Objectives:**

- Continue to maintain stable growth indicators in line with the business orientation for the 2024-2029 period as approved by the 2024 AGM. Strive to become the leading non-life insurance company in the Vietnamese insurance market in terms of service quality.

- Continue improving the company's position among the top non-life insurance companies in the Vietnamese insurance market in 2025, gradually narrowing the gap and increasing market share compared to higher-ranked non-life insurance companies.

### *2.1. Key Business Targets:*

Given the forecast that the insurance market and economic conditions in 2025 will continue to face many difficulties and challenges, and based on the business performance of 2024 and the specific conditions of PJICO in 2025, the BOD respectfully requests the AGM to approve the 2025 business plan with the following key targets:

- Total revenue: **VND 5,174.8 billion**, of which: Direct Insurance Premium: **VND 4,400 billion** (equivalent to the actual performance in 2024).
- Profit before tax: **VND 306 billion**.
- Cash dividend payout ratio: **12% of charter capital**.

The above 2025 business plan targets are built based on an assessment of stable economic and social conditions and are aligned with PJICO's capabilities.

### *2.2. Direction/Orientation of the Board of Directors for 2025:*

- Based on the business targets approved by the AGM, the BOD will assign official business plans and oversee the execution progress of PJICO's 2025 plan to ensure completion of the AGM-assigned targets.

- Direct and maintain PJICO's current international rating and continue accumulating financial capacity to strive for an improved credit rating.

- Continue implementing the digital transformation strategy and the brand identity strategy for the 2024-2030 period, with a vision towards 2040.

- Research and develop a sustainable development strategy in accordance with ESG standards, ensuring alignment with PJICO's actual operations.

- Consider establishing additional units in key markets with high growth potential to further expand market share in the insurance sector.

- Based on demand and recommendations from the Executive Board (EB), the BOD will consider establishing PJICO Digital Insurance Branch to enhance professional online insurance business operations, in line with the growing and prevailing business trend in Vietnam.

- Direct the organization of the 30<sup>th</sup> Anniversary Celebration of PJICO's Establishment (1995 – 2025) in a solemn, meaningful, and cost-effective manner.

- Continue reviewing, amending, and supplementing internal processes, regulations, and policies to enhance management and governance quality, ensuring compliance with legal and other relevant regulations.



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- Closely monitor market developments and direct the EB to propose and implement flexible and synchronized solutions to enhance business targets for direct insurance revenue and investment revenue. Align assigned business plans with the responsibility of department heads and unit heads; conduct periodic assessments and summaries of business activities to implement timely and appropriate solutions.

- Fundamentally agree on the key focus solutions to be implemented in 2025 as reported by the CEO at the General Meeting.

Sincerely,



ON BEHALF OF THE BOARD OF DIRECTORS  
CHAIRMAN



Phạm Thanh Hải