



# A TRANSITION TO THE NEW FOUNDATION

**SUSTAINABILITY REPORT 2022**

KRUNGTHAI CARD PUBLIC COMPANY LIMITED



## HONORABLE AWARDS



### INTERNATIONAL AWARDS

The MSCI  
ESG Ratings of A



Member of  
the FTSE4Good  
Index Series since 2021



ASEAN CG Scorecard award  
(ASEAN Asset Class PLCs category),  
average score of 97.5 in 2022

Average  
score of **97.5**



### NATIONAL AWARDS

Member of the list of  
Thailand Sustainability Investment (THSI)  
for 4 consecutive years  
since 2019 - 2022

The SETTHSI index  
for 3 consecutive years since  
2020 - 2022



The following certificates  
for its overall organization:

The Information Security  
Management System  
ISO/IEC 27001:2013 since 2019

The Privacy Information  
Management System  
ISO/IEC 27701:2019 since 2020



Member of the Thai Private Sector  
Collective Action Coalition against  
Corruption (CAC) since 2016



"5-star" in the Corporate Governance  
Report of Thai Listed Companies  
2022 Survey for 7 consecutive years  
since 2016

RATE **5**  
(2016 - 2022)



Member with outstanding  
Environmental | Social | Governance  
Performance  
ESG 100 for 7 consecutive years  
since 2016



100 point from  
the Annual General Meeting  
Quality Survey (AGM)



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**“A Transition to  
the New Foundation”**

KTC is committed to further developing the organization and laying a strong foundation, solidifying its image as the Trusted Organization to all stakeholder groups, and progressing towards sustainable growth.

”



# MESSAGE FROM THE CHAIRMAN

KTC believes that a solid foundation will lead to sustainable growth. Over the past two decades, we have operated our business with accountability by adhering to the principles of good corporate governance, respect for human rights, and risk management. Moreover, we have strived to achieve suitable costs and focused on developing our personnel's potential to ensure their readiness to adapt to all challenges. Due to these reasons, as in the past we have stood by Thai people during one crisis after another. From a small beginning of having only credit card business, nowadays we have expanded our business to satisfy diverse needs of stakeholders and the society in a more comprehensive manner. We have not only a core business group – that is, credit card and personal loan business but also new business groups that can be expected to generate multifold revenue growth in the future – including KTC P BERM Car for Cash, KTB Leasing and incubated business model, such as MAAI loyalty platform. Furthermore, we have pursued digital innovation continuously so as to provide Thai people with greater opportunities to access financial services in the system conveniently, quickly and securely and to mitigate environmental and climate change impacts at the same time. In 2022, we, together with members, business partners, and stakeholders, could make combined efforts to overcome another

difficult year, thereby marking another proof of success in the integration of three-dimensional sustainability strategy with business strategy, which was reflected in the creation of products and services and our operation that addressed needs of stakeholders in every sector. Such success reflected on realization of the aim to further develop and establish our organization as one key pillar that would help support and strengthen Thailand's financial sector, to be a dependable organization for people in the society, and to help improve quality of life. Ultimately, this would lead to a balance between economic, social and environmental aspects in order to collectively contribute to Thailand's sustainability and realization of the United Nations Sustainable Development Goals.

Driven by such commitment, **in 2022 KTC could set a new record again with a record-high profit of Baht 7,140 million.** Moreover, KTC was also the first and only financial institution in Thailand that received ISO certification renewal of the Information Security Management System (ISO/IEC 27001:2013) and Privacy Information Management System (ISO/IEC 27701:2019). In addition, KTC was selected as a member of SETTHSI for the third consecutive year and a member of FTSE4Good Index Series, and we also received the MSCI ESG Rating of A as well.

On behalf of the Board of Directors and KTC, I would like to express my gratitude to everyone for your continued support, confidence and trust. We will definitely continue to develop and strengthen our organization so as to grow together with our stakeholders in a sustainable manner.



(Mr. Prasong Poontaneat)

Chairman of the Board of Directors  
Krungthai Card Public Company Limited

MSCI ESG Rating

A

ASEAN  
CG Scorecard

SETTHSI

ISO/IEC  
27701:2019

FTSE4  
Good Index  
Series

ISO/IEC  
27001:2013

Thailand  
Sustainability  
Investment



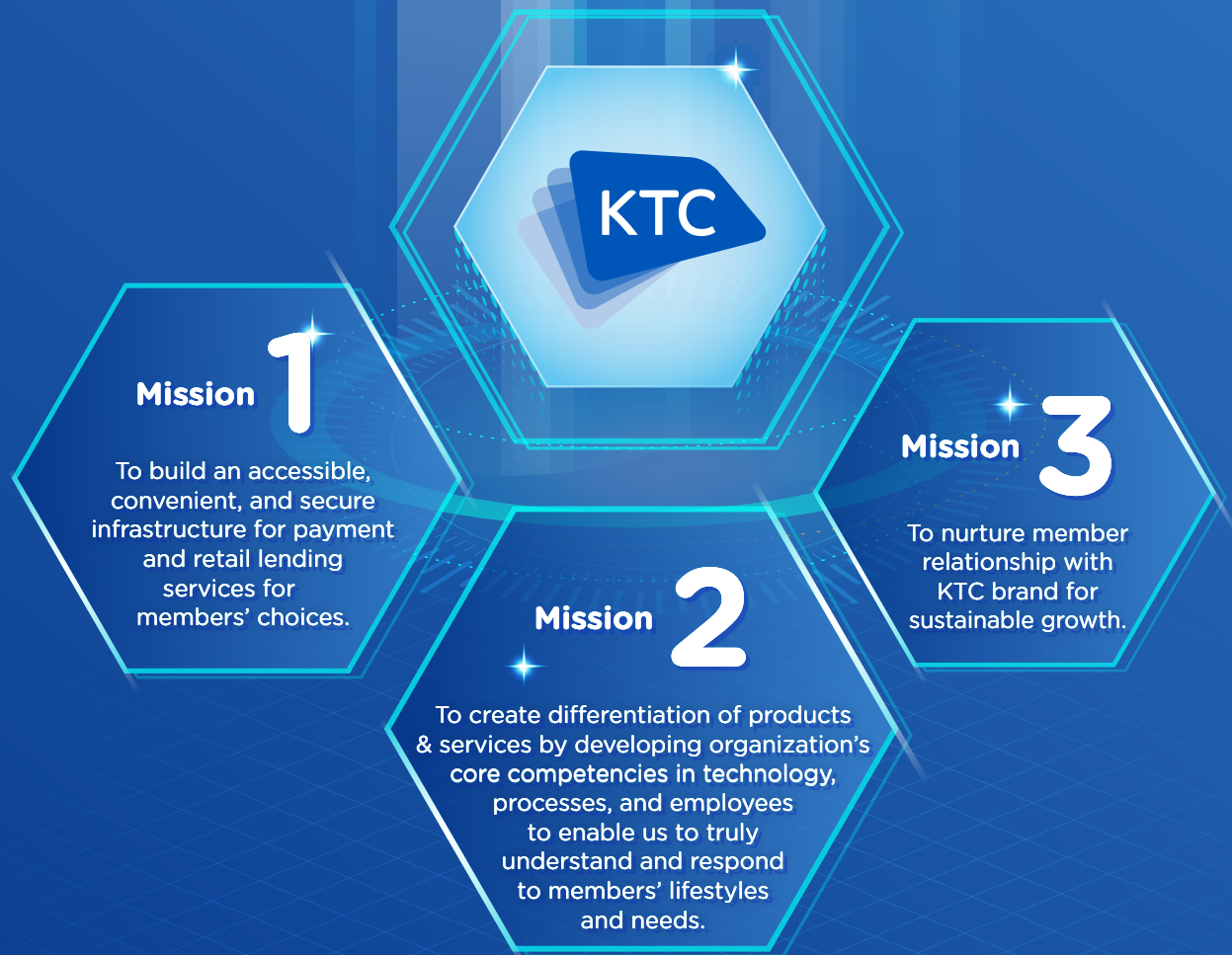
“Our KTC”



## Vision

KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth.

## Mission



## Core Values

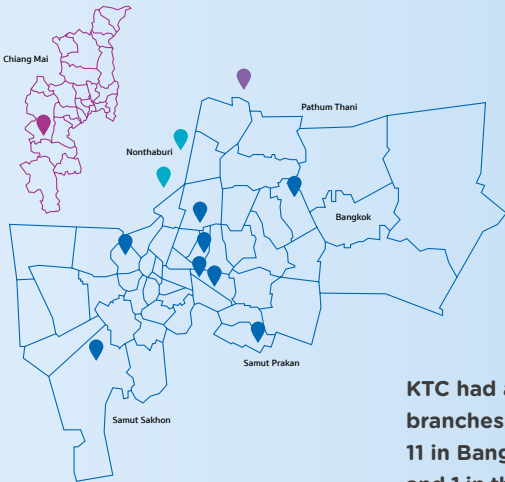
**Courageous**

**Smart  
Simplicity**

**Meaningful**

## General Information

GRI 2-1, 2-6

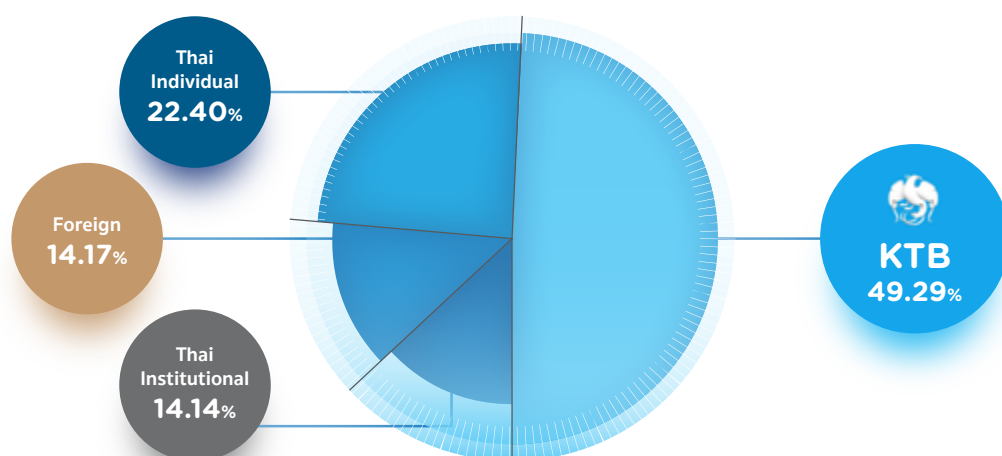
<b>Company Name</b>	Krungthai Card Public Company Limited (“KTC” or the “Company”)
<b>Headquarter</b>	591 United Business Centre II, 14 <sup>th</sup> Floor, Sukhumvit 33 Road, North Klongton, Wattana, Bangkok 10110, Thailand
<b>Industry</b>	Financials
<b>KTC TOUCH Service Points</b>	 <p><b>KTC had a total of 12 branches of KTC TOUCH; 11 in Bangkok Metropolitan and 1 in the provincial area.</b></p> <p>KTB service points and sale agents provide access to the Company's products and service for people in all areas of the country.</p> <p>(Please refer to additional detail under the “Financial Inclusion and Financial Literacy” topic and in 56-1 One Report 2022 under “KTC TOUCH” topic)</p>
<b>Registered and Paid-Up Capital</b>	Baht <b>2,578,334,070</b>
<b>Background</b>	<p><b>December 4, 1996</b> : Registered as juristic person.</p> <p><b>July 2, 2002</b> : Registered as public company limited under the name of “Krungthai Card Public Company Limited”</p> <p><b>October 28, 2002</b> : Listed in the Stock Exchange of Thailand.</p> <p><b>Present</b> : KTC is a leading company in consumer finance business.</p> <p>(Please refer to additional details in Form 56-1 One Report 2022 under “Policy and Business Overview” topic)</p>
<b>Objectives and Business of the Company and its subsidiaries</b>	<p>The Company operates a credit card business as its main business, including credit card related business, merchant acquiring business, payment service, as well as personal loan business which includes personal loan business under supervision and auto title loan. In response to changes in technology and society, the Company has added a full range of financial products covering provincial retail lending business, occupational retail lending business, E-payment business, hire purchase and leasing business as well as holding business to support the Company's business operations to create sustainable long – term returns.</p>



## Shareholding Structure of the Company

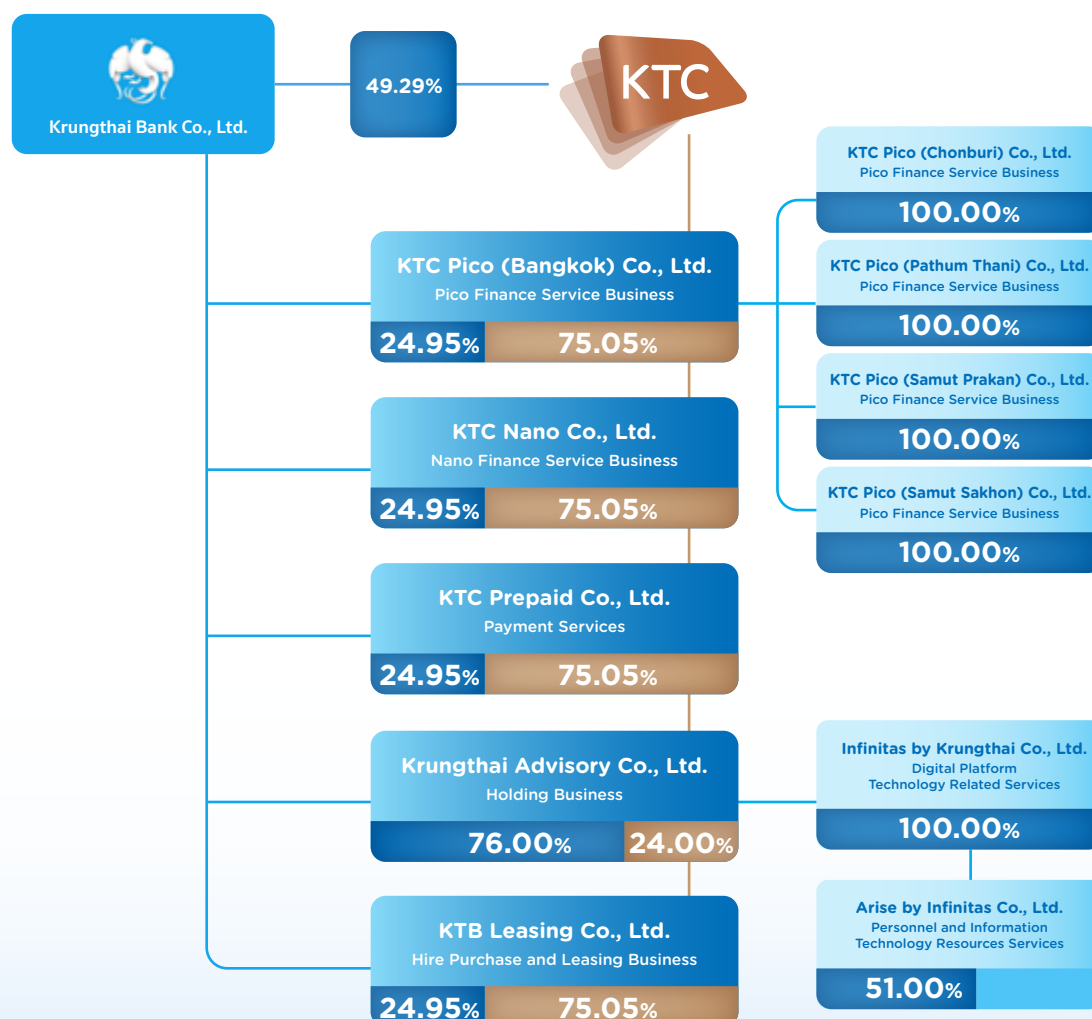
GRI 2-1

As of 31 December 2022



## Shareholding Structure of the subsidiary and associated companies

As of 31 December 2022



## Relationship with shareholders

As a listed company, KTC operates its businesses transparently and fairly treats all shareholders equally.

## Relationship with major shareholders

- As at the end of 2022, Krungthai Bank Public Company Limited (“Krungthai Bank”) and Mr.Mongkol Prakitchaiwattana, two major shareholders, held 49.29% and 10.12% of total issued shares respectively.
- The Company has no agreement or obligation with any major shareholders.
- The Company is an affiliated company in the financial business group of Krungthai Bank. It is incumbent upon Krungthai Bank to supervise KTC’s business operations in accordance with the principles of consolidated supervision laid down by the Bank of Thailand.
- The Company forges a business partner relationship with Krungthai Bank, a major shareholder which is a juristic person. Under collaboration with Krungthai Bank, the Company can utilize Krungthai bank branches as distribution channel for its products and services in order to reach consumers throughout the country.
- The Company operates its businesses independently without policy and management interference from Krungthai Bank or the public sector, which is a major shareholder of Krungthai Bank.
- Transactions between the Company and Krungthai Bank or any companies in the Bank’s financial business group conforms to conditions of normal course of business practices.

(Please refer to additional details in Form 56-1 One Report 2022 under “Corporate Governance Policy” and “Internal Control and Related Party Transactions” topics)

## Investment in subsidiaries and associated companies

### 2019

To increase the scope of services and opportunities for financial access including creating jobs and employment for people in society, the Company and Krungthai Bank jointly

- Formed KTC Pico (Bangkok) Co., Ltd. to operate provincial-level Pico finance business under supervision or Pico Plus. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively. KTC Pico (Bangkok) Co., Ltd. held 100% of total issued shares in four

Pico Finance companies in four provinces: Chonburi, Prathum Thani, Samut Sakhon, and Samut Prakan.

- Formed KTC Nano Co., Ltd. to operate nano finance services under supervision. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.



## 2020

To foster the advent of digital innovation society, the Company and Krungthai Bank jointly

- Formed KTC Prepaid Co., Ltd. to operate a business that provides electronic money, acquiring business, bill payment and electronic fund transfer services. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.
- Purchased additional shares in Krungthai Advisory Co., Ltd., a holding business, to acquire additional shares in Infinitas by Krungthai Co., Ltd. for the purpose of investing in digital platform business and other technology-related services. The Company and Krungthai Bank held 24% and 76% of total issued shares respectively.

## 2021

To engage in business expansion that would create opportunities to capture market leadership across fully integrated credit business.

- The Company acquired ordinary shares of KTB Leasing Co., Ltd. from Krungthai Bank PCL. to engage in hire purchase and leasing business, in which the Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.

## 2022

- None

Investments in these subsidiaries and associated companies brought contributions to the Company as their future shareholder, the Company already disclosed detailed information about these transactions through the Stock Exchange of Thailand.

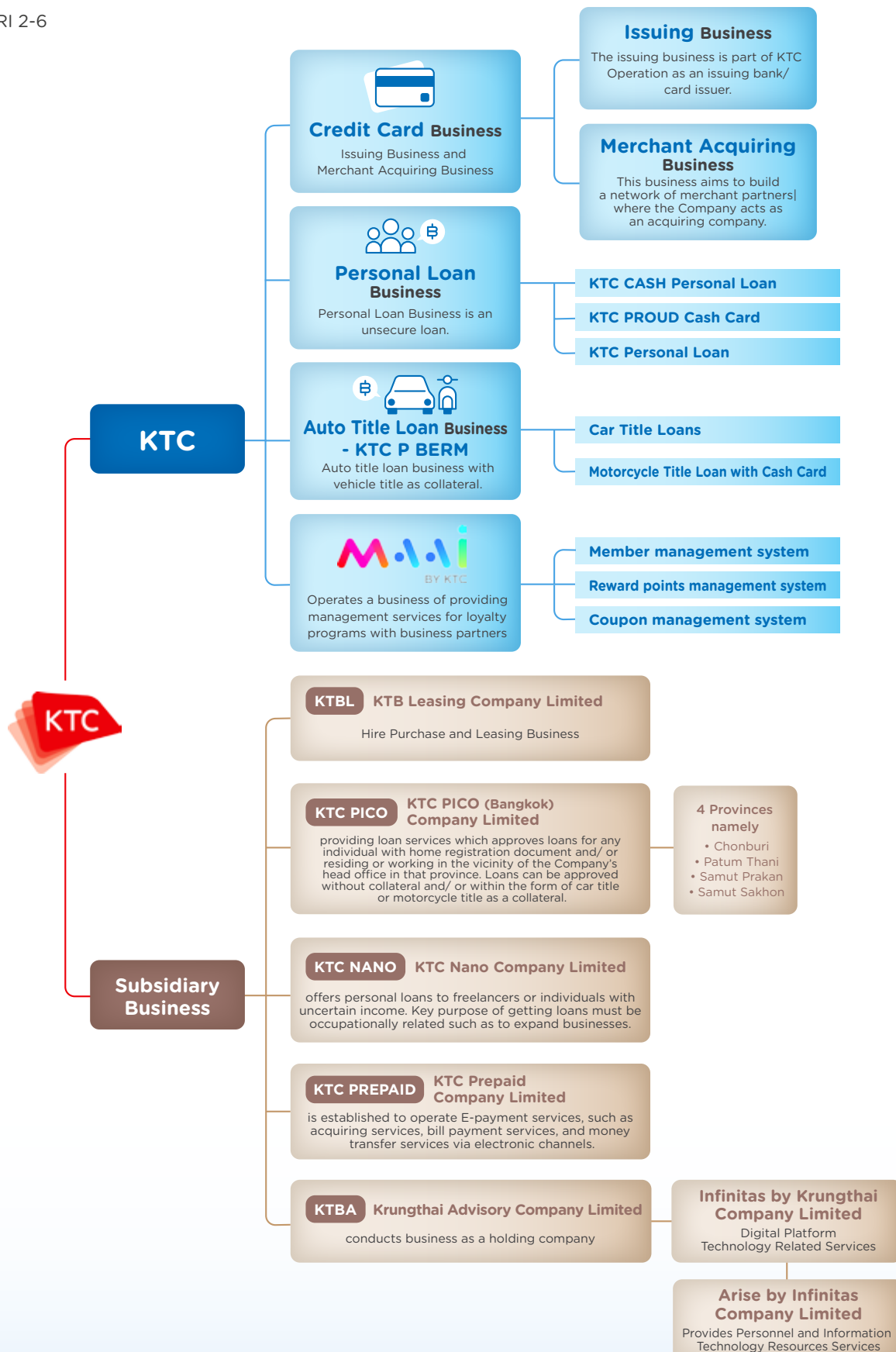
## Capital management to support business operations

- The Company does not have banking license as stipulated in the Financial Institution Business Act 2008. Therefore, it cannot accept deposits.
- The Company procures loans from diverse loan sources, such as financial instruments and bank loans (including loan from Krungthai Bank, its major shareholder). Applicable loan interest rates correspond to prevailing market rates. As a result, the Company has well diversified sources of funds and can maintain a balanced ratio of short-term and long-term loans and financing cost that corresponds to market conditions.
- The Company has a suitable financial management system to ensure that financing cost and the

ratio of each type of loan correspond to aging of its debtors and interest rate trends in the future and that it can maintain sufficient daily cash balance to run its business operation. At the end of 2022, KTC's total credit lines equaled to Baht 34,340 million and available credit lines equaled to Baht 20,709 million. (The Group's total credit line was Baht 35,471 million and available credit line was Baht 20,741 million.) Furthermore, the Company maintains a committed credit line for contingencies, develops liquidity risk indicators, and regularly performs liquidity stress test to assure that it would not have any liquidity problems.

## Products and Services

GRI 2-6



(Please refer to additional details in Form 56-1 One Report 2022 under "Nature of Business" topic)



## Membership of Associations

GRI 2-28

The Company is a proud member of several associations and organizations with which the Company shares experiences, expresses opinions, or makes suggestions that are useful for development of policies or guidelines to be implemented by all members for the promotion of economic and social welfare as follows:

- The Federation of Thai Industries
- Credit Card Club
- Personal Loan Club
- Thai Listed Companies Association
- Personnel Management Association of Thailand
- Thailand Management Association
- Thai Hire - Purchase Association
- Thai Institute of Directors: IOD
- Thai Boutique Accommodation Trade Association
- The Association of Domestic Travel: ADT
- Thai Fintech Association
- Thai Travel Agents Association: TTAA
- Thailand's Private Sector Collective Action Coalition Against Corruption
- Thai Chamber
- Thailand Development Research Institute: TDRI
- Thai Standard Chip member
- SET Social Impact member in Care the Bear: Change the Climate Change by Eco Event Project

(Please refer to additional details under the "Economic Performance" topic)

# BUSINESS STRATEGY

GRI 3-3

Under the Company's vision "KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth.", the Company defines business strategy that is in line with its vision, creates the balance in terms of economy, society, and environment in order to meet members' and stakeholders' expectations, and sustains the growth of the Company in the midst of changes in business operations over time which can be summarized as follows:

## To be AGILE ENTITY

In order to create solid foundation for a sustainable growth through agile concept and be ready to cope with rapid changes, this can be done through 5 key factors as follows:



## Business Trends and the Company's Strategy in 2023

### Business Trends and Strategy of Credit Card Business in 2023

In 2023, KTC shall focus on the quality of cardmember portfolio management and stimulating card spending in 3 main categories namely dining and hotel dining, online shopping and travel in response to the recovery of tourism. The target growth of card spending is 10% or approximately Baht 264,000 million.

The marketing strategies of KTC credit card business in 2023 can be briefly summarized as follows:

<b>Management of cardmember portfolios to maximize quality</b>	with the creative and attractive marketing programs to generate the continual spending for cardmembers. In addition, the automation system is applied in the process of managing member relations at every phase. Regarding to new customers, the activation program shall be set up to activate their card spending within the first 30 days. Meanwhile, permanent credit line increase program and credit card upgrade program are provided for active prime members to increase higher spending. On the other hand, the Win Back inactive program is applied for inactive members to encourage their spending.
<b>Expansion of customer base</b>	especially for those who have monthly income of Baht 50,000 to Baht 200,000 with the privileges of the matching lifestyles to attract new customers to apply for credit cards.
<b>Marketing programs execution to stimulate spending of KTC credit card</b>	which focus on 3 main categories: dining and hotel dining, online shopping and Travel. Moreover, KTC continues cooperating with other business partners who aim for the same business goals towards marketing activities that respond to all main spending categories of members to create higher brand awareness and engagement.
<b>Collaboration with local partners</b>	through marketing campaigns and activities to expand provincial card member base in order to capture new customers for credit card application.
<b>Management of marketing communications</b>	to maximize efficiency through emphasizing the content marketing both online and offline platform to increase KTC brand awareness and reach more target groups.
<b>Expansion of merchant acquiring business</b>	The Company focuses on market expansion through suitable payment services to support the requirement of merchants and customers in various business groups to create good service experiences for merchants and create sustainable growth for the Company. Hence, KTC emphasize on payment services both offline and online channels whether full payment, KTC Installment Payment or point redemption of KTC FOREVER including the Merchant Helpdesk service which is available throughout 24 hours. The strategies to expand merchant acquiring business is the collaboration with banking and business partners to promote a one-stop service and facilitate merchants in terms of payment and sale management systems, including the online shops and stores to support the rapid growth of e-Commerce and Social Commerce businesses; in addition, the development of services and new payment products to support the business growth which currently changes from cash receipts to credit card payments. This is considered as a part of key driving for Thailand towards cashless society in accordance with the policies of the governments. Besides, the Company focuses on the development of collaboration framework between Krungthai Bank and KTC to integrate and expand business opportunities, leading to higher revenue base of the Company.



## Business Trends and Strategy of Personal Loans Business in 2023

In 2023, the personal loans business will expand continually from 2022 due to the growing economic trend leading to more demands on personal loans. The strategy of KTC's personal loans business in 2023 still aims for maintaining good quality portfolios in line with constant product development to respond to the requirements of consumers. Therefore, KTC emphasizes on KTC PROUD cash card marketing through the highlight of swipe-transfer-withdraw-pay function for online shopping.

Furthermore, the strategic plan in 2023 shall emphasize more on the online channels in response to consumers' changing behaviors. KTC provides online channel for loan application (electronic application) in which the customers can apply for loan by themselves and

boosts convenience with cash withdrawal online channel through KTC mobile application linked with Prompt-Pay account that allows the customers to transfer cash to 15 different bank accounts. Regarding to the increase in customers communication channels to reach the target groups and strong bond between KTC and over 700,000 KTC PROUD members, KTC also conducts the integrated seminar for the second jobs to increase income and promote payment discipline through the debt clearing program. It is expected that by the end of 2023 the portfolio of personal loans will grow by 7% with about 110,000 new "KTC PROUD" members.

## Business Trends and Strategy of Auto Title Loan Business in 2023

Auto title loan business tends to have a high potential for expansion in 2023 due to the country reopening affected to the economic situation after the COVID-19 pandemic; therefore, the demand on loans has continuously increased. In addition, auto title loan is considered as low risk business which can certain degree of screening and controlling the portfolio quality since the customers must take a car registration book as collateral. The overall industry is likely to be

more competitive as the financial institutions, both bank and non-bank, pay more attention in this business.

Regarding to the strategy of auto title loan business - KTC P BERM Car for Cash in 2023, the Company continues to focus on expanding member bases towards continuous business growth which can be summarized as follows:

### PRODUCT

customer base expansion in P BERM Car for Cash is main priority by focusing on those who have the limitation on income statement namely agriculturist, merchants and small business owners. Additionally, the adjustment of terms and conditions for collateral consideration is set to be more flexible and suitable for target groups as well as the highlight on the strengths of the KTC P BERM cash card which provides a variety of product features, such as, cash withdrawal or purchase of products through cash cards is also executed.

### DISTRIBUTION CHANNELS

it emphasizes on the main distribution channel through the branches of Krungthai Bank by adjusting the service to full process service, from loan application to approval, in which the bankers can proceed the whole procedures via Tablet device to get loan approval within 1 hour and receive cash at more than 900 branches of Krungthai Bank nationwide. Besides, the outsource sales and online acquisition channels which are the two main distribution channels shall be strengthened including the expansion to new other channels as well.

### PROCESS EXCELLENCY

it emphasizes on the improvement of loans application process to be safe, convenient and fast continuously by applying the new technologies in the loan application process, such as, a transaction via Tablet device or an online application for loan approval with P BERM Delivery service that notifies the real-time approval results and money transfer to customers' accounts immediately within 1 hour in order to create the best experience in getting large amount of loan approval from anywhere every day for customers.

### BRAND AWARENESS

it emphasizes on communication for brand awareness of 'KTC P BERM Car for Cash' to broaden target groups, especially those who live in main cities. The communication focuses on the product name of 'KTC P BERM Car for Cash' through various main media, both online and offline channels, especially the popular influential media which match the target group's behaviors to make the product known and catch more customers attention.

## Business trends and strategy of MAAI by KTC in 2023

Currently, many businesses realize the importance of CRM to build good relationships with customers aiming to create brand loyalty and re-purchase behaviors which are the opportunity for expansion of membership base. Therefore, the effective management of digital loyalty program can become an important tool to help businesses reach to target groups and meet the needs of customers. Also, it shall create more positive experience to the brands.

MAAI by KTC has experiences in loyalty program management and understands the different nature of business partners in each industry and the customers' needs in each diverse business group. Hence, MAAI by KTC's business strategy focuses on the customization of product design based on the different nature of each operation to create a

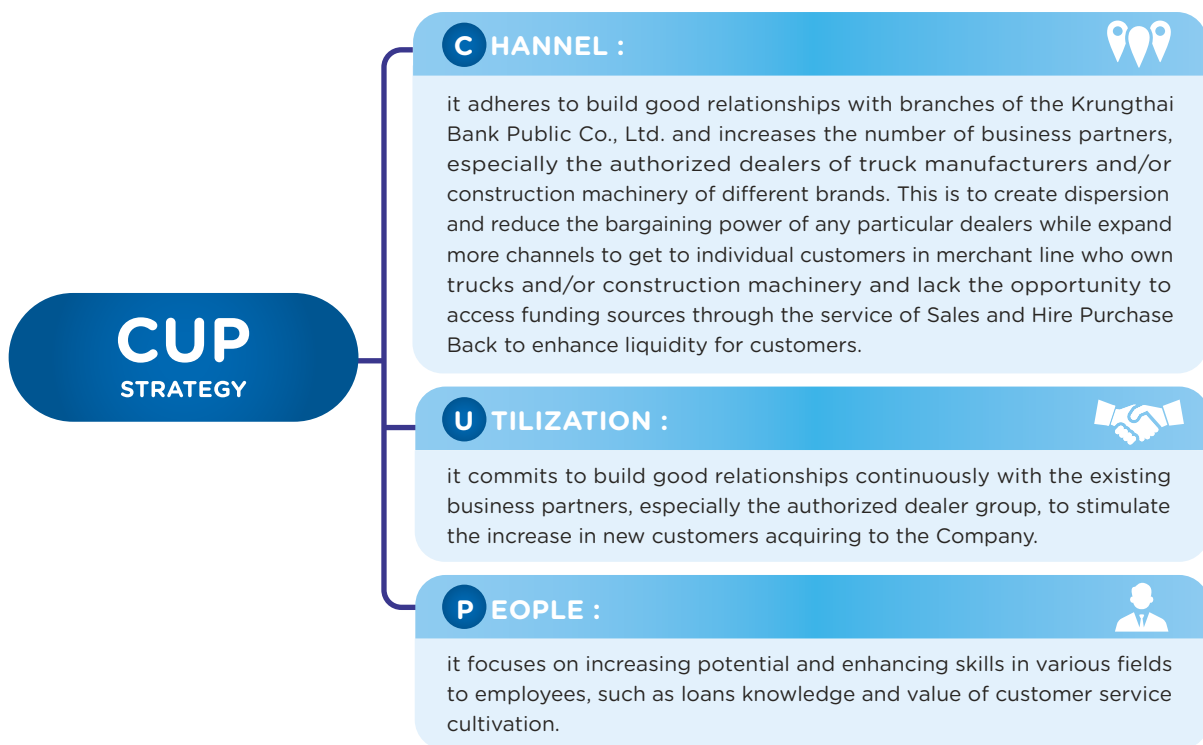
good experience which is a competitive advantage and increase more chances for business expansion to partners. Besides, in 2023, MAAI by KTC plans to expand partners base from large business groups to medium-sized businesses that require for loyalty program and enhance MAAI points redemption shops and stores so that the member can access more comprehensive and diverse benefits to support the needs of customers for maximum efficiency. Moreover, brand awareness of MAAI by KTC is created by emphasizing product communication to target industrial groups towards a better understanding on the product.

## Business Trends and Strategies of Hire Purchase and Leasing Business in 2023

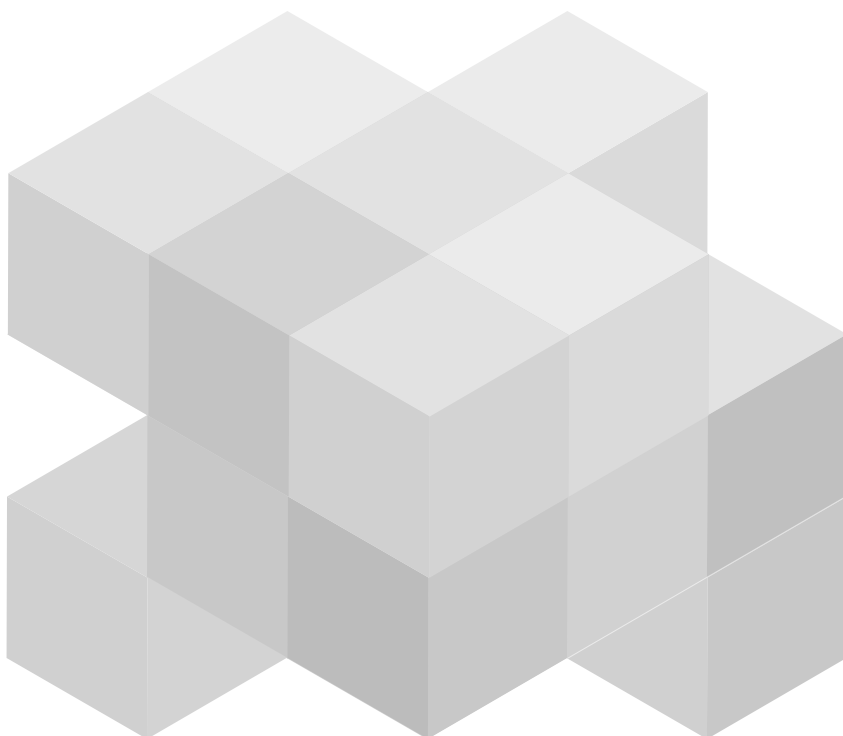
Hire purchase and leasing business was decelerated during the past 2-3 years; however, it is expected that the business trend will get better, and the sales promotions might be promoted for entrepreneurs. The total number of hire purchase and leasing in 2022 was higher than last year. Furthermore, the marketing plan of hire purchase and leasing requires coordination, relationships with dealers to approach the customers and impressive services for customers. Regarding to the trend of hire purchase and car leasing in 2023, it is likely that passenger cars and commercial cars should have more expanded from the recovery of the tourism. Similarly, the number of passenger cars might also have increased from the economic recovery, particularly the use of electric vehicle car (EV Car) due to the fuel oil

energy saving in most of consumers. As the result, car manufacturer gradually launches more new models EV Cars which currently become quite popular.

For the strategy of hire purchase and leasing business in 2023, the Company focuses on expanding customer bases, both business and retail loans. The strategy of leasing business remains on serving corporate and individual customers who require to purchase assets in the category of trucks and/or heavy industrial machinery for business operations of customers under the CUP Strategy as follows:



In addition to the retail loan, the Company mainly emphasizes the used car leasing business.



# KTC AND SUSTAINABLE DEVELOPMENT

Under the Company's vision "KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth", and the sustainability purpose statement of "To provide better financial products and services to enhance quality of life for all Thais". KTC has integrated sustainability or the Environmental, Social, and Governance: ESG concept with its

responsible business operations as well as develop the organization continuously. The Company harmonizes the concept with stakeholders' needs and plays its part of strengthening financial sector and driving Thailand economic system for sustainable growth in accordance with the United Nations Sustainable Development Goals: SDGs. Details are as follows:

## Sustainable Development Goals (SDGs)

### Target 1.4



#### Provide equal rights to economic resources and access financial services

- KTC P Berm
- Providing services through online channels such as KTC Mobile, P'BERM Mobile and QR PAY

### Target 9.3



#### Support the development of innovative financial products to facilitate access to financial services

- KTC P Berm
- Providing services through online channels such as KTC Mobile, P'BERM Mobile and QR PAY

### Target 3.d, 3.8, 3.9



#### Reduce health risk; provide access to healthcare

- Health-promoting campaigns
- Employee welfare
- Occupational health and safety

### Target 10.2, 10.3



#### Empower equal opportunities and inclusion

- KTC's human rights
- KTC P Berm
- Providing services through online channels such as KTC Mobile, P'BERM Mobile and QR PAY

### Target 4.3, 4.4, 4.5, 4.7



#### Provide inclusive and equitable quality education and learning opportunities

- Education loan
- Financial Literacy
- Human capital development

### Target 12.5



#### Ensure sustainable consumption and production, reduce waste generation

- ESG product and services
- Environmental management

### Target 5.1, 5.5, 5.a



#### Promote gender equality without discrimination

- KTC's human rights

### Target 13.3



#### Take action to mitigate climate change and impacts

- Environmental management

### Target 7.1



#### Ensure access to affordable, reliable, sustainable and clean energy

- Solar Rooftop Installment 0%
- Privileges for reserving electric cars and Wallbox

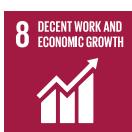
### Target 16.5, 16.6, 16.7



#### Develop effective, accountable and transparent institutions at all levels

- Corporate Governance
- Internal control
- Risk management

### Target 8.3, 8.5, 8.7, 8.8



#### Support productive activities, decent job creation and promote safe and secure working environments

- Human Resource Management
- Occupational health and safety
- Supply chain management



## ○ Sustainable Development Management Structure

GRI 2-9, 2-12, 2-13, 2-14, 2-18



### Roles and Responsibilities

- **Board of Directors**  
plays a crucial role in making decisions for the best interest of the Company and the stakeholders by approving vision, missions, policies, and operational framework, including monitoring and supervising to ensure the successful implementation of the framework set forth. The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee was assigned to oversee sustainability operations
- **Audit, Environmental, Social Responsibilities, and Corporate Governance Committee**  
oversees and provides suggestions regarding sustainability, covering economic, social, and environmental dimensions, in compliance with domestic and international standard, in order to drive its organization in a sustainable manner
- **President & Chief Executive Officer and Top Management**  
President & Chief Executive Officer is the leader in driving the organization sustainably with determination. Top management partake since the beginning in order to understand the importance of sustainability and to provide support through the sustainability working teams. They also express their intention to emphasize the importance of applying the sustainable development concept as a concrete part of business operations.
- **Sustainability Working Group**  
consists of representatives from all departments who jointly studied both national and international sustainability framework, exchanged opinions among departments, and emphasized on internal communication to raise awareness and understanding for employees to implement and to operate in accordance with the Sustainable Development Framework

## ○ Sustainable Development

### Management of Impact on Stakeholders in the Business Value Chain

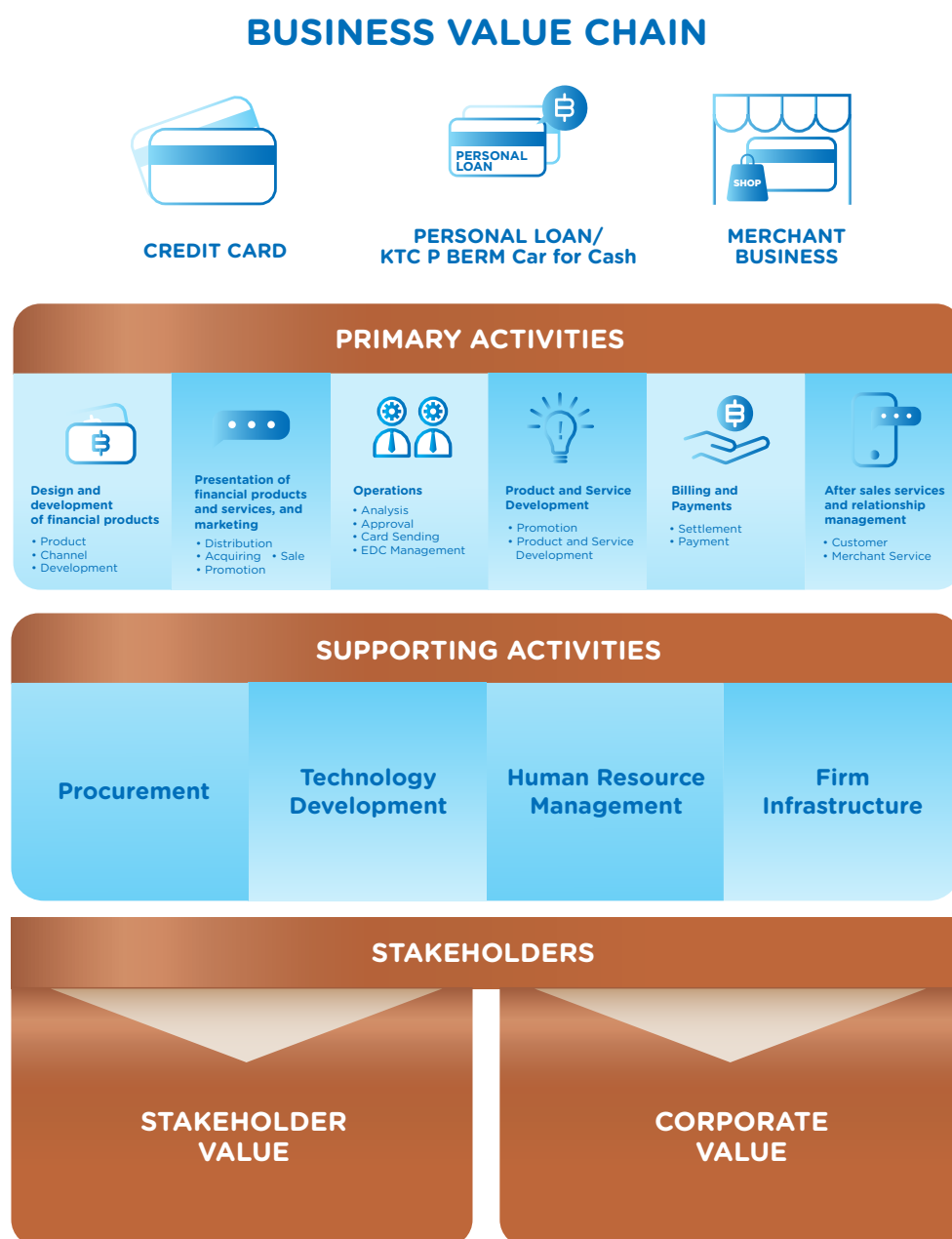
GRI 2-29

The Company commits and promotes business operations in compliance with good corporate governance principles, relevant laws, regulations and social and environmental responsibility. The Company analyzes activities or work processes throughout the business value chain from upstream to downstream,

this is to enable resource management and impact linkage to enhance organizational capability as well as to create value through products and services for good outcome and relationships, including meeting the expectations of stakeholders in the business value chain as follows:

### Business Value Chain

GRI 2-6



## ○ Stakeholder Analysis and Engagement in the Business Value Chain

GRI 2-29

### Stakeholder Analysis and Review

The Company divides stakeholders into 10 groups according to their relevance to the Company's business value chain. In 2022, the Company has considered and reviewed groups of stakeholders, which have not been changed from the original grouping and details are as follows:



### Stakeholder Engagement

The guidelines for the treatment of stakeholders are clearly written in the Company's Corporate Governance Policy and Code of Conduct, which are published on the intranet and the Company's website. (<https://www.ktc.co.th/sustainability-development/corporate-governance>) The Company also encourages all employees to pay attention to and empathize with stakeholders to be able to understand and engage their needs, expectations, and areas that stakeholders value via different channels and activities. Such information will be used for analyzing, defining, and

developing guidelines for appropriate response or engagement between the Company and the stakeholders through the entire value chain throughout the year to reduce risks, while creating business opportunities that meet customers' needs. Furthermore, the Company also provides various measures to take care of stakeholders during the COVID-19 outbreak.

(Please refer additional details under the "COVID-19 Crisis Management" topic)

The details of stakeholder engagement details are as follows:



## Shareholders

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Annual General Meeting of shareholders.</li> <li>Extraordinary General Meeting of shareholders (upon the occurrence of an event)</li> <li>Disclosure of Financial Statements, MD&amp;A (Management Discussion and Analysis) on both quarterly and annual basis (pre and post review/audit).</li> <li>Hosting Opportunity Day and Analyst Briefing quarterly both via online channel and to participate in person at the venue.</li> <li>Opportunity to have Company Visit at any time, including meeting at the Company and communication via online channel.</li> <li>Other IRKTC responding channels, including telephone and E-mail: irktc@kct.co.th</li> <li>Organizing Roadshow for information disclosure domestically and internationally. Roadshow is hosted online during the severe COVID-19 outbreak and travel is not allowed.</li> <li>Meeting for group policy and guideline updates, prepare and submit reports, cooperate with audits undertaken by internal audit function of Krungthai Bank.</li> </ul>	<ul style="list-style-type: none"> <li>The Company grows steadily and sustainably, ready to accept risks from competition, rules or trade barriers that may occur in business operations.</li> </ul>	<ul style="list-style-type: none"> <li>The Company manages business firmly and grows continuously with a risk management plan that reflects prudent business operations.</li> </ul>
	<ul style="list-style-type: none"> <li>The Company has good corporate governance and appropriate risk management.</li> </ul>	<ul style="list-style-type: none"> <li>The Company operates business with transparency and good operating results under proper corporate governance and risk management.</li> </ul>
	<ul style="list-style-type: none"> <li>Treat all shareholders fairly and equitably whereby shareholders receive correct information through a transparent, clear, complete, equal and timely disclosure.</li> </ul>	<ul style="list-style-type: none"> <li>The Company discloses correct and complete information in a timely manner and provides equal and easy access to information via various channels.</li> </ul>
	<ul style="list-style-type: none"> <li>Shareholders receive positive returns, such as dividends or capital gain.</li> </ul>	<ul style="list-style-type: none"> <li>The Company manages its business under strict and prudent risk management measures. As a result, dividends can be paid to shareholders continuously.</li> </ul>
	<ul style="list-style-type: none"> <li>The Company is resilient to unexpected events, with sustainability linked to business processes and strategies</li> </ul>	<ul style="list-style-type: none"> <li>The Company constantly adjusts and develops itself; some are reflected in the Business Continuity plan in response to unusual events.</li> </ul>
	<ul style="list-style-type: none"> <li>Provide good communication channels between the Company and shareholders so shareholders have an opportunity to ask questions either in the Annual General Shareholders' Meeting, Opportunity Day, or other meetings that facilitates shareholders to communication and gives them equal access to disclosed company information.</li> </ul>	<ul style="list-style-type: none"> <li>Arrange the Annual General Shareholders' Meeting by inviting shareholders to attend the meeting and express their opinions and organize Opportunity Day. Due to COVID-19 outbreak, the majority of appointments and meetings were held online in 2022.</li> </ul>
	<ul style="list-style-type: none"> <li>Shareholders receive clear and up to date answers to new questions posed.</li> </ul>	<ul style="list-style-type: none"> <li>Provide answers in a straightforward manner. The executives communicate in a timely manner and answer questions clearly and completely.</li> </ul>
	<ul style="list-style-type: none"> <li>Krungthai Bank receives correct and complete information within the specified deadline.</li> </ul>	<ul style="list-style-type: none"> <li>The Company submits its report with correct and complete information in a timely manner for the Bank to use its information in group supervision.</li> </ul>

(Please refer additional detail under the "Corporate Governance", "Anti-corruption and Bribery" and "Risk & Crisis management" topics)





## Customers

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>A survey on KTC's effectiveness and Brand Health Monitoring was conducted through customer interviews.</li> <li>A survey on Net Promoter Score.</li> <li>Satisfaction Surveys through various channels.</li> <li>Meeting with customers to present financial products and services across all channels to foster good relationships.</li> <li>Customer satisfaction telephone surveys to gauge the correctness of sales by sales agents (Mystery shopping).</li> <li>Setting Consumer Feedback Center (CFC) for receiving suggestions, issues, and complaints throughout the year</li> </ul>	<ul style="list-style-type: none"> <li>Financial products and services including benefits that meet customer needs and resolve the problem.</li> <li>To present correct information on products and services, including providing appropriate suggestions and effective services that do not lead to misunderstanding.</li> <li>To elevate sales and services to be accepted, appreciated and admired by customers according to Market Conduct principle, including resolving issues, compensating, and listening to suggestions with willingness, fairness, and swiftness.</li> <li>To improve the quality of sales and services of sale agents in accordance with Market Conduct principle.</li> </ul>	<ul style="list-style-type: none"> <li>Develop products, services, and privileges to meet all groups of customers' needs.</li> <li>Have service mind and respond quickly in every channel. Listen and take customers issues to improve and develop along with offering assistance and giving suggestions for customers' benefits and highest satisfaction.</li> <li>Create opportunities for customers to evaluate KTC TOUCH service points and sale agents, using telephone surveys to ask for opinions toward the service and gather feedback for further improvements.</li> <li>Evaluate Contact Center's services performance for each service provided and scrutinize results to assist customers, to solve problems and to provide preventative measures.</li> <li>Provide training and product knowledge development skills and related guidelines on product offerings to sale agents regularly in accordance with the Market Conduct principle.</li> <li>When suggestions, problems and complaints were received, the Company will investigate and take action to resolve issues within the specified Service Level Agreement (SLA) timeframe.</li> </ul>

(Please refer additional detail under the "Brand and Customer trust" and "Digital Innovation" topics)



## Creditors

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>• Providing information, answering questions, receiving suggestions via telephone, E-mail, and meetings throughout the year.</li> <li>• Disclosure of Financial Statements, MD&amp;A (Management Discussion and Analysis) post review/audit, including the Company's other important information and notifying the debt-to-equity ratio on both quarterly and annually basis.</li> <li>• Organizing activities to strengthen relationships on a regular basis by preparing quarterly reports to communicate with debentureholders about various activities.</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with contract or terms and conditions.</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with relevant contracts or terms and conditions honestly, transparently, and auditable.</li> </ul>
	<ul style="list-style-type: none"> <li>• To receive interest and principal in full and on schedule.</li> </ul>	<ul style="list-style-type: none"> <li>• Interest and principal are paid in full and on schedule.</li> </ul>
	<ul style="list-style-type: none"> <li>• To receive accurate and complete information.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage in constant communication to ensure the information, news, and knowledge is correct and complete.</li> </ul>
	<ul style="list-style-type: none"> <li>• To be informed of operating results, other important information, and terms and conditions compliance.</li> </ul>	<ul style="list-style-type: none"> <li>• Present accurate, proper, and fair reports of financial information, operating performance, capital management information, as well as disclosed information in compliance with the Securities and Exchange Commission's requirements on a timely basis.</li> </ul>
	<ul style="list-style-type: none"> <li>• Debentureholders are informed of interesting activities and participated in interesting activities.</li> <li>• Debentureholders are able to communicate their needs and expectations related to their activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Notify activities information before the start of each quarter in order to allow debentureholders time to consider participating in such activities.</li> <li>• Develop activities that capture debentureholders' interests to foster long-term relationships.</li> </ul>

(Please refer to additional detail under the "Corporate Governance" topic)



## Suppliers

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>• Selection and performance evaluation processes.</li> <li>• Informing the Company's sustainability expectations to suppliers through the Supplier Code of Conduct.</li> <li>• Channels for suggestions, concerns, and complaints.</li> <li>• Organizing meetings, trainings, and visits in order to exchange knowledge, information, and suggestion with suppliers</li> <li>• Meeting with personnel of Krungthai Bank and its financial business group to present and provide relevant information regarding sales and services to staff of Krungthai Bank and its business financial group, as well as expanding new market opportunities together in various aspects.</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent, auditable, and fair procurement in compliance with procurement guidelines or Business Partners guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers/Business Partners acknowledge the compliance with corporate governance policy, anti-money laundering policy, anti-corruption measures, and the Supplier Code of Conduct.</li> </ul>
	<ul style="list-style-type: none"> <li>• Provide knowledge sharing and development to suppliers for sustainable growth together.</li> </ul>	<ul style="list-style-type: none"> <li>• Constantly develop and educate suppliers to achieve mutually sustainable development goals.</li> </ul>
	<ul style="list-style-type: none"> <li>• Fair competition or contracts.</li> </ul>	<ul style="list-style-type: none"> <li>• Constantly build good relationships with suppliers</li> <li>• Follow and comply with service contracts.</li> </ul>

(Please refer to additional detail under the "Supply chain management" topic)



## Business Partners

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Meetings to stimulate cooperation in numerous marketing activities, including launching new products and organizing marketing activities.</li> <li>Constant communication for inquiries, discussions, and exchange ideas on market overview and target customers' behaviors.</li> </ul>	<ul style="list-style-type: none"> <li>Business cooperation in accordance with corporate governance principle.</li> </ul>	<ul style="list-style-type: none"> <li>Make a joint agreement in defining a framework for cooperation with business partners.</li> </ul>
	<ul style="list-style-type: none"> <li>To stimulate sales and jointly expand market opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Organize meetings and create promotional marketing activities to stimulate sales and to expand on sustainable joint marketing opportunities.</li> </ul>

(Please refer to additional detail under the "Collaboration with Partners for Sustainability" topic)



## Competitors

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Meeting to discuss, exchange ideas and cooperate on various agendas through clubs or associations.</li> </ul>	<ul style="list-style-type: none"> <li>To conduct business and compete with transparency, fairness, and honesty-without slanders, accusations, distortions of truth, and follow good competitive framework with honesty</li> </ul>	<ul style="list-style-type: none"> <li>Create a fair competition condition without slanders, accusations, or distortions of truth.</li> </ul>
	<ul style="list-style-type: none"> <li>Exchange information for mutual benefits</li> </ul>	<ul style="list-style-type: none"> <li>Attend club or associations meetings to exchange ideas about business operations.</li> </ul>

(Please refer to additional detail under the "Corporate Governance" topic)



## Society and Environment

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Provide opportunities to listen to society through social events, social network, or various electronic channels.</li> <li>Other communication channels and accepting complaints throughout the year.</li> <li>Organize knowledge training on various topics.</li> </ul>	<ul style="list-style-type: none"> <li>To receive financial advice or knowledge that enables appropriate financial planning and saving for future.</li> </ul>	<ul style="list-style-type: none"> <li>Offer products and services, including financial literacy, via social network and electronic channels such as facebook pages of KTC P BERM car for cash or KTC Journey, etc.</li> </ul>
	<ul style="list-style-type: none"> <li>To thoroughly access financial services that matches their needs.</li> </ul>	
	<ul style="list-style-type: none"> <li>Able to help the community when in need.</li> </ul>	<ul style="list-style-type: none"> <li>Provide support to community as appropriate</li> </ul>
	<ul style="list-style-type: none"> <li>Mitigation management on social and environmental aspects that may arise from the Company's operations.</li> </ul>	<ul style="list-style-type: none"> <li>Manage resources efficiently. Encourage employees to have a service mind and support community services, and activities beneficial to the society and environment.</li> </ul>
	<ul style="list-style-type: none"> <li>Always provide channels for community and society's complaints and suggestions.</li> </ul>	<ul style="list-style-type: none"> <li>Provide channels for complaints, opinions and suggestions in accordance with Corporate Governance Policy.</li> </ul>
	<ul style="list-style-type: none"> <li>To conduct environmentally friendly business.</li> </ul>	<ul style="list-style-type: none"> <li>Create good awareness among employees to preserve the Company's resources efficiently, as well as enable customers to use products and services that promote environmental stewardship.</li> </ul>

(Please refer to additional detail under the "Financial Inclusion and Financial Literacy" and "Environmental and Climate Change Management" topics)



## Board of Directors and Management

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>• Board of Directors' meeting on a monthly basis.</li> <li>• Urgent Board of Directors' meeting upon the occurrence of an event.</li> <li>• Organizing orientations for newly appointed directors.</li> <li>• Knowledge development related to directors' performance, both in the form of printed materials and seminars organized throughout the year.</li> <li>• The diversity of the Board of Directors nomination.</li> <li>• Annual evaluation of the Board of Directors' performance.</li> <li>• Determine compensation that is suitable with roles and responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>• To define the Company's vision, missions, or strategies, including discussing or considering policies or operations, to ensure that the Company operates according to the guidelines set by the Board of Directors.</li> </ul>	<ul style="list-style-type: none"> <li>• Follow up and acknowledge the Company's operating results regularly.</li> <li>• Operate transparently in compliance with corporate governance principle.</li> <li>• Good operating performance with steady growth.</li> <li>• Provide sufficient, complete information in a timely manner.</li> <li>• Treat every stakeholder equally with fairness.</li> </ul>
	<ul style="list-style-type: none"> <li>• To understand the scope of business, policies or related laws, including the Company's business plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Invite to attend an orientation presenting KTC Story, legal duties of the directors, and various company policies such as scope of business, corporate governance, risk management, etc.</li> </ul>
	<ul style="list-style-type: none"> <li>• To improve knowledge and competency related to regulations, including the duties of directors and management and to implement them properly.</li> </ul>	<ul style="list-style-type: none"> <li>• Support seminars on courses related to duties of Board of Directors and Management</li> </ul>
	<ul style="list-style-type: none"> <li>• To organize the Board of Directors and Management structure to be diversified in term of skills and experiences.</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare Board Skill Matrix to specify qualifications and use as a tool for the selection of skilled or experienced Board of Directors who will manage the Company.</li> </ul>
	<ul style="list-style-type: none"> <li>• To be informed of the director's performance results for further improvement.</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate performance evaluation results to the Board of 15 valuations for further improvement of director's and the Company's Performance.</li> </ul>
	<ul style="list-style-type: none"> <li>• To determine the appropriate compensation rate in accordance with roles, duties and responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Receive remuneration approved by shareholders or the Board of Directors appropriately and fairly on a case-by-case basis.</li> </ul>

(Please refer to additional detail under the "Corporate Governance" topic)

## Employees

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Organizing orientations for new employees.</li> <li>Creating whistleblowing or complaints channels for employees via E-mail or the Compliance or Human Resources business unit executives.</li> <li>Organizing meeting and communicating information to employees via E-mail or KTC UNITE throughout the year.</li> <li>Annual Employee Engagement and Satisfaction Survey</li> <li>Performance appraisal based on Key Performance Indicator ("KPI").</li> <li>Set human resource development guidelines for employees at all levels throughout the year.</li> <li>Encourage employees to set development goals and career advancement (Career Planning).</li> </ul>	<ul style="list-style-type: none"> <li>Employees want to know the Company, Board of Directors, management and important operating procedures for internal operations</li> </ul>	<ul style="list-style-type: none"> <li>Communicate the Company's history, the nature of business, an introduction of the Board of Directors and management, notifying rules and regulations, as well as the Company's important guidelines.</li> </ul>
	<ul style="list-style-type: none"> <li>Be able to communicate needs, views, whistleblowing, or complaints via various channels</li> </ul>	<ul style="list-style-type: none"> <li>Provide variety and safe communication channels for employees.</li> <li>Human Resources business unit performs its duties in accordance with the human rights and diversity management guidelines with non-discriminatory principles regardless of sex, gender, religion, or race. Every action is conducted within the bounds of the labor law.</li> </ul>
	<ul style="list-style-type: none"> <li>Be informed of policies and information regarding the Company's operations.</li> </ul>	<ul style="list-style-type: none"> <li>Has measures in place to protect whistleblowers.</li> <li>Organize Town Hall meetings between top and middle management.</li> <li>Organize meetings within departments and between departments.</li> </ul>
	<ul style="list-style-type: none"> <li>Employees are able to communicate their needs to the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Perform Employee Engagement Survey conducted by a third party to improve and strengthen effective employee engagement</li> <li>Organize Employee Engagement Activities by Human Resources business unit and representatives from different departments (People Champion).</li> <li>Organize CEO Live Talk to give employees an opportunity to hear ideas, visions, and discuss directly with the CEO, which is another communication channel between employees and the Company.</li> </ul>
	<ul style="list-style-type: none"> <li>Employees acknowledge their assessment results in order to develop and improve their capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Conduct Performance Appraisal consists of 2 parts: KPI divided into Corporate KPI and Individual KPI and behavior assessment of Core Values and Competency, the appraisal applies a 360-degree assessment to give feedback.</li> </ul>
	<ul style="list-style-type: none"> <li>To develop required knowledge, skills, or competency (Competency Development) which facilitate operations in achieving objectives and standards of the specified work, as well as being in line and up to date with the constant changes of the digital age.</li> </ul>	<ul style="list-style-type: none"> <li>Give employees an opportunity to choose combined learning method suitable for each individual.</li> <li>Provide learning culture that allows employees to choose according to one's interest freely</li> </ul>



Methods of Communication	Interests and Expectations	Responding Guidelines
	<ul style="list-style-type: none"> <li>Be able to plan career path and career advancement.</li> </ul>	<ul style="list-style-type: none"> <li>Educate employees to set a Career Path in order to promote their career advancement.</li> <li>Conduct an Individual Development Plan.</li> </ul>
<ul style="list-style-type: none"> <li>Conduct an Occupational Health and Safety Committee meeting continuously.</li> </ul>	<ul style="list-style-type: none"> <li>Provide suitable and safe working environment.</li> <li>Provide activities that promote health, both physically and mentally.</li> </ul>	<ul style="list-style-type: none"> <li>Provide suitable working environment by evaluating working environment to meet the standards.</li> <li>Organize sports club to promote health according to employee preferences.</li> <li>Organize various internal activities to promote work stress reduction.</li> </ul>

(Please refer to additional detail under the “Human resource management and development” and “Occupational Health and Safety” topics)



## Government Sectors and Regulators

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> <li>Meetings to listen to policies and regulatory guidelines, including compliance training.</li> <li>Cooperating with audit undertaken by various regulators.</li> <li>Submitting reports to regulators</li> </ul>	<ul style="list-style-type: none"> <li>The Company’s business operations are within the bounds of the law and with transparency for both the organization and the work system.</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to laws, rules and regulations and improve operations to be in line with observations from inspections (if any).</li> </ul>

(Please refer to additional detail under the “Corporate Governance” and “Anti-Corruption and Bribery” topics)

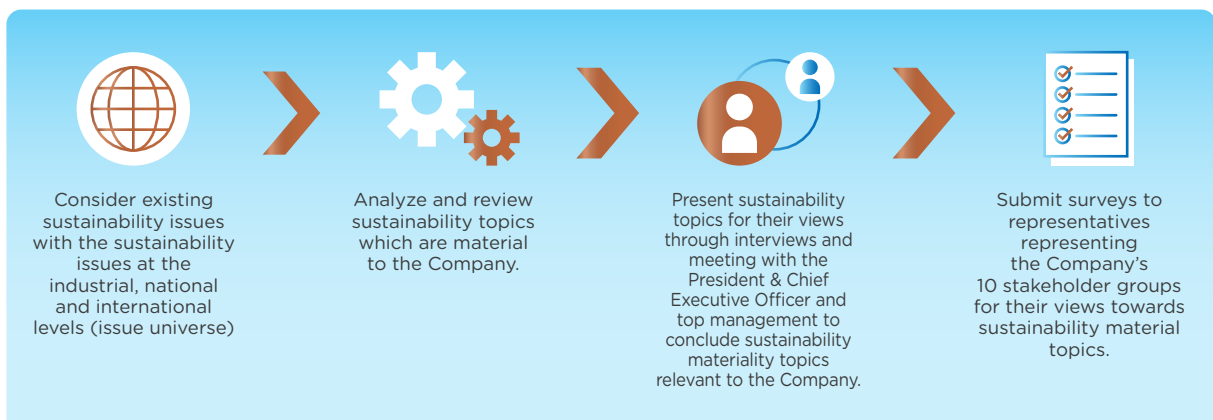
## Identification of Sustainability Materiality Topics

GRI 2-4, 3-1, 3-2

The Company reviewed the key sustainability issues in industrial, national, and international levels (issue universe). The 2021 survey with 10 stakeholder groups, accounted for 111 persons, was conducted to conclude the Sustainability Materiality Matrix and 5-year sustainability strategy (2022-2026) in accordance with the sustainable development framework and identify the scope of this Sustainability Report accordingly.

The processes are as follows:

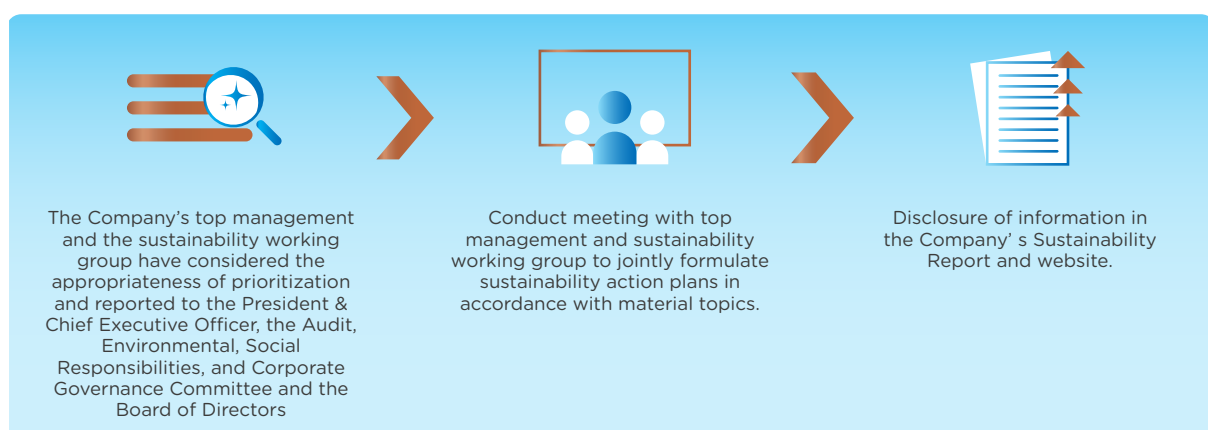
### Identification of Sustainability Materiality Topics



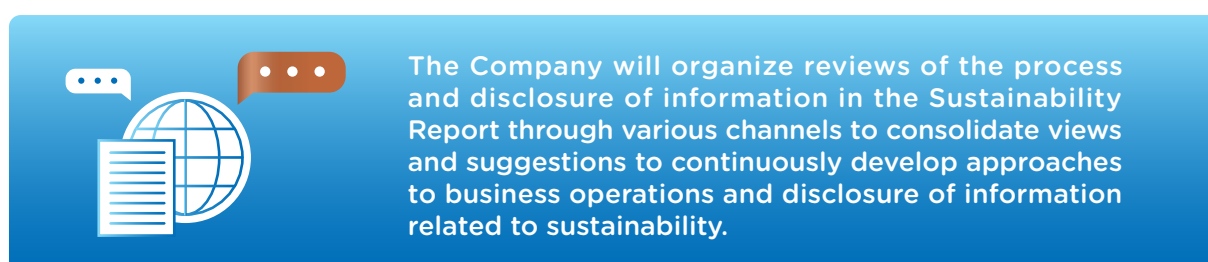
## Prioritization of Sustainability Materiality Topics



## Consideration of Sustainability Material Topics



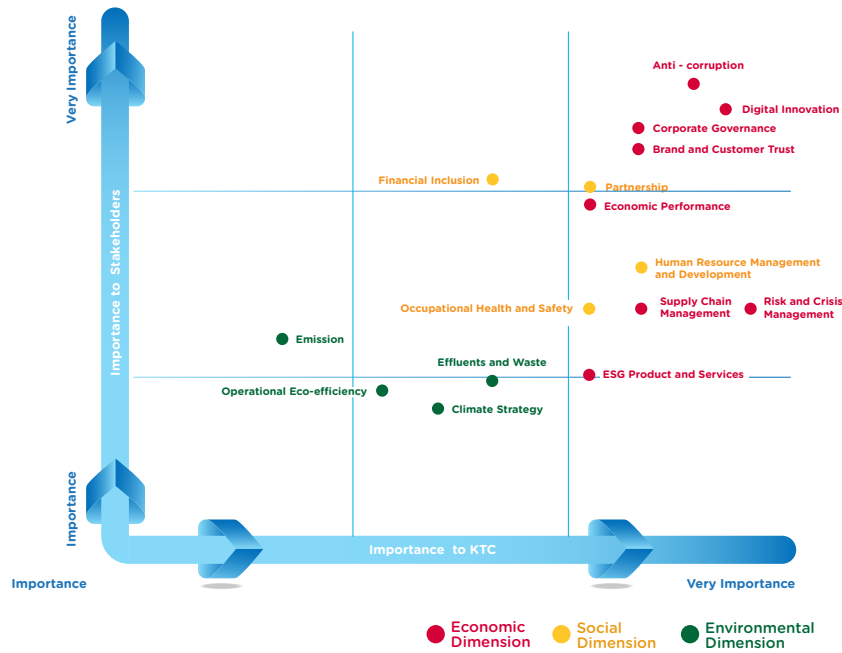
## Review of Sustainability Material Topics



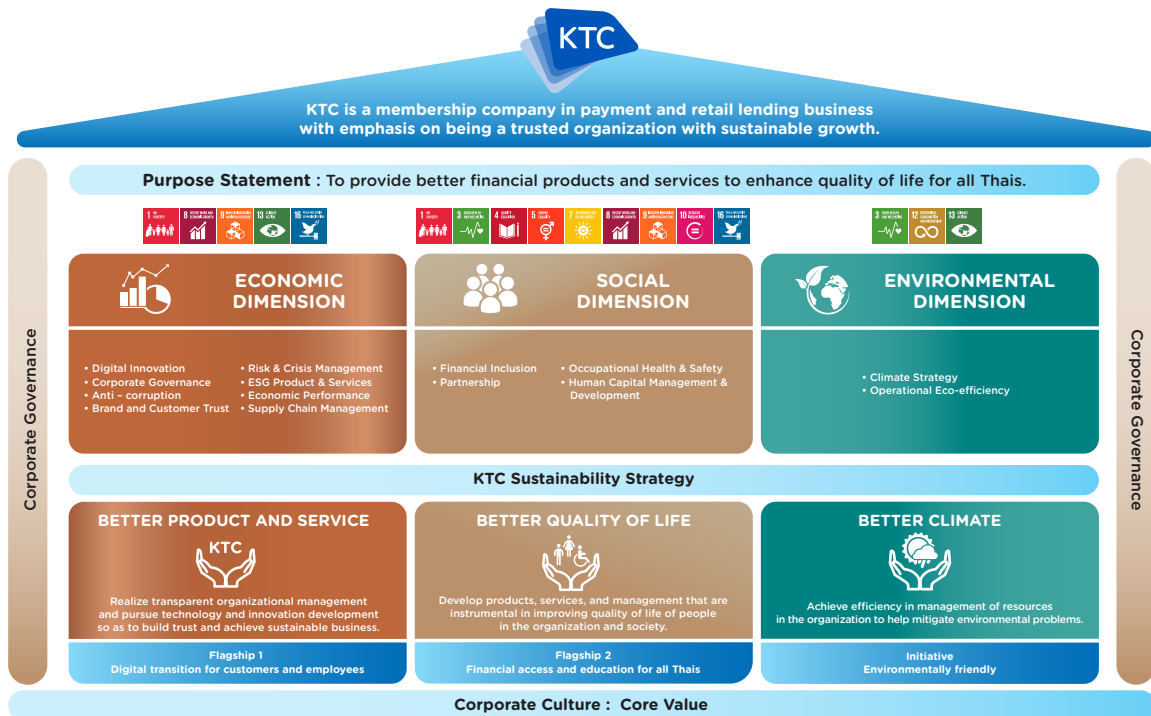
In 2022, the Company reviewed all 16 materiality topics and found that there were no significant changes. In addition, material topic, such as respecting human rights had already been covered. As such, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee resolved to approve the use of current materiality topics onwards.

(Please refer to additional detail under the "Additional Information" and "Sustainability" topics)

## Prioritization of Sustainability Materiality Topics



## Sustainable Development Framework




The Company has established a **sustainability framework** that addresses key sustainability issues, corporate vision and in line with the 11 Sustainable Development Goals of the United Nations. The sustainability framework is based on good corporate governance and appropriate risk and cost management. In addition, the Company has developed a long-term, **five-year sustainability strategy** covering **three dimensions of sustainability**, namely **Better Product and Service (economic dimension strategy)**, **Better Quality of Life (social dimension strategy)** and

**Better Climate (environmental strategy)**. The Company has applied digital technology and innovation to develop products and services that meet the needs, create good experience and build trust among members and stakeholders based on information security, cyber security, and personal data protection. This leads to the opportunities to access financial products and services for the people in the society thoroughly and mitigate the impact on the environment in a sustainable way.

## Sustainability Reporting Boundaries









This Sustainability Report, prepared with reference to the GRI Standards, has outlined the key materiality topics as depicted in the Materiality Matrix. This report also includes the operations of the KTC Pico (Bangkok) Co., Ltd. and subsidiary in order to provide more clarity in the role of material topic.

GRI 3-2

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers	Business Partners	Competitors	Society & Environment	Government sectors & Regulators		
Substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1)	<b>Digital innovation</b> Developing digital technology and innovations to enhance financial products and services, work process, customer service channels; Placing importance of information security, cyber security, personal data protection.	●	●	●	●		●	●	●	●	●	Economic Dimension Digital innovation	   
Incidents of non-compliance concerning marketing communications (GRI 417-3)	<b>Brand and Customer Trust</b> Responsible business operations; Developing and maintaining the quality of products and services; Mitigating social and environmental impacts; Communicating clearly and fairly; Building satisfaction, experience and trust to customers and stakeholders.	●	●		●		●	●			●	Economic Dimension Brand and Customer Trust	
Policy commitments (GRI 2-23 ) Governance structure and composition (GRI 2-9 ) Delegation of responsibility for managing impacts (GRI 2-13 ) Role of the highest governance body in overseeing the management of impacts (GRI 2-12)	<b>Risk and Crisis Management</b> Setting risk structure and corporate culture; to address current and future risk. Conducting risk assessment, analysis and management co-vering ESG issue to define guidelines for dealing with anticipated changes and emerging risks	●	●	●	●	●	●	●		●	●	Economic Dimension Risk and Crisis Management	
Direct economic value generated and distributed (GRI 201-1)	<b>Economic Performance</b> Delivering business value to stakeholders; Being a good corporate citizenship; Taking part in maintaining economic stability, developing infrastructure and providing financial access opportunity to society.	●	●	●	●	●	●	●		●	●	Economic Dimension Economic Performance	 

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Alliances	Competitors	Society & Environment	Government sectors & Regulators		
<b>Policy commitments (GRI 2-23 )</b> <b>Mechanisms for seeking advice and raising concerns (GRI 2-26 )</b> <b>Governance structure and composition (GRI 2-9)</b> <b>Delegation of responsibility for managing impacts (GRI 2-13)</b> <b>Role of the highest governance body in sustainability reporting (GRI 2-14)</b>	<b>Corporate Governance</b> Conducting business in accordance with good corporate governance principle; Establishing transparent and auditable structure, policy, and processes; Managing risks properly; Ensuing that the Company can generate sustainable returns	●	●	●	●	●	●	●	●	●	<b>Economic Dimension</b> <b>Corporate Governance</b>		
<b>Infrastructure investments and services supported (GRI 203-1)</b> <b>Significant indirect economic impacts (GRI 203-2)</b>	<b>ESG Products and Services</b> Creating incentives to reduce environmental and social impacts through loan policies; Developing products services with environment and social consideration; Conducting responsible business.	●	●	●	●		●	●		●	●	<b>Economic Dimension</b> <b>Corporate Governance</b>	   
<b>Negative environmental impacts in the supply chain and actions taken (GRI 302-2)</b> <b>New suppliers that were screened using environmental criteria (GRI 308-1)</b> <b>New suppliers that were screened using social criteria (GRI 414-1)</b> <b>Negative social impacts in the supply chain and actions taken (GRI 414-2)</b>	<b>Supply Chain Management</b> Supply chain management from upstream to downstream to instill confidence that the Company's suppliers considers economic, social and environmental impacts by undergoing a selection process, quality control and knowledge sharing	●	●	●	●		●	●		●		<b>Economic Dimension</b> <b>Supply Chain Management, Social Dimension, Human rights.</b>	   
<b>Infrastructure investments and services supported (GRI 203-1)</b>	<b>Financial Inclusion</b> Developing products and services, with fair interest rate and fee, for customers or services users to access in a thorough and equitable manner, to enhance quality of life and mitigate distress caused by informal loan; Promoting financial knowledge, understanding and discipline	●	●		●		●			●	●	<b>Social Dimension</b> <b>Financial Inclusion and Financial Literacy</b>	    
<b>Operations assessed for risks related to corruption (GRI 205-1)</b> <b>Communication and training about anti-corruption policies and procedures (GRI 205-2)</b> <b>Confirmed incidents of corruption and actions taken (GRI 205-3)</b>	<b>Anti-Corruption and Bribery</b> Having a clear policy regarding anti corruption, Anti-Money Laundering and Counter-terrorism and Proliferation of Weapon of Mass Destruction Financing; Defining roles and work processes that are clear and transparent; Defining process if corruption is found and whistleblower protection	●	●	●	●	●	●	●	●	●	●	<b>Economic Dimension</b> <b>Anti-Corruption and Bribery</b>	



GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)	
		Internal Scope		External Scope										
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Alliances	Competitors	Society & Environment	Government sectors & Regulators			
<b>Defined benefit plan obligations and other retirement plans (GRI 201-3)</b> <b>Communication and training about anti-corruption policies and procedures (GRI 205-2)</b> <b>New employee hires and employee turnover (GRI 401-1)</b> <b>Benefits provided to full-time employee that are not provided to temporary or part-time employees (GRI 401-2)</b> <b>Minimum notice periods regarding operational changes (GRI 402-1)</b> <b>Average hours of training per year per employee (GRI 404-1)</b> <b>Programs for upgrading employee skills and transition assistance programs (GRI 404-2)</b> <b>Diversity of governance bodies and employees (GRI 405-1)</b>	<b>Human Management and Development</b> Managing and treating human resource with fairness, respecting diversity and equality in accordance with human rights principle; Developing employee skills to increase opportunities for career advancement; Enhancing employee engagement.	●	●		●		●				●	●	<b>Social Dimension</b> <b>Human Management and Development, Human rights.</b>	    
<b>Occupational health and safety management system (GRI 403-1)</b> <b>Hazard identification, risk assessment, and incident investigation (GRI 403-2)</b> <b>Occupational health services (GRI 403-3)</b> <b>Worker participation, consultation, and communication on occupational health and safety (403-4)</b> <b>Worker training on occupational health and safety (GRI 403-5)</b> <b>Promotion of worker health (GRI 403-6)</b> <b>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships (GRI 403-7)</b> <b>Work-related injuries (GRI 403-9)</b> <b>Work-related ill health (GRI 403-10)</b>	<b>Occupational Health and Safety</b> Promoting occupational health and safety knowledge amongst employees; Organizing workplace to facilitate work, prevent occupational hazards or work-related illnesses that may occur to employees.	●	●				●				●	●	<b>Social Dimension</b> <b>Occupational Health and Safety</b>	 
<b>Significant indirect economic impacts (GRI 203-2)</b>	<b>Collaboration with Partners on Sustainability</b> Collaborating with business partners to drive sustainability in economic, social, and environmental aspects.	●	●		●		●	●			●		<b>Social Dimension</b> <b>Collaboration with Partners for Sustainability</b>	

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Alliances	Competitors	Society & Environment	Government sectors & Regulators		
Energy consumption within the organization (GRI 302-1) Reduction of energy consumption (GRI 302-4) Direct (Scope 1) GHG emissions (GRI 305-1) Energy indirect (Scope 2) GHG emissions (GRI 305-2) Other indirect (Scope 3) GHG emissions (GRI 305-3) Reduction of GHG emissions (GRI305-5) Management of significant waste related impacts (GRI306-2) Waste generated (GRI 306-3) Waste directed to disposal (GRI 306-5)	Climate Strategy, Operational Eco-Efficiency, Emissions, Effluent and Waste. Considering impactof climate change to formulate strategy through products, services, and operations that could reducing greenhouse gas emission and minimizing environmental impacts.	●	●		●					●	●	Environmental Dimension Environmental and Climate Strategy Management	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13CLIMATE ACTION</div></div>

# COVID-19 CRISIS MANAGEMENT

The Company places emphasis on supporting various stakeholders through government aid measures to the best of its ability to reduce or ease the effects of the COVID-19 pandemic.



## ○ Crisis Management Guidelines

The Company was able to take action swiftly providing a timely response to the incident, including finding a conclusion about the Business Impact Assessment, such as looking for signs that stimulate the Company to make decision and take action, and forecasting and assessing operational impact in various functions such as internal operation, supply chain, and financial status, etc. Moreover, the Company also defines related measures such as setting employees' health and safety guidelines, preparing a workplace that complies with Social Distancing measures, preparing Work from Home equipment for employees who are at risk of contracting COVID-19, or grouping employees to work for Critical Business Function, etc. Moreover, the Company had assessed the impact on its operations in various departments and established key measures and operational management in response to the incident which are summarized as follows:

The Board of Directors and related sub-committees, which are

- The Risk Management Committee
- The Management Committee
- The Crisis Management Committee

consider and approve policies and define measures to assist affected customers in accordance with the regulations set by the Bank of Thailand (BOT) and Krungthai Bank as a parent Company, including risk management policies and business continuity management policies that cover the epidemic or other external factors that cannot be prevented. This is to provide the Company with a plan to assist business operations continuously during the crisis, to mitigate or minimize the damage that may occur to the Company. Contingency plans will be implemented

if necessary, including assigning the Company's ad hoc management team with directly responsible personnel for efficient operations and decision making. The Company set up reporting processes where the results of assisting customers will be reported to management.

The Company analyzes delinquency rate and NPL which are caused by debtors and their businesses that are affected by the situation, so they are not able to pay back under this crisis or within a specified deadline. As a result, the quality of loan receivables is deteriorated, especially the occupation/industry that is severely impacted such as tourism, hotels, and airlines, etc. The Liquidity Stress Testing is used to assess the impact on financial liquidity under the assumption that the Company cannot refinance, or rollover matured loans. The test enables the Company to project loans growth and to check time period in which it has sufficient liquidity to operate the business, and to prepare for finding other sources of fund if the outbreak situation is not resolved.

However, during the past COVID-19 situation, the Company has not encountered any problems in managing its finance, borrowing, or loans repayment at all as the Company has various sources of short-term and long-term borrowings, including loans from various commercial banks. The Company considers short-term and long-term borrowings proportion structure for effective financial cost management at acceptable risk level that in line with market conditions and manages debt to equity ratio to be lower than specified obligation.

## ○ Impact Mitigation and Stakeholders comprehensive caring.

The Company assesses and implements plans to address the ongoing impact of COVID-19 and communicates support measures to all stakeholders, exhibiting Good Corporate Citizenship such as:

Stakeholders	Impact mitigation management of COVID-19
 <p><b>Government Sectors and Regulators</b></p>	<p><b>Methods of Communication</b></p> <ul style="list-style-type: none"> <li>• Policy and regulatory guidelines hearings via online meeting.</li> <li>• Policy, governmental, and regulatory guidelines hearings via website, print media, television, Cabinet Resolution, or Government Gazette Announcement.</li> </ul> <p><b>Interests and Expectations toward the Company's Crisis Management</b></p> <ul style="list-style-type: none"> <li>• Cooperate with government and regulators to assist customers in accordance with appropriate support measures.</li> <li>• Comply with government policies that were announced or effective such as the reduction of employees' contribution rate to the Social Security Office, employees support measures during the outbreak, etc.</li> </ul> <p><b>Response</b></p> <ul style="list-style-type: none"> <li>• The Company promptly presents debtors' support measures to the relevant sub-committees to consider and approve the measures. The Company also reports debtors' support results to the top management and the Bank of Thailand on a regular basis. Thus, its assisting measures are trackable. The Company also promotes its support measures to customers via the Company's website.</li> <li>• Slow down the remittance of employees and employer contribution to the Social Security Office according to the specified grace period to alleviate burden of employees and employer.</li> <li>• Comply with government and regulators, regulations and policies strictly, including coordinating with the Social Security Office to encourage employees to receive vaccinations thoroughly</li> </ul>
 <p><b>Customers</b></p>	<p><b>Methods of Communication</b></p> <ul style="list-style-type: none"> <li>• Communicate and promote precise information via electronic channels. Receive complaints/suggestions via complaints channels and respond to customers regarding issues related to products development, services, and other requests.</li> <li>• Promote products and services privileges, promotions, and various marketing activities that offer convenience to members via online channels.</li> <li>• Improve KTC Mobile functions in response to changes in lifestyle.</li> </ul> <p><b>Interests and Expectations toward the Company's Crisis Management</b></p> <ul style="list-style-type: none"> <li>• Provide measures to help and support customers during the COVID-19 outbreak.</li> <li>• Provide a variety of products, services, as well as promotional activities to meet demands</li> </ul>

## Stakeholders



Customers

## Impact mitigation management of COVID-19

### Response

- Strictly comply with government policies and measures to help and support customers during the COVID-19 outbreak.
- Establish channels to receive customer complaints such as KTC Phone 02 123 5000 or CService@ktc.co.th
- Provide support measures for affected customers from the COVID-19 outbreak such as reducing KTC credit card minimum payment automatically without customer submitting request, decreasing personal loan payments by 30% from the original amount with reduced interest rates, converting credit card debt or transferring revolving loans into 48-month term loans with reduced interest rates, etc.
- Publicize measure through the Company's website, contact center, or KTC TOUCH service points to aid customers impacted by COVID-19 to access financial assistance according to the Company policies.
- The Company takes into account the health and safety of customers at KTC TOUCH services points. The Company has a measure for all employees to wear masks at all times when working. The Company also provided alcohol at various points and have staff periodically clean the branch area, so customers are confident and safe from COVID-19 infection.
- Offer various digital services for contactless transactions, such as Fitbit Pay, Garmin Pay, and Google Pay, allows customers to make purchases at contactless payment accepting stores, including online and QR code payments, while prioritizing customer safety with social distancing protocol.

(Please refer to additional details under the "Digital Innovation" topic)



Merchants

### Methods of Communication

- Contact 02 123 5700 for merchant support is available 24 hours everyday to address payment service issues or provide advice on suitable products used to accepting payments during the COVID-19 situation.
- Reach out and present payment solutions that is appropriate for store closures due to the COVID-19 situation with LINK PAY, QR PAY and PAYMENT GATEWAY as well as regularly communicate with merchant members.
- Increase automated voicemail system to reduce call waiting time. The call center staff will call back within the day.
- Revamp KTC merchant website with payment service information that corresponds current situation as well as improve the convenience of the online store application form.

### Interests and Expectations toward the Company's Crisis Management

- Enlarge marketing opportunities by supporting merchant partners who are not able to operate during the lockdown.



## Stakeholders



Merchants

## Impact mitigation management of COVID-19

### Response

- Adjust the criteria for waiving EDC machine service fees to alleviate cost for merchant.
- Provide exemption of EDC machine fees for affected merchants.
- The Company is aware of the importance of liquidity to operate the business. When transaction are made through credit cards, merchants continue to receive payment for their goods and services according to the conditions previously agreed.
- Streamline the application process of merchant stores and provide online identity verification to facilitate, speed up and reduce the risk of infection of the COVID-19 under the specified criteria.
- Provide merchants with the option to use Krung Thai Bank online bank account to receive payments for goods and service from KTC
- Provide micro and small merchants with special fee to reduce cash contact and risk of COVID-19 infection.
- Provide KTC installment payments via LINK PAY.
- Develop tokenization for online transaction to elevate safety in accordance with international standards.
- Manage merchants data in compliance with the ISO/IEC 27001:2013 Information Security Management System (ISMS) and ISO/IEC 27701:2019 Privacy Information Management System.



Suppliers

### Methods of Communication

- Provide communication channels for suggestions, concerns, and complaints.
- Organize meetings and trainings for suppliers to exchange knowledge.

### Interests and Expectations toward the Company's Crisis Management

- Communicate and coordinate to exchange useful information.
- Provide measures to assist suppliers' employees during the COVID-19 outbreak.
- Specify requirements and procedures, including guidelines for supplier' employees who are contracted or are at risk of contracting COVID-19.

### Response

- Coordination or meetings with suppliers are mainly online.
- Continuous communication with suppliers by disseminating useful information including the practice in the situation of the COVID-19 outbreak for safety and methods of working appropriately in the current situation.
- Arrange insurance policies for protection against COVID-19 for suppliers' employees working at the Company
- The Company complies with the terms of goods or services payments to all suppliers in the agreed periods upon delivery of completed work and invoice to Accounting department. For suppliers having Krungthai Bank accounts, the Company provides payments for goods or services within 2 weeks and not more than 3 weeks for suppliers with other bank accounts.

## Stakeholders



Society

## Impact mitigation management of COVID-19

### Methods of Communication

- Organize online meetings and trainings.
- Provide communication channel for suggestions, problems, and complaints via telephone.

### Interests and Expectations toward the Company's Crisis Management

- Provide appropriate measures contributed to community and society appropriately.
- Adaptive project or activities suitable for community and situation.

### Response

- As the COVID-19 situation has been resolved, the Company still emphasizes on the adjustment of project execution aligning with the changing situations at that particular time. The activities have been set through online and onsite under the strict preventive measures of COVID-19, for example, "KTC Offer" project, financial learning course and so forth.



The Board of  
Directors and  
Employees

### Methods of Communication

- Communicate and notify news about the COVID-19 outbreak situation via E-mail so that employees are informed quickly and accurately.
- Publicize at various points regarding to washing hands and using alcohol gel to make sure that employees do not neglect taking care of themselves strictly.
- Set up a specific Line group for employees or departments at risk or infected with COVID-19 to coordinate and communicate closely with Human Resources business unit.

### Interests and Expectations toward the Company's Crisis Management

- The Board of Directors is able to define the Company's visions, missions or strategies, including discuss or consider policies or business operations in accordance with guidelines set by the Board of Directors.
- The Company acknowledges employees to notify their interests in receiving vaccinations and detection of infection.
- To care for hygiene and sanitation of employees during the COVID-19 epidemic.

## Stakeholders



**The Board of  
Directors and  
Employees**

## Impact mitigation management of COVID-19

### Response

- Due to the COVID-19 outbreak has been ongoing, the Board of Directors' Meeting is held in hybrid forms, in person and online.
- Arrange employees who are at risk to get tested or employees who are contracted with COVID-19 to be admitted at the hospital.
- Work together with General Service division to establish measures to prevent COVID-19 infection, such as requiring all employees who work in the building, visitors, and outsourced workers to take temperature measurements before entering the building.
- Communicate to employees the situation of COVID-19 outbreak via internal E-mail and ways to live their lives safely to create awareness and caution among employees as well as lower concerns from the situations.
- Prepare work procedures to support Work from Home, including online meetings to reduce the congestion in the office, employees' performance reporting or record keeping while working from home.
- In case employees are infected or are at risk of COVID-19 infection, their leave days will not be counted as part of annual leave.
- Provide alcohol gel at different locations. Ozone the office space and spray disinfectants on each floor of the Company on a weekly basis, and clean different touch points, such as entrance and exit doors, and toilets, etc.
- Coordinate with the Social Security Office, Ministry of Health, Chulabhorn Royal Academy, and private hospitals regarding COVID-19 vaccinations for the Company's employees and collect statistics of vaccinations received.
- Establish measures for employees whose work are in connection with or transit in spreading areas and countries with local spreading that they should perform a self-quarantine in compliance with government's regulations.
- Prepare the manpower to be ready in case of emergency, prepare number and list of employees who must come to work during the crisis (Critical Business Function: CBF) which divided into the main team and the back-up team in order to work interchangeably. Provide a place to be used as an Alternate Site, as well as prepare a work system and necessary resources to alter the working site according to Social Distancing measures.



**Shareholders**

### Methods of Communication

- Disseminate information via social distancing channels such as telephone, online meetings, E-mail, or the Stock Exchange of Thailand's website, or the Company's website.

### Interests and Expectations toward the Company's Crisis Management

- The Company has assessed risks that may occur in business operations due to the impact of the COVID-19 outbreak, as well as prepared preventive and corrective measures.

## Stakeholders



**Shareholders**

## Impact mitigation management of COVID-19

### Response

- During the 2022 Annual General Shareholders' Meeting, the Company concerned about shareholders' health and safety, thus measures are established to prevent and reduce touching of common objects, such as appointed independent directors to attend the meeting as their proxy, accommodated Social Distancing at the meeting venue, arranged a screening point, and asked shareholders to write questions by specifying their first and last names instead of using a microphone, etc.
- The Company has assessed risks from COVID-19 outbreak that affected its business operations in various issues and established preventive measures and operational measures in response to the incident in compliance with policies and measures of government and regulators, including the Business Contingency Plan: BCP as a guideline to deal and manage risks appropriately and swiftly.

# HIGHLIGHTS



## Economic Dimension



### Net Profit

Separate **7,140** Baht Million  
Consolidated **7,079** Baht Million



### Total KTC Members

**3.3** Million Accounts



### Total Customers using KTC Mobile or KTC Online

**2,024,449** Users



### Total Loan to Customers and Accrued Interest Receivables

Baht **104,194** Million



### Portfolio Breakdown

Credit Card : Personal Loan : Leasing

**66.7% : 31.0% : 2.3%**



### Net Promoter Score (NPS)

of **54%**





## Social Dimension



Average training hours per full-time employee

**64.38** Hours/Persons/Year



Total Number of Employees

**1,695** Persons

Female 1,117 Persons | Male 578 Persons



The level of Employee Engagement

**68%**



Service Channels

- KTC TOUCH 12 Service Point
- Sales Agents
- Online Channels
- KTB branches nationwide



## Environmental Dimension



KTC reduced paper consumption more than

**11.8** Million Sheets



Total Volume of Recyclable Wastes

**84,340** Kg.



Reduce water consumption per area

(Compare to base year 2018)

**5%**



Reduce Greenhouse Gas Emissions

(Compare to base year 2018)

- GHG Scope 1 = 21%
- GHG Scope 2 = 8%
- GHG Scope 3 = 34%

The background is a dark brown, textured surface. It features a grid of squares, some of which are lighter brown. Overlaid on this are various currency symbols: the Bitcoin symbol (a 'B' with two vertical lines), the Euro symbol (€), the Dollar symbol (\$), and the Yen symbol (¥). These symbols are arranged in a way that suggests a digital or financial theme. There are also thin, white, circuit-like lines that connect the symbols and flow across the background. In the foreground, there are several concentric, glowing circles that resemble a futuristic interface or a data visualization. The overall aesthetic is high-tech and financial.

# ECONOMIC DIMENSION

# CORPORATE GOVERNANCE

GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
To conduct business operations efficiently while achieving exceptional corporate governance and consistently attain a CGR <sup>(1)</sup> score of no less than 90.	The Company had developed a sustainability strategic plan and presented this plan to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee which is authorized by the board for oversee such matters.	The Company had developed a sustainability strategic plan and presented this plan to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee which is authorized by the board of director for oversee such matters.

Remark : <sup>(1)</sup> CGR means Corporate Governance Report

GRI 3-3

Good corporate governance is crucial for building up confidence and credibility among stakeholders and enhancing corporate image and financial operating results as well as ensuring sustainable growth. Therefore, the Company adheres to the principles of good corporate governance as a solid foundation for its business operations and recognizes that the Board of Directors has vital roles and responsibilities in overseeing business operations and ensuring that corporate governance is carried out in a transparent and auditable manner without any management interference in its decision making. Moreover, the board must ensure that the Company has appropriate internal control and risk management systems and adheres to ethical values and that all stakeholder groups are treated equitably according to their entitled rights and duties to create sustainable values for the Company.



## Corporate Governance Policy

The corporate governance policy covers the following aspects:

1. **Shareholder rights** encompass an approach to conduct shareholders meetings according to procedures, processes and time periods prescribed by law or guidelines.
2. **Treatment of minority shareholders** encompasses corporate operations towards equitable treatment of minority shareholders, which includes preventing use of inside information and related-party transactions.
3. **Recognition of stakeholders' roles** encompasses corporate roles and responsibilities towards various stakeholder groups based on their rights and duties prescribed by law or agreement provision.
4. **Information disclosure and transparency** encompasses an approach for disclosure of the

Company and customer information or financial information as prescribed by law.

5. **Board and committee responsibilities** encompass scopes and authority of board of directors, board chairman, President & chief executive officer, and committees; diversity and nomination of board and committee members; and terms of office for board and committee members; or board and committee meetings etc.
6. **Anti-corruption policy** encompasses corporate guidelines and practices, which include anti-corruption whistleblowing channels that prevent any corrupted acts in corporate work processes.

(Please refer to additional details in the Company's website under "Corporate Governance Policy" <https://www.ktc.co.th/en/sustainability-development/corporate-governance>)

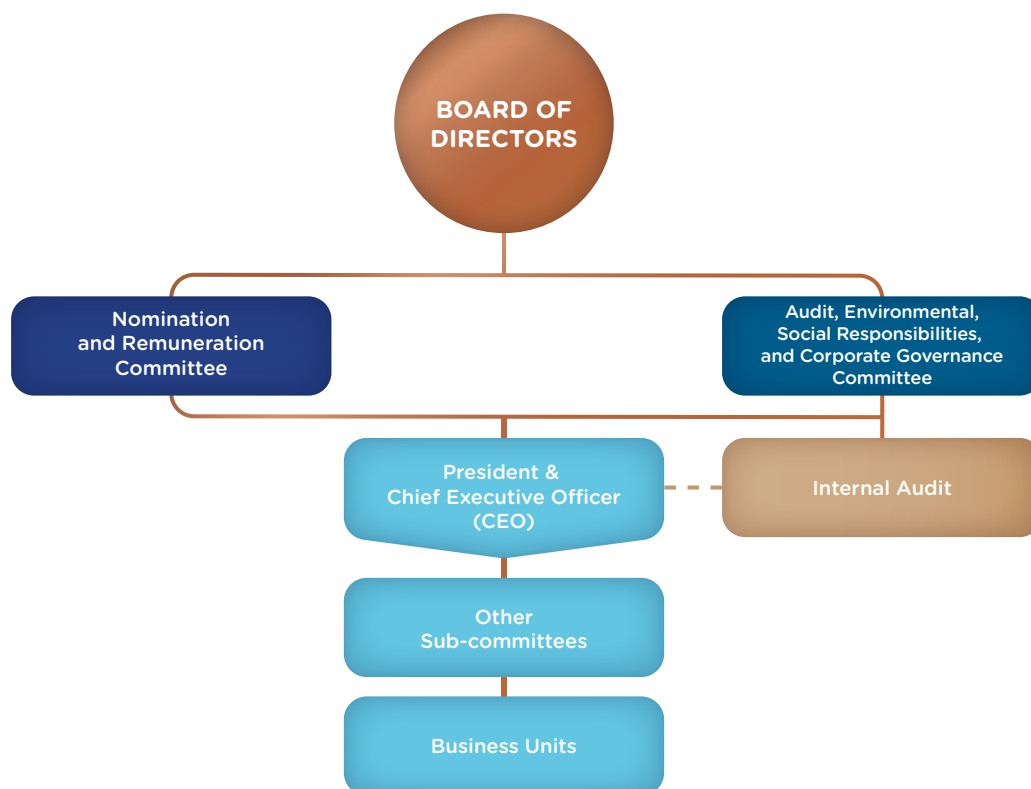
## Board of Directors

The Board of Directors performs critical role in governing the Company's management and operations. It independently makes decisions for the best interest of the Company and its stakeholders. Moreover, it is incumbent upon the board to consider vision and mission statements as well as core values and strategies and to approve strategic directions, operating policy, business plan, and annual budget of the Company. To this end, the board must oversee and monitor performance of management team to ensure effective policy, strategy, and business plan implementation in compliance with relevant laws

and regulations of concerned authorities and in accordance with resolutions of shareholder meetings and stakeholders. Furthermore, it must ensure that the Company has appropriate internal control system and risk management process and must engage with management team to achieve satisfactory operating results and produce consistent and sustainable growth while recognizing current risks and potential future risks. In this regard, the Company is required to conduct company-wide risk assessment annually and regularly report risk management performance to the board.

## Board Structure and Committee Structure

The Company has one-tier board of directors and two committees: the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Nomination and Remuneration Committee to fulfill their duties as prescribed in the corporate governance policy and the committee charters. The structure is presented below :



### Nomination and Remuneration Committee

is responsible for determining qualifications of directors and top management appropriate for legally required board and committee structure, size, and composition. It is also incumbent upon the nomination committee to recruit, screen and select potential candidates for further nomination and appointment in a board of director position in accordance with the Company's nomination process based on appropriate ratio, number, and diversity in board of director composition in terms of gender, sexuality, age, knowledge and skill, competence, experience as well as compatibility with the Company's business strategies. All these aspects must be in line with legal requirements and the Articles of Association and principles of good corporate governance of the Company. Moreover, for the sake of independency and clarity in corporate governance and management functions, the Company stipulates that chairman and President & chief executive officer must not be the same person. Furthermore, the nomination committee is responsible for prescribing criteria and guidelines for performance assessment of directors and President & chief executive officer, proposing remuneration criteria and policy and guidelines on payment of remuneration

and other benefits, considering retirement age extension and early retirement schemes, and developing management succession plan to prepare successors to take over an management's role when such management retires or can no longer perform his or her duties as prescribed in the Charter of the Nomination and Remuneration Committee.

**In 2022, the nomination committee convened meetings for a total of 8 times.**

### Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

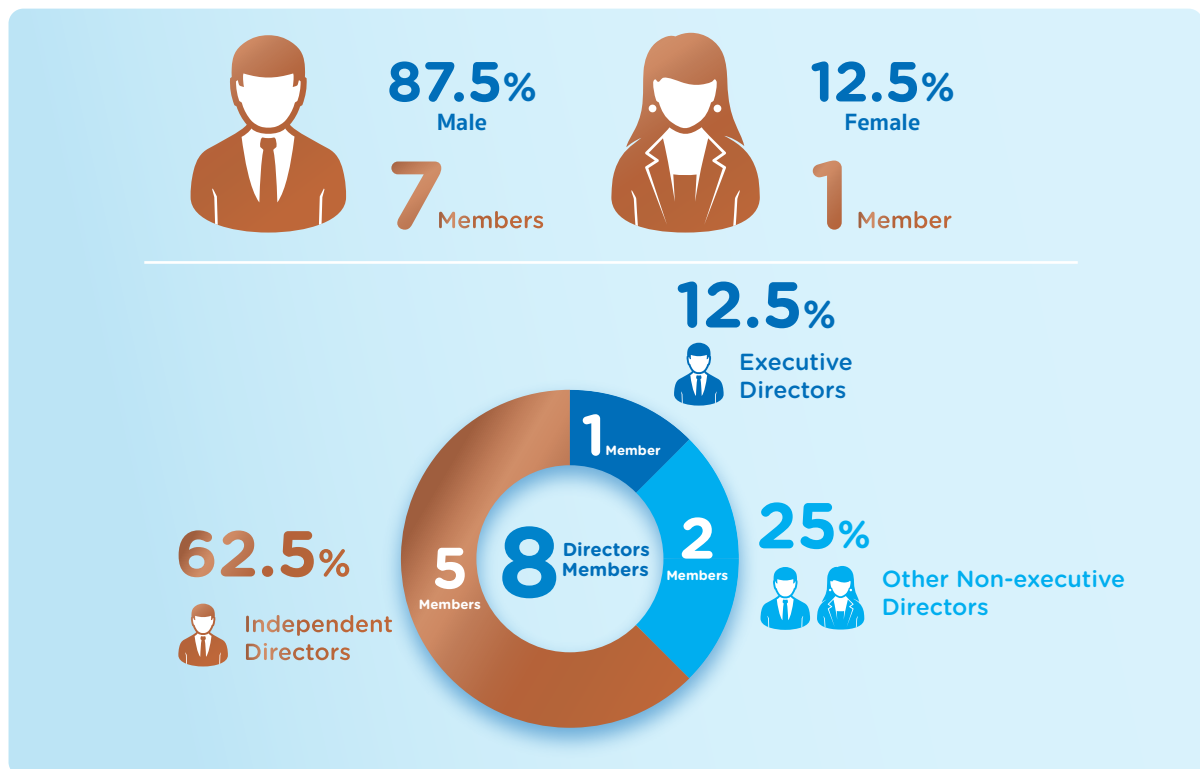
is entirely composed of independent members and responsible for overseeing financial reporting, internal control and audit, scrutinizing related-party transactions, and ensuring that the Company's practices comply with the securities and exchange law. In addition, the audit committee is also responsible for reviewing the corporate governance policy, anti-corruption policy, and code of conduct. It also overseeing compliance with the principles of good corporate governance, sustainable development, social and environmental responsibility practices, and business code of conduct in order to be in conformity with international standards. Notably, one

member is required to possess enough accounting and financial knowledge and skills to conduct review of reliability of financial statements and to continuously gain knowledge to understand causes of any changes in financial statements. All these requirements are prescribed in the Charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

In 2022, the audit committee convened meetings for a total of 13 times.

(Please refer to the Charter of the Nomination and Remuneration Committee, Charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and Form 56-1 One Report 2021 under "Corporate Governance Policy" topic)

## Board Type (one-tier system)



## Board Independence Statement

The Company clearly defines independence, prescribes qualifications of independent director, and stipulates the number of independent directors in Charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, which conforms to the Office of the Securities and Exchange Commission (SEC)'s Guidelines - Circular No. ThorJor. 39/2559 Re: Request for Approval and Approval of Newly Issued Share Offering.

### • Number of Independent Directors

The Company stipulates that at least one-third of total number of directors consists of independent directors, which shall be no less than three. In 2022,

the Company had five independent directors, accounting for 62.5% of the entire board. Such proportion exceeds the SEC's guidelines.

### • Independence of Chairman

Chairman is a non-executive independent director. Chairman and President & chief executive officer (CEO) are not the same person. Roles and responsibilities of Chairman and CEO are distinctly separated.

(Please refer to additional details in Regulations and Operational Guidelines for the Audit, Environmental, Social Responsibilities and Corporate Governance Committee and the Company's website under "Corporate Governance Policy" <https://www.ktc.co.th/en/corporate-governance>)



## Diversity of Board members and President & chief executive officer (CEO)

### Board of Directors

The Company prescribes an approach director nomination in Corporate Governance Policy and the Charter of the Nomination and Remuneration Committee. Through a transparent and clear process, the Nomination and Remuneration Committee considers prescribing guidelines and nominates candidates for directorship with suitable qualifications and without forbidden characteristics in accordance with guidelines set forth by relevant regulatory authorities. Moreover, the Committee considers individuals with skills, knowledge, competency or experience relevant to the Company's business based on a suitable proportion, number, diversity and composition, irrespective of gender, race, nationality or

religion. Besides, skills and experience of sitting board members will also be considered so as to recruit and nominate candidates with additional necessary skills and knowledge (as per board skill matrix) for the Board's consideration. Furthermore, in case of appointment to fill a vacant seat of director retiring by rotation, the Company gives shareholders an opportunity to nominate any candidate for election as director at general shareholders' meeting. For additional information, please refer to the Company's disclosure of director recruitment rules and process in Corporate Governance Policy, Charter of the Nomination and Remuneration Committee, and Form 56-1 One Report under "Corporate Governance Policy" topic.

### President & Chief Executive Officer (CEO)

The Board of Directors stipulates CEO nomination guidelines as an approach to nominate CEO candidates when the office is vacant. In the process, the nomination committee will consider nominating candidates who have suitable qualifications, knowledge and competence and possess management experience in any credit card businesses or financial or banking management experience or management experience in any financial institutions or other credit card related businesses. In addition, CEO candidates must have comprehensive management vision and philosophy appropriate for and relevant to the Company's businesses, and so forth. Nominated candidates will be proposed to the board of director

for further selection and appointment to CEO post. The CEO may hold board position in other listed companies, but that position must not compromising his or her works at the Company and must not use his or her Company position for the benefit of such company. In this case, board approval is required.

The Company discloses director and CEO nomination guidelines and processes in the Corporate Governance Policy, Charter of the Nomination and Remuneration Committee, and Form 56-1 One Report under "Corporate Governance Policy" topic.

## Board Effectiveness

GRI 2-18

### Board Meeting Attendance



In 2022, board meetings were convened 15 times in total. Average board meeting attendance was 98.33%, which exceeds the required minimum of attendance for all members at least 75%, of meetings of board of director.

### Board Mandates

The Company stipulates guidelines on holding of board position in other companies for directors, CEO, and employees in the Corporate Governance Policy. Such guidelines stipulate that each director may not hold a director position in other listed companies in more than five other listed companies.

In 2022, no director holds director position in other listed company more than that specified by the Company.

(Please refer to additional details in Form 56-1 One Report 2022 under "Board of Directors" topic)

### Board of Directors and its Committees Performance Review

The Company requires that board and committee members carry out self-performance review once a year. It is incumbent upon company secretary to send self-performance review forms to board and committee members, prepare a summary of performance review of the board and each committee for respective acknowledgement, and report performance review results of every committee to the board. The purpose is to further improve overall efficiency based on performance review results so as to achieve good corporate governance.

In 2022, the Company mandated that the board of directors and every committee member hold an assessment session whose results were further submitted to the board of directors for consideration in the first meeting of 2023 held on January 20, 2023. The assessment details are listed as follow:

**Regular  
self-assessment of  
board and  
committee  
members  
performance on an  
annual  
basis**

Evaluation Topics	Average (max score is 5)
The assessment of the entire board of directors	4.80
The assessment of individual director (Self-Assessment)	4.68
The assessment of individual director (Cross-Assessment)	4.89
The assessment of the entire committee	
• Audit, Environmental, Social Responsibilities and Corporate Governance Committee	4.95
• Nomination and Remuneration Committee	4.78

## CEO and Top management Performance Review

The Nomination and Remuneration Committee stipulates criteria and guidelines for performance assessment of CEO and proposes them to the board for approval. Then, assessment results are compared against key performance indicators (KPIs) that are determined based on annual business strategies, goals as well as management competencies.

As for criteria for performance assessment of top management, CEO conducts performance review and presents assessment results to the Nomination and Remuneration Committee for endorsement. The criteria for performance assessment are determined based on annual business strategies and goals, which encompass economic, social and environmental aspects.

## Board Election Process



Any director retiring by rotation will be nominated for election consideration by shareholders' meeting every year. A director retiring by rotation may be re-elected as director. As for vote casting, the Company requires that a vote for individual director candidate be cast in paper ballot.



In case of a director vacating office before the expiry of his or her term, the Company shall consider selecting and appointing a qualified individual as replacement, who will serve out a remaining term of the director whom he or she replaces.



## Board Average Tenure

By the end of **2022**,  
Average tenure  
of board members is **4.22** years

(Please refer to additional details in Form 56-1 One Report 2022 under "Corporate Governance Policy" topic)

## Board Industry Experience

GRI 2-17

An entire board is composed of individuals with suitable skills, expertise and experience that will be beneficial to corporate governance and ensure achievement of determined business strategies and goals as detailed below:

Knowledge Skill & Experience									
	Independent Directors				Executive Directors		Non-Executive Directors		
Accounting / Auditor									1
Finance / Treasury									7
Marketing / PR / Advertising									5
Other Accounting									6
HR									8
IT									5
Legal									1
Management									8
Strategy									8
Risk Management									8

## Remuneration of directors, CEO, top management and employees

GRI 2-19, 2-20

The Nomination and Remuneration Committee proposes remuneration guidelines and policy and determines compensation pay and other benefits for directors, top management and committee members to the board for consideration and approval. Such remuneration packages commensurate with roles and responsibilities and are consistent with practices of other companies in the same business, operating

performance, and market conditions. The Company has disclosed compensation of directors, CEO, top management and employees in Form 56-1 One Report under “Corporate Governance Structure and Material Information about Board of Directors, Subcommittees, Executives, and Other Employees” and “Key Corporate Governance Performance Report”.

## Ownership (Shareholding of the Company)

### Share ownership Requirements: directors and management

The Company does not forbid any director, management or employee from trading or owning shares issued by the Company. If any of such individuals are involved in buying, selling or transferring shares issued by the Company, they must follow relevant SEC notifications or the Company’s announcements,

For example, guidelines on internal information storage, report of the Company’s share trading, prohibition on trading of the Company’s shares during a stipulated period.

### Share ownership: directors and top management

For more information about shareholding and changes in holding of common shares and futures contract of board members, top management, board secretary, and company secretary, please see the Company’s disclosed information in Form 56-1 One

Report for the year 2022 under heading “Corporate Governance Structure and Material Information about Board of Directors, Subcommittees, Executives and Other Employees.”

### Share ownership: government

As a major shareholder of the Company, in 2022, Krungthai Bank held shares and voting rights accounted for 49.29% of total number of voting rights. Moreover, the Company did not make a golden share offering to government.

(Please refer to additional details in Form 56-1 One Report 2022 under “Group Structure and Operation” topic)

## Voting Right

The Company stipulates that an equal voting right be granted to each common or preferred share under the one share, one vote principle, and there is no limitation on voting rights. A resolution is passed if a majority of votes cast is in favor, unless stated otherwise in the articles of association or set forth otherwise in relevant law. In 2022, voting rights of the Company are as follows:

Voting Rights Per 1 Share	Votes Per Share	Amount of Shares	Voting Power (= Votes Per Share x Amount of Share)
No vote (excluding preferred and treasury shares with no voting rights)	0	231,235,093	0
One vote	1	2,347,098,977	2,347,098,977
Total		2,578,334,070	2,347,098,977

Remark: Thai NVDR Co., Ltd. belongs to a class of shareholders ineligible to cast vote in shareholder meeting. As at 31 December 2022, Thai NVDR held 8.97% of total shares outstanding.

## ○ Accounting Practices

The Company has prepared its accounts and financial statements in accordance with the Financial Reporting Standards and Generally Accepted Accounting Principles in the kingdom of Thailand. It adopts the revised and new Financial Reporting Standards including accounting guidance issued by Federation of Accounting Professions which are effective for the accounting periods.

The Company regularly discloses financial information, key financial ratios, and principal accounting policy in financial statements as well as management discussion and analysis (MD&A) on a quarterly basis on the Office of the Securities Exchange Commission's website. (<http://www.sec.or.th>), the Stock Exchange of Thailand's website (<http://www.set.or.th>), or the Company's website (<http://www.ktc.co.th>).

## ○ Tax Policy

Krungthai Card Public Company Limited and its subsidiaries ("Company") formulate the tax policy under the principles of good corporate governance in order to ensure that their business operations can continue to grow in a stable and sustainable manner. With regard to tax practices, the Company adheres to the principles of accuracy, transparency, social responsibility and equitable treatment towards all

stakeholder groups. As designated by the Board of Directors, it is incumbent upon the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee to dutifully perform various tasks set out in the Charter of the Audit, Environmental, Social and Governance Committee, and the Committee is thereby responsible for approving the tax policy.

**The Company's tax policy comprises three key components as follows:**

### **Ethical Tax Practices**

- Uphold and comply with pertinent laws, rules and regulations to ensure proper and suitable tax management.
- Fully exploit tax incentives within the legal framework for utmost benefits of stakeholders. These tax incentives may encompass tax exemption measures during a certain time period and other incentives.
- Take responsibility for ensuring proper payment of taxes that truly reflect economic transactions, and refrain from transferring created values to transactions of an enterprise that pays a lower tax rate. At present, the Company operates its entire operations in Thailand.
- Have no policy to exploit tax havens which may be used as a channel for capital and liquidity sourcing of the Company, and refrain from using an inappropriate tax structure that may lead to tax avoidance.
- Determine transfer pricing between related entities in accordance with the arm's length principle, whereby the Company charges a normal price generally considered a market price or any price agreed in a contract in order to ensure that recognition of revenue and expenses used as a tax base complies with legal provisions.

## Tax Risk Management

- Ensure efficient internal communication to foster understanding among employees, thereby ensuring that employees duly adhere to legal requirements and proper practices under tax law.
- Develop a tax practice manual and regularly update the information whenever changes occur.
- Establish tax preparation and payment processes that ensure correct and timely payment and a suitable form of systematic data collection.
- Arrange control of accounting information of all types of taxable items to ensure completeness, accuracy, and reliability.
- Consult external tax advisors with expertise in complex taxation issues or issues that the Company lacks expertise in order to minimize potential tax risks and consequences and ensure that its practices adhere to legal requirements.

## Tax Transparency

- Publicly disclose the tax policy on the company website.
- Disclose taxation information as required by law. In this regard, the Company has disclosed such information in the financial statements in accordance with the financial reporting standards.
- Report taxation information to the Revenue Department and concerned authorities within the statutory time frame.
- Cooperate with officials of the Revenue Department and other government agencies when responding to their questions or preparing supporting information for tax audits in a complete and transparent manner, and appoint a person responsible for tax matters to liaise with the Revenue Department and concerned authorities and give correct information and consistent messages to the public sector.

The Company discloses aforementioned policy on the Company's website: <https://www.ktc.co.th/en/investor-relations/financialinformation/tax-policy>

## Tax Information

(Baht)

Consolidated Financial Statements	2021	2022
Total Revenue	21,441,674,222	23,231,342,296
Profit before Income Tax	7,255,377,113	8,871,391,765
Income Tax Expense	1,466,856,852	1,817,782,936
Effective Tax Rate	20.2%	20.5%
Income Tax Paid	1,440,734,696	1,683,431,258
Cash Tax Rate <sup>(1)</sup>	20%	20%

Remark: <sup>(1)</sup> Cash tax rate: Corporate income taxed paid under Thai Law.

(Please refer to additional detail in the Company website: <https://www.ktc.co.th/en/investor-relations/publications-webcast/investorkits>)



# ANTI-CORRUPTION AND BRIBERY



GRI 3-3, 205-1

Long-Term Target 2026	Target 2022	Performance 2022
The Company has renewed its membership with the Thai Private Sector Collective Action Against Corruption or CAC continuously	100% of total employees have studied and been assessed on corporate governance, anti-corruption, and code of conduct.	100% of total employees have studied and been assessed on corporate governance, anti-corruption, and code of conduct.

GRI 3-3

The Company places great importance on conducting business with integrity and commitment to responsibility to all stakeholders. The Company also follows the good corporate governance and code of conduct in order to be transparent and be free from all forms of corruption.



(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under the "Corporate Governance Policy" topic)

## ○ Anti-Corruption and Bribery

### Joining the Network Against Fraud and Corruption

As part of the effort to eradicate corruption in Thailand, the Company has joined the network against fraud and corruption with other companies and has been

certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) since 2013.



✓ The Company has been renewed its certification as a member of the Thai Private Sector Collective Action Against Corruption or CAC on 30 June 2022

In addition, the Company urges its suppliers to join a network against fraud, bribery, and corruption by sending letters notifying corporate governance policy, which includes anti-corruption policy.

The Company also asks its suppliers to comply with KTC Supplier Code of Conduct and invites them to join as member of the CAC. In 2022, the Company sends invitation letters to a total of 21 suppliers.

### Anti-Corruption Policy

The Board of Directors approves anti-corruption policy, which forms part of the Company's corporate governance policy, including anti-corruption measures with an objective to refrain directors, managements, and employees of the Company and its subsidiaries from engaging or accepting any forms of corruption for benefits of their own, friends, or acquaintances or using authority improperly. Anti-corruption policy specifies roles, guidelines, and

penalties in the event of corruption, along with processes and channels for whistleblowing or complaints reporting, to ensure that managements and employees at all levels can perform their tasks accurately and appropriately.

As a member of the CAC, the Company's operational guidelines according to anti-corruption policy are as follows:

- ✓ Review the anti-corruption policy and regulations annually.
- ✓ Evaluate risk controls in work processes.
- ✓ Establish a framework to prevent corruption.
- ✓ Provide channels for reporting potential incidents and implement measures to prevent recurrence as well as provide protection for the whistleblower

1. Review anti-corruption policy and measures, which forms part of the Company's corporate governance policy, on an annual basis to ensure that the Board of Directors and managements realize the importance of anti-corruption and to nurture such idea until it becomes the corporate culture. The Company disseminates anti-corruption policy to customers, suppliers, and its employees via the Company's website (www.ktc.co.th), KTC UNITE, as well as various internal learning materials.

In 2022, the Company's Board of Directors approved the review of anti-corruption policy during the Board of Directors' Meeting No. 6/2022 on 13 May 2022.

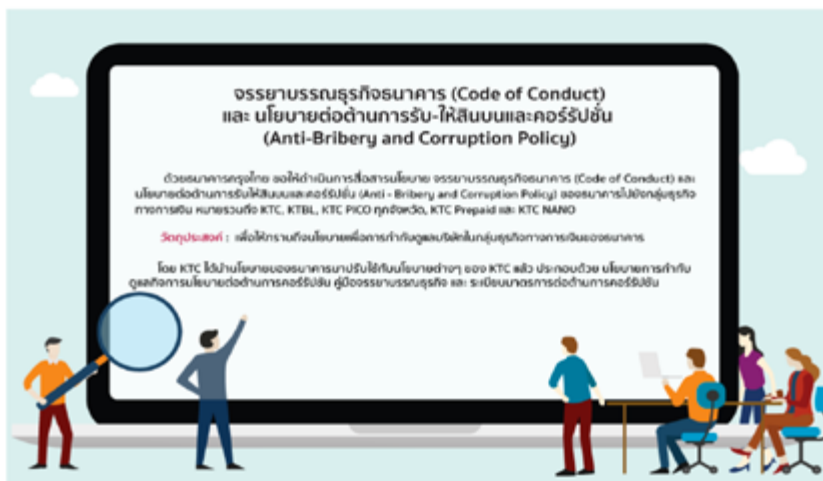
2. Arranged all business units to conduct annual risk control self-assessments (RCSA) for all processes, which cover corruption risks. The assessments will evaluate the likelihood and impact of potential risks, determine the severity of the risk, and identify ways to control, respond to, and manage those risks. The company will present the assessment results to the Risk Management Committee (RMC) and submit them to Krungthai Bank on an annual basis.

In 2022, the results of risk control self-assessments (RCSA) from various departments identified risks of corruption in 21 work processes. However, no incidents have occurred to date, and measures have been implemented to mitigate these risks in all processes where potential risks of corruption were detected.

3. Establish standard operating procedures, along with various guidelines in compliance with self-assessment regarding to anti-corruption measures of the CAC, and the RCSA, so that management and employees can adhere to as guidelines as follows:

- Establish standard procurement procedures to ensure that the Company's procurement process is transparent, has no direct or indirect involvement with corruption and focus on the Company's benefits above all else.
- Establish anti-corruption definition and practice guidelines in anti-corruption measures which consist of:
  - (1) Corruption
  - (2) Bribery
  - (3) Gifts and Entertainment
  - (4) Political support
  - (5) Donation and Charity
  - (6) Accommodating Fee
  - (7) Conflict of Interest
  - (8) Government Officer
- The Company urges all business units to comply with the Anti-Money Laundering (AML) law enforced by the Anti-Money Laundering Office in order to support anti-corruption in the government sectors.
- The Company sets operating manuals regarding to expense reimbursement, document filing, and business record keeping to ensure accuracy, auditability, and in accordance with accounting standards.

(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under the "The Regulations of Anti-Corruption Policy" topic)



## Cooperation with Stakeholders Against Corruption and Bribery

### The Board of Directors, Managements, and Employees

Provide learning tools to the directors, management, and employees to gain knowledge and understanding of the Company's policies and its related regulations, such as the inclusion of anti-corruption to be part of the orientation session for newcomers: directors, managements, or employees regarding to corporate governance policy, code of conduct, and anti-corruption practice continuously. There will be a review of such topics through variety of communication channels, including trainings via multi-animation and annual assessment. Furthermore, new management and new employees are required to acknowledge and accept such policies on the day of signing the employment contract.

In 2022, 100% of total management and employees of the Company and its subsidiaries have studied and been assessed on corporate governance, anti-corruption, and code of conduct.

### Suppliers

- Specify in the service contract between the Company and suppliers that business cooperation must be conducted strictly with integrity, transparency, and auditability in compliance with corporate governance policy, and abide by laws related to anti-bribery, anti-corruption and anti-money laundering and counter-terrorism and proliferation of weapon of mass destruction financing.
- Before engaging in procurement, new suppliers must evaluate themselves, acknowledge, and comply with the Supplier Code of Conduct, including business ethics, human rights and labor, occupational health and safety environment. The Company also urges its suppliers to join the CAC.

**ขอเชิญพนักงานทุกท่านเข้าเรียนรู้ และทำแบบทดสอบหลักสูตร**

**นโยบายกำกับดูแลกิจการและคู่มือจรรยาบรรณธุรกิจ  
(Corporate Governance Policy & Code of Conduct)**

โดยมีวัตถุประสงค์...

1. เพื่อให้ผู้เรียนตระหนักถึงความสำคัญของการกำกับดูแลกิจการที่ดี และการปฏิบัติตามคู่มือจรรยาบรรณธุรกิจ
2. เพื่อให้ผู้เรียนมีความรู้ความเข้าใจในนโยบายการกำกับดูแลกิจการ และจรรยาบรรณในการดำเนินงานของบริษัท
3. เพื่อให้ผู้เรียนสามารถปฏิบัติงานได้อย่างถูกต้องตามนโยบายการกำกับดูแลกิจการ และคู่มือจรรยาบรรณธุรกิจของบริษัท

**ระยะเวลา 27 ต.ค.-3 พ.ย. 2565**

**เข้าสู่เนื้อหาและแบบทดสอบ**

## Whistleblowing and Complaint Reporting

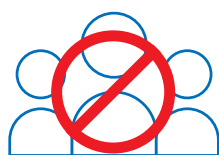
GRI 2-16, 2-25, 205-3



### Information or complaint's characteristics related to corruption



Information must consist of first name and last name of whistleblower. The details of complaints or information must be true, clear and sufficient to be investigated for further actions.



Complaints concerning personal problems, conflicts, or anonymous complaints are not regarded as corruption whistleblowing or complaints.

### Channels to file complaints and suggestions

#### For customers, public or other stakeholders

- Telephone  
Customer Service Center 02 123 5000, 24 hours a day  
Complaints Hotline 02 123 5000
- Fax: 02 123 5190
- Website: <http://www.ktc.co.th>, select "Contact Form"
- E-mail: [CSservice@ktc.co.th](mailto:CSservice@ktc.co.th)
- Postal Letter:  
Krungthai Card Public Company Limited,  
591 United Business Center II Building,  
14<sup>th</sup> Floor Sukhumvit 33 Road,  
North Klongton, Wattana, Bangkok 10110  
Thailand

#### Employees

- **E-mail:** Send e-mail directly to the Board of Directors and managements.

The Board of Directors assigns the Compliance business unit to act as the central unit for providing consultations in case anyone has concerns or requires advice on whistleblowing or complaints concerning corruption. In addition, the Company provides examples of whistleblowing/complaint to facilitate those who need advice.

(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Corporate Governance Policy" and "The Regulations of Anti-Corruption Policy" topic)

## Considerations

The Company keeps whistleblowing complaints confidential and refrains from disclosing names or personal information of those who made the complaint, or cooperate in the investigation. Nor will the Company demote, punish, or impose other measures having negative impact on the employees who have refused to be involved in corruption, although such refusal would cost the Company

business opportunity. The Company also provides fairness to the individuals accused in such matters.

The Human Resources business unit, the Compliance business unit, and other independent department participate in investigation under whistleblowers' rights protective measures.

## Disciplinary Actions

The Company takes disciplinary actions according to the Company's disciplinary rules, i.e. warnings, work suspensions, layoffs, or may be punished by law if such breach is illegal.

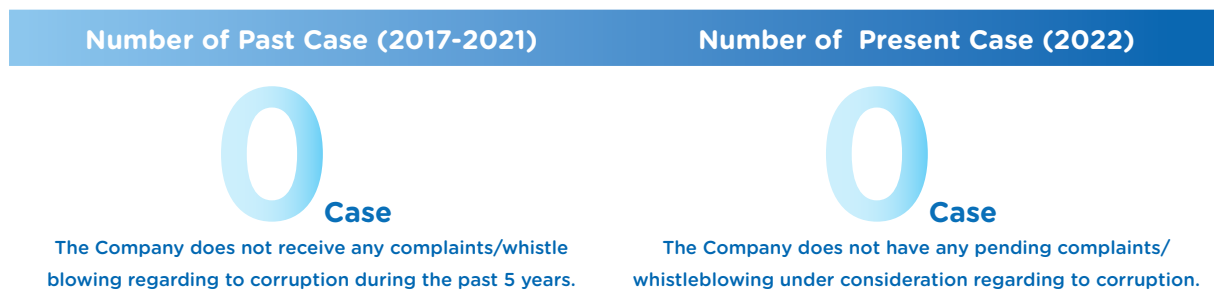
## Correction, Prevention, and Reporting Process

To ensure compliance with the Anti-Corruption policy and measures, the Internal Audit business unit and the Compliance business unit will regularly monitor for potential risks, improper internal controls complaints, and recurrent incidents that resemble

corruption. Both parties will document any corrective actions taken to prevent repeat incidents and minimize future impacts, and will report regularly to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

### Remarks

1. Processes and operational timeframes are in accordance with the Human Resources business unit operating manual under the topic Employees Disciplinary Procedures.
2. In case of complaints against the directors, the complaint will be reported to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee for consideration.



With protocols, preventive measures as well as appropriate internal control system and risk management. In 2022, the Internal Audit business unit, on behalf of the Company, presented the audit results

to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee. as follows



**According to the audit results, conducted by the Internal Audit business unit, showed that none of the departments do not comply with the Anti-Corruption policy or measures.**



## ○ Anti- Competitive

### Anti - Competitive Practices

Corporate Governance policy and Code of Conduct specified anti-competitive practices that the Company is committed to conduct its business in a fair manner within the competitive framework and does not have a policy to compete by defaming or bullying competitors, impeding market mechanisms of the free trade system, restricting business operations of other companies, monopolizing the market, or distorting the facts about its competitors. In addition, the Company also avoids discussing or agreeing with any employee or business operator of other financial entities about geographical location, marketing, interest rate, and various fees as well as products, services or business plans, which may adversely affect its business competition.

Number of Past Case (2017-2021)	Number of Present Case (2022)
0 Case The Company has not been fined or found in violation of anti-competitive practices in the past 5 years.	0 Case The Company has not been fined or found in violation of anti-competitive practices.



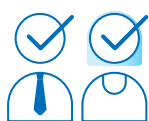
## ○ Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing

GRI 2-23

### Policy and Measures

As the Company is committed to prevent any individual from using the Company as a channel for money laundering, terrorist financing, and proliferation of weapon of mass destruction financing, policy and measures are established and approved

by the Board of Directors in order to ensure that the Company's business operations are undertaken in accordance with the law and regulations of the relevant government agencies. The policy comprises of :



#### **Know Your Customer Due Diligence (KYC/CDD) :**

Before building customer relationships or conducting transactions, the Company requires customers to identify themselves by providing information and evidence required by the law. In order to assess the risk of money laundering, customer verification both face-to-face and non-face-to-face are undertaken. In the case of high-risk customers, approval from the Company's senior management or authorized officer is required, alongside with intensive customer verification and regular review of customer information.



#### **Sanction List Screening :**

Before building customer relationships or conducting transactions, the Company must screens customers against Thailand & US Sanction Lists.



#### **Politically Exposed Person (PEPs) :**

The Company regards politically exposed persons (PEPs) as having a high risk of money laundering. In building customer relationships with PEPs, intensive customer verification and regular review of customer information is required, alongside with approval from the Company's top management.



#### **Customer Account Activity Monitoring :**

The Company requires monitoring and review of customer account activity until the customer relationship is terminated in order to evaluate whether the customer conducts transactions consistent with his or her occupation and the source of income notified to the Company.



#### **Transactions Reporting :**

The Company has in place a reporting process for transactions, namely cash-related transactions and suspicious transactions.



#### **Record Keeping :**

The Company requires the relevant data to be stored for 10 years from the date of account closure or termination of the customer relationship.



#### **Personnel Training :**

The Company organizes knowledge trainings, including assessments to evaluate employee knowledge and understanding in e-Learning format.



#### **Operational Audit :**

The Company has the Internal Audit, the Compliance business units, and Krungthai Bank, in its capacity as the Company's parent company, to regularly evaluate the implementation of AML/CFT&WMD policy.

(Please refer to additional details in "<https://www.ktc.co.th/en/sustainability-development/corporate-governance>" under "Summary of Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Policy" topic)

## Code of Conduct

GRI 2-15, 2-25

### Code of Conduct

The Company's Code of Conduct Covers policy and operational measures in the following topics :

- Code of Conduct
- Message from the Chairman
- Guidelines for Business Conduct
- Code of Behavior
  - Protection of Property and the Interests of the Company and Customers
  - Conflict of Interest
  - Confidentiality of Information
  - Gifts, Entertainment, and Other Benefits
  - Rights and Equitable Treatment of Shareholders
  - Disclosure and Investor Relations
- Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing
- Treatment of Stakeholders
- Social Responsibility and Environmental Conservation
- Occupational Health and Safety Environment
- Respect for Human Rights
- Promoting and Monitoring Compliance Code of Behavior

(Please refer to additional details in "Code of Conduct")

### Code of Conduct Compliance

#### Directors, Management and Employees

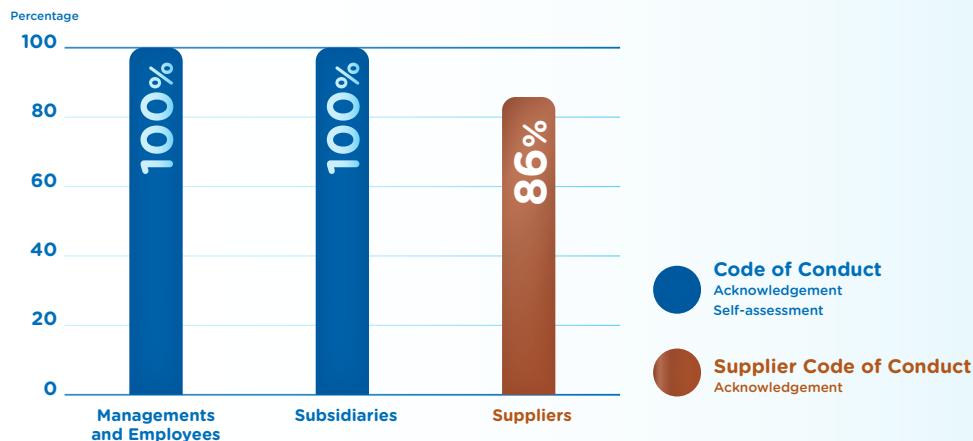
KTC encourages the directors, management, and employees to comply with corporate governance policy, anti-corruption policy, and code of conduct as follows :

- Require the directors, management and employees dutifully adhere to policy and code of conduct compliance.
- Require all new employees of the Company and its subsidiaries to sign employment contracts which cover an acknowledgement of compliance of policy, code of conduct, or anti-corruption measures.
- Provide orientations for the new directors, management, and employees in which topics includes corporate governance policy, anti-corruption policy, code of conduct and important guidelines
- that the directors, management, and employees should be aware of.
- Provide trainings and assessment regarding corporate governance, anti-corruption, and code of conduct via multimedia animation for management and employees of the Company and its subsidiaries on an annual basis in order to communicate results or promote awareness and understandings.
- Require the principle of integrity and business ethics to be part of the performance appraisal.

#### Suppliers

- Provide its potential suppliers the Supplier Code of Conduct so that they can evaluate themselves ahead of supplier selection in which crucial topics for self-assessment includes code of conduct, human rights and labor, occupational health and safety environment as well as laws and regulations. In addition, the service contract between the Company and its suppliers shall specifies that suppliers must acknowledge the intention to strictly conduct business with integrity, transparency in compliance with corporate governance, anti-corruption and anti-money laundering principles.

## Coverage of Code of Conduct and Supplier Code of Conduct Acknowledgement



(Please refer to additional details under the “Supply Chain Management” topic)

## Actions in case of violation or non-compliance with code of conduct

GRI 2-16, 2-26

### Information or complaint’s characteristics



Information must consist of first name and last name of whistleblower. The details of complaints or information must be true, clear and sufficient to be investigated for further actions.

### Channels to file complaints and suggestions

- Trusted Superior
- Human Resources business unit
- The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, through the secretary of the committee.
- Email: CG\_Compliance@ktc.co.th, Superiors or the Compliance business unit will answer questions or provide consultation regarding the Code of Conduct compliance

(Please refer to additional details in “ <https://www.ktc.co.th/en/sustainability-development/corporate-governance> ” under “Code of Conduct” topic)

### Considerations

When the Company receives the information, the complaint will be forwarded to the Compliance business unit to coordinate with the Human Resources business unit in order to proceed according to the human resources regulations as well as standard operating procedures pertaining to the process for determining disciplinary actions against the wrongdoer.

(Please refer to additional details under the “Supply chain management” topic)

## Disciplinary Actions

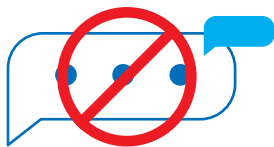
Take disciplinary actions according to the Company's disciplinary rules, i.e. warnings, work suspensions, layoffs, or may be punished by law if such breach is illegal.

## Prevention and Reporting

The Company has established regulations, preventive measures as well as appropriate internal control system and risk management. In the event of the Code of Conduct violation, the Company will consider and find solution to the problem that has been notified to prevent the problem

recurrence. Moreover, the Company regularly reports its corporate governance compliance and complaints relating to non-compliance with code of conduct to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

(Please refer to additional details in "<https://www.ktc.co.th/en/sustainability-development/corporate-governance>" under "Code of Conduct" topic)



**The Number of Code of Conduct Violation**  
**In 2022, the Company received 0 complaint**  
**regarding to code of conduct violation.**

## Annual audit by an independent external agency for the year 2022

The Company was audited by the Bank of Thailand, as a part of its audit to examine the assets and liabilities of the Bank and companies in its financial business group and compliance audits with the Market conduct principles.

# RISK AND CRISIS MANAGEMENT



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
The Company's risk management takes into account ESG factors in a manner consistent with regulatory requirements.	The Company's risk management is in alignment with regulatory requirements.	The Company's risk management is in alignment with regulatory requirements.

GRI 3-3

The Company places great importance on risk and crisis management. In particular, the Company establishes risk management policies to cover significant risks, which focuses on the development of a risk management system following good corporate governance guidelines. The Company also continuously reviews and improves its work processes to prepare for any potential risks influenced by internal and external factors, including ESG factors.

GRI 2-9, 2-12, 2-13, 2-23, 3-3

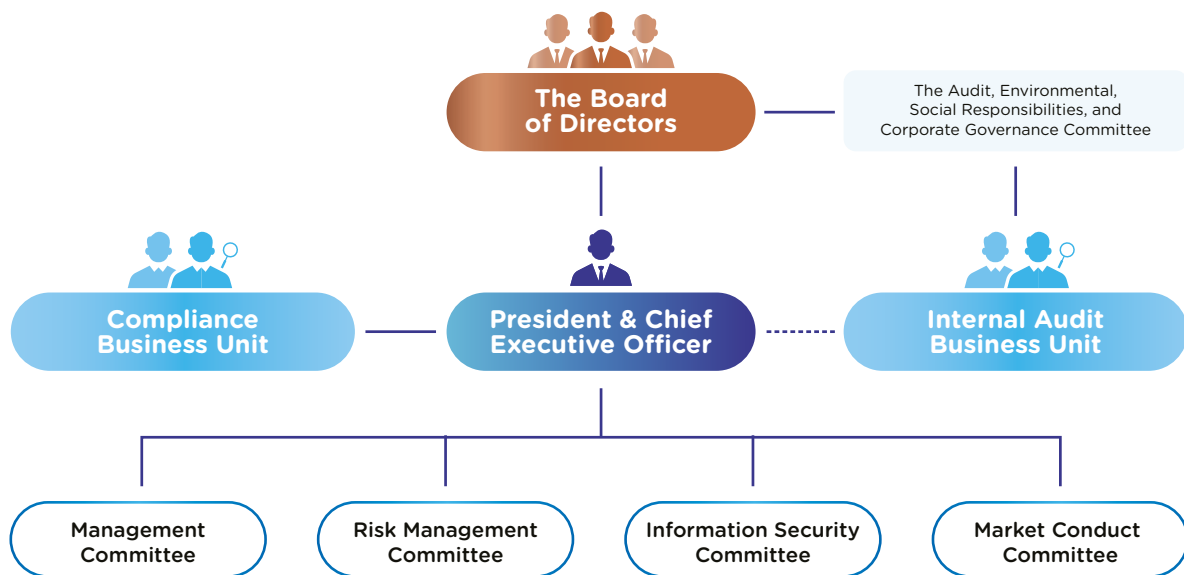
## ○ Risk Management Policy



(Please refer to additional details in Form 56-1 One Report 2022 under "Risk Management" topic)



## ○ Risk Management Structure



The Company established the following sub-committees to oversee related risks:

### Management Committee

is responsible for determining, considering, screening, recommending, providing opinions, and establishing policies and guidelines in the areas of finance and accounting, budgeting, financial management, marketing, operating results, human resources, and other areas relating to the business operations, including, considering and approving products before launching.

### Risk Management Committee

is responsible for considering and approving risk management policies at the organizational level before the policies are proposed to the Board of Directors for consideration, approval, and announcement. Concurrently, the Risk Management Committee controls, monitors, and evaluates risk management performance, as well as oversees the implementation of risk management policies to ensure that risk is within an acceptable level in accordance with Krungthai Bank's guidelines and the the Bank of Thailand's regulations. In particular, the Risk Management Committee establishes credit policies and approves risks associated with products before launching. The Risk Management Committee has appointed the Crisis Management Committee, which is responsible for considering and determining the scope of the Business Continuity Plan (BCP), as well as for deciding whether to activate or deactivate the BCP. Other than the foregoing, the Crisis Management Committee is responsible for supervising the implementation of activities, including communication with employees, media, and other stakeholders in the event of crises disrupting business operations.

### Information Security Committee

is responsible for overseeing the Company's information security, managing strategic plans and budgets related to information technology, as well as establishing information technology policies that align with standard guidelines. Concurrently, the Information Security Committee prepares information technology risk management plans in a transparent and efficient manner, including acting as the Data Protection Officer of the Company and its subsidiaries in accordance with the Personal Data Protection Act 2019 (PDPA), as well as managing information technology services, such as consistently keeping the system up to date. In addition, the Information Security Committee determines and inspects Service Level Agreements (SLAs) between the Information Technology business unit and the end-users (other business unit) and makes improvements to the services being provided accordingly.

### Market Conduct Committee

is responsible for establishing and overseeing policy frameworks, strategic plans, and guidelines to ensure the operating procedures align with market conduct criteria.

All committees report to the Board of Directors at specified time intervals to keep the Board of Directors informed of the Company’s performance and receive recommendations from the Board of Directors. All the Company’s directors possess knowledge, skills, expertise, and experience in risk management.

The Company also established an organizational structure, which clearly determines the duties and responsibilities of each department, to achieve the Company’s goals, strategies, and objectives. In particular, the Company applied the Three Lines of Defense approach to define the Company’s overall risk management structure and appointed the responsible persons for establishing the Company’s risk management framework.



## ○ Risk Management Process

### **Risk Identification**

The Company manages risks that could potentially impact on business operations by identifying risk factors and assessing their severity for conducting risk prioritization. With the cost-benefit analysis of each potential option considered, the appropriate risk management approach is determined and risk control actions are specified respectively.

### **Risk Assessment**

In conducting a risk evaluation, the Company establishes a risk map to indicate the connections between the risk factors within the organization. In doing so, risk factors and causes of risks are considered for their relationship. The Company also sets Key Risk Indicators (KRIs), which include leading indicators, which signal risk events ahead of their occurrence, and lagging indicators, which reflect information on risk events that have already occurred. Risk Appetite and Risk Tolerance are set for each risk factor as a part of risk monitoring, as well as regular review of risk levels at specified time intervals to prevent and mitigate the impacts that may occur from the risk factors.

### **Risk Control and Mitigation**

The Company oversees and mitigates risks to ensure that they are within acceptable risk level.

### **Risk Monitoring and Reporting**

Risks are monitored and reported to the Risk Management Committee, the Board of Directors, and Krungthai Bank at specified time intervals.

## ○ Crisis Management

The Company manages crises at the organizational level as follows:

The Company has in place a Business Continuity Management (BCM) system and has prepared a Business Continuity Plan (BCP), which incorporates emergency plans in case of an emergency arising from disasters or other events, including fires, earthquakes, floods, rallies, and epidemics. Victim evacuation guidelines also form part of the BCP. The Company has in place an alternate site and sufficient resources to restore critical operations to respond to crises in the event employees of departments performing a Critical Business Function (CBF) are unable to go to work at the primary worksite.

In this regard, the Company reviews and monitors its crisis management plan by conducting annual surprise tests of the Communication Tree and Business

Continuity Plan (BCP). The Company also participates as an observer for the BCP testing of business partners related to the Company's core business transactions.

The Company conducted a surprise test of Business Continuity Plan (BCP) for the year 2022 on August 19-20, 2022, with the test results are within the Recovery Time Objective. With the occurrence of the COVID-19 pandemic, the Company has implemented measures to prevent and reduce the spread of the virus, including Work from Home protocols. Concurrently, the Company has organized remote teams and enabled relocation to different workplaces provided by the Company, all of which to maintain social distancing and minimize the impact of risk events.

## Emerging Risks

The Company analyzed the emerging risks that might affect business operations in the next 3-5 years, including the risks that currently became apparent but not yet had a significant impact at the present time. The Company has prepared adequate and timely countermeasures against these risks.



### Cyber Threats

#### Definitions

Currently, the development of the digital economy has made technology, information systems and data become more important tools for driving a business. The technological advancement has changed customer behaviors to increasingly proceed the transaction via online channels and mobile applications. As a result, inevitably, the business operation has encountered various forms of cyber threats including data breach. Hence, effective cyber security, as well as appropriate risk management and development of human resources, processes, and information technology tools against cyber threats and data leaks play a crucial role to maintain confidence in all groups of stakeholders.

#### Impacts

The Company's development of products and services requires information technology to meet the needs of customers and provide satisfied service experiences. As a result, it is vital that the Company maintains the infrastructure and information system with caution to prevent data leaks, cyberattacks and cybercrime, as these incidents have both financial and non-financial impacts such as being fined by the authorities or regulators; losing trust from customers and stakeholders which can affect the Company's credibility and image in both short term and long term.

#### Mitigation Plans

- The Company established information technology policy, information security policy and personal data protection policy which were reviewed annually and approved by the Board of Directors.
- The Company established relevant Standard Operating Procedure (SOP) for cyber security management.
- The Company established, reviewed and tested the Disaster Recovery Plan annually to prepare for important events related to the security and availability of the IT system.
- The Company adopted the ISO/IEC 27701:2019 the privacy information management system and the ISO/IEC 27001:2013, the information security management system.
- The Company organized trainings for directors, management, employees and business partners to raise awareness of protection of personal information, PCI-DSS and cyber security.
- The Company established measures for information security in alignment with international standards and PCI-DSS.
- The Company's cyber security is audited internally and externally on a yearly basis.

(Please refer to additional details under the "Digital Innovation" topic)



## Climate Change

### Definitions

Climate change causes weather fluctuations and natural disasters such as floods, storms and droughts, which tend to occur more frequently and cause more severe damage to people and businesses. Climate change is also a key factor for the rise of global temperatures and an increase of transition risks such as changes in policies and regulations from the government to reduce greenhouse gas emissions. In addition, climate change causes changes in consumer behaviors, which lead to higher concern for environmental issue for moving toward a low-carbon economy.

### Impacts

Natural disasters and extreme weather from climate change or physical risk may disrupt business operation of the Company and business partners, and cause property damage to the Company and customer. This can also impact customer purchasing power, spending volumes, and ability to pay debt. According to the severity of climate change impacts, the international and domestic regulatory agencies are in the process of considering legislation related to reducing greenhouse gas emissions, which presents a transition risk for the businesses and may impact the Company processes, procedures, and operating costs.

### Mitigation Plans

- The Company set up responsible lending criteria by considering customers' risk levels based on financial status and ability to pay debt and implemented measures to assist debtors who have been affected.
- The Company set up the Business Continuity Plan, including plans for emergency events such as earthquakes and floods as well as practical guidelines for evacuating disaster victims. The Company also prepared an alternate site with sufficient resources that could restore operations for critical work activities. The BCP are required to be reviewed and tested annually.
- The Company supported environmentally friendly management including educating employees and promoting campaign for the wasteful use of resources reduction, waste separation, recycling, etc. In addition, the Company set a target of reducing electricity consumption, water use, greenhouse gas emissions, and waste recycling to decrease the environmental impacts and climate change.
- The Company promoted the customers to receive e-Statement via e-Mail or via KTC Mobile Application which is more convenient for customers and also helps reducing environmental impacts by reducing paper consumption.

(Please refer to additional details under the "Environmental and Climate Change Management" topic)



## Changes in Laws and Regulations

### Definitions

According to the rapid changes in situations and various factors nowadays, the regulatory agencies, which are responsible for overseeing and auditing businesses' status and operations, may issue rules, regulations, and procedures to ensure that companies conduct businesses in alignment with good corporate governance standard. The Company, as a financial institution under the supervision of the Bank of Thailand (BOT), must strictly comply with laws and regulations issued by relevant regulatory agencies.

### Impacts

Changes of rules and regulations may affect the work process, work system, operating cost, performance, profitability and corporate's image. Failing to comply with the regulations may lead to warnings, fines or even revoked its license to operate.

### Mitigation Plans

- The Company put its policies and operational procedures in place. The approved policies and procedures are announced to all employees to implement in practice.
- The Compliance business unit monitored announcements, regulations from the regulatory agencies regularly. They are reported to the Risk Management Committee, in which the Chief Executive Officer (CEO) holds the position as a chairman, and/or reported to the related committees and are informed to all impacted business units.
- The Company appointed a coordinator with relevant regulatory agencies.
- The Company participated, discussed and exchanged ideas with people in the same industry such as credit card club, personal loan club etc.
- The Company annually organized trainings for employees to raise awareness or update the regulations of the regulatory agencies.



## Debt Crisis

### Definitions

The impacts of the COVID-19 pandemic, the protracted Russo-Ukrainian war and the tensions between the most powerful countries are key factors contributing to accelerate inflation rate globally. Many central banks, including Bank of Thailand, have continually raised policy rates. In addition, the high inflation rate and public debt including ongoing energy crisis cause the cost-of-living crisis. They also made analysts and financial institutions to anticipate a recession for the global economic growth that could impact businesses and society including decrease in ability to pay debt which could lead to widespread defaults and ultimately a debt crisis in the economy.

### Impacts

If there is a debt crisis and widespread defaults on the business and retail loans, there will be an increase in the Company's non-performing loans (NPLs). Hence, the Company needs to set aside more provision to cover expected credit loss in alignment with the relevant standards and regulatory requirements. This would affect the overall performance of the Company to achieve the goals and may damage the Company's reputation.

#### Mitigation Plans

- Designed various products and promoted financial inclusion to alleviate household liquidity problems in crisis.
- Determined credit approval criteria according to customer's risk level and the ability to pay debt.
- Monitored customer defaults, by designated departments, and implemented measures to help customers before defaulting.
- Appropriately set aside provision to cover expected credit loss, which is in line with portfolio risk and future risk, through the selection of scenarios and forward economic factors in ECL model.
- Provided preliminary assistance for members through KTC Phone service center.
- Provided assistance for debtors affected by disasters, economic conditions and epidemics. Debtors affected by the COVID-19 outbreak were assisted in accordance with the official guidelines and conditions that have been continually announced on the KTC website.

## Risk Culture

The Company places great importance on promoting risk culture. In particular, the Company's risk management encompasses the entire organization. Measures that enable employees to proactively identify and report potential risks across the organization are also in place, as detailed below. :

- The Company has in place risk management policies, which have been approved by the Board of Directors and announced to all employees to implement in practice.
- The Company has in place corporate governance policies, which allow employees to submit complaints through specified channels in the event of incidents of corruption and bribery, including incidents of violations of the Code of Conduct.
- The development or release of the Company's financial products and/or services requires compliance with regulations re: issuance/change/cancellation/ of financial product and/or services. This is to ensure the risks assessment of legal, overall and budgeting before launching.
- There is a link between the Risk Owners and the Enterprise Risk Management division, in that all business unit are required to have a Risk Manager and an Operational Risk Officer (ORO) to carry out operational risk management within their respective departments, consisting of:
  - o All business units must conduct a Risk Control Self-Assessment (RCSA), which is the process by which managements and employees at all levels are required to identify and assess risks and controls.
  - o All business unit must report Operational Loss Data monthly, including actual loss, potential loss, and near-misses by reporting all types of information, including all values.
- The Company has in place regulations on reporting issues encountered in business operations, such as service interruptions and data leaks, to function as guidelines and procedures for employees to appropriately respond in the event an issue arises. The Company also provides specific channels for employees to report any unusual incidents related to information or personal data.
- The Company encourages its employees at all levels to be aware of the risks associated with their work. In this regard, risk management performance is included in annual performance reviews for all employees. In particular, the Company looks at compliance with market conduct regulations and ISO standards, as well as incidents of personal data breaches. Besides the foregoing, the Company sets performance indicators in relation to risks associated with the relevant Risk Owner for business unit with specific risks related to business operations.
- The Company promotes risk and risk management education for its employees in the form of orientation programs and annual reviews of risk management knowledge through several channels of communication. The Company sends educational emails, hosts seminars with internal speakers and external experts, organizes training workshops, provides self-learning, and conducts assessments, with a view to emphasize that all directors, managements, and employees in the Company realize the importance of risk management and regulatory compliance.



- The Company organizes risk management training programs throughout the entire organization on an annual basis. For 2022, the training topics were:

Risk Management Training Programs	Target Group	Arrangement
Communication Tree/ Call Tree and Business Continuity Plan (BCP)	All employees	Surprise Test on August 19-20, 2022
Risk Awareness <ul style="list-style-type: none"> <li>• Understanding the Risks</li> <li>• Operational Risk</li> <li>• ESG Risk</li> <li>• Global Risk and Emerging Risk</li> </ul>	All employees	Self - learning
Payment Card Industry Data Security Standard (PCI-DSS) Awareness	All employees	Self - learning
Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT&WMD) 2022	All employees	Self - learning
International Organization for Standardization: ISO <ul style="list-style-type: none"> <li>• ISO/IEC 27001:2013 Information Security Management System</li> <li>• ISO/IEC 27701:2019 Privacy Information Management System</li> </ul>	All employees	Self - learning
Market Conduct and Fair Lending 2022	All employees	Self - learning
Corporate Governance Policy and Business Ethics Manual 2022	All employees	Self - learning
RCSA (Risk Control Self-Assessment) and Personal Identifying Information (PII) Data List 2022	Operational Risk Officers (ORO)	Classroom: On-site
Economy in a Post-Covid World and the Ukrainian war	All employees	Classroom: On-site and Online on June 15, 2022 and Video clip
Economy in 2023: Opportunities and Challenges	Interested employees	Classroom: On-site



(Please refer to additional details under the “Human Resource Management and Development” topic)

## Encouraging Innovation for the Risk Culture

The Company developed work systems to facilitate greater efficiency in risk management and the reporting of operational risks in accordance with the Company's core values, which resulted in optimized workflows, ensured ease in finding information, reduced paper usage and hard copy document storage, as well as promoting a risk culture. Examples include:

- Operational Loss Data Report system, which optimizes the reporting process, ensuring the efficient reporting of operational losses.
- The Company distributed surveys, where it aimed to group together business units according to their similar nature of operational risk, through the SharePoint system. These forms facilitate the work carried out by departments through optimizing the process for requesting audits related to the use of business partner\*.
- KRIs reporting system for operations at the organizational level through the SharePoint system. The system optimizes the reporting process, making it more convenient to collect information, while also ensuring data is stored safely and efficiently.
- ESG Risk Assessment form with the objective of promoting understanding of sustainability related risks among the Company's departments and initially integrating ESG risks into the enterprise risk management context. ESG risk assessment has been introduced as a part of the corporate risk and initially adopted to divisions related to key ESG issues.
- Risk management knowledge courses have been placed into the company's e-Learning platform, in which all employees are required to study and complete a test to pass the specified criteria.
- An online channel to receive cases of various risk events such as personal data leakage, equipment defection in the workplace, etc.

Remark : Business partner\* means a juristic person or individual entering into a service contract or agreement with the Company. Business partner\* also includes an agent working on behalf of the Company, such as financial agent, outsourcing service provider, or other forms of business partner\* that has business partnership with the Company, to further its business interests.

# DIGITAL INNOVATION



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
Number of KTC Mobile and KTC Online users accounts for 95% of the total number of customers.	Number of KTC Mobile and KTC Online users account for 80% of the total number of customers.	Number of KTC Mobile and KTC Online users account for 84% of the total number of customers.

Note: In 2022, the Company adjusted the method of counting number of customers by eliminating the information of customers who canceled their membership.

GRI 3-3

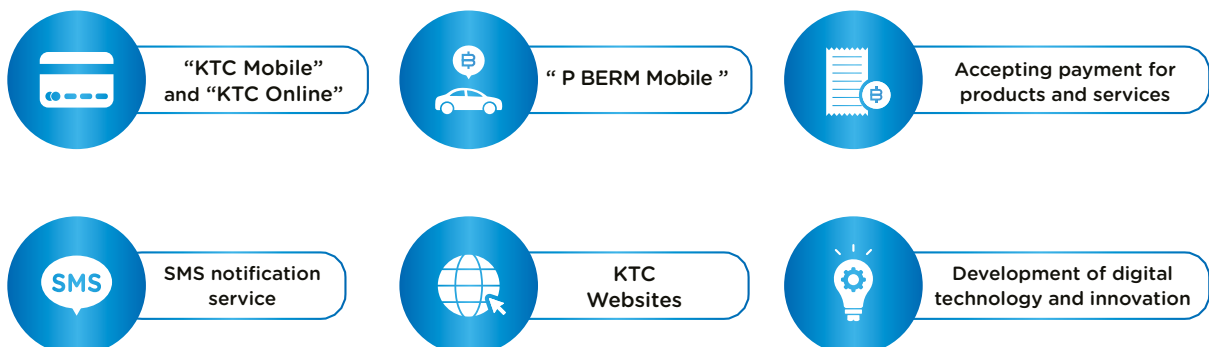
Technological changes and progress, the Thailand 4.0, national e-Payment, cashless society policies as well as COVID-19 outbreak situation induced dramatic changes in consumer behavior. The Company, a financial service provider and payment service provider, formulated digital technology development policy to offer customers with products and services as well as efficient modes of payment via electronic channels to satisfy their needs for convenient, quick and safe services that could be accessed anytime, anywhere. In order to reduce risk from cyber threats, the Company also placed importance on operations to meet international standards, as well as formulated policy and standards related to cybersecurity and safety of personal data of stakeholders so as to build confidence and trust when engaging in online transactions with the Company.

GRI 3-3

With the goal to create good user experience for stakeholders, KTC has implemented Digital Transformation, which consists of 3 main cores as follows:



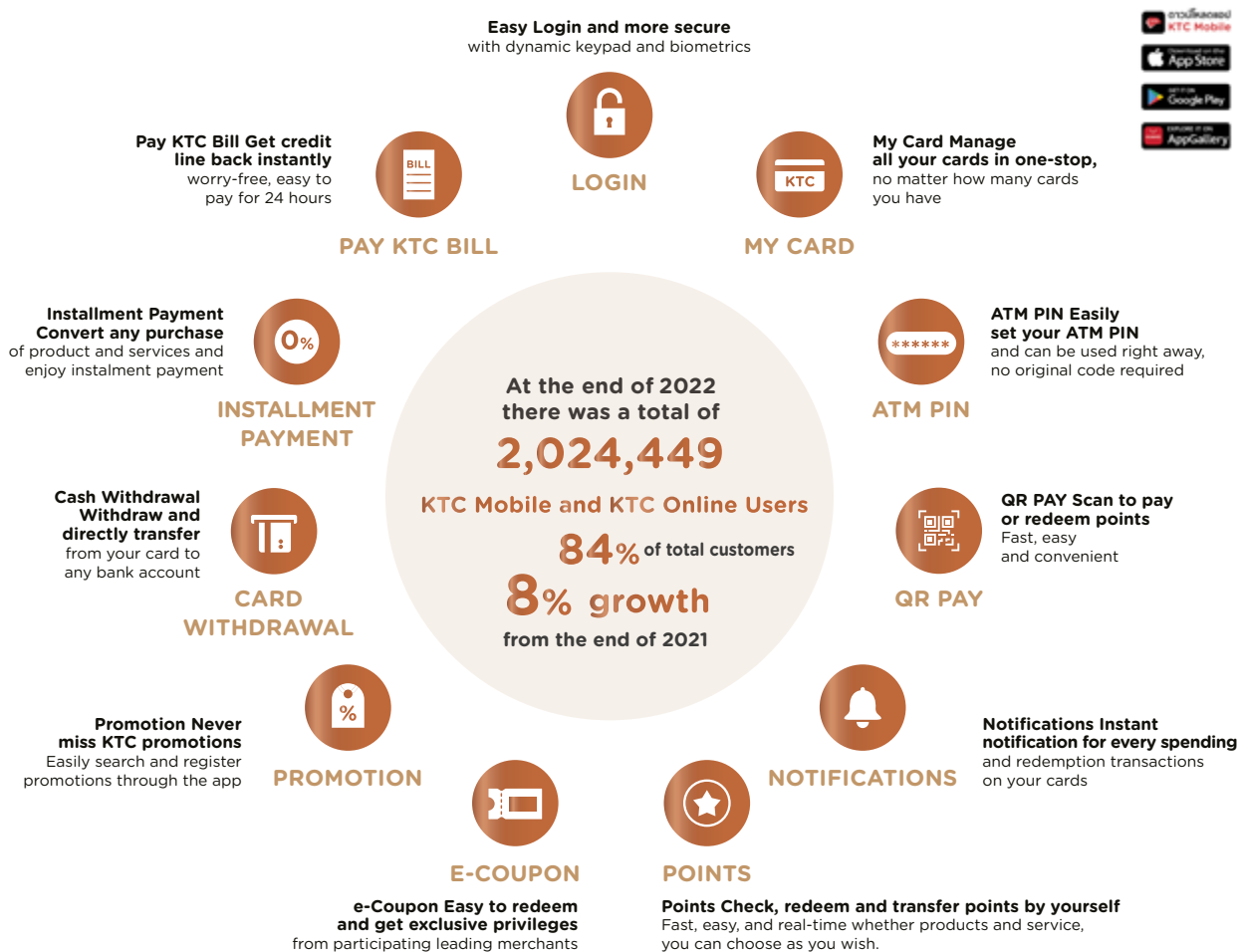
## ○ Products, Services and Platforms



## “KTC Mobile” and “KTC Online”

The Company developed efficiently online channels to enhance customer convenience when they using our services by displaying member account information and allowing cardmembers to manage their own accounts and perform transactions online by themselves as the one-stop service platforms that provided access to all products on KTC Mobile application and KTC Online website, which the Company has improved menu features for ease and convenience of use, created better customer experience with modern and clean look, and have security Including usage speed is crucial in accommodating a growing trend of sizeable target groups. Also, with insight of spending behavior of cardmembers in mind, transaction services were designed by having functions that could satisfy daily lifestyle and needs more easily and conveniently.

Such presentation of products and services via online channels helps ease and speed up full customer access in an equitable and safe manner, minimize paper and resource use, and reduce loss of documents and customer travel time as well.









## “P BERM Mobile”

To facilitate account management of KTC P BERM Car for Cash customers, the Company has developed an online channel in the form of an application “P BERM Mobile” with functions that meet the needs of customers, including accessing account information with details of the outstanding principal balance, installment amount, payment due date, as well as notifications setting, viewing a statement, payment via QR/Barcode or through the Krungthai NEXT application, and viewing a receipt. It is also secure to log in with password-based authentication or biometrics, which helps customers to be more confident when using the application as well.



## Accepting payment for products and services

The Company has provided services in various forms to merchant members in order to facilitate receipt of payment for products and services to merchant members and help them create positive experience and satisfy their needs in all business categories.

 <p><b>KTC EDC</b></p> <p>Additional channels for customers to make easy payments, comfortable installments and redeem points.</p>	 <p><b>KTC QR PAY</b></p> <p>Easy and safe, just scan the QR code via smartphone.</p>	 <p><b>KTC GATEWAY</b></p> <p>Maximize your e-commerce business to serve customers 24 hours.</p>
 <p><b>KTC LINK PAY</b></p> <p>Convenient and easy, anytime, anywhere with payment link via social media platforms.</p>	 <p><b>KTC ALIPAY</b></p> <p>Get paid via Alipay QR code scan to attract Chinese customers.</p>	 <p><b>RECURRINGS</b></p> <p>Automatic Payment Collection.</p>

### KTC EDC



#### Payment service via Electronic Data Capture (EDC)

Additional channels for customers to make easy payments, comfortable installments and redeem points.

#### Full amount payment

- Supports all types of credit and debit cards from financial institutions worldwide.
- Supports over 30 currencies worldwide.

**Installment payment** allow customers to pay in installments with 0% interest or special interest rates.

**Reward points redemption** customers can use KTC FOREVER points in replacement of cash/ redeem products and services at the point of sale.

**Contactless** tap and pay conveniently.

### KTC QR PAY



#### Payment service via QR PAY

Easy and safe, just scan the QR code via smartphone.

**Receive QR code payments** via credit card, PromptPay, "KTC Mobile" and "KTC MERCHANT"

#### Safe

- Reduce the risk of handling physical cash and change.
- Reduce the risk of merchants' cash management.
- Reduce the risk of theft.
- Reduce the risk of employee fraud prevention cost.

**Support QR Code generator** Easy to generate QR Codes for display on signs and mobile applications.

## At the end of 2022



**13,534**  
Shops use **KTC MERCHANT**



Payment via **KTC QR PAY**  
**3,432** merchants

### KTC GATEWAY



#### Online payment gateway service

Maximize e-commerce business to serve customers 24 hours.

**Optimize payment options** Enhance sales via installment payment plan and point redemption provided.

**Easy and simply Integrate** Stay connected with API.

**Realtime data accessible** Control and manage transaction via dashboard anytime.

**Ensure the highest level of protection.** With the use of OTP (one-time password) to secure both shopper and merchant.

## KTC LINK PAY



### KTC LINK PAY

Convenient and easy, anytime, anywhere with payment link via social media platforms.

**Convenient and secured online transaction throughout 24 hours** for both full amount and installment payment.

**Easy operation that merchants can do it by themselves.** Payment link can be created easily and send to customer via various contact channels.

**Increase channels for customers to purchase products more conveniently.**

**Ensure the highest level of protection.** With the use of OTP (one-time password) to secure both shopper and merchant.

## KTC ALIPAY



**Get paid via Alipay QR Code scan to attract Chinese customers**

**Easy payment** via Alipay QR Codes on EDC devices, display signs and mobile application.

**Supports all types of businesses** receive payment via Alipay both in-store and online shop.

**Increase sales** by joining Alipay promotion.

**Promote business** Advertise store on Alipay application.

## RECURRINGS



**Automatic Payment Collection on time and flexible money management**

**Easy fee collection** by deducting from customers' credit card account. Cardholders must notify and register for the service.

**Customize cyclical payment collections,** set own cyclical payment collections, daily or monthly.

**Never miss any payment collections,** check payment collection results by oneself.

In addition, the Company has collaborated with MasterCard to launch the token encryption technology, 'Mastercard Digital Enablement Services (MDES) for Merchants', with KTC being the first financial institution in Southeast Asia to participate in order to enhance the safety of online transactions for customers, while enhancing the confidence between online merchants and customers, by

encrypting tokens instead of using an account number that poses risk when the card number must be placed on a merchant website or application for payment. Digital token codes provide an additional layer of protection through the use of a unique Cryptogram for each transaction, reducing the risk of information theft and building trust and safety for customers and merchants.

## SMS notification service

The Company sends SMS notification of credit card or loan application assessment results to applicants instead of printing letter unless there is a statutory requirement to notify credit denial reason only in writing. By using this notification method, credit applicants or requesters can quickly learn assessment results and help reduce a large amount of paper consumption. In the process of card delivery and

activation, the Company sets up a team to follow up on the status of card delivery to customers, facilitate card activation, and notify them of their entitled benefits to prevent any potential damages from loss or delay during delivery, reduce follow up expense and time, shorten the delivery process, and minimize the number of produced cards and production cost of new cards delivered.

## KTC Website

The Company has continuously developed the user interface of the websites [www.ktc.co.th](http://www.ktc.co.th) and [www.ktc.co.th/ktcworld](http://www.ktc.co.th/ktcworld) to enable customers or users to access information and services efficiently and effectively at all times, display information quickly, and easily search for information. The websites also support all devices to provide a good user experience.

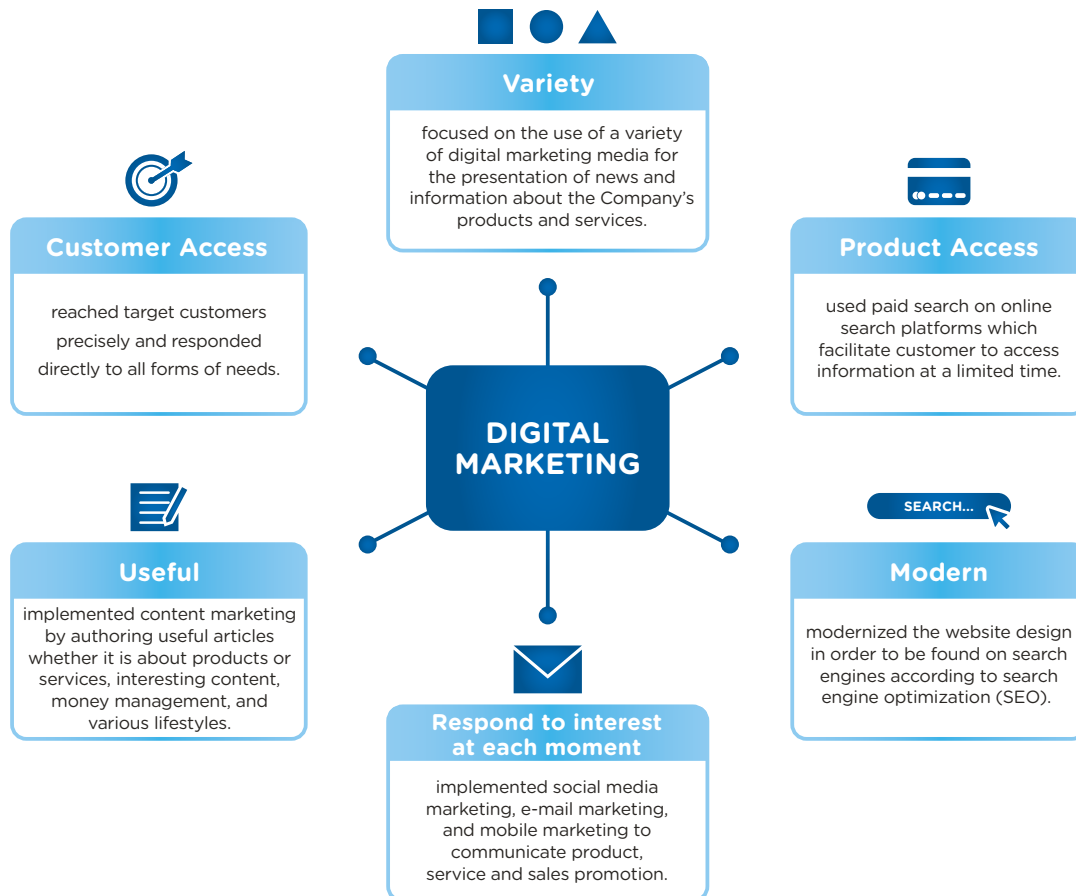
## Development of Digital Technology and Innovation

Product/ Service/ Process	Particular	Performance
<p><b>IT automation, SCR workflow systems:</b></p> <p>SCR workflow system is used in project-based or enhancement-based IT change management to optimize efficiency. The significance of each type of change is defined to ensure full and quick response to the needs of customers or service users. Change impact assessment is carried out to ensure that the developed system is secure, safe, complete, correct, and ready to use. Functional and safety testing is performed before actual use, and operational progress of each aspect of such changes can be monitored in a timely manner.</p>	<p><b>Objective:</b> Increase operational efficiency and reduce use of unnecessary resources.</p> <p><b>Time period:</b> Initiate using the SCR workflow in Information Technology Business Unit in 2022</p>	<p><b>Business outcomes:</b> The Company can create a system that delivers high-quality service to customers or users so that they are confident in its services.</p> <p><b>Social benefits:</b> Identifying root causes of problems enables long-term problems to be resolved properly or assessing the impacts of changes. This makes the Company's service users satisfied and induces them to pass on such satisfaction to society. Moreover, its business partners can apply this approach to services delivered to their customers, thereby further spreading satisfaction to society at large.</p> <p><b>Environmental benefits:</b> Reduce use of resources, such as energy, consumable materials (e.g., paper and printer ink) to reduce environmental impact.</p>
<p><b>MAAI by KTC</b></p> <p>Loyalty Platform that provides services to business partners with fully integrated solutions that understand businesses point of view aiming to build relationship with customers. MAAI by KTC application is created for customers to access various privileges, such as restaurants, drinks, cinemas or online shopping. Customers can transfer accumulated points from KTC credit cards or from partner networks into MAAI points to redeem various privileges via this application.</p>	<p><b>Objective:</b> Increase customer relationship building efficiency by providing a quality system; including member management system, reward points management system, and e-Coupon management system. This enable business partners to respond to customer needs, increase brand engagement, and increase opportunity to expand member base by utilizing MAAI platform.</p> <p><b>Time Period:</b> Services started in 2022.</p>	<p><b>Business Outcomes:</b> Increase efficiency and effectiveness in customer relationship management, existing customer retention, and new customers base expansion. MAAI loyalty platform increases service convenience and speed. As such, businesses are easier to manage and reciprocate with one another under this ecosystem endlessly.</p> <p><b>Social Benefits:</b> Customers and business partners enjoy convenience and speed of service delivery.</p> <p><b>Environmental Benefits:</b> e-Coupon management system helps reduce the use of resources that have an impact on environment such as paper and printer ink.</p>
<p><b>KTC Contact Center AI (KATI)</b></p> <p>The Company realizes an importance of providing convenience and fast services to customers. Therefore, the Company has studied both internal and external information and found that using a self-service system through the use of AI services will be able to increase customer satisfaction and speed of service by chatting with an automated system instead of pressing information in an IVR (Interactive Voice Response) system. The Company also value the importance of the information security. Thus, the Company developed "KATI", a service provided to customers via the contact center channel by AI virtual agent services in both voicebot and chatbot formats that give basic information and answer general questions to customers who need answers quickly and instantly.</p>	<p><b>Objective:</b> Deliver good experiences to customers and increase service efficiency where customers don't have to wait in line and able to process easy transactions by themselves. This also reduces contact center staff workload and creates customers satisfaction while using the service. At present, KATI provides 7 type of services as follows:</p> <ol style="list-style-type: none"> <li>1. Outstanding credit limit inquiry</li> <li>2. Installment payment inquiry</li> <li>3. Increase credit limit temporary</li> <li>4. Request a copy of the statement</li> <li>5. Product application results inquiry</li> <li>6. Accumulated points inquiry</li> <li>7. Card activation</li> </ol> <p><b>Time Period:</b> Service started in December 2021 and there are projects to further develop in other services.</p>	<p><b>Business Outcomes:</b> Apply contact center AI technology KATI to help with 7 types of services in order to reduce contact center staff burden so they will have time to fully perform complex tasks that require relationship skills.</p> <p><b>Social Benefits:</b> Create satisfaction from using convenient, fast and safe service and reduce problems from dissatisfaction with service provided by call center staff.</p> <p><b>Environmental Benefits:</b> Reduce use of natural resources such as paper.</p>



## ○ Digital Marketing

Marketing communication is rapidly evolving alongside with changing customer behavior and lifestyle. In order to execute marketing communication activities with optimal efficiency and effectiveness, KTC focuses on the use of a variety of digital marketing media for the presentation of news and information about the Company's products and services by considering the appropriateness of using digital marketing media to allow customers to access the Company's products and services as follows:



## ○ Digital Workplace

The use of Digital Workplace technology enables KTC to provide customer service efficiently and effectively, while also enabling employees to work easily and quickly from anywhere, at any time, while ensuring the safety and security of customer personal information. KTC will continue to develop its Digital Workplace to support customer service and make it more convenient for employees to work.

KTC has developed digital workplace since 2019 by gradually upgrading each component of relevant works while initially focusing on works of employees who would like to have flexibility and ability to work anytime anywhere. Subsequently, it zoomed in on a bigger picture by integrating key components, such as customers or business partners, to achieve

maximum business benefits and developed various applications to support micro service architecture and migrate applications to the Cloud so as to satisfy service needs of customers.

The impacts of COVID-19 outbreaks on IT infrastructure were not significant because KTC undertook preparedness of IT resources to support the growth of e-commerce transactions via burgeoning online channels. Moreover, the Company also increased online activities to support online working activities, such as online meeting, online training or seminar, and even online auditing, so as to minimize the risk of COVID-19 transmission in the organization.

When selecting solutions for creating digital workplace, these solutions must be tested extensively, including undertaking proof of concept (POC) and rectifying uncovered pain points and constraints, until we were confident that selected solutions could best address the needs. A key criterion for selecting solutions is safety. These solutions are as follows:

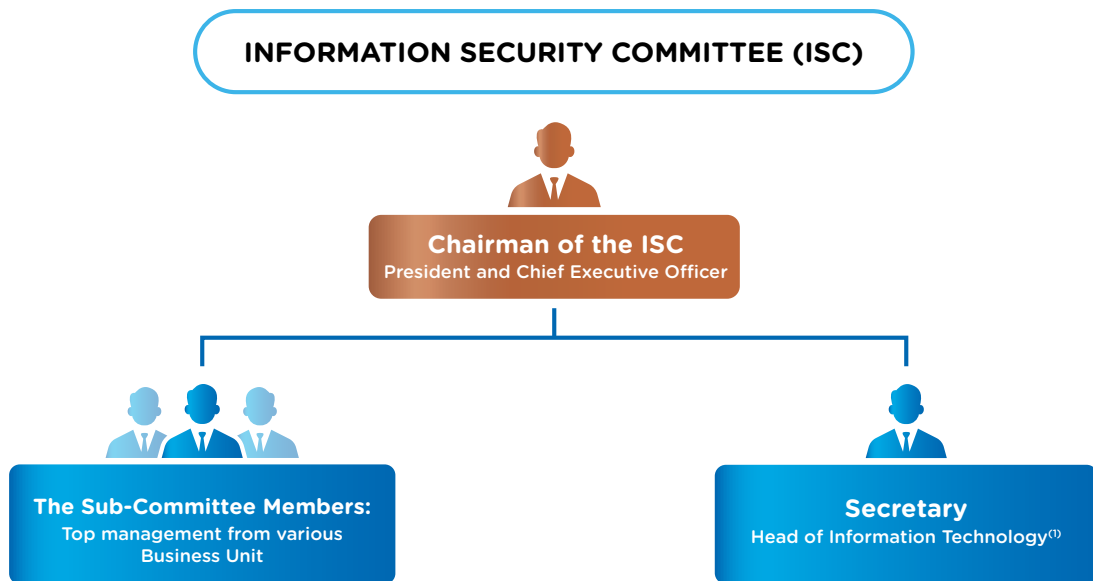
- **Virtual Desktop Infrastructure (VDI):** Facilitates employees to work from home or from other places that can connect to the internet so they can access the system and work as usual. The VDI solution has a network access control and monitoring Company's security control system that complies with ISO /IEC 27001:2013 standards, ISO/IEC 27701:2019 standards, PCI-DSS standards, and in compliance with the Company's policy.
- **Network Campus:** To upgrade and enable network system in the organization to support VDI for both offices, Dynamic IP and Wi-Fi 6 Generation Technologies are deployed because they can handle relatively high bandwidth.
- **Green data center:** Consider selecting a computer center service provider that meets international standards in terms of data security and safety, preparedness, and environmental conservation in order to have technology that helps achieve a suitable level of energy consumption in computer center. Reduce unnecessary energy consumption, effecting the reduction of carbon dioxide emissions. Reduce energy cost and maintenance expense of high energy consumption equipment. The computer center located in an upcountry province helps expand job opportunities and generate income for community surrounding the computer center.
- **Robotic Process Automation (RPA):** Consider using RPA as replacement in routine operation or high workload routine operation that requires many human resources and consumable materials and consumes a lot of time to increase efficiency and effectiveness and reduce operational and service mistakes. Moreover, employees can also spend their time developing knowledge in other areas besides the tasks that RPA can handle. Customers, member merchants, suppliers and business partners who enjoy convenience and speed of the Company's service can spend recovered time to make contribution to society directly and indirectly. This also helps reduce the use of resources that have an impact on environment such as energy, consumable materials like paper and printer ink, etc.
- **IR workflow:** System is used to manage and resolve IT incidents efficiently. Problem significance is defined to ensure that response and solution correspond to requirements of problem notifier or service user. Information stored in IR workflow system can be used for analysis to solve long-term problems.
- **SAP HR System (HR on Cloud):** Use highly secure and safe HR system on cloud service that can be applied to human resource management and development without place and time constraints such as time attendance management, e-learning, training, employee performance, employee benefits, and employee social network, etc. Employees can use the HR system conveniently, quickly, and safely anytime, anywhere where internet access is available. The Company can ramp up efficiency in human resource management rapidly and share knowledge and experience from both internal and external experts. Employees can apply acquired knowledge to themselves or their daily lives. It also helps reduce the use of resources that have an impact on the environment such as energy, consumable materials like paper and printer ink, etc.

## ○ Information Security and Cyber Security

In the digital economy, it is imperative for every organization to implement information security measures and cyber threats prevention and maintain preparedness at all times. In addition, it is also important to implement risk management in various fields to safeguard the Company against information security risk – for example, regularly conducting risk assessment and control that encompasses information technology, operational processes, personnel, and workplace, in order to maintain confidentiality, integrity and availability of its information system.

## Information security and cyber security governance

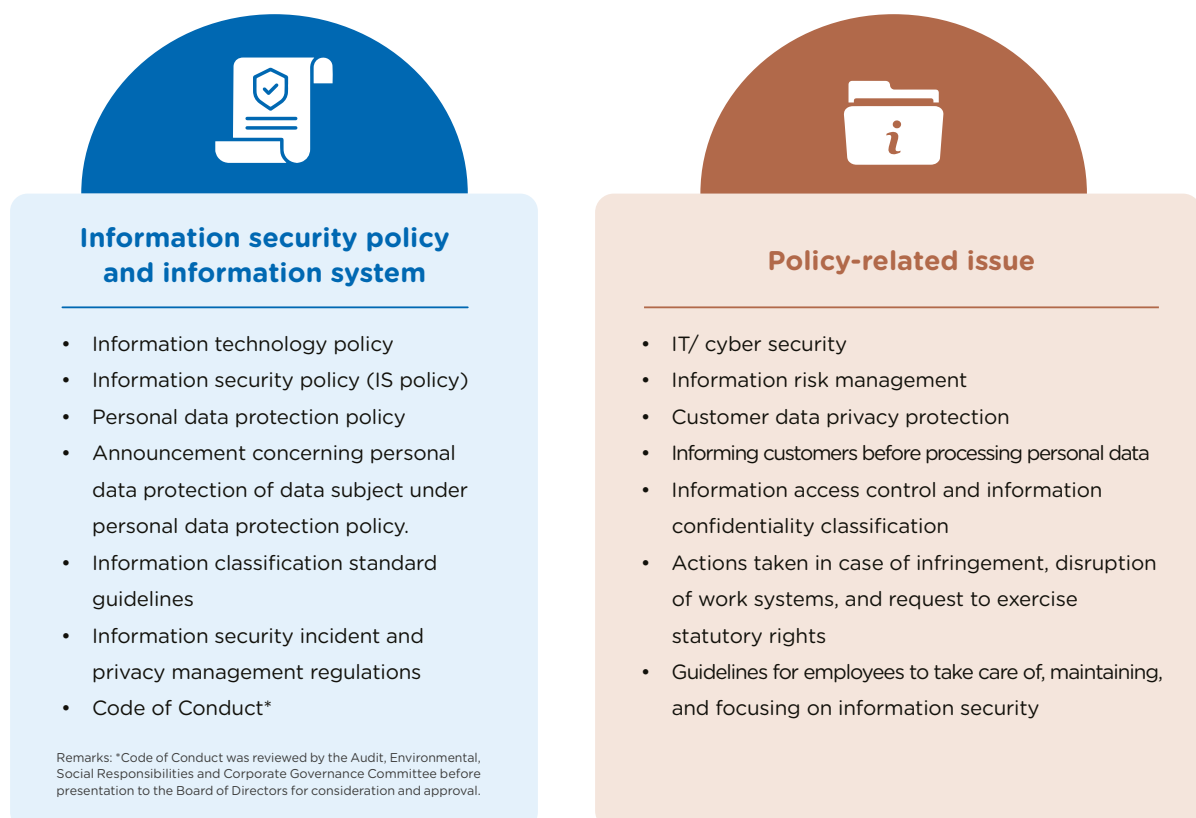
The Board of Directors places a strong emphasis on information security and cyber security. Therefore, the Board formed the Information Security Committee (ISC) to oversee information security and cyber security.



<sup>(1)</sup>Who has experience and directly in charge of IT

## ISC role and responsibilities

- Formulating IT policy, information security policy, and personal data protection policy for managing and controlling IT and personal data risks at a suitable level in accordance with relevant statutory requirements and internationally accepted standards. These policies are regularly reviewed and approved by the Board of Directors on an annual basis. Details are as follows:



- Considering and approving budget and resource deployment plan for appropriate information and cyber security implementation.
- Formulating information strategy and operational plan that commensurate with critical importance in business operations and have enough flexibility to accommodate changes in the future.
- Monitoring Information technology risk assessment results.
- Acting as Data Protection Officer (DPO) to perform duties set out in the Personal Data Protection Act.
- Promoting knowledge and awareness about Information technology risk management among directors, committee members, executives, and employees.

As for IT governance, the Company forms organizational structure conducive to implementation of appropriate IT governance for risk management. This structure constitutes three lines of defense in which there is a clear division of responsibilities between IT service staff, IT governance and compliance staff, and IT audit staff. Moreover, there are manuals/ guidelines on data and information system security as follows:

- Providing Standard operating procedure (SOP) that stipulates rules on use of customer personal data.
- Information security management system (ISMS)
- Access control hierarchy
- IT security guidelines
- Code of Conduct that recognizes the importance of IT security, cyber security and data privacy.

In 2022, the Company implemented IT and personal data policies in accordance with statutory requirements, the Bank of Thailand's regulations, and international IT-related and data privacy standards, such as conducted review of IT policy and information security policy and established personal data protection policy in accordance with ISO/IEC 27001:2013, ISO/IEC 27701:2019, and PCI-DSS standards.

GRI 418-1

## IT security and cyber security measures

KTC communicates relevant policies and operational procedures and raised individual employees' awareness about potential threats and the importance of information and cyber security, thereby ensuring that these corporate policies are adhered to as follows:



**Reviewed and disclosed policies** related to information technology, including the protection of personal data, through KTC UNITE to ease employee access and ensure compliance.



**Conducted knowledge training and testing** on Information technology security, personal data protection, and cyber security for directors, executives, employees, and business partners to brush up knowledge for executives and employees routinely dealing with these issues.



**Conducted orientation training for new employees** and refresher training courses titled "ISO/IEC 27001:2013 Information Security Management System" and "ISO/IEC 27701:2019 Privacy Information Management System to equip employees with technical knowledge and skills as per information security standards.



**Set up cyber security operation center** to detect cyber-attack and prevent leakage of critical corporate information.



**Stipulated information security incident and privacy information management** regulations to set out procedures for information security incident reporting, such as system crash or disruption, leakage or infringement of personal data, the exercise of the rights of personal data owners as per the personal data protection law. The Company reports such incidents to the Information Security Committee or regulator for information and guidance on managing the situation. Moreover, it stipulated employee rights to access corporate and personal information as per individual employees' designated rights and duties. Employees are required to keep foregoing information confidential and retain it as necessary, and they are prohibited from disclosing such information without prior approval.

## IT and cyber security process and infrastructure

To ensure that corporate information system is safe and secure, the Company put in place IT risk management measures and tools as well as suitable processes to prevent disruption of Information technology systems and cyber-attack and ensure preparedness to respond.

### Incident response

- The Company conducts stress-testing on data security and online safety plans at least once a year, as well as penetration testing to detect vulnerabilities both internally and externally on a quarterly basis. In 2022, the company has already conducted the annual penetration testing and internal vulnerability assessments in March, June, and September, and the external vulnerability assessments in June and September. These assessments were conducted by a Qualified Security Assessor (QSA) certified under the PCI-DSS standard, and the results have been reported to the ISC committee. The company is currently in the process of making improvements and addressing the identified vulnerabilities
- There are safe and secure primary and back up data centers with established preparedness for critical work systems. IT disaster recovery plan was reviewed in September and tested on an annual basis where the year 2022 was tested in October. BCP testing is also performed while IT unit plays a supporting role.
- Protected the Company's network by installing network security systems and devices, such as Firewall security systems.
- Prevented leakage of critical corporate information by installing data loss prevention system (DLP).
- Track information security and cyber security incidents by the cyber security operation center.
- Use customers' personal information in accordance with the purposes specified in the Personal Data Protection Notice or according to customers' consent.
- Deployed incident management process and a process for handling complaints concerning information security and cyber security and IT work system security as well as an incident response plan for 2022 in May to resolve problems related to information security and Information technology system in accordance with ISO/IEC 27701:2019, ISO/IEC 27001:2013, and PCI-DSS standards.
- It has been established that the criteria for information security practices, according to ISO/IEC 27001: 2013, and personal data protection criteria, according to ISO/IEC 27701: 2019, will be used as a standard for evaluating the performance of all employees.
- Information security and cyber security audits are performed by internal audit business unit and external provider audit on an annual basis.

### Cyber insurance

KTC obtained insurance coverage for data security or cyber safety breaches (cyber insurance) to shift risks away from critical data security and cyber safety breaches.

The Company received organization-wide security certification covering data center and all work processes from upstream to downstream of its core business; credit card, personal loan, and payment services



**ISO/IEC 27001:2013**  
(ISMS: Information Security Management System)

December 9, 2019



**ISO/IEC 27701:2019**  
(PIMS: Privacy Information Management System)

November 20, 2020

In 2022, the Company renewed aforementioned certification on November 10, 2022.

In addition, the Company is in the process of applying for certification of compliance with Payment Card Industry Data Security Standard (PCI-DSS) requirements.



Moreover, in 2022, KTC received the Excellent Organization Award for developing people in cybersecurity. KTC is among the top 30 model organizations to actively support their personnel to participate in the Intensive Cyber Security Capacity Building Program, which aims to develop intensive knowledge and deep understanding of the inherent risks arising from cybersecurity threats in the context of digital world.

## ○ Privacy Protection

As a financial service provider, KTC prioritizes the security and privacy of customer and user information. Policies and regulations related to the protection of personal data, as well as other important information, have been established. Measures related to the protection and maintenance of personal data security and privacy of data owners, including training for employees and business partners in compliance with personal data protection laws and international standards such as ISO/IEC 27701:2019, which the Company has continuously certified since 2020. Additionally, the purposes of personal data processing, rights of data owners, including notification of incidents of data breach or the exercise of legal rights, consent for data processing, and data processing upon request of data owners, are communicated.

### Privacy management policy, system, and procedures

The Company has a mechanism to ensure efficient implementation of privacy policy as follows:

Formulated personal data protection policy and announcements, which encompass all its work processes and personal data owners, including customers, employees, and other personal data owners, such as shareholders or outsourced service providers.

The Information Security Committee (ISC) acts as data protection officer (DPO) designated to carry out duties and responsibilities within the scope of statutory requirements.

Improving work processes and amending contractual documents or forms of the Company to include particulars required by law – for example, arrangement to obtain consent to personal data processing and assessment of personal data processing risks.

To ensure that the Company adheres to personal data protection policy and regulation, internal audit business unit is designated to be responsible for overseeing the audit process to verify compliance with privacy policy by every department in KTC and report audit findings to the Information Security Committee and the Audit, Environmental, Social Responsibilities and Corporate Governance Committee for acknowledgment.

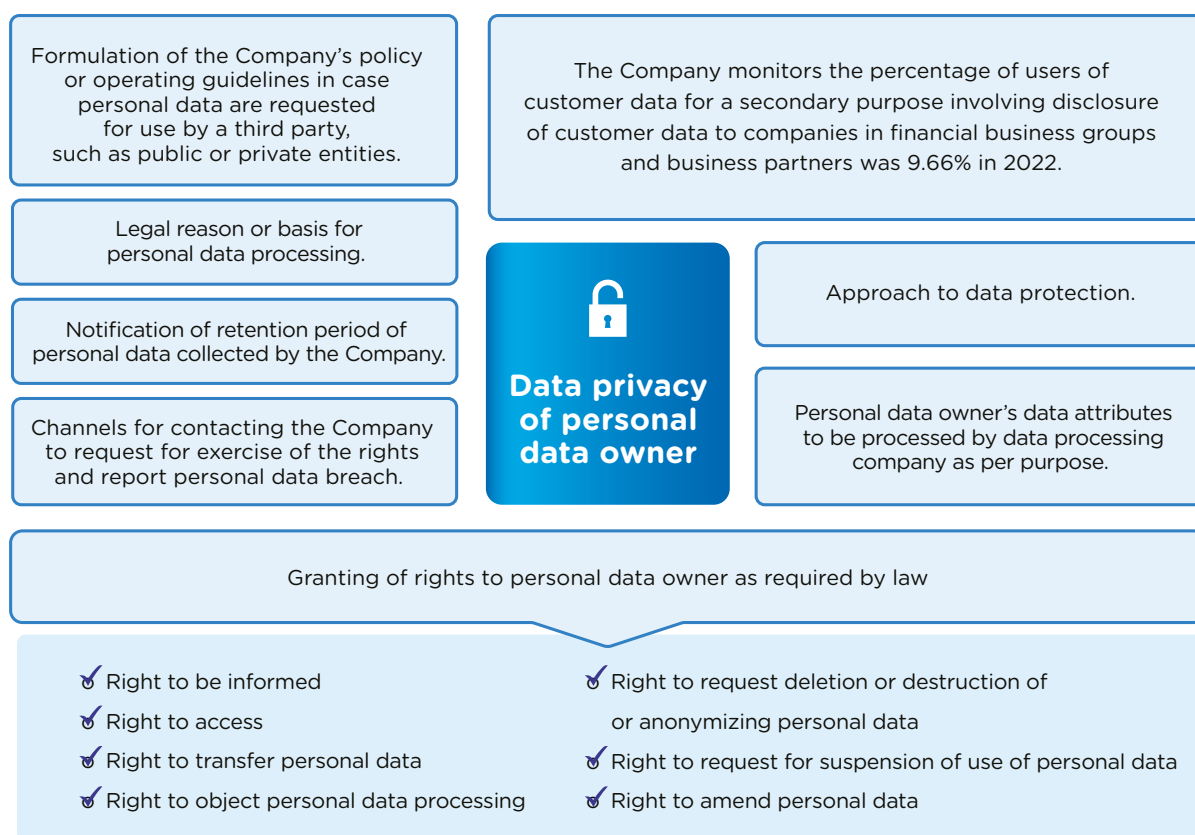
Requiring personal data processor to sign data processor agreement to ensure that personal data processor acknowledges its role and work for KTC within the agreed scope of responsibility, including notifying KTC of personal data owner's privacy breach stemming from certain tasks designated by KTC.

Prepare personal data protection announcements covering topics e.g. purpose of personal data processing, retention period of personal data, rights of personal data owner, and channels for reporting data leakage; and notify personal data owners of these

Every employee must comply with the Company's relevant policy and regulation. If failed to do so, they will face disciplinary action for misconduct, which may carry a disciplinary penalty or punishment by law. To create teamwork spirit, the Company includes data breach as one of KPIs of all employees.

## Data privacy of personal data owner

KTC informs personal data owners about personal data processing, which encompasses collection, storage, use and disclosure as detailed below:



## Customer privacy breach

In 2022, the Company identified 2 incidents of personal data leakage involving mistakes made by outsourced service providers and reported these incidents to the Information Security Committee for acknowledgment. Correction actions are taken according to its prescribed guidelines. In this regard, the Company strongly urged outsourced service providers to exercise precautions to prevent recurrence of such problems.

	2020	2021	2022
Total number of data breaches	1	3	2
Total number of personal data owners affected by corporate data breaches	14	6	2
Total amount of fine paid in personal data breach cases	0	0	0

## Audits by independent external auditors in 2022

The Company was audited by external auditors and the Bank of Thailand that examined assets and liabilities of the Krungthai Bank and companies in the financial business group.



# BRAND AND CUSTOMER TRUST



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
55 of Net Promoter Score (NPS) survey.	44 of Net Promoter Score (NPS) survey.	54 of Net Promoter Score (NPS) survey

GRI 3-3

KTC has consistently developed customer-centric products, services, platforms and privilege programs to explore and offer alternatives that can meet member needs, and spending worthiness and create member satisfaction and trust. The customer can truly enjoy every moment of living and KTC brand can win their hearts. It is important to build customer trust as such bonding will lead to secured, stable growth of the organization. The Company has approaches to running business and managing customer relationship as follows:

## Customer Centricity

Aside from product and service that complied with legal framework, the Company recognizes the importance of positive product and service experience and privilege programs that satisfy customer needs. To this end, the Company deploys data analytic technologies to analyze, process and understand customer behavior data in order to design products and services that meet a wide range of customer lifestyles and behaviors, address specific issues in customer relationship management, and respond to customer needs in various categories as well.

Over the years, KTC has collaborated with business partners and card brands to jointly run sales promotion programs and select over 1,800 privilege programs each year. The aim is to make every

spending worthwhile and offer value creation when choosing to use KTC credit cards and credit services that can satisfy member needs in over 20 lifestyles at a large variety of merchant partners nationwide, such as eating, traveling, shopping, sports, health and beauty, as well as a multitude of retail stores abroad.

Moreover, the Company also constantly develops products and services to satisfy ever-changing customer needs, enhance overall competitiveness, and improve efficiency in its business operations that enabling the Company to sustain profitable return in the long run.

## Promotion Category



## ○ Responsible Business Operation

The Company complies with rules and regulations of regulatory bodies and card brands. It develops corporate governance policy, code of conduct and regulations on product and service design and development as framework of business conduct as well as product and service development process. Before launching a new product or service and undertaking service modification, the Management Committee and the Risk Management Committee will consider product and service details and potential risk of a new product before launching it

into the market. Moreover, the Market Conduct Committee will monitor the Company's fair customer service practices and follow up on handling of customer complaints on services. Furthermore, to ensure that regulatory bodies' rules and regulations and its own regulation are followed, the Company set up Internal Audit and Compliance business units to examine or validate internal practices of operating units and report findings to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee on a regular basis.

(Please refer to additional details under "Supply Chain Management" and "ESG Products and Services" topics)

## ○ Clear and Fair Communication

GRI 2-23, 417-3

KTC is committed to transparent, accurate, clear and equitable services and places emphasis on gaining customer insight and creating customer needs. Therefore, it is important that online and offline communication must convey complete, correct, straightforward, and comprehensible information without causing misapprehension or misuse due to customer misunderstanding and must conform to legal requirements.

Moreover, KTC is also committed to knowledge sharing among sale agents. So, they can explain product information to customers or consumers correctly and completely. In 2022, the Company received notification on breach of laws and regulations related to marketing communications from regulators and customers. Accordingly, improved communication, respond to clarify to customers with accurate information and consider punishing/admonishing sale agents in accordance with the Company's guidelines.

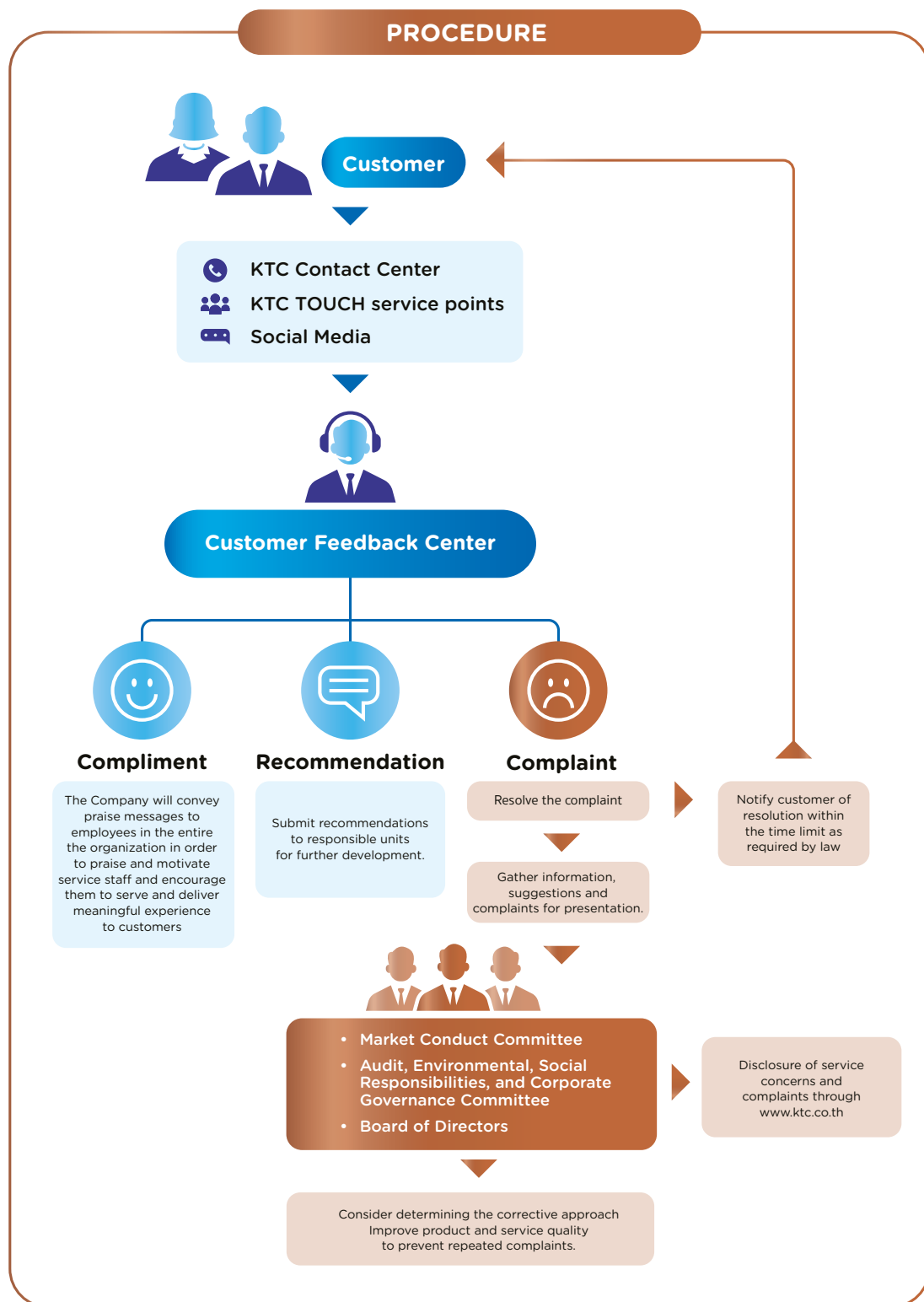
(Please refer to additional details in [www.ktc.co.th](http://www.ktc.co.th) under "Information about service concerns and complaints of the company" topic)

## ○ Compliant Procedure

GRI 2-16, 3-3

The Company set up Customer Feedback Center to gather customer feedback from various channels, including KTC contact center at 02 123 5000, KTC TOUCH service points, regulatory bodies, and social media. Upon receiving a complaint, KTC will quickly examine the complaint, explain the issue, resolve the complaint, and notify customer of resolution within the time limit as required by law. Then, KTC will gather pertinent information and sum up the number of complaints and submit a report to the Market

Conduct Committee, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors, respectively. Moreover, the Company will consider a corrective action to improve product and service quality, create customer and stakeholder satisfaction, It will determine solutions to prevent recurrence of such complaint. In addition, information about service issues and complaints is disclosed on the Company's website at [www.ktc.co.th](http://www.ktc.co.th)



Upon receiving compliments from customers through the Customer Feedback Center, the Company will convey such messages to all employees to praise, motivate and encourage employees to serve and listen to customers wholeheartedly. As a result, the Company can maintain service standards, and deliver meaningful experience to customers in accordance with corporate values on a regular basis.



## ○ Customer Satisfaction Measurement of the Company's products and services

With the commitment to provide wholeheartedly service, with organizational support for creativity for improved outcomes, and product and service innovation inspired by insight, KTC has developed capability to analyze customer insight and behaviors so as to present only meaningful offerings that can satisfy member needs precisely and utilize member

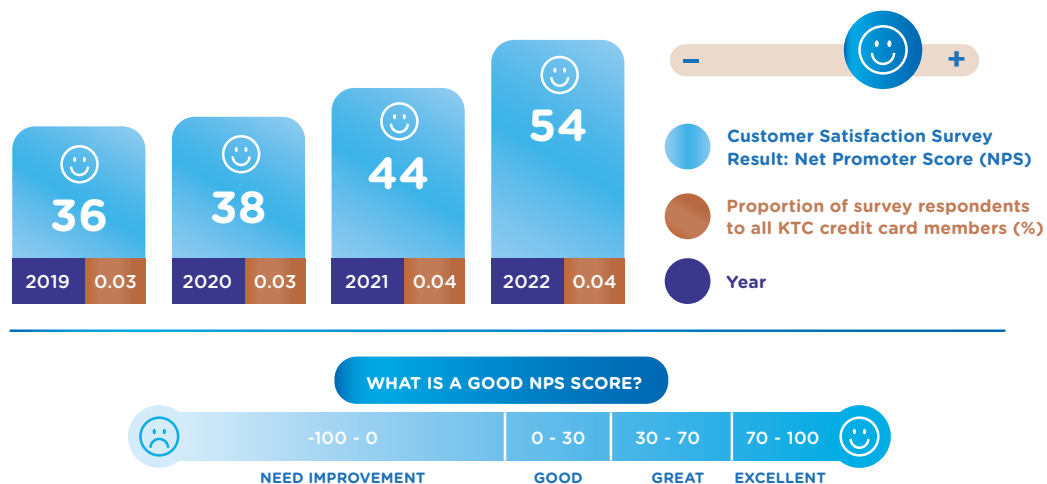
information to create the best experience. In this regard, the Company evaluates customer satisfaction and analyzes evaluation results to further develop and improve its products, services, and business operation processes so as to raise the level of customer satisfaction as follows:

### Credit card customer satisfaction survey

The Company conducts KTC credit cardholder satisfaction survey to gather information on customer satisfaction to ensure that KTC develops only quality products and services that meet customer needs, by using Net Promoter Score (NPS) which is a customer satisfaction survey tool that has been used to collect information about customer satisfaction of product and service usage since 2018. It can be discerned that the number of satisfied customers willing to

recommend KTC brand to others has increased steadily.

The Company analyzes these evaluation results to further develop and improve its products, services, and business operation processes in accordance with annual product and service development plan with an aim of maximizing customer satisfaction.



Remarks: From total of 1,700 credit card customers who participated in the 2022 survey, 175 of them were KTC credit cardholders.

Customer satisfaction is higher in 2022 because KTC credit card's privilege program for card spending in everyday life is more accessible and matches the lifestyle of members. In addition, the use of KTC FOREVER points is crucial in easing customer burden in various products and services categories. Together with uncomplicated steps and no annual fee, the experience of KTC credit cards triggers the spread of word about its convenient, easy, and smooth usage in various channels.

## Customer Satisfaction Measurement on KTC TOUCH services

The Company conducts customer satisfaction survey on service quality and product recommendation of KTC TOUCH employees to create customer confidence and good impression upon receiving accurate and complete information. In addition, this survey also focuses on fair market conduct management.



## Satisfaction survey on Sale Agents

The Company regularly conducts satisfaction survey on service delivery of sales agents responsible for presenting product information – including accurate and complete information about products, privileges, fees and interest rates as described in the sales handbook and market conduct policy – and making sales presentation without annoying customers. Additionally, this monthly survey also focuses on service quality and staff attire and mannerism.

Upon receiving customer suggestions, the Company will email customer feedback to responsible staff. Then, evaluation results will be analyzed to further

develop and improve service quality, sales presentation etiquette, training programs, coaching techniques, and information updates as well as warning and penalty imposition according to supervision and penalty provisions in accordance with the Company's regulation and market conduct. This is to maintain the service standards of sale agents of the Company. As a result, customers is confident in product information accuracy and clarity, leading to the loyalty of the Company's products

## Satisfaction survey on KTC Contact Center Services

The Company conducts satisfaction survey each time that customer uses KTC contact center services. In case the satisfaction evaluation results are below established criteria, the Company will consider using the results to help and solve problems or concern for customers immediately, along with finding preventive approach for any recurrence. In addition to customer service satisfaction surveys, the Contact Center also conducts regular internal service assessments to expedite fixing and improving the service continually on an annual basis.



## ESG PRODUCTS AND SERVICES



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
16 thematic Environmental, Social, and Governance (ESG) products and services.	12 thematic Environmental, Social, and Governance (ESG) products and services.	15 thematic Environmental, Social, and Governance (ESG) products and services.

GRI 3-3

KTC has an intention to be a part of developing the country towards sustainable development goals by integrating environmental, social, and governance dimensions with business operations. The Company creates value through its lending policy, development of products, services, and platforms that are socially

responsible, alleviate the environmental impact, promote good governance, meet expectations and build good trust among stakeholders. The Company also supports and motivates various sectors to be part of promoting sustainability in economic, social, and environmental dimensions together.

## Responsible Business Operations

GRI 2-23, 3-3, 203-1, 203-2, 414-2

### Policy and Governance

The Company defines the responsible lending policy and process that integrates ESG into corporate governance policy, code of conduct, and product program. This is to ensure products and services has considered convenience, safety, appropriate risk and in compliance with the criteria. All directors, management, and employees must comply with and adhere to them as guideline in performing their duties with fairness, transparency, and responsibility to all groups of stakeholders. Business units that govern to ensure that responsible business operations are conducted according to the Company's intention are as follows:

#### Internal Audit Business Unit

Internal Audit business unit is an independent business unit that reports directly to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, assesses the adequacy and efficiency of the internal control system, risk management, and corporate governance of the Company. Internal Audit business unit regularly reports internal control system audit results and provides opinions beneficial to the Company to the management team and the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, to have proper operations, good internal control system, reduce costs and risks, as well as promoting effective audit as the cornerstone of sustainable growth.

#### Compliance Business Unit

Compliance business unit is responsible for providing advice and reviewing important business operating procedures to ensure that the Company complies with rules and regulations of regulatory bodies such as the Bank of Thailand ("BOT"), Securities and Exchange Commission ("SEC"), Anti-Money Laundering Office ("AMLO"), National Credit Bureau etc. This includes monitoring and analyzing impacts of law and the Company's related announcements in order to distribute material content or arrange meetings to create understanding within the Company's related departments.

(Please refer to additional details under the "Corporate Governance" and "Supply Chain Management" topics)

## Integration of ESG criteria in lending business

The Company focuses and places importance on business operation management in accordance with good corporate governance principles, laws, announcements, rules and regulations of regulatory bodies such as specifying qualifications for credit cardholders both primary and supplementary cards and personal loans, approving credit limits, setting interest rates and other fees, arranging clear and fair contracts, agreements and conditions for credit card and personal loans usage, informing customers of changes in agreement terms affecting customers' rights, notifying the submission of credit information of customers in accordance with specified rules, and other practices in accordance with market conduct principles, etc. This also includes taking ESG issues into lending considerations.

(Please refer to additional details in Form 56-1 One Report 2022 under "Nature of Business" topic)

### Consideration of applications of the ESG products and services

The Company considers applicants' qualifications, product and services according to criteria set by regulatory bodies or the Company as follows:

Topic	The Company's Operating Guidelines
<b>The supervision of the service provided by employees and sales agents.</b>	Provide compliance consultation, organize knowledge training for employees and sales agents regularly, in terms of products and regulations related to the offer for sale. This includes the governance guidelines of products and services introduction to meet the standards set by the Company. This is part of responsible business operations to provide customers with accurate, complete, up-to-date information and make decisions in choosing the right product according to their needs, and to provide quality services in accordance with the Company's service standards. The service quality audit is conducted on a regular basis.
<b>Governance or Economy</b> for applicants to receive correct and complete information before making decision and not using the Company as channel for money laundering.	<ul style="list-style-type: none"> <li>Specify applicant's qualifications, interest rates, fees, and information that are following regulations stipulated by the Bank of Thailand clearly in credit card and personal loan application forms.</li> <li>To provide terms and conditions of the product usage that is fair and in accordance with the regulations set by the regulatory bodies.</li> <li>Consider qualifications according to criteria set by regulatory bodies or the Company.</li> <li>Set a decline guideline to consider credit card, loan or merchant applicants according to risk management guidelines. The applicant must not be a person who is defined under anti-money laundering and counter- terrorism and proliferation of weapon of mass destruction financing law.</li> </ul>
<b>Society</b> to reduce the population's debt over-burdening problem and provide access to financial products	<ul style="list-style-type: none"> <li>Consider approving a credit line that is consistent with an ability to repay the debt based on financial status (salary), the debt burden of the loan applicant, or other criteria to prevent debt over-burden problem, which will become a problem in broader societal level.</li> <li>Consider other criteria such as checking NCB credit information law, etc.</li> <li>Treat product or service applicants with Non-Discrimination regardless of sex, gender, and religion.</li> </ul>
<b>Environment</b> to promote the care of limited natural resources.	<ul style="list-style-type: none"> <li>Consider products or services development opportunities that alleviate environmental problems.</li> <li>Expand opportunities of society to access products and services that reduce environmental impact through greater use of the Company's products or services.</li> <li>Promote responsible business practices among suppliers, in accordance with relevant environmental laws and regulations.</li> </ul>

(Please refer to additional details in Form 56-1 One Report 2022 under the "Nature of Business" topic)



## ○ Risk assessment and consideration against fraud, corruption, and bribery, as well as environment management and human rights issues management

Topic	The Company's Operating Guidelines
<b>The Company</b>	<ul style="list-style-type: none"> <li>• Receive certification as a member of the Thai Private Sector Anti-Corruption Network (ThaiCAC), which verifies that the Company does not engage in any corrupt practices.</li> <li>• Conduct corruption risk assessment in the organization annually.</li> <li>• Arrange reporting channels for allegations/complaints, including the protection measures for the informant/complainant.</li> <li>• Ensure human rights-related operations are not neglected throughout the supply chain.</li> <li>• Create awareness and promote knowledge among employees on the efficient utilization of natural resources for maximum benefits.</li> <li>• Prepare Business Continuity Plan (BCP) to ensure the Company's business continuity in the event of any disruptions caused by natural disasters or other unforeseen circumstances.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Require suppliers to conduct self-assessments and evaluations of their adherence to code of conduct, including human rights principles, relevant laws, and regulations.</li> <li>• Impart in the service agreement between the Company and business partners*, the business partners* are required to adhere to the principle of corporate governance, anti-corruption, and anti-money laundering.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Assess customer risk through Know Your Customer and Customer Due Diligence.</li> <li>• Conduct business with integrity in accordance with fair market conduct principle and code of conduct guided by ethical business practice</li> <li>• Support customers in reducing environmental impact, such as reduction of paper usage, or commuting time through the Company's digital technologies and innovations.</li> </ul>

(Please refer to additional details under the "Anti-Corruption and Bribery", "Supply Chain Management" and "Human Rights" topics)

## ○ Analysis of risks and opportunities in the product program

The Company sets regulations for the launch, modification, and cancellation of financial products and services (Product Program) to guide product or financial service operations. The business unit responsible for launching or modifying the product or financial service will consider the feasibility, competitor analysis, strategies, data analysis, and creation of a business model, in consultation with relevant departments to analyze the impact and specific conditions related to the Company upstream to downstream, for example considering the scope

of business operations, legal requirements, risk analysis in all aspects, information technology system analysis, budget approval, marketing communication, and procurement. The result is presented to the committee or the relevant governing body or authority before launching products and services. This is to ensure that the Company takes into consideration environmental, social, and governance (ESG) issues in designing products and services throughout supply chain.

(Please refer to additional details under the "Risk and Crisis Management" topic)

Remark: Business partner\* means a juristic person or individual entering into a service contract or agreement with the Company. Business partner also includes an agent working on behalf of the Company, such as financial agent, outsourcing service provider, or other forms of business partner that has business partnership with the Company, to further its business interests.

## O ESG Products and Services

The Company integrates ESG aspects into its operations and products and services development as follows:

Social	Environmental
<p>KTC Mobile, KTC Online and P BERM Mobile</p> <ul style="list-style-type: none"> <li>• Education loans</li> <li>• KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit Card</li> <li>• Alleviating the Burden of Medical expenses in Public Hospitals</li> <li>• Acting as a mediator in use of points in Lieu of cash donations</li> <li>• Special Privileges for standard vaccinations at leading hospitals</li> <li>• KTC ONLINE TRAVEL FAIR (tourism)</li> <li>• Support Thais Reading</li> <li>• “Debt-Clearing” campaign for KTC PROUD cash card members</li> <li>• “Tiew...Yuu Dai” (tourism)</li> <li>• Culinary Arts &amp; Stay (local cuisines)</li> <li>• Debt relief measures for COVID-19 impacted debtors.</li> </ul>	<p>KTC U SHOP</p> <ul style="list-style-type: none"> <li>• Solar Roof Top 0% interest installment plan</li> <li>• Special Privileges for booking electric vehicles and WALLBOX</li> </ul>

### KTC Mobile, KTC Online and P BERM Mobile



KTC continuously develops digital technology and innovation, which is the flagship that allows products and services to stand out in economic dimension and drive results in 2 other dimensions: social and environmental dimensions. For social dimension, the Company can increase access to financial products and services throughout the nation. For environmental dimension, the Company can promote to reduce the use of paper, energy, or printing chemicals such as

the use of e-Coupon, receipt of ATM PIN Mailer and e-statements, etc. KTC P BERM Car for Cash application, approval notification and money transfer process are conducted electronically via tablet without delivering documents. Additionally, it is consistent with the lifestyles of many people nowadays who are communicating and conducting various transactions online.

(Please refer to additional details under “Digital Innovation”, “Financial Inclusion and Financial Literacy” and “Environmental and Climate Change Management” topics)

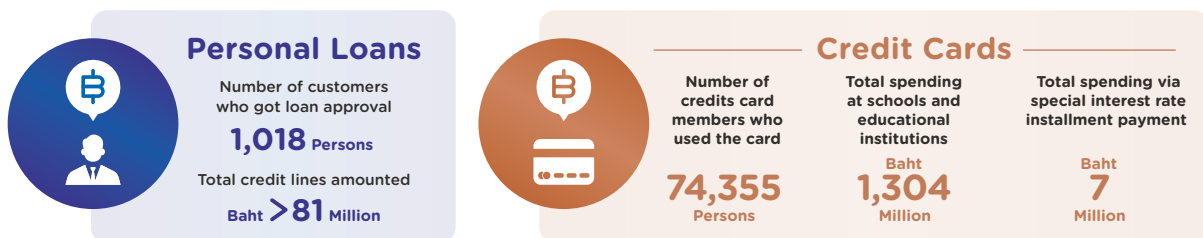
## Education Loans



KTC realizes the importance of education and desires to provide equal education opportunities to the public who aspire for further education but lack the funds to do so. To enhance the quality of life of Thai people and enable Thai people to receive an appropriate education for the purposes of career advancement and financial stability, KTC has collaborated with business partners, such as language schools to offer education loan products to applicants. The loan with appropriate interest rates and fees plus installments option eases the burden of customers.

The Company's business operations are not exposed to increased risks. KTC expects to increase the number of customers obtaining education loans. In this respect, KTC has set a goal to increase the number of partnerships with a wide range of educational institutions to be able to cater to the diverse educational needs of each customer group. At the same time, KTC is focusing on developing education loans to create the highest customer satisfaction level.

## In 2022



## KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit Card

KTC' in collaboration with the Thai Red Cross Society National Blood Center issues KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit card, as an alternative for members to support the Thai Red Cross Society National Blood Centre. Each purchase via KTC-THAI RED CROSS SOCIETY NATIONAL BLOOD CENTRE credit card amounting to Baht 1,000 equates to a donation of Baht 5 and KTC contributes an additional Baht 5 on top to the Thai Red Cross Society National Blood Centre. This is joint support between the Company and members in helping patients all over the country through using KTC credit card.



## Alleviating the Burden of Medical Expenses in Public Hospitals

KTC believes that being healthy is an essential element for living as well as a development of quality of life. Public hospitals play a particularly significant role in assisting a considerable number of patients to get equal treatment opportunities. To assist patients to stay healthy and alleviate the burden of

unpredictable medical expenses, the Company allows its credit card members who are treated at public hospitals to pay in installments up to 10 months with a special interest rate of 0.69% per month from a standard rate of 0.74% per month. This campaign receives positive responses from credit cardmembers.

### In 2022



Number of credits card members who used public hospital services **208,035 Persons**  
Total spending at public hospitals **Baht 4,066 Million**



Number of credits cardmembers who convert medical expenses into installment payment at public hospitals

**6,511 Persons**



Total spending at public hospitals and using special interest rates

**Baht >123 Million**



The budget spent to support special interest rate

**Baht 0.6 Million**

## Use of Points in Lieu of Cash Donations

### 2022 Total Donations



Number of participating foundations

**91 Foundations**



Total donation proceeds

**Baht 351 Million**



Number of donated card members

**50,626 Persons**

### through points only



Number of participating foundations

**64 Foundations**



Total donation proceeds

(Equivalent to 37,951,005 Points)  
**Baht 3.8 Million**



The number of members who use of Points in Lieu of Cash Donations

**11,725 Persons**

KTC promotes equality in society by initiating the Point-for-Donation program since 2009, with the aim of improving the community. Furthermore, given the widespread impact of the COVID-19 pandemic, KTC recognizes the importance of ongoing efforts. This includes offering its members the opportunity to support and assist those in need, in collaboration with various charities. These efforts include providing aid to those who are ill with the virus or to hospitals facing shortages of medical equipment and supplies. The limitations of social distancing and travel restrictions to reduce the spread of COVID-19 have resulted in a decrease in support from the community for charities and humanitarian organizations. KTC has played a role as a mediator in promoting and

supporting various projects and activities between non-profit organizations and its members. It also provides a platform for members to make donations via credit card, with the points redemption as monetary donations. The exchange rate is 1,000 points for Baht 100 . The donation platform is available both online and through the KTC Mobile Application, with the online platform equipped with QR Pay and QR Point features. By using the KTC Mobile Application, members can easily convert their points into donations to the 64 non-profit organizations. This allows members to actively contribute to society through the donation platform. For example

### Community Children Foundation (CCF)



To provide a new lease on life to underprivileged children by giving them access to education, adequate food, and opportunities for growth and development

### World Vision Foundation of Thailand



To address poverty and provide a better quality of life and happiness to the children, families and communities they reside in, so they can sustain themselves with dignity.

### The United Nations High Commissioner for Refugees (UNHCR)



To provide better opportunities and future for those in need, especially refugees in vulnerable groups such as women and children.

### Thai Red Cross Society



To aid Thai people affected by disasters and improve the well-being of the community.

### Ramathibodi Foundation



To support medical treatment expenses of under-privileged patients, providing medical equipment, constructing medical facilities, supporting research work, and education for medical personnel. This helps relieve the suffering of those in need and benefits the health and well-being of the community.

### Rajavithi Hospital



To support the purchase of essential medical equipment and supplies for COVID-19 patients being treated at Rajavithi Hospital through the "Rajavithi COVID-19 fund".

## Special Privileges for Standard Vaccinations at Leading Hospitals

KTC acknowledges the importance of health care and the prevention of diseases through standard vaccinations that are suitable for all age groups. KTC offers members special privileges for payments of vaccines with KTC credit card at participating hospitals, they will get THB 300 credit cash back when members spend on vaccines with KTC credit card and redeem 1,999 KTC FOREVER points. Standard vaccines include 4-strain flu vaccine,

diphtheria, tetanus toxoids, whole-cell pertussis and hepatitis B (DTP-HepB) vaccine, rabies vaccine, dengue vaccine, and cervical cancer vaccine. Leading participating hospitals include Bangkok Hospital (Soonvijai, Hua Hin and Pattaya Branch), Samitivej Hospital (Sukhumvit, Srinakarin, and Chinatown branch), Phayathai Hospital, Paolo Hospital, Vichaiyut Hospital, Navavej International Hospital, among others.



## KTC ONLINE TRAVEL FAIR (Supported by the Tourism Authority of Thailand)

KTC continuously organizes tourism events online to support hotel businesses that have been impacted by the COVID-19 crisis. The event provides additional sales and marketing channels with no additional costs, as well as stimulates spending by offering a 15% cashback credit and KTC FOREVER reward points or hotel room voucher for every spending during the event totaling over THB 400,000. The participating

hotels can participate without incurring any booth rental, media production, or operational costs, and they will receive free publicity through KTC, the Tourism Authority of Thailand as well as exclusive media coverage, social media and Sneak Out's live streaming platforms. A total of 156 hotels, including Centara, Dusit, Intercontinental, Meliá, Veranda, Cross, Serenata, and Mövenpick, are participating in the event.

A total of  
**156**  
Hotels  
are participating  
in the event



**26,423** Persons  
attended the online event



**607** card transactions were  
made within the event, totaling  
**Baht 2 Million**



**288,376** Reward Points  
redemption

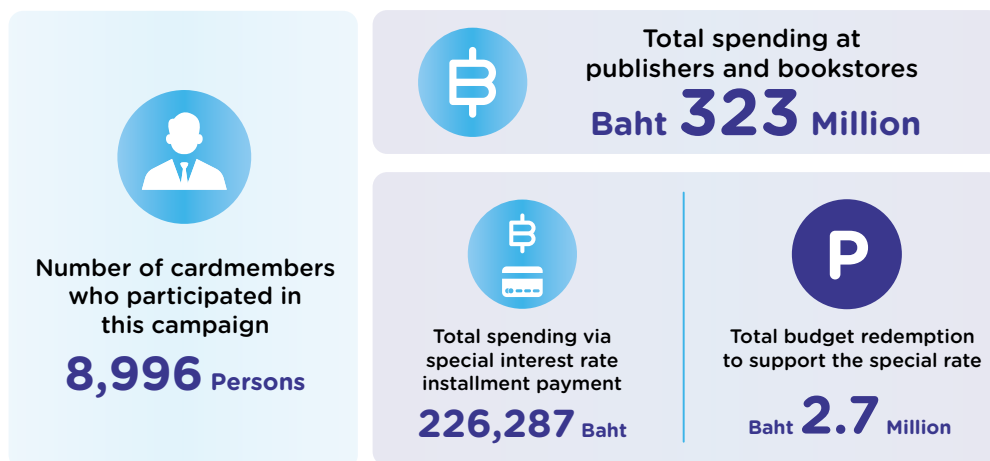


## Support Thais Reading

KTC realizes the importance of reading as a key to unlocking the world of learning in all subject matters and promotes continuous learning, which paves the way towards the sustainable development of individuals and society. KTC wants to support the Thai government's policy to elevate reading as a national agenda, to support publishers to publish and develop quality books, to stimulate Thais to realize the importance of reading, and to respond to the tax stimulus campaign - "Shop Dee Mee Kuen"; KTC has collaborated with leading bookstores and publishers in Thailand organizing promotional

campaigns or activities with its partners over 35 projects. KTC also integrated technology for use in 2022 campaigns, such as granting discounts at partner bookstores up to 15%, and online distribution channels, using KTC points in exchange for cash-back credit up to 18% from the standard rate of 10%. For customers who purchase copious quantities of books, KTC grants certain privileges to ease the burden of payment, particularly in the form of installment payment with KTC card with an interest rate of 0.69% per month from the standard rate of 0.80% per month for up to 3 months.





## KTC U SHOP

KTC U SHOP has established since 2016. Quality products are selected for members to choose from online and offline channels, as well as organizing events and exhibitions, to promote natural, organic and health product categories, supporting Thai SMEs and community businesses to expand their businesses and reach more customers. The products are divided into several categories as follows:

<p><b>Natural Extraction cleaning products, such as:</b></p> 	<ul style="list-style-type: none"> <li>Brand “Pungan Green” produces cleaning products made from natural ingredients from fruits and vegetables such as pineapple dishwashing liquid, mixed fruit laundry detergent, or bergamot shampoo. There are refill stations available at coffee shops, eco-friendly stores, and natural product stores. Customers can buy just what they need without having to buy a whole bottle, to help reduce the impact on the environment.</li> <li>Brand “PiPPER” produces eco-friendly cleaning products.</li> <li>Brand “Soganics” produces eco-friendly cleaning products, including floor cleaner.</li> </ul>
<p><b>Natural Hair and skincare products, such as:</b></p> 	<ul style="list-style-type: none"> <li>“ Hug” Organics, with the concept of 100% recyclable plastic packaging to reduce environmental problems and reduce customer travel expenses by not having to purchase and dispose of large packaging frequently</li> <li>“Commomd Ground” brand, producing body care products made entirely from plant-based ingredients, including the first Thai brand with 100% plastic-free recyclable packaging. The brand also emphasizes UV-resistant design to preserve product quality and longevity, along with minimizing its environmental impact</li> </ul>
<p><b>Essential Oil/Aromatic Hydrocarbon Products for Healing</b></p> 	<ul style="list-style-type: none"> <li>“Brand “Chomphiny” product examples include: essential oils extracted from plants, Breathe Cool, used for physical and mental healing, Pure Essential Oil Blend, Deep Sleep Pillow Mist, an essential oil spray for comfortable sleep.</li> <li>Brand “Therapist” heals with scents to create balance in the body using naturally extracted essential oils.</li> </ul>
<p><b>World Conservation Products under the “Ecotopia” Project by Siam Piwat</b></p> 	<ul style="list-style-type: none"> <li>Recognized in the category of sustainability/department store. It is a source of products for consumers who care about the environment and sustainability. Operating under a strategy of collaboration and creating shared value for all parties involved.</li> </ul>
<p><b>Products from “Doi Tung” (Social Enterprise)</b></p> 	<ul style="list-style-type: none"> <li>Focusing on sustainable community development and the environment. Selling coffee, macadamia products, agricultural products, crafts, and craft products</li> </ul>





- WB Organic Farm is an organic vegetable farm that supports and promotes health awareness and consuming beneficial, toxin-free food. It also helps to preserve the environment and create income for the local community. The farm grows both salad greens and traditional vegetables for daily meals to meet consumer needs. It is also an open-door organic farm that provides opportunities for students, farmers, and those interested in visiting to learn about organic farming and exchange knowledge with other organizations.
- Cool Living Farmhouse sells products made from natural, chemical-free materials. These products, such as those made from rice straw, bamboo, and herbs, have properties that help relieve symptoms of neckpain, nasal congestion, and fever. The farm offers a closer connection to nature through activities such as organic vegetable harvesting, feeding chickens, collecting eggs, playing with sliders and colts, and rice planting. In addition, the farm offers healthy meals, each consisting of freshly harvested salad and homemade dressing. The ingredients used are mostly locally sourced and minimal items are purchased from commercial centers. The farm supports local and organic networks as much as possible.

Currently, KTC has over 50 partner stores in this group, with KTC U SHOP helping to expand distribution channels in order to increase revenue for small businesses and communities. This also increases the value of KTC credit card spending, as members can choose natural products that are beneficial for their health, environment, and overall quality of life.

Additionally, this spending supports the growth of communities, small businesses, and KTC itself. Customers can shop or use KTC FOREVER points to redeem cash at KTC U SHOP, with the option of home delivery through the website [www.ktc.co.th/ushop](http://www.ktc.co.th/ushop) and Line@KTCUSHOP.

#### In 2022



**50** Shops participated



**Over 700** items sold



The total sales were **496,062 Baht**

### “Debt-Clearing” Campaign for KTC PROUD Cash Card members

KTC has organized “Debt-Clearing” campaign for the 13 consecutive years to alleviate debts burden of “KTC PROUD” Cash Card members with good debt payment records and on time repayment. Only one registration is required to earn chances for 12 rounds

of debt amelioration throughout 2022 via SMS, the Company’s website [www.ktc.co.th/cleardebt2022](http://www.ktc.co.th/cleardebt2022), or at any KTC TOUCH service points with a total of 600 prizes as follows:

#### In 2022

##### 1<sup>st</sup> Grand Prize

**100% of existing KTC PROUD debt clearance with no restrictions on maximum debt value**  
(lucky draws for one winner each time)

##### 2<sup>nd</sup> Grand Prize

**10% of KTC PROUD debt clearance**  
(12 lucky draws for 49 winners each time)



Number of people who get debt amelioration  
**600** Persons



Total debt amelioration amount equaled to  
**Baht 7.14** Million



## KTC organizes the “Tiew... Yuu Dai” project to help tourism business operators nationwide

KTC contributes to helping and supporting tourism business operators who have been continuously affected by the COVID-19 crisis by organizing the “Tiew... Yuu Dai” project by inviting tourism business operators, including tourist attractions, car rentals, and travel agencies to participate with no charge. Businesses participating in the project will gain exposure from media design and production for public relations purposes visible to over 2.6 million members via 7 KTC channels, such as KTC monthly letter for cardmembers, Facebook: KTC Real Privileges, KTC website, KTC Line Official, KTC e-Newsletter, IG: KTC Card and the KTC Mobile application. Moreover, this project executed via KTC World Travel Service will serve as another option for business owners to have more sales channels or dealers without having to invest. Simultaneously, KTC also supports by offering KTC credit cardmembers special 10% cashback promotion. Cardmembers enjoy the privilege of making payment at participating merchant with the usage of KTC FOREVER points in the amount equivalent to the transaction.



## Culinary Arts & Stay in 8 accomodations, including dining of local cuisines

KTC recognizes the importance of supporting local cuisine in each area to gain popularity and preserve cultural heritage in food. KTC supports restaurants within hotels to encourage KTC credit card members to enjoy various regional cuisines throughout Thailand, such as Takola cuisine at Devasom Khao Lak, Southern cuisine at The Signature Hotel Hat Yai,

Northern cuisine at Chantira Khiri Chalet, Isaan cuisine at Recall Isaan Isan Concept at Khaoyai, and farm-to-table Thai cuisine at Cross Chiang Mai Riverside, among others. This results in hotels ordering and using more local ingredients, thereby distributing income to local communities sustainably.



## Solar Roof Top 0% Installment Payment Plan

KTC is committed to promoting members' access to and participation in clean energy options, which are environmentally friendly and reduce electricity costs. By offering Solar Rooftop installations, KTC reduces the burden of energy costs and provides a 0% interest installment option through credit cards. This not only enhances customers' convenience in accessing these services but also expands the market reach for Solar Rooftop providers.

**In 2022, there were three business partners who offered a 0% interest installment plan for Solar roof top:**

- Gunkul Engineering Public Company Limited
- Alt Telecom Company Limited
- SCG Distribution



## Special Privileges for booking electric vehicles and WALLBOX

At present, the use of vehicles is one of the causes of increasing air pollution. This has led to a growing role for electric cars as a replacement for vehicles powered by fossil fuels, which produce various pollutants that harm both humans and the environment. KTC recognizes the importance of this situation and is part of the effort to reduce environmental impacts. Additionally, KTC offers customers access to high-priced electric vehicles and WALLBOX products. As a special benefit, KTC provides exclusive privileges of the NETA electric car, within the V Group Cars network, for its customers.

### 1. 2 Special privileges when paying for the reservation of an electric vehicle worth Baht 5,000 through KTC credit card.

- Special Privilege 1: Instantly exchange points for a 13% discount on the reservation.
- Special Privilege 2: 0% interest installment for 6 months on the reservation.

### 2. Pay through KTC credit card for the NETA WALLBOX installation with a deposit of Baht 40,000.

Choose to receive 1 special benefit when paying a Baht 40,000 deposit for installing the electric vehicle battery charger (NETA WALLBOX) through KTC credit card.

- Special Privilege 1: 0% interest installment for 6 months
- Special Privilege 2: Receive 10,000 KTC FOREVER/ KTC ROP bonus points



## Assistance to debtors affected by the COVID-19 epidemic situation

The Company has responded to the policy of the Bank of Thailand by providing continuous assistance to debtors who have been affected by the COVID-19 outbreak. The Company offers various debt relief measures based on the debtor's ability to pay, such as reducing the minimum credit card repayment rate,

converting credit card debt into long-term loans, and reducing interest rates. As of December 31, 2022, the Group provided assistance to debtors in all statuses according to the Notification of the Bank of Thailand No. BOT.RPD2C.802/2564 equaled to Baht 1,986 million or 2.0% of total portfolio at the end of 2022.

# SUPPLY CHAIN MANAGEMENT



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
Green procurement accounts for 24 percent.	Green procurement accounts for 15 percent.	Green procurement accounted for 25 percent.

GRI 2-6, 3-3

The Company recognizes the importance of responsible business management under the principles of good corporate governance and anti-corruption while being cognizant of the society and environment. These corporate values are not only limited to internal operation but are extended to supply chain management and use of supplier's services from upstream to downstream. Therefore, its supply chain management encompasses a selection process of suppliers whose operation delivers standard services, values quality, delivers products and services that mitigate environmental impacts and are environmentally friendly (green procurement) and respect human rights. The Company focuses on creating sustainable growth of its suppliers so as to prevent and minimize potential risks that may directly and indirectly affect service delivery quality and its corporate image and operation. The purpose is to enhance the Company's ability to innovate and deliver quality products or services to its stakeholders. Therefore, the Company focuses on creating internal and external awareness of sustainable supply chain management among its suppliers by adopting the following management approaches.



## Supply Chain Management

GRI 3-3, 308-1, 308-2, 414-1

The Company stipulates a clear policy and guidelines that address economic, social and environmental issues so that they can be used as criteria for supplier selection and consideration of supplier<sup>(1)</sup> qualifications in its procurement or engagement or use of services as follows:

### 01 Policy on the use of services from business partners\*

This policy is consistent with consolidated supervision policy of Krungthai Bank as detailed below:

- Roles, duties and responsibilities related to use of services from business partners\*
  - Rules and conditions on use of services from business partners\*
  - Supplier selection and work inspection and acceptance
  - Provisions of service contract
  - Guidelines consistent with anti-corruption policy and anti-money laundering and counter-terrorist and proliferation of weapon of mass destruction financing (AML/CFT&WD) policy
  - Risk monitoring, control and management
  - Forms related to management of risks stemming from use of services from business partner\*
  - Memorandum of understanding between the Company, as personal data controller, and supporting businesses service provider and supplier, as personal data processor (Data processor agreement)
- To comply with the Personal Data Protection Act 2019, the Company has prepared data processor agreement to define roles, duties and responsibilities pertaining to collection, use or disclosure of personal data of personal data owner as required under this law.

### 02 Procurement procedure

Covers suppliers selection method, procurement approval authority, inspection and acceptance of product or service delivery, and so forth.

### 03 Supplier Code of Conduct and Confidentiality Agreement

Compliance with these policies and rules will ensure transparency and fairness of consideration and approval criteria, price stipulation in procurement, and delivery of quality work as required under agreement terms or conditions. It enables the Company to manage potential risks related to use of supplier's services. Therefore, every business unit of the Company engaging any supplier is required to follow the foregoing policy and procedure.

(Please refer to additional details in <https://ktc.co.th/en/sustainability-development/corporate-governance> "Supplier Code of Conduct of Krungthai Card PLC. and Protection of Data Confidentiality" topic.)

Remark : Supplier<sup>(1)</sup> consists of business partner\* and general supplier. For more details about supplier classification, Please refer to sub topic "Risk Management of Business Partner and Supplier."

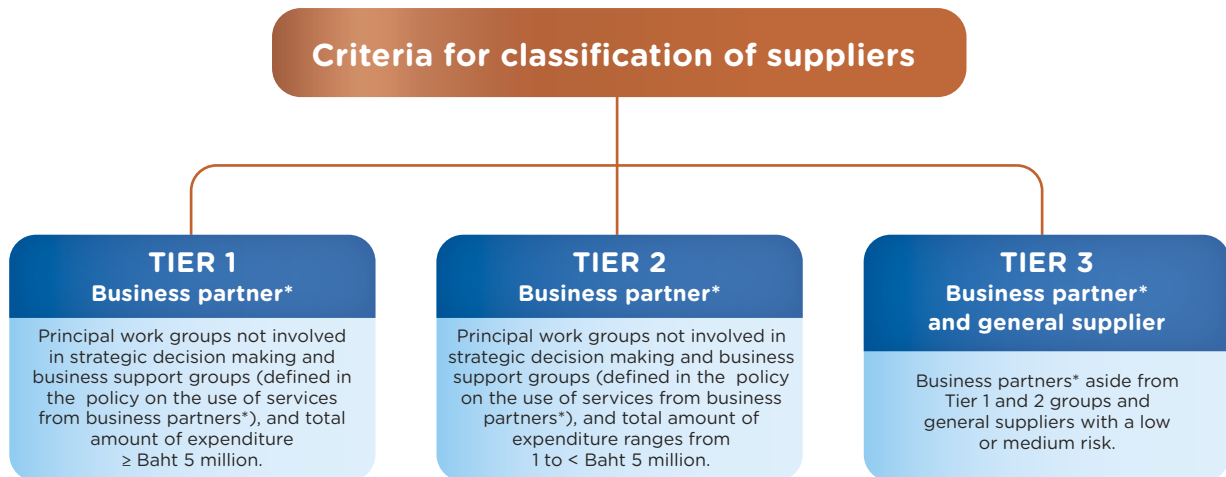


## Supplier Risk Management

GRI 2-6, 414-2

### Criteria for classification of suppliers

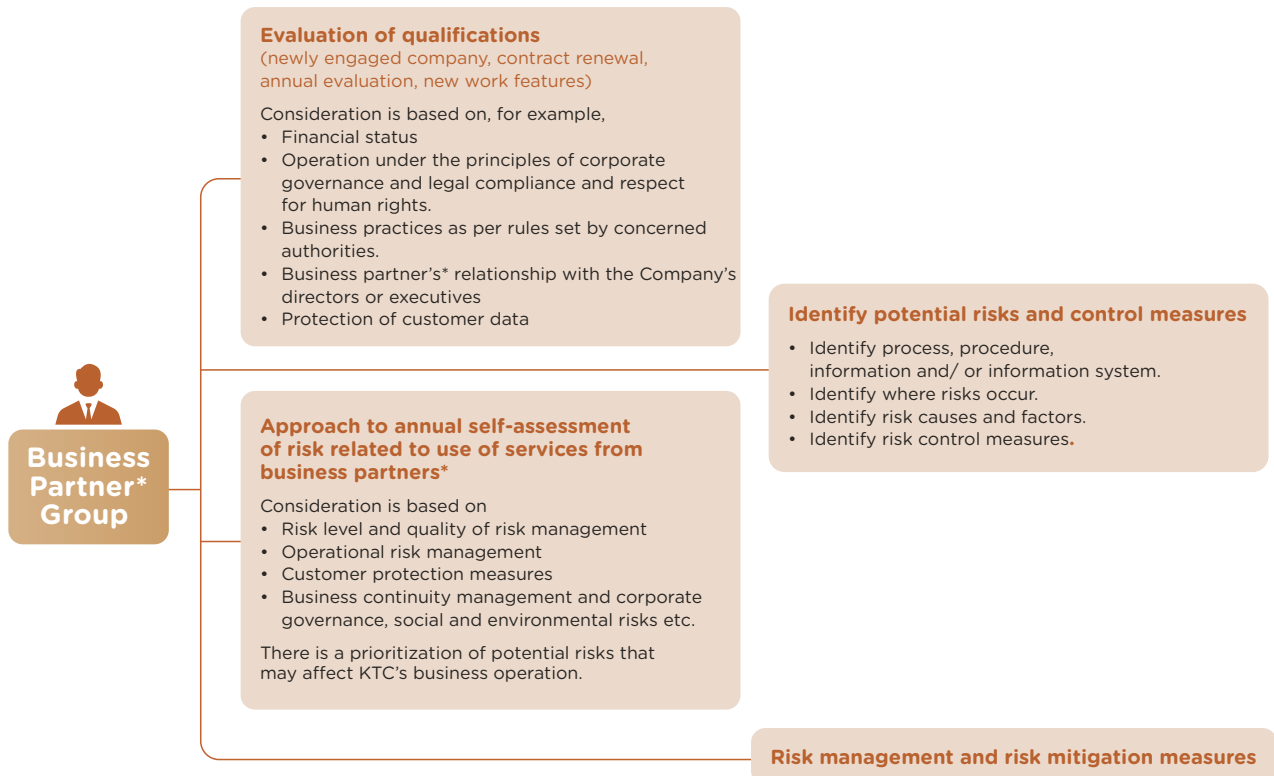
To identify key suppliers, the Company has prescribed criteria for classification of suppliers by type of work group and total amount of expenditure as follows:



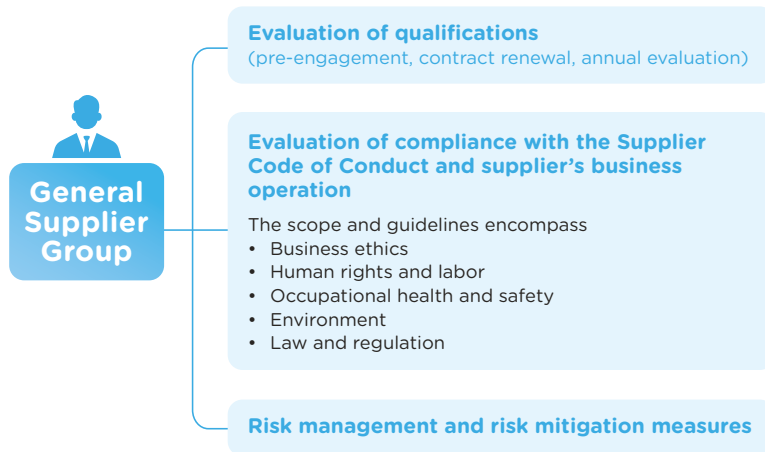
### Supplier risk management

#### • Risk management process

The Company has supplier risk management process that addresses each type of supplier as follows:



Note: Business partner\* means a juristic person or individual entering into a service contract or agreement with the Company. Business partner\* also includes an agent working on behalf of the Company, such as financial agent, outsourcing service provider, or other forms of business partner\* that has business partnership with the Company, to further its business interests.



#### • Risk identification

The Company has process to identify risks related to suppliers through annual supplier risk self-assessment. These potential risks encompass economic, social and environmental risk issues. Examples include



#### Economic Risk

- Service quality risk and product or service delivery risk
- Data security protection
- Business continuity management
- Corporate governance risk etc.

#### Social Risk

- Compliance with labor law
- Human right violation
- Safety
- Compliance with Supplier Code of Conduct etc.

#### Environmental Risk

- Compliance with environmental law
- Environmental risk etc.



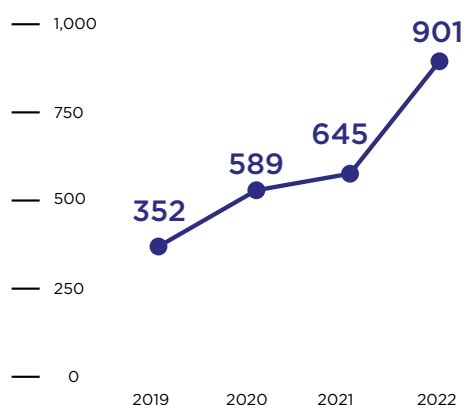
## Risk management and risk mitigation measures

GRI 414-2

The Company prescribes supplier risk mitigation measures as follows:

- Develop KTC Supplier Code of Conduct and Confidentiality Agreement and disclose them to ensure that suppliers are aware of it and perform self-assessment in compliance with provisions of the Supplier Code of Conduct prior to engaging with the Company as supplier. Suppliers are required to operate their businesses transparently under the principle of business ethics by respecting human rights, treating workers fairly and lawfully, and complying with occupational health and safety standards. In addition, they are required to have environmentally friendly management, an approach to sustainable development in business ethics, and a defined scope of operation according to provisions of service contract, and fair business practices. Furthermore, to ensure that business operations of the Company and business operators are aligned in the same direction, the Company stipulates foregoing requirements as part of service contract in order to ensure that suppliers will also adhere to corporate governance, anti-corruption, and money laundering prevention policies.
- Develop a policy on the use of services from business partners\* to lay out a risk management approach by focusing on selection risk assessment and control and regular monitoring of operational processes of business partners\*. Moreover, the Company also gives importance to business continuity and service delivery to customers by developing a business continuity plan.
- Monitor and control supplier's quality to ensure that suppliers have operational standards as prescribed in provisions of service contract and apply these standards to achieve continuous improvement of their operational processes and delivery of products and services.
- Adhere to the Bank of Thailand's guidelines on use of business partner's\* services, and prescribe the Bank of Thailand's audit and third-party audit as part of service contract.
- Conduct supplier site visit to audit compliance with the Supplier Code of Conduct, regulations on confidentiality of information and personal data protection, respect for human rights, fair and lawful treatment of workers, occupational health and safety standards, and environmentally friendly management. In 2022, the Company conducted supplier site visits, totaling 17 suppliers, and it was found that they complied to Supplier Code of Conduct.
- Formulate service level agreement (SLA) to set minimum standards for business partners\* to follow so that they can monitor and report risks on a monthly, quarterly or yearly basis, where appropriate.
- Transparent and fair procurement process and procedure take account of price and quality factors and product and service delivery that generates profit for the organization while also considering other benefits in terms of economic and social outcomes and mitigation of environmental impacts.

**Total suppliers who signed an acknowledgement of the Supplier Code of Conduct from 2019-2022**



Cumulative number of suppliers

Proportion of Tier 1-2 suppliers signing in acknowledgment of the Supplier Code of Conduct per total number of Tier 1-2 suppliers

**96 %**

Proportion of Tier 1-2 suppliers signing in acknowledgment of the Supplier Code of Conduct per total registered suppliers

**86 %**

Total number of key suppliers audited by site visit = 17, and 100% of these suppliers complied with Supplier Code of Conduct.

**100 %**

## Risk correction and mitigation

GRI 414-2

In case that If any supplier is discovered to be in violation of the established regulations, the Company will follow a warning notification process, take a preventive approach, and provide a remedial period. If the supplier fails to comply, the Company will terminate their contract and remove them from its supplier register.



**Number of Tier 1 and 2  
suppliers whose practices violated  
the Supplier Code of Conduct**

**accounted for 0%**

## **○ Raise Awareness about Sustainable Business among Suppliers**

The Company has diverse types of suppliers that have received various types of quality certification – for example, card brand certification related to production of cards featuring advanced security standards and ISO certification per International Organization for Standardization on information practices and management related to security in printing, quality and service management, energy and environmental management, occupational health and safety, and so forth.

The Company has provided suppliers with opportunities to make suggestions and participate in improving fairness and efficiency in operational processes through experience sharing at regular meetings and seminars. Moreover, KTC and suppliers also jointly organized training programs to develop and enhance work skills of supplier's employees on an annual basis.

In 2022, the Company pursued activities to help develop sustainable business by sharing knowledge to supplier's employees as detailed below:

### **Knowledge sharing on service works for supplier's employees**

KTC and suppliers jointly organized staff training to impart knowledge about supplier's service works, particularly driver, messenger, technician, general admin staff, and cleaning staff, in order to improve skills and knowledge, provide continuous staff training and development, enhance service-minded attitude, and build sense of social responsibility. Details of training courses are as follows:



**Driving Skill Enhancement** facilitated by a team of trainers from the Department of Land Transport

**Date:** August 28, 2022 | **Number of trainees:** 51 | **Satisfaction rating:** 83.09%

#### **Objectives:**

- To enhance knowledge about vehicle preparation before use, maintenance of vehicle performance, and driver preparation.
- To enhance safe driving techniques and raise driver safety consciousness.
- To review traffic rules and driving etiquette.
- To ensure preparedness in emergency situations.
- To raise awareness about efficient use of energy and resources and enhance energy-efficient driving techniques.





### General Admin Work Skill Enhancement

**Date:** November 13, 2022 | **Number of trainees:** 16 | **Satisfaction rating:** 99.36%

#### Objectives:

- To introduce new perspectives on service works for general admin staff, roles and responsibilities, personality, work attire, service delivery, effective communication with clients, and confidentiality protection in order to achieve client service goals.
- To introduce Do's & Don'ts in general admin works.



### Messenger Skill Enhancement

**Date:** November 13, 2022 | **Number of trainees:** 21 | **Satisfaction rating:** 94.44%

#### Objectives:

- To introduce new perspectives on service works for messenger, roles and responsibilities, personality, work attire, service delivery, effective communication with clients, and confidentiality protection to achieve client service goals.
- To introduce Do's & Don'ts in messenger works.
- To enhance theoretical and practical knowledge on safe vehicle driving.



### Technician Skill Enhancement

**Date:** December 14, 2022 | **Number of trainees:** 16 | **Training Satisfaction rating:** 100%

#### Objectives:

- To foster positive service attitude towards technician work and make a good impression on service user.
- To develop effective service communication skill and enhance ability to handle complaints.
- To improve service standards so as to constantly achieve speedy, proper and safe service delivery.



## Knowledge training for debt collection suppliers

KTC and suppliers jointly organized training to impart knowledge to employees of debt collection suppliers as follows:

### Professional Telephone Service for Collection

**Number of trainees :** 124

**Date:** May 28, June 11, and July 16, 2022

#### Objectives:

- To develop effective telephone communication skills.
- To enhance service quality of employees.
- To boost work morale and increase confidence at work.
- To create healthy relationship among team members through participation in training activities.



## Knowledge sharing and testing on information security

In 2022, the Company held online knowledge training and testing on information security and personal data management for employees of the Company and suppliers. The purpose is to raise awareness about information security and how to deal with more prevalent cyber threats in current situations.

## Knowledge sharing on electronic contract



**Date:** July 14, 2022

**Number of trainees:** 26

KTC provided training on electronic contract for law firms. The purpose is to ensure that law firms understand electronically contracts generation, enforcement, storage, and contracts or agreements generated by system or applications, e-signature, and e-contract law as well as to ensure efficient interrelated operations of the Company and law firms.

## Knowledge sharing on how to deal with cyber risks and threats at KTC Supplier's Day event

**Date:** November 28, 2022

**Number of trainees :** 40

**Satisfaction rating:** 89.54%

**Location :** Krungthai Card PCL., United Business Center 2 Building (UBC II)

The Company held KTC Supplier's Day event with objective to foster relationship and share information and knowledge with business partners\* and suppliers as to deal with cyber risks and threats.



## ○ Supporting Products from Printing Houses Obtaining Carbon Neutral Certification or a Green Print Logo

The Company invites employees, customers and suppliers to collectively reduce excessive use of resources in every aspect of their works in order to minimize environmental impacts and keep low operating cost , such as reducing print materials for some groups of customers and suppliers. Moreover, the Company supports procurement of products and services being environmentally friendly (green procurement) and obtaining an environmental label (such as green label, carbon reduction label) – for example, furniture, stationery, and eye care paper used in printing of credit card or personal loan application and KTC NEWSLETTER.

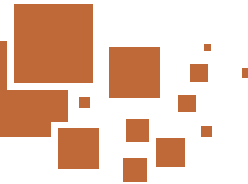


**In 2022, the Company's  
green procurement  
expenditure amounted to**

**Baht 7.17 million**

**which was attributed to its operation  
and office renovation projects.**

# ECONOMIC PERFORMANCE



## Economic Value Retained

GRI 3-3, 201-1

KTC operates the business in accordance with good corporate governance and code of conduct. Economic performance has been generated, dispersed to various stakeholders and retained for sustainable growth as follows:

Unit: Thousand Baht

Description	2021	2022
Operating income <sup>(1)</sup>	21,452,343	23,248,778
Operating cost <sup>(2)</sup>	4,392,252	5,055,572
Employee expenses and benefits <sup>(3)</sup>	2,422,484	2,500,676
Tax payment to the government <sup>(4)</sup>	2,021,112	2,431,297
Payment to providers of capital <sup>(5)</sup>	3,684,658	3,970,673
Donation to public charity	2,132	1,748
<b>Economic Value Retained</b>	<b>8,929,704</b>	<b>9,288,811</b>
Total assets	89,471,090	101,795,991
Total liabilities	62,386,689	70,220,237
Equity attributable to owners of the parent	26,836,357	31,353,217
Total Comprehensive Income-Owners of the parent	5,878,693	7,079,399

<sup>(1)</sup> Operating Income consists of Total revenue and Share of Company's profit for using The equity method.

<sup>(2)</sup> Operating Expense defines to administrative expense excluded employee benefit expense, management remuneration, tax and donation expense.

<sup>(3)</sup> Employee Benefits Expense consist of Management remuneration and employee expenses.

<sup>(4)</sup> Government tax consists of income tax expense, Specific business tax and Stamp duty free.

<sup>(5)</sup> Payment to providers of capital consists of Finance Costs and Dividend paid to Shareholders.



The background is a dark, textured surface with a golden-brown color palette. It features a faint, dotted world map that is partially obscured by a series of glowing, golden-yellow dots and light trails. These dots and trails create a sense of movement and connectivity, suggesting a global network or data flow. The overall effect is a high-tech, futuristic aesthetic.

## SOCIAL DIMENSION



# FINANCIAL INCLUSION AND FINANCIAL LITERACY



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
13 financial literacy programs	10 financial literacy programs	19 financial literacy programs

Remarks: Due to safety and hygiene consideration during the ongoing COVID-19 situation, the Company shifted its plan to provide financial literacy fewer onsite and more online programs

GRI 3-3

The Company is consistently committed to develop products and services so that customers and service users can have equal and equitable access to its products and services through various channels, both online and offline. It offers products and services that meet customer needs with fair interest rates or fees to alleviate burdens from informal loan with a whopping interest rate and increase opportunities to use approved

credit for their living and enhance quality of life. Furthermore, the Company also places importance on enhancing financial knowledge and understanding to customers. In addition, the Company provides opportunities for educational and youth development to unleash their limitless potential by focusing on learning skills and developing financial literacy to further applied in various aspects of their lives.

## Financial Inclusion and Financial Literacy

<b>Diverse channels to easily access financial products and services throughout the country</b>	<ul style="list-style-type: none"> <li>KTC TOUCH service points</li> <li>All nationwide branches of Krungthai Bank</li> <li>Sales Agents</li> <li>Company website (www.ktc.co.th)</li> </ul>	<ul style="list-style-type: none"> <li>Business Partners' websites</li> <li>Social Media</li> <li>KTC Mobile</li> <li>P BERM Mobile</li> <li>Krungthai NEXT</li> <li>KTC Online</li> </ul>
<b>Availability of micro finance products and services for small entrepreneurs or vulnerable groups</b>	<b>Creating access for geographically underserved groups</b>	<b>Creating access to financial services for low-income customers</b>
<ul style="list-style-type: none"> <li>Merchants acquiring QR code and e-commerce Payment</li> <li>KTC U SHOP</li> </ul>	<ul style="list-style-type: none"> <li>KTC P BERM Car for Cash (Pico Finance)</li> </ul>	<ul style="list-style-type: none"> <li>KTC P BERM Car for Cash.</li> <li>Education loan</li> </ul>
<b>Creating access for persons with disabilities</b>	<ul style="list-style-type: none"> <li>KTC does not discriminate against persons with disabilities, and it looks after the safety of people with disabilities as required by law.</li> </ul>	

**Financial Literacy Program to small enterprise, low-income, or disabilities groups.**

(Please refer to additional details under the "Digital Innovation", "ESG Product and Service" and "Collaboration with Partners on Sustainability" topics)

# O Nationwide channels for applying for products or services and accessing Company news and information conveniently

GRI 2-6, 3-3

The Company provides various accessibility channels to products, service and wide variety of news that allow customers to access products and services easily, as well as receiving information correctly, completely and equitably. It also helps to reduce disparities in accessing information and financial products. Thus, it enables customers to thoroughly study and understand products in detail before making decision on using financial products appropriately without being a victim to those who seek benefits through the following channels:



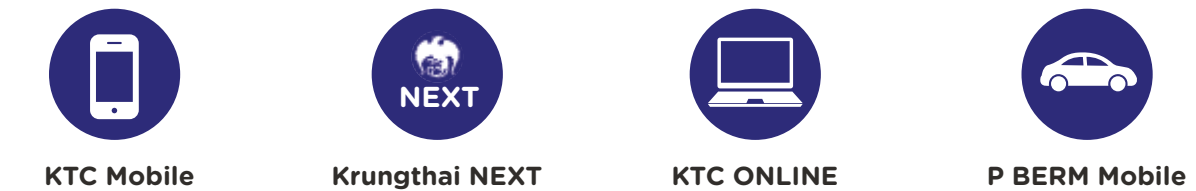
Due to changing lifestyle and behavior, consumers can freely search for information through online channels 24 hours a day. Therefore, KTC responds to customer needs with online marketing strategies swiftly, accurately and transparently, provides target groups with opportunities to search for information about the Company and its products via various channels, and facilitates information search for product or service information while focusing efforts on providing detailed, accurate and complete information as follows:

- Accommodating information search or submission of application for products and services for further follow-up



- Mobile/ Online transactions

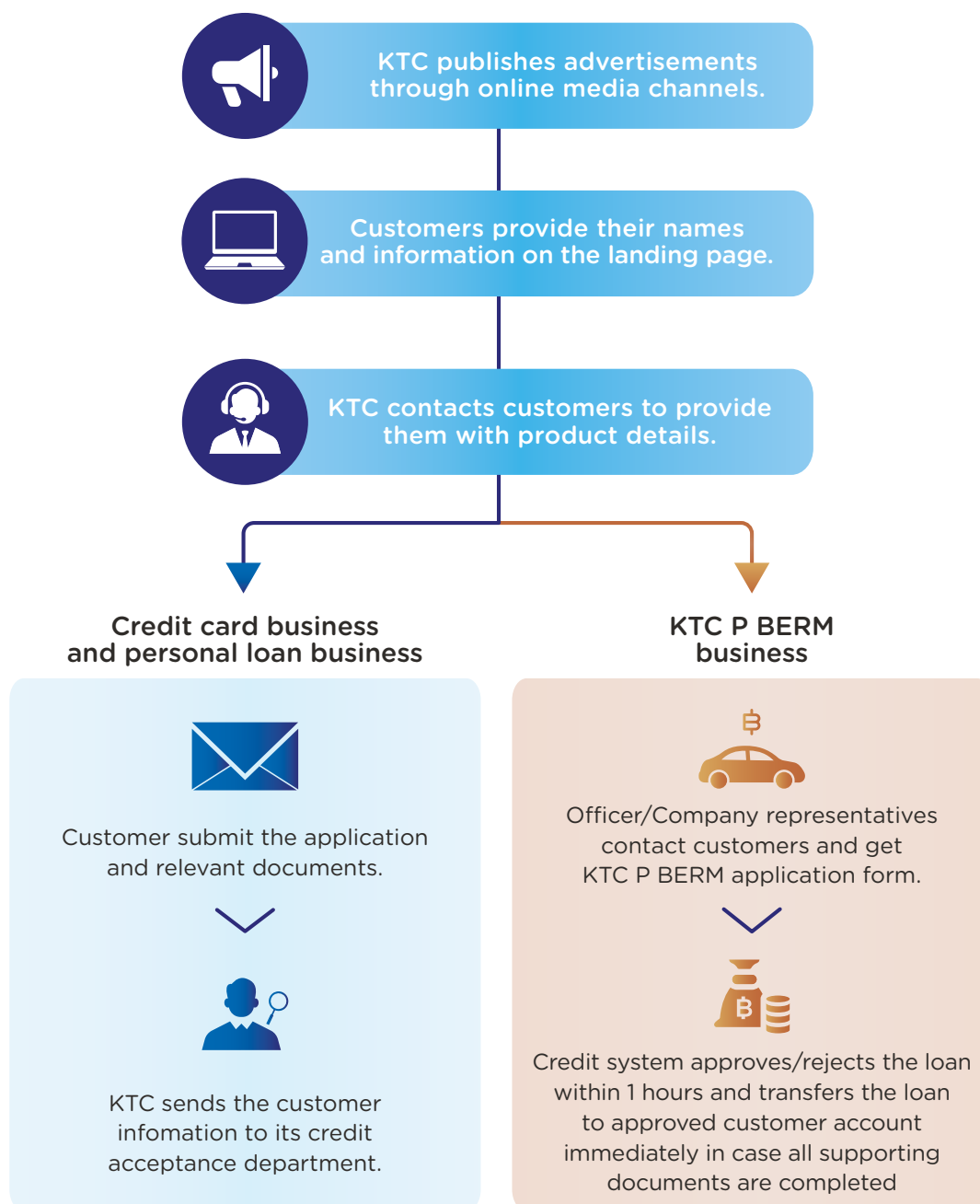
The Company consistently developed and promoted use of mobile or online transactions, such as receiving payment and using various services as a way to create additional channels for access to its products and services for every customer group, including vulnerable customers<sup>①</sup> and socially disadvantaged people – for example, curtailing traveling for disabled persons who are unable to travel and allowing members to make a loan payment in each repayment period to minimize possibility of default due to inability to travel to repay debt under various circumstances. There is a service that allows members to repay loan according to the payment cycle to reduce the chance of default payment.



Remarks: <sup>①</sup> Vulnerable customer means customer for which the Company must exercise special care when making contact or providing services – for example, elderly aged 60 years old and over, person with limited financial knowledge or without product experience, person with restricted communication or decision-making ability such as hearing, visually or health impaired person. (Source: Notification on the principles of fair market conduct)

(Please refer to additional details under the “Digital innovation” topic)

## Steps to access products and services via online channels



To conform with the government policy on technology and communication protocols for identity verification and authentication in electronic transactions, the Company ensures that its practices are consistent with legal requirements related to national ID card reading (Dip Chip) and verification of smart ID card status of customers via the government agency's electronic verification system (DOPA online) in delivery of financial services. Moreover, it consistently developed channels for submission of online product applications. This online process involves getting to know customers electronically (identity verification

and authentication: E-KYC), signing on general agreement, and affixing handwritten signature to grant consent on various matters via all electronic channels (e-Contract and e-Consent) in case application form is submitted via Krungthai NEXT. The aim is to reduce paper use in the product application process, minimize document forgery problem or fraudulent electronic transactions and to enhance convenience and speed in service delivered. The Company expects to partake in efforts to improve the efficiency of electronic financial transactions in our country in the long run.

## Financial products and services

### KTC P BERM Car for Cash

KTC provides vehicle title loan under the name “KTC P BERM Car for Cash” in order to create equal access to financial services for all customers by giving opportunities to perseverant individuals for all occupations who do not have documents showing income such as payslips or salary certificate, but have their own burden-free car, pick-up truck, van or motorcycle as a possession. They can use vehicle registration as collateral, which help to alleviate customers’ burden with financial needs to access a legal source of funds in accordance with the Bank of Thailand’s regulations. Customers still own the car and may use their vehicle as usual. The highlights of

KTC P BERM Car for Cash are a high maximum credit limit of Baht 700,000, fast and on the spot approval within 1 hour, and instant cash. P BERM Delivery service is also provided to customers at their desired location, or they can come to apply at KTB nationwide and all KTC TOUCH service points. After the application is approved, customers will receive both lump sum money transferred to their accounts immediately and cash card that can be used in daily lives. Customers can also manage their loan accounts such as checking the remaining principal balance, statement, installments payment and receipt through P BERM Mobile application on their mobile phones.



In 2022



Number of approved car title loan

customers  
**4,518**  
persons

total approved loan amount  
**1,029.58**  
Baht Million



Number of approved motorcycle title loan

customers  
**1,243**  
persons

total approved loan amount  
**32.85**  
Baht Million

### Education loan

The Company supports group of general customers, including low-income people in the society, to have opportunity to access education, which is an important factor in creating a future and a career for Thai people by offering education loan.

(Please refer to additional details under the “ESG Product and Service” topic)

### Merchants acquiring QR Code and e-Commerce Payment

The Company supports small entrepreneurs or vulnerable groups together with partners in the form of merchants acquiring QR Code and e-Commerce payment.

(Please refer to additional details under the “Collaboration with Partners on Sustainability” topic)

### KTC U SHOP

KTC supports small entrepreneurs and community enterprise groups to have the opportunity to expand their business and customer base, and to increase their income through KTC U SHOP, both online and offline distribution channels.

(Please refer to additional details under the “ESG Product and Service” topic)

## O Creating opportunities to access financial services for persons with disabilities

To conform with the principles of fair business operation according to the human rights principles, the Company has service approach in compliance with law, that consider safety of persons with disabilities. The Company does not discriminate against persons with disabilities who can access our financial products and services - for example, requiring service users to designate a data caretaker and consent to collect sensitive data. Such consideration is based on specific criteria of each product like those of other customer groups.

## O Financial literacy

KTC recognizes the importance of knowledge sharing which is beneficial to communities, members, and society in order to promote job development, create incomes, and develop quality of Thai youth through creating educational opportunities and supporting learning for growing sustainably together as follows:

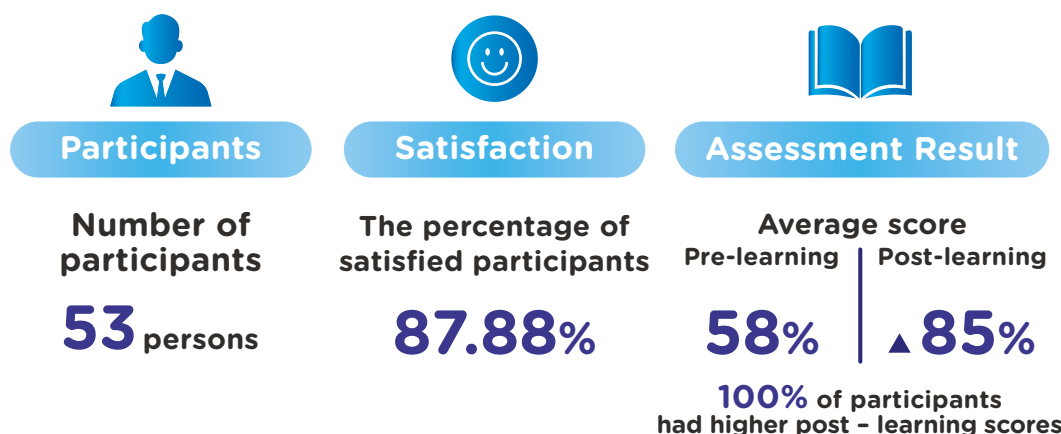
GRI 203-1

### “KTC Offer”

KTC launched the project “KTC Offer” and arranged a session to provide financial knowledge with the topic “Life is good.... starts with financial planning” via online and on-site for the Community Children Foundation (CCF) Under the Royal Patronage of HRH Princess Maha Chakri Sirindhorn staff to exchange experiences and increase their financial knowledge

and skills in applying to daily life and work. When considering knowledge, understanding, and application assessment results, it demonstrates a good understanding on financial planning and potential to apply knowledge in daily lives as well as to disseminate and share knowledge learned.

## “Life is good... starts with financial planning”



## Investigation and Collection of Evidence in Technology Fraud cases and Financial crimes

<b>First Batch</b>  <b>1<sup>st</sup></b>	<b>Cyber Crime Investigation Bureau (CCIB)</b> <hr/> <b>Number of participants :</b> <b>20 persons</b> <b>Date :</b> <b>February 22, 2022</b>	<b>Second Batch</b>  <b>2<sup>nd</sup></b>	<b>Central Police Training Division, Police Education Bureau, Royal Thai Police 2</b> <hr/> <b>Number of participants :</b> <b>40 persons</b> <b>Date :</b> <b>August 7, 2022</b>
-------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### “KTC FIT Talks 7”

KTC organized FIT TALK event to educate journalists, employees and general public to understand business and industry movement, as well as various interesting issues during the year. This has been carried out continuously for the seventh time. In 2022, KTC hosted a knowledge-sharing seminar on the topic of “How to Deal with Online Risks and Threats” to build confidence in the security of online transactions on a live broadcast via the KTC Journey Facebook page

to equip Thais how to deal with cyber risks and threats in the increasingly concerning world. KTC puts a spotlight on its position as the leader in the consumer finance business that supports the development of online financial transactions and management to effectively prevent digital fraud through 4 main components: Personnel-Process-Technology-Data Management with advice on how to spot and prevent various forms of online fraud.



**Number of Participants:**

**80 persons**

Onsite & Online :KTC Journey Facebook page, staff from various departments and journalists



**Date:**

**April 27, 2022**



### How to Create a Facebook Page and Sales via Online Platform

KTC organized seminar to educate about tips of creating a Facebook page, techniques of acquiring customers by using a single smartphone, such as creating a simple page by oneself, creating engaging content within 3 seconds, writing an attractive caption and creating unbeatable ads for KTC PROUD cashcard members.



**Number of Participants:**

**31 persons**



**Date:**

**August 27, 2022**



**Satisfaction Score:**

**96%**





## “Live & Learn with KTC”

KTC led a team of speakers to give lectures and organized a knowledge sharing workshop to university students as part of the project “Live & Learn with KTC” as follows:

**An episode on Knowing you... Knowing me** at the Department of Political Science and Public Administration, Faculty of Social Sciences, Kasetsart University. The workshop was held to teach students to understand the behavior, weaknesses, and strengths of oneself and others; how to appropriately and flexibly engage with people of different personality types, as well as adjustment to prepare for work life.



**Number of Participants:**

**28 persons**



**Date:**

**September 16, 2022**



**Satisfaction Score**

**4.3 (out of 5)**

**An episode on Be ready... Before getting a job** at the Faculty of Economics, Srinakharinwirot University for students to be ready in applying for a job such as how to write resume to get a job and job interview simulation with HR, etc.



**Number of Participants:**

**94 persons**



**Date:**

**November 23, 2022**



**Satisfaction Score**

**4.7 (out of 5)**

## Online Financial Knowledge

KTC consistently disseminated information about cash and expenditure management as well as business building approaches that could be accessed by the general public to help and support each person undertake life planning correctly and better manage financial liquidity. In addition, the Company also provided knowledge on how to use financial products safely via Facebook page and its website throughout the year as follows:

### • P BERM share for people that work for a living

KTC P BERM still pursues knowledge sharing activities to disseminate knowledge on financial literacy online via the Facebook page of KTC P BERM Car of Cash throughout the year by presenting content that is easy to understand and enhancing financial knowledge for those who are interested as follows:

**Increasing liquidity during economic crisis**



**Solving liquidity problem**



**Money management during COVID era**



**Effective debt relief techniques**



**Knowledge about informal loan**



**Things to know before refinancing a vehicle loan**



**Maintaining financial credit for loan application**





## • KTC Website

KTC selects articles and practical financial knowledge that interested people can access and gain their knowledge any time, which can be applied to their everyday lives.

How to respond and comply with retroactive tax as seller in online market place



What to sell on online platforms



Can pledge car registration without a pay slip?



First five steps to take when your credit card is lost or stolen



Things to know before travelling abroad to avoid pickpockets



Buyers make and sellers receive payment conveniently via QR code payment



## • Provide Financial Knowledge via KTC Real Privileges

Knowledge about SMS Phishing



Getting loan via Line can be used as a loan agreement



Cash card benefits



Ways to escape from criminal



Update personal information at the right place and useful information that should know



3 things to consider before getting a loan



Knowledge of scam sms



## O Corporate Citizenship and Philanthropy

### Strategies for the Company and its subsidiaries

KTC formulates strategies for the Company and its subsidiaries related to corporate citizenship and philanthropy, which are consistent with corporate strategies and UN Sustainable Development Goals (SDGs). The Company provides social support and assistance in a transparent manner so as to ensure

that corporate support or donation does not contribute to corruption. Moreover, it also adopts a clear policy of not supporting political parties. The Company places emphasis on transfer of internal knowledge to the public in order to create positive changes in the society and country.

### Corporate Social Responsibility Activities

- **KTC organized Love & Share activity for the ninth consecutive year.**

KTC Outsource Sales solicited kind-hearted persons, namely corporate employees, partners and team leaders and sales as well as friends of corporate employees to be a part of the power of giving by making financial contribution to Thai society through the regularly held annual charitable activity. In 2022, KTC Outsource Sales hosted an activity under the

Love & Share project under the name “Every Baht for breath Every giving for life” to make financial contribution for ER building construction and purchase of medical devices and equipment for Rajvithi Hospital. The donation money will be handed over to the hospital on March 14, 2023.

- **KTC donated money to 7 foundations**

KTC, led by top management together with journalists, handed over Baht 100,000 donation to 7 foundations. The fun sports day for society activity was held at Koh Kood, Trat province. Each color consisted of top management, KTC Public Relations personnel and journalists. They joined hands to make financial contribution to society through various foundations.

**Ramathibodi Foundation**  
to help COVID-19 patients

**Suan Dok Hospital Foundation**  
for patients

**Seub Nakasatien Foundation**  
to preserve western forest  
and to help rangers

**Home for Handicapped Animals Foundation**  
to help disabled  
and handicapped animals

**Thai Red Cross Society**  
to support Thai Red Cross Society

**Monk Hospital Foundation**  
for general support

**SOS Children's Villages Thailand**  
to help children who lose their parents or children  
that the original family cannot raise them



- **KTC invited to join the trip “The Secret of Phra Nakhon” hoping to pass on cultural art knowledge**

KTC Participated in inheriting community story, brought valuable cultural art that are disappearing to come back to life, and passed on useful knowledge through journalists and lecturers, who could pass on knowledge beyond classroom to students. This activity

was held in supporting the United Nations’ Sustainable Development Goals in social dimension to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

**The Secret of Phra Nakhon in the episode of “Many secret stories of Chinatown”**

KTC joined hands with teachers from Wat Lan Boon school under the Ministry of Education.



**The Secret of Phra Nakhon in the episode of “Rereng Phra Nakhon Talon Siam Araya”**

KTC joined hands with Rajamangala University of Technology Phra Nakhon (RMUTP).

- **KTC donated money and essential supplies to Ban Bang Khae Social Welfare Development Center for Older Persons**

KTC handed over Baht 10,000 donation money and essential supplies such as face masks, alcohol sprays, rice, and seasoning sauce. As part of the activity, via the “KTC Journey” Facebook page, KTC donated Baht 100 as support funds and towards the purchase of necessities for every family photo that was posted to pass on love to the elderly on family day.



- **KTC donated money to Sathira Dhammasathan foundation**

KTC represented fans of the “KTC Journey” Facebook page in handing over Baht 20,000 from the “Grandma’s Wisdom” activity as monetary support towards “Sathira Dhammasathan Foundation to jointly build the Bodhisattva Valley”. KTC invited the fanpage to post ideas and lifestyle guidelines from Ven. Mae Sansanee Sthirasuta that have been applied to their daily lives. For every teaching from the wise, KTC will contribute a donation of Baht 200 to build a Tara Maha Stupa that enshrines Arayatara Maha Bodhisattva to carry on the determinations of Ven. Mae Sansanee Sthirasuta at the Bodhisattva Valley, Kaeng Krachan district, Phetchaburi province.





- **KTC donated money to Baan Sri Chumphaban Foundation**

KTC invited members of the Facebook page “KTC Journey” to post and share information about proper underwear waste disposal in occasion of the World Environment Day. For every 1 post shared, KTC will donate Baht 100 to Baan Sri Chumphaban Foundation Bangkok to support the helping and developing children and young women project.



- **KTC Journey donated money to the Faculty of Dentistry at Mahidol University**

KTC represented fans of the “KTC Journey” Facebook page in handing over Baht 20,000 donation to the Foundation of Mahidol University Faculty of Dentistry from the “Improve Smiles for the underprivileged” activity by inviting fans of the page to post a smiling photo in the comments to convert into donation funds.



- **KTC donated books through the Stang Mongkolsuk Library Book and Journal Donation Center to underprivileged schools**

KTC was the representative in giving picture books, fairy tales, comic books, exam preparation books, and practice books worth Baht 21,142. The member of Facebook fan page “KTC Journey” voted for the donated book list in occasion of World Reading Day on September 6th, through the Stang Mongkolsuk Library Book and Journal Donation Center in order to pass on knowledge and materials forward to remoted countryside school.



- **KTC donated money to Home for Handicapped Animals Foundation**


KTC organized an event inviting members of the Facebook fanpage “KTC Journey” to post one photo with any animal in KTC Journey to convert into Baht 20,000 donation funds in total to help disabled animals, both dogs and cats to have a better life in occasion of the World Animal Day.



  
**Donation amount**  
**20,000 Baht**

- **KTC donated blood to Thai Red Cross Society**

Even though the COVID-19 outbreak situation has subsided, the National Blood Center of Thai Red Cross Society is continuously facing blood shortage. Hence, KTC collaborated with the National Blood Center in organizing the “KTC Invites Healthy People to Donate Blood” campaign to allow KTC’s management and employees with volunteer spirit to donate blood to alleviate the blood supply crisis every 3 months, under the strict COVID-19 preventive measures so that National Blood Center of Thai Red Cross Society is able to use and circulate donated blood in the supply and saves more lives in different circumstances.

  
**Total blood donation was**  
**92,700 cc.**

# HUMAN RIGHTS



GRI 3-3

Thailand is a member state of the Core International Human Rights Treaties in which the state is obliged to ensure that the rights and the fundamental rights of workers are protected and unviolated, under the International Labor Organization Conventions. The Company, as part of the business sector, realizes the importance and duties that must be carried out to show respect for human rights at individual and social levels, which leads society to sustainability.

GRI 2-23, 412-1

## Human Rights Policy



### Protect

It is the state duty to protect against human rights abuses in business sectors, including state enterprises that are related to business operations.



### Respect

It is the responsibility of the business to respect human rights by avoiding infringing or taking parts in actions that affect human rights.



### Remedy

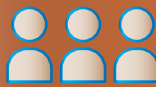
Those affected from business operations can have access to effective remedies, rehabilitation and mechanisms, according to the judicial and other appropriate means.

**Remark:** SET Thailand. BUSINESS AND HUMAN RIGHTS. [Online]. 2022,  
Available form : <https://www.setsustainability.com/page/business-and-human-rights>

The Company has established the Human Right Policy, which is part of the Code of Conduct, that has been approved and reviewed by the Board of Directors. The Policy adheres to the principles from the local laws and adopts the UN Guiding Principles on Business and Human Rights (UNGPR), under the 3 principles: Protect, Respect and Remedy. The Policy has its scopes covering employees, customers, suppliers and covers the following topics.



Arrange a complaint process procedure, including the follow-up on human rights violations.



Treat employees equally.  
Do not discriminate against similarities or differences.



No human trafficking.  
No under-legal-age child labor.  
No forced labor.



Provide a transparent selection process in selecting suppliers.



Respect personal freedom and protect personal data as prescribed by the laws.



No discrimination and oppose harassment or intimidation such as sexual harassment.

(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Code of Conduct" topic)

## ○ Human Rights Risk Assessment Process

Human Rights Risk Assessment Process is divided into 2 groups as follows:

### 1. Suppliers

The Company arranges human rights audits through site visits to assess operating areas or inquiries with suppliers according to the Company's Supplier Code of Conduct assessment.



The inspection results:

**No human rights violations of suppliers.**



The Company performed site visit of

**17 suppliers.**

(Please refer to additional details under the "Supply Chain Management" topic)

### 2. The Company

In 2022, the Company conducted a risk assessment in the work processes of the Human Resources business unit, Procurement unit and Compliance business unit. This covers risks arising from unfair procurement, violation of compliance with laws and regulations, improper hiring process, unfair compensation or treatment of employees.

These incidents can lead to lawsuits, resignation or strikes. It also includes damage caused by imposing insufficient operational safety measures and control of the operating environment, which can affect employee health due to diseases or injuries caused by operational accidents.

**In 2022, the assessment of related risks demonstrated Low level of risk and No significant risk issues were found.**

## ○ Human Rights Guidelines

### Fair Labor Practice

The Company strives on treating job applicants and employees with equality, fairness, without discrimination and with respect to diversities, according to the human rights principles in labor laws. As stated in the Company's Code of Conduct, the Company recruits, hires, provides job opportunities for diverse groups of people in the society, appraises performance, pays compensation, provides employee welfare and terminates employment, regardless of education, nationality, race, skin color, religion, sexes or gender or physical disabilities.

In addition, there is a clear statement in the human resources regulations that forbids executives, managers, supervisors or inspectors to commit sexual harassment to female employees or children. Female, male and child harassments as well as sexual harassments between the same or different levels of employees are considered disciplinary offence. In case of a violation against rules and regulations related to work, one or several penalties will be imposed according to the severity of the offence. There are steps as follows: verbal warning, written warning, suspension without pay, termination of employment with severance pay and termination of employment without severance pay.

(Please refer to additional details under the "Human Resource Management and Development" topic)

## Potential development and advancement promotion amongst employees

The Company uses human rights principles as a framework for planning and managing to provide training, education and career advancement for employees of all groups and genders in order to receive equal opportunities. Moreover, the Company

has integrated human rights into learning materials and quizzes in the corporate governance policy curriculum so that employees can realize and avoid discrimination or harassment in the workplace, which is against the human rights principles.

(Please refer to additional details under the “Human Resource Management and Development” topic)

## Fair Treatment to Customers

The Company complies with the Market Conduct and Fair Lending frameworks which cover various processes from pre-sale, mid-sale and post-sale services. This is to ensure that customers receive complete, accurate information about financial products and services, and receive sales and services

that are fair, accurate and non-discriminating. It also covers listening and solving problems regarding the services, including product or service development; and creates confidence, safety and convenience for customers. Most important of all, it is to ensure that customers are equally serviced.

(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under “Code of Conduct” topic)

## Supplier Code of Conduct

The Company pays attention to the selection process or the review of supplier selection with transparency, in accordance with the guidelines as set in the business partner\* service policy or procurement regulations. Factors have been established for supplier to self-assess. It also includes reviewing the establishments and inquiring information according to the Supplier Code of Conduct form, which covers human rights, occupational health and safety

environment, etc. This is to ensure that the Company’s suppliers comply with the guidelines set by KTC. Additionally, there are contractual practices that respect human rights of supplier, in accordance with the law. The Company also takes into account the support for suppliers to develop or increase work skills through trainings or exchange ideas with the Company.

## ○ Procedures in Case of Violation or Non-Compliance with Human Rights

GRI 2-25

The Company provides channels for stakeholders to notify in case of human rights violations, including scrutiny, punishment, prevention, mitigation and remedy procedures, all of which are defined in the Code of Conduct or Human Resources Regulations. The scrutiny is done on a case-by-case basis. The Company has plans to alleviate or mitigate negative impacts on human rights if there is a risk that may violate human rights practices. The Company runs different activities from upstream to downstream with transparency, fairness and clear working processes to reduce human rights violation risks.

More details on procedures in case of violations or non-compliance with human rights can be found under the “Anti-Corruption and Bribery and Actions in case of violation or non-compliance with Code of Conduct” topic.

00 **0%** of reported human rights violations 99

By providing a policy, regulations and having appropriate internal control and risk management system, in 2022, the Company was not informed and did not have issues under scrutiny regarding human rights violations from employees, suppliers or other stakeholders.



# HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
The level of employee engagement with the organization equals to 77 %	The level of employee engagement with the organization equals to 75 %	The level of employee engagement with the organization equals to 68 %
Average hours of training per year per employee more than 57 hours	Average hours of training per year per employee 40 hours	Average hours of training per year per employee 64.38 hours

GRI 3-3

The Company recognizes that human capital is a valuable resource in driving business. Thus, the Company places significance in every step from the recruitment process. The Company's human resource is managed by respecting diversity and equality in accordance with human rights. Appropriate compensation and benefits are allocated. For human resource development, the Company specifies development programs for employees to grow in their careers appropriately and be equipped with skills, knowledge, and capabilities in response to rapid changes. Consequently, the Company's human resource management and development creates pride, morale, organizational engagement, good well-being, and stability in life. This is to reward employees for their contribution and creativity into driving business and delivering satisfactory results to the Company continuously and sustainably.

## Human Resource Management

GRI 2-30, 3-3 401-1, 405-1

### Employee Recruitment and Hiring

The Company plans and manages manpower for maximum efficiency and benefits by identifying strategies to attract talented personnel to join the Company. The Company will announce and recruit employees by first considering internal employees to fulfill vacant positions and will only consider external personnel for positions that are not possible to recruit suitable current employees to replace immediately or for new positions that require specific skill sets which cannot be provided by current employees as necessary and appropriate for the business. The Company utilizes various recruitment channels and methods in response to rapidly changing lifestyles in the digital era through various social media channels such as Facebook, Line@, LinkedIn, and the Company's website, etc.

The Company recruits and hires potential candidates as well as considers compensation in accordance with applicant's qualifications and industry standards so that new employees can come to work in response to the department's needs. In addition, the Company's job postings for various positions are based on respecting human rights principles according to human resource regulations and the Company's standard employee recruitment and hiring manual. The Company provides equal employment opportunities with transparent selection processes as necessary and appropriately for the position. The selected employees will possess qualifications, experience, and capabilities suitable for the position, regardless of origin, skin color, sex, gender, race, religion, belief, political opinion, status, family origin, or other prescribed criteria not related to work performance.



## External Hiring

**350** persons equivalent to **94%**



## Internal Hiring

**24** persons equivalent to **6%**

(Please refer to additional details under the “Sustainability Performance” topic)

## Promoting diversity and inclusion through the workplace

The Company treats labor fairly, respects human rights without discrimination and harassment. Sex, gender, and nationality are not used to hinder employment opportunities and career advancements. These principles are applied in all departments in conjunction with the labor law standards, including anti-child labor and illegal foreign workers. For employees experiencing health problems, the Company will adjust their roles and responsibilities according to their potential and capability to perform tasks to minimize the impact on their health.

To be following the Personal Data Protection Act (PDPA), the Company processes, stores, uses, or discloses personal information as necessary. Moreover, the Company respects rights to express self-identification on occasions that do not affect business operations. As a result, the Company does not specify proportion target of male, female, LGBTQI+, or employees who considered themselves as racial minorities as the Company strongly believes that this represents a commitment to support and respect human rights and fair diversity in the society.

Furthermore, KTC also supports social equity by looking after the welfare of sexually diverse employees and their unregistered couples, such as health insurance benefits for all positions, marriage and bereavement benefits, and treatment in line with LGBTQI+ gender equality.

# LGBTQI+

The Company places importance on promoting and improving people with disabilities' quality of life by hiring employees with physical disabilities to work in the Company and in accordance with Empowerment of Persons with Disabilities Act, B.E. 2550 that was enacted to protect the welfare of employees with physical disabilities or health disorders in which the

Act outlines for governmental agencies and employers or business operators to employ disabled people in accordance to Section 33, or send money to the Empowerment of Persons with Disabilities Fund under Section 34, or choose to grant concessions and employ persons with disabilities under subcontracts under Section 35.

In 2022, the Company hired 1 employee with disabilities and has promoted employment of people with disabilities. The Company sub-contracted or outsourced vocational training services, totaling 16 people with disabilities to work outside the Company but in communities or public organizations residing in the domicile of persons with disabilities which will directly benefit and help people with disabilities who live in remote areas to have a chance of having thorough career and be able to rely on oneself.



KTC received the outstanding “Sustainability Model Organization in the Thai Capital Market of Disability Support” Award 2022, which reflects the Company’s commitment to focus on supporting and improving the quality of life of disabled people and be a part in reducing the disabled people’s disparity in the Thai capital market tangibly and continuously, as well as to demonstrate its commitment to promote all ESG dimensions for business sector in the Thai capital market.

## University Students

For the past 20 years, the Company has consecutively organized the KTC LEARN & EARN project with the purpose of supporting and developing the skills of youths in Thai society and supporting university students to learn how to work with the organizations in the form of LEARN & EARN in various areas such as the Company's business operations, technology, innovation, creativity, communication, leadership. This project promotes using free time to gain new perspective and experiences that cannot be discovered in the classroom. It also prepares students before entering the marketplace and increase the

opportunity to earn extra income, which is helpful not only for working in a volatile changing world but also increasing the opportunity to create competent personnel for the society.

The Company has further developed the project becoming the KTC COOP project that opens opportunities for students from all majors and all universities across the country to apply knowledge gained in the classroom to practical training for 1 semester, starting in 2023.

## Number of University Students

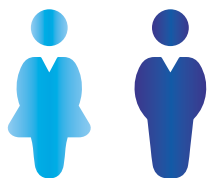
2003-2022

KTC LEARN & EARN	3,746
KTC LEARN & EARN work with the Company after completing the course	316

## In 2022, detail of employees, composition are as follow,

Total number of employees

**1,695 persons**



66%

34%

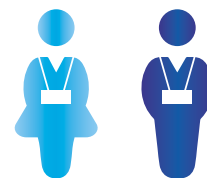
Total number of employees  
with physical disabilities



**17 persons**

New employees

**350 persons**



68%

32%

(Please refer to additional details under the "Sustainability Performance" topic)

## Performance Evaluation

The Company sets a policy to encourage employees with high growth potential for their career advancement and opportunities for job rotation according to their expertise and interests. The Company also possesses a systematic and ongoing performance management system to drive employees' performance to reach goals set by the Company. The Company has set performance metrics, goals, and clear performance evaluation models for all employees since the beginning of the year in accordance with the Company's strategic directions by using Key Performance Indicators ("KPI") model

in consistent with the Balance Scorecard assessment in terms of finance, customers, internal processes, and employee's performance appraisal which are used as goals setting tool with a mutual agreement between supervisors and employees. This is a process that places importance on the engagement between supervisors and employees to drive higher employee performance. To create collaboration within the organization and to raise operating performance standards, the Company has set KPI that all management and employees must be responsible for so that the KPI assessment reflects their

commitment in economic, social, and environmental dimensions, such as compliance with ISO/IEC 27001:2013, ISO/IEC 27701:2019 standards, so that employees can develop themselves. The Company has adopted a 360-degree Core Value, and Core Competencies as part of its evaluation models including comparative ranking in each group. Employee appraisal results will be considered from the overall picture of the performance appraisal results of all business unit throughout the Company. In order to meet the criteria set by the Company in


the form of Bell Curve to be used as an evaluation element as well. The employee’s performance appraisal results are linked to the consideration of their compensation throughout the organization to determine salary adjustments, bonuses, including clear promotion criteria, as well as regular follow up on the implementation of a defined action plan to motivate employees with superior performance and highly committed. 100% of the Company’s employees at all levels received a performance evaluation.

GRI 201-3, 401-2

Compensation and Welfare Management


The Company follows the compensation-based policy framework that focuses on providing fair compensation to employees according to their experience, competencies, performance, and competitiveness within the labor market. The Human Resource business unit is responsible to enact and review compensation and welfare policies as well as collaborates with well-respected human resource consulting firms to conduct annual reviews on compensation to be in line with industry standards and to use the obtained information for consideration

to improve compensation and welfare appropriately. The Company also provides various welfare programs such as retirement welfare program-in accordance with the Labor Protection Act, Employee Choice provident fund-by which employees can select investment policies that are in line with their expected return upon their retirement with acceptable risk level and employees can switch their investment policies during their tenure, Compensation Fund, and Social Security Fund, etc. In addition, employee’s supporting welfares have been provided as follows:



Full-time Employee

Contractor



**Welfare:**

**Salary | Overtime Pay | Training and Development**

**Maternity Allowance | Medical Expenses | Gift Baskets | Funeral Expenses**

**Financial Support for Marriage | Annual Health Checkups | Provident Funds\***

\*for full-time employee



#### Flexible working hours

Flexible working hours are available, which allows employees to choose time to go in and out of work within the timeframe specified by the Company. This arrangement is not available only during the COVID-19 period. It is implemented in order to reduce crowdedness in the office and reduce congestion during rush hours.



#### Workplace Flexibility

To prevent and reduce the spread of the COVID-19, the Company announced various arrangements, including Work from Home, by providing equipment, systems and workflows to support employees in every situation.

### PARENTAL WELFARE



#### Pregnant employees

Pregnant employees are entitled to take not more than 98 days of maternity leave, including leaves for prenatal examinations, which is more than the 45 day legal limit. It is leave with pay, throughout the entire period, however, for no more than 60 days. Holidays that fall upon the period are included.



#### Job rotation for pregnant employees

In the event of a pregnant employee has a medical certificate specifying that the said employee cannot continue working the same job, the employee has the right to request the Company to temporary change the current job before or after giving birth. The Company will consider changing an appropriate job for the said employee.



#### Arrangement of breastfeeding rooms

Arrangement of the first-aid rooms as breastfeeding rooms to promote the well-being of mothers and children.



#### Gift

Giving a gift bag for male employees whose wives give birth in the amount of Baht 2,000 per child, up to 5 children.

## Freedom of Association

GRI 2-30

The welfare committee in the workplace has duties to discuss with employer regarding to employee welfare management.

### Welfare Committee

Management and  
secretary Representative

Employee  
Representative



30%

70%



- The percentage of the total number of employees protected by the welfare committee in the workplace is 100%.
- Setting the welfare committee in the workplace with employees' representatives as a voice in considering agreements that may have a positive or negative impact on all employees: to earn rights and receive good welfare, possess high morale, eager to engage with the organization, and continue providing good service to the Company's customers.
- Supervising, controlling, and monitoring employee welfares provided by employer.
- Consulting and providing suggestions to employer regarding employee welfare management.
- Offering recommendations and guidelines on employee welfare management that benefit employees to the welfare committee.
- Giving employees the right to participate in political activities under the constitutional and legal provisions.

## Termination

The Company has clear rules and processes of termination in accordance with the law in case of resignation, retirement, advance notice, and compensation payment, etc.

## Human Resource Development

GRI 404-2

### Learning Organization

KTC stands out for its Learning Culture that encourages all employees to unceasingly develop their potential by setting goals in organizing training or implementing employee competency development programs every year.

## Competency Development and Promotion of Employees Career Advancement

### 1. Human Resource Development Planning Principles

The Company possesses a wide range of tools such as Job Profile, Competency and Core Values; as well as conducts People Analytics, which are used for information planning and identifying personnel management and development strategies such as strategic workforce planning, recruitment and hiring, skills gap analysis, identifying employee retention risks, measuring employee performance, competitive intelligence, and analyzing organization networks, etc.

### 2. Strategic Workforce Planning

To uplift personnel's competencies in a dynamic changing world, the Company prepares a crucial tool to perform a gap analysis between the characteristics of the current workforce and the desired workforce to identify human resource strategies, including strategic workforce planning to select, manage, develop, allocate compensation, or adjust personnel positions appropriately. This considered as a data-

driven framework that leads to prominent business results. As such, employees possess crucial qualifications such as right mindset, right skills culture fit and job fit which make them ready to respond to current and future needs that are in line with the organization's strategies, business trends, and competition in the workforce market. This framework enables KTC to make better management decisions, such as expanding employee's recruitment channels, delivering "Happiness by Design" to reward employees in both monetary and non-monetary forms, training that covers a wide range of needs, creating agile learning environment and ecosystem across the Company, creating good experiences for employees throughout their time working with the Company, and enhancing the organizational engagement to make the Company a "Happy Workplace" for current employees and potential candidates.

### 3. Knowledge and Understanding Enhancement

The Company has set human resource development guidelines for employees at all levels with unlimited rights to learn. Employees can request to attend internal and external training courses through all platforms. In addition, the Company has integrated the business operations policy as an important part in providing knowledge and courses that promote knowledge, capabilities, skills, and competency that are important, necessary, and appropriate to roles, duties, and responsibilities in each position and facilitating successful work in accordance with specified objectives and working standards. An annual Learning & Development Master Plan was created to upskill, reskill, and build & bridge capabilities to accelerate learning through experience and strengthen learning culture as follows:

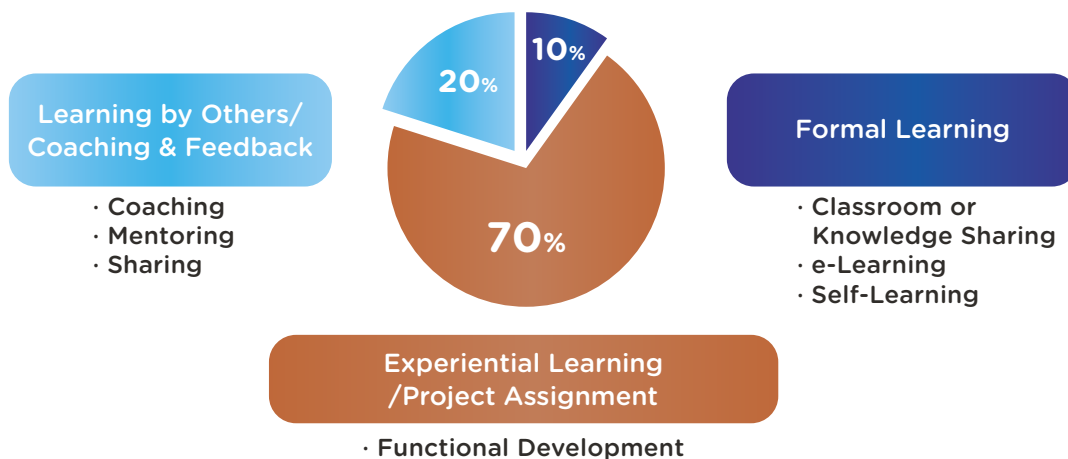
#### 3.1 Learning Catalog

KTC has a policy to continuously develop all employees' potential at all levels, so they possess knowledge, capabilities, and competencies in accordance with their responsibilities and ready to respond to business directions especially changes in social and business environment in the digital era.

Throughout 2022, the Company provides internal training and seminars, study visits with external institutions both domestically and internationally. Various learning projects and activities are organized, including exchanges and learning amongst each other within the organization through knowledge sharing, internal coaching has been arranged to discuss and discover employees' potential, establishment of a community of experts or community of practice (COP), knowledge sharing

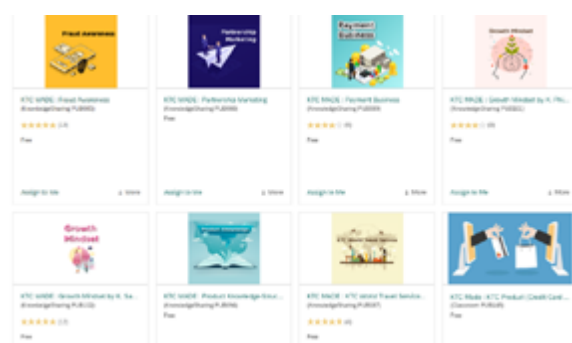
from experts in various departments through the project called KTC Made, provide knowledge or new trends for employees to update through KTC UNITE platform, and provide learning materials that can be learned anywhere anytime any device from various electronic channels (e-Learning), which employees can easily accessed these sources of knowledge for self-development.

KTC promotes KTC Learning Culture by opening opportunities to employees to select learning methods that suit them under the Blended Learning 70:20:10 framework. The Company has gathered knowledge from various sources for interested employees to participate in learning in various forms as follows:



#### 1) Experiential Learning

"KTC Made" is organized to provide knowledge and share experience from experts in their fields to interested employees for better understanding of business operations in each department. It emphasizes sharing, asking, answering, and discussing, which has received a lot of attention and feedback from employees.





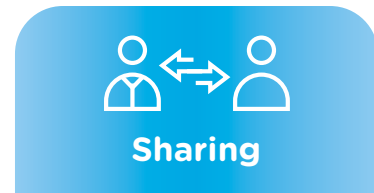
## 2) Learning by Others



The process of working together between the coach, a person who stimulates thinking or unlocking something in the coaches, and the coachees will have higher potential through various methods and tools, which lead to learning and self-awareness to change. This includes implementation with thorough thoughts, understanding, skills, and coachees' capabilities. KTC has developed 41 management to be internal coach and given opportunities for interested employees to join coaching session with internal coach.



The process of teaching process where people who are experts in their fields provide knowledge, advice, and suggestion to employees by focusing on appropriate work processes as well as steps and problem-solving guidelines. A mentor passes on their experiences, knowledge, and capabilities to employees so they can perform assigned tasks effectively. Mentor must also take care of employees' well-being while working in this organization.



The process of learning where groups of people who share common interests come together and exchange knowledge voluntarily to jointly create understanding or develop practices in that matter. KTC currently organizes sharing activities both in terms of knowledge sharing and interesting experiences or success stories after applying exchanged knowledge.

## 3) Formal Learning



Classroom Training focuses on learning from participants in various departments/positions. Human resource organization development: HROD team is responsible for organizing internal training and facilitating employees to participate in external training with appropriate agencies.



Focuses on self-time management skills to be able to learn in e-Learning form through SAP success factor system or learning platform from leading institutions anywhere and anytime to facilitate employees who are eager to learn but have various limitations and have physical barriers to access learning equally. Learning in e-Learning form focuses on management administration or managerial skill topics.



Self-Learning focuses on self-practice from learning catalog through various learning channels such as reading books, studying work instruction, researching information via the Internet, learning from e-Learning, or asking knowledgeable person, etc.

### 3.2 Outstanding Training in 2022

#### Course No. 1: Professional Manager Program

“Manager” is a person who plays an important role in the organization, not only managing the team and the organization’s goals but also managing subordinates in the team to communicate and provide working directions, as well as developing the team’s potential to have continuous knowledge and capabilities. Thus, the professional manager program training course was organized with 143 participants, details are as follows:

1. Create a concept of being a qualified manager by starting at self-development in overcoming various challenging obstacles.
2. Enhance important skills of being a manager so he/she can apply to and be accepted by the team.
3. Enable manager to apply various team management techniques appropriately with each situation.
4. Uplift manager’s people management skills to be a quality manager who understand his/her role as a team leader that can manage time and people effectively by emphasizing on the mindset of being manager at middle management level who must manage expectations of upper-level executives and subordinates. Furthermore, he/she must be able to manage work and time strategically according to goals and within (limited) resources. Most importantly, team members or subordinates must be able to bring the team to success in various forms and win the hearts of the team.



#### Employee Benefits



1. Understand the roles and responsibilities of supervisors and can create acceptance.
2. Able to lead the team in terms of performance and quality of work to achieve the goal.
3. Learn to manage subordinates

#### Company Benefits



1. Valuable contributions can be made.
2. Build quality people and teams

#### Course No. 2: Knowledge sharing from the management who have attended courses from leading international institution.

The Management have attended seminars with world-class institution, IMD (International Institute for Management Development) and have applied that knowledge to work or to further extend that knowledge to benefit their work. In order to pass on knowledge and share experiences, there were 2 knowledge sharing seminars: How Business to Deal with Change and Structure Problem Solving, which received overwhelming feedbacks from employees. There were 147 participants attended, details are as follows:

#### How Business to Deal with Change Topic

- 1) Create awareness regarding to changes that occurred and impact on current business operations.
- 2) The need for an organization to prepare forward looking regarding changes or trends that may occur.
- 3) Case studies of various factors that cause companies failing to adapt to new changes.
- 4) An overview of tools used to manage various changes in a timely manner.



### Structure Problem Solving Topic

Lessons related to learning that an organization must consider for strategic decision making appropriately and efficiently by considering several decision making factors as follows:

1. An appropriate level of stakeholders' participation in the decision-making process.
2. The need of good questioning in order to obtain necessary input for decision making.
3. Select an appropriate decision making style.
4. Systematic problem solving and decision making.



#### Employee Benefits



1. Learn principles of problem analysis and decision making.
2. Develop systematic analysis and decision making.

#### Company Benefits



1. No serious problems or consequences
2. Prevent future problems

### Course No. 3: Online Learning

Online learning is a method to develop knowledge and skills through technology connected via the internet which can be accessed conveniently, quickly, anytime, anywhere, whether to study the program, online teaching materials, or various learning platforms. KTC has collaborated with leading learning institution, Beyond Training, in selecting 30 training topics that are suitable for all 6 KTC core competencies with content that matches target group by focusing on self-management, people management, and team management. Thereby, the platform is handy and easy to use with assessment tests both before and after class to measure employees understanding. Employees who join the platform are the one who attend activities or the Company's campaigns such

as group of employees with the highest learning hours. They apply to participate by themselves where everyone can participate and learn continuously. The results can be monitored through the dashboard which is another way to stimulate learning. There were 260 participants attended. After learning through online-learning, the organization also emphasizes on knowledge transfer. Therefore, it has organized sharing and discussing useful topics and applying them through knowledge community in the KTC UNITE.



#### Employee Benefits



1. Upskill and Reskill
2. Apply to work to achieve quality and efficient work

#### Company Benefits



1. Create a learning culture
2. Knowledgeable personnel with ability to drive the organization

GRI 205-2, 2-24

**Other Courses** In addition, KTC also organizes various online courses for knowledge and understanding enhancement and assessment throughout 2022 as follows:

## Corporate Governance Policy & Code of Conduct

Course content covers anti-corruption, good corporate governance policy, code of conduct, social and environmental considerations, and respecting human rights.



### Benefits

- Employees are aware of corporate governance policy, code of conduct, as well as anti-corruption.
- There is no report of corruption occurring in the organization.
- Employees work properly according to regulations such as securities trading, send and receive the gift etc.

### Indicators

Knowledge and understanding enhancement  
100% of total employee

### Results

100%

### Participants

100%

## Market Conduct principles in accordance with the Bank of Thailand



### Benefits

- Employees possess knowledge and understanding of market conduct principles.
- Employees are aware of offering or providing financial products in compliance with market conduct principles.
- Employees can provide precise and effective services to customers.

### Indicators

Knowledge and understanding enhancement  
100% of total employee

### Results

100%

### Participants

100%

## Information Security Management System course (ISO/IEC 27001:2013) and Privacy Information Management System course (ISO/IEC 27701:2019).



### Benefits

- Employees possess knowledge and understanding of laws related to personal data protection.
- The Company gains customers and stakeholder's trust.
- Employees place importance to information security and privacy information.

### Indicators

Knowledge and understanding enhancement  
100% of total employee

### Results

100%

### Participants

100%

## Risk Awareness

Course content covers risk definitions, risk management processes, operational risks, business continuity management and communication through communication tree, which include knowledge of sustainable business practices and ESG risks for employees to apply in their works beneficially.



### Benefits

- Employees possess knowledge and understanding of enterprise risk management criteria.
- The Company can control risks effectively. This is partly due to employees possessing knowledge, understanding, and being aware of risks that started from employees themselves.

### Indicators

Knowledge and understanding enhancement  
100% of total employee

### Results

100%

### Participants

100%

## AML/CFT & WMD course

Course that provides knowledge on Anti-Money Laundering Act and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Act.



### Benefits

- To enable employees who must meet or provide services to customers and general employees to possess knowledge and understanding of laws related to AML/CFT & WMD principles.

### Indicators

Employees who must be trained in accordance with all regulations scored at least 70%

Generated employees scored at least 85%

### Results

100%

### Participants

100%

## Digital Innovation for Learning

The Company has developed 2 learning platforms as follows:

### 1. KTC UNITE: Platform to Learn

"KTC UNITE", a digital innovation for employees as an internal communication channel to discuss and share important news at any given time such as policies or messages from executives, suggestions, and invitations to join activities that reflect Core Values and Core Competency to create organizational

engagement. It is also, a channel for knowledge sharing from inside and outside the organization. Knowledge Community has been created on various matters that the Company is interested in or current trends that are useful for work.



PROMOTION



KTC INFLUENCER CLUB

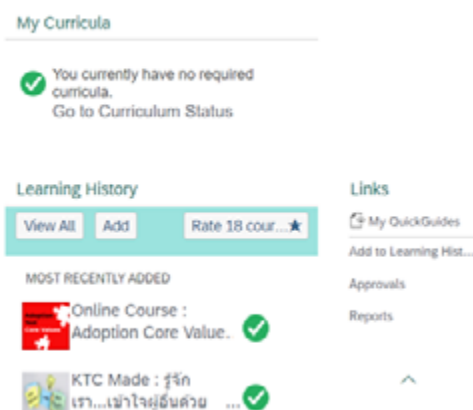


KTC JOURNEY



### 2. SAP: Learning Management Platform

The Company has provided a Learning Management System (LMS), which is one of the modules in SAP Success Factor to manage employees learning and training development in the Company. It consists of interesting courses for employees to find, learn and able to collect various development training data. The data can be used to analyze employees' development in the organization as well.





## Average Training Hours in 2022

GRI 404-1

With the KTC UNITE learning platform, various courses were selected for employees and linked with external learning resources such as Mind DOJO, SET, Beyond Training and Skill Lane, etc. Employees can choose to study according to their interests together with campaigns to encourage

self-learning and collecting training history under the campaign “Top Learner”. As a result, the average training hours per employee increased from 57.04 hours in 2021 to 64.38 hours in 2022. Details are as follows:



Human resource development data	2022
Average training hours per full-time employee	64.38 Hour/Persons/Year
Average number of employees	1,689 Persons
Total number of training hours	108,744 Hours

Remark: The data represents the number of employees who attended training based on the training topics offered to 100% of full-time employees.

## Motivating and Retaining Employees

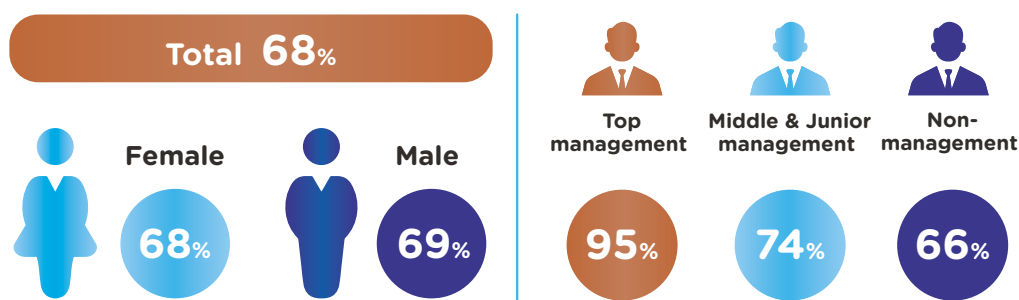
### 1. Employee Satisfaction and Engagement Surveys

The Company places significance on fostering employee engagement by conducting employee satisfaction and engagement surveys once a year. Employees were invited to express their opinions via a third party's survey channel in which satisfaction levels were divided into 6 levels. This gives employees peace of mind in providing information since it does not show individual survey results. The Company communicates the satisfaction and engagement survey results to employees throughout the

organization via e-mail to acknowledge, improve, develop, and manage several factors that enable employees to live a good life and the Company to be a Happy Workplace. This is not only to retaining personnel who are talented, adequate, to be proud and want to work with the organization, but it is also creating a strong organizational image (Employer Branding) and attracting people to come work with KTC (Employer of Choice).

### 2. The Level of Employee Engagement 2022

## The Level of Employee Engagement 2022



The number of employees who attended employee engagement surveys was 100% of the total employees. The Employee Engagement Survey result did not meet the target of 76%, the result was 68%. However, the trend is expected to be higher comparing to the year 2021 of 66% due to COVID-19 situation. Although measures have begun to relax to a certain level, but it still affected employees' feelings as well as changes of working arrangement from work from home back to normal work from office as usual. It was likely that satisfaction and engagement scores were decreased in the same

direction around the world, especially during the second to the fourth quarter of 2022 with the impact of the COVID-19 both Delta and Omicron variants. It affected employees' feelings toward dealing with family and work life balance. All these changes cause stress and concern for employees regarding their health and family safety and job security (Psychological Safety). As such, the Company has developed projects to enhance satisfaction and engagement level according to the set plan throughout 2022 such as

### **2.1 Work/Life Balance**

The Company still places importance on employees' health and continues to strictly follow the Ministry of Public Health measures. In term of stress, activities have been organized such as inviting doctors / psychologists to provide knowledge on stress management and emotional management for employees. There is also a campaign on psychological

safety in the workplace, which is one way of creating a trusted organization culture within the organization, as well as organizing activities for relaxation through an online platform on a monthly basis. Offline activities such as annual football competition and staff party also provided, which conducted under public health guidelines to prevent the outbreak, etc.

### **2.2 Enabling Infrastructure**

The Company has upgraded the network system for efficient operations and improved the work station to reduce congestion, and added comfortable facilities that are more conducive to work.

### **2.3 Career Opportunity - Job positions restructuring**

To enhance satisfaction and engagement level in 2023, the Company continues to focus on communication and listening to employees through the Company's communication channels, both online channels through KTC UNITE platform and the "CEO Live Talk" program, which organized on a monthly basis, and through offline channels. The objective is to listen to employees' voice by giving them the opportunity to join Live session, ask questions and talk to the CEO live, as well as leave questions through the system for the CEO or executives to answer questions to create further understanding so that they can see a glimpse of their career growth path for further development. All of which are expected to increase employee satisfaction and engagement level continuously.

The Company still conducts a satisfaction and engagement results analysis, formulates operation plans at the organization level and the department level. Surveys' score results, together with analysis and solutions are reported to executives. The department's representatives who organize engagement activities (People Champion) acts as a delegate who listen to suggestions and opinions toward activities arrangement, communication method that meet employees' various needs, participate in defining additional activities and plans, as well as monitoring performance throughout the year to promote higher employee satisfaction and engagement level. HR business partner acts as an adviser providing support closely.

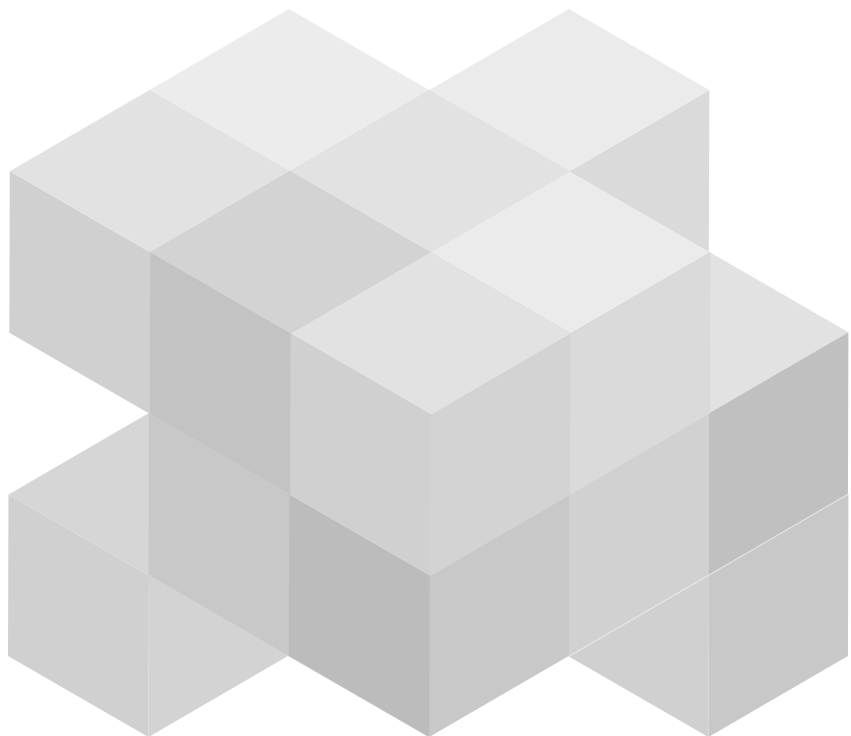


## Succession Planning

The Company initiates the Succession Planning program to outline and search for personnel who possess adequate qualifications with knowledge and capacity that match the Company's operational direction for a sustainable growth in the future. The Company has prepared 2 parts together. The first one is the person who will replace or hold a senior executive position (key position) and another one is the person with highly impact the organization's operation position (critical position). There must be someone holding these 2 positions all the time in

order to prevent business interruption. The procedures and selection processes needed to be systematically laid out with proper principles and well agreed upon. The Company initially focuses on the selection of internal employees who have experienced with well accepted performance. Then knowledge and leadership development are provided so they will be ready to manage people in order to carry on the Company's mission. It is also regarded as good management practice to protect all stakeholders, business partners, and customers' interests.

(Please refer to additional details under the "Additional Information" and "Sustainability Performance" topics)



# OCCUPATIONAL HEALTH AND SAFETY



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
Absenteeism rate equals 0% <sup>(1)</sup>	Absenteeism rate equals 0% <sup>(1)</sup>	Absenteeism rate equals 0% <sup>(1)</sup>
Number of incidents from work <sup>(2)</sup> equals zero	Number of incidents from work <sup>(2)</sup> equals zero	Number of incidents from work <sup>(2)</sup> equals zero

Remarks : <sup>(1)</sup> The target is absenteeism as a result of work-related injuries.  
<sup>(2)</sup> Reported via HR and the GS Online System.

GRI 3-3

The Company is aware of employee rights to security and safety and also cares about health and safety in the working environment. It strives to be an accident-free organization that provides happiness and good quality of life for employees. To do that, it promotes knowledge, understanding, and sense of responsibility for occupational health and safety. It raises awareness of causes and impacts of occupational accident and hazards. It arranges working areas according to the laws in terms of occupational health and safety environment for employees. This is to continuously reduce risks, worries and prevent work-related accidents or injuries.

## Occupational Health and Safety Policy

GRI 3-3, 403-1

The Company has applied national and international principles of law relating to health and safety in the workplace in the Company's occupational health and safety environment policy. The policy approved by the Management Committee and equipped with the following objectives :

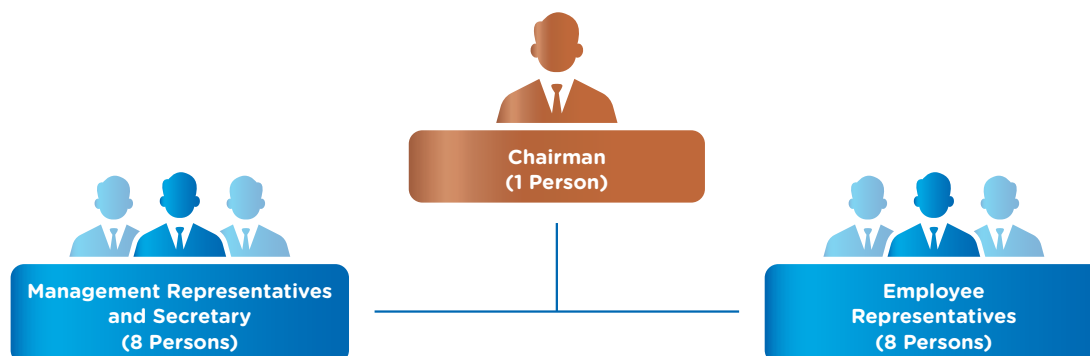
- To determine the management structure for occupational health and safety environment, including its scope and responsibilities.
- To provide guideline in establishing and maintaining a management system for occupational health and safety environment.
- To reduce the risk of harmful incidents and accidents for employees and customers in the workplace
- To improve and promote safety in business operations of the Company.
- To prevent loss that may occur from incidents, emergencies and crises as well as promote occupational health and safety environment in the workplace.
- To create a safety culture, including implementing the safety management process to ensure everyone's safety.
- To control and develop operations that focus on quality, stability, occupational health and safety environment from the beginning to the delivery of services to customers.
- To communicate the operation to its full effectiveness, in terms of quality, stability, occupational health and safety environment, to all stakeholders inside and outside the organization. This includes listening to and reviewing the needs and expectations to improve operational procedures.

## O OHS Governance Oversight

GRI 403-4

The Company has established various committees to ensure that the Company has proper governance oversight and management of occupational health and safety as follows:

### Occupational Health and Safety Committee



### Occupational Health and Safety Committee

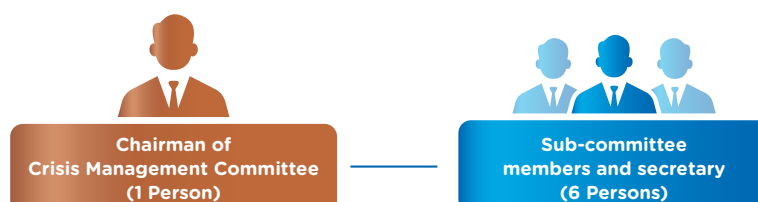
The Occupational Health and Safety Committee consists of the management representatives and employee representatives. This Committee is responsible for efficiently manage safety in the following areas:



### Crisis Management Committee

The Crisis Management Committee consists of the Chief Operations Officer, as the chairman of the Committee, and other management representative from various business unit.

### Crisis Management Committee



The Committee is responsible for determining the scope of the Business Continuity Plan (BCP) to support various crises such as disasters, epidemics, fires, etc. It is responsible for making decisions, activating the plan and overseeing its implementation to ensure that the Company critical business transactions can be carried out continuously.

## OHS Management

GRI 403-2, 403-3, 403-6, 403-7

The Company has taken action to ensure the occupational health and safety environment are effectively managed, as follows:

- Identify Environmental, Social, and Governance (ESG) risks that cover occupational health and safety environmental factors in the workplace. In the event that risks are at a relatively high or higher level, relevant departments must develop response plans and report to management.
- Provides training on Occupational Health and Safety protection to its employees and related parties.
- Be mindful of the laws and regulations regarding OHS environment as well as procurement and service provision.
- Incorporate safety targets into the Key Performance Indicator for evaluating the performance of relevant departments, ensuring effective management in case of incidents, and completing necessary actions in a timely manner.
- In the event of an accident at the workplace, the affected individual may report to the department head, the general service or human resources business units to organize medical care. The Company has first-aid rooms for initial treatment and emergency medical services may be called. The Company also has vehicles ready for emergency transportation to nearby hospitals. Additionally, the Company provides annual health check-ups and provides group life and health insurance for all employees.
- Provide channels for employees to report incidents regarding safety hazards in the workplace.

GRI 403-5

### Promoting of Knowledge on Health and Safety

Health and safety are important factors for the sustainable growth of an organization. To create awareness and ability to handle risks from working environment, the Company has organized two health and safety training courses for employee in 2022. The main topics of the training are as follows:

Topic 1	Topic 2	Topic 3
Knowledge on Safety in the Workplace	Occupational Health and Safety Laws	Regulations on Occupational Health and Safety
Training Evaluation Results are 9.5 (out of 10)		

In addition, the Company continues to educate employees on occupational health and safety by disseminating knowledge through emails and the Company's KTC UNITE platform, allowing for widespread and timely access. This helps employees to have a correct understanding of how to take care of their physical and mental health, reducing anxiety and minimizing the risk of injury or illness from work. This promotes a positive and responsible culture of health and safety in the workplace.



## Risk Reduction in Outbreak Situations

The Company announced measures to prevent and reduce the spread of COVID-19, including the Work from Home measure and the rights to take leave during the pandemic. In addition, it also took care of employees in such distressing situations such as communicating quickly and accurately about the situation of the COVID-19, closely supported employees who were at risk or had been exposed to COVID-19 or provided vaccinations for employees, etc.

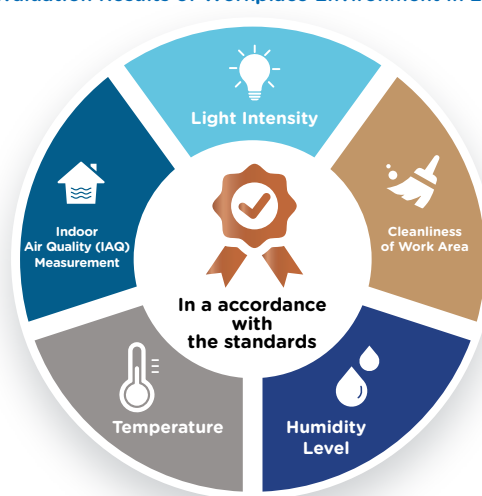
(Please refer to additional details under the “COVID-19 crisis management” topic)

## Arrangement for Appropriate Working Environment

The Company provided a suitable and ready-to-use working environment, in accordance with legal standards and suitable for various usage as follows:

- Ensure a suitable working environment by controlling the intensity of light, designing to determine the positioning, and selecting the appropriate type of LED light bulbs to provide adequate lighting in each work area such as workstations, meeting rooms, and resting areas, etc.
- Ensure that the temperature within the office premises is suitable and consistent with the level of occupancy and type of work activity, by adjusting the temperature accordingly.
- Establish a cleaning schedule to improve the air flow of the air conditioning system, using air purifiers in the workplace to prevent the spread of diseases, and performing this regularly every three months.
- Conduct regular inspections of the office premises and building systems (General Service Building Inspection) to ensure compliance with occupational health and safety environmental standards in the workplace, with proper documentation, reporting, and correction to minimize any potential risks in the workplace, in consultation with external advisors.
- Regular cleaning and sanitation inspections and assessments of the workplace in each department to ensure cleanliness is maintained (5S project).

Evaluation Results of Workplace Environment in 2022



In 2022, the Company arranged safety quality assurance construction management, inspection of work equipment after installation, illuminance and humidity, by external agencies.

## The provision of channel for reporting any safety hazards incurred from the usage of the facility.

The Company provides channels for employees to report issues or risks associated with the use of the premises, in order to rectify, repair, or prevent potential hazards in the workplace. In the past year, there have been 617 incidents reported through the GS Online channel, which were all addressed and resolved at 100%. These incidents were primarily related to reporting repairs for electrical equipment, damaged furniture, and damaged bathrooms. There have been no incidents that have resulted in safety hazards or harm to employees.

## Collaboration with building management in the conduction of fire drills

In order to ensure the safety of employees as tenants of the office building, the Company collaborated with the building for regular fire drills every year. In 2022, coordinators and fire wardens were assigned for each department. The Company participated in a fire drill with Thai Summit Building on March 25, 2022 and with UBC II Building on April 8, 2022.

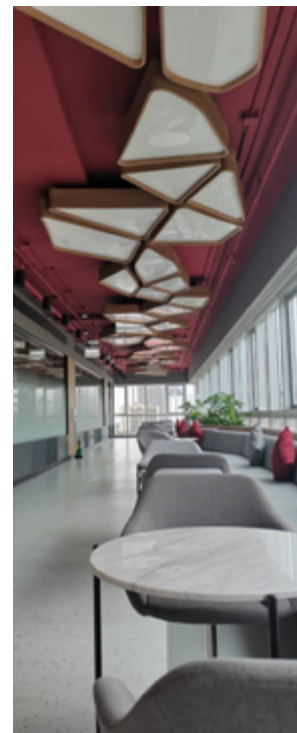
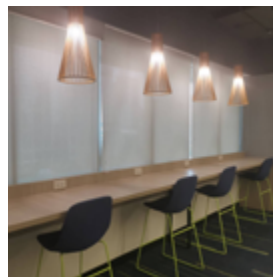
## Initiative to support physical and mental wellness,<sup>(1)</sup> ergonomics<sup>(1)</sup> and overall mental and physical well being

The Company conducts various activities to support physical and mental well-being, as well as stress management, among its employees. The Company provides a comfortable work environment and organizes activities to help employees relieve work-related stress and improve their physical and mental health. The Company also arranges activities that promote teamwork and positive relationships within the organization. Throughout the year, the Company organizes a diverse range of activities.

### Physical Aspect

#### • The Arrangement and Design of Relaxing & Common Areas

KTC has improved the office space by accepting ideas and inspirations from all employees to make their work experience as enjoyable as possible. Employees can change their work environment as they please, whether during or after work hours, without being limited to their work desks. They can also share ideas or have online meetings anytime to adapt to the changing trends of technology and society. The Company places emphasis on creating a relaxed, minimalist and modern atmosphere, equipped with comfortable amenities and innovations that enhance work performance. There are also play areas, private phone booths, vending machines, and relaxed work areas. The Company believes that when employees are happy, their work performance improves. This leads to better products and services for customers and business partners. KTC has made improvements and allocated more space for Relaxing & Common Areas for employees, including the UBCII and Thai Summit buildings, opened for use in 2023.



#### • Physical Exercise Activities



The Company provides badminton and football clubs for employees to join, based on their interests, to promote healthy lifestyles and support physical activity. The clubs have been organized since year 2006. In year 2002, the Company has prepared a badminton court for employees who are interested in the sport to participate in daily Friday games throughout the year. Additionally, the Company organizes an annual football competition among 9 participating teams from various business unit and related companies. This event helps to build good relationships within the organization and is carried out in accordance with strict health and safety regulations, with the safety of employees being a top priority.

Remark: <sup>(1)</sup> Ergonomics refers to the science or practice of fitting work conditions to the workers, or improving work processes in a systematic manner, in order to work correctly, efficiently, reduce errors in work, improve safety, reduce stress and fatigue from work.



## • “KTC CHALLENGE” body management program and anti-office syndrome

KTC invited physiotherapists from the Rebalance Institute to educate and teach different body management techniques to the employees, which they can do at their own desk or work area. The Company has arranged ongoing activities for employees to practice various techniques and post clips or photos of themselves on the KTC UNITE with captions or messages inviting others to keep away office syndrome. Prolonged sitting, may cause symptoms such as headaches, neck, and lead to shoulder pain.



## Mental Aspect

### • The Inspiration Talk event “Managing Stress, Pressure, and Understanding Depression Issues”

“Employees” are considered as a valuable resource and foundation of a successful organization. In today’s work environment, the impact of the COVID-19 pandemic has added to the stress levels of employees. Recognizing this issue, a seminar has been organized to educate and provide understanding on the topic of “Managing Stress, Pressure, and Understanding Depression Issues”. The seminar is open for all employees, regardless of their job position or qualifications, to participate in both offline and live formats. The purpose of the seminar is to increase awareness and understanding of stress management, pressure, and depression issues, and to apply this knowledge in daily life. Participants will also learn to self-observe and take care of themselves and those around them.



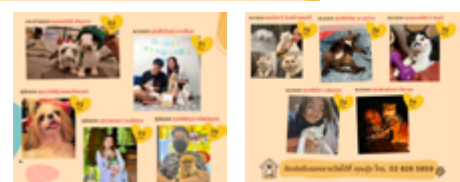
### • KTC Nopamas Fashion Contest Event

The Company organized an event for employees to participate in the Thai tradition through the KTC Nopamas dress-up competition. The opportunity is open to all genders, ages, and groups, including the diverse LGBTQI+ community, to showcase their creativity and design skills through equal opportunities. The presentation of the outfits will be recorded on video and shared on the Company’s KTC UNITE platform, and all employees will have the chance to vote for the best-designed outfit in this event to receive a prize.



### • “Contest of Loved Pets” program

The Company organized an event for its employees to take pictures with their beloved pets and showcase them to their colleagues in the KTC community. This event aims to create better relationships among employees who share the same love for pets, by providing a platform for discussion and exchange of pet-related ideas through KTC UNITE. The 10 pictures with the most likes will be the winners and receive awards.



### • “Mother’s Day” Event

The Company organized an activity for employees to express their love for their mothers through the KTC UNITE platform by posting photos of themselves and their mothers, showcasing the love and bond within their families. Employees are encouraged to use their creativity to come up with interesting ways to communicate their messages during the “Mother’s Day Celebration” event. The activity aims to highlight the love and appreciation that employees have for their mothers, who are loved and cherished.



### • “Why Keep? It has to be kept?” Event

The Company organized a stress-relief activities for employees. It can be easily started from things near at hand, by reviewing oneself and identifying what has been kept at home but not used. This encourages everyone to give importance to organizing their own home and be able to explain the reasons for keeping those belongings. When the surrounding environment is good, the stress and anxiety levels decrease, and

efficiency increases. Employees participated and had fun by posting the items they kept on the KTC UNITE platform.



## Welfare arrangement for Employee

	<b>Annual Health Check-up</b> Annual Health Check-up for Employees includes inpatient and outpatient medical treatment benefits for employees and their families at leading hospitals. Benefit from the Company covers the health insurance premium for the families of employees.
	<b>Vaccination</b> Provision of vaccination against various diseases for employees and their families at a special price such as influenza, hepatitis B, etc
	<b>Health Care</b> Taking care of employees who fall ill by monitoring, following up, and recording information about their illnesses, and providing medical care until they are able to return to work normally.
	<b>Medical Room</b> Provide a two-bed first-aid room each at UBC II and the Thai Summit Building to provide medical services with basic medicine, first-aid medical supplies and a nurse in the first-aid room to provide health advice to employees according to appropriate standards.
	<b>MOU Signing with Hospitals</b> The Signed a memorandum of understanding or MOU with hospitals to readily transport employees to receive emergency treatment, which has been cooperated for more than 6 years.



**In 2022,**  
Total number of employees  
who underwent to  
health check-up  
**1,269**  
employees



**In 2022,**  
Total number of  
employees who  
received  
vaccinations  
**350**  
employees

## Occupation Health and Safety Information

GRI 403-9, 403-10

### Sick leave



0

Incidents per  
working hours

=

### In 2019-2022

- Rate of recordable work-related injuries
- Rate of high-consequence work-related injuries (excluding fatalities)
- Lost Time Injury Rate
- Lost Day Injury Rate
- Rate of fatalities as a result of work-related injuries
- Occupational Disease Rate
- Lost Day Rate



### In 2019-2022

Total number of  
absenteeism as a result  
of work-related injuries

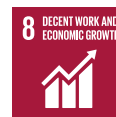
= 0

Days



(Please refer to additional details under "Additional Information" and "Sustainability Performance" topic)

## COLLABORATION WITH PARTNERS FOR SUSTAINABILITY



GRI 3-3

Long-Term Target 2026	Target 2022	Performance 2022
Collaborating in 8 projects with public or private sector.	Collaborating in 5 projects with public or private sector.	Collaborating in 5 projects with public or private sector.

GRI 3-3

KTC is committed to sustainable business and solicits cooperation from its business partners to ensure robustness of sustainable operation and pass on sustainability to the society at large. In 2022, the Company collaborated with various business partners in public and private sectors as follows:

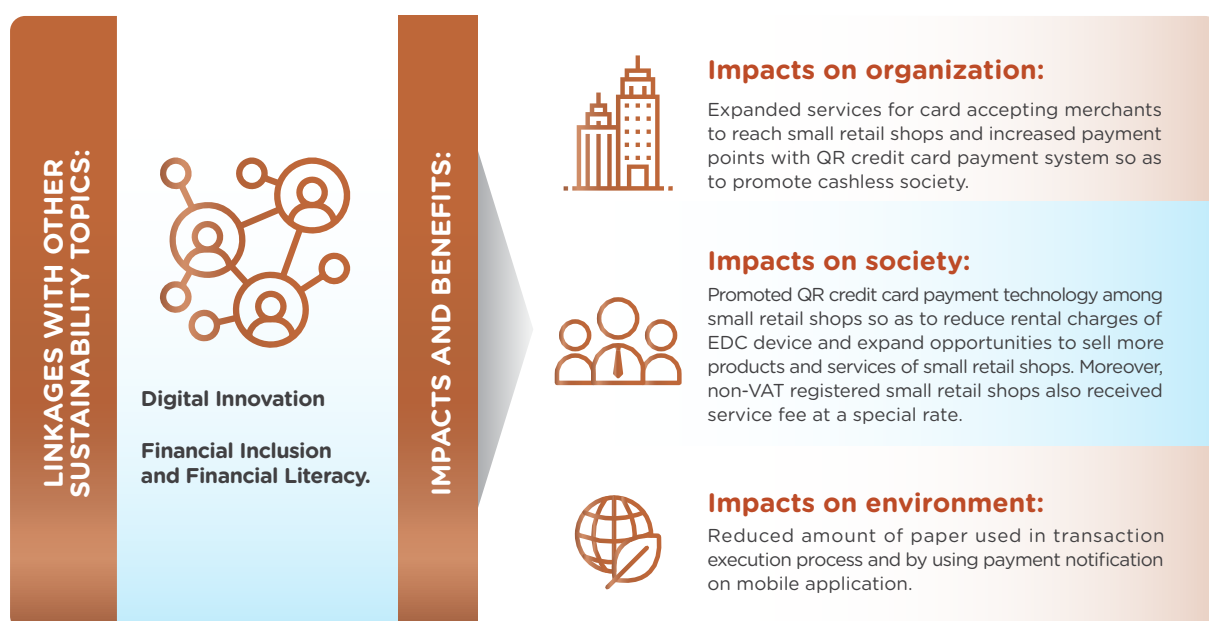
GRI 3-3, 203-2

### Bank for Agriculture and Agricultural Cooperatives (BAAC)

#### Services for merchants accepting QR Code payment and e-Commerce merchants

KTC and BAAC entered into a business cooperation agreement to provide payment services to serve members of BAAC's Nong Hom Chang shop by using QR credit card payment system on Visa and Mastercard networks. Notably, KTC was the first credit card issuer to use this QR payment system in Thailand. The payment channels enabled payment of products and services of Nong Hom Chang shop members with mobile application. These members

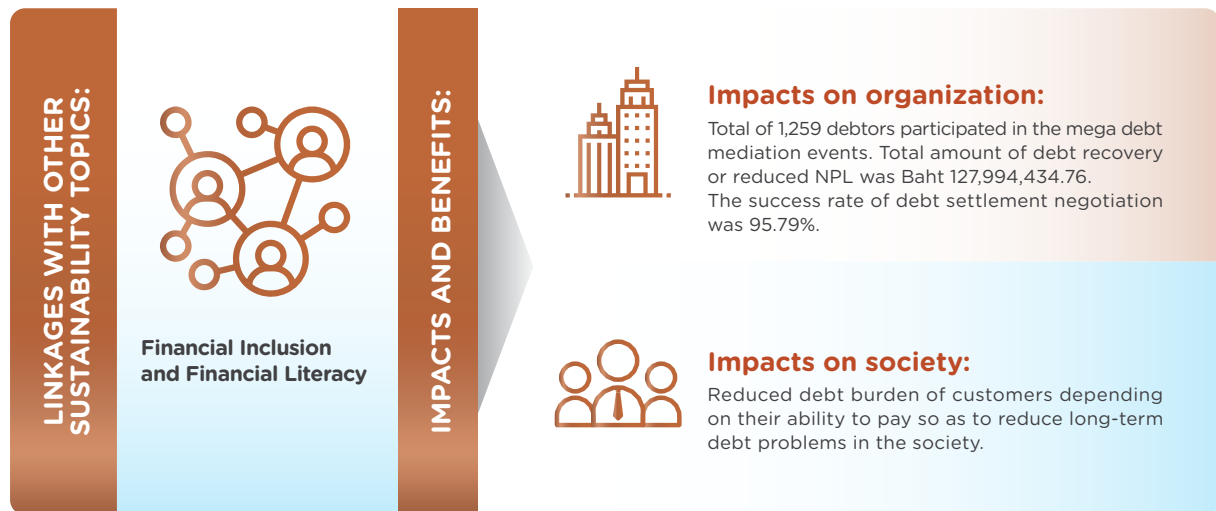
consist of retail stores, farmer community enterprise shops, Smart Farmer groups, and non-VAT registered small retail shops. Moreover, this payment scheme can increase market opportunities through access to a modern, convenient, safe payment system which can meet the needs of new lifestyles. It can also reach new credit card customer groups that will expand opportunities to sell more products and services to new customer groups other than existing customers.



## Legal Execution Department

### Mega debt mediation and settlement event

KTC and the Legal Execution Department have collaborated for eight consecutive years to organize two mega debt mediation and settlement events in 2022. The aim is to seek dispute resolution so that debtors can repay outstanding debts depending on their ability to pay and to minimize disputes in the legal execution stage.



## The Stock Exchange of Thailand

As a part of collaboration effort to drive society toward sustainability, KTC representatives, as the member of SET ESG expert pool, had participated in the following events.

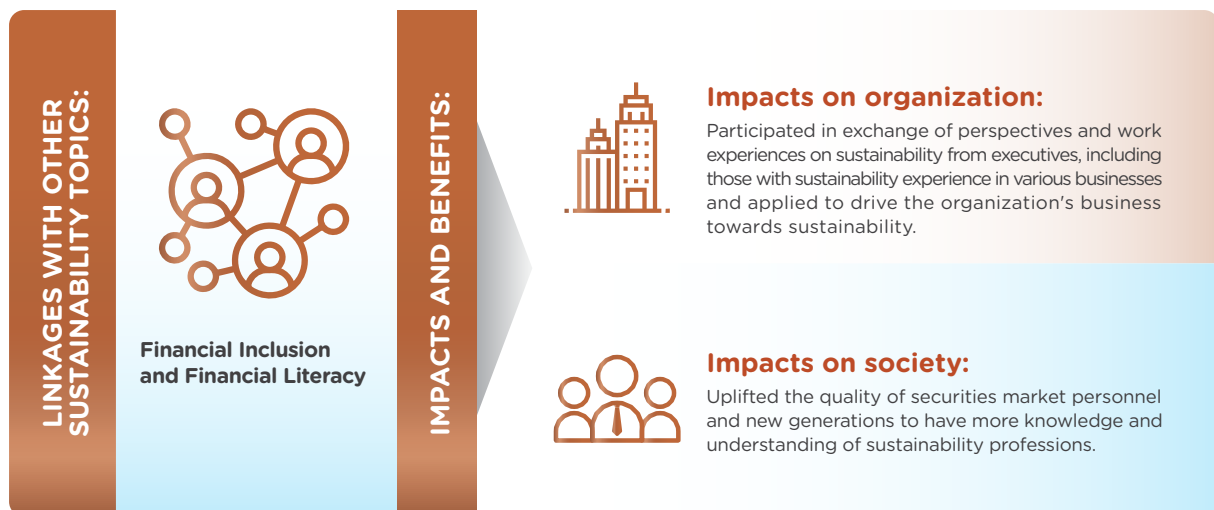


### SET ESG Professionals Forum

KTC collaborated with the Stock Exchange of Thailand providing an opportunity for executives, employees from listed companies on the SET, university students, or a group of people who start working or interested in ESG profession to exchange first-hand work experiences in professional fields or

related studies from personnel in ESG-related professions, as well as to understand nature of work and in-depth requirements at the SET ESG Professionals Forum event on November 29, 2022 at the Stock Exchange of Thailand building.





## Universities

### “Chula Sustainability Fest 2022” Fair

KTC collaborated with the Stock Exchange of Thailand and Chulalongkorn University to share knowledge, create inspiration, and realize the importance of living in accordance with sustainable development practices. This included the Green Job Connect fair that opened up a space for participants to discuss in a friendly atmosphere with practitioners in the field about job descriptions, scopes, and higher education guidelines or career paths in sustainability on September 4, 2022, at the Centennial Park, Chulalongkorn University.

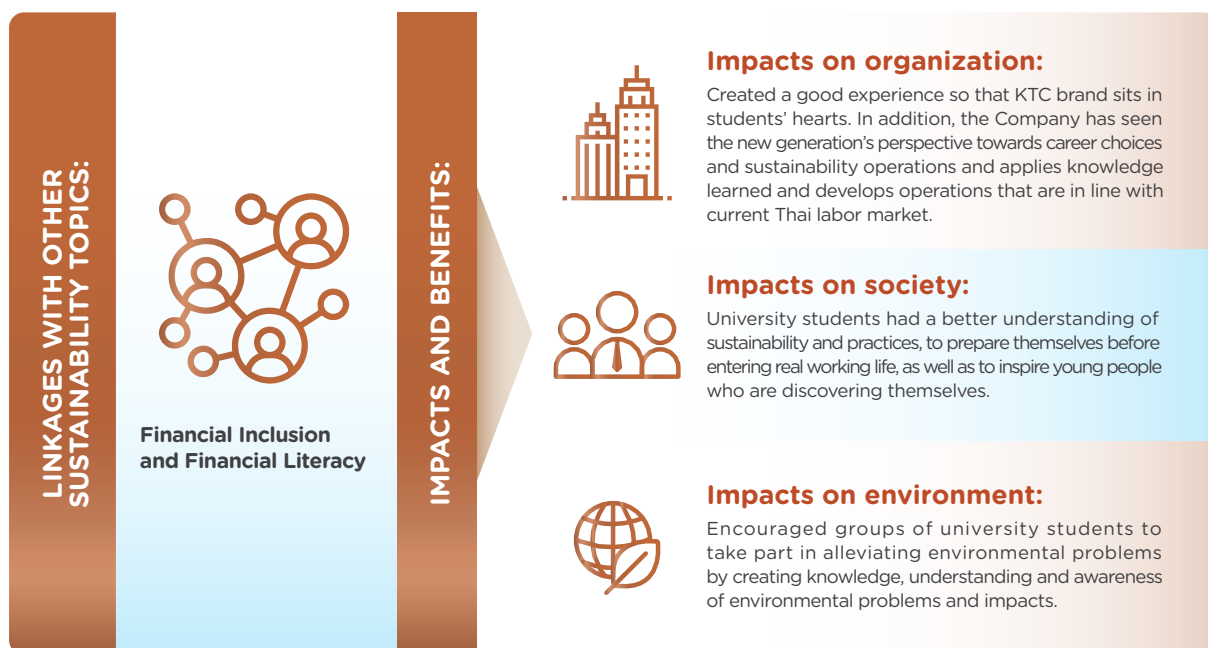


### Mahidol Leadership Program XII Sustainability for Leaders

KTC collaborated with the Stock Exchange of Thailand and Mahidol University to share knowledge and create inspiration with university students who selected to participate in the program to discuss in a friendly atmosphere with sustainability practitioners about the nature of work, scopes, higher education guidelines or career paths for young people who want to pursue a career in sustainability in online format on June 27, 2022.

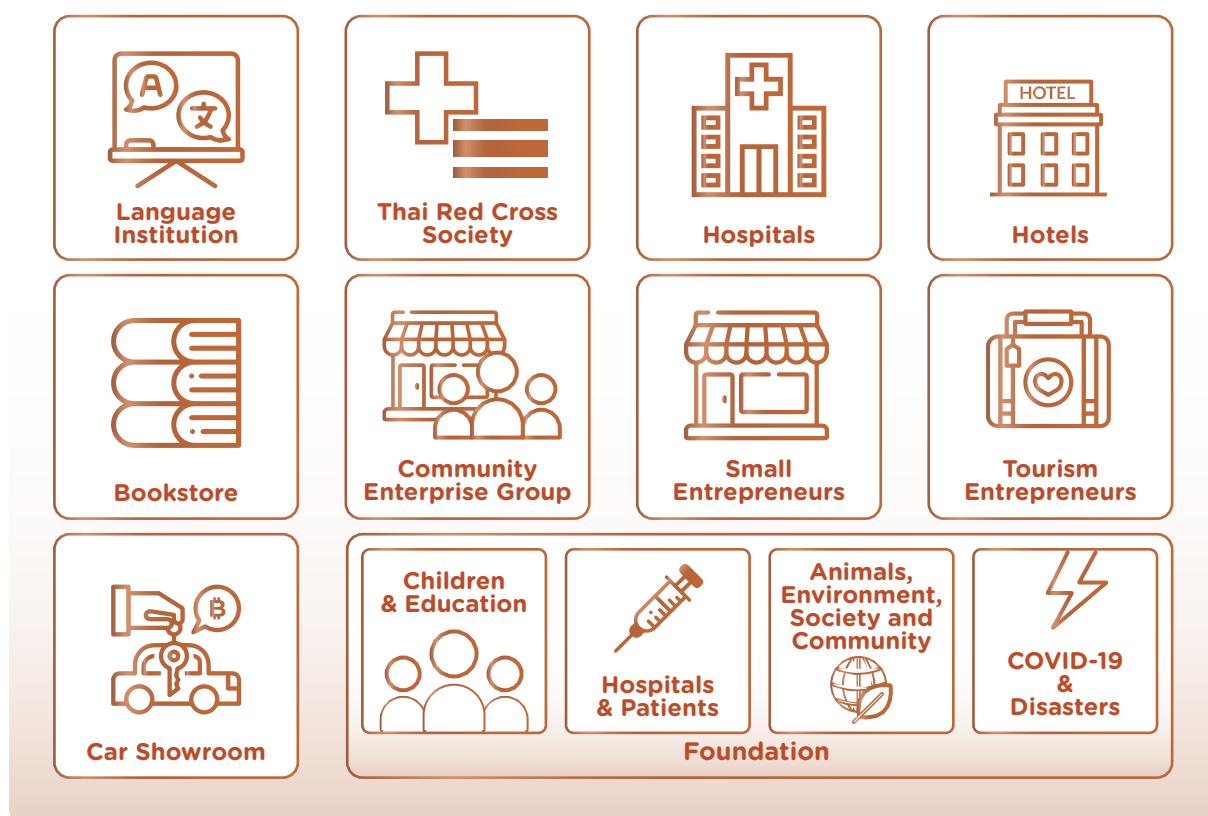






## Other Partners

KTC also cooperated with other partners to jointly drive the business to grow sustainably through products and services that take environment, society and good governance into considerations, such as



(Please refer to additional details under the “ESG Products and Services” topic)



# **ENVIRONMENTAL DIMENSION**

# ENVIRONMENTAL AND CLIMATE CHANGE MANAGEMENT



GRI 3-3, 305-5

Long-Term Target 2026	Target 2022	Performance 2022
<ul style="list-style-type: none"> <li>Electricity energy consumption reduction by 5%</li> <li>Water consumption reduction by 5%</li> <li>Waste separation and recycling or proper waste disposal by 100%</li> <li>Greenhouse gas emissions reduction by 6% in total</li> </ul>	<ul style="list-style-type: none"> <li>Electricity energy consumption per area reduction by 1%</li> <li>Water consumption per area reduction by 0.5%</li> <li>Waste separation and recycling or proper waste disposal by 100%</li> <li>Greenhouse gas emissions reduction by 2 % in total</li> </ul>	<ul style="list-style-type: none"> <li>Electricity energy consumption per area increase by 4 %</li> <li>Water consumption per area reduction by 5%</li> <li>Waste separation and recycling or proper waste disposal by 100%</li> <li>Greenhouse gas emissions reduction by 14% in total</li> </ul>

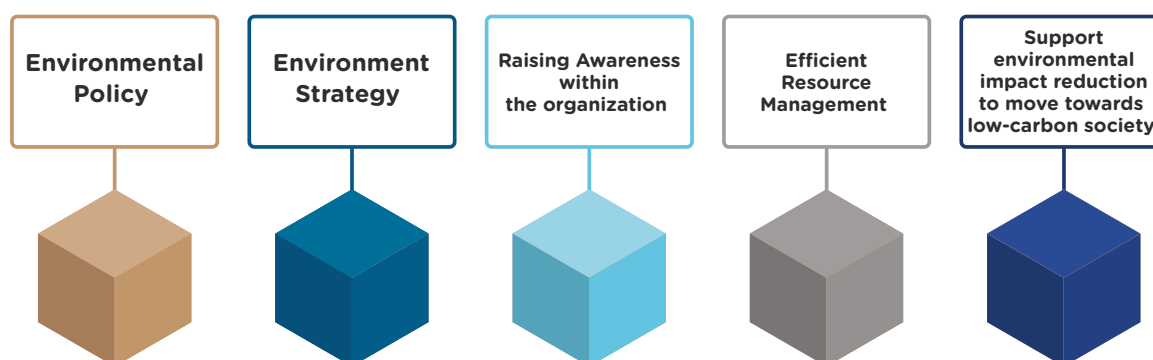
## Remarks:

- The reduction of electricity energy consumption, water consumption, waste disposal and greenhouse gas emissions were compared to the base year 2018.
- Recycling waste is considered only underqualified plastic credit card caused by the production process and expiry
- Greenhouse gas emissions included the scope 1-3 of greenhouse gas protocol.
- Long-term target in 2026 calculated from the accumulated reduction amount of greenhouse gas emissions and energy consumption.
- In 2022, the Company has adjusted the calculation method for the reduction of electricity consumption and the reduction of water consumption per area to align with business growth. For the Long-Term Target 2026, the Company is considering adjusting the target according to the new calculation method further.

GRI 3-3

Despite slight impacts on the environment from conducting its retail lending businesses, KTC never disregards its environmental responsibilities. In order to follow one of the key elements in sustainable development, the Company has defined its objectives and guidelines for environmental management such as eco-efficiency, water and waste management. In addition, the Company initiates a campaign to reduce energy consumption, resources consumption and greenhouse gas emissions generated from business operations and encourages employees to have a

good awareness, as well as looking for opportunities to mitigate impacts on environmental as a financial institution in accordance with the National Economic and Social Development Plan, the Paris Agreement, which Thailand joined as a party to the United Nations Convention on Climate Change, which included an action plan according to the United Nations Climate Change Conference to aware of problems and jointly cooperate in expediting environmental problem solving that occurred.



## ○ Environmental Policy

GRI 3-3

The Company established the environmental policy in the Code of Conduct, which was approved by the Board of Directors. The policy covers compliance with requirements or laws pertaining to the Company's related environment, including supporting public interest activities in developing society, community,

environment, and conserving natural resources and managing environmental impacts from business operations, reducing natural resources consumption and energy consumption through raising awareness among employees.

(Please refer to additional details in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Code of Conducts" topic)

## ○ Environmental Strategy

GRI 305-1, 305-2, 305-3

The Company reviewed key sustainability topics with all stakeholders, and they all held the same opinion that the environmental dimension in the sustainability issues is classified as having a low business importance compared to other key topics. However, in order to be part of alleviating global warming issues, the Company considered managing risks arising from climate change as a part of enterprise risk management by analyzing risks, opportunities, and impacts, including controlling and mitigating, monitoring and reporting on climate change risks. Physical risks and transition risks at the general basic level are also considered only within the organization. As such, the Company can be prepared and develop mitigation and adaptation guidelines.

The Company has established a long-term environmental sustainability strategy, studied and considered decarbonization strategy and climate strategy among the relevant departments to cover the appropriate scope, plans and actions in the environmental management. The factors to be considered will be as follows: the nature of business; in which the environmental dimension in the sustainability issues is classified as having a low business importance in the viewpoint of stakeholders, government and relevant regulatory body policies in response to the COP27 issues which addressed the potential future climate risks, as well as the Task Force on Climate-related Financial Disclosure (TCFD) consideration with preliminary details as follows:

## Governance

The Board of Directors resolved to approve the environmental policy in the Code of Conduct, which covers compliance with the details mentioned above. The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee was appointed to supervise and provide recommendations on the Company's sustainable operations covering

economic, social and environment dimensions. The Sustainability working team and the Climate Champions, which consist of management and department representatives, jointly participate to drive environmental sustainability in accordance with sustainability strategy and KTC's business strategy and vision.

## Strategy

KTC assessed climate change risks and opportunities in accordance with the TCFD recommendations, the results are as follows:

## • Risks

Type	Climate Change Risk	Potential Business Impact	Time Period
Transition Risk	<b>Policy and Legal:</b> <ul style="list-style-type: none"> <li>Enhanced emissions reporting obligation</li> <li>Change policies and regulations</li> </ul>	Business costs increased (e.g. increased operating costs due to regulatory changes)	Short-Medium
	<b>Market</b> <ul style="list-style-type: none"> <li>Customer behavior changing as environmental issues become an important factor in choosing products and services.</li> </ul>	Business costs increased in response to changes in market trends	Long-Term
	<b>Reputation</b> <ul style="list-style-type: none"> <li>Increased stakeholder concern if the Company can't achieve environmental goals.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced share price</li> <li>Stakeholders' confidence decreased</li> </ul>	Medium
Physical Risk	Acute natural disasters such as floods and droughts	<ul style="list-style-type: none"> <li>Expenses increased from prevention or recovery from natural disasters</li> </ul>	Medium
	Chronic natural disasters such as unseasonal rains and higher global temperatures	<ul style="list-style-type: none"> <li>Damage to customers' and the Company's assets</li> </ul>	Long-Term

## • Opportunities

The trend of people paying more attention to climate change, environmental care or environmentally friendly products has been increasing. The Company foresees an opportunity to develop products and services that meet this group of customers' needs, which expanding the market to new target groups and creating competitive opportunities and grow the business. KTC offers products and services with special promotions for customers to buy products that mitigate environmental impacts such as special privileges for booking EV cars, WALLBOX and Solar Roof Top with 0% interest installments and KTC U SHOP, a channel for selling natural or environmentally friendly products, etc.

(Please refer to additional details under the "ESG Products and Services" topic)

## Risk Management

### Identifying, assessing and managing climate change risks

The Company established the risk management policy that covers environmental, social and governance risks. The climate change risk management is operated under the enterprise risk management framework where relevant departments will identify, assess and monitor both transition and physical risks through ESG risk assessment tools. In the event that the risk level is rather high or higher, the relevant departments must prepare a contingency plan and report to the management and the Risk Management Committee, consisting of the Chief Executive Officer and management from each department.

To mitigate the effects of transition risks, KTC constantly monitors changes in laws/regulations as well as relevant trends both domestically and internationally to detect potentially significant climate change risk signals and adjust strategies accordingly. Furthermore, KTC has prepared a Business Continuity Plan (BCP) and provided an alternate site that is ready to support critical business functions to mitigate physical impacts.

## Metrics and Targets

To assess risks and opportunities from climate change in accordance with the organization's risk management strategies and processes, KTC set metrics and targets covering the reduction of electricity consumption, water consumption, greenhouse gas emissions and waste management. Climate risks are also assessed from the ESG risk assessment form to monitor risks that may hinder the achievement of goals or objectives pertaining to

operations related to environmental management. In order to manage risks and opportunities from climate change, the Company disclosed greenhouse gas emissions information scope 1, 2 and 3 and compared operating performance with the target annually. The calculation is in accordance with carbon footprint guidelines of the Thailand Greenhouse Gas Management Organization (Public Organization).

(Please refer to additional details under the "Sustainability Performance" topic)

## Raising Awareness within the Organization

Even though the Company's business operations do not directly initiate the greenhouse gas emissions in large quantities as other industries, the Company believes that taking care of the environment and climate can be carried out and easily started immediately if each individual pays attention to each of his or her daily activities. The Company continuously promotes and raises employees' awareness and be part of environmental care since 2019 until now through various projects, including communicating sustainability knowledge via KTC UNITE as follows:





## ○ Efficient Resource Management

GRI 302-1, 305-3



**Paper**



**Waste**



**Electricity**



**Water**



**Fuel**

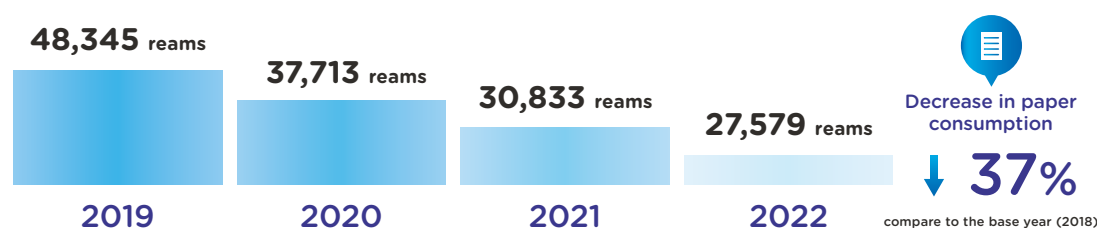


### Cutbacks of Paper Consumption

#### 1. Paper Use Reduction in Operations

The Company aims to reduce its paper used in working processes of every department throughout the organization by changing its filing system for crucial documents to be stored in electronic files with organized system viable to access and used in various procedures. Moreover, the Company not just replaces hard copies of documents distribution

among business unit with electronic mails but also arranges for recycled paper uses within each business unit by taking into account of information safety of such recycled paper in order to reduce usage of paper, which is made from natural resources, minimize storage space while being easily located, as well as save electric power in copying documents.



The Company has improved its working procedures in many areas as follows:

- Various electronic request forms are provided to customers such as a permanent credit limit request form in which customers can fill out information in the system, along with attach supporting documents.
- KTC has developed a system called “P BERM Mobile” for the purpose of receiving applications for KTC P BERM Car for Cash. The system enables customers to enter their personal information and supporting documents using a tablet at every step of the application process, eliminating the need for paper application forms, and making the process more convenient and efficient. In addition, customers will receive electronic notifications of their application status, and approved funds will be transferred immediately.
- Data storage or retrieval for customers, Credit Bureau, or customer service center is executed by installing computer software packages for analyzing and enhancing services as well as for data processing to achieve desired results instead of hard copies printing for various reports
- A Host-to-Host credit information system is developed for credit officers to be able to search and retrieve necessary information instead of printing a hard copy report
- In legal litigation, a large amount of paperwork is required to file a lawsuit. The Company made photocopies of billing statements on both sides of the paper. As a result, it reduced the amount of paper usage by approximately 5,211 reams per year. Moreover, the Company filed lawsuits through the electronic filing system (e-Filing), which reduced the amount of paper usage and storage.
- Human resource business unit replaces its documents in paper format with electronic format to increase convenience and save time required for sending and receiving documents in which employees can access document files via the Company’s Intranet or Mobile Application. The Company also keeps employment database using a human resource information system for accuracy and convenience while reducing paper consumption.

- The development of various systems for risk management and risk reporting in the Enterprise Risk Management division helps reduce paper usage in operational practices.
- Meeting documents for the Board of Directors meetings and sub-committees' meetings are prepared and conveyed via electronic mails to lessen hard copies printing.
- The submission of the 56-1 One Report along with the copy of financial statements for the year ended December 31, 2022, and the audited financial statements and sustainability report for the year 2022 in QR code format.

## 2. Paper Use Reduction in Business Operations

With the development of various digital technologies and innovations in offering products, services, promotions, and payments such as KTC Mobile, KTC Online or QR PAY, the Company integrated its business strategies in an environmentally- friendly manner in a variety of ways as follows:

### • e-Coupon

e-Coupon technology was implemented to allow customers receiving discounts at partner stores to reduce the consumption of paper resources, the use of energy and chemicals from the printing process and in line with the way of life. Majority of the people are currently conducting transactions via smartphones. KTC developed an application to support the use of e-Coupons to replace paper discount coupons by sending an e-Coupon via KTC

Mobile channel so that customers can show it at the shop to request benefits. In addition, the e-Coupon is also beneficial to merchants in controlling and preventing fraud from the loopholes in the processing management as well. Customers can receive e-Coupons via KTC Mobile from various marketing activities such as point redemption, spending according to specified conditions, etc.

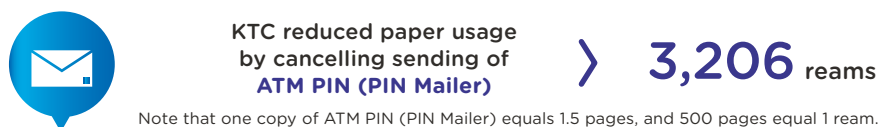
**In 2022**



### • ATM PIN (PIN Mailer)

The Company canceled sending ATM PIN (PIN Mailer) to members with request for new card approval, card replacement/transfer. Instead, members can set ATM PIN by themselves through KTC Mobile Application, which is free and immediately available.

**In 2022**



### • e-Statement

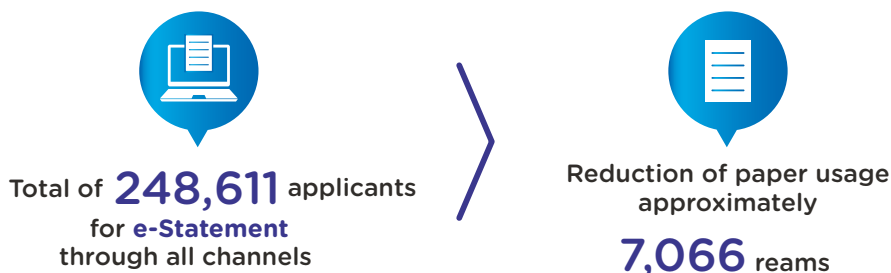
The Company realizes the significance of global warming issue and promptly prepares in easing its impacts. In 2019, KTC had campaigned within its organization in urging its employees to receive their billing statements in electronic format instead of hard copies under the project "Switch even better" for better life today and in the future, which had been positively received and cooperated by all employees. The Company, therefore, had extended such concept

to KTC's members by initially adopting an emphatic approach with target audiences in which their results revealed that they recognized the importance in preserving environment and were interested in applying for e-Statement via E-mails under the campaign "Switch to e-Statement". Such campaign provides members with more convenient and faster approach in reviewing their expenses as well as eases their burdens with statement loss or damage.

Cutback of statement hard copies will also reduce natural resource consumption, along with preserve environment and reduce energy of waste disposal from discarded statements. The Company has continuously campaigned such program through various channels as follows:

- Contact center officers will recommend e-Statement service for all members who notify of receiving none of statement hard copies.
- In 2020, KTC invited its members to join the e-Statement program through email and KTC Mobile app (Push Notification). By registering to receive e-Statements, members were also encouraged to donate to support the Seub Nakhasathien Foundation, with a focus on communicating the importance of reducing paper usage to conserve the environment and protect Thailand's forests. This initiative received positive feedback from KTC members, with a total of 34,218 members participating and KTC donating a total of Baht 684,360 to the foundation.
- KTC members are able to apply for transaction notifications in realtime and retrieve e-Statement in the same application both on a monthly basis and for previous 6 months
- In 2021, the Company organized an activity "Sharing Kindness, Stop Receiving Paper Statements, get e-Statements" to invite KTC members to apply for e-Statement via KTC Mobile (Push Notification) to avoid the risk of touching and together to reduce global warming from the use of paper. KTC donate Baht 20 for the Siriraj Foundation to support the procurement of medical equipment to treat COVID-19 patients. 11,267 members participated in the project, representing an amount that KTC donated to the foundation of Baht 225,340.
- In 2022, the Company continued its ongoing efforts by inviting current members of KTC to enroll in e-Statement via the KTC Mobile app (Push Notification), emphasizing communication on the importance of data security, reducing the risk of data leakage from paper, and creating environmental sustainability by reducing the use of natural resources to alleviate environmental impacts through paper reduction. The Company also implemented various other measures, including promoting e-Statement enrollment during the card application process.

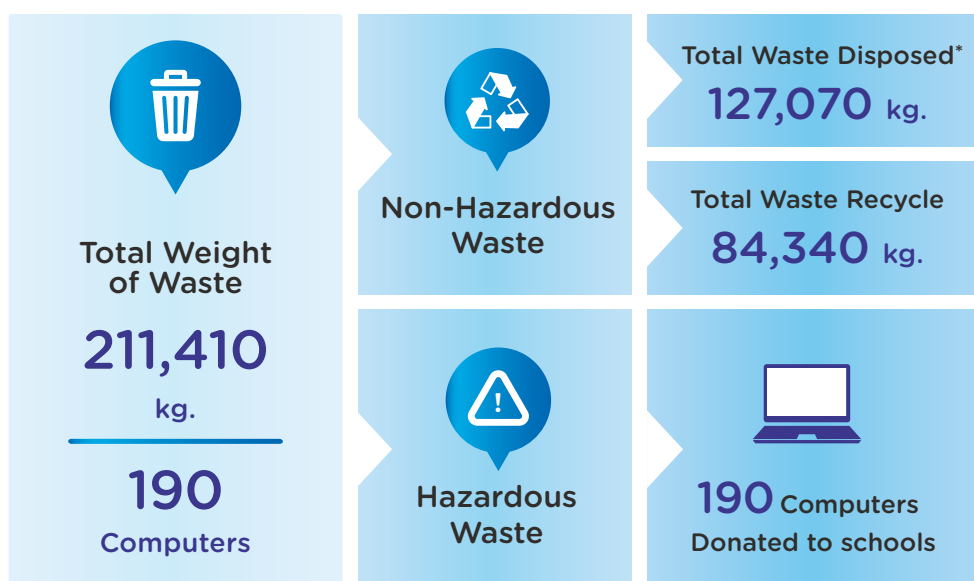
## In 2022



(Please refer to additional detail under the "Digital Innovation" topic.)

## Waste Management

GRI 306-2, 306-3, 306-4, 306-5



\* The company rents the office buildings. Hence, the disposed wastes are sent to waste management center of the buildings and picked up by Bangkok Metropolitan Administration for further management.

The Company classifies its waste disposal into 2 categories which are

## 1) Non-toxic wastes from daily routines and consumption within the office buildings

- The Company encourages its employees to sort their wastes such as PET bottles, newspaper, Shredded paper, cardboard boxes, and other bottles before throwing out at prepared locations for recycling. The Volume of wastes for recycling is 3,568 kilograms in total. By delivering it to the recyclable waste sorting point of the United Business Centre 2 for recycling entrepreneurs to take it.

- The Company realizes the significance of information responsibility towards its organization and its customers. As a result, the Company has established standard measures to safely dismantle its information whilst continuing its social and environmental responsibilities. The Company has taken part in the project “Shred2Share: Safety Information and Environment Protection” in which paper no longer use will be safely destroyed and placed in recycling process for reuse. Hence, carbon dioxide emissions from new paper manufacturing, coal consumption as well as water consumption, which are the causes of global warming, can be reduced. The Company

### In 2022 “Shred2Share” Project

Volume of recycled documents (tons)	80.53
CO2 reduction (Kgs)	20,938.40
Coal reduction (Kgs)	4,026.62

also donates recycled learning and teaching equipment to school in remote areas

- The Company has coordinated with Chan Wanich Security Printing Co. Ltd., a plastic card manufacturer, to disintegrate unusable cards into small plastic fragments before sending them for recycling into new materials such as PVC chairs on electric trains, PVC water pipes etc. In order to avoid throwing away its credit cards and cause pollution



In the year 2022,  
the company was able to recycle  
**77.91** kilograms of cards.

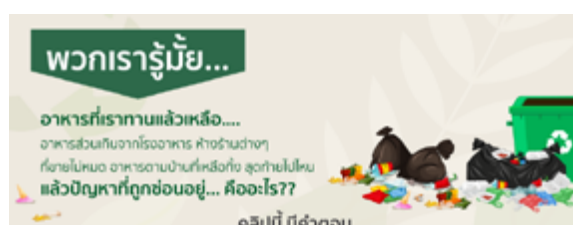
- The Company places great importance on food waste management. The Company launched Campaigns to raise awareness among employees about the problem of improper food waste disposal and encourages them to reduce food waste and create benefits from it. The Company has installed food waste disposers that use bacteria to decompose food waste and convert it into high-quality organic fertilizer to nourish the trees within the office. In addition, it organizes activities to encourage employees to properly manage food waste, such as a photo-posting contest in which the first 100 participants receive fertilizer derived from the food waste disposers and a set of auspicious trees. The Company’s efforts are to increase green space and support the community in moving towards a “zero waste” environment.



Turning food waste  
into fertilizer  
**164** kg



Handling out saplings  
to plant  
**140** saplings



In 2022, the Company collected and submitted 5 kilograms of aluminum materials to the Pollution Control Department in 2023.



## 2) Toxic wastes from electronics such as computers and electronic devices

The Company has a safe, reliable, and environmentally-friendly “Electronic Waste” (eWaste) management process, such as delivering eWaste to a data storage and management service company that meets the standard for converting waste into energy or donating eWaste to create benefits for society. In the year 2022, the company donated a total of 190 Notebook CPUs and Monitors to 5 schools for educational purposes.

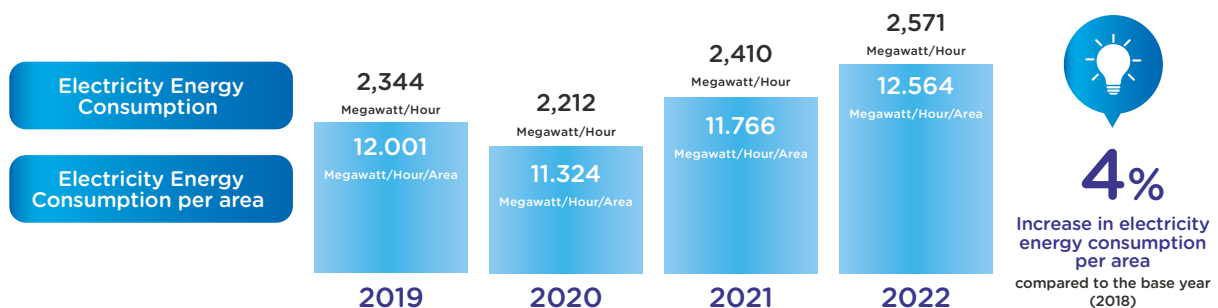
## Efficient Electricity Consumption

GRI 302-1, 302-4, 305-2

The Company reduced the electricity consumption through the following actions:

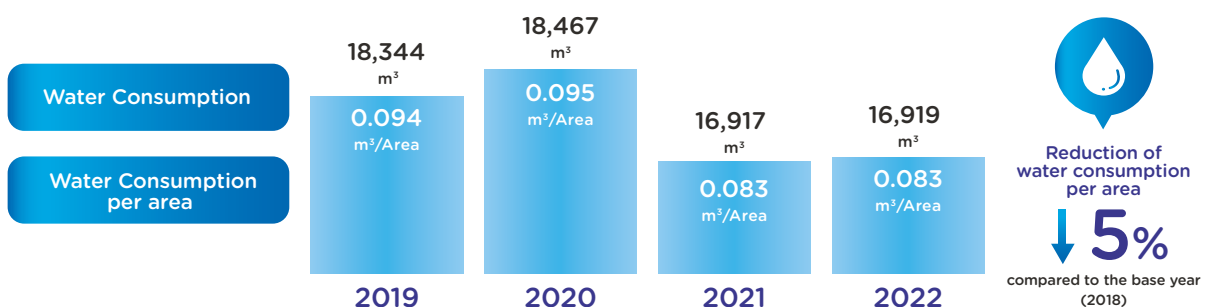
- Used LED light bulbs for both main offices and KTC TOUCH service points.
- Chose LED bulbs in construction projects and interior decoration of the building
- Arranged for lighting assessment to ensure that employees received the appropriate brightness
- Reduced the use of electricity in unnecessary areas
- Set the time to turn on and off the air conditioner system from 7:00 AM to 6:00 PM
- Adjusted the temperature of the air conditioner system to the appropriate temperature
- Campaigned for employees to save energy.

Due to the reduced severity of the COVID-19 situation since October 1, 2022, the Ministry of Public Health has adjusted the disease prevention and control measures for COVID-19 from being categorized as a “dangerous communicable disease” to a “communicable disease under surveillance” similar to other respiratory infectious diseases. The Company is therefore able to resume its activities as normal, as it did before the COVID-19 outbreak. The Company has organized activities with business partners and provided training to employees and outsourced staff to increase knowledge and improve their capabilities. As a result, the Company has increased its electricity consumption compared to the previous year.



## Water Resource Management

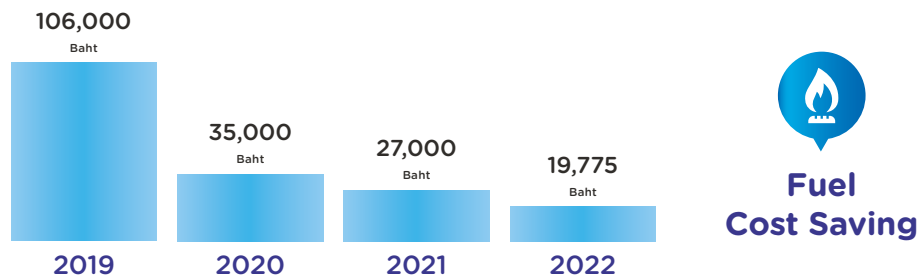
The Company realized the importance of the usage of water resources. It ran a campaign to raise awareness among employees to be aware of the necessity to use water sparingly, knowing the value and maximizing the benefits as well as checking for leaks of faucets and water pipes regularly. In addition, in the construction and decoration project of the co-working space on the 10<sup>th</sup> and 11<sup>th</sup> floor of the office building that opened for service in 2022, the Company has switched to automatic faucets to help save water and reduce spread of virus in the situation of COVID-19.



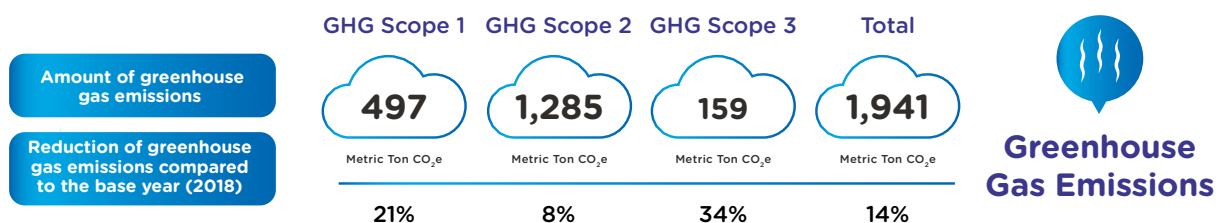
GRI 305-1

## Fuel Energy Management

In the procurement of the Company's central vehicles, the Company specified the quality of the central cars to use environmentally friendly fuel to reduce pollution emissions from exhaust gases such as E20, E85 by travelling on a business necessity only.



## Greenhouse Gas Emissions



## Support environmental impact reduction to move towards low-carbon society

The Company collaborates with business partners to reduce environmental impacts as follows :

### Environmentally-friendly products and services

The Company arrange loans and special promotions for customers to increase accessibility in purchasing environmentally-friendly products and services such as the special privileges for booking electric vehicles and WALLBOX and solar roof top with 0% Interest Installment Payment Plan.



(Please refer to additional details under the "ESG Products and Services" and "Collaboration with Partners for sustainability" topics)

### Green Procurement

The Company supports entrepreneurs who are care for the environment. KTC has continually considered supporting products from printing manufacturers that have received Carbon Neutral Certification or Green Print.

In addition, the Company renovated the 10<sup>th</sup> and 11<sup>th</sup> floor of the UBC II office building and purchased products, building materials and services that were environmentally-friendly such as interior paint, wooden furniture, etc.

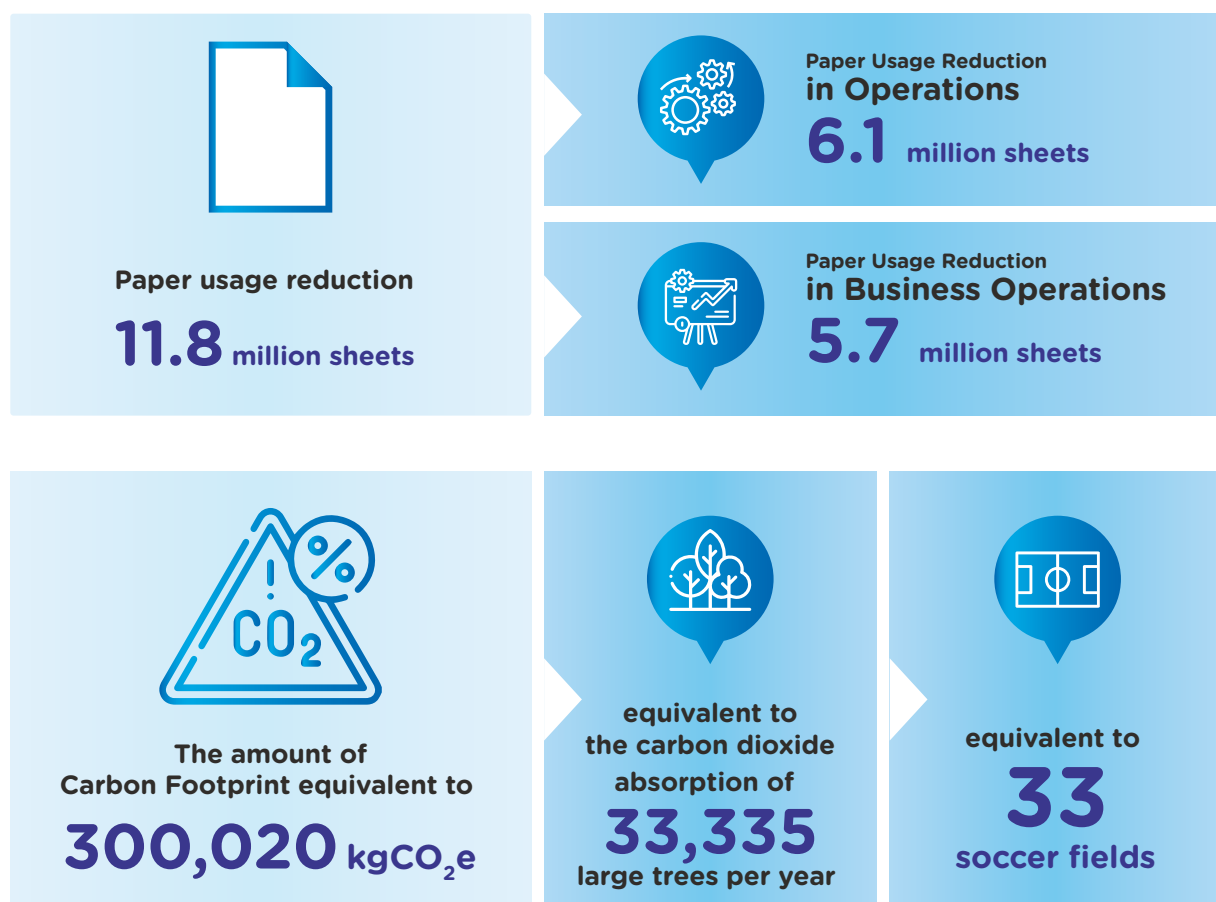


### Participation in the “Care the Bear”

The Company has joined the Stock Exchange of Thailand’s “Care the Bear: Change the Climate Change by Eco Event” project since 2019 in order to reduce global warming problems and carbon footprint by arranging activities or eco events via 6 approaches:

1. Encourage public transportation or carpool.
2. Reduce the use of paper and plastic for documents and packaging.
3. Refrain from using foam as decorative items or food packaging.
4. Reduce the use of electrical appliances or use energy-saving devices instead.
5. Design by using decorative materials which can be recycled.
6. Reduce food and beverages wastes from each event.

In 2022, the Company reduced the amount of Carbon Footprint equivalent to 115,217.97 kilograms of carbon dioxide equivalent to the carbon dioxide absorption of 12,802 large trees per year from the Annual General Meeting of shareholders including meetings and various trainings of the Company.



# ABOUT THIS REPORT



## Report Boundaries

GRI 2-2, 2-3, 3-1

### KTC Group consists of:

- Krungthai Card Public Company Limited
- Subsidiary Companies are as follows:
  - KTC Pico (Bangkok) Co., Ltd., and its subsidiaries which are KTC Pico (Chonburi) Co., Ltd., KTC Pico (Samut Sakhon) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd. and KTC Pico (Samut Prakan) Co., Ltd.
  - KTC Nano Co., Ltd.
  - KTC Prepaid Co., Ltd.
  - KTB Leasing Co., Ltd.
- Associate is Krungthai Advisory Co., Ltd., a holding company

The consolidated financial statements are prepared by including the financial statements of Krungthai Card Public Company Limited and its subsidiaries, including equity interest in an associate. The annual financial statement covers the period of business operations from 1 January 2022 to 31 December 2022.

The scope of this Sustainability Report covers the sustainable operating results of KTC, KTC Pico (Bangkok) Co., Ltd., and KTC Pico (Bangkok) Co., Ltd.'s subsidiaries. Information in the Sustainability Report 2022 covers the period of business operations from 1 January 2022 to 31 December 2022.

The Company prepares the Sustainability Report annually to communicate its sustainable business operations in the economic, social, and environmental dimensions and focuses on the issues where stakeholders place an importance on by adopting an international reporting framework that consistent with the Global Reporting Initiatives or GRI with reference, and the Sustainable Development Goals (SDGs). The Company specifies the release date and the Sustainability Report information on the Company's website. (<https://www.ktc.co.th/sustainability-development>)

Remark: This Sustainability Report does not cover the sustainable operating results of KTC Nano Co., Ltd. and KTC Prepaid Co., Ltd. as they have not been operated in full functions yet and KTB Leasing Co., Ltd., a company KTC acquired in 2021, are in the process of information gathering. However, this Sustainability Report refers to the purpose and information of KTC's subsidiaries to illustrate KTC's intention to take part in the sustainable development of Thai society.

## Contact point

GRI 2-3

### Krungthai Card Public Company Limited

591 United Business Centre II, 14<sup>th</sup> Floor, Sukhumvit 33 Road,  
North Klongton, Wattana, Bangkok 10110, Thailand

**Telephone:** 02 828 5369, 02 828 5017

**E-mail:** [sdktc@ktc.co.th](mailto:sdktc@ktc.co.th)

## External assurance

All related financial information included in this report is audited by Certified Public Accountant. The Company has yet to seek external assurance on information disclosed regarding the social and environmental aspects or the conformity to the GRI standards reporting guideline in this sustainability report. In any event, KTC intends to engage external assurance providers as part of our disclosure practices for future sustainability reports.

## Reference documents of the Company in the preparation of this Report can be obtained at

- **<https://www.ktc.co.th/en/sustainability-development/corporate-governance>**  
which consists of
  1. Corporate Governance Policy which includes Anti-Corruption Policy
  2. Summary of the Anti-Corruption Procedure
  3. Code of Conduct
  4. Charter on Regulations and Operational Guidelines for Audit Committee
  5. Charter of Nomination and Remuneration Committee
  6. KTC's Supplier Code of Conduct and Confidentiality Agreement
  7. Internal Control and Risk management
  8. Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT & WMD) Policy Statement
- **<https://www.ktc.co.th/en/investor-relations/publications-webcast/investorkits>**  
consists of
  1. Form 56-1 One Report 2022
  2. Financial Statements
  3. MD&A
- **<https://www.ktc.co.th/en/investor-relations/financialinformation/tax-policy>**  
Tax Policy

## ADDITIONAL INFORMATION

GRI 2-7, 2-8

### Social Dimension

#### Total Employees

Total Employees refer to individuals who are employed to work for the Company and is assigned to perform duties determined by the Company with details as follows:

1. **Full-time Employees** refer to individuals whom the Company agrees to employ on a regular basis. The termination period of employment is not specified. Such employees have passed the work trial and have been placed as full-time, according to the conditions of employment. Full-time Employees can be categorized as follows:

##### 1.1 Management Position

- |                                                                                                                                                                                                              |                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1.1.1 Top management position means the President & Chief Executive Officer and all executives with direct chain of command to the President & Chief Executive Officer according to the Company's structure. | 1.1.2 Middle management position means the levels under item 1.1.1 to the senior manager level. |
|                                                                                                                                                                                                              | 1.1.3 Junior management position means manager level.                                           |

##### 1.2 Non-management Position

Non-management means position from the assistant manager level to the officer level.

2. **Contractors** mean employees whom the Company agrees to employ as employees of the Company with a specified termination period of employment.

**Management Position in the Revenue Generating Department** means management position in the Credit Card Marketing Business Unit, the Commerce Marketing Division, the Distribution Business Unit, the Merchant Acquiring Business Unit, the Auto Loan Business Unit and the Personal Loans Business.

**STEM (Science, Technology, Engineering and Mathematics) employees** means employees in the Corporate Finance Group, the Information Technology Business Unit, the Data Information Management & Credit Risk Management Division, the Process Development Division.

**The Company's employees work in Thailand 100%**

#### Occupational Health and Safety

##### Definitions

- **Number of days** means scheduled workdays.
- **Injury** means an injury that result in fatalities, permanent total disabilities, lost workday case, restricted workday case, medical treatment beyond first aid, including vehicle accident arising from work.
- **Lost time injury** means an injury that causes one or more days of absence from work (start counting from the day after the day of the accident).
- **Work-related fatalities** means accidents due to work or the Company's activities, causing injuries or sicknesses or fatal to the point of death.
- **Total employee turnover** means employees who have retired from being employees of the Company in the event of resignation, retirement, termination of employment, failure to pass probation, non-renewal of the employment contract and death in service.
- **Voluntary employee turnover** means employees who are retired from being employees of the Company, excluding those with termination of employment from the Company, failure to pass probation, non-renewal of the employment contract and death in service.

## Calculation

- **Number of hours worked** = (Number of people X Number of working days X Number of normal working hours (per day)) + Total overtime hours (Only applied to operating personnel)
- **Total number of working days in a year** = Number of people X Number of working days in a year

- **Rate of Recordable Work-related Injuries =**

$$\frac{\text{Number of Recordable Work-related Injuries (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Lost Time Injury Rate (LTIR) =**

$$\frac{\text{Number of Lost Time Injuries (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Lost Day Injury Rate (LDIR) =**

$$\frac{\text{Number of Lost Day Injuries (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Rate of Fatalities as a result of Work-related Injury =**

$$\frac{\text{Number of Fatalities as a result of Work-related Injuries (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Absentee Rate (AR) =**

$$\frac{\text{Number of Absentee Rate and other Occupational Diseases that are not excused (as of the day the report is prepared)} \times 100}{\text{Total number of operating days in one year}}$$

- **Occupational Disease Rate (ODR) =**

$$\frac{\text{Number of Occupational Disease Rate (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Lost Day Rate (LDR) =**

$$\frac{\text{Number of Lost Day Rate (as of the day the report is prepared)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Rate of High-consequence Work-related Injuries (excluding fatalities) =**

$$\frac{\text{Number of High-consequence Work-related Injuries (excluding fatalities)} \times 200,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$

- **Return to Work Rate =**

$$\frac{\text{Total number of employees that did return to work after parental leave} \times 100}{\text{Total number of employees due to return to work after taking parental leave}}$$

- **Retention Rate =**

$$\frac{\text{Total number of employees retained 12 months after returning to work following a period of parental leave} \times 100}{\text{Total number of employees returning from parental leave in the prior reporting period(s)}}$$

## Environmental Dimension

### Electrical Power

The Company uses electricity for its business operations and activities such as lighting, office equipment, air conditioners and other electrical appliances. The reporting scope covers the two office-building

rental areas: the UBC II Building and the Thai Summit Building, and the electricity usage was a compilation of invoices from these two office buildings.

### Greenhouse Gases

Refers to the amount of greenhouse gas emissions from the Company's business operations activities.

#### 1. Scope of reporting

- **Direct greenhouse gases (Scope 1)** are caused by using fuel for vehicles used in the Company's business operation through all corporate fuel credit cards (Fleet cards).
- **Indirect greenhouse gases (Scope 2)** are caused by purchasing of electricity from the Metropolitan Electricity Authority, the scope covers only the two office-building rental areas: UBC II Building and the Thai Summit Building.
- **Other indirect greenhouse gases (Scope 3)** are caused by water usage and paper usage in operations and activities in the Company's business. The scope covers only the two office-building rental areas: UBC II Building and the Thai Summit Building, including business travels with a ride-hailing service through an application.

#### 2. Amount reporting

- **Direct greenhouse gas emissions (Scope 1)**  
Calculation is reported from the fuel consumption for the vehicle X the emission factor.
- **Indirect greenhouse gas emissions (Scope 2)**  
Calculation is reported from the amount of electricity purchased X the emission factor.
- **Other indirect greenhouse gas emissions (Scope 3)**  
Calculation is reported from the purchase volume of water and paper, including business travel information with ride-hailing services through an application X the emission factor.

#### 3. Emission Factor

- Emission factor are referred from Thailand Greenhouse Gas Management Organization (Public Organization)

#### 4. Calculation Method

- Refer to assessment guidelines on the carbon footprint for organization by the Thailand Greenhouse Gas Management Organization (Public Organization)

### Water

Water is referred to tap water. The reporting scope covers the office-building rental areas: the UBC II Building and the Thai Summit Building. The information is taken from the invoices provided by the Company which manages the building that the Company rents.

### Waste

Waste management comprises the amount of waste generated by the Company's operational processes and activities.

(Remark: The Company collects social and environmental information to compare with historical data and to assess the management efficiency. The data is collected from the UBC II Building and the Thai Summit Building, which accounts for more than 75 % of the total operations.)



# SUSTAINABILITY PERFORMANCE

## Economic Dimension

GRI 2-2, 2-3, 3-1

Unit: Million Baht

Information	2022
Total Revenue	23,231
Net Profit	7,079
Total Portfolio	104,194
• Credit Card	69,462
• Personal Loans	32,283
• Leasing	2,449
Credit Card Spending	238,257
Net Interest Margin	12.2%
Total NPL	1.8%
NPL Coverage Ratio	476.3%

## Social Dimension

### Employee information

#### Total Number of Employees

GRI 2-2, 2-3, 2-7, 3-1

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Total Employee</b>	Persons	610	1,168	<b>1,778</b>	602	1,142	<b>1,744</b>	572	1,133	<b>1,705</b>	578	1,117	<b>1,695</b>
<b>% of total workforce</b>	%	34.31	65.69	<b>100.00</b>	34.52	65.48	<b>100.00</b>	33.55	66.45	<b>100.00</b>	34.10	65.90	<b>100.00</b>
X < 30	Persons	131	283	414	109	254	363	90	224	314	89	186	275
	%	7.37	15.92	23.28	6.25	14.56	20.81	5.28	13.14	18.42	5.25	10.97	16.22
30 ≤ X ≤ 50	Persons	416	794	1,210	427	792	1,219	408	801	1,209	410	802	1,212
	%	23.40	44.66	68.05	24.48	45.41	69.90	23.93	46.98	70.91	24.19	47.32	71.50
50 < X	Persons	63	91	154	66	96	162	74	108	182	79	129	208
	%	3.54	5.12	8.66	3.78	5.50	9.29	4.34	6.33	10.67	4.66	7.61	12.27
<b>Total Full-Time Employees</b>	Persons	555	1,025	<b>1,580</b>	556	1,041	<b>1,597</b>	531	1,039	<b>1,570</b>	540	1,026	<b>1,566</b>
<b>% of total FTEs</b>	%	35.13	64.87	<b>100</b>	34.82	65.18	<b>100</b>	33.82	66.18	<b>100</b>	34.48	65.52	<b>100</b>
X < 30	Persons	91	183	274	81	190	271	67	173	240	69	144	213
	%	5.76	11.58	17.34	5.07	11.90	16.97	4.27	11.02	15.29	4.41	9.20	13.60
30 ≤ X ≤ 50	Persons	401	751	1,152	409	755	1,164	391	758	1,149	392	754	1,146
	%	25.38	47.53	72.91	25.61	47.28	72.89	24.90	48.28	73.18	25.03	48.15	73.18
50 < X	Persons	63	91	154	66	96	162	73	108	181	79	128	207
	%	3.99	5.76	9.75	4.13	6.01	10.14	4.65	6.88	11.53	5.04	8.17	13.22

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
By Employee Position	Persons	610	1,168	1,778	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695
Management position	Persons	144	190	334	144	182	326	148	186	334	176	263	439
% of total management positions	%	43.11	56.89	100	44.17	55.83	100	44.31	55.69	100	40.09	59.91	100
Top management position	Persons	8	2	10	8	5	13	8	5	13	7	5	12
% of total top management positions	%	80.00	20.00	100.00	61.54	38.46	100.00	61.54	38.46	100.00	58.33	41.67	100.00
X < 30	Persons	0	0	0	0	0	0	0	0	0	0	0	0
30 ≤ X ≤ 50	Persons	0	1	1	0	4	4	0	4	4	0	2	2
50 < X	Persons	8	1	9	8	1	9	8	1	9	7	3	10
Middle management position	Persons	62	97	159	57	89	146	66	90	156	79	93	172
% of total middle management positions	%	38.99	61.01	100.00	39.04	60.96	100.00	42.31	57.69	100.00	45.93	54.07	100.00
X < 30	Persons	0	0	0	0	1	1	0	0	0	0	0	0
30 ≤ X ≤ 50	Persons	34	50	84	28	38	66	35	36	71	41	35	76
50 < X	Persons	28	47	75	29	50	79	31	54	85	38	58	96
Junior management position	Persons	74	91	165	79	88	167	74	91	165	90	165	255
% of total junior management positions	%	44.85	55.15	100.00	47.31	52.69	100.00	44.85	55.15	100.00	35.29	64.71	100.00
X < 30	Persons	0	0	0	1	0	1	1	0	1	1	1	2
30 ≤ X ≤ 50	Persons	61	75	136	64	75	139	58	69	127	68	122	190
50 < X	Persons	13	16	29	14	13	27	15	22	37	21	42	63
Management Level in revenue generating functions	Persons	43	81	124	48	76	124	48	73	121	51	86	137
% of total Management Level in revenue generating functions	%	34.68	65.32	100.00	38.71	61.29	100.00	39.67	60.33	100.00	37.23	62.77	100.00
X < 30	Persons	0	0	0	1	1	2	1	0	1	1	0	1
30 ≤ X ≤ 50	Persons	36	47	83	39	46	85	37	38	75	36	52	88
50 < X	Persons	7	34	41	8	29	37	10	35	45	14	34	48
Non-management position	Persons	466	978	1,444	458	960	1,418	424	947	1,371	402	854	1,256
% of total non-management positions	%	32.27	67.73	100.00	32.30	67.70	100.00	30.93	69.07	100.00	32.01	67.99	100.00
General Employee	Persons	411	835	1,246	412	859	1,271	383	853	1,236	364	763	1,127
% of total general employee	%	32.99	67.01	100.00	32.42	67.58	100.00	30.99	69.01	100.00	32.30	67.70	100.00
X < 30	Persons	91	183	274	80	189	269	66	173	239	68	143	211
30 ≤ X ≤ 50	Persons	306	625	931	317	638	955	298	649	947	283	595	878
50 < X	Persons	14	27	41	15	32	47	19	31	50	13	25	38
Contractor	Persons	55	143	198	46	101	147	41	94	135	38	91	129
% of total contractor	%	27.78	72.22	100.00	31.29	68.71	100.00	30.37	69.63	100.00	29.46	70.54	100.00
X < 30	Persons	40	100	140	28	64	92	23	51	74	20	42	62
30 ≤ X ≤ 50	Persons	15	43	58	18	37	55	17	43	60	18	48	66
50 < X	Persons	0	0	0	0	0	0	1	0	1	0	1	1

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
STEM-related position	Persons	94	98	192	87	96	183	81	94	175	90	97	187
% of total STEM-related position	%	48.96	51.04	100.00	47.54	52.46	100.00	46.29	53.71	100.00	48.13	51.87	100.00
X < 30	Persons	11	7	18	7	11	18	6	12	18	11	14	25
30 ≤ X ≤ 50		66	75	141	62	67	129	57	65	122	59	63	122
50 < X		17	16	33	18	18	36	18	17	35	20	20	40
Thai Nationality	Persons	610	1,168	1,778	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695

## Hiring

GRI 401-1

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number hires	Persons	94	207	301	64	128	192	42	132	174	119	255	374
	%	31.23	68.77	100.00	33.33	66.67	100.00	24.14	75.86	100.00	31.82	68.18	100.00

External Hires	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of new employee hires	Persons	88	200	288	57	118	175	40	118	158	112	238	350
External hire to Total vacant positions (internal & external)	%	29.24	66.45	95.68	29.69	61.46	91.15	22.99	67.82	90.80	29.95	63.64	93.58
By Age	Persons	88	200	288	57	118	175	40	118	158	112	238	350
X < 30	Persons	54	113	167	31	77	108	26	74	100	53	108	161
30 ≤ X ≤ 50	Persons	34	83	117	25	40	65	14	44	58	56	126	182
50 < X	Persons	0	4	4	1	1	2	0	0	0	3	4	7
By Employee Position	Persons	88	200	288	57	118	175	40	118	158	112	238	350
By Management Position	Persons	10	16	26	14	8	22	2	3	5	13	13	26
Top management Position	Persons	0	0	0	0	0	0	0	0	0	0	1	1
Middle management Position	Persons	4	8	12	2	4	6	1	2	3	5	1	6
Junior management Position	Persons	6	8	14	12	4	16	1	1	2	8	11	19
By Non-management Position	Persons	78	184	262	43	110	153	38	115	153	99	225	324
General Employee	Persons	52	120	172	13	56	69	22	80	102	69	135	204
Contractor	Persons	26	64	90	30	54	84	16	35	51	30	90	120
Thai Nationality	Persons	88	200	288	57	118	175	40	118	158	112	238	350

Internal Hires	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of internal hires	Persons	6	7	13	7	10	17	2	14	16	7	17	24
Internal hire to Total vacant positions (internal & external)	%	1.99	2.33	4.32	3.65	5.21	8.85	1.15	8.05	9.20	1.87	4.55	6.42
By Age	Persons	6	7	13	7	10	17	2	14	16	7	17	24
X < 30	Persons	3	3	6	1	6	7	1	3	4	0	5	5
30 ≤ X ≤ 50	Persons	3	4	7	6	4	10	1	9	10	7	10	17
50 < X	Persons	0	0	0	0	0	0	0	2	2	0	2	2
By Employee Position	Persons	6	7	13	7	10	17	2	14	16	7	17	24
By Management Position	Persons	1	3	4	4	0	4	0	6	6	3	3	6
Top management Position	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Middle management Position	Persons	1	0	1	2	0	2	0	3	3	0	1	1
Junior management Position	Persons	0	3	3	2	0	2	0	3	3	3	2	5
By Non-management Position	Persons	5	4	9	3	10	13	2	8	10	4	14	18
General Employee	Persons	5	4	9	2	10	12	2	8	10	4	14	18
Contractor	Persons	0	0	0	1	0	1	0	0	0	0	0	0
Thai Nationality	Persons	6	7	13	7	10	17	2	14	16	7	17	24

## Total Number of Employees Turnover

GRI 401-1

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Employee Turnover	Persons	91	150	241	49	111	160	67	105	172	95	195	290
Total Employee Turnover Rate	%	5.12	8.44	13.55	2.81	6.36	9.17	3.93	6.16	10.09	5.60	11.50	17.11
Voluntary Employee Turnover	Persons	89	149	238	45	110	155	65	103	168	93	187	280
Voluntary Employee Turnover Rate	%	5.01	8.38	13.39	2.58	6.31	8.89	3.81	6.04	9.85	5.49	11.03	16.52
By Age	Persons	91	150	241	49	111	160	67	105	172	95	195	290
X < 30	Persons	43	81	124	17	46	63	25	40	65	29	59	88
30 ≤ X ≤ 50		41	66	107	25	53	78	38	60	98	57	127	184
50 < X		7	3	10	7	12	19	4	5	9	9	9	18
By Employee position	Persons	91	150	241	49	111	160	67	105	172	95	195	290
By Management position	Persons	15	11	26	14	16	30	13	11	24	17	18	35
Top management position	Persons	0	0	0	0	0	0	0	0	0	1	0	1
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.06
Middle management position	Persons	7	4	11	7	9	16	3	7	10	4	7	11
	%	0.39	0.22	0.62	0.40	0.52	0.92	0.18	0.41	0.59	0.24	0.41	0.65

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Junior management position	Persons	8	7	15	7	7	14	10	4	14	12	11	23
	%	0.45	0.39	0.84	0.40	0.40	0.80	0.59	0.23	0.82	0.71	0.65	1.36
By Non-management position	Persons	76	139	215	35	95	130	54	94	148	78	177	255
General Employee	Persons	48	82	130	24	54	78	36	71	107	61	140	201
	%	2.70	4.61	7.31	1.38	3.10	4.47	2.11	4.16	6.28	3.60	8.26	11.86
Contractor	Persons	28	57	85	11	41	52	18	23	41	17	37	54
	%	1.57	3.21	4.78	0.63	2.35	2.98	1.06	1.35	2.40	1.00	2.18	3.19
<b>Thai Nationality</b>	Persons	<b>91</b>	<b>150</b>	<b>241</b>	<b>49</b>	<b>111</b>	<b>160</b>	<b>67</b>	<b>105</b>	<b>172</b>	<b>95</b>	<b>195</b>	<b>290</b>

Remark: According to the table as shown above, the data of all employees is defined based on the "Additional Information" topic.

## Number of employees who are labor union member

GRI 401-1

Information	Units	2019	2020	2021	2022
Number of employees who are labor union member	Persons	0	0	0	0

Remark: The Company has established a welfare committee which has employee representation

## Occupational health and safety

GRI 403-2, 403-9, 403-10

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Total Employee</b>		<b>610</b>	<b>1,168</b>	<b>1,778</b>	<b>602</b>	<b>1,142</b>	<b>1,744</b>	<b>572</b>	<b>1,133</b>	<b>1,705</b>	<b>578</b>	<b>1,117</b>	<b>1,695</b>
<b>Sick leave</b>													
Number of sick days	Days	1,381	3,355	4,736	1,222	3,342	4,564	1,745	4,639	6,384	3,698	8,250	11,948
Number of time lost due to non-work related illness	Hours	11,044	26,840	37,884	9,776	26,735	36,511	13,958	37,110	51,068	29,584	66,000	95,584
Working hours	Hours	1,190,720	2,279,936	3,470,656	1,170,288	2,220,048	3,390,336	1,102,816	2,184,424	3,287,240	1,114,384	2,153,576	3,267,960
Total numbers of working days in a year	Days	148,840	284,992	433,832	146,286	277,506	423,792	137,852	273,053	410,905	139,298	269,197	408,495
Number of days off work due to work-related illnesses and injuries	Days	0	0	0	0	0	0	0	0	0	0	0	0
Number of work-related injuries or accident leading to absenteeism	Cases	0	0	0	0	0	0	0	0	0	0	0	0
Number of employee injured from work, resulting in ≥ 1 absenteeism	Person	0	0	0	0	0	0	0	0	0	0	0	0
Number of fatalities as a result of work-related	Person	0	0	0	0	0	0	0	0	0	0	0	0

Information	Units	2019			2020			2021			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Occupational injury/illness rate and accidents leading to lost time													
Rate of recordable work-related injuries	Number of employees per 200,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)		0	0	0	0	0	0	0	0	0	0	0	0
Lost Time Injury Rate (LTIR)		0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Injury Rate (LDIR)	Number of employees per 200,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Rate of fatalities as a result of work-related injury		0	0	0	0	0	0	0	0	0	0	0	0
Occupational Disease Rate (ODR)		0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Rate (LDR)	%	0	0	0	0	0	0	0	0	0	0	0	0
Absentee Rate (AR)													
Absentee Rate (AR) <sup>(1)</sup>	%	0.93	1.18	1.09	0.84	1.20	1.08	1.27	1.70	1.55	2.65	3.06	2.92
Absentee Rate (work-related)	%	0	0	0	0	0	0	0	0	0	0	0	0

Remark: <sup>(1)</sup> In 2022, The target of absenteeism as a result of work-related and nonwork-related injuries =1.55%

<sup>(2)</sup> According to the table as shown above, the data of all employees is defined based on the "Additional Information" topic.

## Parental leave - maternity leave

GRI 401-3

Information	Units	2019		2022		2021		2022	
		Male	Female	Male	Female	Male	Female	Male	Female
Total number of employees that were entitled to parental leave	Persons	0	1,168	0	1,142	0	1,132	0	1,117
Total number of employees that took parental leave	Persons	0	25	0	26	0	21	0	21
Total number of employees that returned to work in the reporting period after parental leave ended	Persons	0	23	0	25	0	19	0	21
Rate of return to work	%	0	92	0	96	0	90	0	100
Employee retention rate after the end of the leave period	%	0	96	0	96	0	89	0	90

Remark: The return to work rate is (number of employees returning to work after the end of the parental leave period)/(number of employees applying for parental leave)\*100. The retention rate is (number of employees who retained 12 months after the end of the parental leave period/number of employees who used parental.

## Notifying employees in advance of any changes that will affect the position/character of employment

GRI 402-1

Information	Units	2019	2020	2021	2022
Timing	Week	2-4 Week	2-4 Week	2-4 Week	2-4 Week



## Employee complaints about labor practices

Information	Units	2019	2020	2021	2022
Number of employee complaints about labor practices		0	0	0	0
Number of complaints that have been resolved	Case	0	0	0	0
Number of complaints during the process		0	0	0	0

## Human resource development data

GRI 404-1

Information	Units	2019	2020	2021	2022
Average hours per FTE of training and development	Hours/Persons	39.23	45.59	57.04	64.38
Average total number of employees per year	Persons	1,854	1,824	1,743	1,689
Total number of training hours	Hours	72,732	83,151	99,420	108,744
Total number of employees trained	Persons	13,818	18,193	22,679	24,021
By Gender					
Male	Persons	4,503	6,008	8,539	8,902
Female		9,315	12,185	14,140	15,119
By Employee position					
By Management position					
Top management position	Persons	37	53	43	64
Middle management position		206	205	140	204
Junior management position		553	606	458	1,101
By Non-management position					
General Employee	Persons	11,443	15,864	18,639	18,957
Contractor		1,579	1,465	3,399	3,695

## The Level of Employee Engagement

Information	Units	2019	2020			2021			2022		
			Male	Female	Total	Male	Female	Total	Male	Female	Total
Employee engagement score	%	76	70	73	72	67	65	66	69	68	68
Response rate		99	100	100	100	100	100	100	100	100	100

Remark: The return to work rate is (number of employees returning to work after the end of the parental leave period)/(number of employees applying for parental leave)\*100. The retention rate is (number of employees who retained 12 months after the end of the parental leave period/number of employees who used parental.

## Environmental Dimension

### Greenhouse Gas Emissions

GRI 305-1, 305-2, 305-3, 305-5

Information	Units	2019	2020	2021	2022
Amount of direct greenhouse gas emissions (GHG Scope 1) (Fleet Card)		626	495	391	497
Amount of indirect greenhouse gas emissions (GHG Scope 2) (Electricity)		1,364	1,006	1,205	1,285
Amount of indirect greenhouse gas emissions (GHG Scope 3)	Metric Ton CO2e	267	214	176	159
Water (Data collection started in 2017)		15	15	13	13
Paper (Data collection started in 2018)		252	198	162	145
Business Travel by ride-hailing application (Data collection started in 2020)			1	1	1

### Electricity Use

GRI 302-1, 302-3, 302-4

Information	Units	2019	2020	2021	2022
Electricity energy consumption	Megawatt-hours (MWh)	2,344	2,212	2,410	2,571
Electricity charges	Thousand Baht	13,896	13,099	14,270	15,219
Electricity energy consumption per area	MWh/sq.m.	12.001	11.324	11.766	12.564
Proportion of revenue	%	0.06%	0.06%	0.07%	0.07%

### Water Use

Information	Units	2019	2020	2021	2022
Water usage	Cubic Metre (m3)	18,344	18,467	16,917	16,919
Water charges	Thousand Baht	367	369	338	338
Water usage per area	m3/sq.m.	0.094	0.095	0.083	0.083
Proportion of revenue	%	0.00%	0.00%	0.00%	0.00%

### Business Travel

GRI 302-2

Information	Units	2019	2020	2021	2022
Petrol used for travel	Litre	258,085	203,779	159,708	164,201
Petrol charges	Thousand Baht	6,964	4,579	4,566	5,913
Proportion of revenues	%	0.03%	0.02%	0.02%	0.03%

# GRI CONTENT INDEX



<b>Statement of use</b>	Krungthai Card Public Company Limited has reported the information cited in this GRI content index for the period from January 1 to December 31, 2022 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standards	Disclosure	Page Number(s)		Relation to SDGs
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2-26	Mechanisms for seeking advice and raising concerns	65	239-261	

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Occupational Health and Safety				SDG 3, SDG 8
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GRI 403 : Occupational Health and Safety 2018				
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Collaboration with partnership for sustainability				SDG 8
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GRI 203 : Indirect Economic Impacts 2016				
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## QUESTIONNAIRE

### KTC Sustainability Report 2022

Your suggestions will be incorporated in the improvement of the future KTC Sustainability Report. KTC highly appreciates your valuable feedback.



Please Scan  
QR Code for  
online questionnaire

Please kindly mark ✓ in ☐ or provide suggestions in the space provided.

#### Which stakeholder group(s) best describes you ?

- |                                                            |                                            |
|------------------------------------------------------------|--------------------------------------------|
| <input type="checkbox"/> Shareholders/ Investors           | <input type="checkbox"/> Customers         |
| <input type="checkbox"/> Supplier                          | <input type="checkbox"/> Business Partners |
| <input type="checkbox"/> Social and Environment            | <input type="checkbox"/> Creditors         |
| <input type="checkbox"/> Board of Directors and Management | <input type="checkbox"/> Employees         |
| <input type="checkbox"/> Government and regulator          | <input type="checkbox"/> Competitors       |
| <input type="checkbox"/> Other, please specify : _____     |                                            |

#### Where do you receive/ read KTC Sustainability Report 2022 ?

- ☐ Seminar
- ☐ Shareholders' Meeting
- ☐ Office/ KTC Touch service point
- ☐ Website/ social media or other channels of KTC
- ☐ Other, please specify : \_\_\_\_\_

#### Why do you read KTC Sustainability Report 2022 ?

- ☐ To recognize the company
- ☐ To find information for making investment decisions
- ☐ To learn about sustainability management process
- ☐ To prepare for your Company's sustainability report
- ☐ For research and development
- ☐ Other, please specify : \_\_\_\_\_

#### Which of KTC sustainability topics are you interested in ?

- ☐ Corporate Governance
- ☐ Anti-Corruption and Bribery
- ☐ Risk and Crisis Management
- ☐ Digital Innovation
- ☐ Brand and Customer Trust
- ☐ ESG Products and Services
- ☐ Supply Chain Management
- ☐ Economic Performance
- ☐ Financial Inclusion and Financial Literacy
- ☐ Human Rights
- ☐ Human resource management and development
- ☐ Occupational Health and Safety
- ☐ Collaboration with Partners for Sustainability
- ☐ Environmental and Climate Change Management

#### Please rate your level of satisfaction for the KTC Sustainability Report 2022

- |                              |     |                          |                          |                          |                          |                          |      |
|------------------------------|-----|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------|
| • Interesting content        | Low | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | High |
| • Easy-to-understand content | Low | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | High |
| • Completeness of content    | Low | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | High |
| • Interesting report design  | Low | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | High |
| • Overall satisfaction       | Low | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | High |

#### Which sustainability topics would you recommend for KTC in addition to its current topics ?

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#### After reading this sustainability report, what are your thoughts on KTC's determination and action regarding sustainable development ?

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#### Please provide further recommendations (if any)

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Please address your inquiries regarding this report to:

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