

*Hanoi, April 22<sup>nd</sup>, 2025***REPORT ON ACTIVITIES IN 2024  
AND THE DIRECTION FOR ACTIVITIES IN 2025 OF THE BOD**

Respectfully to: GENERAL MEETING OF SHAREHOLDERS

Vietnam's socio-economic situation in 2024 takes place in the context of the world economy facing major challenges, military conflicts are still escalating, strategic competition between major countries is becoming increasingly fierce, the weakening of some major economies and local disruptions in the global supply chain have seriously affected peace, stability and global economic growth, increasing risks to the financial market, currency, energy security, global food security. Vietnam's economy has gone through a challenging and difficult year, affected by both the global context and heavy damage from super typhoon Yagi. The insurance market also faced many difficulties and fluctuations, especially business performance was severely affected by super typhoon Yagi. The total damage and loss caused by typhoon Yagi was over 13,000 billion VND. The growth of Vietnam's non-life insurance market in 2024 reached nearly 12%. PVI Insurance is not exempt from the impacts and heavy impacts of the damage from Typhoon Yagi and the difficulties from the general environment.

With flexible adaptive solutions and the continuous efforts of the board of directors and staff, PVI continues to be a bright spot in the market, holding the leading position in terms of charter capital, revenue and business efficiency. In 2024, PVI continued to successfully complete the tasks and plans assigned by the General Meeting of Shareholders (GMS). The Board of Directors (BOD) of PVI, as a representative of the GMS, proposed effective solutions and directed the units to achieve very encouraging results.

**I. Corporate governance**

In 2024, the BOD directed the Management Board to operate in accordance with provisions of the law, PVI's Charter and strictly implement strategies and orientations according to Resolutions by the GMS and the BOD, through specific tasks as follows:

**1. Organizing meetings according to functions, duties and powers**

The BOD successful held the 2024 annual GMS meeting on 21/03/2024. At PVI's 2024 GMS, the GMS approved resolution no.01/2024/NQ-ĐHĐCD, approving the contents of the annual report under the authority of the General Meeting of Shareholders such as the business results report, the operation report of the company, Board of Directors & Supervisory Board, profit distribution plan, compensation payment plan.....

In addition, in 2024, the Board of Directors successfully held an extraordinary General Meeting of Shareholders on 16/08/2024. The meeting approved Resolution no. 02/2024/NQ-DHĐCD on key personnel work. Specifically, the meeting approved the

withdrawal of the Board of Directors and Independent Director, as well as the election of 01 additional BOD Member and 01 Independent Director, and the meeting approved the Board of Directors' appointment of PVI's CEO/Legal Representative.

In 2024, the BOD held 04 meetings on 20/03/2024, 27/06/2024, 11/09/2024, 26/11/2024. The BOD issued 125 Board Resolutions, of which 18 times request for the opinion of BOD members & 11 times request for Committee members' opinion and in writing to guide and direct activities of the company.

*(The list of Board Resolutions is attached hereto).*

## **2. Directing the achievement of the 2024 business plan**

In the context of general difficulties of entire domestic and worldwide economy, the BOD directed to achieve 2024 business targets such as revenue and profit. PVI paid out 2023 dividends to its shareholders at the rate of 32%, 1.12 times higher than the ratio committed to the GMS (28,5%) and it is expected that the dividend payment ratio in 2024 (31,5%) is also higher than the commitment to the GMS.

PVI's 2024 consolidated business performance posts revenue of VND 21.824 billion, achieving 125% of the year's plan, in which revenue is mainly from insurance business and investment activities.

Consolidated profit after tax in 2024 reached 880 billion VND, achieving 102% of the year plan. The ratio of profit after tax to charter capital in 2024 is 10.7%, decreased compared to 2023 (12.6%) mainly due to decreasing profits from insurance business and investment activities.

For the Parent Company, the total revenue in 2023 reached VND 1,103 billion, equal to 97% of the annual plan. Profit after tax in 2024 reached VND 749 billion, completing 100% of the annual plan.

PVI's subsidiaries also achieved encouraging results last year. PVI Insurance Corporation (PVI Insurance) achieved a revenue of VND 20,405 billion, continuing to maintain the no.1 position in the market in terms of revenue and underwriting profit and always innovating, developing insurance products associated with technology, promoting online business and digital insurance products. Hanoi Reinsurance Corporation (formerly PVI Reinsurance) renewed its brand identity, continued to promote reinsurance arrangements in the domestic market and increased its footprint in the international market, improving the efficiency of insurance business for the entire system. PVI Fund Management Joint Stock Company (PVIAM) continues to review and complete its organizational and operational model to perform professional, methodical and flexible investment functions, contributing to improving the efficiency of cash flow use, capital safety and overall business efficiency for the entire PVI system.

## **3. Implementing activities in relation to restructuring, corporate governance and perfecting the corporate governance model based on international standards**

In 2024, the BOD also promoted activities aimed at improving the efficiency of PVI-wide governance and supervision such as strengthening high-level personnel,

restructuring, and perfecting the corporate governance model, focusing on the following major tasks:

- + Review and update the management structure of the parent company. Update the Regulations on the functions, duties and authorities of the functional divisions at PVI Holdings to optimize resources, improve the operational efficiency of the functional divisions at PVI Holdings as a consulting, advisory and support apparatus for the Board of Directors, the Executive Board and advise and coordinate with the PVI Representative at the member companies.
- + Strengthen the personnel of the Board of Directors/Board of Management at the parent company and subsidiaries, establish and strengthen the personnel of the Board of Directors' support committees at subsidiaries, establish the Internal Audit Division and strengthen the personnel for internal audit work at PVI Insurance and HanoiRe.
- + Promote the restructuring of Investment activities/Investment management activities in the entire system. The Investment Regulations are regularly reviewed and amended to suit the new regulations and market situations in order to improve the efficiency of investment activities of the entire system.
- + At the end of 2024, the Board of Directors also directed the completion of the revision and updating of the Internal Regulations: Regulations on the organization and operation of the IT Center/Service Center, Risk Management, Compliance, Salary and Bonus Payment, Human Resource Management, Planning Strategy, Financial Management to adapt and suit the business situation as well as market changes.
- + Contribute additional capital to increase charter capital for PVI Insurance and PVIAM Fund Management Company to improve the efficiency and competitiveness of subsidiaries in the market, create conditions for subsidiaries to work with foreign partners, expand business activities to the international market...
- + The IT sector continues to be prioritized for investment in the direction of specialization and infrastructure provision to improve the quality of IT activities, contributing to promoting the business efficiency of units throughout the system.
- + Contribute additional capital to increase charter capital for PVI Insurance and select strategic shareholders to increase capital for PVI Fund Management Company (PVIAM) to improve the efficiency and competitiveness of subsidiaries in the market, create conditions for subsidiaries to work with foreign partners, expand business activities to international markets...
- + Strengthen the operation of PVI's Compliance and Risk Management system and carry out the following tasks to improve the efficiency of the compliance system, risk management and monitoring activities. PVI's Board of Directors has issued the Risk Appetite Statement for the entire system and member companies in 2024 and issued the Information Disclosure Regulations.

- Restructuring work continues to be carried out in accordance with the Government's direction.
- In addition to focusing on improving business efficiency, PVI also promotes social activities (Environment - Society - Governance) in its business strategy, balancing profit goals and sustainable development goals; the entire PVI system also carries out many volunteer activities, enhancing corporate responsibility towards social work and the community.

#### **4. Directing brand development and affirming prestige in the market**

In addition to positive business results, PVI's brand development and system management continue to be focused on and highly appreciated. PVI's image, brand and reputation are increasingly enhanced and affirmed in the domestic and international markets with many awards and titles awarded by prestigious domestic/international organizations to the parent company and subsidiaries in the PVI system (Forbes, Hanoi Stock Exchange, Vietnam Report, International Finance Magazine, Insurance Asia News...). Specifically: 8 years voted by Forbes VN as Top 50 Best Listed Companies in Vietnam, 2 consecutive years voted by Hanoi Stock Exchange in the Top 10 Best Corporate Governance Enterprises, PVI was honored to be in the Top 50 Excellent Enterprises for the 3<sup>rd</sup> time and in the Top 500 Largest Enterprises in Vietnam for 17 consecutive years evaluated and ranked by VietnamReport...

In 2024, PVI Insurance continues to be rated A- by A.M.Best and firmly maintains its no.1 position in the market in terms of capital, market share and business efficiency.

PVI's reputation continues to be affirmed in the market, ensuring the principle of Effective - Sustainable development throughout the system.

#### **5. Activities of Committees under the BOD**

Committees under the Board of Directors (Strategy & Development Committee, Audit & Risk Management Committee, Investment Committee, Remuneration & Appointment Committee) meet quarterly before the BOD meetings and regular meetings according to work requirements to review and advise on contents submitted to the BOD according to authority. The Committees have contributed to improving the corporate governance of the BOD throughout PVI system through specific activities such as: directing the planning work and supervising the implementation of business plans throughout the system; promulgate or review, amend and supplement internal Regulations; review and monitor the effectiveness of investment activities of the whole system, strengthen senior personnel...

#### **6. Results of activities of each member of the BOD**

| <b>No.</b> | <b>Members of the BOD</b> | <b>Positions</b>    | <b>Matters under supervision</b>  |
|------------|---------------------------|---------------------|---|
| 1          | Mr. Jens Wohlthat         | Chairman of the BOD | In charge of general leadership; devises development and governance strategies for the whole system |

| No. | Members of the BOD              | Positions  | Matters under supervision   |
|-----|---------------------------------|--|---|
| 2   | Mr. Duong Thanh Francois        | Standing Vice Chairman of the BOD - CEO                    | Head of Remuneration & Appointment Committee, member of the Investment Committee and Audit & Risk Management Committee. Administers the day-to-day affairs of the BOD under regular authorization from the Chairman of BOD. Directly supervises and directs insurance business activities as the Chairman of PVI Insurance.   |
| 3   | Mr. Nguyen Tuan Tu              | Vice Chairman of the BOD/ CEO (from 16/8/2024)             | Member of Remuneration & Appointment Committee; Member of Investment Committee; Member of Strategy Committee. Directing the general management and operation of the entire system's production and business activities.   |
| 4   | Mr. Ulrich Wollschläger         | Member of the BOD  | Head of the Investment Committee; supervises financial and investment activities  |
| 5   | Mr. Doan Linh                   | Member of the BOD  | Head of the Strategy & Development Committee; supervises governance and business activities of the whole system.  |
| 6   | Ms. Bui Thi Nguyet              | Independent Director                                       | Head of Audit & Risk Management Committee; member of the Remuneration & Appointment Committee; supervises audit & risk management work and HR activities.   |
| 7   | Mr. Christian Sebastian Mueller | Independent Director                                       | Members of Strategy & Development Committee, Audit & Risk Management Committee; jointly supervises financial and investment activities.   |
| 8   | Mrs. Christine Nagel            | Independent Director (from 16/8/2024)                      | Member of Audit & Risk Management Committee; Investment Committee; supervises audit work and consult, advise on risk management.  |
| 9   | Mr. Nguyen Xuan Hoa             | BOD Standing Vice Chairman (from 01/01/2024 to 16/08/2024) | Member of the Remuneration & Appointment Committee; Member of the Investment Committee; Member of the Strategy Committee. Directing the handling of daily tasks of the Board of Directors under the regular authorization of the Chairman of the Board of Directors. Directing the general management and operation of the production and business activities of the entire system. |
| 10  | Mrs. Pecastaing Pierre Tatiana  | Independent Director (from 01/01/2024 to 16/08/2024)       | Member of the Audit & Risk Management Committee; supervising audit activities, advising and consulting on risk management.  |

Members of BOD are assigned by specific areas to advise the BOD before issuing Resolutions and Decisions. Members of the BOD was active in their duty according to their assigned duties, fully participated in and voted on issues under the authority of the BOD.

Each member of BOD actively planned their work and periodically supervised and urged the implementation of Resolutions and Decisions by the BOD in relation to their assigned areas of work. In addition, members of the BOD were always active in communication and discussion to reach agreement and timely make decisions suiting the production and business activities of PVI. BOD Resolutions and Decisions are all based on the high consensus and agreement of members, the interest of shareholders and sustainable development of PVI.

## **II. Supervision of the Board of Management and other Executives**

PVI's Board of Directors supervised and evaluated activities of the Board of Management and other executives in 2024 in accordance with provisions of the law, the Charter and Resolutions by the BOD. The BOD conducted supervision of the Board of Management and other executives through the following specific activities:

- Attending and giving direction at progress meetings and other important meetings of the Board of Management.
- Closely monitoring the business performance and financial situation of companies through periodic reporting on the business performance and financial situation by the Board of Management. Supervising and evaluating the achievement of monthly/quarterly planned targets through periodic reporting.
- Supervising the implementation of Resolutions and Regulations issued by the BOD.
- Actively coordinating with the Supervisory Board in inspection and supervision helps the BOD to monitor and better grasp the operation of the company in order to make timely decisions, maintain and strengthen the risk management mechanism for PVI's operations.

The BOD concludes that the Chief Executive Officer and other executives correctly followed the delegation of authority between the Board of Directors and the Board of Management and successfully fulfilled their management and administration duties in 2024.

## **III. The implementation of Report on supervising transactions of related persons:**

PVI's Board of Directors has supervised the implementation of affiliated persons by the Regulation, the Legal, Compliance and Risk Management Division is in charge of supervising the related interest's declaration updates, and quarterly reports to the Supervisory Board on the progress of the quarter.

Transactions between PVI, PVI's subsidiaries with related parties in 2024 are detailed as follows:

➤ **For parent company PVI Holdings:**

Transactions of sales and provided services with related parties:

|                           | <i>Unit: VND</i> |
|---------------------------|------------------|
| PVI Insurance Corporation | 107,286,673,344  |
| Hanoi Reinsurance JSC     | 5,108,930,625    |
| PVI Asset Management JSC  | 2,410,737,969    |

➤ **For PVI system including Parent company and subsidiaries:**

- Transactions of sales and provided services with related parties: 1,759,955,168,167 VND,
- Other transactions with related parties: 433.920.008.941 VND.

(Details of the transactions were presented in Audited Financial Report no. 0468/VN1A-HN-BC dated 20/02/2025 of Deloitte Vietnam Co. Ltd.),

In addition, in 2024, there was no transactions between PVI, PVI's subsidiaries and members of the Board of Directors, CEO, other Executives of the company and individuals who are related to these persons,

#### **IV. Report on activities of independent Director**

##### **1. Report on activities of the independent member of the BOD**

- PVI Board of Directors has 03 independent members of the Board of Directors, In 2024, PVI Board of Directors has a personnel change when Mrs, Christine Nagel was appointed to replace Ms, Pecastaing Pierre Tatiana from 16/08/2024 according to Resolution no,02/2024/NQ-ĐHĐCĐ, The independent Directors have completed the tasks assigned by PVI Board of Directors, fully performing their roles in all 4/4 Committees under the Board of Directors including: Head and members of the Audit and Risk Management Committee, Remuneration and Appointment Committee, Strategy and Development Committee, Investment Committee; directly supervising audit and risk management activities, human resource organization, planning and investment strategy,
- Regarding Auditing and Risk Management, independent Directors have convened and fully participated in extraordinary and quarterly meetings as prescribed, The Audit and Risk Management Committee has performed its role of advising, consulting and making recommendations to the Board of Directors in inspecting and supervising the implementation of internal audit, compliance and risk management at PVI,
- In 2024, the Audit and Risk Management Committee has approved and submitted to the Board of Directors for approval the Information Disclosure Regulations,

amendments to the PVI Insurance Charter, Report on governance model, Report on environmental, social and corporate governance (ESG) and Plan and budget for sustainable development activities; supervised, discussed and reviewed the contents of compliance and risk management in the entire PVI system; Approved the issuance of the Internal Audit Procedure and directly directed, operated, supervised, and evaluated the activities of the Internal Audit Board, discussed and directly directed the audited units to implement the issues and findings of the internal audit,,,

- Independent members of the Board of Directors fully participated in meetings convened by the Head of the Remuneration and Appointment Committee, the Strategy and Development Committee, and the Investment Committee; closely cooperated with other members to fully fulfill the functions and tasks of the Committees,
- Regarding personnel work, the Remuneration and Appointment Committee discussed and reviewed the contents of personnel for PVI representatives at POF Investment Funds, PIF and subsidiaries, submitted to the Board of Directors for approval of the Welfare and Reward Fund Expenditure Plan, methods and results of building performance evaluation indexes, etc,
- Regarding development strategy work, the Strategy and Development Committee discussed and reviewed the contents of the plan and implementation of the business strategy of the entire PVI,,,
- Regarding investment work, the Investment Committee discussed and reviewed the contents of policies and implementation status of investments of the entire PVI system, issued regulations on investment criteria, evaluation methods and list of credit institutions, product descriptions and transaction principles between PVI AM Fund Management Company and units in the system, submitted to the Board of Directors for approval of the capital increase policy for PIF, amended the Investment Regulations, etc,

## **2. Assessment results of independent members on the activities of PVI's BOD:**

- The work of the BOD in 2024 has properly implemented the orientation strategies set out in the Resolutions of the General Meeting of Shareholders and complied with PVI's Charter, Internal regulations on Corporate Governance and corporate governance practices,
- The Board of Directors has 08 members, including 03 independent members, The members of the Board of Directors have a high sense of responsibility, are always proactive, actively perform assigned tasks, actively participate in strategic planning and criticism, and closely coordinate with the Executive Board to find practical solutions to help PVI overcome difficult challenges and complete business goals in 2024,



- In addition, the Board of Directors has also promoted the improvement of the governance model to improve operational efficiency and supervision, throughout the PVI system; develop the brand as well as affirm PVI's reputation in the market,

#### **V, Remuneration, salary, operating expenses and other benefits of the Board of Directors and each member of the BOD**

As presented in detail in the Proposal submitted to the GMS on remuneration payment in 2024 and estimated remuneration for 2025 of the BOD and the Supervisory Board of PVI, PVI paid remuneration/salary to 08 members of the BOD (including 03 full-time BOD members and 05 part-time BOD members) for a total amount of VND **11,816,250,000**. The bonus were VND **9,887,940,909**. Operating expenses, transactions, business expenses, and other incomes of the Board of Directors in the past year carried out in accordance with PVI's regulations and rules (Remuneration and other benefits of each member of the Board of Directors are presented in detail in the Audited Financial Statements),

Transactions between PVI and related parties are carried out in accordance with current regulations, On the other hand, in 2024, there was no transactions between PVI, PVI's subsidiaries and members of the Board of Directors, CEO, other Executives of the company and individuals who are related to these persons,

### **PART II: DIRECTION FOR THE BOD'S ACTIVITIES IN 2025**

Currently, PVI's insurance business has grown strongly to become the leading insurance enterprise in Vietnam, In the coming period, the Board of Directors of PVI will continue to build and develop PVI to become a strong and professional Financial - Insurance institution in the Vietnamese market, with a prestigious international brand name with top service quality and maintain sustainable development,

The year 2025 is definitely to be a challenging year as the impacts of the unstable economic of international market and regional market continue unpredictably impact to Vietnam economy, To overcome challenges and successfully implement the strategic goals set out in 2025, PVI's Board of Directors will focus on the following tasks:

#### **1. Directing PVI to successfully achieve the 2025 business plan**

Closely monitoring the business performance and making appropriate and timely decisions and policies for PVI to overachieve the 2025 business plan with financial targets as follows:

Consolidated financial targets:

- + Total revenue : VND 21,437 billion
- + Profit before tax : VND 1,090 billion

Targets for the Parent Company:

- + Revenue : VND 1,176 billion
- + Profit before tax : VND 786 billion
- + Dividend payout ratio : at the minimum rate of 28,5%

2. **Directing the ongoing restructuring of PVI:** Continue to review the Parent Company and Subsidiaries in a streamlined, efficient manner, ensuring sustainable development for the whole system, Improving the efficiency of governance at the Parent Company and the operational efficiency of Committees and the assisting apparatus under the BOD, continue implementing/ perfecting the Internal Audit model throughout whole PVI system, Continuing to reform the human resource management system and the performance-based pay system; and conducting training according to international standards to maintain high quality human resources,
3. **Maintaining the A- (Excellent) credit rating of PVI Insurance Corporation;** strive to improve the credit rating outlook from Stable to Positive to create a premise for improving the credit rating of HanoiRe to A- (Excellent) in the period 2025-2026, thereby contributing to expanding the scope of operations in more developed markets in the region,
4. **Directing the augmented application of information technology** in governance and business activities, Developing digital insurance services and products; expanding the e-commerce channel to increase revenue and efficiency, particularly in retail operations,
5. **Review and update PVI's development strategy for the period 2025-2029 and vision to 2030,**

Dear delegates and shareholders!

Above are the Report on the Board of Directors' activities in 2024 and the direction and operational plan for the coming period of the PVI Board of Directors,

We respectfully request shareholders to consider, discuss and make decisions,  
We wish all delegates and shareholders good health, happiness and success,  
Thank you very much!

Sincerely reported,/,

**ON BEHALF OF THE BOARD OF DIRECTORS  
PP. CHAIRMAN**