BIC

ANNUAL REPORT 2021

BIDV INSURANCE CORPORATION

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MESSAGE FROM CHAIRMAN



Dear valued shareholders, partners and customers,

In 2021, the Covid-19 epidemic continues to develop complicatedly, causing difficulties in production and business activities of many enterprises, reducing people's incomes, etc. In particular, industries that have close connections with the non-life insurance sector such as services, tourism, education, transportation, and motor vehicle business and etc are greatly affected, leading to negative impacts on all activities of non-life insurance enterprises. According to the Vietnam Insurance Association, in 2021, the total market's non-life insurance premium is estimated at VND 57,880 billion, up 3.98% compared to 2020.

However, with a solid operating foundation, efforts of the whole system and effective business solutions, BIC had a successful business year and made great strides.

STAND FIRM IN DIFFICULTIES

As of December 31, 2021, BIC's total consolidated assets reached VND **6,044** billion, up **4%**, consolidated equity reached VND **2,575** billion, up **6.5%** compared to 2020. BIC's total consolidated premium in 2021 reached VND **3,094** billion, up **12.4%** from the previous year. In particular, being consistent with the goal of efficiency and sustainable development, BIC's consolidated profit before tax first reached VND **502** billion in 2021, up **33.8%** in compared to 2020, completed **172%** of the year plan assigned by the General Meeting of Shareholders. Besides, BIC keep making high profits from insurance business in 2021.

Last year, BIC continued to be ranked by the world's leading credit rating agency A.M. Best affirms its financial strength rating of B++ (Good), the highest rating for non-life insurance companies in Vietnam. This rating was approved by A.M.Best on the basis of a comprehensive assessment of BIC's operations over many years, including: financial capacity, business results, operational efficiency and risk management system. Not stopping there, in 2021, for the first time, BIC was honored by Forbes Vietnam in the Top 25 leading financial brands in Vietnam. BIC brand is valued at 10 million USD, ranking 3rd in the whole insurance industry in Vietnam (including life and non-life).

In the overseas market, BIC's business activities also recorded positive results. In 2021, the profit before tax of Laos-Vietnam Insurance Joint Venture Company (LVI) grew by 56.4% compared to 2020, helping the company continue to maintain its leading position in the market in terms of profitability. In Cambodia, Cambodia - Vietnam Insurance Company (CVI) remains firmly in the Top 5 leading non-life insurance companies in terms of market share, and at the same time maintains the leading position in the field of aviation insurance.

ACCELERATION AND BREAKOUT

In 2022, it is forecasted that the Vietnamese economy in general and the insurance market in particular will still face many difficulties due to the impact of the Covid-19 pandemic. In that context, BIC will continue to be consistent with the goal of efficiency and sustainable development.

BIC will focus on improving customer service quality; promote digital transformation, increase products with high technology content; saving, optimizing business costs, building effective cost management project; improving the income mechanism, creating stronger motivation for staff to develop business activities.

On the basis of impressive foundations and achievements in recent years, and at the same time strongly grasping the orientation of the Chairman of the Board of Directors of BIDV with BIC's business activities **"Innovation, Creativity, Sustainable Development"**. BIC is determined to achieve more challenging and breakthrough goals in the coming years. Specifically, BIC aims to be in the Top 5 leading non-life insurance companies in terms of market share, and continue to be in the Top 3 leading insurers in terms of profitability by 2025.

I hope that you will continue to follow and support BIC in 2022, together with us in concretizing challenging goals. Personally, I and the entire Board of Directors will do our best, side by side to build a strong BIC team, worthy of its position as one of the leading insurance companies in Vietnam.

Wishing you health, happiness and success.

Best regards.

Tran Xuan Hoang
Chairman of the board

MESSAGE FROM CEO



Dear valued shareholders, partners and customers,

The complicated development of the Covid-19 epidemic, especially in the second quarter of 2021 with the fact that Ho Chi Minh City and many southern provinces have to practice social distancing according to Directives 15 and 16 of the Prime Minister, which has paralyzed the activities of organizations, businesses in general and non-life insurance companies in particular.

BIC is no exception to those negative influences. However, with a large customer base, especially from the parent bank BIDV, and persistent, proactive and creative business solutions, BIC still stood firm and created a strong bounce in the year-end period of 2021.

TOTAL INSURANCE PREMIUM OF PARENT COMPANY BIC IN 2021

2,849 BILLION VND

OVERCOMING THE COVID-19 STORM

With a "speedy sprint" at the end of the year, BIC successfully overcame the "storm" of Covid-19 and successfully completed the business plan for 2021, revenue and profit both grew comprehensively and sustainably.

Total insurance premium of parent company BIC in 2021 reached VND **2,849** billion, an increase of **12.7%** compared to 2020, completing **101%** of the plan assigned by the General Meeting of Shareholders. In which, the gross written premium was a bright spot in BIC's business when it reached VND **2,679** billion, a growth of 3 times higher than the general growth rate of the whole non-life insurance market, which is estimated to help BIC increase market share to **4.7%**, an increase of **0.6%** compared to 2020, ranked 7th in the market in terms of written premium. With the orientation of sustainable development, BIC's performance indicators last year achieved good results. BIC continued to have high profit from insurance business. BIC's consolidated profit before tax reached VND **502** billion, for the first time BIC joined the group of VND 500 billion in pre-tax profit. In which, the parent company's own pre-tax profit reached VND **485** billion, up **33.3%** over the previous year.

In the context of the Covid-19 epidemic affecting all aspects of socio-economic life, BIC's retail business still recorded positive results. The insurance distribution channel through banks (Bancassurance) continued to grow at an impressive 33% compared to 2020, significantly contributing to BIC's overall revenue growth. In October 2021, BIC officially launched and put into operation a brand new website for online channel, mybic.vn. Website is not only a modern, convenient and reputable insurance buying address for customers, but also an advanced insurance selling tool for BIC officers and agents, making sales management simple and fast right on mobile devices, saving maximum time and effort for insurance sellers and customers. Website also becomes an important tool for BIC to connect with e-commerce partners, contributing to creating a growth engine for BIC's retail distribution channel in the coming time.

In 2021, BIC continued to expand its business network with the launch of BIDV Lam Dong Insurance Company, bringing the total number of BIC branches nationwide to 27.

In addition to good business results, last year, BIC also made an impression in other areas of activities with many prestigious titles and awards such as Top 10 most prestigious non-life insurance companies in Vietnam, Top 25 leading financial brands in Vietnam (in which, BIC brand is valued at 10 million USD, ranked 3rd in Vietnam's insurance market), Top 100 strong brands in Vietnam...

INNOVATION, CREATIVITY, SUSTAINABLE DEVELOPMENT

In 2022, in parallel with continuing to pursue operational efficiency goals, BIC will strive to accelerate the growth rate of premium.

To achieve the set goals, BIC will focus on solutions, including: continue to promote restructuring in line with reality and business orientation; improve the quality of governance and risk management; improve service quality before, during and after sales; focus on developing retail distribution channels, Bancassurance; expanding business network in key areas; apply advanced technology to quickly respond to the construction of new products, improve distribution channels towards modernity and strictly control claim activities.

With the achievements in 2021, I believe that BIC team will continue to make excellent efforts to complete challenging business goals in 2022. I also hope that you will always support and stand with BIC in 2022 and the coming years.

Your sincerely!
Tran Hoai An
Chief Executive Officer

01 GENERAL INFORMATION

- **Official name:**
  Bank for Investment and Development of Vietnam Insurance Joint Stock Corporation.
- **Transaction name in English:** BIDV Insurance Corporation
- **Stock symbol (HOSE):** BIC
- **Head office:** 11/F, 263 Cau Giay street, Dich Vong Ward, Cau Giay District, Hanoi, Vietnam
- **Tel:** (84-24) 22200282 **| Fax:** (84-24) 22200281
- **Hotline:** 1900 9456
- **Website:** www.bic.vn **| Email:** bic@bidv.com.vn

CHARTER CAPITAL

1,172,768,950,000 VND

A.M Best Rating:

+ Financial strength rating: B++ (Good)
+ Issuer credit rating: bbb
+ Prospect: Stable

MILESTONES

1999

1999 - Bank for Investment and Development of Vietnam (BIDV) and QBE International Insurance Company cooperated to establish the BIDV – QBE Insurance Joint Venture.

2006

2006 – BIDV bought the shares of QBE in the joint venture and changed its name to the Bank for Investment and Development of Vietnam Insurance Company (BIC).

2007

2007 - BIC increased its chartered capital to VND 500 billion with the expansion of 11 branches and 30 regional sales offices.

2008

2008 - BIC cooperated with Lao Viet Joint Stock Commercial Bank (LVB) and Lao Commercial Bank (BCEL) to establish Lao Viet Insurance Joint Venture Company (LVI).

2009

2009 - BIC became the first insurance company in Vietnam with a full network of operations in all three countries of Indochina (Vietnam – Laos – Cambodia).

2010

2010 - BIC officially changed its form from 100% state owned to Joint Stock Company with the new name of Bank for Investment and Development of Vietnam Insurance Corporation.

2011

2011 - BIC officially provided insurance products through online channel via www.-baohiemtruc-tuyen.com.vn, which contributed to promote retail insurance.

2012

2012 - BIC fulfilled its business plan in 2012 and was one of the most profitable insurance companies in the market despite the difficult business environment due to the impact of the recession.

2013

2013 - BIC purchased back shares of LVB in Lao Viet Insurance Joint Venture Company to increase its shareholding in LVI to 65% and officially released consolidated financial statements from Quarter III/2013.

2014

2014 - For the first time in BIC's history A.M. Best, a leading financial credit rating agency rated BIC a B+ for good financial strength and bbb- for issuer capacity.

2015

2015 - BIC completed a strategic equity acquisition agreement with Fairfax, a leading global insurer and reinsurer from Canada.

2016

2016 - A.M Best raised BIC's outlook to Positive and continued to affirm the financial strength rating of B+ (Good), and issuer credit rating of bbb- .

2017

2017 - BIC provided satisfactory and sustainable business results and maintained its position as a top 5 non-life insurance company with the highest income in the market.

2018

2018 - BIC's credit rating was upgraded by A.M. Best from B+ to B++, and issuer credit rating from bbb- to bbb.

2019

2019 – For the first time, BIC has reached the milestone of VND 2,000 billion in written insurance premium revenue of the parent company alone. With the transformation of business structure towards efficiency, BIC has profited from insurance business.

2020

2020 - BIC has launched BIC Online mobile application with many modern utilities for customers. In the 15th year of operation, BIC has achieved many impressive business results. The direct premium of BIC stand-alone reached VND 2,363 billion, grew 17.4% compared to last year. It doubled the general growth rate of non-life insurance market that helped BIC rise to the 7th position in term of direct premium market share.

2021

2021 - BIC launched and puts into operation a brand new online insurance selling website mybic.vn. BIC also joined the group of 500 billion VND in pre-tax profit for the first time, and was valued at 10 million USD by Forbes Vietnam, the third highest in Vietnam's insurance market.

TITLES AND AWARDS



TOP 10 MOST PRESTIGIOUS NON-LIFE INSURANCE COMPANY IN VIETNAM

awarded by Vietnam Report Joint Stock Company (Vietnam Report) in collaboration with VietnamNet Newspaper (2016-2021).

TOP 50 MOST EFFICIENT LISTED COMPANY IN VIETNAM

for 5 consecutive years from 2014 to 2018 (according to Investment Bridge Magazine and Thien Viet Securities Company).

TOP 500 FASTEST GROWING BUSINESS IN VIETNAM

from 2010 to 2015, and 2019 (according to the Independent report of Vietnam Report).

TOP 50 FASTEST GROWING COMPANY OF VIETNAM

for the period of 2009 - 2014 (according to the Independent report of Vietnam Report).

TOP 1000 ENTERPRISES WITH HIGHEST CORPORATE INCOME TAX CONTRIBUTION IN VIETNAM

for 7 consecutive years from 2010 to 2016 (according to the Independent report of Vietnam Report).

TOP 500 LARGEST ENTERPRISE IN VIETNAM

announced by Vietnam Report in 2018, 2019.

TOP 25 LEADING FINANCIAL BRANDS IN VIETNAM

in 2021 announced by Forbes Vietnam, in which, BIC brand is valued at 10 million USD, ranking 3rd in Vietnam's insurance market.

TOP 500 MOST PROFITABLE ENTERPRISES IN VIETNAM

announced by Vietnam Report in 2020.





Labor Order, third class awarded by the President of Vietnam.

Central Enterprise Party Award 2008, 2013.

Ministry of Finance Award in 2009, 2010, 2013, 2019 recognizing the active contribution of BIC to the sustainable development of the financial market of Vietnam.

Prime Minister's Award in 2010 recognizing BIC's contribution to national construction.

"Best non-life insurer in 2010" Certificate by the Vietnam Economic Forum.

Emulation Flag, Award Certificate of the Governor of the State Bank of Vietnam in 2008, 2010.

Top Trade Service Award in 2008 and 2013 of Ministry of Industry and Trade.
Golden FDI Award in 2008.

Vietnam Golden Star Award 2010.

Excellent Brand Award in Vietnam for consecutive years 2007 to 2009 and from 2013 to 2021 voted by readers of Vietnam Economic Times.

Best leverage index in the insurance sector in 2014 under the "Vietnam Best Company" (according to the assessment of Vietnam Chamber of Commerce and Industry- VCCI).



BUSINESS SERVICE AND BUSINESS NETWORK

BUSINESS SERVICES

- BIDV Insurance Corporation operates under Business License No. 11/GP/KDBH issued by the Ministry of Finance dated 10th April 2006 and Adjusted License No. 11/GPDC16/KDBH dated 06th January 2016.
- BIC's services cover non-life insurance, reinsurance, and financial investment services.

BUSINESS NETWORK

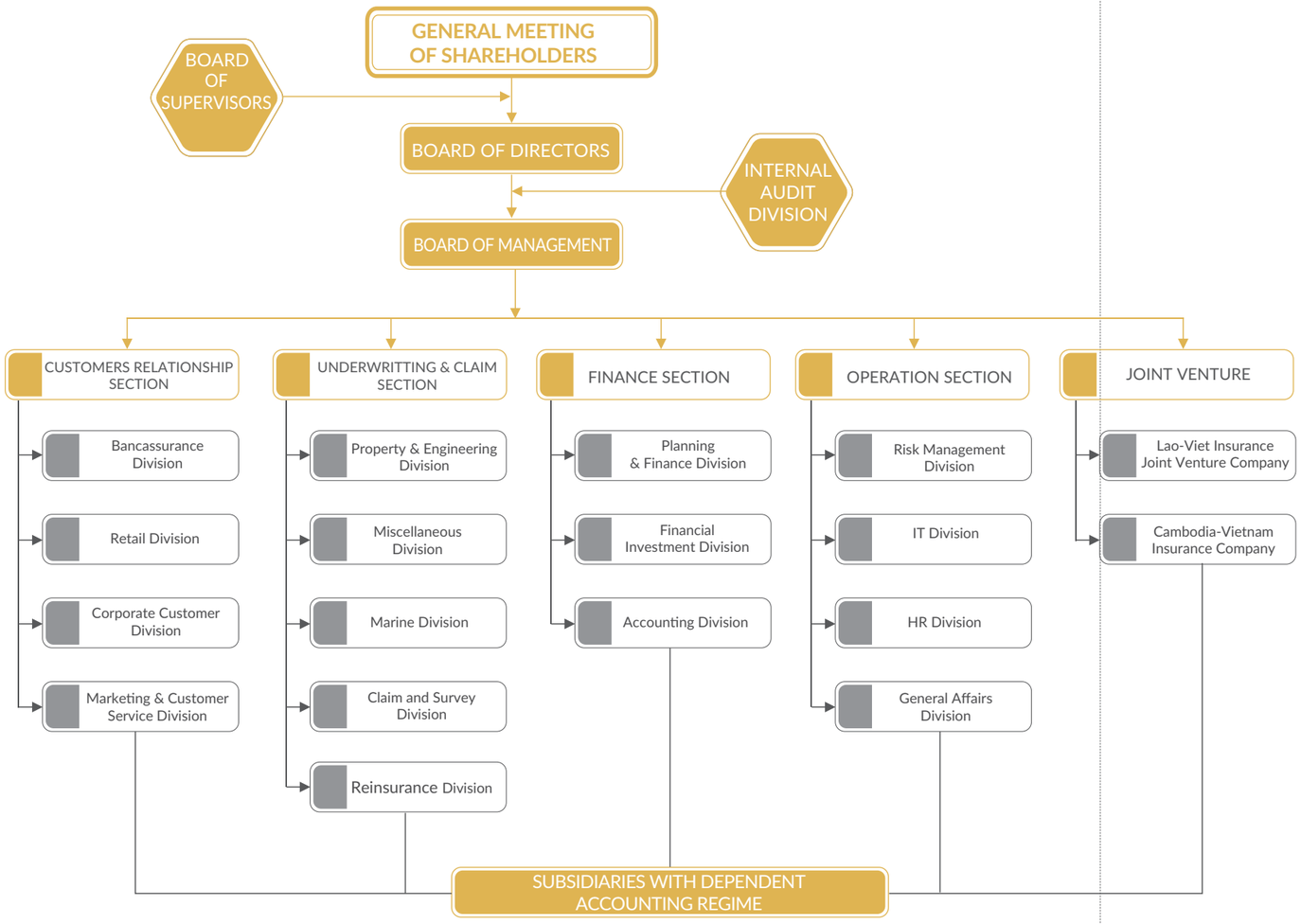
- BIC currently has 27 branches, more than 175 sales departments and more than 1,500 insurance agents in Vietnam and 02 joint ventures in Laos and Cambodia.
- BIC provides more than 100 non-life insurance products that meet the needs of most customers.

HEAD OFFICE

11/F, 263 Cau Giay street, Dich Vong Ward, Cau Giay District, Hanoi, Vietnam.

GOVERNANCE STRUCTURE, MANAGEMENT SYSTEM, BRANCHES AND JOINT-VENTURES:

GOVERNANCE STRUCTURE



OVERSEAS JOINT-VENTURES

Lao-Viet Insurance Company (LVI)

Address: LVB Building, No. 44, Lanxane, Vientianes, Laos

Business services: non-life insurance, reinsurance, and financial investment services

Chartered capital: 3 million USD

The ownership rate of BIC: 65%

Cambodia-Vietnam Insurance Company (CVI)

Address: No.398, Monivong Boulevard, Phnom Penh, Cambodia

Business services: non-life insurance, reinsurance, and financial investment services

Chartered capital: 7 million USD

BRANCHES:

01. Lao Cai BIDV Insurance Company
Address: : 2th and 3rd floor BIDV Tower, No. 02 Hoang Lien, Duyen Hai Ward, Lao Cai City, Lao Cai.
02. Tay Bac BIDV Insurance Company
Address: 4th floor Viettel Son La Tower, No.1 Chu Van Thinh, Son La City.
03. Thai Nguyen BIDV Insurance Company
Địa chỉ: 7th floor, No. 653 Luong Ngoc Quyen, Thai Nguyen City.
04. Quang Ninh BIDV Insurance Company
Address: No. 88 Le Thanh Tong, Hong Gai Ward, Ha Long City, Quang Ninh.
05. Ha Noi BIDV Insurance Company
Address: No. 46-48 Ba Trieu, Hang Bai Ward, Hoan Kiem District, Ha Noi City.
06. Thang Long BIDV Insurance Company
Address: 3th floor, Golden Palace office building, Me Tri street, Nam Tu Liem, Hanoi.
07. Dong Do BIDV Insurance Company
Address: No. 263 Cau Giay, Dich Vong Ward, Cau Giay District, Hanoi City
08. Dong Bac BIDV Insurance Company
Address: 4th floor, Trung Thanh Plaza Building, 10 Nguyen Dang Dao, Tien An Ward, Bac Ninh City, Bac Ninh Province.
09. Vinh Phuc BIDV Insurance Company
Address: Dao Duy Anh Street, Dong Da Ward , Vinh Yen City, Vinh Phuc.
10. Hai Duong BIDV Insurance Company
Address: No.115 Tran Hung Dao Street, Tran Hung Dao Ward, Hai Duong City, Hai Duong.
11. Hai Phong BIDV Insurance Company
Address: BIDV Dong Hai Phong Building, Le Hong Phong Street, Dong Khe Ward Ngo Quyen District, Hai Phong City.
12. Bac Bo BIDV Insurance Company
Address: 5th floor BIDV Tower, No. 92C Hung Vuong, Vi Xuyen Ward, Nam Dinh City.
13. Bac Trung Bo BIDV Insurance Company
Address: 8th floor BIDV Tower, No. 08 Le Nin Boulevard, Hung Dung Ward, Vinh City, Nghe An.
14. Da Nang BIDV Insurance Company
Address: No. 40-42 Hung Vuong, Hai Chau District, Da Nang City.
15. Binh Dinh BIDV Insurance Company
Address: No.72 Le Duan, Quy Nhon City, Binh Dinh.
16. Nam Trung Bo BIDV Insurance Company
Address: 6th floor, No. 35 2/4 Street, Nha Trang City, Khanh Hoa.
17. Bac Tay Nguyen BIDV Insurance Company
Address: 6th floor Duc Long Gia Lai Tower, No. 117 Tran Phu, Dien Hong Ward, Pleiku City.
18. Tay Nguyen BIDV Insurance Company
Address: No. 389 Phan Chu Trinh Street, Tan Loi Ward, Buon Ma Thuoc City, Daklak.
19. BIDV Lam Dong Insurance Company
Address: No. 1E Nam Ky Khoi Nghia, Ward 1, Da Lat City, Lam Dong Province
20. Mien Dong BIDV Insurance Company
Address: No. 4-5, Unit 23, Street 3, Tam Hoa Ward, Bien Hoa City, Dong Nai.
21. Binh Duong BIDV Insurance Company
Address: 12A floor, Becamex Tower, No. 230 Binh Duong Boulevard, Phu Hoa Ward, Thu Dau Mot City, Binh Duong.
22. Ho Chi Minh BIDV Insurance Company
Address: 5th floor, C Section, Waseco Building, no. 10, Pho Quang Street, Tan Binh District, Ho Chi Minh City.
23. Sai Gon BIDV Insurance Company
Address: 08th floor, No. 472 Nguyen Thi Minh Khai, District 3, Ho Chi Minh City.
24. Ben Thanh BIDV Insurance Company
Address: 9th floor, B&L Tower, no 119 – 121 Ung Van Khiem, Ward 25, Binh Thanh District, Ho Chi Minh City.
25. Vung Tau BIDV Insurance Company
Address: No. 24 Tran Hung Dao, Ward 1, Vung Tau City, Ba Ria – Vung Tau.
26. Mien Tay BIDV Insurance Company
Address: No. 53 - 53A Vo Van Tan, Tan An Ward, Ninh Kieu District, Can Tho City.
27. Cuu Long BIDV Insurance Company
Address: 08th floor Post-Office Tower, No. 71A Nam Ky Khoi Nghia, Ward 4, My Tho City, Tien Giang.



DEVELOPMENT ORIENTATION

Strategic targets to 2025:

• To grow to become a non-life insurance company in the Top 5 leading companies in terms of market share of written premium, the Top 3 largest non-life insurance companies in terms of profitability in Vietnam and Top 3 largest non-life insurance companies in terms of Bancassurance.

• To expand operation scale along with sustainable development, claims quality control, ensuring efficiency and safety in operation;

• To maintain the leading positions in terms of international rating among Vietnam insurance companies

• To strongly apply information technology, diversify insurance-banking products and services, improve skills and professionalism in line with best practices, and further develop Bancassurance to gain competitive advantages.

• Focusing on retail development, boosting the growth of motor vehicle insurance and personal insurance revenue.

• To apply modern management skills to optimize the operation of the company and to build corporate culture with high efficiency.

SUSTAINABLE DEVELOPMENT OBJECTIVE

BIC understands that sustainable development is a long-term and important target for all enterprises including BIC. Beside business growth, BIC is keenly aware of our need to care for the environment and our social responsibility. BIC commits to connect its business development objectives with environmental and social responsibility, which will be the necessary foundation to ensure the sustainable development of BIC in long term.

BIC has selected and integrated its development goals with some of the 17 Sustainable Development Goals of the United Nations as part of BIC's business growth objectives, as follows:

• Eradication of hunger and alleviation of poverty

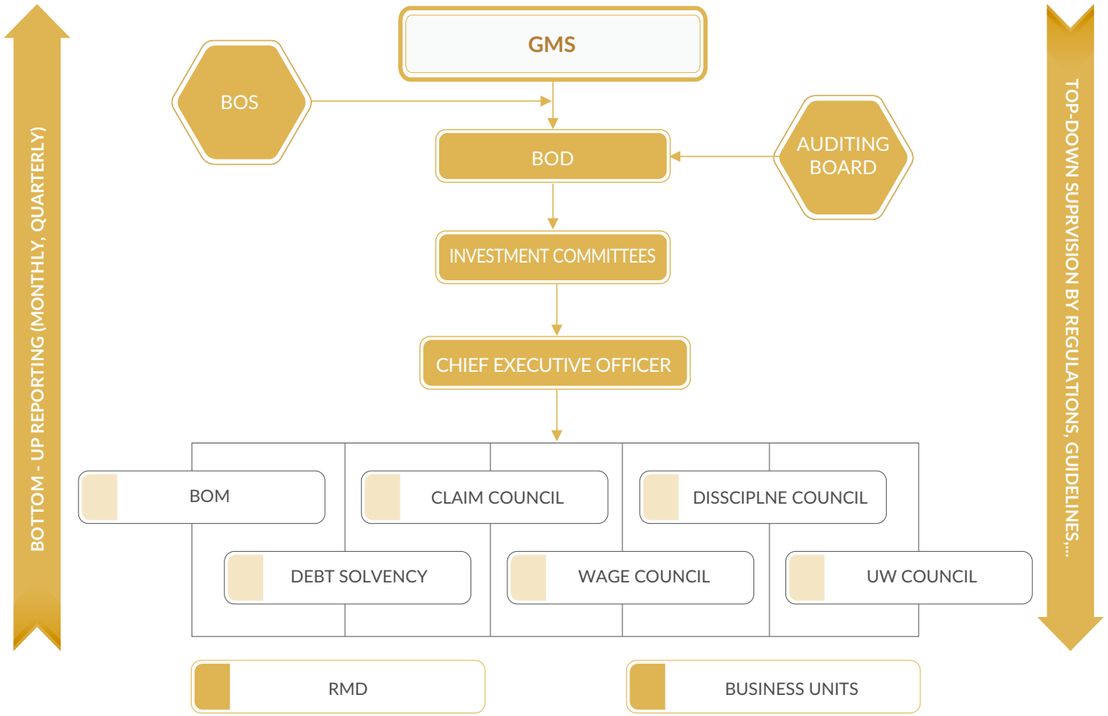
• Ensuring education quality

• Ensuring a healthy lifestyle and improving social welfare

• Promoting sustainable economic growth, creating job opportunities in a responsible and sound manner

BIC'S RISK MANAGEMENT STRUCTURE

The primary objective of risk management framework is to protect shareholders from risk and help BIC consistently achieve its objectives. The Board of Directors and Board of Management recognize the importance of an effective risk management system. BIC has established risk management mechanisms, models, processes and regulations with terms agreed upon by the Board of Directors and the Board of Managements. At the same time, a Risk Management Framework and related regulations set out the main risk profile, risk management standards and responsibility of units as well as personnel in business operations.



GMS: General meeting of Shareholders
BOS: Board of Supervisors
BOD: Board of Directors
BOM: Board of Management
RMD: Bisk Management Division

Business Units:

- Underwriting Divisions
- Claims DIvision
- Reinsurance Division
- Financial DIvislon
- Investment DIVIsion
- Subsidiaries

THE FOLLOWING ARE SOME OF THE MAJOR RISKS THAT MAY AFFECT BIC'S BUSINESS OR THE PERFORMANCE OF BIC'S GOALS:

Insurance risk: The primary insurance activity carried out by BIC is the assumption of risk of loss from persons or organizations that are directly subject to the risk. Such risks may relate to property, liability, accident, health care, financial or other perils that may arise from an insurable event. As such BIC is exposed to uncertainty surrounding the timing and severity of claims under the contract. Underwriting and reinsurance divisions are responsible for reviewing differences in terms and conditions between BIC's branches and the Insured and for ensuring that all accepted risks are safe. BIC also has exposure to market risk through its insurance and investment activities. BIC manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or those that exceed set limits, risk diversification, pricing guidelines, reinsurance and monitoring of emerging issues.

Reinsurance risk: BIC reinsures a portion of the insurance risks it underwrites in order to control its exposures to losses and protect its capital, through treaty and facultative reinsurance arrangements. These reinsurance agreements transfer part of the risk and limit the exposure from each insured. The amount of each risk retained depends on BIC's evaluation of the specific risk, subject in certain circumstances, to maximum limits based on characteristics of coverage. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the event the claim is paid. However, BIC remains liable to its policyholders with respect to ceded insurance if any reinsurer fails to meet the obligations it assumes. Ceded reinsurance contains credit risk, and to minimize such risk, only those reinsurers whose credit rating are either assessed by credit rating agencies or internally assessed by BIC and satisfy BIC criteria are selected for business with the Corporation. BIC strictly follows conditions of overseas reinsurers as detailed in Decree No. 73/2016/NĐ-CP dated July 1, 2016 issued by the Government of Vietnam in order to engage with reputable reinsurers. BIC requires a minimum A- as rated by A.M. Best as part of its reinsurer criteria.

Capital risk: The primary capital management objective of BIC is to maintain a strong capital base to support the development of its business and to comply with regulatory capital requirements at all times. BIC recognizes the impact on shareholders returns from the level of equity capital employed and seeks to maintain a prudent balance. Regulatory capital requirements arising from the operations of the Corporation require BIC to hold sufficient assets to cover liabilities and satisfy solvency margin requirements in Vietnam.

Market risk: Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risks, such as share price risk.

Credit risk: Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Corporation is exposed to credit risk from its operating activities (primarily for trade receivables from original insurance and reinsurance activities) and from its financing activities, including deposits at banks and other financial instruments. Another risk is rating downgrade due to bad performance however BIC tries to maintain or improve its A.M. Best rating.

Liquidity risk: BIC has to meet daily calls on its cash resources, notably from claims arising on its insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due at a reasonable cost. BIC manages this risk by monitoring and setting an appropriate level of operating funds to pay these liabilities. The solvency requirements of BIC now are higher than those set out in Circular No. 50/2017/TT-BTC dated May 15, 2017 issued by the Ministry of Finance and Decree No. 73/2016/NĐ-CP dated July 1, 2016 issued by the Government of Vietnam.

Legal risk: Risk on violating law provisions such as violating the regulations on compulsory insurance, premiums, insurance payment periods. Non-compliance or failure to promptly update processes under the current law provisions may lead to legal risks for BIC. BIC controls these risks by updating and revising regulations, policies, and procedures in accordance with legal regulations and constantly improving legal training for all staff, participate in the settlement of disputes on the basis of mediation, harmonization of interests, strictly compliance with the decisions of competent law agencies and etc.

Operating risk: are risks arising during the operation of BIC. BIC regularly conducts internal inspection to check, detect and correct operational mistakes to minimize these risks.



BUSINESS PERFORMANCE 02

OVERVIEW OF THE NON-LIFE INSURANCE MARKET 2021

Vietnam's economic situation in 2021

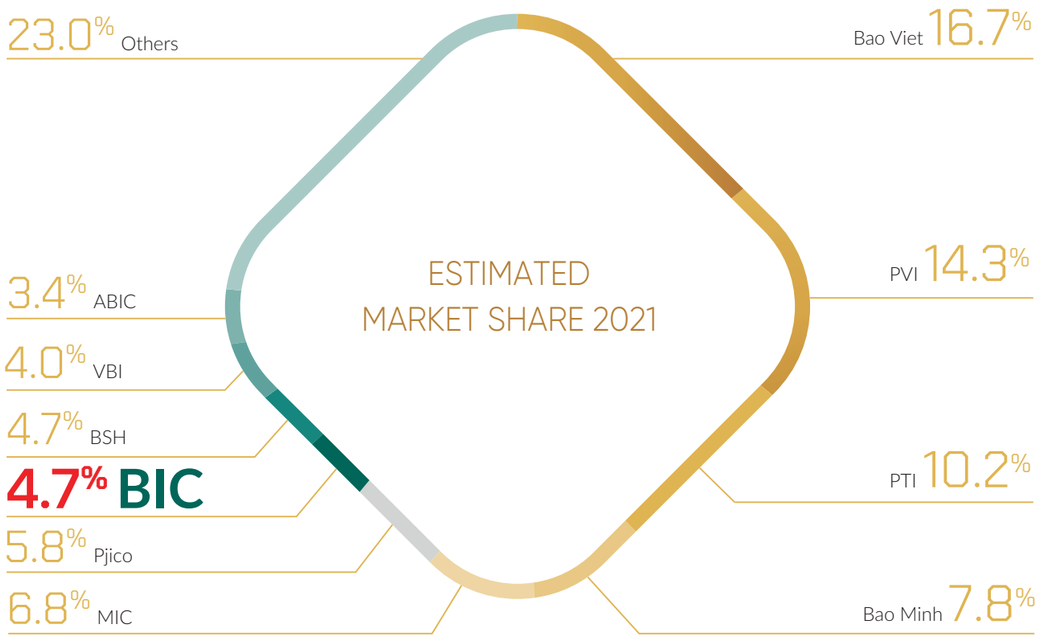
The socio-economic situation of our country in 2021 took place in the context that the world economy tends to recover when countries promote vaccination programs against Covid-19 but the emergence of new variants caused the economic recovery to show signs of slowing down. The International Monetary Fund forecasted the global economy would grow by 5.9% in 2021. The Organization for Economic Cooperation and Development, the European Union and Fitch Ratings predicted that global economic growth in 2021 would reach 5.6%, 5.8% and 5.7%, respectively. Prices of many commodities increased sharply compared to 2020, inflation increased but in general remained under control worldwide. In addition, the pandemic has caused bottlenecks in the global value chain, increasing the price of production materials, which is a significant challenge for production and business activities of countries.

In the country, the wave of Covid-19 pandemic broke out from the end of April with a new variant that spread rapidly, dangerously, with complicated developments in many areas, especially in key economic localities such as Ha Noi, Bac Ninh, Bac Giang, Da Nang, Ho Chi Minh City, Binh Duong, Dong Nai, Long An, Can Tho and etc has seriously affected people's lives, safety and socio-economic development, causing economic growth to have the deepest decline in the third quarter of 2021.

It was estimated that GDP in 2021 would increase by 2.58% (in the first quarter, by 4.72%; in the second quarter by 6.73%; in the third quarter by 6.02%; in the fourth quarter by 5.22%) compared to the previous year because the Covid-19 pandemic seriously affected all areas of the economy, especially in the third quarter of 2021, many key economic areas had to implement prolonged social distancing to prevent the pandemic. In the general growth rate of the whole economy, the agriculture, forestry and fishery sector increased by 2.9%, contributing 13.97% to the growth rate of total added value of the whole economy; the industry and construction sector increased by 4.05%, contributing 63.80%; the service sector increased by 1.22%, contributing 22.23%.

Insurance market overview 2021

The insurance market in 2020 achieved a low growth rate in the context of the difficult situation of the Covid-19 epidemic. According to estimated data of the Vietnam Insurance Association in 2021, the total insurance premium of the whole market is estimated at VND 217,338 billion, growth of 16.71% over the same period in 2020, in which non-life insurance premium was estimated at VND 57,880 billion, up 3.98% over the same period in 2020; life insurance gross written premium is estimated at VND 159,458 billion, up 22% over the same period in 2020.

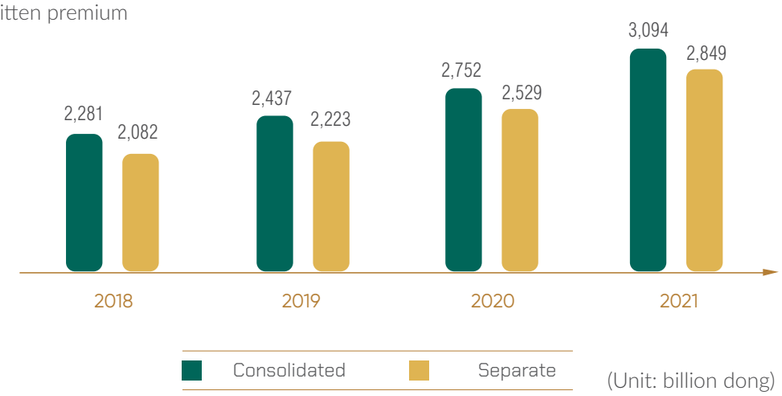


BUSINESS PERFORMANCE

Gross written premium

Consolidated gross written premium (BIC and LVI) reached VND 3,094 billion, up 12.4% compared to 2020. In which, direct written premium grew by 11.9 inward premium increased up 26.2% compared to 2020.

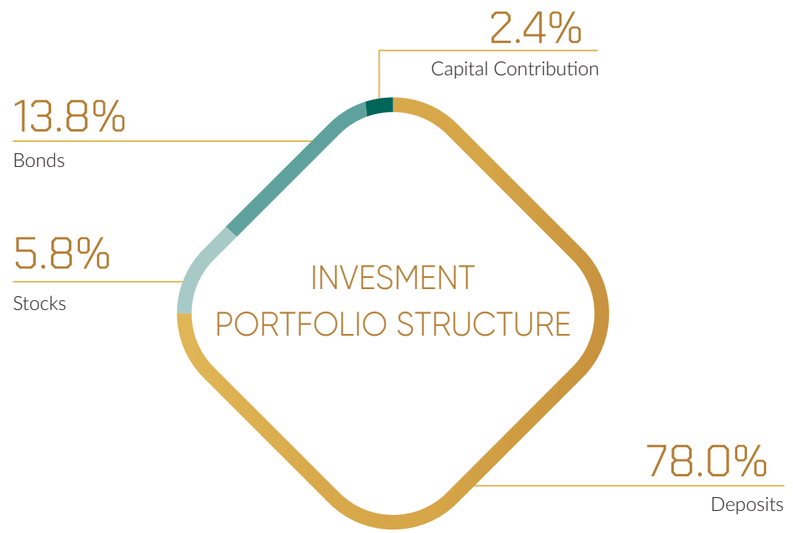
Gross written premium



(Unit: billion dong)

Gross written premium of BIC standalone in 2021 reached VND 2,849 billion, an increase of 12.7% compared to 2020 of which, the direct written premium grew by 13.4% and inward premium increased by 2,3% compared to 2020.

Finance and Investment



TOTAL CONSOLIDATED PROFIT FROM INVESTMENT (BIC AND LVI) IN 2021 **321,6 BILLION VND**

Profit from invesment:

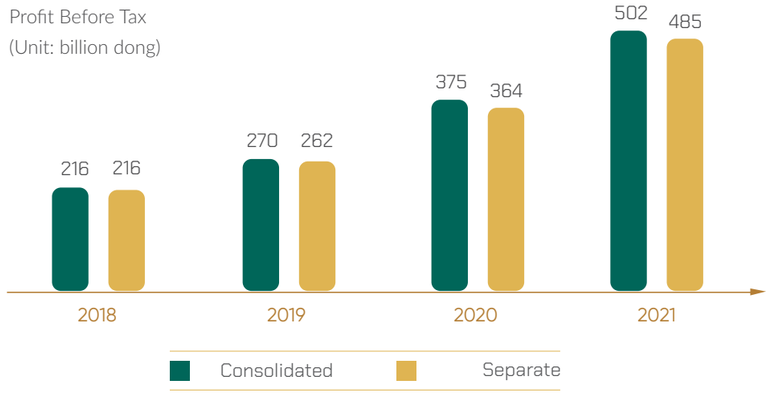
Total consolidated profit from investment (BIC and LVI) in 2021 reached VND 321.6 billion, up 15.5% over the same period in 2020.

BIC's separate profit from investments reached VND 310.2 billion, an increase of 15.5% compared to 2020. Profit from financial investment activities of LVI reached VND 11.4 billion, up 18.8% over the previous year.

Profit Before Tax

Total consolidated profit before tax (BIC and LVI) in 2021 reached VND 502 billion outperforming PBT plan of VND 292 billion.

Profit Before Tax
(Unit: billion dong)



Separate pre-tax profit of BIC in 2021 reached VND 485 billion, an increase of 33.2% compared to that of 2020.



ORGANIZATION STRUCTURE

Board of Management



Mr. **TRAN HOAI AN**

Chief Executive Officer

Prior to joining BIC in 2009 Mr. Tran Hoai An was a leading official in the Customs sector. With BIC Mr. An has successfully led and managed both the BIC Binh Dinh and BIC Ho Chi Minh branches before becoming Deputy General Director of BIC on April 1st, 2013 overseeing customer development in the Southern region cum Director of the BIDV Ho Chi Minh Branch. On October 31st, 2014, BIC's Board of Directors issued Decision No. 189/QD-HDQT appointing Mr. Tran Hoai An, CEO of BIC from November 1st, 2014.

Ownership rate: 0,0003%



Ms. **DOAN THI THU HUYEN**

Deputy General Manager

Ms. Doan Thi Thu Huyen has many years of experience at BIDV with many important positions in Human Resources. Formerly Ms. Huyen was the Deputy Director of Human Resources for BIDV before being appointed as Deputy General Director of BIC.

Ms. Huyen has been a Deputy General Director of BIC since May 1st, 2012.



Mr. **TRAN TRUNG TINH**

Deputy General Manager

Mr. Tran Trung Tinh is a well-regarded professional in the Vietnamese insurance market. Prior to joining BIC, Mr. Tinh held many significant positions in large insurance companies such as Deputy Head of the Non-Marine Department, Deputy Head of Property and Engineering Insurance Department of Ho Chi Minh Insurance Company - Hanoi Branch, Head of Property and Engineering Insurance Department of Bao Minh Insurance Corporation - Hanoi Branch, Deputy Director of Bao Minh - Hanoi Branch, Head of Business Development Department of BIC.

Mr. Tinh was first appointed Deputy Director of BIC on October 1st, 2008 and Chief Underwriting Officer of BIC on October 1st, 2010.



Mr. **VU MINH HAI**

Deputy General Manager

Mr. Vu Minh Hai has been with BIC since 2007 and has held important positions such as Deputy Head of Claims and Survey Department at Head Office and, Deputy Director in charge of BIC - West Ha Noi Branch (now BIC Thang Long). Mr. Hai formerly served as CEO of Lao-Viet Insurance Joint Venture Company (LVI) from March 2009 until April 2012.

Mr. Vu Minh Hai was first appointed Deputy General Director of BIC on April 16th, 2012.



Mr. **HUYNH QUOC VIET**

Deputy General Manager

Mr. Huynh Quoc Viet has been with BIC since its establishment and throughout his time at BIC has held many important positions such as Head of Sales Department, Ho Chi Minh City Branch, Viet Uc JV Insurance Company; Deputy Director and Acting Director of BIC's Ho Chi Minh City Branch; Director of BIC Ho Chi Minh Branch and Director of BIC Saigon Branch.

Mr. Viet was officially appointed as Deputy General Manager of BIC on November 1st, 2015.



Ms. **NGUYEN THANH MAI**

Chief Accountant

Ms. Nguyen Thanh Mai joined BIC in 2007 and has held many significant positions such as: Deputy Head of the Finance and Accounting Department; Head of the Accounting Department, Deputy Director, Acting Director of Finance and Accounting Division.

On April 10, 2018, Ms. Nguyen Thanh Mai was assigned duties of the Chief Accountant and currently holds the position of Acting Director of the Accounting Division.

STAFF AND EMPLOYEE POLICY:

Number of staff:

NUMBER OF STAFF 2021

515

EMPLOYEES

NUMBER OF STAFF 2021

1,170

EMPLOYEES

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Employees	515	550	589	628	693	755	889	898	960	1,014	1,025	1,170



EMPLOYEE POLICY:

Defining labor as a core factor for sustainable development, BIC focuses to develop human resources in three aspects: benefits policy, training and improvement of living standards for employees.

Attractive policy for employees:

With the desire to become an ideal environment for employees to work and develop themselves, over the past 16 years, BIC has built a system of remuneration, meaningful, fair, competitive and balanced policies between employees.

- Salary & bonuses: BIC always ensures the appropriate salary, bonus and material incentives for employees. The income fund is divided transparently, fairly, in accordance with the expertise, capacity and contribution of each person in the Corporation's operations.
- Health care for employees: BIC provides special health care and treatment programs for its employees which include: free annual health checkup once a year, healthcare treatment for employees and their dependents (BIC Care, Cancer Insurance) to help reduce economic burden for access to high quality medical services when the employee is at risk due to accident or illness,
- Social insurance: BIC adheres to all Social insurance, Health insurance and unemployment insurance practices required under Vietnamese regulations and ensure that all officers and employees are fully entitled to the insurance regime.
- Other welfare: In addition to salary, bonus, social insurance and health care policies, BIC maintains a yearly welfare regime providing uniforms and bonuses distributed on New Year's Day, Lunar New Year, Liberation Day, International Labor Day, Independence day, BIDV/BIC anniversary, annual holiday and Woman's Day.

Training

BIC recognizes the need for continuous, effective employee training to help staff improve their professional skills and meet their job requirements. In 2021, the total number of training member was 11,549, including training programs organized by Head Office according to the overall plan of the Corporation, internal training programs of branches and training courses / surveys in coordination with BIDV Bank.

In addition to supporting staff to improve their skills, BIC also placed great importance on assessment of staff throughout the company through online examination software, so BIC could evaluate the effectiveness of training programs and set up a better plan for further training in the future.

Quality of Life Improvement

In order to improve the spirit of solidarity throughout the company and achieve corporate objectives, BIC seeks to enhance the quality of life of all employees through sport, culture and social activities, such as:

- Sports competitions and music festivals organized annually;
- Providing presents and organizing contests (flower arrangement, birthday cake, cooking) on International Women's Day and Vietnamese Women's Day;
- Awarding prizes to children with good academic results and providing gifts on International Children's Day;
- Visiting, distributing gifts, supporting families of staff with challenging circumstances.





OVERSEAS JOINT-VENTURES



LAO-VIET INSURANCE COMPANY

Overall Information

Company's name: Lao Viet Insurance Company

Chartered capital: USD 3 million

Registration no.: 009 - 08/KHDT

Head office: No.44, Lanxane, Vientianes, Laos

Tel: (+856) 21264975

Fax: (+856) 21264971

Website: lvi@laovietinsurance.com

Shareholders: BIDV Insurance Corporation (65%)

Banque pour le Commerce Exterieur Lao (BCEL) (35%)

Board of Directors:

Mr. Tran Hoai An – Chairman
Mr. Saychit SIMMAVONG – Vice Chairman
Mr. Kalaketh SOUTTAVONG – Member
Mr. Ho Viet Anh – Member
Mr. Nguyen Viet Hai – Member/Chief Executive Officer

Board of Management:

Mr. Nguyen Viet Hai – Chief Executive Officer
Mr. Vu Phuong Tuan – Deputy General Director
Mr. Pham Ba Luyen - Deputy General Director
Mr. Soukkaserm SAVANNACHAK - Deputy General Director

Scope of operation:

Non-life insurance, Reinsurance, Investment.

2021 BUSINESS PERFORMANCE

Currency: million LAK

No.	ITEMS	2020	2021	INCREASE /DECREASE
1	Total assets	169,899	198,126	16.61%
2	Equity	34,531	40,780	18.10%
3	Gross written premium	122,889	137,776	12.11%
3.1	*Direct written premium*	122,768	137,770	12.22%
3.2	*Reinsurance*	121	6	-95.3%
4	Investment income	4.020	7.513	86.89%
5	Net claim ratio	35.47%	33.12%	-6.62%
6	Combined ratio	96.21%	98.90%	2.79%
7	Profit before tax	4,986	7,801	56.44%

(*) According to the regulations of Laos Ministry of Finance, LVI will make an IBNR reserve of 15% / retained premium from 2020.

IMPROVEMENTS IN 2021

Profit before tax grew by 56.44% as compared to 2020. Maintaining the combined ratio was below 100%.

2022 BUSINESS PLAN

DIRECT WRITTEN PREMIUM
156,000,000,000 LAK

PROFIT BEFORE TAX
10,000,000,000 LAK

COMBINED RATIO **86%**

OVERSEAS JOINT-VENTURES



CAMBODIA-VIETNAM INSURANCE PLC.

Overall Information

Company Name: Cambodia-Vietnam Insurance Plc.

Equity: USD 7,000,000

Registration No.: Co. 6037/09E

Head Office: No. 398, Monivong Boulevard, Phnom Penh, Kingdom of Cambodia

Tel: (+855) 23 212 000

Fax: (+855) 23 215 505

Website: www.cvi.com.kh

Shareholders:

Bank for Investment and Development of Cambodia (51%)
Diamond Island Development Co., Ltd. (29%)
(Canadia Bank Group)
Kasimex Co., Ltd. (10%)
Ms. Brich Bophang (10%)

Board of Directors:

Mr. Tran Trung Tinh – Chairman
Mr. Vann Charles Chuon – Vice Chairman
Mr. Chea Chan Pov - member
Ms. Hang Chanthou - member
Mr. Nguyen Huy Trung - member
Mr. Nguyen Duc Nghia - independent member
Mr. Dang The Vinh - independent member

Management Team:

Mr. Nguyen Huy Trung – Chief Executive Officer
Mr. Vo Huy Toan – Deputy General Director
Ms. Taing Sok Kieng – Deputy General Director

Principal Activity:

General non-life insurance business.

2021 BUSINESS PERFORMANCE

(Currency: USD)

TT	ITEM	2020	2021	% GROWTH
1	Gross written premium	5,861,684	6,174,947	4.8%
2	Net revenue from insurance business	2,242,402	2,506,115	14.6%
3	Investment income	580,199	487,718	-15.9%
4	Profit before tax	775,765	815,059	4.8%
5	Profit after tax	483,258	506,309	4.8%
6	Total assets	16,504,398	15,217,082	-13.2%
7	Owner's Equity	8,456,050	8,962,351	6.0%
8	Loss ratio	20.5%	20.70%	

IMPROVEMENTS IN 2021

» Although the Cambodian insurance market in 2021 continued to be fiercely competitive, with the efforts and consensus of the Board of Management and all employees of the company, in 2021, CVI successfully completed the business plan targets assigned by BIDV and the Board of Directors of CVI. CVI maintaind its position in the top 5 out of 18 non-life insurance companies in Cambodia by market share of gross written premium. Insurance revenue in 2021 grew by 4.8% compared to 2020. In particular, non-aviation gross written premium grew by 20.3% over the same period. CVI currently has the strength to exploit key business groups such as property, construction and installation, health insurance, personal accident, maintaining its position as the leading insurance company in the market in the field of aviation insurance.

» Currently, CVI is promoting non-aviation services such as accident insurance, property insurance, liability insurance, ensuring a more stable customer portfolio. Especially for property insurance in the past year, CVI has focused on developing and promoting exploitation through other channels, looking for new customers, especially promoting the implementation of property insurance with a growth of 9.7%, health care insurance with a growth of 237.8%, accident insurance with a growth of 21.8% compared to 2020.

2022 TARGETS

» Consolidate and develop the Vietnamese customer portfolio, affirming its position and reputation for Vietnamese customers in the Cambodian insurance market.

» Focus on exploiting and maintaining the leading position in key business groups that bring in large revenue such as aviation, property, construction, and human services; actively develop non-aviation services, retail services such as motor vehicles, health, and accidents to improve the structure of the customer portfolio in the direction of increasing the proportion of non-aviation services, in order to avoid depending on aviation insurance, when the aviation market is not able to recover due to the impact of the pandemic; ensure a more stable growth rate in revenue.

» In addition to expanding cooperation relationships with traditional partners who are banks in Cambodia such as BIDC, Canadia Bank, ABA Bank and etc, CVI promotes cooperation with Viettel Cambodia to bring its products to telecommunications users in Cambodia. In addition, CVI is actively implementing online sales via website, sales via mobile app, bancassurance.

2021 FINANCIAL INDICATORS

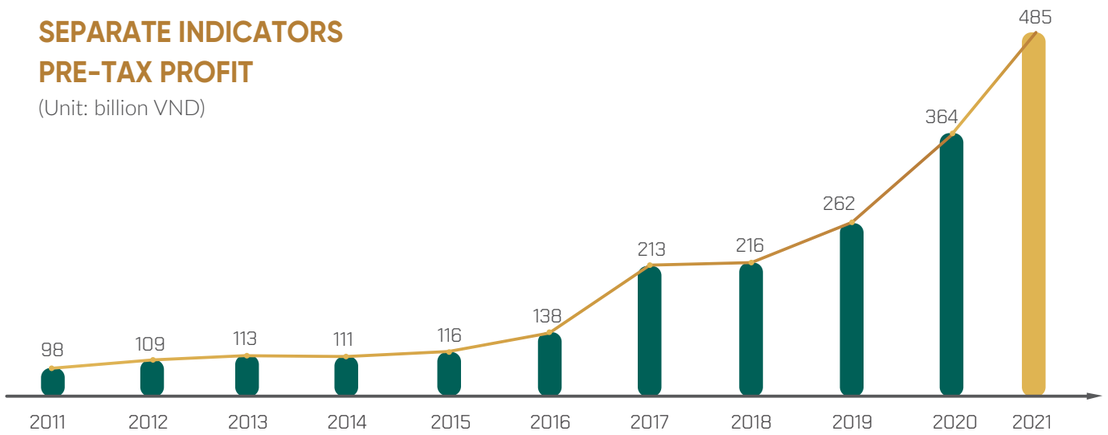
CONSOLIDATED INDICATORS

(Unit: billion dong)

No.	ITEMS	2019	2020	2021
1	Total assets	5,496	5,811	6,044
2	Equity	2,241	2,418	2,575
3	Gross written premium	2,437	2,752	3,094
	Direct written premium	2,332	2,659	2,977
	Reinsurance	105	92	116
4	Investment income	283	295	346
5	Net Claim ratio	42.48%	33.91%	27.59%
6	Profit before tax	270	375	502
7	Total reservations	2,484	2,582	2,555
8	ROE	9.64%	12.63%	16.03%
9	ROA	3.97%	5.21%	6.75%
10	Consolidated profit after tax	211	294	400

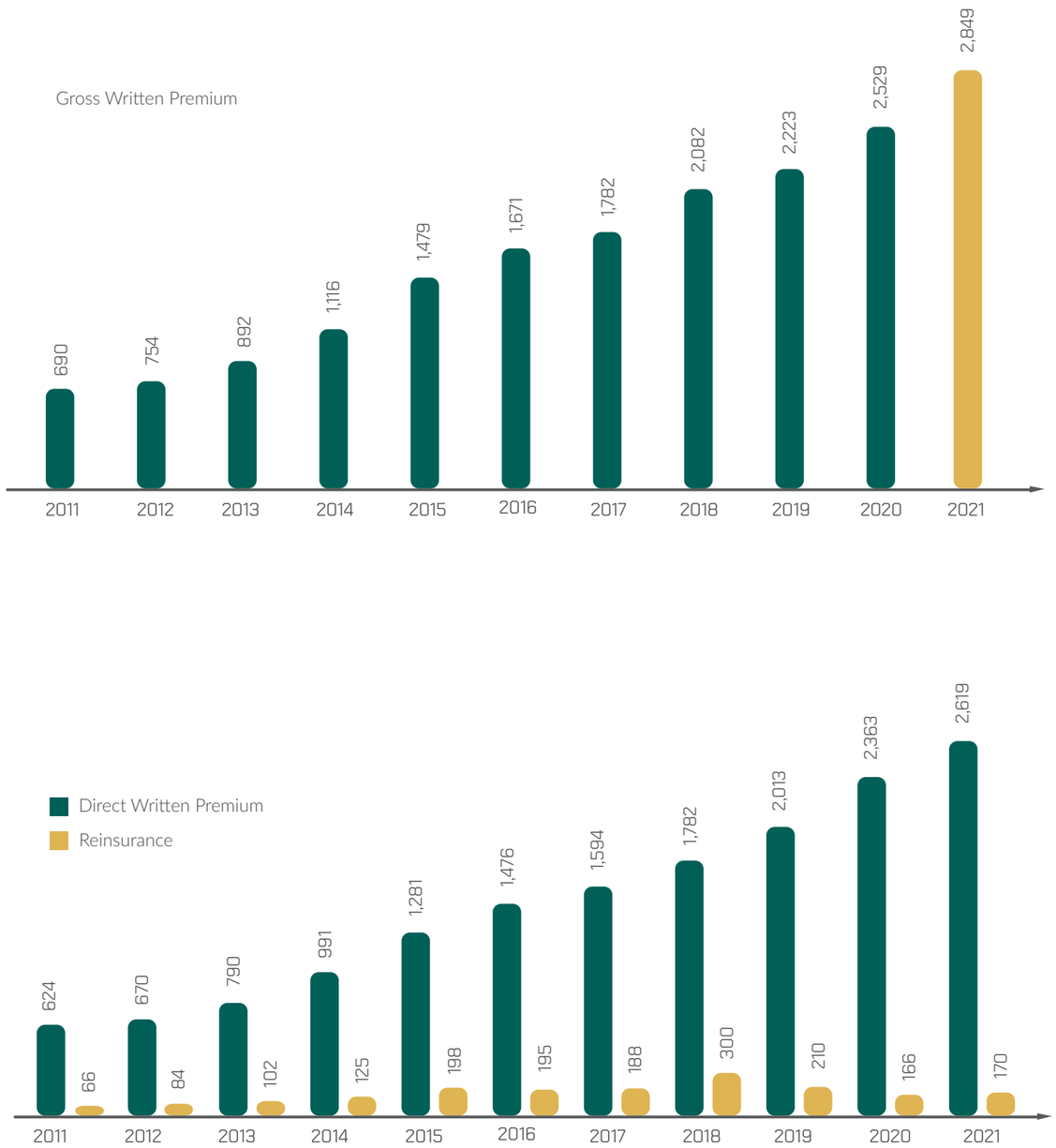
SEPARATE INDICATORS
PRE-TAX PROFIT

(Unit: billion VND)



GROSS WRITTEN PREMIUM

(Unit: billion dong)



STOCK INFORMATION, SHAREHOLDER STRUCTURE AND CHANGE IN OWNER'S EQUITY

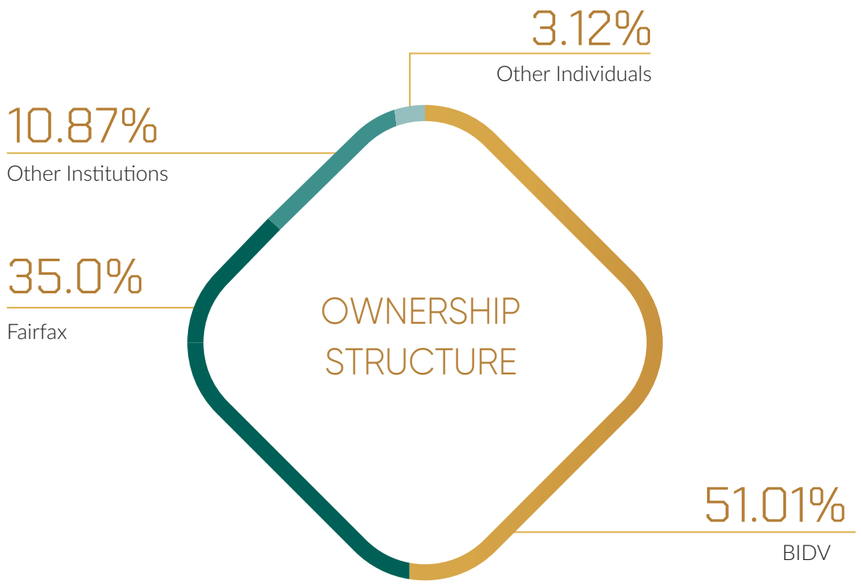
INFORMATION ON BIC'S STOCK

As at December 31st, 2021

CHARTER CAPITAL

1,172,768,950,000 VND

Charter capital	1,172,768,950,000 VND
Number of listed shares	117,276,895 shares
Stock type	Common stock
The number of outstanding shares	117,276,895 shares
Treasury stock	0 shares
Par value	10,000 VND/shares



INVESTMENT INFORMATION OF THE OWNERS

BIDV Insurance Corporation did not issue shares to increase capital in 2021. Capital contribution of shareholders as at 31/12/2021 remained unchanged from the end of 2020, specifically:

	Common share (VND)	Preferred Share (VND)	Total (VND)
Shareholder capital	1,172,768,950,000	-	1,172,768,950,000
Share premium	655,565,033,362	-	655,565,033,362
Total	1,828,333,983,362	-	1,828,333,983,362

NUMBER OF SHARES

117,276,895

SHAREHOLDER STRUCTURE

Ownership structure
(Basing on List of shareholders as at 05/08/2021).

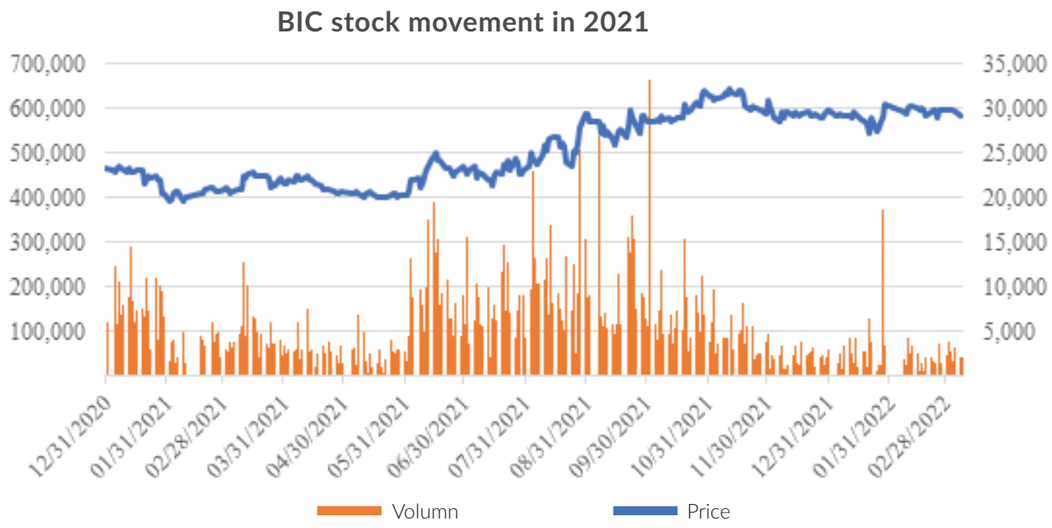
No.	Subject	Number of shares	Ownership rate (%)	Number of shareholders	Shareholder structure	
					Institution	Individual
1	State shareholder	59,819,259	51.01%	1	1	
2	Founding shareholder					
	- Vietnam:					
	- Foreign:					
3	Large shareholder (owns from 5%)					
	- Vietnam:					
	- Foreign: Fairfax Asia Limited	41,046,913	35.00%	1	1	
4	Union					
	- Vietnam:					
	- Foreign:					
5	Treasury share					
6	Shareholder with preferred shares (if any)					
7	Others	16,410,723	13.99%	1,596	53	1,543
	- Vietnam:	3,227,079	2.75%	1,476	20	1,456
	- Foreign:	13,183,644	11.24%	120	33	87
	TOTAL	**117,276,895**	**100%**	**1,336**	**55**	**1,543**
	- Vietnam:	***63,046,388***	***53.76%***	***1,477***	***21***	***1,456***
	- Foreign:	***54,230,557***	***46.24%***	***121***	***34***	***87***



BIC STOCK PRICE IN 2021

In 2021, in the context that the stock market has many advantages and business activities are highly efficient, BIC shares have positive growth, closing the trading session on December 31, 2021, the stock reached a price of 29,850 VND/share, increased by 33% compared to the beginning of the year (including dividend of VND 1,200 distributed).

Liquidity of BIC shares continues to be in the leading group of the insurance industry, the average transaction per session in 2019 is nearly 7,000 shares/session, 78,000 shares/session in 2020 and 115,000 shares/session in 2021.



CORPORATE RESPONSIBILITY

PROTECTING THE ENVIRONMENT:

As a business operating in the field of financial services, however, BIC is keenly aware of its responsibility to protect the environment and promote green business and strategy of sustainable development. In addition to ensuring business efficiency, BIC prioritizes the following green initiatives:

- Establishing a friendly and fresh working environment: we work to ensure a green, healthy, and safe working environment for employees with proper arrangement of natural amenities and ample natural light in work spaces.

- **Energy conservation:** reduce the use of energy-consuming equipment by applying green initiatives that seek to reduce paper usage, reduce electricity consumption, and promote responsible recycling practices.

- "Green" work processes: application of advanced software in management, operation and products and services has saved considerable resources for BIC. Some of these initiatives are as follows:

- The meeting mode between the Head Office and the branches is deployed online with a modern and advanced technology system, speeding up the "operation machine", actively supporting business activities.
- Online document management software allows employees to keep up to date with Head Office documents and regulations while saving printing and postage.
- Online insurance website mybic.vn as a modern insurance buying channel for customers, an advanced insurance selling tool for BIC officers and agents right on mobile devices have almost reduced the use of paper in the insurance selling process.
- Applying digital signature in issuing electronic insurance policies (with the same legal value as the original) saves a lot of costs for BIC in printing and sending Insurance Certificates to customers.
- Deploying online claim with personal insurance helps save time and costs for both customers and BIC, shortening the time to pay insurance for customers.
- Online insurance software at banking counters (BIDV and other Bancassurance channels) provides prompt servicing helping to provide greater convenience to our customers.
- Building BIC Online mobile application on smart devices (phones, tablets) to help customers submit claims file directly by the application in order to save time and resources during the process of claim handling and insurance claim payment.

- Ensuring clean, fair, and transparent business practices: Over the past 16 years of operation, BIC has always emphasized "trust" and fair competition. BIC has become one of the recognized enterprises for its sustainable strategy and efficiency. Despite a very competitive non-life insurance market, BIC still strives to promote healthy competition with prestige and quality through product improvement efforts and quality of customer service. Information transparency is an important factor in the business operations of BIC. Since its foundation, BIC's business results have always been audited by reputable and leading auditing firms. BIC strives to fully disclose information in a timely manner while strictly complying with regulations.

EMPLOYEE POLICY:

BIC acknowledges that employees are the most important resource for sustainable development. BIC always strives to ensure a good working environment for our employees, including:

- Ensuring a proper salary, bonus and material treatment for workers. Income funds are allocated transparently and fairly, in line with the capacity and contribution of each employee. Besides fully implementing the regime policies for employees, BIC continues to maintain a comprehensive package of accident insurance and employee health insurance.

- In addition to fully implementing policies and regimes for employees, BIC continues to maintain the purchase of package insurance combining personal accident and health for employees with a high level of responsibility and continues to buy cancer insurance for BIC staff in 2022.

- Internal organization and construction continued to be well maintained and effective. The Party Committee has done well the ideological and political education for Party members and Party development. BIC has consolidated and built a collective solidarity, consensus, understanding and sharing, and finally achieved the goal of building BIC to develop rapidly and strongly in the current period.

- Organizing professional training courses for new employees, retraining and improving professional skills for staff, encouraging and creating conditions for all employees to self-improve their knowledge. In 2021, the number of staffs sent for training is 11,549 times.

- Ensuring proper discipline, rules, and labor safety. All staff are equipped with the necessary tools and working environment to ensure the best conditions. There is also a regime of convalescence and health promotion for employees to create peace of mind.

- Well-organized visits, staff recognition and gifts to staff and their families on birthdays, weddings and while suffering from illness, disease. BIC also celebrates national holidays on March 8th, April 30th, May 1st, July 27th, September 2nd and October 20th. Organizing gifts and awards for children of staff with outstanding academic achievements, gifts on the occasion of June 1, Mid-Autumn Festival for staffs' children.

- In order to encourage units and employees, the Corporation has applied many emulation and business promotion programs in 2021 such as: motivation program for BIC units, program to honor excellent staff in 2021 "Sao Kim", Bancassurance motivation program, retail for staff and branches, incentive program Gold Star Claim assessment. The above emulation programs have made an important contribution to creating a competitive atmosphere to successfully fulfill the targets of the Business Plan in 2021 and improve the quality of services within the Corporation.

- Continuous education for staff regarding corruption, work place negativity, and harmful behavior. All of employees has committed not to use drugs.



SOCIAL WELFARE:

In 16 years of operation, BIC is a community leader and responsible business to society. In 2021, BIC continuously put its efforts in community development and contributed to social welfare:

- Development of responsible insurance products:

In parallel with the construction of insurance products for business activities, BIC also developed responsible insurance products. Outstanding among those is borrower insurance product - BIC Binh An. BIC Binh An is a product designed to reduce the burden of debt for relatives and families of the insured in case of sudden accident. This product also helps the bank to recover all or part of the loan when customers lose their ability to pay, thereby reducing the risk of bad debt. In 2021, many big cases of BIC Binh An were recorded as follows:

• **Paying more than 2 billion VND of BIC Binh An insurance benefits Enterprise for customers who unfortunately died:** Customer L.V.V (1977) was the Director of Bao An Petro H&H Phu Tho Co., Ltd - an enterprise that has been granted a credit limit of more than VND 9 billion by BIDV Hung Vuong Branch, and also participates in the BIC Binh An Enterprise insurance product for two managers - the Director and a member of the Board of Directors. On September 22, 2021, while on the way home, Mr. L.V.V had an accident and did not survive. Immediately after receiving information about the accident, BIC coordinated with BIDV Hung Vuong to visit and encourage the insured's family, and actively cooperate with related parties to quickly complete the document, paid all insurance benefits to the representative of Bao An Petro H&H Phu Tho Co., Ltd - with the amount of VND 2,025,493,151.

• **Giving more than 800 million VND of borrower insurance money to customers in My Tho:** Customer Nguyen Van So (56 years old) participated in borrower insurance for loans at BIDV My Tho branch. On January 4, 2021, while pulling the power cord to water his garden, Mr. So was unfortunately electrocuted, leading to his death. Upon receiving the claim file from Mr. So's family, BIC sent condolences to the customer's family, and at the same time, urgently coordinated with Mr. So's family and BIDV My Tho to collect relevant documents to implement insurance payment procedures according to regulations. The total amount paid to Mr. So's family is 833,438,356 VND.

• **Paying more than 1 billion VND of BIC Binh An insurance benefits to customers in Kon Tum:** The insured customer is Mr. A Hen, residing in Dak Nong commune, Ngoc Hoi district, Kon Tum province. Mr. A Hen borrowed for production and business at BIDV Kon Tum branch with a total amount of 950 million VND. On February 1, 2021, at Km 1478+300 of Ho Chi Minh Highway in Nong Noi village, Dak Nong commune, Ngoc Hoi district, Kon Tum province, Mr. A Hen unfortunately had a traffic accident and did not survive. As soon as receiving the news from the customer's family, BIC sent condolences, encouragements and guided the family to complete the procedures to be paid insurance according to regulations. The total amount paid to Mr. A Hen's family is VND 1,047 billion.

• **Giving more than VND 830 million of borrower insurance money to customers in Dong Anh (Hanoi):** Mr. Hoang Van Dac (36 years old) borrowed





money at BIDV Dong Hanoi. On February 5, 2021, Mr. Dac was driving a personal car traveling on the road between Tien Duong - Van Noi (Dong Anh district, Hanoi) unfortunately had an accident leading to his death. As soon as receiving the notice from Mr. Dac's family, BIC sent condolences to the customer's family, and at the same time, urgently coordinated with Mr. Dac's family and BIDV Dong Hanoi to collect relevant documents to implement the claim payment procedures as prescribed. The total amount paid to Mr. Dac's family is 838.890,796 million VND.

• **Paying more than VND 750 million of BIC Binh An insurance benefits to customers in Nghe An:** The insured customer is Mr. Nguyen Van Truc, borrowed money at Hoang Mai Transaction Office of BIDV Phu Dien Branch with the amount of 850 million. In September 2021, Mr. Truc unfortunately had a serious motorcycle accident that resulted in his death. Upon receiving the information, BIC cooperated with BIDV Phu Dien Branch to visit and encourage customers' families, and at the same time, actively guide related parties to complete the procedures to quickly pay insurance for customers' relatives. The amount paid to Mr. Truc's family is VND 757,162,941.

• **Giving more than VND 730 million of borrower insurance to customers in Khanh Hoa:** Customer D. Q. H. and his wife borrowed money at BIDV Khanh Hoa branch and participated in the insurance product "Borrower - BIC Binh An" with an insurance amount of more than VND 720 million. In February 2021, Mr. H. had an accident of exploding a mini gas cylinder while cooking, causing serious injury with damage to his eyes and right hand. Immediately after receiving information about the accident, BIC coordinated with BIDV Khanh Hoa Branch to visit and encourage the customer's family, and at the same time, actively coordinate with related parties to quickly complete the application, pay the entire insurance benefit with the amount of more than VND 730 million to Mr. D.Q.H 's family.

• Along with that, there are insurance payment activities, sharing with customers buying BIC Binh An products facing difficulties due to Covid-19.











- DEPLOYMENT OF SOCIAL WELFARE:

Social welfare program is enthusiastically supported by all BIC's staffs:

• In 2021, in the context of the Covid-19 epidemic affecting all aspects of socio-economic life, making people's lives difficult, the image of a BIC - for the community is shown more clearly with many meaningful volunteer programs such as: contributing VND 300 million to the Covid-19 Vaccine Fund, the whole system donates a day's salary to join hands in the fight against COVID-19, supporting community affected by Covid-19 programs in collaboration with CDC have been deployed nationwide and etc.

• With the desire to help children in remoted area have spacious classrooms, last year, BIC sponsored the construction cost of Co Phuong kindergarten, belonging to Hoa Dao Kindergarten, Muong Cai commune (a difficult upland commune in Song Ma district, Son La province) with a value of more than VND 360 million. Construction started on September 1, 2021, with a scale of 01 classroom (02 classrooms and 01 teacher's room), toilets, playground, gates and fence around the building. After more than 2 months of construction, the school was completed on the occasion of celebrating Vietnam Teachers' Day on November 20, creating a spacious, clean and beautiful learning and playing environment for the kids.

• Along with that, many other social security programs are organized nationwide throughout the year such as gift giving programs for children with disabilities, blood donation, and supporting disadvantaged people to celebrate Tet and etc has contributed significantly to helping disadvantaged people in society.





ASSESSMENT REPORT OF BOARD OF MANAGEMENT

03

BUSINESS PERFORMANCE

Despite difficulties in insurance business in 2021 due to the negative effects from Covid-19 pandemic causing many provinces and cities to be isolated on a large scale, especially in the third quarter of 2021, BIC still successfully completed its business targets in 2021:

In terms of revenue, gross written premium of BIC (on a standalone basis) reached VND 2,849 billion, completed 101% of revenue plan, grew by 12,7%. In which, written premium reached VND 2,679 billion.

In terms of profit, BIC fulfilled the consolidated pre-tax profit plan (BIC and LVI) in 2021 with VND 502 billion.

(Đơn vị: tỷ đồng)

No	ITEM	Plan 2021	Actual 2021	%
1	Gross written premium (separated)	2,830	2,849	101%
2	Consolidated profit before tax	292	502	172%



ACHIEVEMENTS

THE GROSS WRITTEN PREMIUM OF PARENT COMPANY BIC

2,849 BILLION DONG

GREW **12.7** %

THE GROSS WRITTEN PREMIUM WAS BIC'S BRIGHT SPOT

2,679 BILLION DONG

a growth of 3 times higher than the overall growth rate of the whole market, estimated to help BIC increase its market share to 4.7 %, an increase of 0.6% compared to 2020.

THE TOTAL CONSOLIDATED PRE-TAX PROFIT

502 BILLION DONG

GREW **33.8** %

BIC JOINED THE GROUP **500** BILLION DONG FOR THE FIRST TIME

JOINING THE CLUB FOR THE FIRST TIME WITH VND 500 BILLION PRE-TAX PROFIT, A BRIGHT SPOT IN GROSS WRITTEN PREMIUM

Despite being negatively affected by the Covid-19 pandemic, with the efforts of the whole system and effective business solutions, BIC had an outstanding 2021, successfully completing all targets.

Specifically, the gross written premium of parent company BIC in 2021 reached VND 2,849 billion, up 12.7% over the previous year, completing 101% of the year plan. In which, the gross written premium was BIC's bright spot in the past year with VND 2,679 billion, a growth of 3 times higher than the overall growth rate of the whole market, estimated to help BIC increase its market share to 4.7 %, an



increase of 0.6% compared to 2020.

Consistent with the sustainable development orientation, BIC's performance indicators also continued to achieve impressive results. In 2021, with the total consolidated pre-tax profit reaching an unprecedented high of VND 502 billion (up 33.8%, completing 172% of the year plan), BIC joined the group of VND 500 billion for the first time. Besides, BIC also continued to maintain high profit from insurance business.

In the overseas market, BIC's business activities also recorded positive results. In Laos, the profit before tax of Lao Viet Insurance Joint Venture Company (LVI) increased by 56.4% compared to 2020, helping the company continue to maintain its leading position in profitability. In Cambodia, Cambodia - Vietnam Insurance Company (CVI) ranked 5th out of 18 leading non-life insurance companies in terms of market share, while maintaining its leading position in the field of aviation insurance.

IMPRESSIVE GROWTH OF BANCASSURANCE CHANNEL

With the strength of being a member of one of the largest commercial banks in Vietnam - BIDV, BIC is currently one of the leading insurance companies in the market in terms of selling insurance through banks (Bancassurance).

In the context that the financial - banking - insurance market was heavily affected by the Covid-19 pandemic, BIC Bancassurance channel last year still developed strongly and became one of the main growth drivers of of the entire BIC system. Specifically, in 2021, BIC's Bancassurance



revenue will grow by 33% compared to 2020. In addition to the well-implemented Bancassurance channel at BIDV's parent bank, BIC's Bancassurance activities of BIC at other banks and credit institutions also achieved many positive results.

LAUNCHING WEBSITE TO SELL INSURANCE MYBIC.VN AND CANCER INSURANCE PRODUCTS BIC PHUC TAM AN

With a vision and business development orientation for the period 2022 - 2025, BIC identifies retail as a trend and an inevitable step to create breakthrough and effective growth.

In October 2021, BIC officially launched and put into operation a brand new website mybic.vn to sell product online. Compared to previous website, mybic.vn is not only a convenient and reputable insurance website for customers, but also a modern and advanced insurance sales tool for officers and agent of BIC, making sales, revenue and debt management simple and fast right on mobile devices, saving time and effort for insurance sellers and customers. Mybic.vn also becomes an important tool for BIC to connect with e-commerce partners, contributing to creating a driving force for BIC's retail growth in the coming time.

In parallel with the development of sales tools, BIC also researched and launched new, suitable and practical products to meet the needs of customers. Prominent among them is cancer insurance product - BIC Phuc Tam An was an outstanding product among them. In Vietnam, for every 100,000 people, 159 people are newly diagnosed with cancer and 106 people die from cancer. The high cost of cancer treatment will be a great financial burden for the patient's family. The birth of BIC Phuc Tam An will well meet the needs of the market and be one of the key products for BIC to explore the retail insurance segment.



B++ RATING IS RECONFIRMED BY A.M. BEST

The ranking result is recognized by A.M. Best on the basis of a comprehensive assessment of BIC's activities over the years, including: financial capacity, business results, operational efficiency, and risk management system.

The financial strength shown by the risk-based capitalization capacity of BIC continues to be maintained at the highest level. Underwriting performance continuously achieved good results with the average of 5-year combined ratio at 98.2%. In particular, the impressive profit



growth over the years also helps BIC constantly increase equity and expand business activities.

In the context of the complicated development of the Covid-19 epidemic and greatly affecting the economy in general and the insurance market in particular, BIC's total consolidated premium in 2020 still grew by 12.9% compared to 2019, reaching nearly VND 2,800 billion (equivalent to USD 119 million).

BIC's risk management framework was developed by A.M. Best is considered to be suitable for the scale and reality of operations, and is continuously strengthened with the support of the parent bank BIDV and strategic partner FairFax.

AM BEST SINCE 1899

NĂNG LỰC TÀI CHÍNH (FSR) B++

NĂNG LỰC TÍN DỤNG DÀI HẠN CỦA TỔ CHỨC PHÁT HÀNH (ICR) bbb+



COMMUNITY RECOGNITION

In 2021, BIC is honored to be recognized as one of the 25 leading financial brands in Vietnam as announced by Forbes Vietnam Magazine. This is the first time Forbes Vietnam has detailed the list of the most valuable brands in the financial industry including banking, securities and insurance of Vietnam. Among 70 insurance companies in Vietnam, BIC is one of three excellent enterprises honored in this ranking.

Forbes Vietnam publishes the list of the most valuable brands in Vietnam for the first time in 2016. In the sixth time implementing the list, Forbes Vietnam has an important adjustment. Accordingly, instead of doing the aggregate list as previously, from 2021, Forbes Vietnam will focus on calculating the brand value of companies in a specific field. This adjustment aims to expand the computational object and focus in-depth in each field. On the other hand, the change and development of the business can be recognized by looking at the list from time to time. In the list of 25 leading brands in the financial industry in 2021, using the calculation method of Forbes (USA), Forbes Vietnam quantifies the value of a brand through financial data, based on the ability to create make a profit. According to the announcement, the brand value of BIC is at USD 10 million.

In addition to the Top 25 leading financial brands in Vietnam, in 2021, BIC is also honored to be in the Top 10 most prestigious non-life insurance companies in Vietnam for the sixth time in a row, announced by Vietnam Report, voted for the 10th time by readers of Vietnam Economic Times as Top 100 Strong Brands in Vietnam.



TOP 10 MOST PRESTIGIOUS NON-LIFE INSURANCE COMPANIES IN VIETNAM FOR THE SIXTH TIME



TOP 100 STRONG BRANDS IN VIETNAM

FOCUS FOR 2022

Focusing on growth in parallel with efficiency, safety, sustainability, increasing market share and BIC's position in Vietnam's non-life insurance market.

Continue to promote the development of Bancassurance channel; continue to consider this as one of the main revenue growth drivers of BIC in 2022 and the coming years.

Drive retail revenue growth with a focus on motor vehicle insurance and PA insurance.

Reviewing and optimizing processes, increasing close coordination among units at BIC head office, between head office and branches.

Continuing to expand the business network in key areas.

Continuing to implement the Digital Transformation project.

Adjusting the organizational model to suit business requirements for the coming period.

ASSESSMENT OF BOARD OF DIRECTORS ON BIC'S PERFORMANCE

04



ASSESSMENT OF OPERATIONS

In 2021, BIC continued to pursue sustainable growth and had outstanding results.

In terms of business results, BIC achieved a growth rate of 13.4% in direct written premium, higher than Vietnam's non-life insurance market growth rate and continued to maintain its 7th position in market share by GWP. In terms of profit, BIC was still one of the most profitable insurance companies in the market. In 2021, A.M. Best reconfirmed the Financial Strength of BIC at B++. The outlook of these Ratings was Stable.

BIC continued to be the leading unit among BIDV's member companies and was ranked as exceeding fulfillment of 2021 business targets.

OTHER ACTIVITIES:

- Risk management: In 2021, with the active operation of the Internal Audit Division under the BIC's Board of Directors, it has brought many valid recommendations from the review and evaluation of BIC's activities, helping the Board of Directors and The Board of Management has a basis to adjust the management and administration in a stricter and safer direction for BIC. In addition, in 2021, the bright spot in BIC's risk management is the completion of the Risk Management Framework as well as the establishment of a Risk Management Committee under the Board of Directors.

+ The newly promulgated Risk Management Framework covers the foundational issues of building the risk management system at the Corporation as well as providing principles, orientations and strategies to develop a comprehensive risk management system at BIC, towards international standards within the framework of the law, and at the same time unify the order, procedures and methods of risk management at BIC to ensure that BIC's business operations are safe and effective.

+ The Risk Management Committee of BIC has been operating since the fourth quarter of 2021 with the aim of improving the system administration capacity of the Board of Directors of BIC Insurance Corporation (BIC) through the establishment and full promotion of its roles and positions. Committees under the Board of Directors in accordance with the law and gradually approach international practices, while enhancing the effectiveness of the risk management system and creating a control culture throughout the BIC system, ensuring stable and efficient operation.

- Continuing to implement the technical support package of the strategic partner FairFax: with specialized personnel appointed by the strategic shareholder Fairfax Asia to work directly at BIC, the coordination between working groups in each field of information technology, risk management, human resources, investment management, reinsurance and etc in2021 was deployed smoothly and closely followed the set goals. In particular, BIC's Core system conversion project was actively supported by Fairfax experts.

- Providing input to state agencies: BIC has actively contributed comment and input to documents as well as drafted regulations to related management agencies such as the Ministry of Finance and the Vietnam Insurance Association.

ASSESSMENT ON THE OPERATION OF BOARD OF MANAGEMENT

Following the resolutions of the Board of Directors, The Board of Management has complied with the regulations on governance, management and fulfilled duties assigned by the General Shareholders Meeting and the Board of Directors such as:

- Execution of the business plan, strengthening financial management and claims management to achieve Board of Directors goals for safe, effective and sustainable growth, prioritization of the retail market segment, particularly focusing on development of the Bancassurance with BIDV and other banks. Overall, in 2021, the Board of Management has implemented and completed all the targets assigned by the General Meeting of Shareholders, in which the profit target exceeded 72% of the plan and BIC also had profit from insurance business.

- During the monthly meeting, the General Director periodically carried out the evaluation of the implementation in accordance with the orientation of the Board of Directors at the meetings. The General Director regularly evaluated business results in terms of gross written premium, loss ratio, combined ratio, debt ratio, results according to lines of businesses and branches, considered request/proposals of branches to provide work focus and specific instructions for each member of the Board of Management, Divisions at HO and branches.

- Continued to improve the organizational structure, governance, decentralized authority increasing autonomy for branches, regularly adjusted/supplemented authority levels for underwriting, claims settlement, and financial management in accordance with the management capabilities of Branch Directors. In 2021, with the orientation to promote and develop the Retail segment, BIC has established the Retail Division, bringing the total number of divisions at HO to 16. This is the focal point to coordinate with BIC branches and related divisions... to promote revenue, sales channels, customers, order new retail products, agency mechanism... in BIC's retail business.

BOARD OF DIRECTORS PLAN

- To direct the CEO/Corporation to achieve targets for 2022 as approved by the AGM;

- To direct implementation of the Technical Assistance project with the strategic investor to improve competitiveness and service quality;

- To push the pace of the the digital insurance system transformation (formerly known as the Core transformation Insurance project);

- To complete the change of the operation structure and improve the operation mechanism, governance of the Corporation to encourage initiative, increase accountability, enhance competency of all management levels in order to promote the business and improve competitiveness;

- To enhance risk management for securing sustainable, comprehensive development and meeting requirements on general practice of safety ratio by the law;

- To enhance the internal inspection throughout all operations.

- To carry out the overall plan of training, human resources development in order to meet requirements for further development.

- To strive to achieve all targets to help BIC to continue enhancing sustainable development to ensure the interests of shareholders and all stakeholders.

GOVERNANCE STRUCTURE

05

BOARD OF DIRECTORS



Mr. **TRAN XUAN HOANG**

Chairman

Mr Tran Xuan Hoang has many years of experience in finance and Banking. Currently, he is Deputy General Director of BIDV. He held many important positions at BIDV such as Deputy Director of Gia Lai Branch, Deputy Director of Transaction Center 2 Branch, Director of Personnel Division, and Deputy General Director. He was also Vice Chairman of BIC's Board of Directors in the period from September 9, 2010 to November 4th, 2013.

Mr. Tran Xuan Hoang was elected to be Chairman of BIC's Board of Directors from April 19th, 2019.



Mr. **RAMASWAMY ATHAPPAN**

Vice Chairman

Mr. Ramaswamy Athappan is a highly respected figure in the insurance industry with more than 40 years of experience in the fields of insurance and finance. Mr. Athappan is Chairman & Chief Executive Officer of Fairfax Asia Ltd., Chief Executive Officer of MSFCIL (formerly First Capital Insurance Ltd.), Chairman of Singapore Reinsurance Corporation Limited and President Commissioner of P.T. Asuransi Multi Artha Guna Tbk in Indonesia.

Mr. Athappan has served as the Deputy Chairman of BIC since January 29th, 2016.



Mr. **TRAN HOAI AN**

Member

Prior to joining BIC in 2009 Mr. Tran Hoai An was a leading official in the Customs sector. With BIC Mr. An has successfully led and managed both the BIC Binh Dinh and BIC Ho Chi Minh branches before becoming Deputy General Director in BIC on April 1st, 2013 overseeing customer development in the Southern region cum Director of the BIC Ho Chi Minh Branch.

On October 31st, 2014, BIC's Board of Directors issued Decision No. 189/QD-HDQT appointing Mr. An, CEO of BIC from November 1st, 2014. At BIC's Annual General Meeting of Shareholders on April 20th, 2015, Mr. Tran Hoai An was elected Member of the BOD. In an effort to manage BIC's operation successfully for the third term 2014-2017, the Board of Directors issued Decision no. 099/QD-HĐQT re-appointing Mr. Tran Hoai An as Chief Executive Officer of BIC with the term of 5 years.



Ms. **PHAM THI VAN KHANH**

Member

Ms. Pham Thi Van Khanh has held many important positions since joining BIDV in 1999. Ms. Khanh has served in BIDV as Manager of the Investment Division, CEO of BIDV Real Estate Company and Deputy Director of BIDV's Corporate Division.

Currently, Ms. Khanh is Director of BIDV's Small and Medium Enterprise Division.

Ms. Khanh has been a Member of BIC's BOD since January 29th, 2016.



Ms. **NGUYEN THI NGOC TU**

Member

Ms. Nguyen Thi Ngoc Tu has held many important positions since joining BIDV in 2001. Ms. Tu has served in BIDV as Manager of Customer Service Division at - BIDV Transaction 1 Branch, Director of Transaction Office 10 - BIDV Transaction 1 Branch, Head of Human Resources Division - BIDV Transaction 1 Branch, Head of Retail Banking Development Department of BIDV

From March 2018, Ms. Tu was appointed as Deputy Director of Retail Banking Development Division of BIDV.

Ms. Tu has been a Member of BIC's BOD since June 24th, 2020.



Mr. **GOBINATH ARVIND ATHAPPAN**

Member

Mr. Gobinath Athappan is the Chief Executive Officer of The Pacific Insurance Berhad in Malaysia and Chief Operating Officer of Fairfax Asia. Gobi has been with various Fairfax Financial Holdings companies for over 17 years including OdysseyRe in the United States.

Gobi also serves as Regional Director of MS First Capital Insurance Ltd. (formerly, First Capital Insurance Limited) and Vice Chairman of Falcon Insurance Company (Hong Kong) Limited.

Gobi holds an MBA from Massachusetts Institute of Technology and a bachelor's degree in Electrical Engineering from the National University of Singapore.

He has been a Member of BIC's BOD since January 29th, 2016.



Mr. **NGUYEN HUY TUA**

Independent member

Mr. Nguyen Huy Tua has over 30 years of experience in finance and banking. Mr. Tua held many important positions at BIDV such as: Deputy Director of Thang Long Branch, Deputy Director of Transaction Center I Branch, Director of Credit Management Division, Director of Transaction Center III Branch, Member of Board of Directors, Member of Board of Directors and Head of Supervisory Board. He retired in 2017.

Mr. Nguyen Huy Tua was elected by shareholders to be an independent member of BIC' BOD from April 19th, 2019

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Mr. **DANG THE VINH**

Independent member

Mr. Dang The Vinh has over 30 years of experience in insurance and held important positions in many insurance companies such as: Vietnam Insurance Corporation, UIC, Bao Minh, PTI, VinaRe.

Mr. Dang The Vinh was elected by shareholders to be an independent member of BIC's BOD from April 19th, 2019.

COMMITTEES

INVESTMENT COMMITTEE

STT	MEMBER	POSITION
1	Mr. Tran Xuan Hoang	Chairman
2	Mr. Yi Sang	Vice Chairman
3	Mr. Tran Hoai An	Member
4	Mr. Nguyen Huy Tua	Member
5	Mr. Sam Chan	Member

OPERATION OF THE INVESTMENT COMMITTEE IN 2021

The Investment Committee met twice on April 14th, 2021 with the content of Report on financial performance results in 2020 and plan for 2021; December 16th, 2021 with the summary of BIC's financial investment activities for 9 months of 2021 and update of business results in the third quarter of 2021 of listed companies in the list.

BIC RISK MANAGEMENT COMMITTEE

Risk Management Committee

STT	MEMBER	POSITION
1	Mr. Nguyen Huy Tua	Chairman
2	Mr. Vu Minh Hai	Vice Chairman
3	Mr. Dang The Vinh	Vice Chairman
4	Mr. Ho Viet Anh	Member
5	Ms. Anusha Fernando	Member

OPERATION OF THE RISK MANAGEMENT COMMITTEE IN 2021

The Risk Management Committee met once on December 20, 2021 with the content of assigning tasks to the members of the Risk Committee, discussing the operation plan of the Risk Committee in the first quarter of 2022 and the documents to be issued, and approving the plan and assign the focal point to deploy the task in the coming time.

REPORT ON BOARD OF DIRECTORS

- In 2021, the Board of Directors held regular online meetings. Meetings of the Board of Directors were chaired by the Chairman; members participated fully and had a high sense of responsibility when commenting on the meeting contents.

- The Board of Directors always closely follows the orientation of the Resolution of the General Meeting of Shareholders, is consistent with the goal of effective operation, implementing the resolutions. In 2020, the Board of Directors held 4 meetings, 60 times to collect written opinions from members, issued 7 Resolutions and 68 Decisions to decide the contents of the responsibilities and duties of the Board of Directors in directing, managing and monitoring BIC's activities.

In 2020, BIC's Board of Directors had 04 official meetings, summarizing the attendance of the members as follows:

No.	BOD Member	Position	Number of Meetings Attended	Attendance Rate	Reason for Absence
1	Tran Xuan Hoang	Chairman	04	75%	
2	Ramaswamy Athappan	Vice Chairman	04	100%	
3	Tran Hoai An	Member	04	100%	
4	Gobinath Athappan	Member	04	100%	
5	Nguyen Thi Ngoc Tu	Member	04	100%	
6	Pham Thi Van Khanh	Member	04	100%	
7	Nguyen Huy Tua	Member	04	100%	
8	Dang The Vinh	Member	04	100%	

Issues arising between BOD meetings are exchanged, discussed, and decided in writing or by email and confirmed at the next meeting.

ACTIVITIES OF THE INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS:

BIC's Board of Directors has 02 independent members, namely Mr. Nguyen Huy Tua and Mr. Dang The Vinh, both of them are has years of experience working in the finance - insurance sector. In 2021, these independent members of the Board of Directors worked full-time at BIC and regularly gave prompt and reasonable comments on the proposals to be consulted by the Board of Directors. In addition, Mr. Nguyen Huy Tua is an active member of the Investment Committee under the Board of Directors. In addition, Mr. Nguyen Huy Tua in 2021 took on the position of Chairman of the Risk Management Committee under the BIC Board of Directors, continuing to be an active member of the BIC Investment Committee. Dang The Vinh also assumed the position of Vice Chairman of the Risk Management Committee of BIC in 2021.

BOARD OF SUPERVISORS OPERATION REPORT

BOARD OF SUPERVISORS



Ms. **LAI NGAN GIANG**

Head

Mrs. Giang has many years of experience working in insurance. Before joining BIC, Mrs. Giang held several positions in notable non-life insurance companies such as: Deputy Manager of Finance and Accounting Department of Post-Telecommunication Joint Stock Insurance Corporation, Deputy Director of Finance and Accounting Division of PVI Insurance Corporation. While with BIC, Mrs. Giang has served in the following positions: Deputy Manager of Internal Audit Department, Deputy Manager of Finance and Accounting Department; Deputy Director & Director of Finance and Accounting Division and Chief Accountant.

On April 10th, 2018, Mrs. Lai Ngan Giang was elected by shareholders to be a Member of BIC's Board of Supervisors and is currently the Head of the BOS



Ms. **NGUYEN THI THU THUY**

Member

Ms. Thuy has many years of experience in the banking and insurance sectors. Before joining BIC, Ms Thuy had many years of legal practice at BIDV. At BIC, Ms. Thuy has held important positions such as manager of claims division, manager of Internal Audit division of BIDV Insurance Company, Director of Risk Management division of BIDV Insurance Corporation.

Ms. Thuy joined the Board of supervisor of BIC from June 24th, 2020.



Mr. **DO VIET DUNG**

Member

Mr. Dung has worked at BIDV Bank since 2008 and has many experiences in inspection and supervision. Currently, Mr. Dung is the Deputy manager of Inspection and Supervision Division of BIDV.

Ms. Dung joined the Board of supervisor of BIC from June 24th, 2020.

Mr. **RAVISHANKAR WICKNESWARAN**

Member

Mr. Ravishankar has many years of experience in the field of finance and accounting, also holds an MBA, ACCA, ACMA certificates from the UK. Mr. Ravishankar is currently the Chief Financial Officer at Fairfirst Insurance Limited, a subsidiary of Fairfax Asia in Sri Lanka.

Mr. Ravishankar Wickneswaran joined the Board of supervisor of BIC from June 24th, 2020.



Mr. **OSITH RAMANATHAN**

Member

Mr. Osith Ramanathan has more than 25 years working experience in various organizations which includes an advisory firm that focuses on start-up transportation-related ventures, a trade and investment promotion consultancy and a private investment holding company focusing on managing a portfolio of listed equity, fixed income and other investment assets.

Mr. Osith Ramanathan was elected by the shareholders as a Member of BIC's Board of Supervisors on January 29th, 2016.

BOARD OF SUPERVISORS OPERATIONS

The Board of Supervisors fully completed their responsibilities and tasks as assigned by the General Shareholders in 2021, including monitoring, checking and supervising the governance, management and business performance of BIC as follows:

- Assigned specific tasks to all members annually, appointed representatives to participate in Board of Directors meetings;
- Supervised the governance and management of the Board of Directors and Board of Management;
- Supervised the implementation of Resolutions of the General Shareholders, the Board of Directors and the Board of Management;
- Independently verified 6-month and annual financial statements;
- Evaluated on a quarterly basis the relevance, legality, honesty and prudence of financial management, investment, business management and accounting to propose recommendations to the Board of Directors and the Board of Management;
- In addition to discussing via email, the Board of Supervisors held meetings twice in 2021. Members of the Board of Supervisors fully implemented, completed assigned tasks, attended all periodic meetings, participated in discussions, and voted on issues and content under the functions and tasks of the Board of Supervisors.

TRANSACTION AND REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS

Based on the Decision No.01/2021/NQ-DHDCD dated April 16th, 2021 by the General Meeting of Shareholders of BIC, the approved 2021 budget of remuneration is as follows:

REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS

- For part-time members: The total budget for payment of remuneration and allowances in 2021 is VND 1,470,000,000.
- For full-time members: according to BIC's salary scale and is approved by the Board of Directors.

+ Head of BOS: The maximum salary level does not exceed 68,500,000 VND/month.

MEETING ALLOWANCE FOR SECRETARIAT:

- According to each regular or irregular meeting due to work requirements, the Secretariat will receive an additional fixed rate of attendance at the meeting;
- Fixed allowance for Secretariat members is VND 3 million for each BOD/BOS meeting.

INTERNAL SHAREHOLDER TRANSACTIONS

No internal shareholder transactions were recorded in 2021.



FINANCIAL STATEMENT

06

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

INDEPENDENT AUDITORS' REPORT

Reference: 60755012/22684958-HN

TO: THE SHAREHOLDERS
BIDV INSURANCE JOINT STOCK CORPORATION

We have audited the accompanying consolidated financial statements of BIDV Insurance Joint Stock Corporation and its subsidiary (collectively referred to as "the Corporation") as prepared on 28 February 2022 and set out on pages 6 to 69, which comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

MANAGEMENT'S RESPONSIBILITY

Management of the Corporation is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to insurance companies and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Corporation and its subsidiary as at 31 December 2021 and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to insurance companies and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Công ty Trách nhiệm Hữu hạn Ernst & Young Việt Nam

CÔNG TY TNHH ERNST & YOUNG VIỆT NAM CHI NHÁNH HÀ NỘI

Dang Phuong Ha
Partner
Audit Practising Registration
Certificate No.: 2400-2018-004-1

Nguyen Van Trung
Auditor
Audit Practising Registration
Certificate No.: 3847-2021-004-1

Hanoi, Vietnam, 28 February 2022

CONSOLIDATED BALANCE SHEET

as at 31 December 2021

Currency: VND

Code	ITEMS	Notes	Ending balance	Beginning balance
100	**A. CURRENT ASSETS**		**5,200,103,928,530**	**4,820,545,530,673**
110	**I. Cash and cash equivalents**	**4**	**30,488,645,615**	**98,047,858,360**
111	1. Cash		20,488,645,615	98,047,858,360
112	2. Cash equivalents		10,000,000,000	-
120	**II. Short-term investments**		**3,686,827,530,455**	**3,029,813,001,766**
121	1. Trading securities	5.1	296,347,039,632	351,090,546,949
122	2. Provision for trading securities	5.1	(868,097,144)	-
123	3. Held-to-maturity investments	5.2	3,391,348,587,967	2,678,722,454,817
130	**III. Short-term receivables**	**6**	**417,629,059,064**	**545,312,455,032**
131	1. Short-term trade receivables		326,846,317,562	414,975,744,601
131,1	1.1 Insurance receivables		326,846,317,562	414,831,192,575
131,2	1.2 Other trade receivables		-	144,552,026
132	2. Short-term advances to suppliers		1,536,269,376	189,241,029
136	3. Other receivables		128,631,726,680	175,795,376,230
137	4. Allowance for doubtful debts		(39,385,254,554)	(45,647,906,828)
140	**IV. Inventories**		**118,442,646**	**143,292,371**
141	1. Inventories		118,442,646	143,292,371
150	**V. Other short-term assets**		186,453,084,245	161,652,784,759
151	1. Prepaid expenses		186,226,744,571	161,214,771,059
151,1	1.1 Unallocated commission expense	7	183,094,399,253	157,335,387,372
151,2	1.2 Other prepaid expenses		3,132,345,318	3,879,383,687
152	2. Deductible VAT		226,339,674	438,013,700
190	**VI. Reinsurance assets**	**18.1**	**878,587,166,505**	**985,576,138,385**
191	1. Reinsurance assets from unearned premium reserve		405,958,871,580	328,461,924,772
192	2. Reinsurance assets from claim reserve		472,628,294,925	657,114,213,613

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ITEMS	Notes	Ending balance	Beginning balance
200	**B. NON-CURRENT ASSETS**		**844,370,152,690**	**990,567,841,469**
210	**I. Long-term receivables**		**31,613,172,791**	**34,341,555,491**
216	1. Other long-term receivables		31,613,172,791	34,341,555,491
216,1	1.1. Statutory deposit	8	28,719,673,852	30,899,623,406
216,2	1.2. Other long-term receivables		2,893,498,939	3,441,932,085
220	**II. Fixed assets**		**28,402,304,019**	**19,031,148,957**
221	1. Tangible fixed assets	9	20,552,727,280	12,518,719,053
222	Costs		93,308,831,213	80,413,793,103
223	Accumulated depreciation		(72,756,103,933)	(67,895,074,050)
227	2. Intangible assets	10	7,849,576,739	6,512,429,904
228	Costs		8,404,698,560	6,881,742,436
229	Accumulated amortisation		(555,121,821)	(369,312,532)
250	**III. Long-term investments**	**5**	**736,285,811,611**	**887,526,307,164**
253	1. Other long-term investments	5.3	75,907,370,000	75,907,370,000
254	2. Provision for impairment of long-term investments	5.3	(46,460,095,447)	(49,135,926,903)
255	3. Held-to-maturity investments	5.2	706,838,537,058	860,754,864,067
260	**IV. Other long-term assets**		**48,068,864,269**	**49,668,829,857**
261	1. Long-term prepaid expenses	11	48,068,864,269	49,668,829,857
262	2. Deferred income tax assets	31.3	-	-
270	**TOTAL ASSETS**		**6,044,474,081,220**	**5,811,113,372,142**

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ITEMS	Notes	Ending balance	Beginning balance
300	**C. LIABILITIES**		**3,468,983,953,129**	**3,393,495,394,383**
310	**I. Current liabilities**		**3,459,312,475,673**	**3,391,039,529,179**
311	1. Trade payables	12	502,060,155,372	494,254,779,977
311,1	1.1. Insurance payables		486,752,762,263	467,751,953,569
311,2	1.2. Other payables		15,307,393,109	26,502,826,408
312	1. Short-term advance from customers		5,421,530,919	4,296,415,341
313	2. Tax and other statutory obligations	13	26,774,912,543	39,568,862,432
314	3. Payables to employees		140,257,047,252	93,316,802,312
315	4. Short-term accrued expenses	14	42,149,554,858	35,459,983,163
318	5. Short-term deferred revenue		11,337,367,042	7,308,745,960
318,1	6. Un-earned commission revenue	15	73,330,253,319	64,682,158,624
319	7. Other short-term payables	16	11,925,274,186	10,427,726,057
321	8. Short-term provisions	17	37,909,842,113	38,809,232,553
322	9. Bonus and welfare funds		53,357,307,715	20,923,944,691
329	10. Technical reserves		2,554,789,230,354	2,581,990,878,069
329,1	11.1. Gross un-earned premium reserve	18.1	1,644,375,293,045	1,477,996,269,481
329,2	11.2. Gross claim reserve	18.1	739,705,430,333	952,955,012,969
329,3	11.3. Catastrophe reserve	18.2	170,708,506,976	151,039,595,619
330	**II. Non-current liabilities**		**9,671,477,456**	**2,455,865,204**
337	1. Other long-term liabilities	16	1,087,719,131	663,416,284
338	2. Short-term borrowings and finance lease liabilities		7,286,068,882	-
341	2. Deferred tax liabilities		1,297,689,443	1,792,448,920

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ITEMS	Notes	Ending balance	Beginning balance
400	**D. OWNERS' EQUITY**		**2,575,490,128,091**	**2,417,617,977,759**
410	**I. Owners' equity**	**19**	**2,575,490,128,091**	**2,417,617,977,759**
411	1. Charter capital		1,172,768,950,000	1,172,768,950,000
411a	1.1. Common shares with voting rights		1,172,768,950,000	1,172,768,950,000
412	2. Share premium		655,565,033,362	655,565,033,362
417	3. Foreign exchange differences		(8,794,664,173)	14,241,703,026
418	4. Investment and development fund		213,762,701,660	141,650,242,709
419	5. Statutory reserves		94,662,832,304	76,036,986,348
421	6. Undistributed earnings		420,447,350,479	330,497,250,012
421a	6.1. Accumulated undistributed earnings of previous years		46,415,517,061	50,548,480,966
421b	6.2. Undistributed earnings of current year		374,031,833,418	279,948,769,046
429	7. Non-controlling interest		27,077,924,459	26,857,812,302
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**6,044,474,081,220**	**5,495,639,573,731**

Mr. Le Sy Phuong	**Ms. Nguyen Thanh Mai**	**Mr. Tran Hoai An**
Accountant	Deputy Director in - charge	General Director
Accounting Division	Accounting Division	

Hanoi, Vietnam, 28 February 2022

PART 1: CONSOLIDATED SUMMARY INCOME STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Current year	Previous year
10	1. Total operating income	2,155,106,755,219	1,887,816,084,145
12	2. Finance income	345,537,413,791	295,176,689,142
13	3. Other income	448,667,996	683,135,165
20	4. Total direct operating expenses	(1,502,128,959,410)	(1,368,840,898,262)
22	5. Finance expenses	(23,911,016,422)	(17,042,496,139)
23	6. General and administrative expenses	(472,802,771,733)	(422,340,503,372)
24	7. Other expenses	(85,037,337)	(102,620,516)
50	**8. Profit before corporate income tax (50=10+12+13+20+22+23+24)**	**502,165,052,104**	**375,349,390,163**
51	9. Current corporate income tax expense	(102,546,355,108)	(75,748,994,579)
52	10. Deferred corporate income tax expense	494,759,477	(1,947,490,673)
60	**11. Net profit for this period after corporate income tax (60=50+51+52)**	**400,113,456,473**	**297,652,904,911**
61	**12. Net profit after tax attributable to non-controlling interests**	**4,729,386,007**	**3,377,071,987**
62	**13. Net profit after tax attributable to equity owners of the parent**	**395,384,070,466**	**294,275,832,924**
70	**14. Basic earnings per share**	**2,764**	**2,214**

PART 2: CONSOLIDATED OPERATIONAL INCOME STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	**1. Insurance revenue (01 = 01.1 + 01.2 + 01.3)**	**20**	**2,928,727,401,253**	**2,595,732,192,807**
	In which:			
01,1	- Direct written premiums		2,977,263,860,652	2,659,478,785,807
01,2	- Reinsurance premium assumed		116,330,673,485	92,203,739,201
01,3	- Increase in un-earned premium reserve		(164,867,132,884)	(155,950,332,201)
02	**2. Reinsurance premium ceded (02 = 02.1 + 02.2)**	**21**	**(989,469,630,371)**	**(908,309,831,786)**
	In which:			
02,1	- Reinsurance premium ceded		(1,062,638,142,297)	(883,829,489,318)
02,2	- Decrease in ceded premium reserve		73,168,511,926	(24,480,342,468)
03	**3. Net insurance premiums (03 = 01 + 02)**		**1,939,257,770,882**	**1,687,422,361,021**
04	**4. Commission on reinsurance ceded and other insurance incomes (04 = 04.1 + 04.2)**		**215,848,984,337**	**200,393,723,124**
	In which:			
04,1	- Commission on reinsurance ceded	22	179,157,468,295	166,814,721,102
04,2	- Other income from insurance activities	23	36,691,516,042	33,579,002,022
10	**5. Total net revenue from insurance business (10 = 03 + 04)**		**2,155,106,755,219**	**1,887,816,084,145**
11	**6. Claim expenses (11 = 11.1 + 11.2)**		**(1,178,304,804,340)**	**(1,077,011,779,383)**
	In which:			
11,1	- Claim expenses		(1,189,349,519,514)	(1,081,989,822,203)
11,2	- Claim expense reductions		11,044,715,174	4,978,042,820
12	**7. Recoveries from reinsurance ceded**		**616,703,252,985**	**573,245,947,375**
13	**8. Decrease/(Increase) in direct and assumed claim reserve**		**192,881,942,181**	**37,600,470,968**
14	**9. (Decrease)/Increase in ceded claim reserve**		**(166,266,489,429)**	**(106,071,440,304)**
15	**10. Net claim expenses (15 = 11 + 12 + 13 + 14)**	**24**	**(534,986,098,603)**	**(572,236,801,344)**
16	**10. Increase in catastrophe reserve**	**17.2**	**(20,310,042,953)**	**(18,683,418,796)**

PART 2: CONSOLIDATED OPERATIONAL INCOME STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
17	**12. Other operating expenses (17 = 17.1 + 17.2)**	**25**	**(946,832,817,854)**	**(777,920,678,122)**
	In which:			
17,1	- Commission expense		(280,558,590,725)	(228,636,744,309)
17,2	- Other underwriting expenses		(666,274,227,129)	(549,283,933,813)
18	**13. Total direct operating expenses (18 = 15 + 16 + 17)**		**(1,502,128,959,410)**	**(1,368,840,898,262)**
19	**14. Gross insurance operating profit (19 = 10 + 18)**		**652,977,795,809**	**518,975,185,883**
23	15. Finance income	26	345,537,413,791	295,176,689,142
24	16. Finance expenses	27	(23,911,016,422)	(17,042,496,139)
25	**17. Profit from financial activities (25 = 23 + 24)**		**321,626,397,369**	**278,134,193,003**
26	**18. General and administrative expenses**	**28**	**(472,802,771,733)**	**(422,340,503,372)**
30	**19. Net operating income (30 = 19 + 25 + 26)**		**501,801,421,445**	**374,768,875,514**
31	20. Other income	29	448,667,996	683,135,165
32	21. Other expenses	30	(85,037,337)	(102,620,516)
40	**22. Net other profit (40 = 31 + 32)**		**363,630,659**	**580,514,649**
50	**23. Profit before corporate income tax (50 = 30 + 40)**		**502,165,052,104**	**375,349,390,163**
51	24. Current corporate income tax expense	31.1	(102,546,355,108)	(75,748,994,579)
52	25. Deferred corporate income tax expense	31.3	494,759,477	(1,947,490,673)
60	**26. Net profit for the year after corporate income tax (60 = 50 + 51 + 52)**		**400,113,456,473**	**297,652,904,911**
61	**27. Net profit after tax attributable to non-controlling interests**		**4,729,386,007**	**3,377,071,987**
62	**28. Net profit after tax attributable to equity owners of the parent**		**395,384,070,466**	**294,275,832,924**
70	**29. Basic earnings per share**		**2,764**	**2,214**

Mr. Le Sy Phuong
Accountant
Accounting Division

Ms. Nguyen Thanh Mai
Deputy Director in - charge
Accounting Division

Mr. Tran Hoai An
General Director

Hanoi, Vietnam, 28 February 2022

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net profit before tax**		**502,165,052,104**	**375,349,390,163**
	Adjustments for:			
02	Depreciation and amortisation		6,704,888,863	5,275,973,747
03	Insurance reserves and provision for diminution in investment value and doubtful debts		71,716,937,579	254,239,286,874
04	Losses from revaluation of foreign currencies		(2,945,850,235)	9,254,164,382
05	Profits from investing activities		(245,678,528,763)	(266,021,817,762)
06	Interest expense		87,422,146	51,979,494
08	**Operating profit before changes in working capital**		**332,049,921,694**	**378,148,976,898**
09	(Increase)/Decrease in receivables		113,065,181,344	(105,008,943,799)
10	Decrease in inventory		24,849,725	35,675,544
11	Increase in payables		(36,000,581,924)	33,650,385,394
12	Increase in prepaid expense		(23,200,333,898)	(73,565,152,072)
13	Increase in held-for-trading securities		54,743,507,317	(177,820,548,855)
14	Interest paid		(87,422,146)	(51,979,494)
15	Corporate income tax paid	13	(134,559,483,283)	(63,418,798,589)
17	Other cash outflows from operating activities		(38,803,636,976)	(27,485,794,116)
20	**Net cash flow from operating activities**		**267,232,001,853**	**(35,516,179,089)**

CONSOLIDATED CASH FLOW STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets and other long-term assets		(16,259,317,569)	(502,342,573)
22	Disposal of fixed assets and other long-term assets		5,745,455	19,086,520
23	Payments for investments in other entities		(5,205,695,578,467)	(3,292,165,192,456)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		4,632,132,076,103	3,162,678,923,400
27	Interest and dividend received		268,249,088,069	255,311,016,985
30	**Net cash flows from/(used in) in investing activities**		**(321,567,986,409)**	**125,341,491,876**

CONSOLIDATED CASH FLOW STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		-	-
34	Repayment of borrowings		-	(17,910,873,317)
36	Dividends paid		(12,320,000)	(94,010,580,506)
40	**Net cash flow used in financing activities**		**(12,320,000)**	**(111,921,453,823)**
50	**Net change in cash and cash equivalents**		**(54,348,304,556)**	**(22,096,141,036)**
60	**Cash and cash equivalents at the beginning of the year**		**98,047,858,360**	**119,341,101,387**
61	Impact of exchange rate fluctuation		(13,210,908,189)	802,898,009
70	**Cash and cash equivalents at the end of the year**	**4**	**30,488,645,615**	**98,047,858,360**

Mr. Le Sy Phuong
Accountant
Accounting Division

Ms. Nguyen Thanh Mai
Deputy Director in - charge
Accounting Division

Mr. Tran Hoai An
General Director

Hanoi, Vietnam, 28 February 2022

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2021

INDEPENDENT AUDITORS' REPORT

Reference: 60755012/22684958

To: The Shareholders
BIDV Insurance Joint Stock Corporation

We have audited the accompanying separate financial statements of BIDV Insurance Joint Stock Corporation ("the Corporation") as prepared on 28 February 2022 and set out on pages 6 to 67, which comprise the separate balance sheet as at 31 December 2021, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

MANAGEMENT'S RESPONSIBILITY

Management of the Corporation is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to insurance companies and the statutory requirements relevant to preparation and presentation of separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Corporation as at 31 December 2021 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, accounting guidance applicable to insurance companies and the statutory requirements relevant to preparation and presentation of separate financial statements.

Công ty Trách nhiệm Hữu hạn Ernst & Young Việt Nam

CÔNG TY TNHH ERNST & YOUNG VIỆT NAM CHI NHÁNH HÀ NỘI

Dang Phuong Ha	Nguyen Van Trung
Partner	Auditor
Audit Practising Registration	Audit Practising Registration
Certificate No.: 2400-2018-004-1	Certificate No.: 3847-2021-004-1

Hanoi, Vietnam, 28 February 2022

SEPARATE BALANCE SHEET

as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending Balance	Beginning Balance
100	**A. CURRENT ASSETS**		**4,961,823,745,899**	**4,648,148,067,589**
110	**I. Cash and cash equivalents**	**4**	**25,696,080,055**	**95,821,711,569**
111	1. Cash		15,696,080,055	95,821,711,569
112	2. Cash equivalents		10,000,000,000	
120	**II. Short-term investments**	**5.1**	**3,606,048,760,910**	**3,007,606,416,604**
121	1. Trading securities	5.1	295,913,406,835	350,606,416,604
122	2. Provision for trading securities	5.2	(864,645,925)	-
123	3. Held-to-maturity investments		3,311,000,000,000	2,657,000,000,000
130	**III. Current accounts receivables**	**6**	**369,663,095,964**	**509,628,447,424**
131	1. Short-term trade receivables		290,988,826,224	400,733,322,672
131,1	1.1 Insurance receivables		290,988,826,224	400,733,322,672
132	2. Short-term advances to suppliers		1,536,269,376	189,241,029
136	3. Other short-term receivables		115,911,383,839	154,789,713,221
137	4. Provision for doubtful short-term receivables		(38,773,383,475)	(46,083,829,498)
150	**IV. Other current assets**		**178,908,932,771**	**160,402,934,930**
151	1. Short-term prepaid expenses	7	178,908,932,771	160,282,553,180
151,1	1.1 Unallocated commission expense		176,222,520,272	156,946,075,745
151,2	1.2 Other prepaid expenses		2,686,412,499	3,336,477,435
152	2. Value-added tax deductible		-	120,381,750
190	**V. Reinsurance assets**	**18.1**	**781,506,876,199**	**874,688,557,062**
191	1. Reinsurance assets from unearned premium reserve		305,922,969,851	269,556,932,841
192	2. Reinsurance assets from claim reserve		475,583,906,348	605,131,624,221

SEPARATE BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending Balance	Beginning Balance
200	**B. NON-CURRENT ASSETS**		**819,825,432,680**	**923,975,486,226**
210	**I, Các khoản phải thu dài hạn**		**12,893,498,939**	**13,441,932,085**
216	I. Long-term receivables		12,893,498,939	13,441,932,085
216,1	1. Other long-term receivables	8	10,000,000,000	10,000,000,000
216,2	1.1. Statutory deposit		2,893,498,939	3,441,932,085
	1.2. Other long-term receivables			
220	**II. Fixed assets**		**27,705,774,919**	**18,363,387,790**
221	1. Tangible fixed assets	9	19,920,497,050	11,863,387,790
222	Costs		82,046,830,872	67,908,794,489
223	Accumulated depreciation		(62,126,333,822)	(56,045,406,699)
227	2. Intangible assets	10	7,785,277,869	6,500,000,000
228	Costs		8,372,549,125	6,845,849,125
229	Accumulated amortisation		(587,271,256)	(345,849,125)
250	**III. Long-term investments**		**731,157,294,553**	**842,501,336,494**
251	1. Investment in subsidiaries	5.3	34,660,020,000	34,660,020,000
253	2. Investment in other entities	5.3	75,907,370,000	75,907,370,000
254	3. Provision for diminution in value of long-term investments	5.3	(46,460,095,447)	(49,135,926,903)
255	4. Held-to-maturity investments	5.2	667,050,000,000	781,069,873,397
260	**IV. Other long-term assets**		**48,068,864,269**	**49,668,829,857**
261	1. Long-term prepaid expenses	11	48,068,864,269	49,668,829,857
262	2. Deferred tax assets	31.3	-	-
270	**TOTAL ASSETS**		**5,781,649,178,579**	**5,572,123,553,815**

SEPARATE BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending Balance	Beginning Balance
300	**C. LIABILITIES**		**3,249,021,593,568**	**3,213,814,817,719**
310	**I. Current liabilities**		**3,246,636,184,994**	**3,211,358,952,515**
311	1. Short-term trade payables	12	440,761,715,770	478,816,439,827
311,1	1.1. Insurance payables		425,454,322,661	452,313,613,419
311,2	1.2. Other payables		15,307,393,109	26,502,826,408
312	2. Short-term advance from customers		1,140,435,797	1,149,480,393
313	3. Statutory obligations	13	20,204,765,311	35,310,150,487
314	4. Payables to employees		138,230,865,132	92,861,943,745
315	5. Short-term accrued expenses	14	38,750,662,410	34,756,051,959
318	6. Short-term unearned revenues		11,337,367,042	7,308,745,960
318,1	7. Un-earned commission revenue	15	67,307,857,462	62,201,439,383
319	8. Other short-term payables	16	11,927,190,656	10,421,831,125
320	9. Short-term borrowings		-	-
321	10. Short-term provisions	17	37,909,842,113	38,809,232,553
322	11. Bonus and welfare funds		53,357,307,715	20,923,944,691
329	12. Technical reserves		2,425,708,175,586	2,428,799,692,392
329,1	12.1. Gross un-earned premium reserve	18.1	1,515,555,524,604	1,387,879,339,204
329,2	12.2. Gross claim reserve	18.1	747,558,563,684	898,144,997,348
329,3	12.3. Catastrophe reserve	18.2	162,594,087,298	142,775,355,840
330	**II. Non-current liabilities**		**2,385,408,574**	**2,455,865,204**
337	1. Other long-term liabilities	16	1,087,719,131	663,416,284
341	2. Deferred tax liabilities	31.3	1,297,689,443	1,792,448,920

SEPARATE BALANCE SHEET (continued)

as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending Balance	Beginning Balance
400	**D. OWNERS' EQUITY**		**2,532,627,585,011**	**2,358,308,736,096**
410	**I. Capital**	**19**	**2,532,627,585,011**	**2,358,308,736,096**
411	1. Contributed charter capital		1,172,768,950,000	1,172,768,950,000
411a	1.1. Shares with voting rights		1,172,768,950,000	1,172,768,950,000
412	2. Share premium		655,565,033,362	655,565,033,362
418	3. Investment and development fund		213,762,701,660	141,650,242,709
419	4. Statutory reserves		88,749,571,230	69,435,165,084
421	5. Undistributed earnings		401,781,328,759	318,889,344,941
421a	5.1. Accumulated undistributed earnings by the end of prior year		34,807,611,990	44,862,000,928
421b	5.2. Undistributed earnings of current year		366,973,716,769	274,027,344,013
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**5,781,649,178,579**	**5,572,123,553,815**

Mr. Le Sy Phuong
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Accounting Division

Ms. Nguyen Thanh Mai
Deputy Director in - charge
Accounting Division

Mr. Tran Hoai An
General Director

Hanoi, Vietnam, 28 February 2022

PART 1: SEPARATE SUMMARY INCOME STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Current Year	Previous Year
10	1. Total operating income	2,092,240,806,715	1,828,061,579,277
12	2. Finance income	320,760,707,439	276,255,341,529
13	3. Other income	307,523,988	450,373,555
20	4. Total direct operating expenses	(1,466,556,803,782)	(1,334,117,548,301)
22	5. Finance expenses	(10,560,354,333)	(7,688,136,916)
23	6. General and administrative expenses	(451,176,850,286)	(399,156,568,574)
24	7. Other expenses	(53,444,058)	(70,991,959)
50	**8. Accounting profit before tax (50=10+12+13+20+22+23+24)**	**484,961,585,683**	**363,734,048,611**
51	9. Current corporate income tax expense	(99,168,222,245)	(73,336,722,135)
52	10. Deferred corporate income tax expense	494,759,477	(1,947,490,673)
60	**11. Net profit after tax (60=50+51+52)**	**386,288,122,915**	**288,449,835,803**

PART 2: SEPARATE OPERATIONAL INCOME STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
01	**1. Insurance revenue (01 = 01.1 + 01.2 + 01.3)**	**20**	**2,721,204,905,683**	**2,381,933,438,791**
	In which:			
01,1	- Direct written premiums		2,678,960,571,965	2,362,704,958,000
01,2	- Reinsurance premium assumed		169,920,519,118	166,137,365,058
01,3	- Increase in un-earned premium reserve		(127,676,185,400)	(146,908,884,267)
02	**2. Reinsurance premium ceded (02 = 02.1 + 02.2)**	**21**	**(830,641,908,249)**	**(741,004,743,072)**
	In which:			
02,1	- Reinsurance premium ceded		(867,007,945,259)	(714,137,798,794)
02,2	- Decrease in ceded premium reserve		36,366,037,010	(26,866,944,278)
03	**3. Net insurance premiums (03 = 01 + 02)**		**1,890,562,997,434**	**1,640,928,695,719**
04	**4. Commission on reinsurance ceded and other insurance incomes (04 = 04.1 + 04.2)**		**201,677,809,281**	**187,132,883,558**
	In which:			
04,1	- Commission on reinsurance ceded	22	165,082,363,346	154,251,653,080
04,2	- Other income from insurance activities	23	36,595,445,935	32,881,230,478
10	**5. Total net revenue from insurance business (10 = 03 + 04)**		**2,092,240,806,715**	**1,828,061,579,277**
11	**6. Claim expenses (11 = 11.1 + 11.2)**		**(830,964,206,240)**	**(1,048,360,133,535)**
	In which:			
11,1	- Claim expenses		(842,008,921,414)	(1,053,338,176,355)
11,2	- Claim expense reductions		11,044,715,174	4,978,042,820
12	**7. Recoveries from reinsurance ceded**		**286,536,771,201**	**553,797,823,684**
13	**8. Decrease in direct and assumed claim reserve**		**150,586,433,664**	**13,173,941,337**
14	**9. Decrease in ceded claim reserve**		**(129,547,717,873)**	**(77,673,210,346)**
15	**10. Net claim expenses (15 = 11 + 12 + 13 + 14)**	**24**	**(523,388,719,248)**	**(559,061,578,860)**
16	**11. Increase in catastrophe reserve**	**18.2**	**(19,818,731,458)**	**(18,147,045,243)**

PART 2: SEPARATE OPERATIONAL INCOME STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
17	**12. Other operating expenses (17 = 17.1 + 17.2)**	**25**	**(923,349,353,076)**	**(756,908,924,198)**
	In which:			
17,1	- Commission expense		(271,220,358,085)	(222,325,148,859)
17,2	- Other underwriting expenses		(652,128,994,991)	(534,583,775,339)
18	**13. Total direct operating expenses (18 = 15 + 16 + 17)**		**(1,466,556,803,782)**	**(1,334,117,548,301)**
19	**14. Gross insurance operating profit (19 = 10 + 18)**		**625,684,002,933**	**493,944,030,976**
23	15. Finance income	26	320,760,707,439	276,255,341,529
24	16. Finance expenses	27	(10,560,354,333)	(7,688,136,916)
25	**17. Profit from financial activities (25 = 23 + 24)**		**310,200,353,106**	**268,567,204,613**
26	**18. General and administrative expenses**	**28**	**(451,176,850,286)**	**(399,156,568,574)**
30	**19. Net operating income (30 = 19 + 25 + 26)**		**484,707,505,753**	**363,354,667,015**
31	20. Other income	29	307,523,988	450,373,555
32	21. Other expenses	30	(53,444,058)	(70,991,959)
40	**22. Net other (loss)/profit (40 = 31 + 32)**		**254,079,930**	**379,381,596**
50	**23. Accounting profit before tax (50 = 30 + 40)**		**484,961,585,683**	**363,734,048,611**
51	24. Current corporate income tax expense	31.1	(99,168,222,245)	(73,336,722,135)
52	25. Deferred corporate income tax expense	31.3	494,759,477	(1,947,490,673)
60	**26. Net profit for the year after corporate income tax (60 = 50 + 51 + 52)**		**386,288,122,915**	**288,449,835,803**

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Hanoi, Vietnam, 28 February 2022

SEPARATE CASH FLOW STATEMENT

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net profit before tax**		**484,961,585,683**	**363,734,048,611**
	Adjustments for:			
02	Depreciation of tangible fixed assets and amortisation of intangible fixed assets		6,322,349,254	4,748,875,360
03	Insurance reserves and provision for diminution in investment value and doubtful debts		80,968,532,503	248,771,284,214
04	Foreign exchange losses/(gains) arising from revaluation of monetary accounts denominated in foreign currency		11,618,799,489	(3,583,270,076)
05	Profits from investing activities		(236,391,063,722)	(257,350,105,718)
06	Interest expense		341,470	4,438,356
08	**Operating profit before changes in working capital**		**347,480,544,677**	**356,325,270,747**
09	Decrease/(Increase) in receivables		106,756,327,718	(40,314,537,989)
10	Decrease in inventories		-	-
11	Increase in payables		39,474,344,059	9,819,633,747
12	Increase in prepaid expense		(17,026,414,003)	(75,769,692,504)
13	Decrease/(Increase) in held-for-trading securities		54,693,009,769	(177,859,391,258)
14	Interest paid	13	(341,470)	(4,438,356)
15	Corporate income tax paid		(132,187,522,744)	(61,444,426,124)
17	Other cash outflows from operating activities		(38,803,636,976)	(27,485,794,116)
20	**Net cash flow from operating activities**		**360,386,311,030**	**(16,733,375,853)**

SEPARATE CASH FLOW STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(16,210,330,599)	(467,857,500)
22	Proceeds from disposals of fixed assets and other long-term assets		5,745,455	15,460,502
23	Loans to other entities and payments for purchase of debt instruments of other entities		(5,051,975,077,681)	(3,120,543,581,864)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		4,511,994,951,078	2,987,872,950,820
27	Interest and dividends received		274,530,316,248	242,967,544,502
30	**Net cash flow used in investing activities**		**(281,654,395,499)**	**109,844,516,460**

SEPARATE CASH FLOW STATEMENT (continued)

for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		-	-
34	Repayment of Borrowings		-	(10,000,000,000)
36	Dividends paid		(140,723,999,400)	(93,784,109,600)
40	**Net cash flow used in financing activities**		**(140,723,999,400)**	**(103,784,109,600)**
50	**Net increase in cash for the year**		**(61,992,083,869)**	**(10,672,968,993)**
60	**Cash and cash equivalents at the beginning of the year**		**95,821,711,569**	**105,692,923,157**
61	Impact of exchange rate fluctuation		(8,133,547,645)	801,757,405
70	**Cash and cash equivalents at the end of the year**	**4**	**25,696,080,055**	**95,821,711,569**



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