



The Story Continues..

# THE NEXT JOURNEY *Begins*

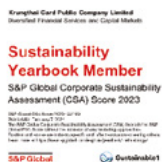
**SUSTAINABILITY REPORT 2023**

KRUNGTHAI CARD PUBLIC COMPANY LIMITED



# HONORABLE AWARDS

## INTERNATIONAL AWARDS



Member of the  
**S&P Global's Sustainability  
Yearbook 2024**



**FTSE4Good**

Member of the  
**FTSE4Good Index Series  
since 2021**

**MSCI**  
ESG RATINGS



CCC B BB **BBB** A AA AAA

The  
**MSCI ESG Ratings  
of BBB**



The **“Champion Security  
Award 2023, Best in Class  
in Risk Management”**  
from Visa International



The **Technical Solution  
Joint Innovation Awards**  
at the Huawei Connect  
2023 event



# HONORABLE AWARDS

## NATIONAL AWARDS



The **SET ESG Ratings** of AAA

The **SETESG Index** for 4 consecutive years since 2020 - 2023



The **Outstanding CEO and Outstanding Company Performance Awards** in the Business Excellence category for the year 2023 with market capitalization exceeding Baht 100 billion



The following certificates for its overall organization:  
The Information Security Management System **ISO/IEC 27001:2013** and The Privacy Information Management System **ISO/IEC 27701:2019**



The **"Thailand's Top Corporate Brand Value 2023"** in the category of capital and securities business for the year 2023



**"Excellent"** rating in **Corporate Governance Report of Thai Listed Companies** for 8 consecutive years since 2016



The member of **ESG100** for 8 consecutive years since 2016 by Thaipat Institute



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



**100% rating** from the **2023 Annual General Shareholders' Meeting Quality survey**

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\*\*\* In 2023, SET changed the name of "Thailand Sustainability Investment (TSI)" to "SET ESG Ratings" and announced the SET ESG assessment results in the form of "ESG Ratings" for the first year.



## MESSAGE FROM THE CHAIRMAN

A man with short dark hair, wearing a dark suit jacket over a light-colored button-down shirt, stands with his hands in his pockets. He is looking slightly to the side with a calm expression. The background is a plain, light-colored wall.

“

**THE STORY CONTINUES...  
THE NEXT JOURNEY BEGINS**

Continuing the path  
that reflects our commitment to  
creating positive impact for the  
economy, society, and the environment,  
as we grow sustainably together.

”

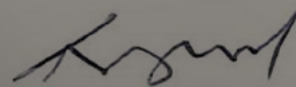


Amidst the economic challenges, regulatory frameworks, climate conditions, and evolving consumer behavior, including informal debt concerns, it has become increasingly evident that consumer finance businesses play a vital role in effectively allocating financial resources to promote sustainable practices. This leads to a balance among economic prosperity, societal well-being, and environmental stewardship, thus collectively driving Thailand towards achieving the sustainable development goals set by the United Nations.

KTC remains committed to conducting business in accordance with good corporate governance practices, respecting human rights, managing risks and costs appropriately, and providing responsible lending. We also seize opportunities to integrate sustainable principles to our business practices, fostering awareness and promoting smart spending that meets essential life needs. Therefore, every product and service development at KTC stems from the dedication of our personnel in selecting benefits that cater to our members' needs. In the year 2023, notable achievements include the innovation of the "KTC Digital Credit Card" which enhances advanced security by introducing Thailand's first translucent credit card without visible numbers or magnetic stripes. The card features a dynamic CVV that changes with every request and is valid for 24 hours. KTC P BERM Car for Cash business continues to focus on assisting customers who lack financial opportunities and have limited access to institutional funding sources. We strive to provide them with proper, transparent, and fair access to capital. Additionally, we have actively promoted sustainable tourism, with over 100 "Green Hotel" across 20 provinces nationwide. These efforts have shown our commitment to fostering the ecosystem for all stakeholders throughout the value chain.

With relentless development efforts, KTC has been able to consistently generate profits. Our net profit, as reflected in the separate financial statements, amounted to Baht 7,241 million. We have maintained our certification for the ISO/IEC 27001:2013 Information Security Management System and ISO/IEC 27701:2019 Privacy Information Management System. Reaffirming our commitment to secure data management, KTC showcased as an organization dedicated to security, both in Thailand and the Asia-Pacific region, as evidenced by receiving the "Champion Security Award 2023, Best in Class in Risk Management" from Visa International. In addition, KTC continues to be a member of the SETESG Index for the fourth consecutive year, achieving the AAA rating in the SET ESG Ratings. KTC also maintains as a selected member of the FTSE4Good Index Series and has been selected to be part of the S&P Global Sustainability Yearbook 2024.

On behalf of the Board of Directors, I would like to express our sincere gratitude to everyone who has consistently placed their trust in KTC. KTC extends our heartfelt appreciation to the retiring CEO and executives who have dedicated themselves to building a solid foundation and fostering valuable success for KTC. KTC also warmly welcomes the new CEO, a highly experienced leader with invaluable perspectives, who will join us in managing the organization and instilling confidence in all stakeholders. Together, we aim to continue nurturing KTC's sustainable growth and excellence, while creating a sense of trust for our stakeholders.



**(Mr. Prasong Poontaneat)**

Chairman of the Board of Directors  
Krungthai Card Public Company Limited



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## 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

**Mission 1** To build an accessible, convenient, and secure infrastructure for payment and retail lending services for members' choices.

**Mission 2** To create differentiation of products & services by developing organization's core competencies in technology, processes, and employees to enable us to truly understand and respond to members' lifestyles and needs.

**Mission 3** To nurture member relationship with KTC brand for sustainable growth.

### Core Values

**Courageous**

**Smart  
Simplicity**

**Meaningful**



# General Information

**Company Name:**  Krungthai Card Public Company Limited (“KTC” or the “Company”)

**Headquarter:**



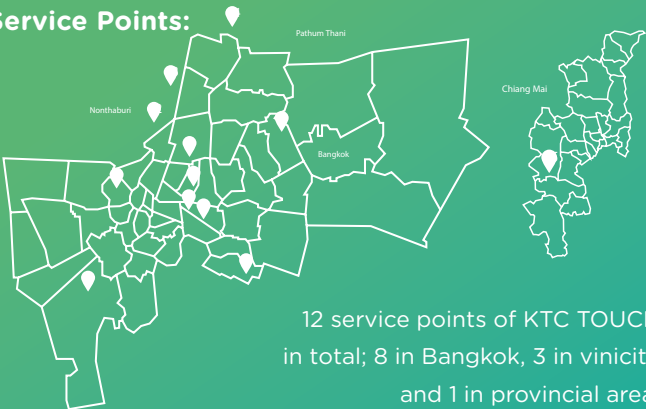
591 United Business Centre II,  
14<sup>th</sup> Floor, Sukhumvit 33 Road,  
North Klongton, Wattana,  
Bangkok 10110, Thailand

**Industry:**



Non-bank financial institution

**KTC TOUCH  
Service Points:**



12 service points of KTC TOUCH  
in total; 8 in Bangkok, 3 in vicinity  
and 1 in provincial area.

The Company offers a diverse array of products and services to ensure widespread accessibility for consumers across the country. Please refer to additional information in Form 56-1 One Report 2023 under “KTC TOUCH” topic.

**Authorised share capital  
and paid-up share capital**

Baht  
**2,578,334,070**

**Background:**



**December 4, 1996:**  
Registered as juristic person.

**July 2, 2002:**  
Registered as public company limited under the name of “Krungthai Card Public Company Limited”

**October 28, 2002:**  
Listed in the Stock Exchange of Thailand.

**Present:**  
KTC is a leading company in consumer finance business.

(Please refer to additional information in Form 56-1 One Report 2023 under “Policy and Business Overview” topic)

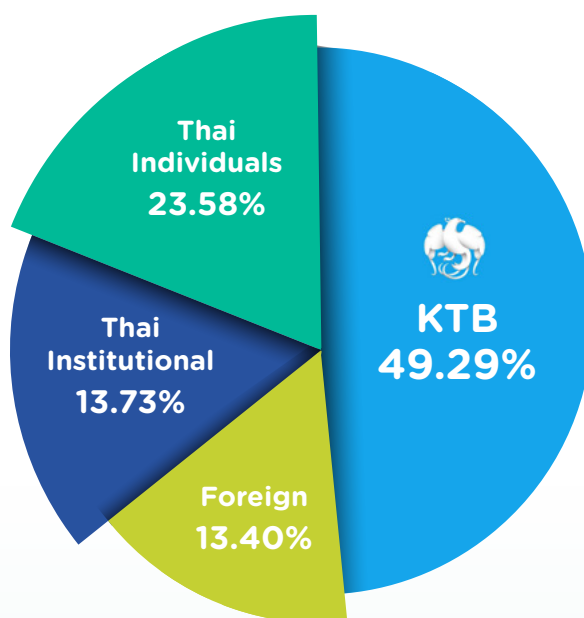
**Objectives and Business of the  
Company and its subsidiaries:**

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 occupational retail lending business, E-payment business, hire purchase and leasing business to support the Company’s business operations to create sustainable long – term returns.



## Shareholding Structure of the Company

As at the end of 2023, the two major shareholders are Krungthai Bank Public Company Limited (“Krungthai Bank”) held 49.29% and Mr. Mongkol Prakitchaiwattana held 10.76% of total issued shares. As a listed company, KTC operates its businesses transparently and fairly by treating all shareholders equitably. In this regard, when entering agreements with major shareholders, the Company stipulates the contract, conditions, prices, and terms in accordance with standard commercial terms and conditions.



### Relationship with KTB:

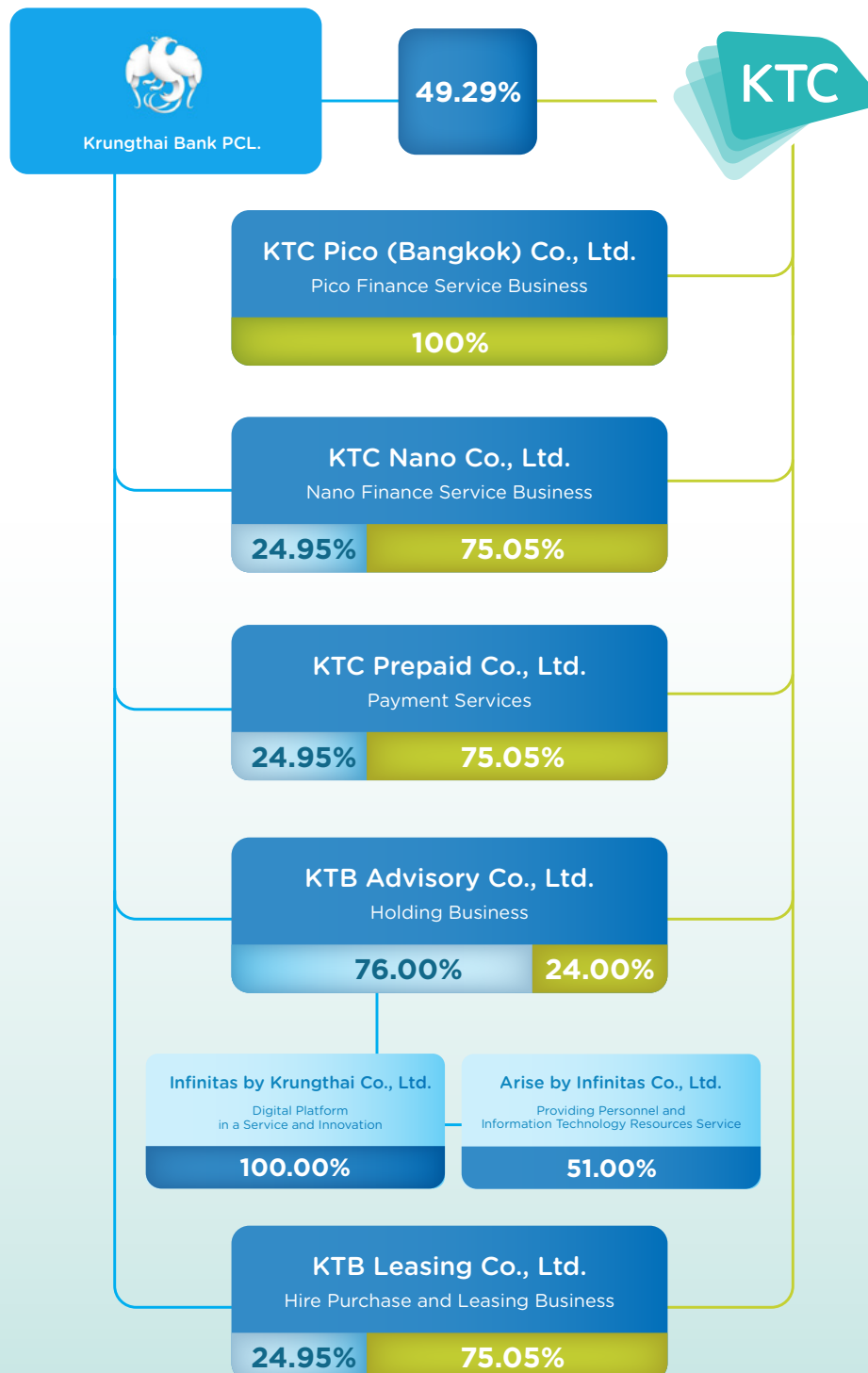


- The Company operates as a financial business entity under KTB, which exercises oversight over its operations and subsidiaries through comprehensive group-wide supervision principles. This ensures a stable and well-managed business group with robust risk management practices, sound governance structures, and a commitment to fair business practices that prioritise customer service, all in accordance with the regulations stipulated by the Bank of Thailand. Importantly, the Company maintains its autonomy, free from undue influence on policies or management from KTB or the government, despite the latter being a major shareholder of KTB.
- The Company forges a business partner relationship with KTB, a major shareholder which is a juristic person. Under collaboration with KTB, the Company can utilize KTB branches as distribution channel for its products and services in order to reach consumers throughout the country.
- Transactions between the Company and KTB or any companies in the Bank’s financial business group conforms to conditions of normal course of business practices.

(Please refer to additional information in Form 56-1 One Report 2023 under “Corporate Governance Policy” and “Internal Control and Related Party Transactions” topics)

## Shareholding Structure of subsidiaries and associated Companies

As at December 31, 2023

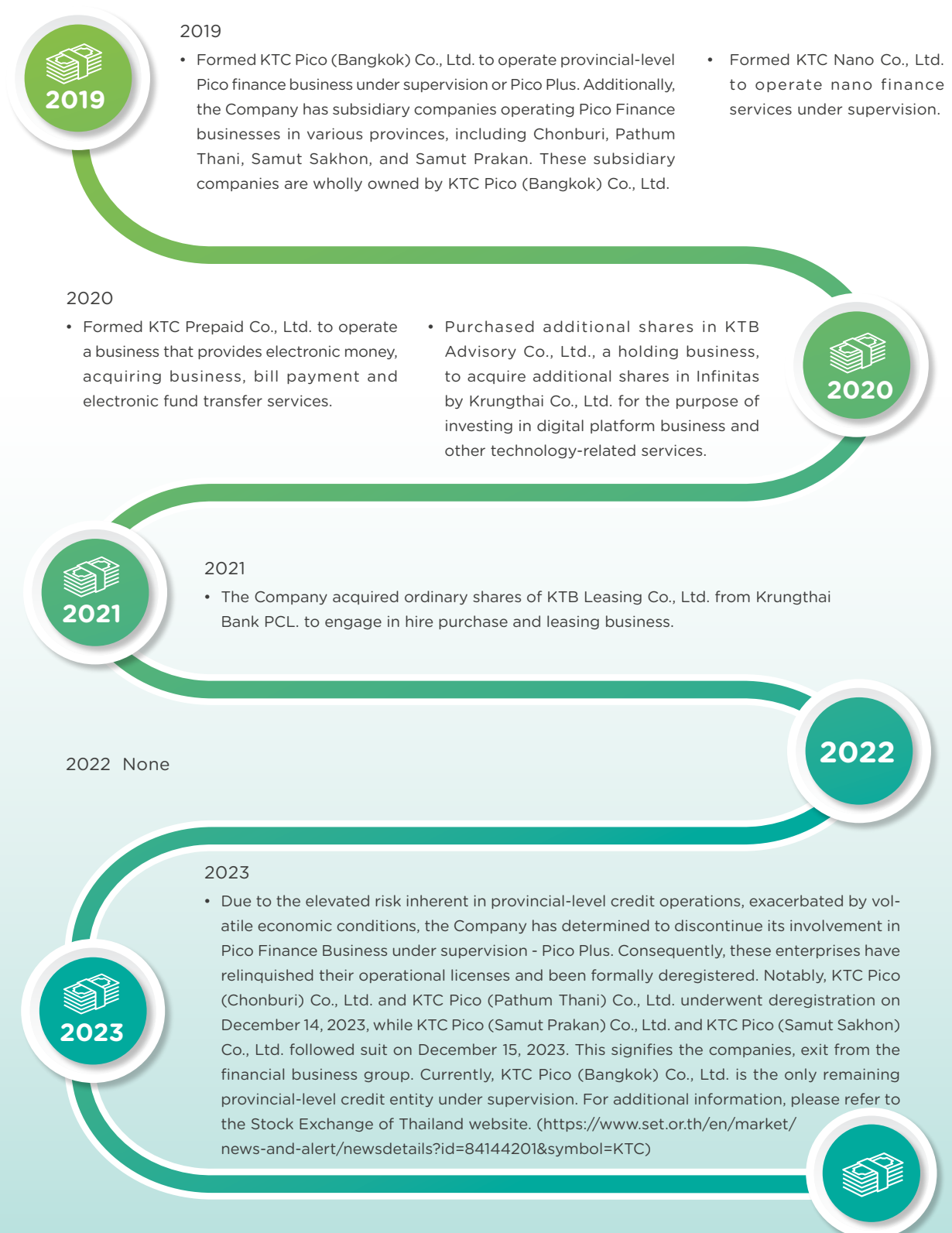


**Remark:** On February 21, 2024, the Company disposed of the ordinary shares of KTB Advisory Company Limited (KTA) to Krungthai Bank Public Company Limited (KTB) in a 24% proportion, resulting in KTB currently holding 100% of the shares in KTA.



## Investment in subsidiaries and associated companies

Expanding the range of products and services as well as improving customer accessibility are vital steps in promoting and enriching the quality of life within Thai society. With this objective in mind, the Company is committed to spearheading comprehensive credit services and fostering the advancement of a digitally innovative society. To achieve this vision, collaborative efforts with KTB have been initiated to undertake the following initiatives:



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.  
GRI 2-6

## Capital management to support business operations

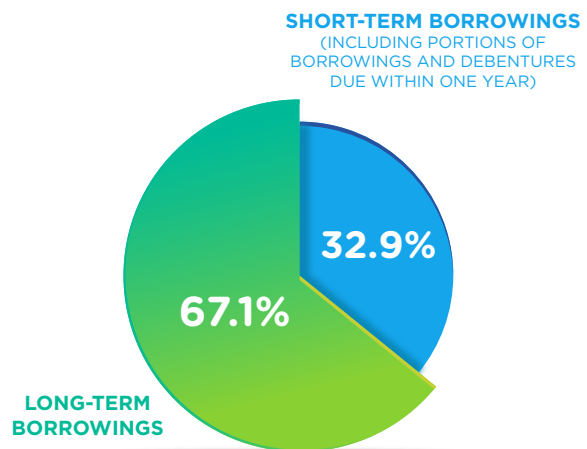
The Company adopts a multifaceted approach to secure both short-term and long-term borrowing, including the issuance of bonds, bills of exchange, and loans from various financial institutions. These include commercial banks, notably KTB, a major shareholder, as well as securities firms, insurance companies, and various funds. The Company does not rely solely on any particular financial institution, ensuring it has sufficiently diversified and suitable sources of fund. Interest rates are set according to market rates.

In managing financial capital, careful consideration is given to balancing short-term and long-term borrowing, aligning with the maturity profile of the company's assets, prevailing interest rate dynamics, and anticipated market conditions. Furthermore, robust risk management protocols are integral to our operations, including the establishment of a committed line reserve to address unforeseen contingencies effectively.

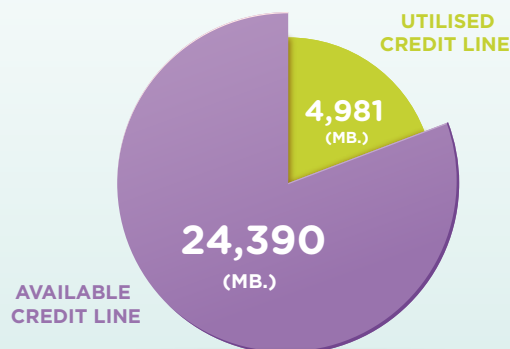
As of December 31, 2023, the Company possessed a cumulative short-term credit line from financial institutions totaling Baht 29,371 million. Of this, Baht 4,981 million had been drawn upon, resulting in an available credit line of Baht 24,390 million. Furthermore, the Company manages its daily operations by maintaining adequate cash reserves. Regular evaluations of liquidity risk are conducted through the formulation of liquidity risk indices, along with rigorous liquidity stress testing protocols. These measures provide assurance that the Company remains resilient against potential financial liquidity challenges.

**Remark:** The Company lacks the authorization to accept deposits or receive funds from the public, similar to commercial banks, due to the absence of a banking license in accordance with the Financial Institution Business Act., B.E. 2551 (2008)

### Capital structure as at the end of the year 2023

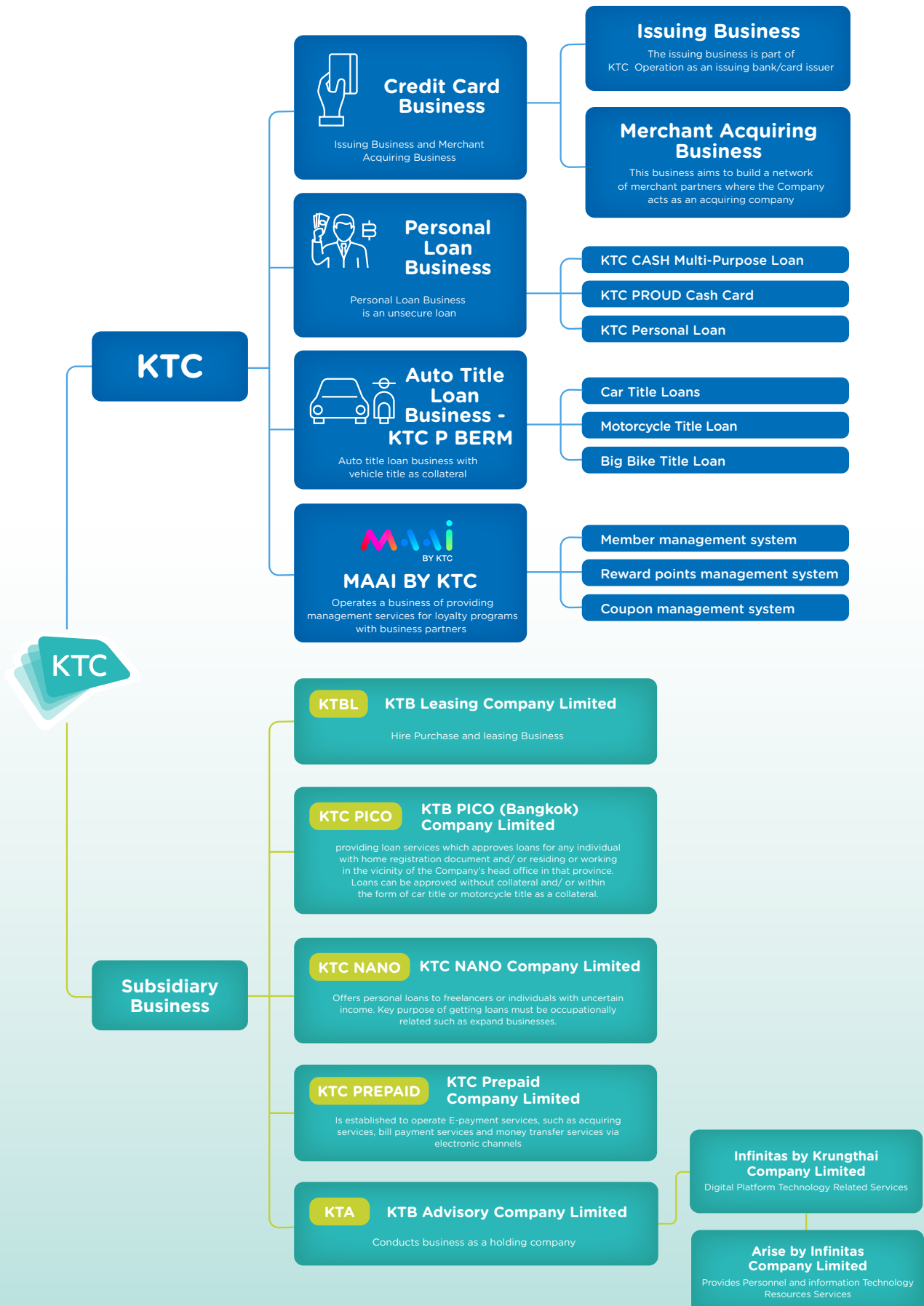


### Total Short-Term Credit Line as at the end of the year 2023





## Products and Services



(Please refer to additional information in Form 56-1 One Report 2023 under "Nature of Business" topic)

## Business Strategy

With KTC's vision a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth. The Company aligns its business strategies accordingly, aiming to strike a balance among economic, societal, and environmental aspects.

This strategic approach is crafted to meet the expectations of members and stakeholders while facilitating the sustainable expansion of the company, adapting flexibly to evolving business dynamics over periods of time. Briefly summarized as follows:

### “People-Process-Technology”

The three main pillars to enhance the efficiency of products and services, to establish a solid foundation for sustainable growth, and to create a positive experience for members.



#### People

Prioritize the development and empowerment of robust leadership among the emerging executive management, while also nurturing middle management capabilities. Emphasis is placed on fostering leadership qualities to effectively drive the organization towards its objectives.

#### Process

Focus on designing and refining work processes to improve speed, efficiency, and cost-reduction by prioritizing the needs of members. Maintain a thorough understanding of member needs and target customer segments to formulate marketing strategies, while continuously improving products and services.

#### Technology

Prioritize the utilization of Cloud Computing in the IT system architecture, covering data processing and storage. This adoption yields positive outcomes in terms of safety, stability, flexibility, agility, speed, and efficiency, while also reducing operating costs and enhancing service quality. Additionally, integrate artificial intelligence (AI) technology to bolster the organization's capabilities, aimed at delivering an enriched experience for members and improving the quality of the loan portfolio.



## Business Trends and the Company's Strategy in 2024

### ➤ CREDIT CARD BUSINESS

In 2024, the credit card business is targeting a 15% growth in card spending, reaching approximately Baht 300,000 million, and aims to acquiring 230,000 new members. The marketing strategy for KTC credit card will focus on market segmentation, dividing target customers clearly. The automation system is integrated to enhance efficiency, and communication channels are tailored to fit specific target groups through 4 key axes as follows:



#### Portfolio & Product Management

Manage the current member portfolio to ensure quality and consistent spending from active customers. For example:

- Implement credit line increase programs for valued customers to encourage higher spending.
- Stimulate supplementary card applications through KTC Mobile application, with adjusted customers' journeys for convenience and efficiency.
- Develop programs targeting inactive customers to encourage those who haven't used their cards for 3 months or more to resume card usage.

Developing credit card products with a primary focus on payment security is crucial. This includes the introduction of KTC DIGITAL card, emphasizing 3 key features:

- Elevating security in online transactions by implementing Dynamic CVV/CVC2, changing with each request, and valid for 24 hours.
- Prioritizing convenient payments, enabling instant payments after an approval for online transactions. Supporting QR Pay and card linkage with various payment systems like Google Pay and Swatch Pay.
- Providing assurance for in-store transactions by utilizing a Numberless Card, minimizing the risk of data theft. The card design emphasizes modernity with a translucent card body, featuring only the network logo, KTC's brand, and cardholder name for enhanced security during transactions.



#### Acquisition Program

In 2024, Acquisition Program will focus more on acquiring new customers through online channels, in addition to the traditional methods such as Krungthai Bank branches and outsourced sales. The goal is to target higher income customers (with monthly income more than Baht 50,000) and new-generation customers who prefer online transactions. This will involve developing an Electronic Application, enabling customers to independently complete the application process through a comprehensive online platform.



#### Usage Program

Design spending stimulation programs that are tailored to meet customers' needs in main spending categories such as Dining & Hotel Dining, Travel, Insurance, Health & Beauty, etc. Additionally, KTC continues to collaborate with business partners sharing similar business objectives, ensuring marketing activities address the significant spending categories of members to enhance brand recognition and loyalty.



#### Communication

Enhancing communication channels for greater effectiveness, focusing on personalized communication by delivering benefits tailored to specific target groups at the right time. This involves various channels such as KTC Mobile, E-Mail, Line, Facebook, and other social media platforms.

## PERSONAL LOAN BUSINESS

In 2024, the overall consumer loan demand expects to show a growth trend in line with economic recovery. The personal loan sector is likely to experience growth similar to the previous year, given the gradual economic recovery. However, challenges in maintaining asset quality remain a factor to be addressed.

KTC's personal loan strategy in 2024 aims for business growth while ensuring the quality of portfolios. The strategy includes a 5% growth target for the personal loan's portfolio and an increase of 100,000 new members for "KTC PROUD" cash card. The main strategies are outlined as follows:

1. Attract high-quality new members by emphasizing online application through e-Application, allowing members to self-process applications with real-time

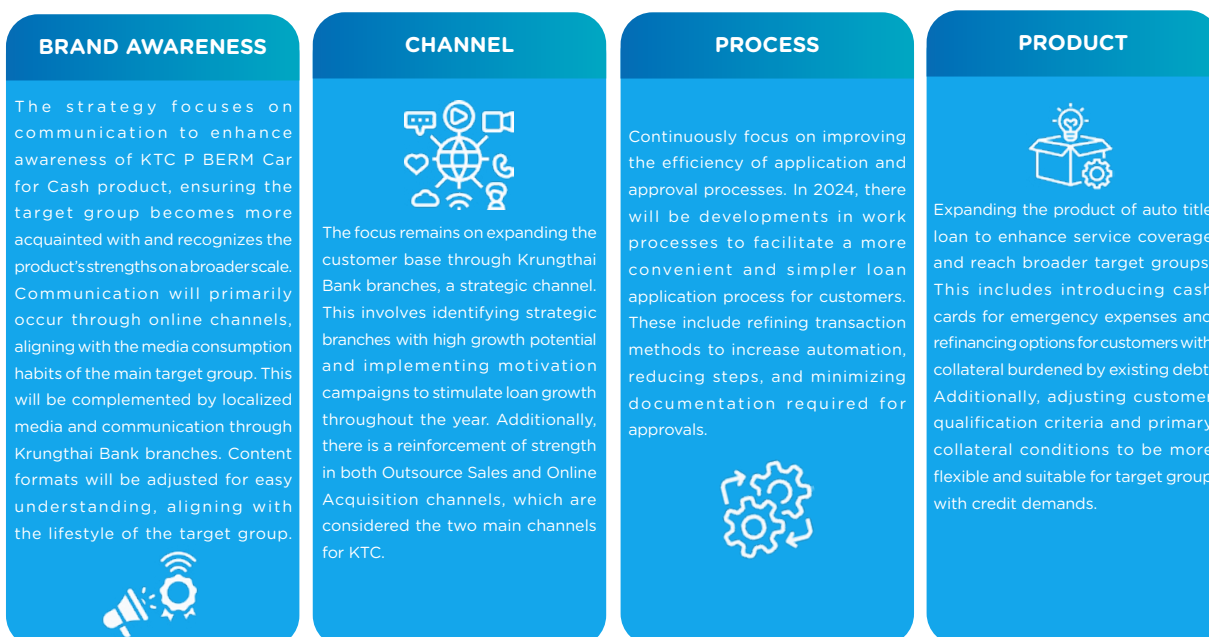
approval and instant cash transfers. Additionally, the strategy involves improving the application process through KTC's website and partners.

2. Enhance the cash card usage experience to over 700,000 KTC PROUD members by introducing complete features such as swipe-transfer-withdraw-pay function, by providing withdrawal and cash transfer functions on KTC mobile application, supporting existing transfers feature to PromptPay accounts, and to various bank accounts. The strategy also includes ongoing campaigns such as the debt clearance campaign, which has been running for over a decade. This campaign aims to incentivize disciplined credit usage by offering members the opportunity to clear their debts with KTC.

## AUTO TITLE LOAN BUSINESS

For auto title loan business, trend supports potential for substantial growth and expansion in the year 2024. This is due to the economic conditions after the COVID-19, the demand on loan has continuously increased. Auto title loan is considered low risk business, allowing effective screening and control of asset quality. Additionally, since January 2023, the Consumer Protection Office (CPO) has regulated the interest rates for hire purchase businesses, attracting the attention of many business operators, both from banks and non-banking sectors into the auto title loan business. As a result, the industry is expected to become more competitive, with continuous growth.

In 2024, KTC's strategic plan for KTC P BERM Car for Cash continues to prioritize expanding member base for sustained growth. The main focus lies in the growth of new bookings, with key strategies centered around building brand awareness and strengthening channel management. Additionally, there are supplementary strategies in product and process enhancement as follow:





## **MAAI BY KTC**

MAAI BY KTC plans to expand to at least 20 medium-sized and large business partners, aiming to increase MAAI members by approximately 2 million. The targeted partners on the MAAI platform will focus on businesses that establish frequent customer engagement for repeat purchases or services. Additionally, MAAI's platform offers diverse service models, enhancing effective Customer Relationship Management (CRM) for merchants' partners. Strategic developments will particularly focus on three key areas to further optimize efficiency.

1. Continuing the platform development, new features and functions are being introduced to meet the requirements of medium-sized and large businesses.
2. Enhancing efficiency and elevating the user experience of the MAAI BY KTC application for greater ease, convenience and overall improvement.
3. Expand the MAAI BY KTC points redemption network to encompass all lifestyles and member needs. MAAI BY KTC aims to have redemption points available across diverse businesses, creating a robust business ecosystem that fosters sustainable growth for partners through interconnected services.

## **HIRE PURCHASE AND LEASING BUSINESS**

For the hire purchase and leasing business, the overall industry has experienced rapid growth in the first half of 2023. However, due to the increasing problem of non-performing loans, business operators have shifted their focus towards debtor quality control and become more cautious in extending credit. This has resulted in a slowdown in growth during the latter half of the year.

Due to the high risk and uncertainty in the hire purchase and leasing market, coupled with a continuous rise in non-performing loans, the company suspended loan disbursements since August 2023, led by KTBL.

For the year 2024, the company currently does not have a strategy to resume offering loans to new customers. Instead, the focus will be on portfolio management, enhancing repayment tracking processes to increase efficiency and preventing customer debt downgrades.

# 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 has developed the organization continuously. The Company harmonizes the concept with stakeholders' needs and plays its part of strengthening financial sector and driving Thailand for sustainable growth in accordance with the United Nations Sustainable Development Goals: SDGs. Details are as follows:

## Sustainable Development Goals (SDGs)





## ➤ Sustainable Development Management Structure



### 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, as well as approves the outcome of compiling the annual sustainability report.

#### President and 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, operate and monitor in accordance with the Sustainable Development Framework.

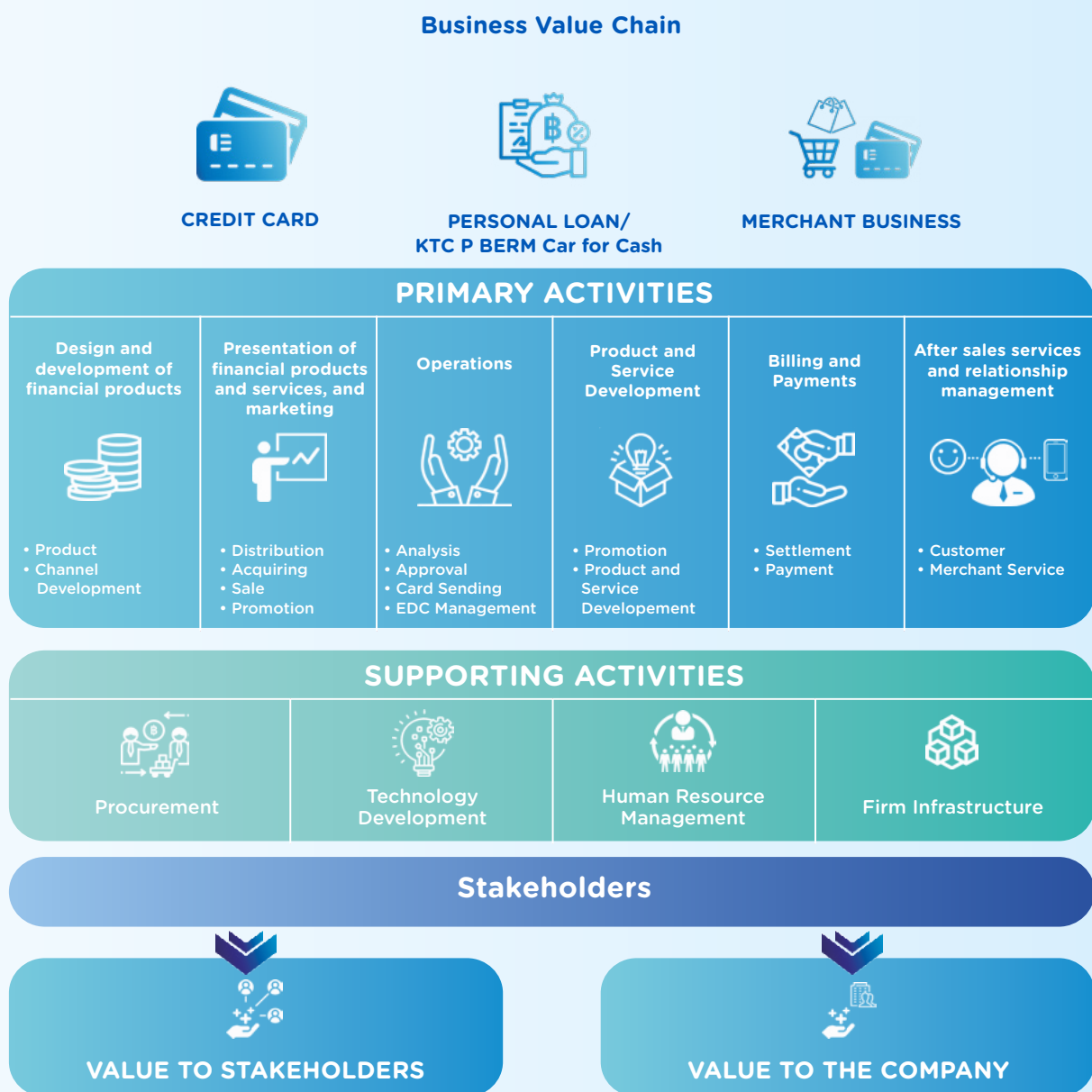
GRI 2-9, 2-12, 2-13, 2-14

## ➤ Sustainable Development

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

The Company is dedicated to adhering to principles of sound corporate governance, relevant laws, regulations, and social and environmental responsibilities in its business operations. Through meticulous analysis of activities or work processes spanning the entirety of the business value chain, from upstream to downstream, the Company aims to manage resource, enhance organizational capability, and generate value through the provision of products and services. These contributions lead to the cultivation of positive outcomes and relationships, meeting the expectations of stakeholders throughout the business value chain.

### Analysis and Review of Business Value Chain



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

### Stakeholder Analysis and Review

The Company divides stakeholders into 10 groups according to their relevance to the Company's business value chain. In 2023, 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 Company has clearly specified guidelines for engaging with stakeholders in writing within the Corporate Governance Policy and the Code of Conduct, which have been published on the Company's website (<https://www.ktc.co.th/en/sustainability-development/corporate-governance>). It also encourages employees to empathize, understand, and respond to stakeholder needs and expectations. This involves actively engaging and prioritizing stakeholder concerns through diverse channels and activities, aiming to collect information for analysis and the formulation of appropriate strategies. The Company promotes suitable collaboration and engagement with stakeholders across the value chain, ensuring continuous attention to value creation, risk reduction, and pursuit of business opportunities aligned with stakeholders' needs throughout the year.



The table outlining the stakeholder engagement is as follows:

 <b>Shareholders</b>		
Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>• Annual General Meeting of Shareholders or Extraordinary General Meeting of Shareholders (when an event occurs)</li> <li>• Disclosure of financial statements and management's discussion and analysis (MD&amp;A), quarterly and annually (pre and post review/audit).</li> <li>• Organizing Opportunity Day and Analyst Briefing on a quarterly basis, through online channels and in-persons at the event venue.</li> <li>• Providing continuous opportunities for Company Visits, in-person meetings at the Company's location and online.</li> <li>• Organizing Roadshows to disclose information domestically and internationally.</li> <li>• Providing other channels for inquiries by the Investor Relations department of the Company, including telephone or communication and contact via email at <a href="mailto:irktc@ktc.co.th">irktc@ktc.co.th</a></li> <li>• Participating in policy and governance briefing sessions in accordance with the comprehensive group governance criteria of Krungthai Bank, and adhering to relevant standards. This involves preparing and submitting various reports, as well as undergoing audits conducted by the head office audit department of Krungthai Bank.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company has good corporate governance.</li> <li>• The Company grows steadily and sustainably with appropriate risk management, ready for potential business risks.</li> <li>• The Company demonstrates resilience in responding to unforeseen circumstances. This is achieved through concepts and practices focused on building sustainability that are integrated into the business operations and strategies.</li> <li>• Shareholders receive good returns from performance, such as dividends or capital gains.</li> <li>• The Company treats all shareholders fairly and equitably. Shareholders receive accurate information through a transparent, clear, complete, equitable and timely disclosure process.</li> <li>• The Company provides communication channels between the Company and shareholders that enable shareholders to communicate, inquire, and receive clear answers promptly relevant to occurring situations.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company conducts business prudently and complies with the relevant laws and regulations transparently as well as builds a culture of corporate governance within the organization.</li> <li>• The Company implements proper work processes, internal controls and risk management as well as a Business Continuity Plan in case of unusual situations.</li> <li>• The Company consistently develops and adapts itself to create a sustainable business performance, enabling the continuous allocation of dividends to shareholders.</li> <li>• The Company provides shareholders with accurate, comprehensive, and timely access to information through various channels, ensuring equality.</li> <li>• Throughout the year, the Company conducts meetings in online and offline formats, allowing management to communicate and address issues directly, responding promptly to the evolving situation with completeness and clarity.</li> <li>• The Company submits reports with accurate, comprehensive, and timely information, enabling Krungthai Bank to utilize them for consolidated financial group governance according to established criteria.</li> </ul>

(Please refer to additional information under the "Corporate Governance", "Anti-Corruption and Bribery," and "Risk and Crisis Management" topics)



## Customers

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Engaging with customers to present financial products and services through various channels to strengthen positive relationships.</li> <li>Receiving feedback, addressing issues, and handling complaints throughout the year through all available channels.</li> <li>Conducting Brand Health Monitoring to assess the brand's health or success in the minds of consumers through customer group interviews.</li> <li>Evaluating customer satisfaction, such as service quality or willingness to recommend (Net Promoter Score), through various channels.</li> <li>Conducting random phone surveys to ensure accuracy and completeness in the sales process, recommendations, and financial product sales (Mystery Shopping).</li> </ul>	<ul style="list-style-type: none"> <li>Customers receive financial products and services, including benefits tailored to their needs.</li> <li>Customers are provided with accurate and thorough information about financial products and services, coupled with swift, suitable, and efficient guidance, ensuring clarity and avoiding misconceptions.</li> <li>The Company is ready to assist customers in times of trouble, offering solutions, providing support, and attentively considering suggestions promptly and fairly.</li> <li>The Company strives to enhance the quality of service, sales, and financial product recommendations to gain widespread acceptance and admiration. This includes leaving a positive impression on service users, adhering to the principles of Market Conduct and Responsible Lending.</li> </ul>	<ul style="list-style-type: none"> <li>The Company innovates financial products and services, accompanied by a range of benefits, to cater to the diverse needs of all customer segments. It also endeavors to maintain consistent and positive relationships with its merchant members.</li> <li>The Company regularly conducts training sessions for sales agents to improve their knowledge and skills in financial products and the corresponding criteria, ensuring alignment with the principles of Market Conduct and Responsible Lending.</li> <li>The Company establishes accessible channels for product and service recommendations and actively engages with customer suggestions, problems, and complaints.</li> <li>A well-defined process is in place for thorough examination and resolution upon receiving customer feedback, offering assistance, guidance, and implementing measures to maximize customer benefit and satisfaction.</li> <li>The Company provides services wholeheartedly and promptly through all communication channels, actively listening and addressing customer concerns to continuously improve, develop, and find preventive measures for customer.</li> </ul>

(Please refer to additional information under "Digital Innovation" and "Brand and Customer Trust" topics)



## Creditors

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Offering information, addressing inquiries, and receiving suggestions through phone calls, emails, and meetings consistently throughout the year.</li> <li>Publishing financial statements, Management Discussion and Analysis (MD&amp;A), along with other essential company details, including quarterly and annual communication of debt-to-equity ratios.</li> <li>Arranging activities to consistently enhance relationships, including the preparation of quarterly documents to update bondholders on various initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>The Company strictly follows contractual agreements as well as terms and conditions.</li> <li>Creditors are promptly paid the full amount, including interest and principal, as per the agreed terms.</li> <li>Creditors receive accurate, complete, and timely information regarding the company's operational results and other crucial details.</li> <li>Bondholders are kept informed about the Company's activities and have the opportunity to engage in relevant events. Furthermore, they can express their needs and expectations regarding the Company's endeavors.</li> </ul>	<ul style="list-style-type: none"> <li>The Company abides by contracts or terms and conditions with honesty, transparency, and verifiability.</li> <li>Full and punctual payment of interest and principal is ensured by the Company.</li> <li>The Company accurately, comprehensively, and timely presents financial reports, operational results, capital management information, disclosures in accordance with SEC regulations, and other essential information and news in an appropriate and equitable manner.</li> <li>The Company shares information about upcoming activities ahead of each quarter, enabling bondholders to contemplate participation in advance.</li> <li>The Company designs activities in formats that captivate bondholders' interest, fostering long-term engagement.</li> </ul>

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



## Suppliers/Outsources

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Suppliers selection and performance assessment procedures.</li> <li>Conveying the Company's sustainability standards to suppliers using the Supplier Code of Conduct.</li> <li>Actively listening to suggestions, addressing concerns, and managing complaints, involving the organization of meetings, training sessions, and site visits to facilitate knowledge exchange and diverse perspectives.</li> <li>Engaging with Krungthai Bank personnel, companies within Krungthai Bank's financial business group, or other suppliers to present and provide relevant information in the context of service and sales, including extending collaborative marketing opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>The Company transparently, auditably, and fairly conducts procurement in line with established criteria for acquiring goods or services from suppliers.</li> <li>Payments to suppliers for goods or services are executed in adherence to contractual terms.</li> <li>The Company facilitates knowledge sharing and provides assistance to aid suppliers in achieving sustainable mutual growth.</li> <li>Fair contractual terms and compensation arrangements are maintained, avoiding any exploitation of suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>The Company maintains clear policies and criteria for procurement, ensuring transparency in selection by incorporating environmental, social, and governance (ESG) factors as criteria for evaluating suppliers.</li> <li>Suppliers are required to sign agreements acknowledging adherence to the code of conduct and confidentiality agreement. This is to ensure adherence to legal compliance, code of conduct, corporate governance policies, anti-money laundering policies, the company's anti-corruption measures, and international standards.</li> <li>The Company consistently processes payments to suppliers or service providers promptly, settling amounts owed within 2 weeks for those with Krungthai Bank accounts and within 3 weeks for those with accounts in other banks, upon completion of work and submission of invoice of accounting department. This adherence to the specified timeline was 100 percent achieved in the year 2023, ensuring that actual payments mirrored the established criteria.</li> <li>Continuous development and education initiatives are undertaken to jointly achieve sustainability goals with suppliers.</li> <li>The Company actively cultivates positive relationships with suppliers on a regular basis.</li> <li>Adherence to service agreements.</li> </ul>

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



## Business Partners

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Collaborative sessions for diverse marketing projects, encompassing the innovation of new products and the conceptualization of marketing promotion initiatives.</li> <li>Consistent communication for inquiries, discussions, idea exchange, and feedback acquisition to comprehend the comprehensive market landscape and the behavior of the target customer group.</li> <li>Meetings, seminars, and collaborative efforts aimed at rectifying, enhancing, and collectively finding solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Collaborating in business operations aligned with the Company's corporate governance principles.</li> <li>Driving sales growth and exploring expanded opportunities for joint marketing initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>The Company establishes agreements to delineate collaboration frameworks with its business partners.</li> <li>Organizing meetings and orchestrating activities to foster sustainable collaboration in marketing, boost sales, and cultivate joint marketing opportunities.</li> </ul>

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

GRI 3-1, 3-3





## Competitors

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Meetings for discussions, exchanging ideas and collaboration according to various agendas through clubs or associations.</li> </ul>	<ul style="list-style-type: none"> <li>Engaging in business and competing with transparency, fairness, avoiding slander, bullying, or distortion of facts, and collectively adhering to ethical competition frameworks.</li> <li>Sharing information for mutual benefit.</li> </ul>	<ul style="list-style-type: none"> <li>The Company establishes fair competition conditions without harm, harassment or distortion of facts.</li> <li>The company participates in meetings with clubs or associations to exchange opinions about conducting business.</li> </ul>

(Please refer to additional information under the “Corporate Governance” and “Anti-Competition” topics)



## Society and Environment

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>Attending to feedback or complaints from the community through engaging in activities for social and environmental responsibility, utilizing various channels such as social media and electronic communication platforms.</li> <li>Organizing training and disseminating knowledge on various topics online and onsite.</li> </ul>	<ul style="list-style-type: none"> <li>The Company conducts business by considering society and the environment and manages to reduce potential social and environmental impacts from operations.</li> <li>The Company provides products and services that enable society to access financial services equally, universally and in accordance with their needs.</li> <li>The Company can provide proper financial advice or knowledge to strengthen understanding for planning appropriate spending and savings for the future.</li> <li>The Company has channels for receiving feedback and complaints from the community and society. Additionally, it can help alleviate tensions or address issues that arise within the community.</li> </ul>	<ul style="list-style-type: none"> <li>The Company integrates environmental, social and governance factors into its business operations, including the development of products and services that consider societal and environmental impacts.</li> <li>Training sessions and communication of digital financial and environmental knowledge are organized by the Company in onsite and online formats, utilizing platforms such as KTC P BERM car for cash, KTC Journey, or KTC Real Privileges.</li> <li>Channels for receiving complaints, feedback, and suggestions are in place, aligning with the Company’s governance policy, actively providing assistance, and supporting communities as deemed appropriate.</li> <li>The Company instills a strong sense of responsibility among its employees for the efficient and mindful use of resources, fostering a positive mindset, and endorsing activities that contribute to societal and environmental well-being.</li> </ul>

(Please refer to additional information under the “Financial Inclusion and Financial Literacy” and “Environmental and Climate Change Management” topics)



## Board of Directors and Management

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>• The Company conducts monthly board of directors and committee meetings, with the flexibility to convene urgent sessions in emergencies.</li> <li>• Training sessions and orientations are provided for board members and newly appointed management.</li> <li>• Continuous knowledge development on board responsibilities through print media, seminars, and training sessions held throughout the year.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company adheres to the guidelines established by the board.</li> <li>• Consistent achievement of robust performance and growth is a hallmark of the Company.</li> <li>• The board of directors and management receive comprehensive, timely, and adequate information.</li> <li>• Clear understanding among the board of directors and management regarding the business scope, policies, relevant laws, and operational plans.</li> <li>• Continuous development of knowledge and skills related to regulations, along with the correct application of roles for board members and management.</li> <li>• The composition of the board and management reflects diversity in skills and experience.</li> <li>• Performance evaluation results are transparently communicated, and actions are taken to enhance the Company's operations accordingly.</li> <li>• Compensation rates for the board of directors and management are judiciously determined in alignment with their roles and responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>• The board of directors and management actively define and periodically reassess the Company's vision, mission, and strategy. Regular discussions involve considering various policies and overseeing the company's operations, closely monitoring, and acknowledging its performance.</li> <li>• The Company consistently operates with transparency and adheres to strong governance principles.</li> <li>• Fair and equal treatment of all stakeholders is a cornerstone of the company's ethos.</li> <li>• New board members and management assuming new positions undergo orientation training. This comprehensive program covers the business scope, company operations, industry benchmarks, legal responsibilities of the board, and various company policies such as the charter/rules of the board, corporate governance, and risk management.</li> <li>• The Company actively supports relevant seminars and training courses tailored to the roles of the board and management.</li> <li>• A Board Skill Matrix is crafted, detailing qualifications necessary for selecting board members or management with the skills and experience to effectively steer the Company.</li> <li>• The Company establishes clear criteria for assessing performance and determining compensation for the board and management, ensuring fairness and alignment with the company's overall performance. Approval of the board's compensation rates is sought during shareholders' meetings.</li> <li>• Results of the performance evaluation of the board of directors and committees are transparently communicated, with a commitment to ongoing development and improvement of the Company's performance and operations.</li> </ul>

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



## Employees

Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>• Conduct comprehensive orientation programs for newly onboarded employees.</li> <li>• Facilitate accessible channels for employees to voice concerns or lodge complaints through designated email addressing to the head of compliance or the head of human resources business unit.</li> <li>• Disseminate crucial company information to employees regularly via email or the KTC UNITE platform throughout the year.</li> <li>• Execute an annual employee engagement and satisfaction survey</li> <li>• Utilize Key Performance Indicators (KPIs) for evaluating job performance.</li> <li>• Implement a continuous, year-round employee development strategy across all organizational levels.</li> <li>• Support employees in formulating development and career growth objectives through structured career planning.</li> <li>• Convene regular occupational health and safety in workplace environment committee meetings</li> <li>• Organize quarterly welfare committee</li> <li>• Provide consistent feedback to employees, periodically and during annual performance evaluations.</li> </ul>	<ul style="list-style-type: none"> <li>• Employees aim to acquaint themselves with the Company, board of directors, and management, gaining an understanding of diverse policies and operational guidelines.</li> <li>• Employees have the means to express needs, share opinions, provide feedback, or raise complaints through various communication channels.</li> <li>• Employees acknowledge the results of evaluations for continuous development and improvement.</li> <li>• Employees obtain knowledge, skills, and competency development to align with job requirements, objectives, and the ever-changing global digital landscape.</li> <li>• Employees are empowered to plan career trajectories and professional advancement.</li> <li>• Employees thrive in a conducive and secure working environment.</li> <li>• Engaging in activities that foster physical and mental well-being.</li> <li>• The Company's welfare offerings are competitive, and employees can effectively communicate any issues or needs related to their welfare.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company communicates its background, nature of business, introduces directors and management as well as informs employees of important company rules, practices and regulations for new employees.</li> <li>• The Company regulations or announcements are disseminated through the Intranet, including the regular organization of CEO Live Talk every month. This provides an opportunity for employees to hear ideas, vision and engage in direct discussions with the CEO.</li> <li>• The Company holds Townhall meetings between the CEO and high to mid-level management (2<sup>nd</sup> line up).</li> <li>• The Company provides various safe communication channels for employees to report incidents. Measures are in place to prevent and protect those who report incidents.</li> <li>• The human resources practices adhere to human rights principles and guidelines for managing diversity, without discrimination based on gender, sexual orientation, religion, race and in compliance with labor laws.</li> <li>• The Company conducts an Employee Engagement Survey through a third party. The results are used for improvement, development, and enhancing employee engagement within the organization for increased effectiveness.</li> <li>• The Company arranges employee engagement events in collaboration with the Human Resources business unit and representatives from different departments known as People Champions.</li> <li>• The Company carries out performance assessments with a dual focus: initially, appraising performance (KPIs) categorized into Corporate KPIs and Individual KPIs, and subsequently, assessing behavior divided into Core Values and Competencies through 360-degree feedback.</li> <li>• The Company has an employee development plan by designing and creating technical courses and skills development programs for employees, covering various types of knowledge. This allows employees to choose and learn freely based on their interests, using blended learning methods that are suitable for themselves. This fosters a culture of organizational learning. (Learning Culture)</li> <li>• The Company instructs employees on creating Career Paths to foster individual career progression, which includes the formulation of Individual Development Plans.</li> <li>• The Company provides a suitable working environment and conducts assessments to ensure that the working conditions meet the standards.</li> <li>• The Company organizes training, knowledge sharing activities and various sports clubs to promote the physical and mental well-being of employees.</li> </ul>



 <b>Employees</b>		
Communication Methods	Interests and expectations	Response guidelines
		<ul style="list-style-type: none"> <li>• The Company collaborates with external organizations to provide avenues for employees to have the opportunity to talk or seek advice regarding mental health issues resulting from accumulated work-related stress or personal problems.</li> <li>• The Company surveys benefits with an external human resource consulting firm to gather data for comparison with the employee benefits provided by the Company.</li> </ul>

(Please refer to additional information under the “Human Resource Management and Development” and “Occupational Health and Safety” topics)

 <b>Government Sectors and Regulators</b>		
Communication Methods	Interests and expectations	Response guidelines
<ul style="list-style-type: none"> <li>• Participating in meetings to comprehend policy governance guidelines and ensuring compliance.</li> <li>• Subjecting the Company to audits by regulators.</li> <li>• Compiling and submitting reports to regulators.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company ensures legal compliance in its operations, promoting transparency across the organization and within the workflow system.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company strictly follows legal requirements and regulations set by regulators.</li> <li>• Operations are modified in response to audit findings to ensure compliance.</li> </ul>

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

## **Identification of Sustainability Materiality Topics**

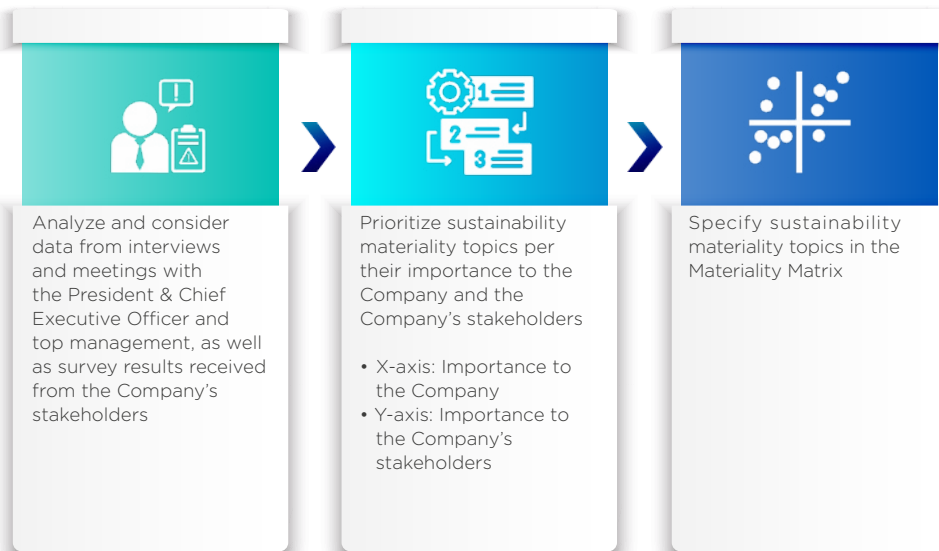
The Company examined critical sustainability issues at industrial, national, and international levels (issue universe) to establish materiality topics, a materiality matrix, and sustainability strategies aligned with the sustainable development framework. The sustainability material topics determine the scope of this report and undergo an annual review. Details are outlined below:

### **Identification of Sustainability Materiality Topics**

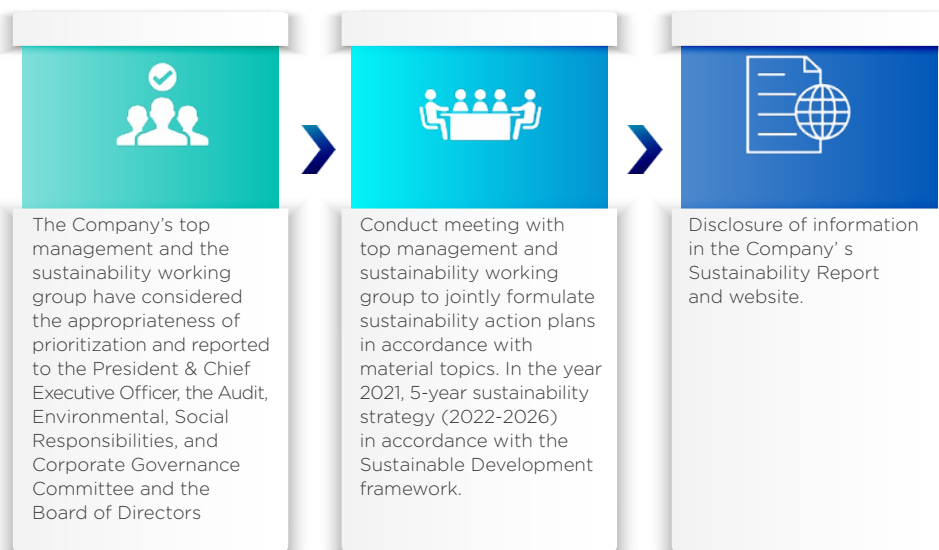


GRI 2-4, 3-1, 3-3

### Prioritization of Sustainability Materiality Topic



### Consideration of Sustainability Material Topics



## Review of Sustainability Material Topics and Continuous Development

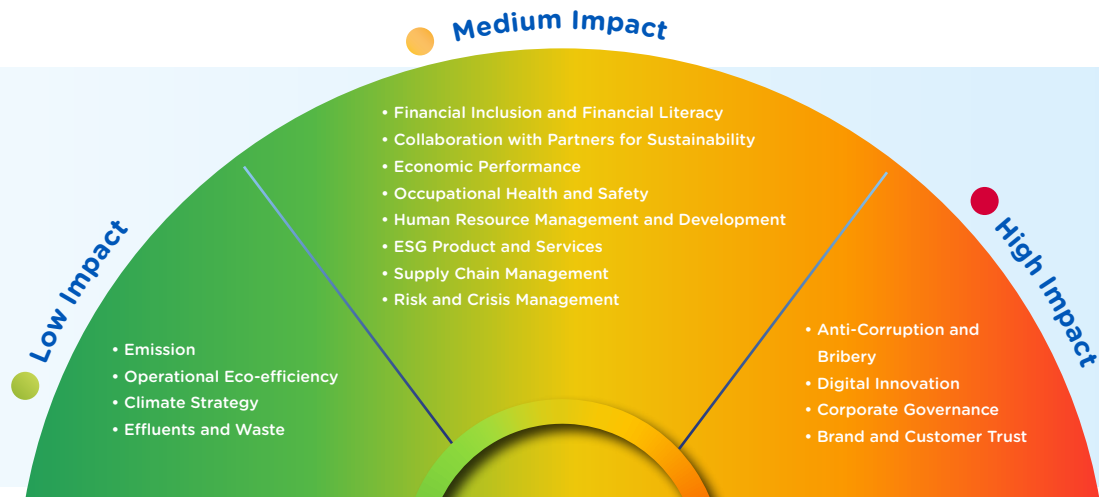
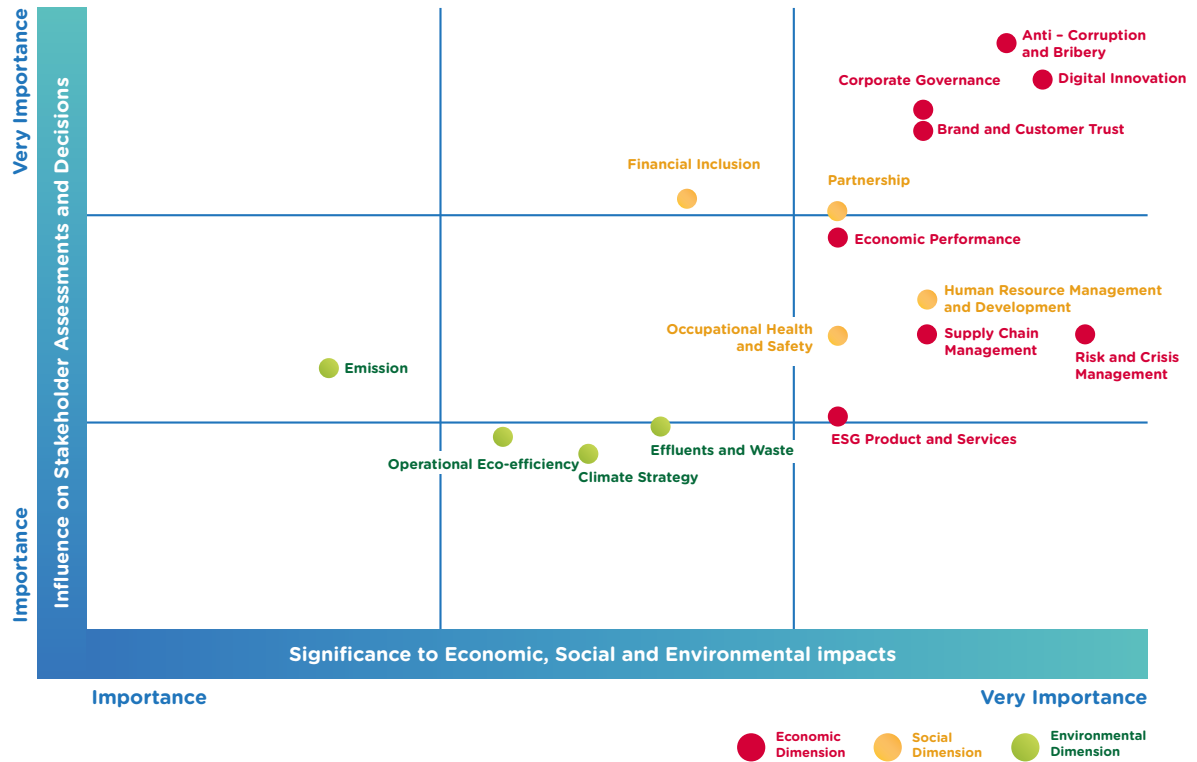


The Company will organize reviews of the process and disclosure of information in the sustainability report through various channels to consolidate views and suggestions to continuously develop approaches to business operations and disclosure of information related to sustainability.

- In 2023, the Company reviewed all 16 materiality topics and found that there were no significant changes. In addition, these material topics encompass aspects such as respecting human rights.
- Analysis of positive and negative impacts at the Outside-in and Inside-out levels, from sustainability materiality topics, in order to assess external impacts on society or the environment and internal impacts on company value. This is done to enable the Company to manage risks affecting business operations and seek business opportunities in environmental, social, and governance aspects to enhance sustainability and create value for stakeholders in the long term. Initial disclosure of opportunities and risks of each sustainability materiality topic is based on the principles of Double Materiality, with adjustments to the presentation format highlighting key sustainability materiality topics as follows:
  - X-axis: Importance to the Company's economic, social and environmental Impacts.
  - Y-axis: Importance to the Stakeholder's Decision-making.
- Extend the 5-year sustainability strategy (from the end of year 2026 to the end of the year 2028) and assess sustainability materiality topics. This presentation, aligned with the Sustainable Development Framework, was delivered to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee. The endorsed resolution will establish sustainability materiality topics for future application and it was proposed to the board of directors for acknowledgement.

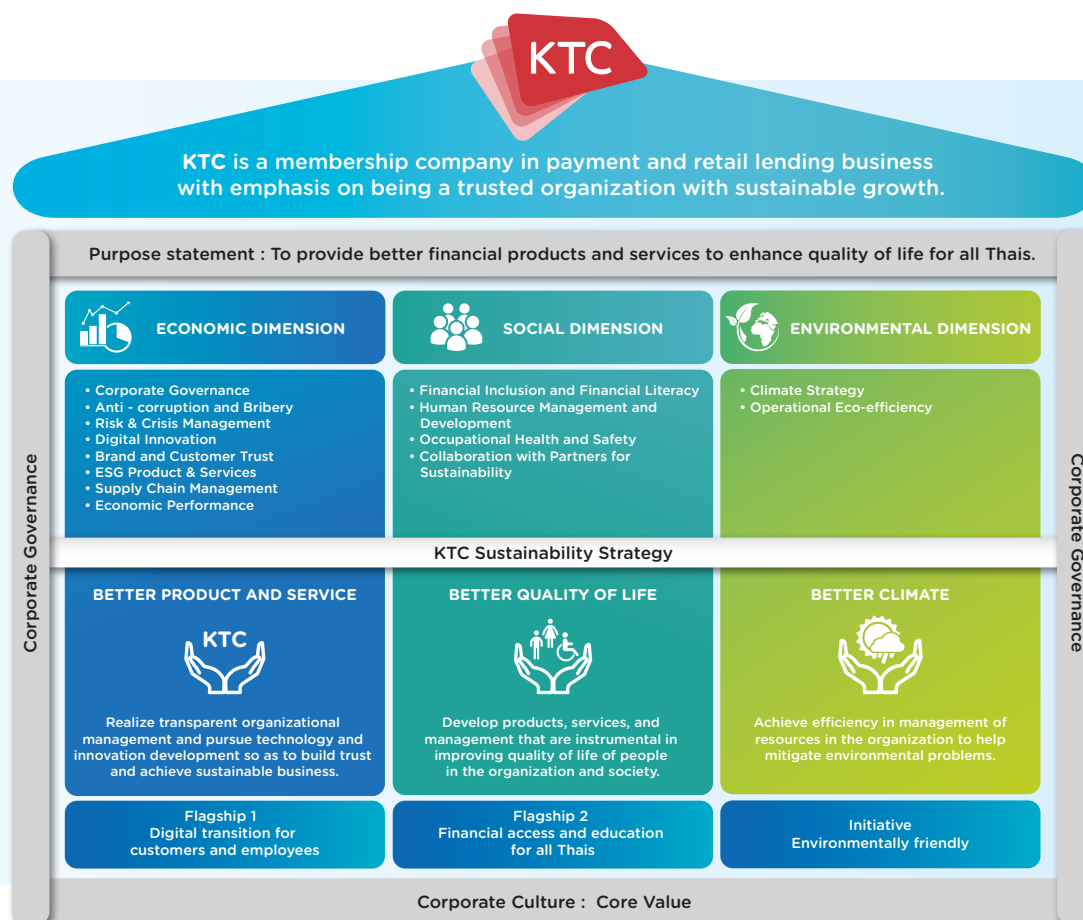
(Please refer to additional information under the "About this Report" and "Sustainability Performance" topics)

## 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.

## Sustainable development goals and performance

Sustainability Strategy		Indicators	Long-term Target 2028	Target 2023	Performance 2023	Sustainable Development Goals: SDGs
<div></div> <div>Economic</div>	Corporate Governance	The results of Corporate Governance Report assessment by Thai Institute of Directors (IOD)	To conduct business operations efficiently while achieving exceptional corporate governance and consistently attain a CGR* score of no less than 90.		CGR score 107 percent.	
	Anti-Corruption and Bribery	Member of Thai Private Sector Collective Action Against Corruption (CAC)	The Company has renewed its membership with the Thai Private Sector Collective Action Against Corruption or CAC continuously.		Continuous renewal of certification since 2016	
	Risk and Crisis Management	Compliance with regulatory requirements.	The Company's risk management takes into account ESG factors in compliance with regulatory requirements.		In compliance with regulatory requirements.	
	Digital Innovation	The percentage of KTC Mobile users to total number of customers.	92 %	87 %	88 %	   
	Brand and Customer Trust	The results of Customer Satisfaction survey by using Net Promoter Score (NPS)	Score 72	Score 57	Score 62	
	ESG Products and Services	The number of Environmental, Social, and Governance (ESG) products, services and privilege	16	13	18	   
	Supply Chain Management	The percentage of green procurement accounts to total procurement	25%	17%	28%	   
<div></div> <div>Social</div>	Financial Inclusion and Financial Literacy	The number of financial literacy programs/ topics	16	11	11	    
	Human Rights	The number of reported human right violations case	0	0	0	  
	Human Resource Management and Development	The level of employee' engagement with the organization	78 %	75 %	70 %	    
	Occupational Health and Safety	Absenteeism rate <sup>(1)</sup>	1.55%	1.55%	1.95%	 
	Collaboration with Partners for Sustainability	The number of collaborating projects with public or private sector.	8	6	9	
<div></div> <div>Environment</div>	Environmental and Climate Change Management	Electricity energy consumption per area reduction <sup>(2)</sup>	6%	2%	4%	 
		Water usage per area reduction <sup>(2)</sup>	6%	2%	Increase by 8%	
		Waste separation and recycling or proper waste disposal <sup>(3)</sup>	100%	100%	100%	
		Greenhouse gas emissions reduction <sup>(2) (4)</sup>	6%	2%	Increase by 5%	

### Remarks:

<sup>(1)</sup> The target of absenteeism as a result of work-related and non work-related injuries.








<sup>(2)</sup> The reduction of electricity energy consumption, water consumption and greenhouse gas emissions were compared to the base year 2022.

<sup>(3)</sup> Recycling waste is considered only underqualified plastic credit card caused by the production process and expiry

<sup>(4)</sup> Greenhouse gas emissions included the scope 1-3 of greenhouse gas protocol.






## 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 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 Alliances	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.	⊙	⊙	⊙	⊙		⊙	⊙	⊙	⊙	⊙	<a href="#">Economic Dimension</a> Digital innovation	 
Communication of critical concerns (GRI 2-16) 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.	⊙	⊙		⊙		⊙	⊙			⊙	<a href="#">Economic Dimension</a> Brand and Customer Trust	
Policy commitments (GRI 2-23) Governance structure and composition (GRI 2-9) Role of the highest governance body in overseeing the management of impacts (GRI 2-12) Delegation of responsibility for managing impacts (GRI 2-13) Policy commitments (GRI 2-23)	<b>Risk and Crisis Management</b> Setting risk structure and corporate culture; to address current and future risk. Conducting risk assessment , analysisand management covering ESG issue to define guidelines for dealing with anticipated changes and emerging risks	⊙	⊙	⊙	⊙	⊙	⊙	⊙		⊙	⊙	<a href="#">Our KTC Economic Dimension</a> 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.	⊙	⊙	⊙	⊙	⊙	⊙	⊙		⊙	⊙	<a href="#">Economic Dimension</a> Economic Performance	 
Governance structure and composition (GRI 2-9) Nomination and selection of the highest governance bod (GRI 2-10) Chair of the highest governance body (GRI 2-11) Collective knowledge of the highest governance body (GRI 2-17) Evaluation of the performance of the highest governance body (GRI 2-18) Remuneration policies (GRI 2-19) Process to determine remuneration (GRI 2-20) Policy commitments (GRI 2-23 ) Mechanisms for seeking advice and raising concerns (GRI 2-26 )	<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	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	<a href="#">Economic Dimension</a> Corporate Governance	

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 Alliances	Competitors	Society & Environment	Government sectors & Regulators		
Significant indirect economic impacts (GRI 203-2)	<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,,	⊙	⊙	⊙	⊙		⊙	⊙		⊙	⊙	<a href="#">Economic Dimension</a> Corporate Governance	   
Activities, value chain and other business relationships (GRI 2-6) New suppliers that were screened using environmental criteria (GRI 308-1) Negative environmental impacts in the supply chain and actions taken (GRI 308-2) New suppliers that were screened using social criteria (GRI 414-1) Negative social impacts in the supply chain and actions taken (GRI 414-2)	<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	⊙	⊙	⊙	⊙		⊙	⊙		⊙		<a href="#">Economic Dimension</a> Supply Chain Management Social Dimension Human Rights	   
Infrastructure investments and services supported (GRI 203-1)	<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	⊙	⊙		⊙			⊙		⊙	⊙	<a href="#">Social Dimension</a> Financial nclusion and Financial Literacy	    
Operations assessed for risks related to corruption (GRI 205-1) Communication and training about anti-corruption policies and procedures (GRI 205-2) Confirmed incidents of corruption and actions taken (GRI 205-3)	<b>Anti-Corruption and Bribery</b> Having a clear policy regarding anti corruption, Anti-Money Laundering and Counterterrorism 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	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	<a href="#">Economic Dimension</a> Anti-Corruption and Bribery	
Defined benefit plan obligations and other retirement plans (GRI 201-3) Communication and training about anti-corruption policies and procedures (GRI 205-2) New employee hires and employee turnover (GRI 401-1) Minimum notice periods regarding operational changes (GRI 402-1) Programs for upgrading employee skills and transition assistance programs (GRI 404-2) Diversity of governance bodies and employees (GRI 405-1)	<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.	⊙	⊙		⊙		⊙			⊙	⊙	<a href="#">Social Dimension</a> Human Management and Development, Human rights.	    



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 Alliances	Competitors	Society & Environment			Government sectors & Regulators	
Occupational health and safety management system(GRI 403-1) Hazard identification, risk assessment, and incident investigation (GRI 403-2) Occupational health services (GRI 403-3) Worker participation, consultation, and communication on occupational health and safety (GRI 403-4) Worker training on occupational health and safety (GRI 403-5) Promotion of worker health (GRI 403-6) Prevention and mitigation of occupational health and safety impacts directly linked by business relationships (GRI 403-7) Work-related injuries (GRI 403-9) Work-related ill health (GRI 403-10)	<b>Occupational Health and Safety</b> Promoting occupational health and safety knowledge amongst employees; Organizing workplace to facilitate work, prevent occupational hazards or workrelated illnesses that may occur to employees	○	○				○				○	<a href="#">Social Dimension</a> Occupational Health and Safety	 	
Membership associations (GRI 2-28)	<b>Collaboration with Partners on Sustainability</b> Collaborating with business partners to drive sustainability in economic, social, and environmental aspects.	○	○		○		○	○			○	<a href="#">Social Dimension</a> Collaboration with Partners for Sustainability		
Energy consumption within the organization (GRI 302-1) Energy consumption outside of the organization (GRI 302-2) Energy intensity (GRI 302-3) 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 diverted from disposal (GRI 306-4) Waste directed to disposal (GRI 306-5)	<b>Climate Strategy, Operational Eco-Efficiency, Emissions, Effluent and Waste</b> Considering impactof climate change to formulate strategy through products, services, and operations that could reducing greenhouse gas emission and minimizing environmental impacts	○	○		○						○	○	<a href="#">Environmental Dimension</a> Environmental and Climate	 

## HIGHLIGHTS

### Economic Dimension



#### Net Profit

- Separate

Baht **7,241** Million

- Consolidated

Baht **7,295** Million

#### Total Loan to Customers and Accrued Interest Receivables

Baht **112,346** Million

#### Total KTC Members

**3.36** Million Accounts



#### Portfolio Breakdown

- Credit Card : Personal Loan : Leasing

= **66.3% : 30.9% : 2.8%**

#### The total number of customers using KTC Mobile

**2,176,136** Users

accounting for **88%** of the total customer base **7%** growth from the end of year 2022.



#### Net Promoter Score (NPS)

of **62%**

### Social Dimension



#### Total Training Hours

= **77.12** Hours/Persons/Year

#### Total Number of Employees

= **1,792** Persons

• Female **1,188** Persons

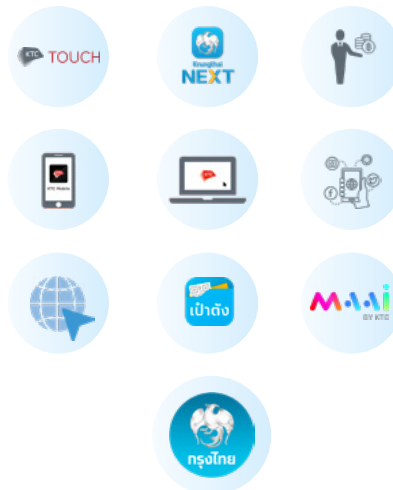
• Male **604** Persons



#### The level of Employee Engagement

**70%**

Diverse, easy and nationwide channels to access financial products and services.



## Environmental Dimension



**KTC reduced paper consumption more than**  
= **15** Million Sheets



**Total Volume of Recyclable and Reusable Wastes**  
**>97,000** Kilograms



**Reduce Electric Energy Consumption per area**  
**4%** (Compare to base year 2022)



**Intensity ratio of total GHG emissions to total number of employees**

- GHG Scope 1 = **0.2%**
- GHG Scope 2 = **2.9%**
- GHG Scope 3 = **1.1%**

(Compare to base year 2022)

**products and services that support the reduction of environmental impacts.**





# ECONOMIC DIMENSION



# Corporate Governance

## Risk

If the Company cannot operate business transparently or lacks of good corporate governance approaches or fails to comply with rules and guidelines set out by regulatory authorities, all stakeholder groups will lose confidence in the Company. This signifies a key impediment to sustainable business operation.

## Opportunity

Transparent business operation with corporate governance builds confidence among investors and all stakeholders, enhances the Company's image and reputation, as well as constitutes a key component in sustainable business operation.

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.

### INTEGRITY



### FAIRNESS



### TRANSPARENCY



### ACCOUNTABILITY



### RESPONSIBILITY



## Company Benefits

Adequate and effective internal controls

Appropriate Risk Management

Increase efficiency and effectiveness in operations

Earn Stakeholders's Trust

Increase Business Value and Growth Sustainably

## CORPORATE GOVERNANCE POLICY

### Shareholder rights

encompass an approach to conduct shareholders meetings according to procedures, processes and time periods prescribed by law or guidelines.



### 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.



### Board and committee responsibilities

encompass scopes and authority of board chairman, board of directors, president and 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; or etc.



### Equitable treatment of shareholders

encompasses corporate operations towards equitable treatment of minority shareholders, proxy to attend a shareholders' meeting, which includes preventing use of inside information and related-party transactions.



### Information disclosure and transparency

encompasses an approach to disclosure of company and customer information or financial information as prescribed by law.



### Anti-corruption policy

encompasses corporate guidelines and practices, which include anti-corruption whistleblowing channels that prevent any corrupt acts in corporate work processes.



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

## ➤ BOARD OF DIRECTORS

A board of directors plays a crucial role in corporate governance, overseeing business operation and management of the Company. With independent decision-making power, a board considers and approves policies and performs oversight functions to ensure compliance with policies and relevant laws for the best interests of the Company and 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 as presented below: Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and Nomination and Remuneration Committee to fulfill their duties as prescribed in the corporate governance policy and the committee charters. The structure is prescribed below;



GRI 2-9, 2-11, 2-13, 3-3

#### **The Nomination and Remuneration Committee**

1. Determine the qualifications of the directors, executives directors and chief executive officer according to the structure, size and complements as required by law.
2. The process of sourcing, selecting, and recommending individuals who possess the necessary qualifications in accordance with established criteria, without discrimination or prejudice towards any individual based on personal characteristics such as right, sex, gender, race, or religion. In the process, a suitable proportion and number as well as suitability in terms of diversity and components of board and committees will be considered in various dimensions. Moreover, skills, knowledge, competence, expertise and various experiences according to the skill matrix set out by the Company and those suited to its business strategy will be considered in accordance with legal provisions, the Company's regulation, and the principles of good corporate governance. For the sake of independence and clarity in overseeing corporate governance and business management, the Company stipulates that chairperson and chief executive officer must not be the same person.
3. Consider establishing criteria, guidelines for evaluating the performance of the board of directors and chief executive officer.
4. Propose criteria, policy for compensation, and guidelines for the distribution of compensation and other benefits.
5. Determine extension of retirement age and early retirement age of executive directors for consideration and prepare a management succession plan to proactively groom a candidate to replace management executive who is due to retire or cannot perform his or her duties so as to ensure business continuity.

In 2023, the Nomination and Remuneration committee convened meetings for a total of 8 times.

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

is entirely composed of independent members, which is responsible for reviewing financial reporting, internal control and audit, scrutinizing related-party transactions, and ensuring that company 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, it is required that at least one committee member – that is, Mr. Praphaisith Tankeyura, independent member and Chairperson of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee – must have enough accounting and financial knowledge and skills for reviewing reliability of financial statements through continuing development of accounting and financial knowledge.

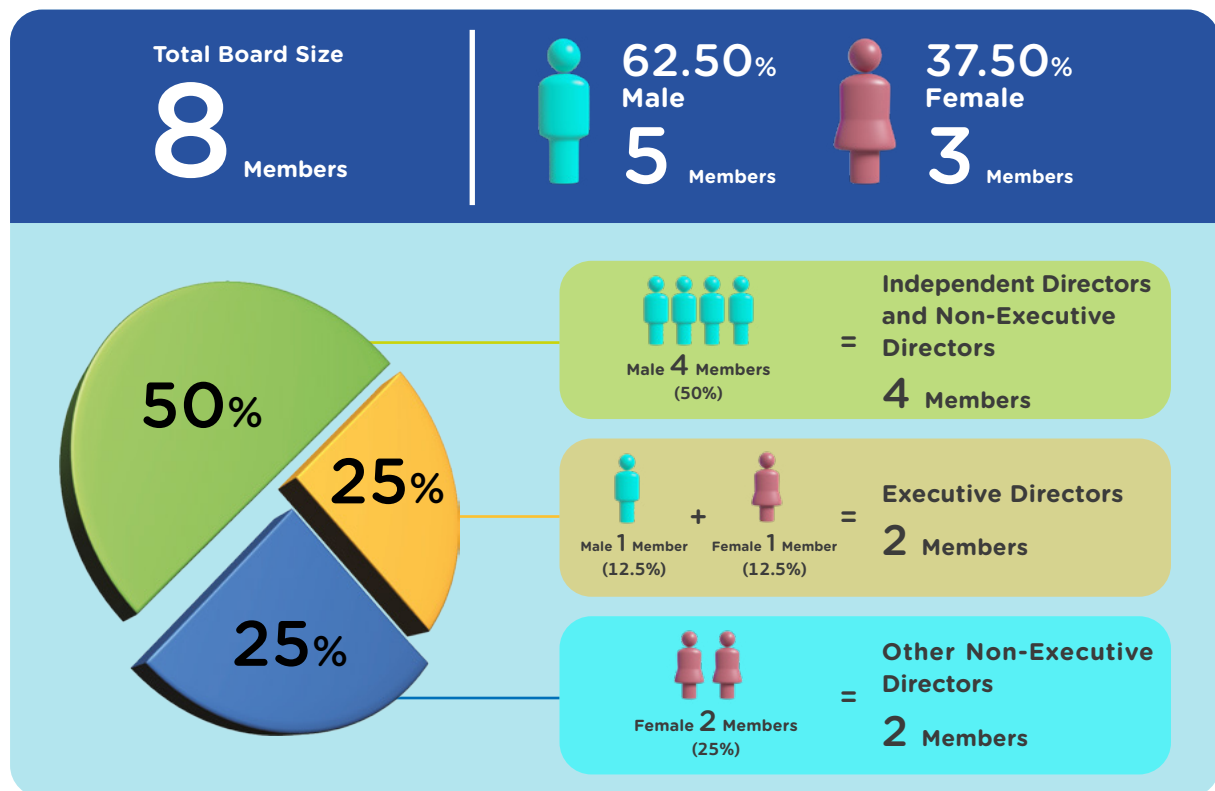
In 2023, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee convened meetings for a total of 12 times.

(Please refer to the Charter of the Nomination and Remuneration Committee, Charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and Report of the Nomination and Remuneration Committee's Responsibilities and Report from the Audit, Environmental, Social Responsibilities and Corporate Governance Committee in Form 56-1 One Report 2023)

GRI 2-9, 2-11, 2-13, 3-3

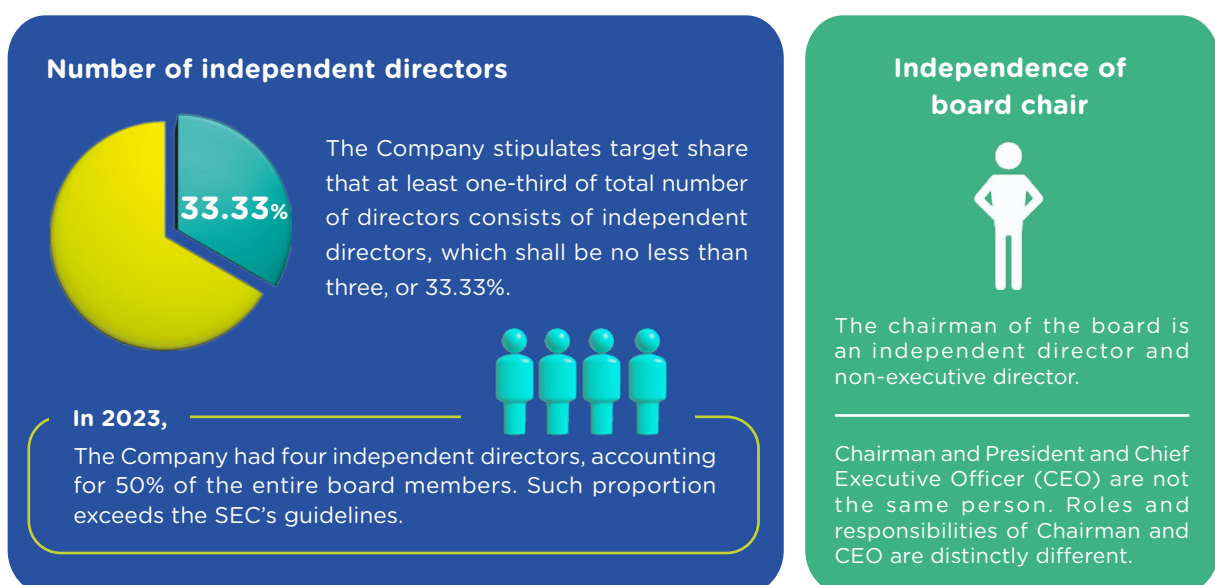


## Board Type (One-Tier system)



## 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.



(Please refer to additional information in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under the "Charter on Regulations and Operational Guidelines for Audit Committee" and "Corporate Governance Policy" topic)

## Diversity of board members and President and Chief Executive Officer (CEO)



### Board of Directors

The Company prescribes board diversity policy that stipulates guidelines on recruitment of board members in the 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 sex, 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.

### President and 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. On this, holding of board position in other listed companies, CEO may hold such position 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.

(Please refer to the additional information in corporate governance policy, Charter of the Nomination and Remuneration Committee, and Form 56-1 One Report 2023 under "Corporate Governance Policy" topic.)

GRI 2-10

## Board Effectiveness

### Board Meeting Attendance

The Company plans board meeting schedule in advance throughout the year and delivers meeting documents to directors at least seven days before a meeting.



In 2023, board meetings were convened 16 times in total. Average board meeting attendance is 98.67%, which exceeds the required minimum of attendance for all members at least 75% of meetings of board of directors.

(Please refer to additional information in Form 56-1 One Report 2023 under “Report on key operating results related to corporate governance” topic)

### Board Mandates

The Company stipulates guidelines on holding of board position in other companies for board of directors, CEO, and employees in the corporate governance policy. A director can assume director position in no more than five other listed companies.

In 2023, no director holds director position in other listed company more than that specified by the Company.

	Name	The number of listed companies that hold positions
Non-executive/ independent directors	Mr. Prasong Poontaneat	3
	Mr. Praphaisith Tankeyura	2
	Mr. Natapong Vanarat	2
	Mr. Somchai Kuvijitsuwan <sup>(2)</sup>	4
	Mrs. Praralee Ratanaprasartporn <sup>(1)</sup>	1
	Ms. Kornkanok Fuengfung <sup>(2)</sup>	1
Executive directors	Mr. Rathian Srimongkol	4
	Mrs. Pittaya Vorapanyasakul <sup>(1, 2)</sup>	1

Remark:

<sup>(1)</sup> On August 23, 2023, the Company appointed Mrs. Praralee Ratanaprasartporn, director, to assume a position of Nomination and Remuneration Committee, effective since August 23, 2023 onwards and appointed Mrs. Pittaya Vorapanyasakul as President and Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective since January 1, 2024 onwards.

<sup>(2)</sup> On November 20, 2023, the Company appointed directors and independent directors in replacement of resigned directors effective since November 20, 2023, as follows:

- Appointed Ms. Kornkanok Fuengfung as director in replacement of Mr. Rungruang Sukkirdkijpiboon.
- Appointed Mr. Somchai Kuvijitsuwan as independent director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak.
- Appointed Mrs. Pittaya Vorapanyasakul as director in replacement of Lieutenant General Apichat Chaayadar.


(Please refer to the additional information of in Form 56-1 One Report 2023 under “The Board of Directors” topic, “work experience, non – listed companies/ other organizations” sub-topic)

## Board of Directors and 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 2023, 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 and Committees for consideration in the first meeting of 2024 held on January 19, 2024. The assessment details are listed as follow:

Regular self-assessment  
of **board and  
committee's  
members  
performance**  
on an  
**annual  
basis**  
**once**  
a year



Assessment Topics	Average score (max is 5)
The assessment of the entire Board of Directors	4.78
The assessment of individual director (Self-Assessment)	4.71
The assessment of individual director (Cross-Assessment)	4.90
The assessment of the entire committee <ul style="list-style-type: none"><li>• Audit, Environmental, Social Responsibilities and Corporate Governance Committee</li><li>• Nomination and Remuneration Committee</li></ul>	4.89 4.96

## President and Chief Executive Officer (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 assessed based on the core values and competencies of an organization.

As for criteria for performance assessment of top management, CEO conducts management 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 reelected as director. As for vote casting, the Company requires that a vote for individual director candidate be cast in paper ballot.



In case any director vacates office before his/her term of office expires, the board will consider selecting a qualified candidate to take over the post with a vote of at least three-fourths of the remaining number of directors, and a replacement director will serve out the remaining term of the director whom he/she replaces.

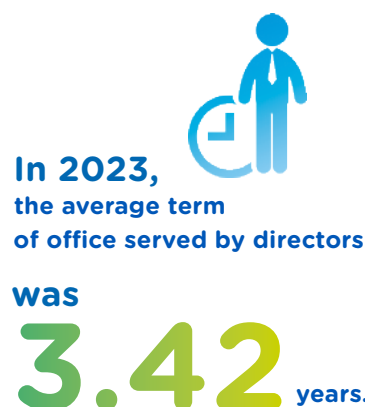
(Please refer to the additional information about director and CEO recruitment rules and process in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Corporate Governance Policy", Sub-topic "Transparency in Nomination and Appointment of Board Members and Chief Executive Officer" and Form 56-1 One Report 2023 under "Corporate Governance Policy" topic)

GRI 2-9, 2-18

## Board Average Tenure

According to the charter of each committee and Article 13 of the Company's regulation, one-third of the total number of directors is required to retire by rotation in each annual shareholders' meeting. If the number of retiring directors is not divisible by three, the number of retiring directors will be the number rounded to the nearest to one-third. However, if directors retiring by rotation in the first and second round have not agreed on who will vacate the office, drawing lots will be used. In the next round, the longest-serving director must vacate the office. Notably, a director retiring by rotation may be re-elected to the office.

To comply with the principles of good corporate governance, it is stipulated that a term of office of independent director does not exceed nine years.



## Board Industry Experience

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:

Board Skill Matrix		Direct Experience	In-direct Experience	Accounting - Auditor	Finance / Treasury	Marketing / PR / Advertising	Other Accounting	HR	IT	Legal	Management	Strategy	Risk Management	Other
Independent Directors and Non-Executive Directors		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	
		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	Banking
		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	Energy & Utilities
		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	
Executive Directors		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	- Sustainability - Medical Treatment
		✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	
Non-Executive Directors		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	Payment System
		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Total (Person)		6	2	2	6	4	6	8	4	2	8	8	8	

## Disclosure of remuneration of Directors, President & Chief Executive Officer (CEO), Top Management and employees

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 remuneration of directors, CEO, top management and employees in Form 56-1 One Report 2023 under "Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others." and "Report on key operating results related to corporate governance" topics.

GRI 2-9, 2-17, 2-18, 2-19, 2-20





## 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.

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 2023 under "Corporate Governance Structure and Material Facts related to the Board, Sub-committees, Management, Employees and Others" Topic.



### In 2023



total number of voting rights

**49.29%**

the Company did not make a golden share offering to major shareholder or government.

### Share ownership: government

As a major shareholder of the Company, in 2023 Krungthai Bank's voting rights accounted for 49.29 % of total number of voting rights. Moreover, the Company did not make a golden share offering to major shareholder or government.

(Please refer to additional information in Form 56-1 One Report 2023 under "Organisation Structure and Operation of The Group of Companies" 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 2023, voting rights of the Company are as follows:

	Votes per share	Amount of Shares	Voting Power (= Votes per share x Amount of Share)
No vote <sup>(1)</sup> <sup>(2)</sup>	0	220,916,500	0
One vote	1	2,357,417,570	2,357,417,570
Total	1	2,578,334,070	2,357,417,570

Remark:

<sup>(1)</sup> Exclude preferred and treasury shares with no voting rights

<sup>(2)</sup> Thai NVDR Co., Ltd. belongs to a class of shareholders ineligible to cast vote in shareholder meeting.

As at 31 December 2023, Thai NVDR held 8.57 % of total shares outstanding.



and there is no limitation on voting rights

## ➤ 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,

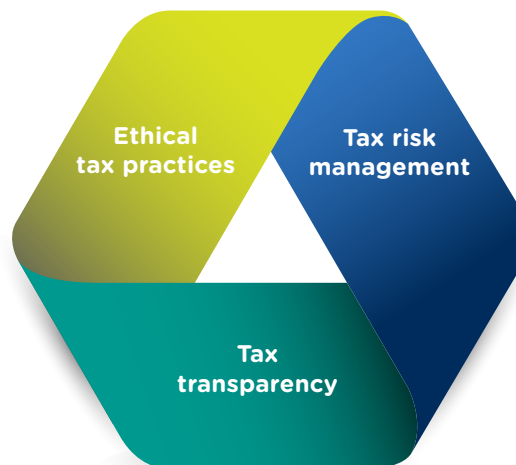
The Company regularly discloses financial Information, key financial ratios, and principal accounting policy in financial statements as well as management discussion and analysis (MD&A) on a quarterly basis on the Office of the Securities Exchange Commission's website (<https://www.sec.or.th/en>), the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

## ➤ 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 Responsibilities and Governance Committee, and the Committee is thereby responsible for approving the tax policy, which is disclosed via the Company's website (<https://www.ktc.co.th/en/investor-relations/policy/tax-policy>).

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



## Tax Information

(Unit : Baht)

Consolidated financial statements	2022	2023
Total Revenue	23,231,342,296	25,418,462,251
Profit before Income Tax	8,871,391,765	9,068,138,533
Income Tax Expense	1,817,782,936	1,818,507,518
Effective Tax Rate	20.5%	20.0%
Income Tax Paid	1,683,431,258	1,961,542,972
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 information in the Company website: <https://www.ktc.co.th/en/investor-relations/publications-webcast/investorkits>)

## Anti-Corruption and Bribery

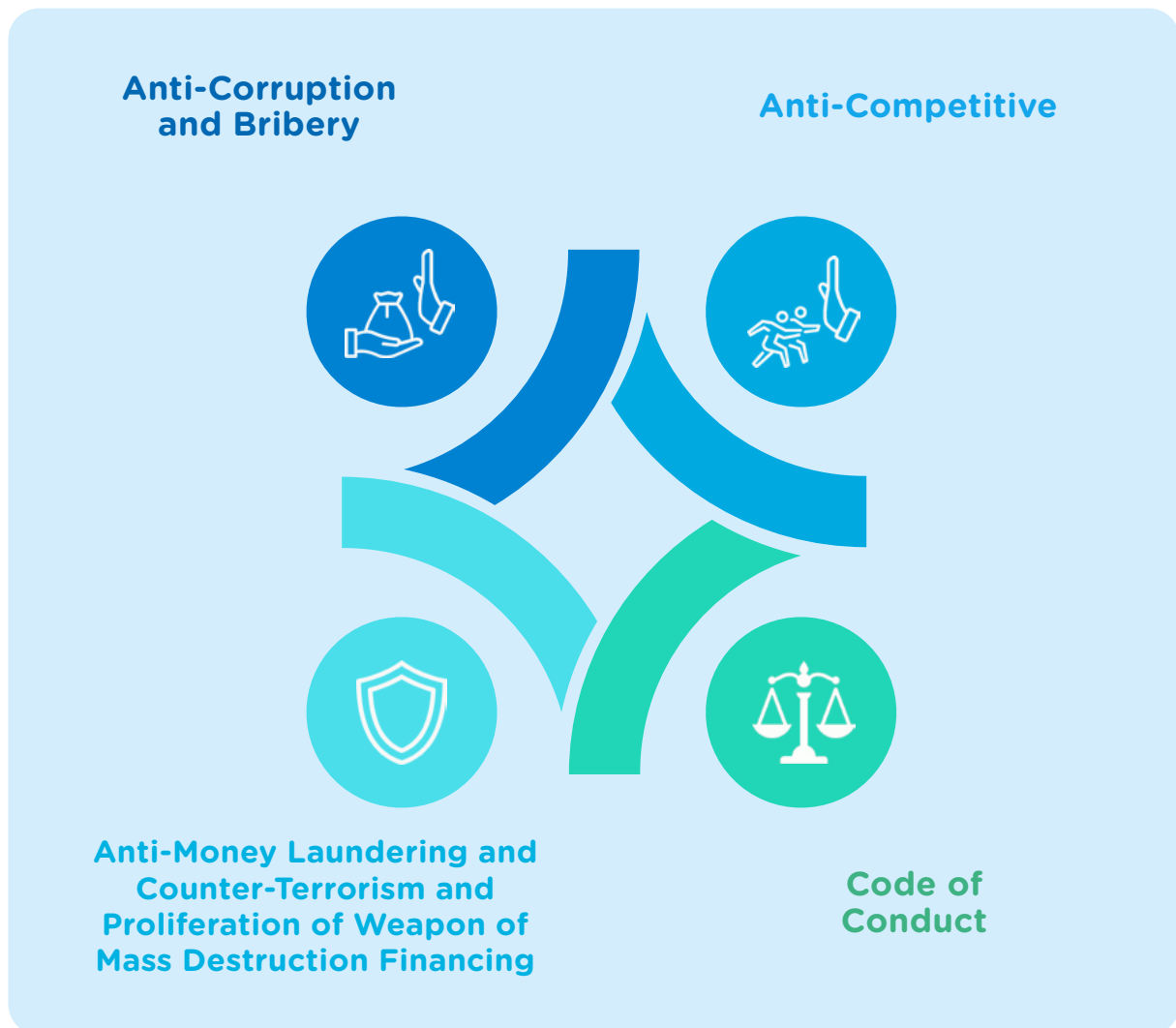
### Risk

If the Company does not have efficient means to protect and control corruption and bribery, these are not only illegal acts, but the Company will also be affected by reputation loss.

### Opportunity

Stringent and efficient anti-corruption measures can help ensure transparency and auditability in the Company's operation, thereby contributing to confidence of every stakeholder group.

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, including not being used as a mean for money laundering.



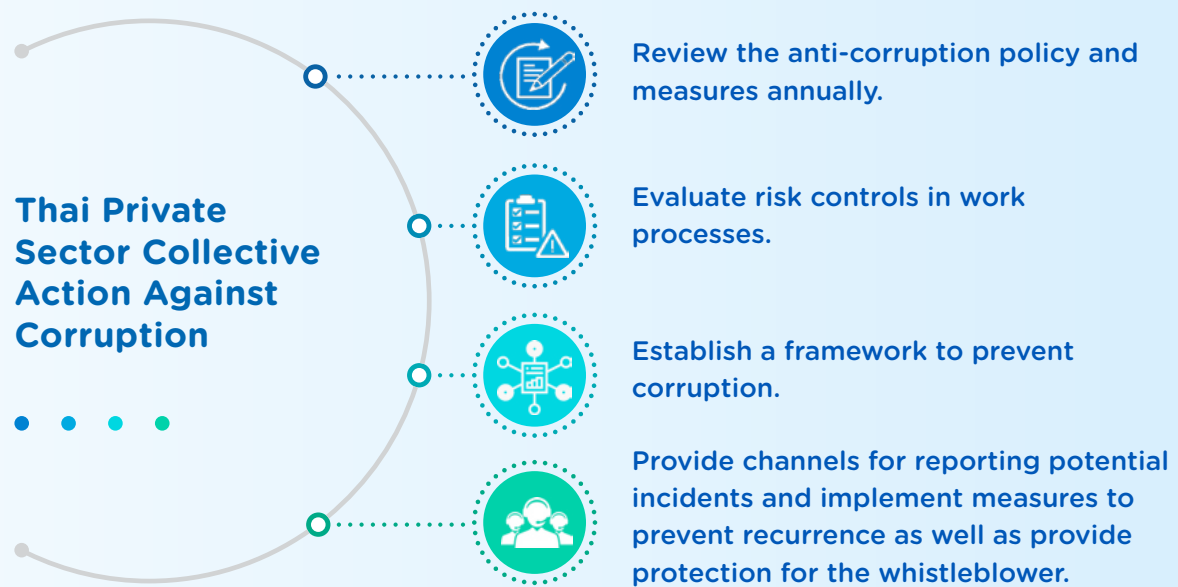
(Please refer to additional information in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under the "Corporate Governance Policy" topic)

## ➤ ANTI-CORRUPTION AND BRIBERY

### 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 operates as follows:



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 and measures to its employees via KTC UNITE, which is an internal communication channel within the Company, as well as various internal learning materials. In addition, this information has been disclosed to all stakeholder's through the Company's website ([www.ktc.co.th](http://www.ktc.co.th)).



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, the severity of impact to determine level 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 2023, the results of risk control self-assessments (RCSA) from various business units identified potential risks of corruption in 24 work processes. However, no incidents have occurred to date, and measures have been implemented to mitigate these risks in all processes.



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.
- Establish anti-corruption definition and practice guidelines in anti-corruption measures which consist of:



- 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 Financial Reporting standards.



Provide a channel for reporting potential incidents and implement measures to prevent recurrence of these incidents and protect whistleblowers by maintaining confidentiality and not revealing whistleblower's identity. For more information, please see the "Whistleblowing" topic.

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



## Joining the Thai Private Sector Collective Action Against Corruption

As part of the effort to eradicate corruption in Thailand, the Company has joined the network of Collective Action Against Corruption.



The Company has received certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC)

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since **2013** and CAC membership certification was renewed on June 30, 2022.


In 2023, the Company sends invitation letters to a total of



**21** suppliers.

In addition, the Company urges its suppliers to join a network against 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.

## Cooperation with Stakeholders Against Corruption and Bribery

The Board of Directors, Management, and Employees <sup>(1)</sup>	Suppliers
<p>Provide learning tools to the directors, management, and employees<sup>(1)</sup> 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, management, 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 animation – based training 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.</p> <div>  <p>In 2023, <b>100%</b> 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.</p> </div> <p>Remark: <sup>(1)</sup> Employee means a permanent and contract employees as defined under the topic “Additional Information”, sub-topic “Social Dimension.”</p>	<ul style="list-style-type: none"> <li>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 strictly, abide by laws related to anti-bribery, anti-corruption and anti-money laundering and counter-terrorism and proliferation of weapon of mass destruction financing.</li> <li>Before engaging in procurement, new suppliers must evaluate themselves, acknowledge, and comply with the Supplier Code of Conduct, including business ethics, human and labor right, occupational health and safety. The Company also urges its suppliers to join the CAC. To learn more about the KTC supplier code and conduct, please visit the Company’s website. (<a href="https://www.ktc.co.th/pub/media/sites/cs/assets/corporate-governance/document/ENKTC-GS-008-KTC-Suppliers-Code-of-Conduct.pdf">https://www.ktc.co.th/pub/media/sites/cs/assets/corporate-governance/document/ENKTC-GS-008-KTC-Suppliers-Code-of-Conduct.pdf</a>)</li> </ul>

## Whistleblowing

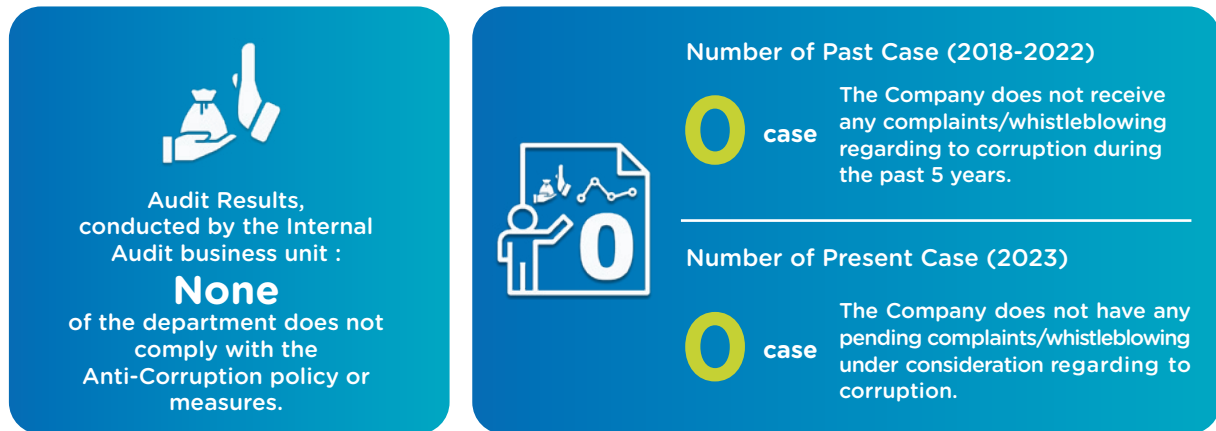


### Remarks

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

(Please refer to additional information in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Corporate Governance Policy" and "Summary of the Anti-Corruption Procedure" topics)

In 2023, with the establishment of regulations and preventive measures as well as appropriate internal control and risk management systems, the Company reported operating results to the Audit, Environmental, Social Responsibilities and Corporate Governance Committee as follows:



## ➤ ANTI- COMPETITIVE

### Anti - Competitive Practices

The Company places emphasis on fair business practices within legal framework by recognizing business ethics, the interests of customers and suppliers, and fair competition with other business operators within legal framework of the trade competition law. Under the Company's guidelines on treatment of competitors, which are set out in the corporate governance policy and the code of conduct, the guideline on treatment of trading partner with competitors is prescribed as follows: "...committed to fair business practices and compliance with competitive framework without defaming, harassing, hampering free market mechanism, impeding or restricting business operation of others, monopolizing the market, or distorting the facts about competitors. Avoid agreeing or discussing with an employee of any entity or other financial business operator about physical location, geography, marketing, interest rate and various fees as well as any product, service or business plan, which may adversely affect business competition of the Company." Such guidelines also cover engaging in commercial activities and legal act of making a contract, or any undertaking of the Company.



## ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM AND PROLIFERATION OF WEAPON OF MASS DESTRUCTION FINANCING

### 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 top 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.



#### **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.



#### **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.



#### **Personnel Training:**

Require training to impart knowledge to employees and testing on their knowledge and understanding through an e-learning platform.



#### **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:**

Require establishing a process and work system for transaction reporting under legal requirements. Such reporting covers cash and suspicious transactions.



#### **Operational Audit:**

Require that the compliance business unit and internal audit business unit as well as Krungthai Bank, in its capacity as parent company, must dutifully audit compliance with the policy on Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT&WMD).

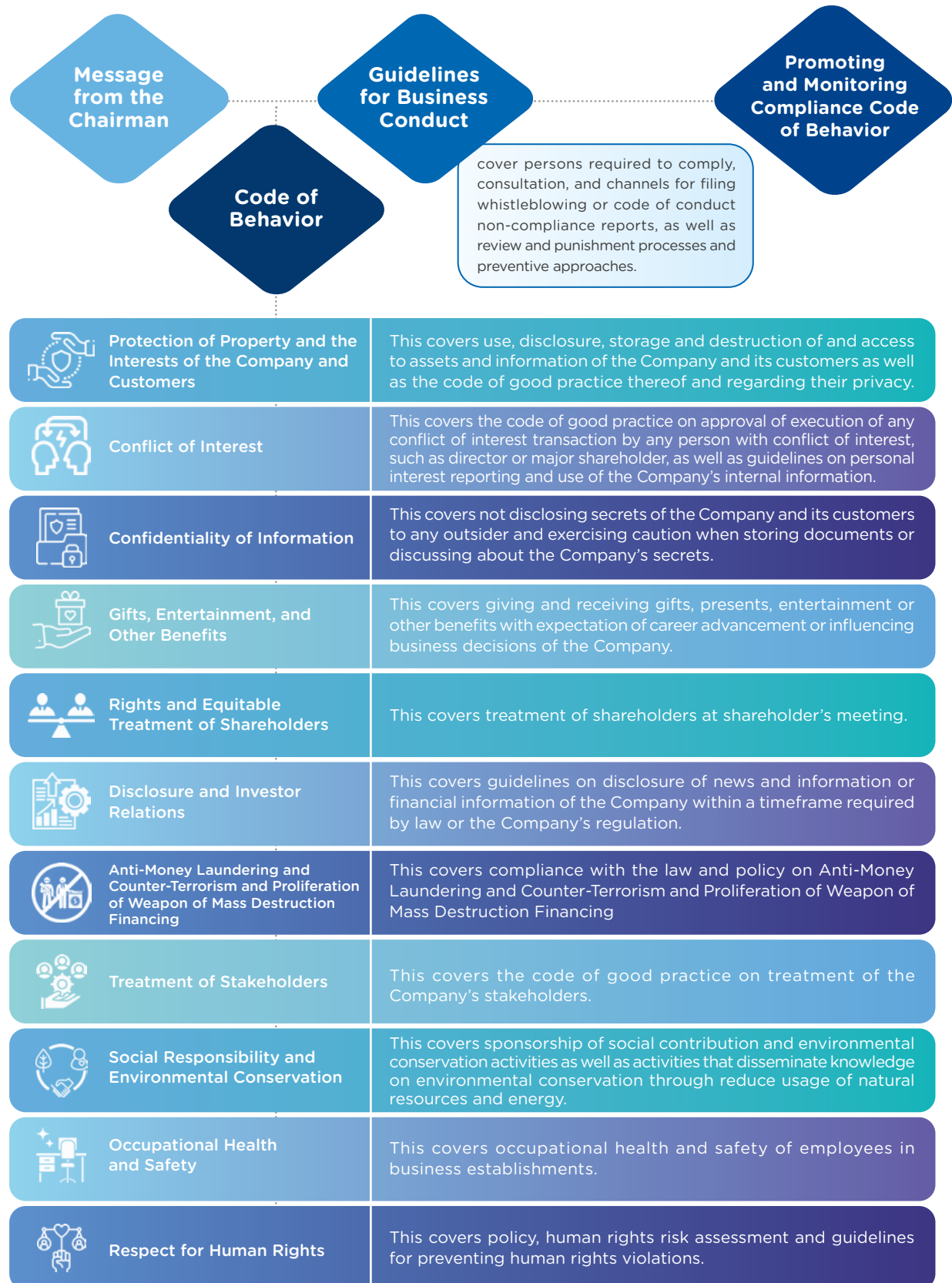
(Please refer to additional information in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT&WMD) Policy Statement" topic)



## CODE OF CONDUCT

### Code of Conduct

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



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

GRI 2-15, 2-25

## Code of Conduct Compliance

### Directors, Management, and Employees <sup>(1)</sup>

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

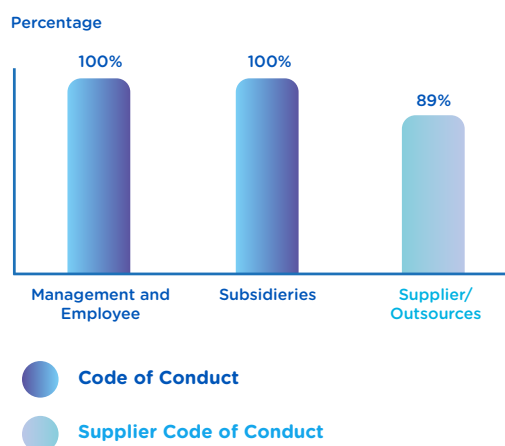
includes corporate governance policy, anti-corruption policy, code of conduct and important guidelines that the directors, management, and employees should be aware of.

- Provide trainings and assessment regarding corporate governance, anti-corruption, and code of conduct via animation-based training 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.

Remark<sup>(1)</sup> Employees means permanent and contract employees as defined under “Additional Information” and “Social Dimension” topics

### Suppliers

The Company provides 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 in workplace 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.



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

## Actions in case of violation or non-compliance with Code of Conduct

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

## 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.

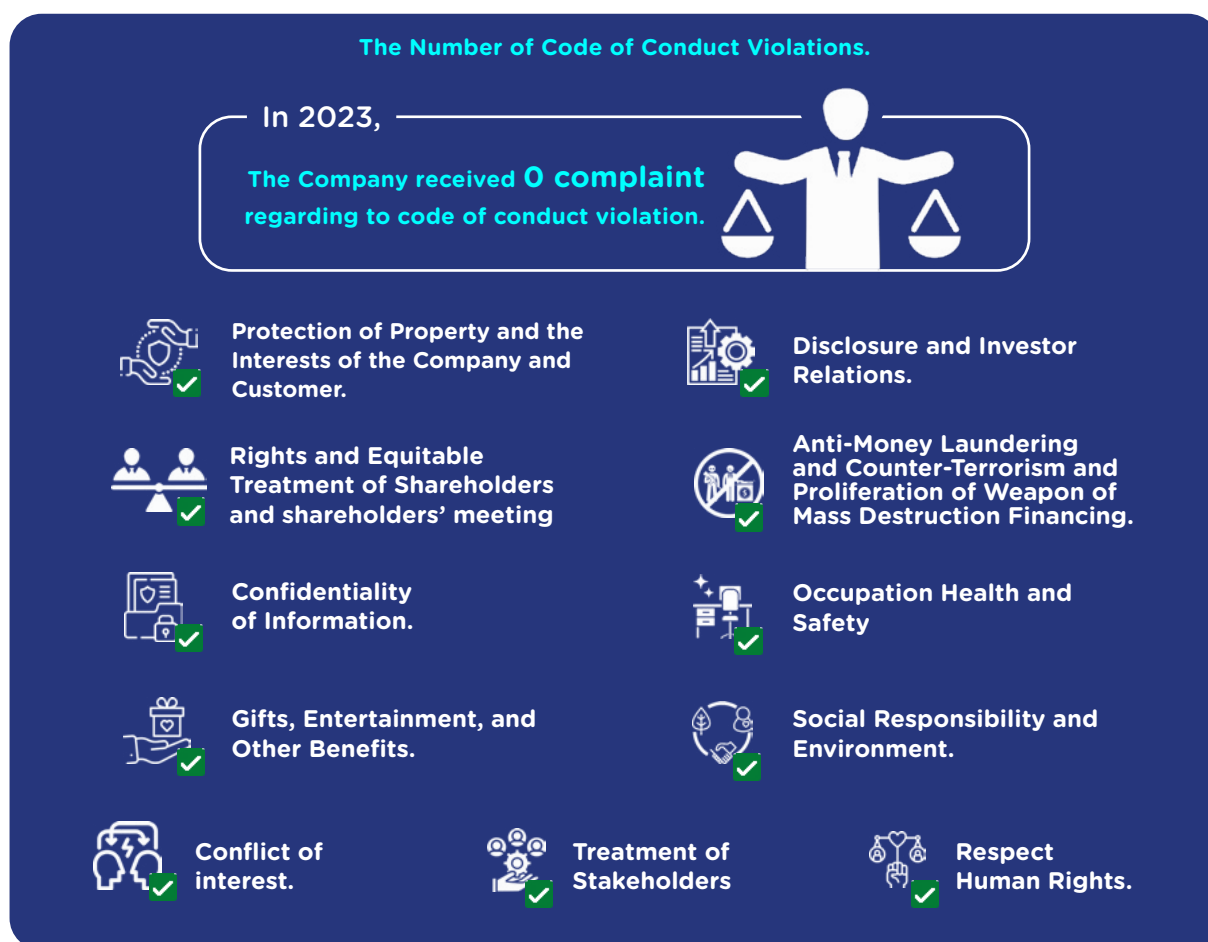
## Disciplinary Actions

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 and risk management system. 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 information in "<https://www.ktc.co.th/en/sustainability-development/corporate-governance>" under "Code of Conduct" topic)



Remark: For the Number of Code of Conduct Violation, please refer to additional information of "Digital Innovation" topic. Sub-topic "Privacy Protection"

## Annual audit by an independent external agency for the year 2023

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.

## Legal Dispute

None

# Risk and Crisis Management

## Risk

In a rapid changing of economic landscape and influencing factors, without effective risk and crisis management systems, covering important risk factors, may impede the Company's ability to handle risks appropriately. This could negatively affect the Company's performance and reputation

## Opportunity

Having an effective and appropriate risk and crisis management system enables the Company to be well-prepared for various potential impacts. It is a crucial aspect that allows the Company to operate and achieve the established goals securely and sustainably.

The Company places great importance on risk and crisis management. In particular, the Company establishes risk management policies which focuses on the development of a risk management system following good corporate governance guidelines and covers significant risks. 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.

## ➤ RISK MANAGEMENT POLICIES

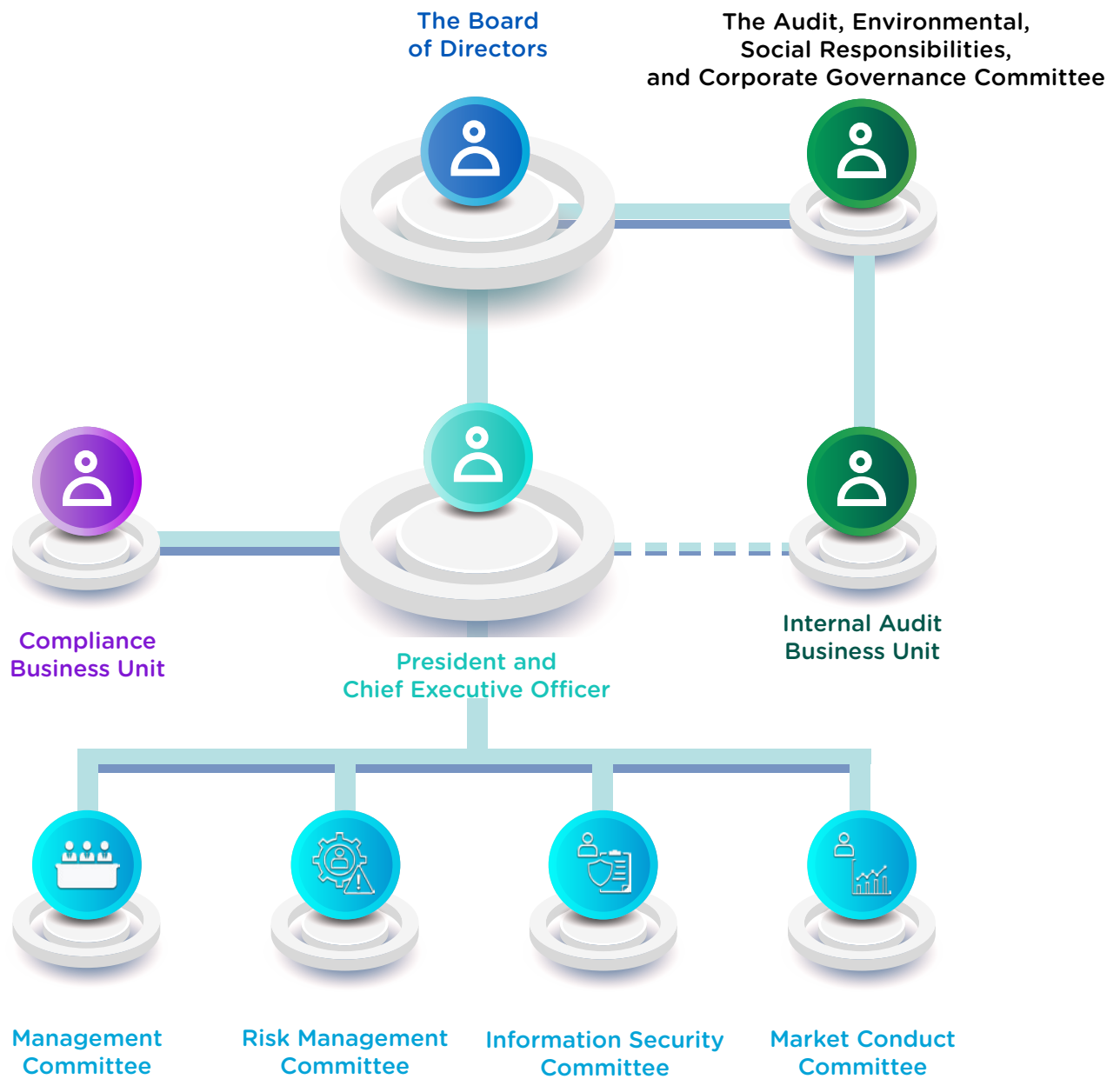
The Company's risk management policies are required to be considered by the Risk Management Committee before proposing them to the Board of Directors for approval. The approved policies are announced to all employees to implement in practice. Significant risks faced by the Company are as follows:



(Please refer to additional information in Form 56-1 One Report 2023 under "Risk management" topic)

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

## ➤ 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 Corporate Governance of Financial Institutions and Financial Business Groups. 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 and ensures their effective utilization within the organization. Concurrently, the Information Security Committee oversees and 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, B.E. 2562 (2019), 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**

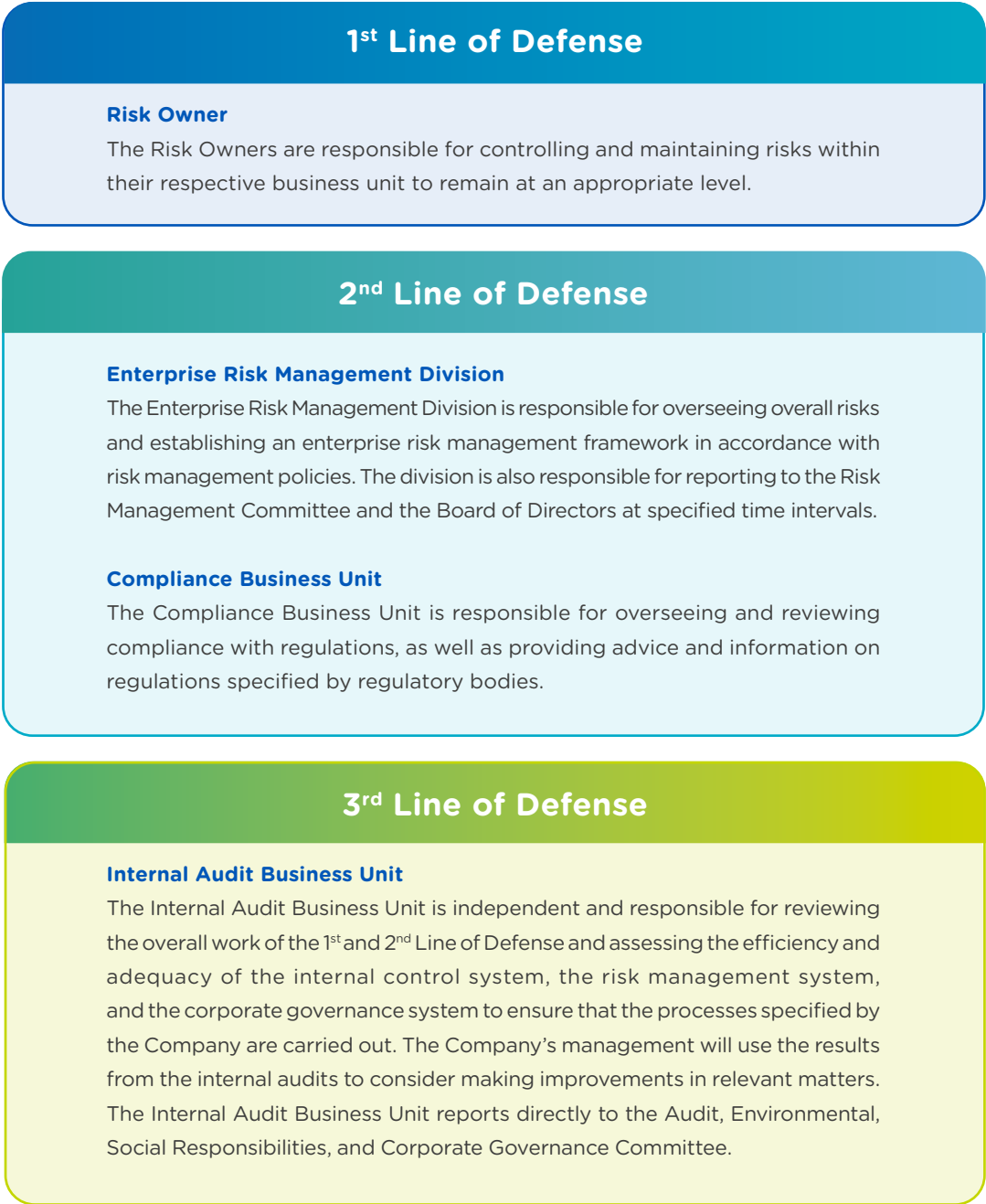
is responsible for establishing and overseeing policy frameworks, strategic plans, and guidelines to ensure the operating procedures align with market conduct criteria.



GRI 2-9, 2-12, 2-13

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.



GRI 2-9, 2-12, 2-13

## ➤ 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 and 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

Managing business operations involves confronting significant risks across various domains. To address these risk factors, the organization systematically handles crises at an organizational level. This encompasses:

- 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. Additionally, the Company has established an IT Disaster Recovery Plan (DRP) which is annually reviewed and tested to handle significant events related to the security and operability availability of information technology systems.

- The Company reviews and monitors its crisis management plan by conducting annual surprise tests of the communication tree (Call Tree) and Business Continuity Plan (BCP). The Company also participates as an observer for the BCP testing of outsources related to the Company's core business transactions.



The Company conducted a surprise test of Call Tree and BCP for the year 2023 on August 18-19, 2023.

The test results are within the set Recovery Time Objective.

## EMERGING RISK

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 from technological advancements.	
<b>Definitions</b>	The Company has leveraged technology as a crucial tool to drive business, relying on and utilizing technology to develop systems and processes that can adapt to changing customer behaviors, conducting transactions increasingly through online channels and the KTC Mobile Application. Additionally, this is aimed at advancing the company's strategic business expansion. However, the rapid and complex technological advancements expose the company to cybersecurity risks in various forms such as system breaches, deceptive practices for obtaining crucial information, creation of false data, spreading fake news, and data manipulation. These risks have the potential to cause harm to both the company and its customers.
<b>Impacts</b>	If the company falls victim to a cyber attack or cybercrime, it could lead to business disruption or loss of critical information, impacting both financial and non-financial aspects. Financial consequences may include fines imposed by regulatory authorities and loss of trust from stakeholders. In cases where the cyber attack is directed towards customers, such as through deception or impersonation using the company's name, it may result in customers losing assets and damaging company's reputation.
<b>Mitigation Plans</b>	<ul style="list-style-type: none"> <li>• Establishes information technology policy, information security policy and personal data protection policy which were reviewed annually and approved by the Board of Directors.</li> <li>• Establishes standards for the security of information technology systems, such as System Configuration Standard, Password Control Standard, and Cryptographic Standard for data and system encryption.</li> <li>• Establishes relevant Standard Operating Procedure (SOP) for cyber security management.</li> <li>• Establishes, reviews, and tests the Disaster Recovery Plan annually to prepare for important events related to the security and availability of the IT system.</li> <li>• Adopts the ISO/IEC 27701:2019 standard for privacy information management and the ISO/IEC 27001:2013, the information security management system.</li> <li>• Organizes training for directors, executives, employees, and outsources to raise awareness of protection of personal information, PCI-DSS and cyber security.</li> <li>• Establishes measures for information security in alignment with international standards and PCI-DSS.</li> <li>• Conducts penetration testing on all externally connected systems at least once a year, including cases where significant system or network modifications are made before actual implementation. Take measures to close any vulnerabilities identified in the systems and networks.</li> <li>• Conducts vulnerability assessments both internally and externally on a quarterly basis and takes immediate action to close any significant vulnerabilities.</li> <li>• Audits the Company's cyber security internally and externally on a yearly basis.</li> <li>• Pioneering security innovation, the Company has launched the KTC Digital Credit Card. The card features a Dynamic CVV that changes every time it is requested and expires after 24 hours. Additionally, the card is numberless and does not display any sensitive information on the card itself, ensuring a secure user experience.</li> </ul>

Climate Change	
<b>Definitions</b>	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.
<b>Impacts</b>	Natural disasters and extreme weather from climate change or physical risk may disrupt business operation of the Company and outsources, 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.
<b>Mitigation Plans</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Offers relief measures for borrowers affected by disasters, subject to the terms and conditions set by the Company.</li> <li>• Supports environmentally friendly management including educating employees and promoting campaigns for the wasteful use of resources reduction, waste separation, recycling, and so forth. 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.</li> <li>• Promotes the customers to receive e-Statement via e-Mail or via KTC Mobile application which is more convenient for customers and also helps decrease environmental impacts by reducing paper consumption.</li> </ul>

Changes in Laws and Regulations	
<b>Definitions</b>	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.
<b>Impacts</b>	Changes of rules and regulations may affect the work process, work system, operating cost, performance, profitability, and corporate image. Failing to comply with the regulations may lead to warnings, fines or even revoked its license to operate.



## Changes in Laws and Regulations

### Mitigation Plans

- 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 monitors announcements and 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 departments.
- The Company participated, discussed, and exchanged ideas with people in the same industry such as credit card club, personal loan club and so forth.
- The Company annually organized trainings for employees to raise awareness or update the regulations of the regulatory agencies.

## Household Debt Crisis

### Definitions

Thailand is facing high level of household debt with an increasing trend. Concerns arise as a significant portion of the debt consists of non-productive loans, which may not generate future income. The lack of financial discipline in debt behavior and the elevated debt burden become factors restraining economic expansion. Financial institutions may implement stricter credit assessment measures, impacting consumer access to financial services. Higher interest rates and increased living costs contribute to difficulties in debt repayment, leading to widespread debt issues and posing a threat to the stability of the financial system, potentially turning into an economic crisis.

### Impacts

If a household debt crisis occurs, it would have an impact on the portfolio quality, particularly due to the increase in Non-Performing Loans (NPLs) stemming from loans that do not generate income. This situation would necessitate the Company to allocate additional reserves, affecting operational results and potentially tarnishing the Company's reputation.

### Mitigation Plans

- Designs various products and promotes financial inclusion to alleviate household liquidity problems in crisis.
- 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.
- Monitors customer defaults, by designated departments, and implements measures to help customers before defaulting.
- Provides preliminary assistance for members through KTC Phone service center.
- Operating in accordance with Responsible Lending criteria, as outlined by regulatory authorities, aims to address household debt sustainably. These criteria focus on promoting fairness and accountability in lending practices.
- There are various debt relief programs available to eligible borrowers. One example is the "Debt Mediation Fair" organized in collaboration with the Legal Execution Department. This program provides an opportunity for customers to negotiate debt settlements without incurring any additional costs. The Company also offers other long-term debt relief measures, which are continuously announced and updated on the website for customer information.

Geopolitical Risk	
<b>Definitions</b>	<p>Geopolitical risk arises from conflicts between nations related to politics, geographic boundaries, and economic resources. These events may escalate into military actions or various forms of trade wars, negatively impacting economies at both regional and global levels. In 2023, the escalation of the Russia-Ukraine conflict and the outbreak of the Israel-Hamas conflict were factors pressuring the global economy, with the potential for conflicts to widen and cause more extensive damage to economic systems. Additionally, the ongoing trade tensions between the United States and China show a tendency to intensify in the future. Therefore, it is a matter of significant importance for companies, closely monitoring and addressing potential geopolitical risks.</p>
<b>Impacts</b>	<p>Heightened conflicts and competition among major powers can result in economic volatility, impacting factors such as interest rates, exchange rates, and prices of goods and services. Additionally, it can affect inbound and outbound tourism spending between interconnected countries. These factors, in turn, influence the strategic planning of companies and reduce customers' debt repayment capabilities due to increased living costs. Furthermore, if major power centers engage in trade wars or escalate conflicts, it may necessitate involved countries to adhere to additional trade conditions, imposing further business conditions on companies.</p>
<b>Mitigation Plans</b>	<ul style="list-style-type: none"> <li>• The Company closely monitors global and Thai economic trends, conducting annual training seminars to keep employees informed about economic trends, which are essential for business planning.</li> <li>• Utilizing hypotheses and economic scenario forecasts, the Company establishes simulation situations and tests crisis scenarios, encompassing various risk factors, including geopolitical risk. This allows for the assessment of potential impacts on the company's operations.</li> <li>• Developing infrastructure to accommodate diverse international partnerships, covering various payment methods such as Visa, Mastercard, JCB, and UnionPay. This enhances service options and convenience for payment services to cater to customers from all groups while reducing the risk in case of international conflicts affecting the company's strategic plans.</li> </ul>

(Please refer to additional information in Form 56-1 One Report 2023 under "Risk management" topic, under sub-topic "Risk Factors for the Company's Business Operations")

## 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.



### Policy and procedures

- 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 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.



### Establishing effective collaboration for risk management

- There is a link between the Risk Owners and the Enterprise Risk Management division, in that all business units 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:
  - All business units must conduct a Risk Control Self-Assessment (RCSA) on a semi-annual basis. The RCSA is the process by which management and employees at all levels are required to identify and assess risks and controls within their respective areas of operation.
  - All business units must report Operational Loss Data monthly, including actual loss, potential loss, and near-missed by reporting all types of information, including all values.



### Financial products and/or services

- The Development or release of the Company's financial products and/or services requires compliance with regulations re: issuance/change/cancellation of financial products and/or services. This is to assess the risks of legal, overall and budgeting before launching. This is to ensure the product and/or service has considered all risk factors.



### Building risk awareness and promoting risk management knowledge

- 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 2023, the training topics were:

Risk Management Training Programs	Target Group	Arrangement
Risk Culture	Board of directors and all employees	Self - learning
Risk Awareness: The fundamental aspects concerning risk, including the definitions of different types of risks, are covered. <ul style="list-style-type: none"> <li>• Understanding the risks</li> <li>• ESG Risk</li> <li>• Operational Risk</li> <li>• Key risks in business operations</li> </ul>	All employees	Self - learning
PCI-DSS Awareness: Knowledge and best practices according to Payment Card Industry Data Security Standard (PCI-DSS)	All employees	Self - learning
Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT&WMD) 2023	All employees	Self - learning
ISO (ISO/IEC 27001:2013 and ISO/IEC 27701:2019) 2023	All employees	Self - learning
Market Conduct and Fair Lending	All employees	Self - learning
Corporate Governance Policy & Code of Conduct 2023	All employees	Self - learning
RCSA (Risk Control Self-Assessment) and PII Data List 2023	Operational Risk Officers (ORO)	Classroom: On-site
Global and Thai Economy for the Year of Dragon 2024: Opportunities and Challenges	Interested employees	Classroom: On-site



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

## ENCOURAGING INNOVATION FOR THE RISK CULTURE

The Company has developed work systems to facilitate greater efficiency in risk management and reporting consistently 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.
- 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.
- An online channel to receive cases of various risk events such as personal data leakage, equipment defection in the workplace, etc.

- 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 services from Outsources.

- ESG Risk Self-Assessment form with the objective of promoting understanding of sustainability related risks among the Company's business units and initially integrating ESG risks into the enterprise risk management context. ESG risk assessment has been introduced as a part of the enterprise 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.

- Implementing the KTC E-Library system for employees to borrow E-Books, fostering continuous learning, including E-Books for risk management areas

## Digital Innovation

### Risk

The advancement of technology leads to changes in consumer behavior. If the Company is unable to develop products and services that can meet customer expectations and improve data security to keep pace with technological changes, such failure may impact its competitiveness and operating performance.

### Opportunity

If the Company can develop digital products and services that meet consumer needs and have secure service usage, it will induce existing customers to use more services and expand a new customer base in the future.

With continuous technological changes and advancement, consumer behavior has been changing and customers have paid more attention to security. As financial service and payment service provider, the Company has a policy aiming at developing and enhancing digital technologies for provision of products and services as well as efficient modes of payment via electronic channels to satisfy their needs for convenient, prompt, and safe services anytime, anywhere. To reduce risk of cyber threats, the Company also places importance on operations that meet international standards and formulates policies and standards related to cybersecurity and security of personal data of stakeholders to build confidence and trust when engaging in online transactions with the Company.

With a goal to create good user experience for stakeholders, KTC has implemented digital transformation, which consists of 3 main aspects as follows:



Digital Product



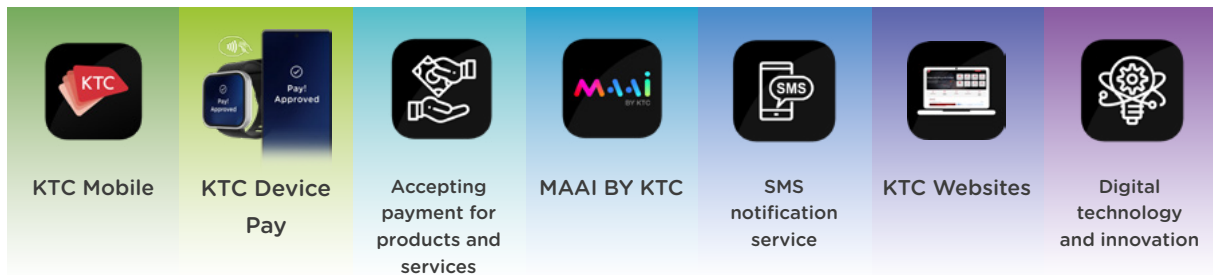
Digital Service



Digital Channel



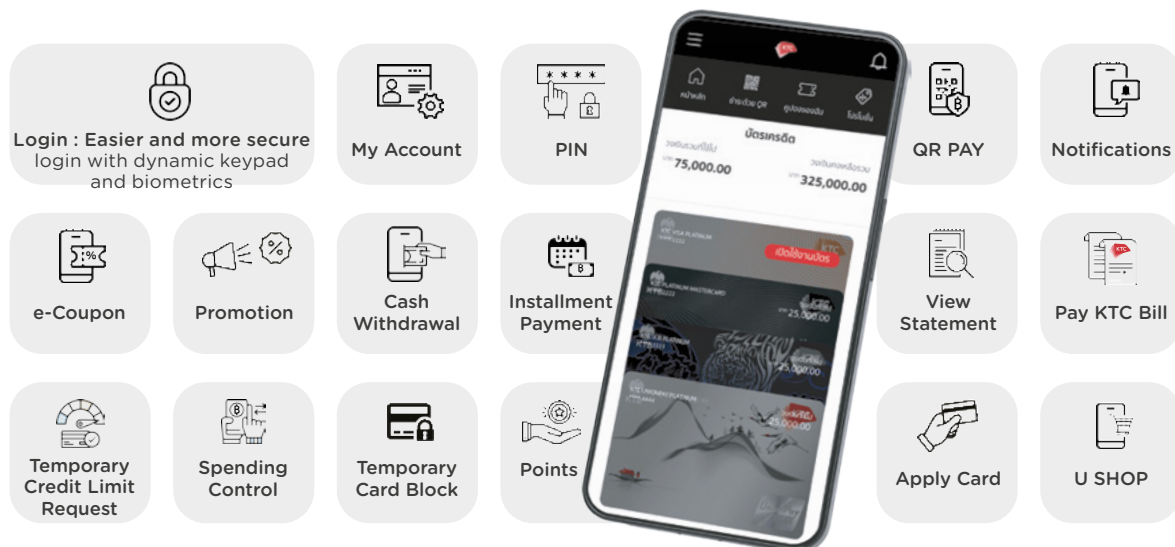
## ► Products, Services and Platforms



### KTC Mobile

The Company has introduced a streamlined online platform to elevate customer convenience in service utilization. Through the KTC Mobile application, a comprehensive one-stop service platform, members can easily access and manage their accounts. This user-friendly app empowers card members to perform various transactions, ensuring efficient and seamless interactions with all available products. This application has improved menu features for ease and convenience of use and offers great customer experience. With modern image, security features and usage speed, it can accommodate a growing trend of sizeable target groups. Moreover, with insight of spending behavior of cardmembers, service transactions have been designed to have functions that could satisfy daily lifestyles and needs more easily and conveniently.

The presentation of products and services via digital channels eases customer access in a comprehensive, equitable, speedy and safe manner, minimizes paper and resource use, reduces loss of documents as well as customer commuting time.



## KTC Device Pay

### Fitbit/ Swatch/ Garmin Pay

To enhance convenience, the Company has developed a service that enables cardmembers to make payments for goods and services at various merchants accepting contactless payments. This feature is available for all KTC VISA and KTC MASTERCARD credit cards and can be accessed through a smartwatch, eliminating the need to carry a physical credit card. Additionally, this service prioritizes security by implementing a token system to protect sensitive data. Notably, third-party vendors such as Fitbit, Swatch, and Garmin stores are restricted from accessing users' financial information, bolstering security measures. This robust system also acts as a deterrent, preventing viruses or malware from compromising critical data.

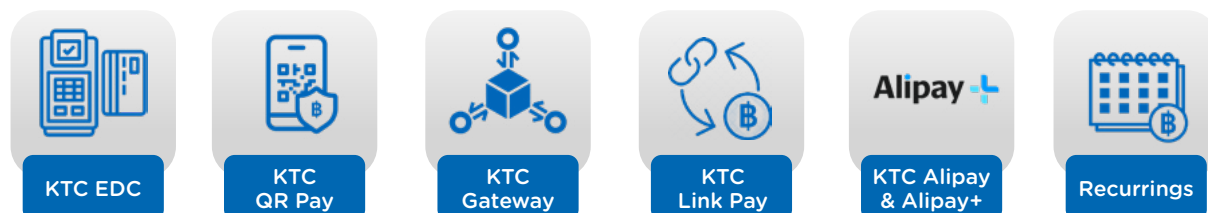


### Google Pay

In an unprecedented move for Thailand, KTC cardmembers now have the secure option to make payments for goods and services using Google Pay-supported phones, in physical stores and online. This process ensures the confidentiality of card numbers. Furthermore, on the Android system, users benefit from swift access to information via Google Wallet.

## Accepting payment for products and services

The Company offers a diverse range of services to merchant members, aiming to streamline payment receipt for their products and services. This comprehensive support is designed to enhance the overall member experience and meet the diverse needs of businesses across all categories.



### KTC EDC

Payment acceptance service via Electronic Data Capture (EDC) provides an additional channel for customers to make payments and installment payments and redeem points easily and conveniently.

- **Full payment**
  - o Support all types of credit and debit cards from financial institutions worldwide.
  - o Support over 30 currencies worldwide.
- **Installment payment** Allow customers to pay in installments with 0% interest or a special interest rate.
- **Reward points redemption** Customers can use KTC FOREVER points instead of cash and redeem for products and services at a point of sale.
- **Contactless** Tap and pay conveniently.
- **Support SIM card connectivity** For in-store or out-of-store payment
- **Free of charge** Free installation, device warranty and sales slip paper

### KTC QR PAY

Payment acceptance service via QR PAY enhances convenience and speed. No card swipe device fee.

- **Accept QR Code payment** through Visa and Mastercard credit cards and PromptPay.
- **Safe** Reduce risk when handling cash and change.
- **Support QR code generator** Easy to generate QR codes for vertical display or via KTC Merchant application.

**As at the end of 2023,**

**15,416** stores  
using KTC MERCHANT  
application

**3,774** stores  
accepting  
payments through  
KTC QR PAY.



### KTC PAYMENT GATEWAY

Accept online payment for trade transactions 24/7. This system specifically serves online stores.

- **Support credit** and debit cards from all major global financial institutions, including Visa, Mastercard, JCB and UnionPay.
- **Convenient installment plans and point redemption** Boost merchant sales. Customers can opt for a comfortable installment plan or redeem with KTC FOREVER points
- **API integration** Merchants can receive performance reports or manage sales transactions automatically.
- **Real-time monitoring** Real-time transaction verification via online system is active 24/7.
- **High security** Rest assured that transactions are made with a genuine card through the 3D Secure version 2.0 system.



### KTC LINK PAY

Accept payment via payment link anytime, anywhere through social media platforms.

- **Convenient and secured online transactions 24/7** Support full and installment payment
- **Easy and convenient management** Merchants can create a payment link easily and send it to customers via various contact channels.
- **Add an extra product order channel to enhance customer convenience.**
- **Highest level of security** The use of OTP (one-time password) gives customers and merchants a peace of mind.
- **LINK expiration** Link expiration can be set with a maximum usage period of up to 72 hours.



### KTC ALIPAY/ ALIPAY+

Payment acceptance service for Chinese customers: Alipay Plus Mobile Wallet is a leading mobile wallet in Hong Kong, Macao, Malaysia, Singapore, South Korea, Philippines, Indonesia, Italy and Mongolia.

- **Easy payment** via Alipay (Alipay or Alipay+) QR code on EDC device, vertical display, or mobile application. Link payment service through Alipay is only available for Chinese customers.
- **Support all types of business**
  - o Accept payments via Alipay from brick-and-mortar and online stores.
  - o Payments via Alipay+ are accepted in brick-and-mortar stores.
- **Increase sales through joint promotions** with Alipay / Alipay+.
- **Promote stores through store ads** on Alipay application.



### RECURRING

Automatic payment deduction service  
Easy fee collection, on-time receipt of payment, and flexible financial management

- **Easy fee collection** Payment is deducted from a credit card account. Cardholders are required to notify the intention and register for the service.
- **Set own payment collection schedule** Merchants can set payment collection schedule by themselves on a daily or monthly basis.
- **Never miss receipt of payment** Merchants can check payment collection results by themselves.
- **Secure customer data** Customer card information is securely stored as per international standards.

## MAAI BY KTC

MAAI BY KTC is a fully integrated digital loyalty platform service provider that understands business requirements in CRM management for the benefit of achieving a goal of increasing sales, building relationship with customers, and maintaining existing customer base. Moreover, with a quality system and advice from an experienced team, MAAI BY KTC can help businesses create a digital loyalty platform, which can be operated with maximum efficiency, and it can help them manage business operating costs effectively through analyzing a customer database and introducing marketing activities that meet the needs of each customer group. It also helps reduce resource use by changing forms of membership card issuance and providing special privileges in a form of e-Coupon, replacing primarily used paper or plastic with an electronic form, which brings about better, easier and safer customer experiences. Three core services are as follows:

**1. Digital loyalty platform service - Native point:** This platform service consists of three main systems: membership information management system, points management system, and e-Coupon management system. It is suitable for businesses that desire to have their own platform and points. The system can be connected to an existing platform that already has partners on board, whether website, application or

LINE official account. The purpose is to ensure seamless customer experience, presence in the ecosystem, and availability of useful information, which can be used for offering special privileges that can better satisfy customers.

**2. Digital loyalty platform service- MAAI points:** This ready-made platform comes with an application and uses MAAI points as a tool for granting special privileges to customers. It is suitable for businesses that desire to minimize procedural steps and time required for creating a new system and look for a variety of special privileges that can meet all needs of customers with different lifestyles. Moreover, it can help businesses launch a loyalty program quickly and keep up with market changes and customer behavior.

**3. Points exchange service:** This service is suitable for businesses that have their own points and desire to further expand points redemption channels or look for new privileges for customers and desire to expand business ecosystem through connection with various platforms, in which points are primarily used as a point exchange tool. This service gives customers an option to reap maximum benefits of points and satisfy customer needs as much as possible.



## SMS notification

In lieu of relying on traditional printed letters, the Company opts for SMS notifications to communicate credit card and personal loan application outcomes to customers, except when legal requirements necessitate a written notification for denied loan applications. This method ensures a prompt, convenient, and secure means of updating loan applicants about their application status. To address concerns about potential scams, the SMS notifications for application status intentionally exclude any embedded links.

In case applicants submit unclear or incomplete support documents for assessment, and/or when it is not possible to reach them for verification of application information, SMS notification, instead of printed letter,

will be sent to applicants. This approach can streamline the process, reduce printing and mailing costs, and significantly decrease paper consumption.

As for card delivery tracking and activation, the Company designates a team dedicated to monitoring the status of card delivery to customers. This team also facilitates the process of informing customers about card activation and various benefits they are entitled to. The purpose is to prevent potential damages that may arise due to any loss or delay during card delivery, reduce expense and time spent on follow-up activities, streamline delivery process, and reduce the quantity of produced cards and distribution cost associated with issuing new cards.


## KTC Website

The Company consistently enhances the functionality of its website, [www.ktc.co.th/en](http://www.ktc.co.th/en), to ensure that customers or users can efficiently access information and services. These platforms are designed to quickly display information and facilitate easy information retrieval, providing a positive user experience that is compatible with all devices.


Digital technology and innovation

### KTC Digital Card


KTC has developed and launched KTC DIGITAL credit card products with a primary focus on security. It has 3 main features



Experience heightened security in online transactions with the assurance of Dynamic CVV/CVC2, where card digits change with each request and remain valid for 24 hours.



Enjoy accelerated transactions with instant payment options after online approval. Seamlessly utilize QR Pay scanning and effortlessly link the card to diverse payment systems across devices such as Google Pay, Fitbit, Swatch, Garmin Pay, and others.



Rest easy with secure card payments, eliminating concerns about data theft. Benefit from the innovative Numberless Card and a card without a magnetic stripe, ensuring a worry-free shopping experience.

The target group comprises the new generation familiar with conducting digital transactions independently, ensuring 24/7 accessibility. This aims to provide convenience, allowing interested individuals to access products anytime, anywhere.

#### Details

**Objective:** In the pursuit of advancing credit card products, with a primary focus on bolstering security in online payments and ensuring compatibility with chip card transactions at regular retail outlets.

**Timeline:** The strategic project was officially launched in October 2023, exclusively catering to transactions facilitated through the KTC Mobile application. Notably, plastic cards without numerical identifiers have not been issued as part of this initiative. The official rollout commenced in early 2024, offering customers the advantages without necessitating possession of plastic cards featuring no numerical identifiers. For those customers interested in obtaining such cards, requests can be conveniently submitted through various channels:

- Existing customers: Requests are facilitated through the KTC Mobile application.
- New customers: Requests can be initiated via the Company's website or through the official Line channel @ktc\_card

#### Operational Results

Business Benefits	Social Benefits	Environmental Benefits
Expand the base of new credit card members and minimize the risk of credit card fraud.	Elevating credit card security to mitigate the risks of online and offline credit card data theft, including at regular retail outlets, while also providing protection against ATM skimming due to the innovative design of numberless plastic cards without magnetic stripes.	Encouraging the adoption of electronic credit cards, hence minimizes the use of plastic in credit card production, particularly for customers who choose not to receive physical cards.

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## KTC Factorant

KTC initiated the “KTC FACTORANT” project by incorporating Lean Six Sigma principles, a methodology focused on identifying unnecessary waste and reducing high costs. Additionally, it emphasizes minimizing uncertainties to ensure stable operations. This approach is applied to enhance the efficiency of credit approval processes, with improvements made to dedicated security zones for customer data in alignment with ISO/IEC 27001:2013 and ISO/IEC 27701:2019 data security management standards. Various units involved in the credit approval process are consolidated into a unified workspace, organized according to a Process Flow, and certain steps are automated using robotic technology, replacing manual tasks such as document movement. This ensures a continuous workflow, reducing waiting and transportation times within the process. Moreover, a Belt Conveyor Design is implemented to create a production line-like operation for seamless progression. The project also involves the creation of a Visualized Information Dashboard to maximize effectiveness.



### Details

**Objective:** To optimize the credit approval process, the Company has undertaken initiatives to refine work processes and workspace management. These efforts encompass various activities, including application receipt, credit evaluation, and application retention. This includes an objective to reduce unnecessary work time in each step of the application process by at least 85% and enhance the efficiency of task handovers between units for increased continuity.

**Timeline:** Commenced in June 2023.

### Operational Results

Business Benefits	Social Benefits	Environmental Benefits
Increase productivity through process improvement and space design tailored for credit approval operations. This helps streamline redundant workflows, enhance efficiency in application processing and credit evaluation, enabling the support of card approvals from the previous limit of not exceeding 100,000 cards per month to no less than 600,000 cards per month. Additionally, it can significantly reduce processing time by up to 93%.	The creation of a smart office conducive to credit evaluation and approval operations has not only enhanced efficiency but also fostered creativity among employees through the incorporation of facilitating technology. Approximately 5.29 square meters of workspace per employee has been utilized, contributing to increased service user satisfaction. This is particularly evident in quick and efficient credit evaluations, catering to those with urgent credit needs, thereby extending this satisfaction to broader society.	Energy consumption has been notably reduced from utilizing document transport lifts. Previously, documents were transported between floors in the 4-story building four times a day.



## Applying for KTC Credit Card and Cash Card products through Krungthai NEXT (E-application)

This collaborative development with Krungthai Bank introduced a process where customers can apply for products by themselves through Krungthai NEXT application. This process includes verifying identity, filling out personal information, and uploading application documents. Then customer-submitted information will be forwarded to the evaluation team for consideration. Facilitating the application process for KTC Credit Card and Cash Card products is streamlined through Krungthai NEXT (E-application).

In collaboration with Krungthai Bank, this joint development introduces a user-friendly process allowing customers to independently apply for products via the Krungthai NEXT application. The procedure encompasses identity verification, completion of personal information, and the uploading of necessary application documents. Subsequently, the customer-submitted information is seamlessly relayed to the evaluation team for thorough consideration.

### Details

#### Objective:

- To minimize the duration and steps involved in the product application process.
- To provide all customer segments of Krungthai Bank with convenient access to KTC products without the necessity of visiting a physical branch.

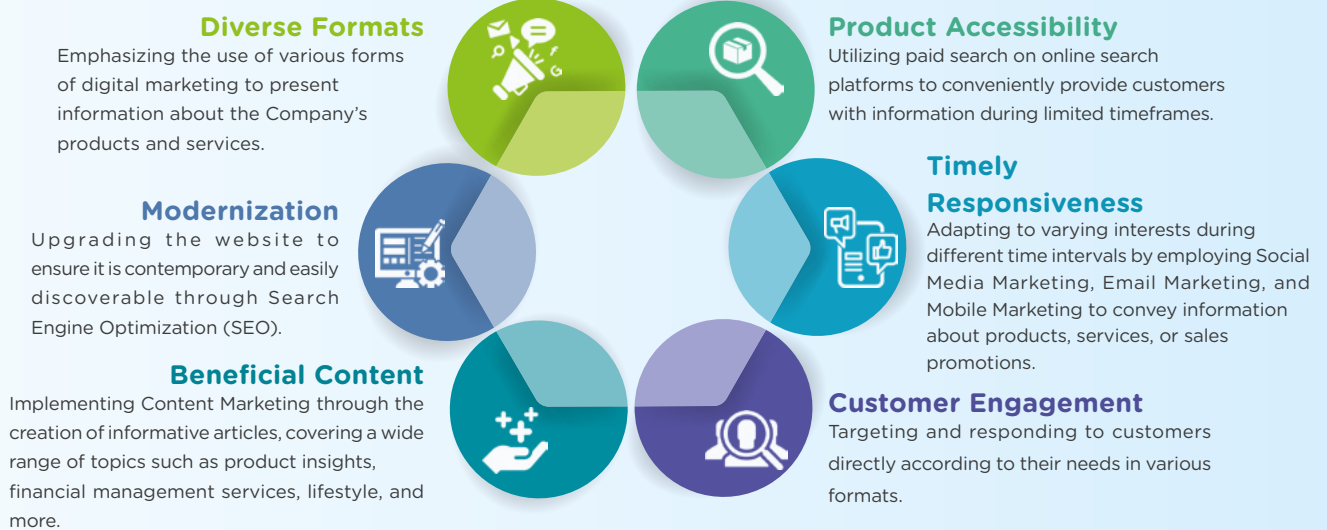
**Timeline:** Commencing operations in September 2023.

### Operational Results

Business Benefits	Social Benefits	Environmental Benefits
<p>The introduction of a new application submission channel aligns with evolving customer preferences and behaviors, emphasizing the increasing reliance on technology and online transactions. This initiative not only underscores the Company's commitment to channel innovation but also serves as an effective measure to mitigate fraud risks in the application process. By empowering customers to engage directly in the process without intermediaries across various channels, the risk of fraud is significantly minimized. Additionally, electronic identity verification reduces the likelihood of identity theft and document forgery.</p> <ul style="list-style-type: none"> <li>· Streamlined product onboarding time for target groups, with applications processed and status determined by the next business day when customers engage thoroughly.</li> <li>· Achieved over a fivefold increase in the number of potential new customers submitting applications monthly.</li> <li>· Successfully reduced the rate of fraud.</li> </ul>	<p>This initiative offers target groups easier and more convenient access to financial products, allowing them to swiftly receive and compare detailed information about various offerings. It also provides opportunities for better understanding of financial products, thereby reducing the risk of falling victim to scams and the necessity to resort to informal loans.</p>	<p>By enabling customers to independently navigate each step of the application process electronically, the Company has streamlined procedures that traditionally required face-to-face interactions, such as document printing, receipt, and identity verification. This not only contributes to a reduction in carbon dioxide emissions but also minimizes fuel consumption.</p> <p>Achieved a substantial reduction in paper usage for attaching application documents, with over 300,000 applications submitted electronically in 2023, constituting more than 40% of the total number of applications.</p>

## ➤ Digital Marketing

Marketing communication has evolved rapidly in tandem with changing customer behaviors and lifestyles. To maximize the effectiveness and efficiency of marketing communication, KTC focuses on utilizing various forms of digital marketing to present information about the Company's products and services and build customer rapport on a continuous basis. The factors in determining appropriate use of digital marketing media to ensure customers' access to the Company's products are as follows:



## ➤ Digital Workplace

The use of digital workplace technology enables KTC to serve customers easier and faster because employees can work anytime anywhere. KTC will pursue further development of digital workspace to support customer services and enhance employee convenience in handling their work.

KTC has developed digital workplace since 2019 by gradually upgrading each component of relevant works while initially focusing on employee flexibility at work and ability to work anytime anywhere. Subsequently, its perspective expanded from small components to a bigger picture, which entails integrating key components, such as customer or business partner. The aim is to achieve maximum business benefits and develop various applications to support micro service architecture and upload applications to the cloud to satisfy customer service needs.

KTC pursued preparedness of IT resources to support never-ending growth of e-commerce transactions through online channels. Moreover, it also increased online working activities, such as online meetings, training, seminar and online auditing.

When selecting solutions for creating digital workplace, these solutions must be tested extensively, including creating a proof of concept (POC) and seeking improvement from identification of pain points and constraints to ensure selected solutions could best address the needs. A key criterion in selecting solutions is safety. These solutions are as follows:

- **Virtual Desktop Infrastructure (VDI):** The aim is to enable employees to conveniently work from home or other places that have internet access so they can access the system and work as usual. The VDI solution has a system to control and monitor access to the network and work system of the Company with a security control system that meets ISO/IEC 27001:2013, ISO/IEC 27701:2019 and PCI-DSS standards and conforms to the Company's policy
- **Network Campus:** The aim is to upgrade and enable the organization's internal network system to support VDI in both offices by using Dynamic IP and Wi-Fi 6 Generation technologies to accommodate a relatively high bandwidth.

- **Green data center:** The Company is considering engaging a computer center service provider that meets international standards in terms of data security, preparedness and environmental conservation. The use of a suitable technology will help save energy consumption in such computer center, resulting in reducing unnecessary energy consumption and leading to reducing carbon dioxide emissions and saving in energy cost and maintenance expenses of high-energy consumption equipment. Located in an upcountry province, this computer center can help add more job opportunities and generate income for surrounding communities.

- **Robotic Process Automation (RPA):** The Company is adopting Robotic Process Automation (RPA) to replace repetitive tasks with a substantial workload, demanding significant human input, time resources, and consumable materials. The primary goal is to boost efficiency and effectiveness while minimizing operational and service errors. Moreover, implementing RPA would free employees to dedicate more time to advancing their knowledge in areas beyond those handled by RPA. Additionally, the swift and convenient services offered by the Company empower customers, member merchants, suppliers, and business partners to utilize the time saved for direct and indirect contributions to society. It also helps in reducing the consumption of resources with environmental impacts, such as energy, paper, and printer ink.

- **Incidents Request (IR) workflow system:** This system is employed for the efficient management and resolution of IT incidents. Within this framework, the significance of problems is meticulously defined to guarantee a swift and effective response, meeting the requirements of the problem notifier or service user. The information stored in the Incident Response (IR) workflow system is leveraged for problem analysis, facilitating the development of long-term solutions, mitigating incident recurrence, optimizing workflow efficiency, and curbing unnecessary resource utilization.

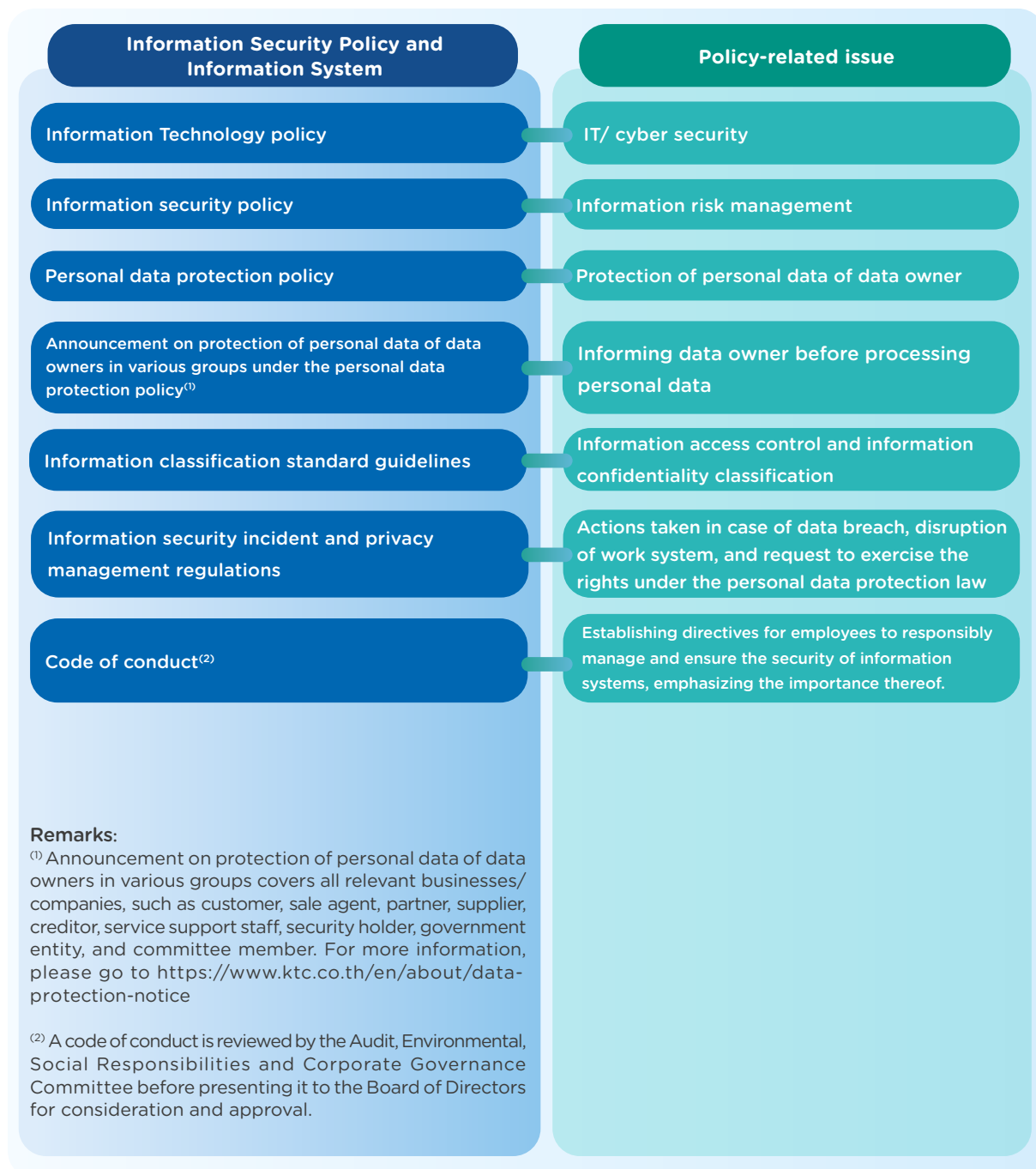
- **SAP HR (HR on Cloud) system:** The HR on Cloud service is highly secure and can be applied to human resource management and development without place and time constraints, such as time attendance management, e-learning, training, employee performance, employee benefits, and employee social network. Employees can use the HR system conveniently, quickly, and securely anytime, anywhere where internet access is available. As a result, the Company can enhance the efficiency of human resource management rapidly and share knowledge and experience from internal and external experts, and employees can apply acquired knowledge to themselves or their daily life. This system also helps reduce the use of resources that have environmental impacts, including resources such as energy, along with consumable materials such as paper and printer ink.

## **Information Security and Cyber Security**

In the digital economy, every organization must implement information security and cyber threat prevention measures and maintain preparedness. In addition, it is also important to undertake various aspects of risk management 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 to maintain confidentiality, integrity and availability of its information system.

## Information Security Policy and Information System

The Information Security Committee (ISC) establishes policies and regulations on data and information system security for managing and maintaining information technology and personal data risks at an appropriate level in accordance with relevant laws and internationally accepted standards. These policies and regulations are regularly reviewed, revised and approved by the Board of Directors annually. Details are as follows:



## Information Security and Cyber Security Governance

The Board of Directors places importance on information and cyber security. Therefore, the Board formed an Information Security Committee (ISC) to oversee information and cyber security. A committee is composed of committee members and Chief Executive Officer as committee chair to oversee the following areas.

### Information Security Committee (ISC)



### ISC role and responsibilities

- Establishing policies and regulations on the security of data and information systems.
- Reviewing and approving budget and resource allocation plans for information security and cybersecurity initiatives to align with the Company's needs.
- Developing information strategies that align with business priorities and provide sufficient flexibility to adapt to future changes.
- Monitoring the results of technology risk assessments.
- Designating a Data Protection Officer (DPO) to ensure compliance with the Personal Data Protection Act.
- Promoting knowledge and awareness of technology risk management among the Board, management, and employees.

In terms of oversight, the Company has implemented an organizational structure conducive to overseeing information technology in a manner consistent with the three lines of defense model, with clearly defined responsibilities. This structure is designed to effectively manage risks and includes:



## IT and cyber security measures

KTC has effectively communicated policies and operational procedures to all employees, aiming to raise awareness regarding potential threats and underscore the significance of ensuring data security and cybersecurity. This ensures a robust implementation of various company policies, including:

**Policy Review and Dissemination:** Conducting regular reviews and disseminating policies related to information technology, information security, data protection, and the information classification standard through KTC UNITE. This facilitates easy employee access to information and ensures accurate adherence to established policies.



**Training or Knowledge Testing:** Offering training or knowledge testing on information system security, personal data protection, and cybersecurity to management, employees, and outsources. This aids in regularly reviewing knowledge on various topics for relevant management and operational staff.



**Orientation Courses:** Conducting orientation courses for new employees and contractors, including a review of knowledge and understanding related to ISO/IEC 27001:2013 Information Security Management System and ISO/IEC 27701:2019 Privacy Information Management System. This ensures that employees have the necessary knowledge and skills to work according to data security standards.



**Establishing a Monitoring and Alerting Center:** Setting up a Cyber Security Operation Center to detect and prevent cyber-attacks, including safeguarding critical company data from leakage.



**Information Security Incident and Privacy Information Management Regulations:** Establishing protocols for reporting incidents related to information security, such as system failures, leaks or breaches of personal data, and the use of personal data rights in accordance with data protection laws. The Company notifies the oversight committee or regulatory bodies of various incidents to provide updates on the management of access to and utilization of the Company's data, including personal data. Employees are granted access to company and personal data only as required by their rights and responsibilities, and they must keep such information confidential, store it as necessary, and not disclose it to others without authorization.





## IT and cyber security process and infrastructure

To safeguard the security of the Company's information system, comprehensive IT risk management measures, tools, and a well-defined process are implemented. This is designed to prevent disruptions to the information technology system, counter cyber-attacks, and ensure preparedness to respond effectively to such events.

### Incident response

- Conduct security system stress tests or simulations of response plans, including at least one penetration test and quarterly vulnerability assessments from internal and external networks annually. In the year 2023, the planned penetration testing for various tasks was executed, and internal vulnerability assessments were successfully completed in April, July, and October. External vulnerability assessments were carried out in July, overseen by a Qualified Security Assessor (QSA) certified under PCI-DSS standards. The assessment results have been reported to the ISC committee, and ongoing improvements are being made to address identified vulnerabilities.
- Ensuring the security and readiness of main and backup data centers for critical systems is a top priority. A thorough review of the Information Technology Disaster Recovery Plan was conducted in September, followed by annual emergency plan testing in December 2023. Additionally, practical Business Continuity Plan (BCP) testing was performed with the IT unit providing support.
- Safeguarding the Company's network involves the installation of advanced equipment and security systems, such as firewalls.
- Preventing the leakage of critical company data is a paramount concern. To address this, the Company has implemented a Data Loss Prevention System (DLP) to actively detect and prevent data leaks.
- Cyber Security Operation Center plays a crucial role in monitoring security incidents and cyber threats, providing real-time observation and warnings about potential cybersecurity incidents.
- Utilizing customer personal data aligns with the stated objectives in the Personal Data Protection announcement and is strictly governed by customer consent.
- Implementing robust incident and complaint management processes for data, cybersecurity, and information technology systems security. Annual testing of the Incident Response Plan occurred in December 2023, in accordance with ISO/IEC 27701:2019, ISO/IEC 27001:2013, and PCI-DSS standards.
- Incorporating ISO standards into the employee performance evaluation process.
- Regularly conducting internal and external audits for information security and cybersecurity is fundamental to the adherence to ISO/IEC 27701:2019, ISO/IEC 27001:2013, and PCI-DSS standards. These practices collectively aim to fortify the overall security of the organization and ensure compliance with international standards and regulations.
- Ensure that information security and cybersecurity are regularly audited by the Internal Audit business unit and external auditors annually.

### Data Breach Insurance

KTC has insurance coverage for any data or cyber security breach (cyber insurance) as a risk transfer measure in the event of any critical data and cyber security breach.

## Privacy Protection

As a financial service provider, KTC places importance on the security and privacy of customer and stakeholder data. This commitment is reflected in the establishment of a comprehensive personal data protection policy, regulations governing the protection of personal data and other critical information, and the implementation of measures related to the safeguarding and security of personal data and the privacy of data owners. This includes training employees and business partners. These initiatives are executed in strict accordance with the personal data protection law and the international ISO/IEC 27701:2019 standard. The Company has been recertified since 2020, ensuring compliance with objectives outlined in the announcement of results from personal data processing, rights of data owners, procedures for incident notification in case of data breaches, facilitation of the exercise of legal rights, solicitation of consent for personal data processing, and personalized data processing based on the requests of data owners.

### Privacy management policy, system and procedures

The Company has established a robust mechanism to ensure the effective implementation of its privacy policy, incorporating the following measures

- Crafting the personal data protection policy and announcements that encompass every operational process and individual data owner associated with the Company, including customers, employees, shareholders, and business partners.
- Designating the Information Security Committee (ISC) as the Data Protection Officer (DPO), with duties and responsibilities aligned with statutory requirements.
- Enhancing work processes, contractual documents, and forms to include necessary legal particulars. This involves arrangements to obtain consent for personal data processing and the assessment of risks associated with personal data processing.
- Assigning the internal audit business unit the responsibility of verifying compliance with the personal data protection policy across all business units of KTC. Audit findings are reported to the Information Security Committee and the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee for acknowledgment.
- Ensuring personal data processors sign data processor agreements to acknowledge their role and responsibilities within the agreed scope. This includes notifying KTC of any privacy breaches stemming from tasks designated by the Company.
- Crafting announcements on personal data protection to inform data owners about various topics, including the objectives of personal data processing, the retention period for personal data, the rights of data owners, and reporting channels for data leakage incidents.
- Notifying data owners about various matters in accordance with legal requirements. To exercise their rights, individuals seeking to make requests to the Company must do so in writing or through methods specified by the Company. KTC will respond or provide clarification within 30 days or within the legally stipulated period. In cases where there is a request to delete personal data, KTC reserves the right to reject such requests if the data subject still maintains an ongoing relationship with the Company, and this is applicable for a period of up to 10 years after the termination of said relationship. If personal data exceeds the prescribed retention period, KTC will expunge/destroy such data in soft and hard copy formats within a period notified to the data owner or as specified in the PII data list.
- All employees are mandated to strictly adhere to the Company's policies and regulations. Non-compliance may lead to disciplinary action, potentially incurring penalties as outlined in relevant regulations or laws. Additionally, to cultivate a collaborative work ethos, the Company has specified the occurrence of data breaches as a key performance indicator (KPI) for all employees.
- Affiliated companies also place a high emphasis on safeguarding and respecting the privacy of personal data, aligning their policies and oversight with those of KTC. This commitment ensures seamless cooperation in business operations.

## Data privacy of personal data owner

KTC notifies data subjects regarding the processing of personal data, encompassing data collection, utilization, and disclosure, addressing the following points



- The nature of the data processed by the Company for the intended purposes of data owners.
- Legal bases or reasons, as per the law, for processing personal data.
- Granting various rights to data owners in accordance with legal requirements.
  - The right to be informed.
  - The right to access.
  - The right to request the transfer of personal data.
  - The right to object to the processing of personal data.
  - The right to request the deletion or destruction of personal data or rendering it unidentifiable.
  - The right to request the suspension of the use of personal data.
  - The right to correct personal data.
- Notification of the duration for which data will be stored by the Company.
- Methods to protect data.
- Establishment of policies or operational guidelines by the Company, especially when data is requested for use by third parties, such as government and private organizations.
- Contact channels with the Company to request various rights, including reporting incidents of personal data breaches.
- The Company tracks the percentage of users who use customer data for secondary purposes, such as disclosing customer information to affiliated companies in the financial business group and business partnership, with a rate of 8.91% in the year 2023.

## Customer privacy breach

In the year 2023, the Company encountered instances of personal data leakage, which were reported as incidents of errors from outsources, totaling 7 incidents. The company promptly reported these incidents to the Information Security Committee (ISC) and took corrective actions following the established guidelines. Emphasis was placed on raising awareness among outsources and recognizing the significance of potential impacts on customers' personal data leakage. This included identifying preventive measures to avoid such issues. Additionally, outsourced emphasized adherence to proper procedures by their staff and awareness of the consequences stepwise. Furthermore, there were efforts to enhance systems for monitoring and improve the efficiency of staff operations, aiming to prevent the recurrence of similar problems in the future.

List	2020	2021	2022	2023
Total number of data breaches	1	3	2	7
Total number of personal data owners affected by data breaches	14	6	2	8
Total amount of penalties paid in personal data breach cases	0	0	0	0

### Audits conducted by independent external auditors in 2023

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

In 2023, the Company implemented IT and personal data policies in accordance with statutory requirements, the Bank of Thailand's regulations, and international IT-related and personal data standards.

**The Company received organization-wide security certification covering data center and all upstream-to-downstream work processes of its core businesses, including credit card, personal loan and payment acceptance services according to**

**ISO/IEC 27001:2013 (ISMS: Information Security Management System) standards on December 9, 2022**



**ISO/IEC 27701:2019 (PIMS: Privacy Information Management System) standards on December 9, 2022.**

## Brand and Customer Trust

### Risk

If the company fails to develop products or services that meet customer needs, or cannot conduct business responsibly, it might impact operational results, competitiveness, company image, and the reputation of the company.

### Opportunity

The company can develop products and services that align with customer needs to gain trust and consistently provide a good customer experience, as well as attract new customers.

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 stable and sustainable growth of the organization. The Company has approaches to conduct business and managing customer relationship as follows:

### ➤ Customer Centricity



Aside from products and services that comply with legal frameworks, KTC places great importance on delivering a good user experience and benefits that align with customer's needs. KTC seeks to understand its customers through empathetic interactions, as well as leveraging technology to analyze and interpret customer usage behaviors. This enables KTC to comprehend and design products and services that encompass diverse customer lifestyles and behaviors. KTC adeptly manages customer relationships, addressing precise needs and responding effectively to the various spending requirements of its customers.

Over the years, KTC has collaborated with business partners and card brands to jointly run sales promotion programs. 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.

GRI 3-3

## ► Responsible Business Operation



KTC operates in accordance with the rules and regulations of both the supervisory authorities and card brands. KTC has put in place corporate governance policy, code of conduct, as well as regulations on product and service design and development as framework of business conduct. KTC prioritizes every stage from product development and advertising, credit card issuance, to providing high quality new loans based on repayment ability. KTC manages sales processes, customer data, debt resolution assistance, complaint management, and legal proceedings. KTC promotes information dissemination to nudge customer behavior, knowledge and encourage financial discipline to ensure customers or consumers spend only what is necessary and are capable of repaying debts. This aligns with the principles of fair market conduct and responsible lending.

The Management Committee, the Risk Management Committee, and the Board of Directors are responsible for considering business expansion, the launch of new products or services, changes to service formats, and reviewing the details and risks of products before they are released to the market on a case-by-case basis. In addition, the Market Conduct Committee monitors various company operations related to responsible and fair customer service, including tracking the resolution of issues related to complaints arising from various services, ensuring that the Company complies thoroughly and correctly with principles, regulations, and Company rules.

In addition, KTC compiles monthly and quarterly reports on the number of complaints received. These reports present the results of audits or reviews of various departmental operations, including the results of covert product sales process reviews (Mystery Shopping). They are reported to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors to consider any recommendations for improving the quality of products or services (where applicable).

(Please refer to additional information under “Supply Chain Management” and “ESG Products and Services” topics)

## ► Clear and Fair Communication

KTC is committed to transparent, accurate, clear and equitable services and places emphasis on gaining customer insight and 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. It is essential to avoid encouraging excessive debt or pressuring customers to apply for products that involve rewards or gifts prior to loan approval.

Moreover, KTC is dedicated to foster a culture of knowledge sharing among sale agents. This commitment enables them to effectively communicate accurate and comprehensive product information to customers or consumers.

In 2023, the Company received notification or regulator concerning inaccurate marketing communications. In response, KTC is enhancing communication by addressing and rectifying misinformation for customers. This includes providing accurate information and, if necessary, issuing warnings or implementing appropriate measures in accordance with the Company’s guidelines to the sale agents.

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

GRI 2-23, 3-3, 417-3

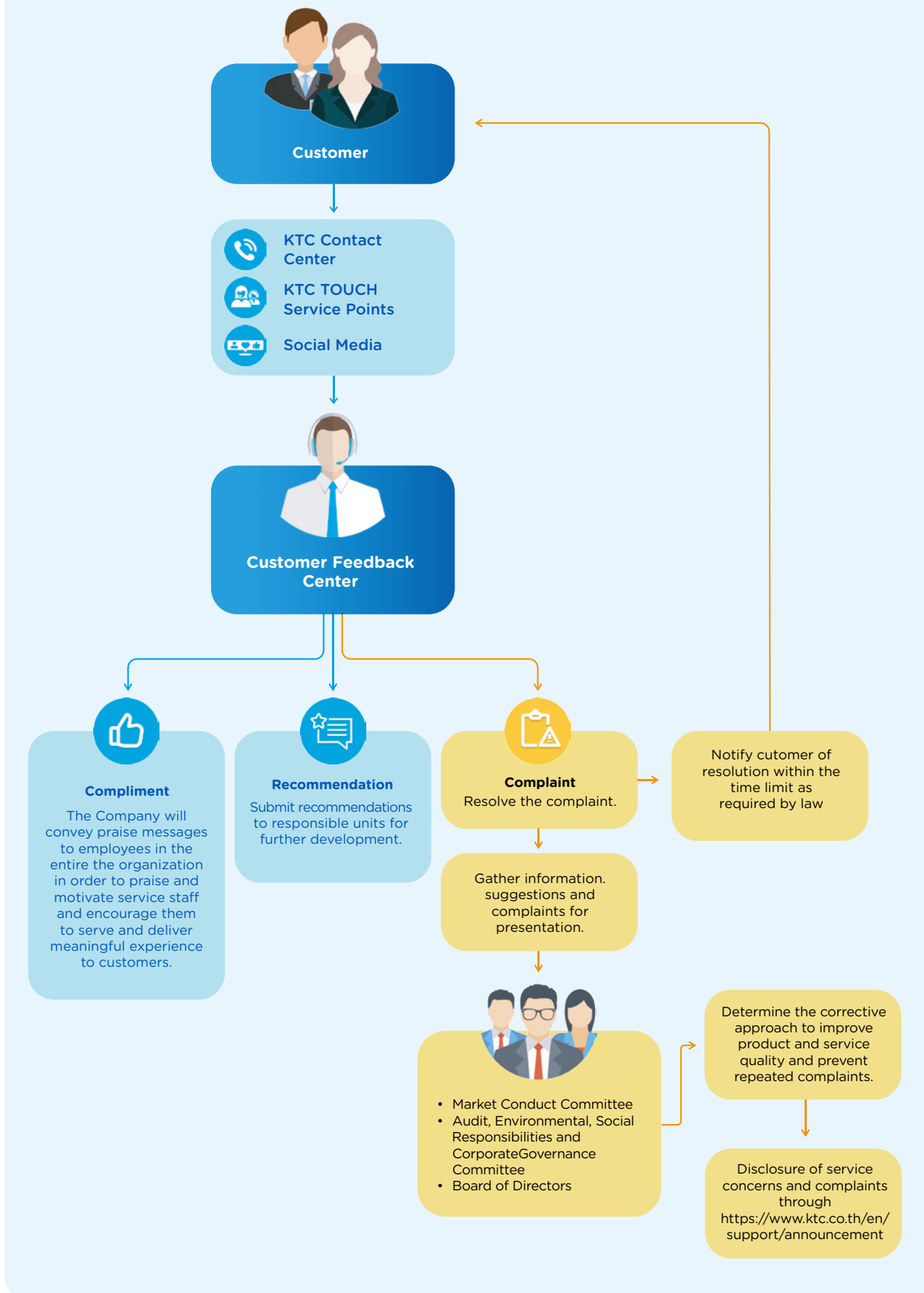


## Operational Initiatives for Service Enhancement and Development

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.

- **Complaints:** When complaints are filed, KTC will handle, investigate, explain and resolve the complaints in a timely manner as stipulated by the law. Additionally, KTC collects data, including the number of complaints, to present to the Market Conduct Committee, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors respectively for consideration and development of corrective measures to improve the quality of products and services, aiming to create customer and stakeholder satisfaction and prevent recurring complaints. Furthermore, to ensure transparency in disclosing an overview of service provision, the Company discloses information regarding service problems and customer complaints through the website <https://www.ktc.co.th/en/support/announcement> and summarizes this information to report to the Bank of Thailand on a quarterly basis, following the format prescribed by the Bank of Thailand.
- **Recommendations:** Service recommendations received from customers will be forwarded to the responsible departments for consideration and implementation to further enhance future product and service development.
- **Compliments:** 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.

## PROCEDURE



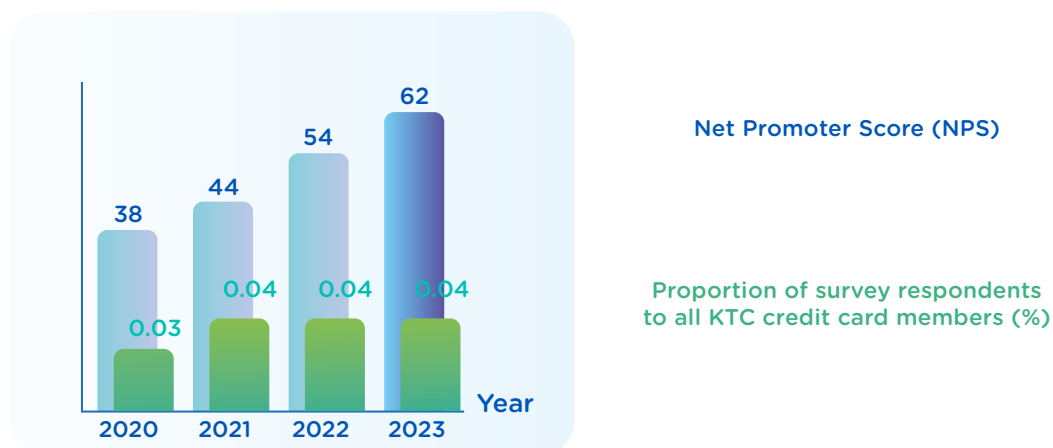
## ➤ Customer Satisfaction Measurement of the Company's Products and Services

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 as follows:

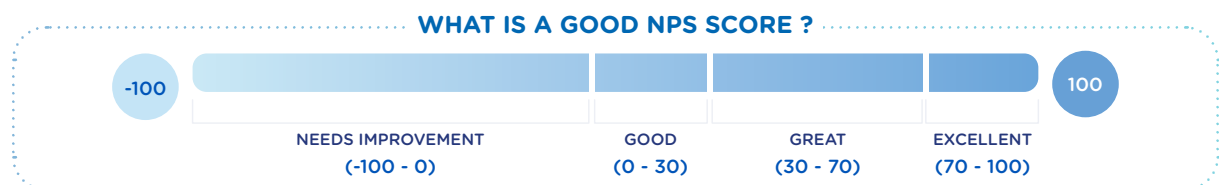
### Credit card customer satisfaction survey

The Company conducts credit cardholder satisfaction toward KTC 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 1,817 credit card customers who participated in the 2023 survey, 1,011 of them were KTC credit cardholders.



In 2023, KTC received consistently high customer satisfaction ratings from KTC credit cardholders. This can be attributed to the ongoing success of the credit card's exclusive privileges, which cater to everyday spending and align with members' lifestyles. Additionally, the utilization of KTC FOREVER points has played a significant role in reducing expenses across various categories of products and services, with a straightforward process. Furthermore, the development of various services on the KTC Mobile application has enhanced convenience and transaction efficiency in customer, ensuring a seamless credit card experience. These factors have fostered a sense of satisfaction, prompting them to recommend and endorse the KTC brand to others with pleasure.

GRI 3-3

## Customer Satisfaction Measurement on KTC TOUCH Services



The Company conducts customer satisfaction surveys for KTC TOUCH services, utilizing the Net Promoter Score (NPS) as a measurement tool. The results of these evaluations are reported to management on a monthly basis. In cases where the satisfaction scores fall below the set benchmark, the Company considers implementing continuous improvements based on customer feedback and suggestions.

In addition, KTC conducts knowledge and understanding assessments for KTC TOUCH employees three times a year. These assessments cover various topics, such as job procedures, product knowledge, compliance with ISO27001:2013 and ISO27701:2019 standards, and adherence to Principle of fair market conduct, etc. These assessments aim to instill confidence and leave a positive impression on customers by ensuring accurate and comprehensive data services and maintaining ethical practices.

Remark: There has been a change in the method of measuring customer satisfaction, shifting from telephone surveys to utilizing the Net Promoter Score (NPS) starting from February 6, 2023.

## Customer Satisfaction Measurement 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 causing any inconvenience to 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 unit. 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.

## Customer Satisfaction Measurement 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 promptly along with finding preventive approach for any recurrence. Additionally, the Company regularly evaluates internal service quality to enable prompt corrections and continuous service improvements on an annual basis.

The Company plans personnel resources to ensure readiness in serving customers during each period or situation of change, including ongoing training programs for employees on products, services and other relevant information. Moreover, the Company creates a happy working atmosphere so that employees can pass on happiness to customers.



Satisfaction Survey Result for the year 2023 of the Company is at 90.96% which increases from year 2022.

# ESG Products and Services

## Risk

If the Company fails to integrate environmental, social, and governance factors into consideration when developing or launching its products and services, it may lead to failure to meet expectations and missing opportunities to instill confidence among stakeholders. Moreover, it could also result in decreased competitiveness of the company.

## Opportunity

When the Company develops products and services that consider the environment, society, and governance, aligning with the current emphasis on ESG from the public and private sectors, it presents an opportunity to increased public access to ESG products and services. Additionally, it entails expanding customer base, enabling continuous business growth.

The Company is committed to being a part of supporting and advancing the country towards sustainable development goals by integrating environmental, social, and governance factors into its business operations. This is achieved by creating opportunities and value through credit policies, product, services, and platforms development that are socially responsible, environmentally friendly, and promote governance. Moreover, KTC aims to deliver products and services that fully meet expectations and build trust among stakeholders, providing comprehensive solutions and fostering confidence among those impacted. Additionally, it supports and motivates various sectors to collaborate in promoting sustainability across economic, social, and environmental dimensions.

## ➤ Responsible Business Operations

### Policy and Governance

The Company establishes a Responsible Lending Policy and Process that integrates economic, social, and environmental considerations into its corporate governance policy, code of conduct, and regulations for the issuance/alteration/revocation of financial products and/or services. All directors, management, and employees are required to adhere to and comply with the policies to ensure that the Company's products or services adhere to established criteria, manage various risks appropriately, and provide services that prioritize convenience and safety. These guidelines serve as a framework for carrying out duties with fairness, transparency, and accountability to all stakeholders. Various business units oversee operations to ensure that business activities are conducted responsibly in line with the Company's objectives. such business units are as follows:

**Internal Audit Business Unit** is an independent business unit and reports directly to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee. Its responsibilities include assessing the adequacy and effectiveness of the internal control system, risk management, governance, and compliance

with the Company's code of conduct. The business unit regularly reports to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee the results of internal control system audits and provides beneficial insights to the company to ensure proper operations, effective internal control systems, cost reduction, and risk mitigation. This continuous and regular oversight by the internal audit business unit promotes effective auditing as a crucial foundation for sustainable growth.

**Compliance Business Unit** is responsible for providing consultation and conducting reviews of important work processes to ensure that the Company complies with the regulations and directives of regulatory authorities such as the Bank of Thailand (BOT), the Securities and Exchange Commission (SEC), the Anti-Money Laundering Office (AMLO), the National Credit Bureau (NCB), and criteria related to corporate governance supervision. This business unit also monitors and analyzes the impacts of laws or announcements relevant to the Company, disseminates key information, or holds meetings to enhance understanding among various departments within the Company.

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

## Integration of ESG criteria in lending business

In conducting its business, the Company emphasizes and prioritizes corporate governance in line with good corporate governance principles. It ensures that operations comply with laws, announcements, criteria, and regulations set by regulatory bodies such as criteria for primary and supplementary determination credit cardholders and personal loans, as well as credit limit approval, interest rates and fees. The Company also ensures clear and fair credit card and personal loan contracts, notifies customers of any changes that may affect their rights, and handles credit data owner information

according to established criteria. It adheres to principles of fairmarket conduct and responsible lending, prioritizing quality product development and advertisement, credit card issuance, and provision of new loans based on borrowers' repayment capabilities. Additionally, it provides support to address debt problems, complies with laws, and promotes behavior through information provision (nudge) to customers. Furthermore, the Company incorporates environmental, social, and governance (ESG) considerations into its lending decisions.

## Consideration of applications of the ESG products and services

The Company takes into consideration ESG factors related to its products and services as follows:

Topic	The Company's Operating Guidelines
<b>The supervision of the service provided by employees and sales agents.</b>	Regular training sessions are conducted for employees and sale agents to ensure a consistent level of knowledge regarding financial products, related regulations, sales techniques, and adherence to compliance guidelines. This training is an integral part of conducting business responsibly to provide customers with accurate, comprehensive information to make informed decisions that align with their needs. It also aims to uphold the quality standards of the Company's services. Additionally, regular quality assessments are carried out on sales and service practices to ensure consistency and compliance with company standards.
<b>Governance or Economy</b> To ensure that applicants receive accurate and comprehensive information for decision-making and to prevent the Company from being used as a channel for money laundering.	<ul style="list-style-type: none"> <li>Specify and evaluate the qualifications of applicants, interest rates, fees, and various important information of the products that adhere to the criteria set forth by the Bank of Thailand, clearly outlined in the credit card and personal loan product application form and product disclosure statement (Factsheet).</li> <li>Ensure that agreement terms for using the products are fair to consumers, in line with the standards set by the supervisory bodies.</li> <li>Establish guidelines for the assessment or rejection of credit card, loan, or merchant applicants according to risk management principles, or criteria where applicants or customers must not be individuals designated by AML/CFT &amp; WMD Law.</li> </ul>
<b>Society</b> To mitigate the issue of excessive debt burdens among the population and facilitate widespread access to financial products.	<ul style="list-style-type: none"> <li>Consider and approve credit limits that align with the applicant's ability to repay debts, based on financial status (salary) and existing debt burden, to prevent excessive debt burdens that could become societal issues.</li> <li>Evaluate according to other criteria such as credit information checks in compliance with NCB laws.</li> <li>Implement non-discriminatory practices, treating product users or service recipients with equality irrespective of their gender, sexual orientation, or religion.</li> <li>Ensure the establishment of diverse channels for accessing products, enabling service users to reach products through multiple platforms.</li> </ul>
<b>Environment</b> To promote the conservation of existing limited natural resources.	<ul style="list-style-type: none"> <li>Evaluate opportunities for developing or issuing products or services that contribute to mitigating environmental issues.</li> <li>Expand access to products and services that reduce environmental impacts through the utilization of digital technology and innovation in presenting the Company's products or services to society.</li> <li>Promote responsible business practices among partners, comply with relevant environmental laws</li> <li>Donate or properly dispose of waste generated from operations to maximize resource utilization and reduce greenhouse gas emissions.</li> </ul>

(Please refer to additional information in Form 56-1 One Report 2023 under the "Business Nature" 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>• Being certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (Thai CAC), which certifies that the Company does not engage in corruption within the organization.</li> <li>• Conducting an annual risk assessment on corruption and human rights violations in the operational processes.</li> <li>• Establishing channels for whistleblowing/complaints and implementing measures to protect whistleblowers/complainants.</li> <li>• Encouraging suppliers to become members of Thai CAC.</li> <li>• Ensuring no human rights violations occur throughout the supply chain.</li> <li>• Creating awareness and promoting knowledge among employees regarding the optimal utilization of natural resources.</li> <li>• Developing a Business Continuity Plan (BCP) to ensure that the Company's services can continue in the event of impacts from situations/disasters.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Mandating suppliers to conduct self-assessments, including evaluations of their compliance with supplier code of conduct, covering issues such as human rights, efficient use of natural resources, non-engagement in bribery or corruption, and adherence to legal regulations.</li> <li>• Incorporating as part of the service agreement between the Company and outsources the requirement for outsources to adhere to corporate governance principles, combat corruption, and prevent money laundering.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Assessing customer risks through Know Your Customer (KYC) and Customer Due Diligence processes.</li> <li>• Conducting business in accordance with market conduct guidelines and code of conduct.</li> <li>• Supporting customers in reducing their use of natural resources, such as paper consumption or commuting, through the company's digital technology and innovation initiatives etc.</li> </ul>

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

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

The Company establishes regulations for issuing/changing/canceling financial product and/or service or product programs to serve as guidelines for product or service development in the financial sector. The departments responsible for issuing or modifying products or services consider feasibility, competitor and data analysis, competitive strategies, and business model development. They also engage with relevant departments to analyze the impacts or requirements related to the Company, from upstream to downstream. This includes considering business scope, legal requirements, risk and information technology system analysis, budget approval, marketing communication, and procurement etc. These steps ensure that products or services are presented to the Board or relevant regulatory bodies with due consideration for environmental, social, and governance (ESG) issues throughout the design and supply chain processes.

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

## ESG Products and Services

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

Social	Environmental
• KTC Mobile	
• MAAI BY KTC	
• KTC U SHOP	
<ul style="list-style-type: none"> <li>• Credit card and Loans for education</li> <li>• KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit card</li> <li>• Alleviating the Burden of Medical Expenses in Public Hospitals</li> <li>• Use of Points in Lieu of Cash Donations</li> <li>• Support Thais Reading</li> <li>• “Debt-Clearing” Campaign 2023 for KTC PROUD Cash Card members and KTC P BERM Car for Cash (Motorcycle) members.</li> <li>• The provision of assistance to debtors in accordance with the sustainable household debt resolution guidelines of the Bank of Thailand</li> <li>• “Debt Mediation” campaign</li> <li>• KTC P BERM Car for Cash</li> <li>• Merchants acquiring: QR Code Payment</li> <li>• Special card acceptance fees for small entrepreneurs or micro-merchants</li> </ul>	<ul style="list-style-type: none"> <li>• Solar Roof Top 0% Installment Payment Plan</li> <li>• Special Privileges for electric vehicles</li> <li>• Special privileges on eco-friendly hotels (Green Hotel)</li> <li>• Special privileges on flight ticket booking with Cathay Pacific (1 Ticket : 1 Tree)</li> </ul>

### KTC Mobile

The Company develops digital technology and innovation, serving as a crucial flagship continuously driving significant economic impacts. This propels in 2 additional dimensions: social and environmental dimensions. For social dimension, the Company enhances nationwide access to financial services for people. For environment dimension, the Company promotes reduction of paper and energy consumption or chemicals from printing processes, such as receiving e-Coupons, PIN, and e-Statements. Additionally, the Company has developed a credit application process for KTC P BERM Car for Cash, facilitated through tablets at every step, from applicant qualification assessment to vehicle inspection, including notifying approval outcomes and transferring funds to applicants electronically without the need for postal document submission. These initiatives correspond with the contemporary lifestyle of a majority, as electronic transactions become more prevalent.

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

### MAAI BY KTC

The Loyalty Platform provides a comprehensive service to business partners, promoting the expansion of member point usage channels to various retail outlets. It also grants customers access to various exclusive privileges, including those at restaurants, beverage outlets, cinemas, and online shopping. Additionally, customers can transfer accumulated points from KTC credit cards or partners network to MAAI points for various benefits through the application.

(Please refer to additional information under “Digital Innovation” and “Financial Inclusion and Financial Literacy” topics)

## KTC U SHOP

The Company recognizes the challenges faced by small and medium-sized enterprises (SMEs), small-scale retailers, and community enterprises, especially those in remote areas, in efficiently accessing customers. These challenges include the need to procure physical space or storefronts for selling products or services. The Company believes that “KTC U SHOP” online platform, which has been in operation since 2016, plays a significant role in bridging the gap between customers and entrepreneurs by supporting Thai SMEs and community enterprises. It provides them with opportunities to expand distribution channels and reach more customers, thereby increasing income for small-scale entrepreneurs and communities. The platform also opens opportunities for entrepreneurs to sell high-quality products according to the Company’s criteria, particularly products derived from natural sources and organic products that cater to the health-conscious trend. Simultaneously, customers can access products and services that contribute positively to society. They can choose to shop or use KTC FOREVER points as cash substitutes at “KTC U SHOP,” with direct home delivery available through the website [www.ktc.co.th/ushop](http://www.ktc.co.th/ushop), Line@KTCUSHOP, and Facebook: KTC U SHOP. The participating product categories are as follows

### Cleaning products extracted from natural ingredients

such as “Namyajai” brand, which offers organic dishwashing liquid made from three types of fresh fruits: kaffir lime, bergamot, and pineapple. It also contains probiotics to aid in wastewater treatment. Additionally, Namyajai products are free from artificial fragrances and colors, adhering to food grade standards of 100%. After use, Namyajai products are biodegraded back into normal water without harming the environment.



### Hair and skincare products containing natural extracts

including “AKAYA” brand, specializing in health and beauty products with primary ingredients sourced from nature. These products undergo advanced manufacturing and extraction processes at reputable factories to promote internal health and external beauty.



### Products from “Doi Tung” Social Enterprise

Focused on sustainable social business initiatives aimed at reducing social disparities by creating employment and income opportunities for communities while minimizing environmental impact. They also foster new leaders committed to long-term collective benefits, promoting equal access to necessities. Offerings include macadamia products, roasted coffee, drip coffee, and various agricultural and handicraft products.



### Organic agriculture group

“TROPICANA” brand sells cold-pressed coconut oil products, supporting the development and well-being of coconut farmers, organization staff, partners, surrounding communities, and customers. Their focus is on sustainable growth and livelihoods, as well as product quality assurance from cultivation to production, certified by standards such as GHPs, HACCP, ISO22000, ISO14001, and USDA Organic.



In 2023,

Total Number of Participating Shops **15** shops

Total Number of Item sold  
Over **500** items sold

Total Sales  
**>0.87** MB



Companies emphasizing health-oriented or organic products **13%**

**27%** Companies or organizations that assist in agriculture or environmental conservation



**40%**  
Small SMEs

**20%**  
Foundations

## Credit Card and Loans for Education

The Company recognizes the importance of education and aims to create equal educational opportunities for the public who seek further knowledge but lack in financial resources. Therefore, to uplift the quality of life for Thai individuals and provide suitable education, enabling them to advance in their careers and achieve income stability, the Company has collaborated with several business partners. For instance, language schools and institutions offering educational loans for applicants. This collaboration aims to alleviate financial burdens by providing education loans with reasonable interest rates and fees, or by organizing sales promotion programs through credit cards for applicants, making loan repayments easy and without increasing business risks for the Company. The Company anticipates increasing the volume of education loan customers with the goal of expanding the number of diverse educational institution partners to better accommodate the diverse educational needs of consumers from various groups. Moreover, the Company focuses on developing education loan products to maximize customer satisfaction.

**In 2023,**

### Personal Loans

- The numbers of approved customers **1,326** persons
- Total approved amount **> 115** MB



### Credit Cards

#### Spending at Schools or Educational institutions

- The number of credit card members **81,505** persons
- Total Spending: **1,482** MB

#### Spending with special interest rate of 0.69%

- The Number of credit card members **2,566** persons
- Total spending: **65** MB
- The budget to support special interest rate: **> 0.13** MB

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

Thai Red Cross Society has been assigned by the government with the primary responsibility of ensuring an adequate, safe, and highest quality blood supply from voluntary blood donors for the treatment of patients nationwide. Recognizing the importance of this endeavor, the Company has collaborated with the National Blood Centre, Thai Red Cross Society, to issue the KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit Card. This card serves as an option for members to support the National Blood Centre's services. For every expenditure made through the KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit Card, where Baht 1,000 spent equates to Baht

5 donation, The Company contributes an additional Baht 5 to the fund, resulting in a total donation of Baht 10 to the National Blood Centre, Thai Red Cross Society. This initiative signifies a joint endeavor between the Company and its members to support individuals nationwide who require blood, utilizing expenses within the credit limit of KTC credit card.

**In 2023,**

- The number of KTC-THAI RED CROSS NATIONAL BLOOD CENTRE credit card members **3,228** Persons
- The donation proceeds: **304,720** Baht

## Alleviating the Burden of Medical Expenses in Public Hospitals

The Company is mindful of promoting good health among customers, recognizing it as a fundamental factor in sustaining life and advancing the quality of human existence. In this regard, public hospitals play a particularly crucial role in providing extensive medical care opportunities to a large number of patients, ensuring equal access to treatment. As a part of assisting patients in maintaining good health and alleviating the financial burden of healthcare expenses, the Company offers an extended installment plan of up to 10 months with a special monthly interest rate of 0.69%, compared to the regular rate of 0.74%, for credit card members seeking treatment at public hospitals.

**In 2023,**

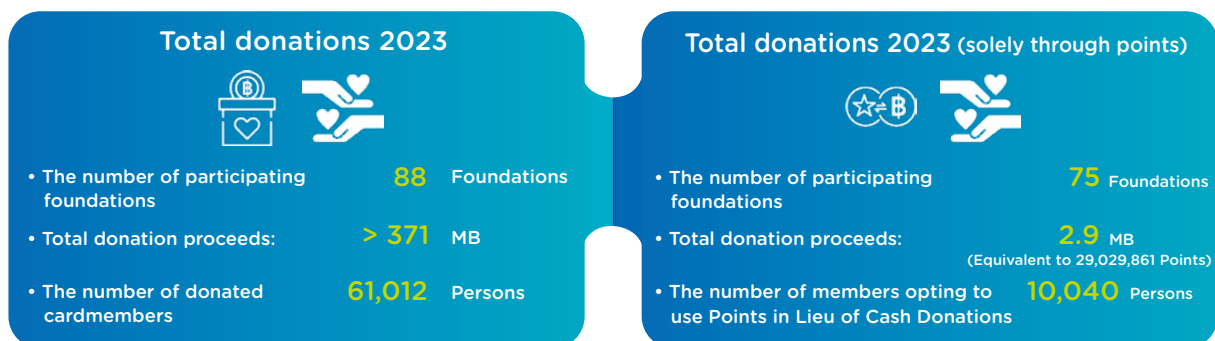
- The number of credit card members accessing services at public hospitals **235,615** persons
- Total spending at public hospitals: **> 4,819** MB
- The number of credit card members opting for installment payment of medical expenses at public hospitals **4,358** persons
- Total spending at public hospitals using special interest rates : **118** MB
- The budget spent to support special interest rate: **> 0.59** MB



## Use of Points in Lieu of Cash Donations

The Company has contributed to society in various ways, including aiding disadvantaged individuals who cannot access quality healthcare or vulnerable groups incapable of assisting themselves such as the elderly, children, or people with disabilities. This effort promotes equality within society, addressing situations that impact people's lives, such as the widespread effects of COVID-19. Despite some relaxation, the pandemic continues to have significant repercussions on a large number of people.

The Company serves as an intermediary to support projects and activities among more than 88 charitable foundations and organizations, enabling members to actively participate in contributing to societal welfare. This initiative has been in place since the year 2009, allowing customers to make donations through KTC credit cards or convert points into donations at a rate of 1,000 points equivalent to a Baht 100 donation. This is achievable through various channels, such as donating via credit card QR PAY or exchanging points through the KTC Mobile application. This not only provides convenience for members but also reduces the environmental impact by eliminating the need for customers to commute to donate in person, contributing to the improvement of the overall environment.



**Ramathibodi Foundation**

To assist patients who are unable to bear the financial burden of medical expenses in accessing quality and effective healthcare.



**Siriraj Foundation**

To secure advanced medical equipment, aid economically challenged patients with essential medication and diagnostic/treatment tools, and contribute to the construction or refurbishment of patient care facilities, with the objective of fostering sustainable improvements in quality of life.



**Thai Red Cross Society**

To assist victims of natural disasters and unforeseeable health hazards, particularly vulnerable groups including the elderly, elderly individuals incapable of self-help, persons with disabilities, children, the destitute, as well as migrant laborers, in order to alleviate the suffering of the populace.



**SOS Children's Villages Thailand**

To support underprivileged children by providing a conducive environment and maximum educational opportunities according to their capabilities, empowering them to experience quality growth.



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

To provide assistance to refugee and vulnerable groups, with a particular emphasis on women and children, constituting 80 percent of the total.



**Community Children Foundation (CCF)**

To offer underprivileged children a fresh start by facilitating their access to education, ensuring they receive sufficient and nutritious meals, and nurturing their development as essential assets for the nation's future.



## Support Thais Reading

The Company recognizes the importance of reading, which serves as a crucial key to unlocking the realms of learning across all knowledge domains and promotes continuous learning to develop individuals and society sustainably. As demonstrated by the government's heightened emphasis on the national reading promotion policy, there is a dedicated effort to promote the creation and enhancement of high-quality books, encouraging Thais to earnestly recognize the importance of reading. This is complemented by tax incentives such as the "Shop Well, Get Cashback" initiative

Therefore, The Company collaborates with bookstore partners and leading publishers nationwide, organizing promotions, campaigns, and various activities with over 35 projects throughout the year 2023. Additionally, leveraging technology in our advocacy efforts, we offer benefits such as up to 15% discounts at partner stores and online distribution channels, as well as 18% cashback redemption for KTC reward points, up from the regular 10%. Furthermore, for customers making large purchases, The Company offers repayment relief through installment plans with a special interest rate of 0.69% per month, compared to the standard rate of 0.80% per month, for a duration of 3 months.

### In 2023,

- Total number of cardmembers who spend at publishers or bookstores **160,456** persons
- Total spending at publishers or bookstores: **> 303** MB
- Total number of cardmembers who participated in this campaign **6,963** persons
- Total spending through installment payments at a special interest rate of 0.69%: **> 0.47** MB
- Total budget to support point redemption and special interest rate **1.98** MB



## "Debt-Clearing" Campaign 2023 for KTC PROUD Cash Card members and KTC P BERM Car for Cash (Motorcycle) members.

A crucial factor that may contribute to the emergence of persistent debt\* or household debt is a lack of sound financial discipline. To address this issue, The Company aims to alleviate the debt burden, encourage positive payment behavior, and assist members in successfully repaying their debts within specified time frames. This approach aims to prevent the accumulation of persistent debts or their escalation into bad debt in the future. The Company has been implementing the "Debt-Clearing" campaign for the 14th consecutive year, specifically for KTC PROUD members. In 2023, the program was expanded with the introduction of KTC P BERM Car for Cash (Motorcycle) product. This product is available to individuals with commendable repayment histories and disciplined credit repayment behavior. Members can participate in the debt clearance program by registering once, providing them with the opportunity to win prizes in the maximum of 12 rounds throughout the year 2023 via SMS or the Company's website: [www.ktc.co.th/cleardebt66](http://www.ktc.co.th/cleardebt66). A total of 600 prizes are available, as detailed below

**1st Prize:** Voucher for discounted expenditure to facilitate debt settlement (Awarding 1 prize in each of the 12 rounds).

**2nd Prize:** Voucher for discounted expenditure to facilitate debt reduction (Awarding 49 prize in each of the 12 rounds)



### In 2023,

- The number of members who have successfully resolved their debts **5,514** persons
- Total debt amelioration: **42.50** MB

Remark: Persistent debt (PD) refers to personal loan under supervision customers, excluding vehicle-secured loans and digital personal loans with non-installment repayment terms, which are not considered non-performing loans (NPLs), and interest payments have exceeded the total principal amount over an extended period. This typically occurs with customers whose monthly installment amounts are relatively low and have the flexibility to continuously access the remaining credit limit without a specified debt closure timeframe.

## The provision of assistance to debtors in accordance with the sustainable household debt resolution guidelines of the Bank of Thailand

To ensure that assistance to borrowers aligns with the principles of responsible lending (RL) as stipulated in the Bank of Thailand Announcement No. SOR.KOR.CHOR. 7/2566, with the objective of strengthening the role of service providers in responsibly managing customer debt throughout the credit lifecycle, effective from January 1, 2024 onwards, various measures have been implemented in accordance with the Bank of Thailand's announcements. These measures include increasing the minimum repayment rates of credit cards and restructuring debt in preventive ways. The Company has implemented various projects to provide long-term assistance to borrowers in line with the guidelines set by the Bank of Thailand for managing credit in a responsible manner.



### As of 31 December 2023,

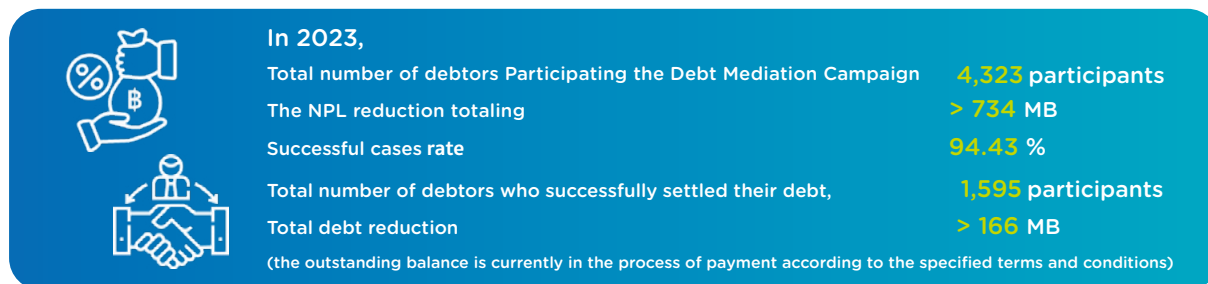
**KTC has assisted and alleviated debtors totaling Baht 1,833 million which contributes 1.7% of the total portfolio.**



## “Debt Mediation” Campaign

The Company is aware of the current household debt issues arising from various circumstances that have led to a reduction in people’s incomes or job loss, yet they still have outstanding debts to repay. This situation may affect the effectiveness of debt repayment.

For the ninth consecutive year, the Company has collaborated with the Department of Legal Execution to organize the “Debt Resolution Fair” project. This initiative aims to mediate debt disputes with debtors, facilitating the resolution of outstanding debts based on their financial capabilities. The goal is to alleviate legal conflicts, and ultimately lessen the debt burden for customers. This concerted effort seeks to mitigate both individual customer debt and contribute to long-term societal debt-related issues.



## KTC P BERM Car for Cash

The Company supports low-income groups who have difficulty accessing financial resources in the system, ensuring equal and lawful access to financial services.

(Please refer to additional information under the “Financial Inclusion and Financial Literacy” topic)

## Merchant Acquiring for QR Code payment

The Company has supported small business owners in collaboration with business partners through providing services for accepting QR code payments and e-Commerce.

(Please refer to additional information under the “Financial Inclusion and Financial Literacy” topic)

## Special card acceptance fees for small entrepreneurs or micro-merchants

The Company supports small business owners by offering special credit card acceptance rates, aiming to alleviate expenses for small-scale entrepreneurs.

(Please refer to additional information under the “Financial Inclusion and Financial Literacy” topic)

## Solar Roof Top 0% Installment Payment Plan

Household electricity consumption stands as a prominent factor in the ongoing exacerbation of global warming. Installing solar panels is another alternative that can help mitigate these impacts, in line with the government’s emphasis on national energy plans, which aim to produce at least 50% of electricity from renewable sources. This involves increasing the use of renewable energy and promoting energy conservation. In this regard, KTC collaborates with business partners to empower credit card members to access and participate in choosing alternative energy options at the household level. This clean energy initiative minimizes environmental impact and reduces electricity expenses. Moreover, KTC offers special privileges to ease the financial burden of installing solar rooftops, which may have relatively high costs, by providing 0% installment

plans via credit cards. This not only facilitates customer access to these services but also expands market opportunities for solar rooftop providers to reach a wider and more diverse customer base.

In 2023, there has been a consistent upward trend in credit card spending through KTC for solar panel installations. This trend suggests that customers are increasingly focused on reducing environmental impacts. It provides an opportunity for KTC to intensify its efforts and collaborate in advancing society towards sustainability.



## Special Privileges for electric vehicles

Currently, electric vehicles are playing a crucial role in replacing traditional fuel-powered cars, which contribute to various pollutants through the combustion of fossil fuels. This has adverse effects on human health and the environment. Aligned with the government's policy to promote electric vehicle usage, encouraging collaboration between the public and private sectors to develop and promote alternative energy use is emphasized. In response to this policy, and as part of driving the economy towards a low-carbon society, KTC engages with business partners to establish incentives and provide access to environmentally-friendly products and services, which may entail higher costs. As a result, we extend various exclusive privileges to our customers.



### Reservation of an electric vehicle

For example: 0% installment plan for 6 months for car reservation fees and car down payments for NETA and AION vehicles under V Group Cars

- Total number of card members who utilized payments: 126 persons.
- Total spending: > 5.36 MB
- The installment with a special interest rate of 0.56%: > 0.18 MB
- The amount supported by the Company with a special interest rate of 0.56%: > 0.07 MB



ผ่อนชำระ  
**0%**  
นานสูงสุด 10 เดือน

### WALLBOX Installation

0% installment plan for 6 months.

### Electric Vehicles Insurance

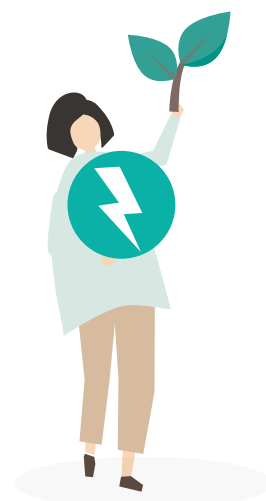
For example: 0% installment plan for up to 6 months and receive a maximum special discount of 15% for electric car insurance with Dhippaya Insurance, Axa Insurance, and Bolt Tech Insurance agents."



### Promote EV car rental industry for tourism

For example: receive a maximum discount of 30% when renting a car and making payments through KTC credit cards, or using KTC FOREVER points for a 12% cashback credit.

- 17 business partners



From the credit card spending data on KTC cards in the Electric Vehicle (EV) category since the beginning of the year 2023 until the present, there has been a continuous growth of up to 60%, with a rising trend. Additionally, market studies on electric vehicles reveal an increasing popularity, presenting an opportunity for expansion and promotion to drive society towards sustainable electric energy usage.

## Special privileges on eco-friendly hotels (Green Hotel)

Currently, “Green Tourism,” which focuses on environmentally friendly activities, reducing impacts, conserving, and creating sustainability for the environment, plays a significant role in supporting sustainable tourism according to the national tourism development plan of the government. It continues to promote and develop sustainable tourism in both social and environmental dimensions. The Company, in collaboration with the Department of Climate Change and Environment, Ministry of Natural Resources and Environment, supports the “Green Hotel” project to promote valuable and sustainable tourism, social development, and sustainable environmental conservation with hotels that meet the Green Hotel standard using the Global Sustainable Tourism Council (GSTC) criteria, which is an international benchmark. Furthermore, the Company adds value to every credit card spending for members who prioritize environmentally conscious tourism. By partnering with hotel partners, exclusive privileges are offered to credit card members with discounts of up to 45%, covering accommodation, dining, and spa services, and they can also redeem points for cashback credit of 13%.

Furthermore, the Company focuses on marketing support for participating hotel partners without incurring any charges. This collaboration aims to raise awareness about sustainability and offers exclusive incentives to encourage credit card transactions through KTC’s social media and digital media channels. Additionally, extensive public relations activities across more than 82 media outlets are conducted to generate widespread awareness.



**217 partner hotels located  
in 20 provinces nationwide**

**Total credit card spending  
on Green Hotel > 499 MB**

**Raise awareness among  
200,000 members**

## Special privileges on flight ticket booking with Cathay Pacific (1 Ticket : 1 Tree)

KTC proudly collaborates with Cathay Pacific Airlines to support its tree-planting initiative for carbon offset. For every flight ticket purchased through KTC World, KTC commits to planting an additional tree, complementing the airline’s existing campaign to plant a tree for each ticket sold. This collaborative effort resonates with KTC environmental strategy, highlighting our shared commitment with customers and business partners towards a low-carbon society.

**Total number  
of participating  
customers**

**1,489 persons**



**Total number of Cathay Pacific ticket** **1,550 tickets**

## ➤ Activity supporting Environmental, Social and Governance: ESG

### “Pattaya’s Preparedness for Celebrating Diversity: A Sustainable Approach.”

The Company Emphasizes sustainable business practices within the realms of environmental, social, and governance (ESG). The Company is particularly focused on fostering opportunities and equality. Guided by a commitment to respecting human rights, the Company, in collaboration with Arbor Hotel and Residences, is organizing the seminar to bring together thought leaders in the tourism industry. The goal is to facilitate an exchange of perspectives and propel Pattaya towards becoming a premier global tourism destination with a strong emphasis on gender equality. As part of this initiative, the Company is offering exclusive privileges to its credit card members through the “PUT YOUR PRIDE ON” campaign package, aligning seamlessly with targeted marketing strategies tailored for the LGBTQ+ travel segment.



# Supply Chain Management

## Risk

The company risks damaging its reputation and image if suppliers neglect or conduct business without due consideration for the environment, society, and governance. Such negligence could be perceived as the company playing a role in endorsing irresponsible business practices, including violations of human rights, the use of child or illegal labor, and engagement that result in environmental pollution.

## Opportunity

Opportunity arises when the company prioritizes and fosters an understanding of Environmental, Social, and Governance (ESG) factors among its suppliers. This commitment leads to ongoing collaboration between the company and its suppliers, instilling confidence in stakeholders regarding the delivery of high-quality products and services. Moreover, it underscores the company's responsibility towards sustainability across multiple dimensions.

The Company advocates for its suppliers to manage their operations responsibly, adhering to principles of good corporate governance. This extends beyond countering corruption, respecting human rights, and considering societal and environmental impacts. This commitment goes beyond the confines of the Company itself. It encompasses the management of supply chains and the procurement of services from suppliers who exhibit sustained operational standards. The selection of suppliers is based on their adherence to service quality, covering considerations for the delivery of products and services that minimize environmental impact (Green Procurement). The Company is dedicated to fostering sustainable growth collectively, guided by strategic operational approaches as follows:



## Policies and criteria for supply chain management

The Company has implemented well-defined policies and criteria encompassing economic, social, and environmental considerations. These serve as the benchmarks for assessing and evaluating the qualifications of existing and potential suppliers for procurement or service utilization. The outlined criteria are as follows:

### **KTC Supplier Code of Conduct and Confidentiality Agreement (Covering Environmental, Social, and Governance Issues)**

The Company furnishes a supplier code of conduct and confidentiality agreement for its suppliers. This is indicative of the Company's intent to engage in business with suppliers who pledge to conduct their business activities in alignment with legal requirements, corporate ethics, information confidentiality, and international standards. The scope and guidelines encompass the following issues:

- Business Ethics and Legal Compliance
- Human Rights and Labor
- Occupational Health and Safety
- Environment
- Information Confidentiality

(Please refer to additional information in [www.ktc.co.th/en/sustainability-development/corporate-governance](http://www.ktc.co.th/en/sustainability-development/corporate-governance) under "KTC Supplier Code of Conduct and Confidentiality Agreement" topic.)

### **Procurement Regulations**

The Company establishes procurement regulations, which encompass supplier selection methods, authority for procurement approval, inspection procedures for the delivery of goods or services, and more. These regulations serve as standards for consideration and guideline on procurement operations within the specified scope of authority related to procurement roles defined in this regulation.

### **Business Partners Policy**

The Company adheres to the criteria and guidelines for utilizing services from business partners, aligning with the standards set by the Bank of Thailand and Krungthai Bank. These policies are periodically reviewed to ensure their suitability for business operations. The policies cover various aspects, including:

- Roles, Responsibilities, and Accountability in Utilizing Services from Business Partners.
- Criteria and Terms for Utilizing Services from Business Partners.
- Selection and Inspection of Service Delivery.
- Terms of the Service Contract
- Guidelines aligned with the Anti-Corruption policy, encompassing prevention and suppression of money laundering, financing terrorism, and the proliferation of weapons of mass destruction.
- Monitoring, Supervising, and Risk Management.
- Relevant Forms for Managing Risks Associated with Utilizing Services from Business Partners
- Records of Agreements between the Company acting as the Data Controller and Business Support Service Providers and Partners acting as Data Processors (Data Processor Agreement).

Compliance with these policies and regulations fosters transparency and fairness, serving as criteria for approval, determining procurement prices, and ensuring the delivery of quality work in alignment with the agreement's criteria or conditions. This commitment also enables effective risk management when utilizing services from suppliers. Every business unit within the Company intending to engage suppliers is required to uphold the policies and regulations, as mentioned above.

## Supplier Selection Process



### Classification of Suppliers

The Company categorizes suppliers into two main types:

- **Outsources** refer to business partners as defined in the Business Partners Policy of the Bank of Thailand. These include legal entities or individuals who have entered into contracts or agreements with the Company to provide services, acting either as business partners operating on behalf of the Company.
- **General Suppliers** refer to vendors or service providers to KTC that have minimal or negligible impact on the core business operations or pose low risk.

### Criteria for Identifying Key Suppliers

The Company establishes criteria for identifying key suppliers, encompassing suppliers hired through intermediaries, clearly defined according to job categories and expenditure levels, as follows:

Business Partners	Grouping Criteria
<b>Suppliers Tier 1</b>	Outsources categorized within the main functional groups not directly involved in strategic decision-making (as defined by Business Partners Policy) and with expenditures Baht ≥ 5 million.
<b>Suppliers Tier 2</b>	Outsources categorized within the main functional groups not directly involved in strategic decision-making (as defined by the Business Partners Policy) and with expenditures ranging from Baht 1 - < 5 million.
<b>Suppliers Tier 3</b>	Outsources apart from Tier 1 and Tier 2 suppliers, and general supplier groups.





## Suppliers Selection

The Company has established practices for supplier selection, applicable in cases of new hiring, contract renewal, annual evaluation, and/or new job specifications. These practices entail varying criteria depending on the supplier group, with examples of criteria used for consideration, such as:



## Suppliers Registration

Upon successful completion of the selection process, suppliers will receive a registration form from the Company, along with documents outlining KTC supplier code of conduct and confidentiality agreement. These materials serve as guidelines for operation. Suppliers must acknowledge and sign the KTC supplier code of conduct and confidentiality agreement. In this regard, exempted are certain supplier groups, such as modern trade businesses or small-scale suppliers dealing with miscellaneous items that are of minor importance to the company's services.



## Suppliers Procurement

The procurement process adheres to established procurement regulations, ensuring transparent and fair acquisition of goods and services. The process is open to scrutiny, with considerations given to various aspects such as quality, environmentally friendly products and service delivery to minimize impact. (Green Procurement)

## Supplier Risk Management

### Identifying Risk

The Company has established a process for identifying risks arising from suppliers through an annual assessment of self- risk management practices when engaging with suppliers. This assessment comprehensively addresses risks associated with economic, social, and environmental factors, such as:



### Risk Assessment from Utilizing Services from Suppliers

#### Outsource

The Company conducts an annual self-assessment of the risks associated with utilizing services from outsources. This evaluation considers the levels of risk and the quality of risk management in various aspects, including:

- Operational Risk Management involves evaluating actions taken in the selection, monitoring, and performance review of outsources.
- Customer Protection Measures encompass implementing safeguards, ensuring data security guidelines, addressing complaints, and managing and resolving issues for customers.
- Implementation of Business Continuity Management and Testing

#### Suppliers

The Company conducts assessments of adherence to supplier code of conduct and business practices, which include scopes and practices covering:

- Business ethics
- Human rights and labor
- Occupational Health and Safety
- Environment
- Legal and regulatory requirements

## Risk Management and Control

The Company has established measures for managing and controlling risks that may arise from suppliers, including:

- **Establish KTC supplier code of conduct and confidentiality agreement, disclosed to suppliers for acknowledge and self-assessment:** to serve as a guideline for compliance with the code of conduct prior to becoming a supplier of the Company.
- **Establish Business Partners policy outlined by the Bank of Thailand and Krungthai Bank:** to emphasize risk assessment and control, with regular monitoring and inspection of business partner operations. This includes overseeing business continuity and customer service provision. Also, it is stipulated as part of the contract for outsource services that auditors have the right to inspect their operations.
- **Ensure transparent and fair procurement processes and procedures,** considering factors such as price, quality, delivery of products and services. This is accompanied by creating benefits for the economy, society, and minimizing environmental impact.
- **Monitor, inspect, and control the quality of suppliers:** to ensure their adherence to the agreed-upon terms in the service contracts, and use the information for continuous improvement of processes, products and services delivered.
- **Conducting Supplier Site Visits:** to assess compliance with service agreements, KTC Supplier Code of Conduct, protection of the confidentiality of information and personal data, respecting human rights, fair labor practices in accordance with the law. Additionally, the Company emphasizes adherence to occupational health and safety standards, and environmentally friendly management practices. Regular assessments and interviews are carried out to oversee the operational domains of outsources. This involves scheduled assessments during contract renewals for Tier 1 and Tier 2 suppliers, along with unannounced inspections of Tier 3 suppliers, which have procurement value according to the specified criteria.
- **Establishing Service Level Agreements (SLAs):** to set minimum standards that outsources must adhere to. This includes the ability to monitor, inspect, and report risks with reporting scheduled as deemed appropriate.

## Risk Remediation and Mitigation

In case any of the suppliers are found to be in violation of established criteria, the Company follows a procedure of notifying and advising the suppliers. This involves providing guidelines for improvement and granting a specified timeframe for rectification. Failure to comply may lead to contract termination, and the removal of the supplier's name from the Company's supplier registry.

## Supply Chain Management Outcomes

**96%**

of Tier 1-2 suppliers have acknowledged and adhered to the supplier code of conduct out of the total number of Tier 1-2 suppliers.

Tier 1

83%

Tier 2

13%

The company has conducted operational site assessments for

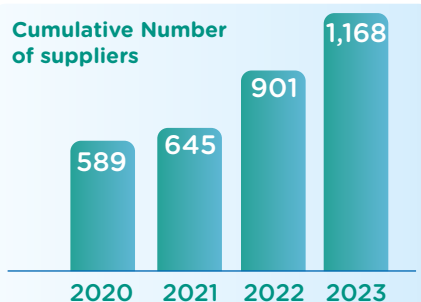
**16** suppliers

all of which were found to be free of associated risks.

The total number of suppliers who have acknowledged KTC Supplier Code of Conduct from the year 2020 to 2023 are as follows:



Cumulative Number of suppliers



## ➤ Supporting and promoting awareness of sustainable business practices among suppliers

The Company collaborates with a diverse range of suppliers, all of whom have received various quality certifications. These certifications include high-security standards for card production from Card Brands and adherence to industry standards such as the International Organization for Standardization (ISO). The Company ensures compliance in areas such as print security management, quality and service management, energy and environmental management, occupational health and safety management, and more.

The Company provides opportunities for partners to offer suggestions and collaboratively enhance operational processes to be fair and more efficient. This is achieved through shared experiences during regular meetings and seminars. Additionally, the Company, together with its suppliers, organizes training sessions annually to develop and improve the skills of its employees.

In 2023, the Company organized the following activities:

### Training for Service Operations Suppliers

KTC collaborates with suppliers to conduct training sessions aimed at enhancing the knowledge and skills of employees in various service-related roles. These roles include service personnel, drivers, document delivery staff, administrative personnel, technicians, and cleaning staff. The training initiatives focus on enhancing knowledge and skills and continuous development training, fostering a customer-centric mindset (Service Mind), and promoting participation and responsibility towards society. The courses cover the following aspects:

#### “Road Traffic Law for Safe Driving” Course

##### Objectives

- To provide knowledge about traffic laws, appropriate use of vehicles, and accident prevention, enabling participants to drive safely and respond appropriately in an accident.
- To cultivate awareness of safety, instill discipline in driving practices, encourage the correct response during accidents, and reduce the risk of accidents.



#### “Case Study on Personal Data Breaches” Course

##### Objectives

- To reinforce knowledge and understanding of the essential provisions of the Personal Data Protection Act of 2019 and ensure compliance with legal requirements.
- To provide knowledge and understanding of essential information security measures that can be effectively applied.
- To enable the application of knowledge and practical outcomes in tasks related to personal data protection.



## Training for Debt Recovery Suppliers

### Effective Debt Recovery Techniques and Cybersecurity Course

#### Objectives

- To provide knowledge on effective techniques for debt collection.
- To enhance understanding of cybersecurity standards in financial transactions.
- To develop the service quality of staff.
- To foster awareness of financial fraud in the form of "call center" and financial fraud.



**Date**  
September 9, 2023,  
and September 16, 2023

**Number of  
Participants**  
**200**

People



## Training and Knowledge Assessment for Outsourcers, access to workspaces and company information.

### Information Security and Personal Data Management (Online format) Course

#### EP1

ISO/IEC 27001 and  
ISO/IEC 27701, What  
and Why

#### EP2

Key concepts and  
definitions related to  
ISO/IEC 27001 and  
ISO/IEC 27701

#### EP3

Best Practices for  
Compliance with  
ISO/IEC 27001 and  
ISO/IEC 27701 Standards

#### EP4

Preparing for the  
Annual Assessment

#### Objectives

- To raise awareness in information security and cyber threat management, addressing the increasing risks in current environment.



**Date**  
July 31 - August 25,  
2023

**Number of Participants**

**364**

People



#### Test Results



**100%**  
pass rate.

## Training for Legal Services Suppliers

### Legal procedure guidance for online credit application and transaction rejection cases with KTC Course

#### Objectives

- To comprehend the law firms electronic contract, including storage, generation from systems or applications, implication, execution, impact, electronic signatures (e-Signatures), and relevant laws
- To foster efficient collaboration in business operations.



Date  
November 17, 2023



including **37** People  
suppliers



Training  
Satisfaction  
Rating **9.5**/10

## Annual Seminar for Sale Agents (Independent)

### “Work Life Harmony: Enhancing IT, Wellness, and Transforming Lives for the Better”

#### Objectives

- To provide knowledge and experiences in digital technology and maintaining good health, with discussions on “Digital Upskill: Trend-resistant with professor Tips” and knowledge sharing on “Achieving Life Balance”.
- To impart techniques and real experiences in creating short clip content workshops and posting through social media platforms.
- To instill motivation, dedication, and commitment in performing tasks for success with KTC.
- To foster strong impressions, good relationships, and loyalty to the organization.



Date  
September 8, 2023

Number of Participants

**213** People



## Supporting environmentally-friendly products

The Company has encouraged employees, customers, and suppliers to reduce unnecessary resource consumption, aiming to minimize environmental impact and operational costs. Initiatives include the reduction of printing materials for certain customer and partner groups. Additionally, the Company actively supports environmentally-friendly procurement practices (Green Procurement) with certifications, such as environmental labels (e.g., Green Labels, Carbon Reduction Labels). Examples of environmentally friendly products and services encompass furniture, writing tools, and eye-friendly paper used for the company's documents, including applications forms for credit card services or personal loans, among others.



Successfully transitioned

**> 95%**

of its paper procurement for operations to environmentally friendly paper (Green Paper).



Procured a total of Baht

**12.48 million**

in environmentally-friendly products and services.

- Baht 3.30 million for operational activities.
- Baht 9.18 million for renovation of new office spaces.



## ECONOMIC PERFORMANCE

### Economic Value Retained

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	2022	2023
Operating income <sup>(1)</sup>	23,248,778	25,465,485
Operating cost <sup>(2)</sup>	5,055,572	5,518,651
Employee expenses and benefits <sup>(3)</sup>	2,500,676	2,661,286
Tax payment to the government <sup>(4)</sup>	2,431,297	2,521,567
Payment to providers of capital <sup>(5)</sup>	3,970,673	4,667,543
Donation to public charity	1,748	2,096
<b>Economic Value Retained</b>	<b>9,288,811</b>	<b>10,094,342</b>
Total assets	101,795,991	112,813,684
Total liabilities	70,220,237	76,968,201
Equity attributable to owners of the parent	31,353,217	35,681,572
Total Comprehensive Income-Owners of the parent	7,079,399	7,295,395

<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 expense and benefits 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.



# SOCIAL DIMENSION

# Financial Inclusion and Financial Literacy

## Risk

In the event that the company is unable to develop financial products and services that are easily, promptly, and securely accessible to the public, along with a deficiency in efforts to promote financial knowledge and understanding, the achievement of its sustainability objectives may be compromised. This could result in a diminished competitive standing and missed opportunities for expanding the customer base.

## Opportunity

Facilitating the public's convenient, prompt, and secure access to financial services, complemented by the dissemination of relevant information and financial knowledge for informed decision-making in selecting products and services, serves to mitigate societal disparities. This effort not only contributes to social stability and long-term economic well-being but also opens avenues for the company to expand its customer base.

The Company is consistently committed to develop products and services in line with the sustainability commitment of "To provide better financial products and services to enhance quality of life for all Thais." This commitment aligns with the sustainability strategy in the social dimension, including the market conduct to ensure fair access for customers or service users to the Company's financial products and services with convenience, coverage, and equitability. This approach is coupled with a strong emphasis on security and privacy, ensuring efficient financial management for individuals and businesses through various service channels, online and offline. The Company achieves this by presenting products and services tailored to the needs of customers while placing significant importance on security and privacy concerns related to service usage. Furthermore, the Company has established interest rates or fees that are fair to help alleviate the burden of borrowing from informal sources with excessively

high interest rates. Additionally, it increases the opportunities for utilizing approved funds for sustenance purposes. The Company conducts an assessment of debt repayment capabilities to determine if the borrower has sufficient income to repay the debt and has a surplus after deducting all debt repayments. The objective is to enhance financial stability, elevate the quality of life, and reduce financial gaps within society, including providing more opportunities for the underserved to participate in financial activities. Moreover, the Company places importance on financial literacy. It promotes the dissemination of information to nudge behavior throughout the credit cycle, aiming to protect consumers and foster greater financial decision-making responsibility. Additionally, it aims to mitigate the risk of falling victim to financial fraud, further reinforcing a more flexible and transparent financial system.



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 above, 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: BOT Notification, subject : Market Conduct)

## Financial Inclusion and Financial Literacy

Diverse, easy and nationwide channels to access financial products and services.

KTC TOUCH

KTC TOUCH  
service points



Krungthai Bank  
all branches nationwide



Sales agents



Company website  
(www.ktc.co.th)



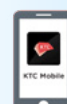
Business Partners'  
websites



Social media



Krungthai NEXT



KTC Mobile

### Access channels

### Products and services



Financial products and services at  
the microfinance level for small-scale  
entrepreneurs or vulnerable groups.

Providing services for merchants to  
accept QR Code payments

Expanding avenues for earning and  
redeeming MAAI points through  
participating "TungNgern" merchants.

KTC U Shop



Geographically Underserved  
Groups or individuals residing in  
rural or hard-to-reach areas.

KTC Mobile



Customers with low income.

KTC P Berm Car for Cash

Education Loan



Persons with disabilities.

KTC does not discriminate against persons  
with disabilities, and measures are  
implemented to ensure their safety as  
required by law.

Providing financial literacy to small-sized businesses, low-income groups, and/or persons with disabilities.

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

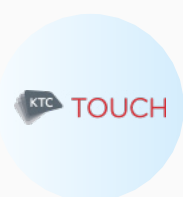


## ➤ Nationwide channels for applying for products or services and accessing company news and information conveniently

The company has diverse channels for accessing products, services, and information, ensuring that customers can easily access products and services with accurate, complete, and equitable information. This helps reduce disparities in accessing financial information and products, enabling customers to study and understand the products in detail. This, in turn, empowers them to make informed decisions regarding financial products. The Company aims to provide information and products suitable for customers without falling victim to those seeking undue advantages. These channels are widely accessible nationwide, as outlined below;

### Physical access

- Customers or those interested in the Company's financial products and services can contact, inquire, or apply for various services through the following



**KTC TOUCH**  
12 service points



**Krungthai Bank**  
996 branches nationwide



**Independent financial product advisors**  
(product application only)

### Online access

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



**Company website**  
([www.ktc.co.th](http://www.ktc.co.th))



**Social media**

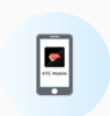


**Business partners' websites or online media sites: for introduction and comparison of financial products, such as [www.rabbitcare.com](http://www.rabbitcare.com), [www.refinn.com](http://www.refinn.com)**



**Krungthai NEXT**

- Mobile/ Online transactions**  
The Company consistently fosters the utilization of mobile or online transactions, including payment and various service interactions, to establish additional avenues for accessing its products and services across all customer segments. This includes retail merchants, vulnerable customers and socially disadvantaged individuals. Additionally, services are designed to accommodate persons with disabilities or those facing commuting inconveniences due to various circumstances. The Company also offers members the flexibility to choose their service payment dates, reducing the risk of missed payments.



**KTC Mobile**



**Krungthai NEXT**



**KTC Online**



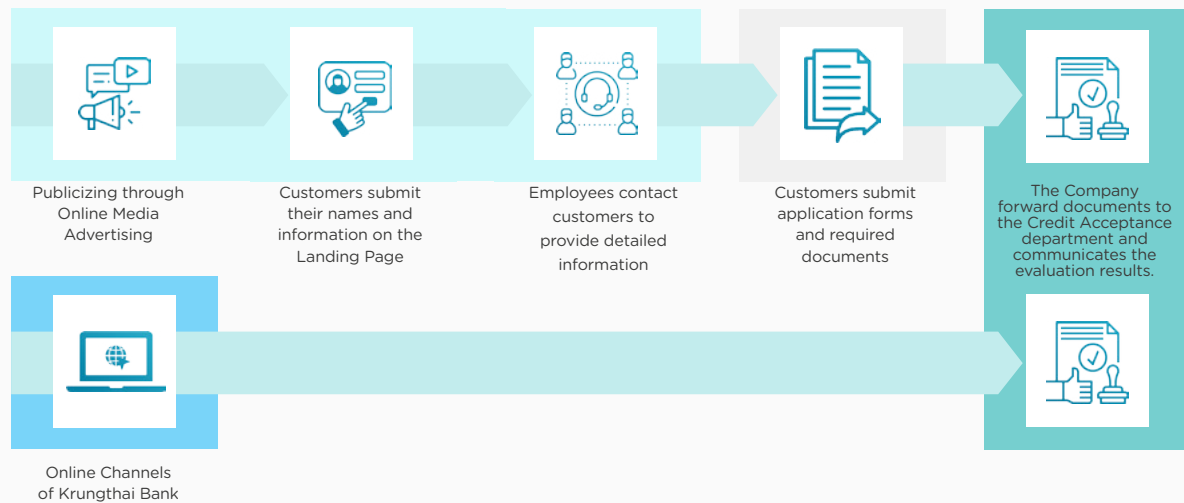
**Paotang**



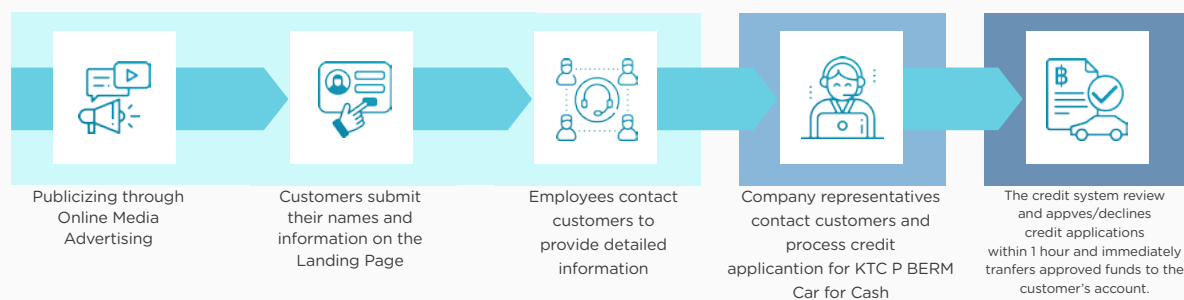
**MAAI BY KTC**

## Steps to access products and services via online channels

### Credit card business and personal loan business



### KTC P BERM Car for Cash



(Please refer to additional information under the "Digital innovation" topic")

Furthermore, to align with government policies regarding technological and communication measures for electronic transaction verification and identity confirmation, the Company has undertaken measures to comply with legal requirements. This includes the obligation to read information from the national ID card (Dip Chip), as well as electronically verifying the status of the ID card through the government's electronic verification system (Online DOPA) when providing financial services to customers. Additionally, the Company has developed a continuous online product application process, incorporating electronic customer identification procedures (E-KYC), electronic signature for general agreements, and consent through all electronic channels (e-Contract and e-Consent) in cases of service application through Krungthai NEXT. This initiative aims to reduce paper usage in the product application process, mitigate issues related to document forgery, electronic transaction fraud, and enhance the overall convenience and efficiency of services. The Company anticipates contributing to the long-term efficiency and advancement of electronic financial transactions in the country.



## ➤ Financial products and services

### KTC P BERM Car for cash

KTC provides KTC P BERM Car for Cash, loan with vehicle registration as collateral. This initiative aims to facilitate financial accessibility for individuals with limited income, who may encounter challenges accessing funding through conventional means. It caters to diverse professions, including freelancers, small business proprietors, farmers, and those with low incomes, ensuring equal access to financial products. The evaluation for loan approval takes into consideration the customer's repayment capacity and ownership of rights to vehicles such as cars, motorcycles, and big bikes. This approach is designed to alleviate the financial burden for customers with urgent financial needs, enabling them to access legitimate funding promptly within the regulations of the Bank of Thailand. Customers retain full ownership of their vehicles, and the service offers a maximum credit limit of Baht 1 million, approval within 1 hour, and immediate cash disbursement. Additionally, loan applicants can seek guidance from KTC P BERM Car for Cash at KTC TOUCH service points and all branches of Krungthai Bank nationwide. Alternatively, they can

utilize P BERM Delivery for streamlined and expeditious access to tailored information and product services. Upon approval, customers receive an immediate fund transfer to their accounts and a cash card for day-to-day expenses. Furthermore, customers can conveniently manage their loan accounts, check principal balances, receive statements, make installment payments, and obtain receipts through the KTC Mobile application on their mobile phones.



### The customer segments coverage include

7%  
**Low-income group**

7%  
**Small business entrepreneurs**

2%  
**Freelancers**

In 2023, the Company aimed to create awareness to enhance its loan portfolio accessibility for the target demographic by understanding customer behaviors through an analysis of customer lifestyles. The findings reveal that the target customers predominantly spend their time working to generate income, dealing with various expenses, and often living their lives online. Consequently, the Company communicates with the target customers through the KTC P BERM Car for Cash program via online channels and social media. The communication strategy focuses on clear, concise, direct messaging, emphasizing the product's key selling points.

Merchants acquiring: QR code Payment

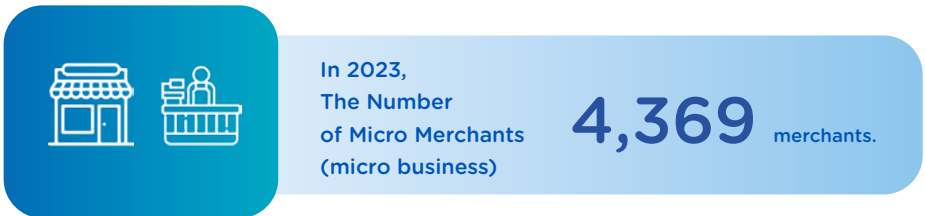
KTC and the Bank for Agriculture and Agricultural Cooperatives (BAAC) have collaborated by signing a business cooperation agreement to provide payment services for goods and services to BAAC’s “Nong Hom Jang” members using QR Credit Card Payment systems on the Visa, Mastercard, and Alipay networks. This initiative aligns with the government’s policy towards a cashless society, allowing Nong Hom Jang members to make payments through mobile applications. The service targets small-scale retailers, community agricultural enterprises, smart farmers, and small businesses that are not

registered for value-added taxes. It’s expanding market access through modern, convenient, and secure payment systems. Moreover, it opens opportunities to reach new credit card customers, enhancing sales and services beyond current customer bases while promoting grassroots entrepreneurship and strengthening communities.



Special card acceptance fees for small entrepreneurs or micro-merchants

The Company prioritizes small entrepreneurs or micro merchants who enroll in the QR payment service (KTC QR PAY) on the Visa and Mastercard networks. It offers a special card acceptance fee of 1% for small entrepreneurs/micro merchants without VAT registration, with credit card sales not exceeding Baht 1,500,000 for Visa and Baht 900,000 for Mastercard within a 12-month period. This aims to lighten the burden of transaction fees and expand market access through modern, convenient, and secure payment systems. It also aims to reach new credit card customer segments, thereby increasing opportunities for selling products and services beyond the current customer base.



## Expanding member point usage to micro merchant via MAAI BY KTC

The Company actively supports small businesses by providing them with payment channels and enhancing revenue streams. Simultaneously, it aims to create opportunities for retail sales nationwide. This involves expanding avenues for members to redeem MAAI points through the “Pay with Point” program at participating TungNgern retailers. Members can convert 10 MAAI points equivalent to Baht 1 to settle payments for goods and services. This initiative provides pathways for members with fewer points to redeem them without a lengthy accumulation period, thereby expediting the circulation of points to participating retailers. This initiative effectively caters to the needs of both retailers and customers.



## Education loan

The Company assists the general consumer group, encompassing individuals with lower incomes, in gaining access to education. This is achieved through the provision of educational loans, recognizing the significance of education in shaping the future and fostering careers for the Thai people.

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

## KTC U SHOP

KTC empowers small business owners and community enterprise groups to expand their enterprises and customer outreach, leading to enhanced income. This is accomplished through KTC U SHOP, a platform facilitating product distribution in online and offline channels.

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

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

In accordance with business conduct principles prioritizing human rights adherence, particularly in the provision of non-discriminatory services and the development of products fostering equal confidence and convenience for all customers, the Company embraces service guidelines emphasizing safety and compliance with laws pertaining to individuals with disabilities. This entails delivering services without discrimination towards individuals with disabilities, ensuring users can designate caregivers, and obtaining consent for storing sensitive data. People with disabilities can utilize KTC’s financial products and services, following criteria akin to those applicable to other customer groups.

## Financial and Digital Literacy

Beyond facilitating access to financial products, KTC acknowledges the significance of imparting valuable knowledge to vulnerable groups, communities, societies, and members. The goal is to foster career development, financial discipline, income generation, and unleash the boundless potential of Thai youth. The focus is on offering educational opportunities, supporting practical learning across diverse domains, advancing living standards, and furnishing information about financial products and services to empower informed decision-making.

### Financial and Occupational Knowledge Sharing

#### KTC Financial Mentor Program

Financial knowledge is considered essential and necessary for building a solid foundation for individuals and households to sustain their livelihoods. Lack of financial knowledge and discipline is one of the causes leading to excessive personal and household debt, which can escalate and have broad economic implications. As a financial service provider, KTC is committed to leveraging its financial expertise to impart knowledge to individuals within and outside the organization, enabling them to plan their expenditures, manage debts, devise savings strategies, cultivate positive financial attitudes, change spending behaviors and build savings for life goals. KTC participates in the Happy Money program, in collaboration with the Stock Exchange of Thailand, with the goal of;

- Establishing financial mentors within the organization to enable them to plan their finances effectively and to further disseminate financial knowledge to employees within the organization, as well as extending the impact to the families of employees and external individuals.

#### KTC Financial Mentor Journey

**Embarking on financial mentoring together with the Stock Exchange of Thailand.**



The employees engage in the learning process with the Stock Exchange of Thailand, such as systematic financial planning techniques, financial management tools, financial data analysis, and presenting problem-solving Strategies

 **Participants** 32 persons

**Formats:** Onsite, Online and Workshop

**Internal Referral within KTC**



Financial mentors who have undergone joint training together design the content and learning format to be delivered to employees within the organization as part of the Onboarding Program for new employees.

 **Financial mentors** 16 persons  
**Participants** 52 persons

**Formats:** Onsite and Workshop

**Date:** November 10, 2023 (Batch 1),  
December 8, 2023 (Batch 2)

**Expanding to include youth who participate in internships with the organization.**



The financial mentors extend their expertise by imparting financial knowledge in courses designed for young adults or interns who are preparing to enter the workforce (first jobber).

 **Participating Young adults** 18 persons

**Formats:** Onsite and Workshop

**Date:** July 7, 2023

The Financial Mentors participated in the Happy Money Financial Community Exclusive Workshop on the topic "Managing Financial Stress, Made it Easy" to pass on their knowledge to others.

In the year 2024, the Company has plans to design learning programs suitable for each department, including expanding the dissemination of financial knowledge to those outside the organization on an ongoing basis. This is aimed at enabling individuals to apply financial knowledge for their own benefit and for the betterment of society.

## Financial Planning and Debt Management Training

KTC provided employees of AKSORN Education Public Company Limited with knowledge on financial planning. This included calculating income and expenses in daily life to understand spending capabilities and monthly financial burdens. The aim was to instill discipline in planning income and expenses, ensuring that debts do not exceed necessity, and fostering good financial health.



## Seminar: Prosperity with KTC - Easy Career Building

KTC provides professional knowledge in courses on making Isaan sausages and bamboo shoot sausage, along with financial planning for income and expenses, to supplement careers and generate income for KTC PROUD cash card members in an era of high cost of living.



## Knowledge Sharing with Mahidol University Students

KTC partners with the Stock Exchange of Thailand and Mahidol University to share insights on sustainable business practices within the realms of environmental, social, and governance (ESG) considerations, both in Thai and international business landscapes. This collaborative initiative seeks to underscore the significance of the financial sector and sustainability for businesses, offering students valuable opportunities to participate in discussions on pertinent topics.





### KTC FIT TALKS Episode 9: Observing the Thai Economy and Consumer Finance Business in the Second Half of 2023.

KTC has organized the FIT TALK event, opening the forum to share knowledge on economics beneficial to the Thai people, in collaboration with the TDRI Economic Intelligence Service (EIS), the Thailand Development Research Institute (TDRI). The event presented an overview of the global economy and the Thai economy in the first half of the year, as well as the economic trends in Thailand and the risk factors in the latter half of the year. It also covered an overview of consumer finance businesses, along with the direction and growth targets of KTC's business. Additionally, strategies for financial management in the latter half of the year were revealed.



### Providing knowledge in digital, technology, or online transaction risks.

#### Enhancing knowledge and awareness about various types of fraud and investigation techniques

KTC provides training on types of fraud and investigation techniques as part of the training curriculum, to promote rank advancement and career progression, for probationary police officers.



### KTC FIT TALKS Episode 8: "Cybersecurity Awareness - Think Before You Click on Financial Transactions"

KTC organized the FIT TALK seminar to raise awareness among Thais about the risks before engaging in financial transactions, stemming from new cyber threats. The event featured collaboration with Cyber Crime Investigation Bureau, High-Tech Crime Division, Royal Thai Police, showcasing various online fraud cases by professionals. Additionally, it provided advice on observation techniques and self-initiated prevention methods.





## Online Financial Knowledge

KTC offers guidance on cash management, expenditures, and strategies for establishing sustainable businesses, providing access to a diverse array of opportunities. This support is designed to help individuals plan their lives effectively and enhance their financial management skills. Furthermore, ongoing education on the secure use of financial products is available through Facebook and the website throughout the year.

### P BERM share for hardworking individuals earning their livelihoods

KTC P BERM Car for Cash continues to engage in activities to share and disseminate financial knowledge online through the KTC P BERM Car for Cash Facebook fan page throughout the year. This is achieved by delivering easily comprehensible content, reinforcing financial knowledge for those with an interest in the subject. With over 29,000 followers, the page serves as a platform for financial education.

#### • How to calculate interest when applying for a loan



#### • Online vehicle tax renewal for automobiles exceeding 7 years of age.



#### • Comparing vehicle title loan and down payment for cash (informal loans)



#### • Tips for detecting online scams



• Techniques for managing monthly expenses

**KTC พี่เบิ้ม**  
บัตรเครดิต

**ไม่อยากเป็นมนุษย์เงินเดือนแล้ว  
ทำอย่างไรได้บ้าง ?**

“ขอยื่น  
ใบลาออกจากตำแหน่ง  
มนุษย์เงินเดือน”

- วางแผนค่าใช้จ่ายให้ชัดเจน
- จดบันทึกรายจ่ายอย่าให้ขาด
- ตัดรายจ่ายที่ฟุ่มเฟือยทิ้งไป
- ไม่ติดหรูเกินรายรับ
- หารายได้เสริม
- ออมเงินให้มากขึ้น

**พี่เบิ้ม**  
บัตรเครดิต

**02-123-5300**

• Staying informed about financial scams

**KTC พี่เบิ้ม**  
บัตรเครดิต

**ระวังถูกหลอก!**

จะกู้แต่ต้องจ่ายเงินก่อน = ถูกหลอก

ไม่อยากเป็นเหยื่อ ต้อง...

กู้เงินจากแหล่งเงินถูกกฎหมาย

ไม่โอนค่าทำประกัน หรือ ค่าธรรมเนียมก่อนกู้

**พี่เบิ้ม**  
บัตรเครดิต

**02-123-5300**

• Planning expenses during long holidays

**KTC พี่เบิ้ม**  
บัตรเครดิต

**หยุดยาวอย่างไร  
ให้เงินไม่ฉีก**

- วางแผนเที่ยวให้รัดกุม
- ออมเงินก่อนใช้
- ใช้เงินตามงบที่มี
- ติดตามโปรโมชั่นตัวที่ฟักเสมอ ๆ
- หากใช้รถยนต์เดินทาง ต้องเช็กสภาพรถ + ประกันให้ดี
- อย่ากู้เงินเที่ยว

**พี่เบิ้ม**  
บัตรเครดิต

**02-123-5300**

• How to check hire purchase debts on your own

**KTC พี่เบิ้ม**  
บัตรเครดิต

**ใหม่ !**

**ลูกหนี้เช่าซื้อรถยนต์**

ตรวจสอบภาระหนี้ด้วยตัวเอง  
ได้แล้ววันนี้

สแกนเลย

**พี่เบิ้ม**  
บัตรเครดิต



## KTC website

KTC presents articles on financial knowledge that are close to home, allowing interested individuals to enhance their financial literacy. These articles provide details about various financial products and include promotions and inserted information on other topics such as the value of spending in different areas such as travel, dining, insurance, and more. The aim is to apply this knowledge in daily life, promoting financial discipline and reducing the risk of falling victim to financial scams. Additionally, the acquired knowledge can be passed on to children and young adults.



Total Number of viewer engagements

**3,866,541** times

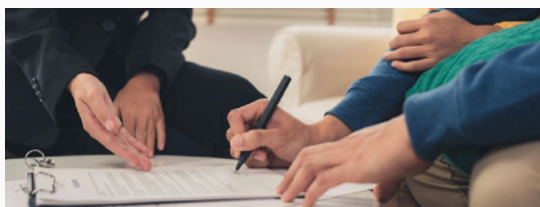
### • 5 Things to Know before Buying Tax-Deductible SSF & RMF



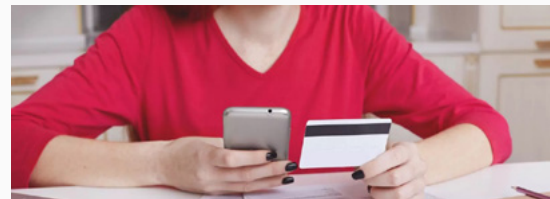
### • Guidance on Student Credit Cards: Actions for Students in Identifying the Optimal Card



### • Debt Consolidation for Credit Cards: Negotiation Tips and Exit Strategies Every Debtor Should Know



### • Debt Consolidation: Key Options for Credit Card Holders to Consider Prior to Legal Action



### • Credit Card Debt: Strategies for Managing Unpaid Debts Before Defaulting



### • 8 Ways to Use Credit Cards for Beginners: Pay Comfortably Without Accumulating Debt



## Financial Literacy via KTC Real Privileges

Channels for sharing information, including providing financial knowledge.

Total Number of Facebook Followers: 518,000

### 3 Key (Do's and Don'ts) When Borrowing Money

The purpose is to promote awareness among the public who are interested or planning to borrow money in the future, to understand the loan application process, and to instill discipline in debt repayment. This aims to facilitate the consideration and approval of credit applications by financial institutions, and to prevent falling victim to scams.



Total Number of viewers  
**16,632** views



Total Number of likes  
**29** likes



Total Number of shares  
**6** shares



## Corporate Citizenship and Philanthropy

### Strategies for the Company and its subsidiaries

KTC has devised strategies for the Company and its subsidiaries to actively participate in Corporate Citizenship and Philanthropy initiatives that align with the United Nations Sustainable Development Goals. The Company extends support to communities through transparent means, ensuring that assistance and donations are free from corruption. Furthermore, KTC strictly adheres to a robust policy that prohibits support for political parties. Prioritizing knowledge dissemination, KTC aims to contribute to positive transformation for society and the nation by sharing insights from within the company to external entities.

### Corporate Social Responsibility Activities

#### Love & Share activities year 12

KTC Outsource Sales invites colleagues within the organization, sale agents, as well as close acquaintances, to be part of the social contribution force through continuous charitable activities held annually. In 2023, KTC Outsource Sales held various activities under the Love & Share project, with the concept “Every Baht for Every Breath, Every Contribution for Life.” This involved donating a total of Baht 1,009,999 to supplement the funds for Ramathibodi Hospital, for the construction of patient buildings and the purchase of medical equipment.



#### KTC Supports Education Fund for Children of Economic Journalists Association

KTC has contributed Baht 100,000 to support the scholarship program for the children of members of the Economic Journalists Association for the year 2023. This donation is intended to ease the educational expenses for the children of journalists' families during a period of escalating living costs. It serves as an encouragement for the children to concentrate on their studies, shoulder responsibilities for their families and society, and develop into contributors to the future.

#### KTC Donates Office Equipment to Hearing-Impaired Students at Thungmahamek School for the Deaf

KTC has donated office equipment in good condition, obtained from the renovation of office spaces, to the Thungmahamek School for the Deaf. This donation aims to provide teachers and students with resources for ongoing learning and teaching activities. Thungmahamek School for the Deaf caters to students with hearing impairments from kindergarten to grade 12, including autistic students and those with intellectual disabilities at the high school level.





## Corporate Social Responsibility Activities

### KTC Donates Travel Guidebooks to the Culture Sports & Tourism Department

KTC has presented the travel guidebook “KTC Guidezine” to the Recreation Center, Culture Sport&Tourism Department. This guidebook is designed for eco-conscious travelers, offering information on international travel destinations. It reflects the local cultures, architectures, and ways of life, enabling readers to use it as a resource for independent travel. The book will be distributed to the Bangkok City Library and other libraries under the administration of the Bangkok Metropolitan Administration, allowing Thai youth and interested individuals to benefit from it for educational purposes, research, and as a reference.



### KTC Collaborates with MUSEUM SIAM for the “Big Brothers and Sisters Guiding Deaf Students through the Museum at Night” Event

KTC, in collaboration with the National Discovery Museum Institute, organized the “Big Brothers/sisters Guiding Little Brothers/sisters on Museum Tours at Night” activity for students in grades 4-6 at Setsatian School for the deaf under the Royal Patronage. KTC volunteers acted as mentors, providing care for the students, and participating in workshops covering various dimensions within the Museum Siam. These dimensions included history, architecture, cultural traditions, cuisine, and attire, aiming to contribute to the holistic development of Thai youth without limitations, towards the sustainable creation of Thai society.



### KTC Encourages Employees to Donate Items for Educational Opportunities at Pankan Shop, Yuvabadhana Foundation

KTC organized the “Clear Your Home, Share Your Blessings” project, which transforms unused items into educational opportunities for underprivileged children at the Yuvabadhana Foundation. Acting as representatives, KTC’s management and employees collectively donated gently used items such as clothing, bags, shoes, and other goods to the sharing store operated by the Yuvabadhana Foundation. The foundation then sells these donated items and converts the proceeds into scholarships for disadvantaged children, enabling them to improve their quality of life through education.

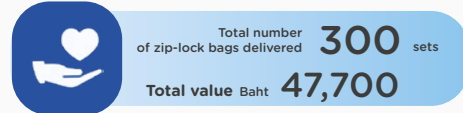


## Corporate Social Responsibility Activities



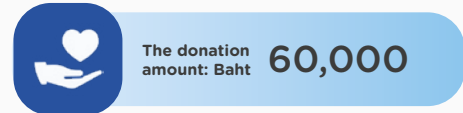
### KTC Donates Ziplock Bags to Support the 2023 Thai Red Cross Charity Activities

KTC has delivered specially designed, food-grade zip-lock bags to support the charitable activities of the Thai Red Cross Fair in 2023, presented to the President of Royal Thai Armed Forces Headquarters' Wives Association. These bags are intended for food storage, helping to maintain freshness, and organizing various items for travelers' convenience.



### KTC Financial Donation on Media Anniversary in 2023

KTC donated funds on the media's anniversary in the year 2023 to six different charitable organizations to support social causes. The six foundations that received the donations are: Phramongkutklao Hospital Foundation, Saeng-Saikae Hetrakul Foundation, Dr. Kowit Worapipat Foundation, Thailand Association of the Blind Foundation, BanPlearn Wattana Subdistrict Health Promotion Hospital, Foundation for the Welfare of the Cripples.



### KTC donated blood to the Thai Red Cross Society

In collaboration with the Blood Donation Thai, KTC organized the event "KTC Invites You to Be a Hero: Donate Blood to Save Human Lives," marking the 4th blood donation campaign. In 2023, management and employees actively participated in contributing blood to the Thai Red Cross Society, aiding in diverse medical situations. Such blood donations play a crucial role in assisting patients undergoing surgery, dealing with accidents, and combating severe illnesses.





## Human Rights

### Risk

Violations of labor rights, lack of equitable quality of life, breaches of data privacy, discrimination, freedom of association and collective bargaining, and unfair treatment of employees and stakeholders are human rights issues that impact internal management, employees and stakeholder satisfaction, potentially leading to disputes, complaints, and damage to reputation and brand image if the company lacks appropriate policies, measures, or management practices.

### Opportunity

If the company establishes policies, practices, and provides channels and measures to prevent human rights violations effectively, it can reduce operational risks and mitigate potential reputation damage arising from human rights violations and related legal breaches.

The Company is committed to conducting business with an emphasis on respecting human rights, adhering to the laws of the country we operate in, and implementing the United Nations Guiding Principles on Business and Human Rights. This commitment encompasses the protection of human rights, respect for those rights, and remediation of any adverse impacts resulting from human rights violations (Protect, Respect, Remedy). These principles serve as a guideline for managing human rights risk and establish a uniform standard across the organization, covering all stakeholders, including customers, employees, business partners, and outsources. The Company is dedicated to protecting and respecting human rights, addressing issues such as child labor, forced labor, human trafficking, freedom of association, the right to collective bargaining, equitable compensation, harassment (both sexual and non-sexual), and discrimination based on place of origin, skin color, sex, gender, race, nationality, religion, belief, political opinion, social status or ethnic background, sexual orientation, disability, or any other status unrelated to job performance.

## Human Rights Policy

### Protect

The government has the duty to prevent human rights violations related to business activities, whether these occur within government-owned enterprises or private business sectors.



### Respect

Individuals and organizations involved in business activities, regardless of the type or size of the business, have the responsibility to respect human rights.



### Remedy

Effective mechanisms must be in place for redress, rehabilitation, and compensation when human rights violations occur as a result of business activities, involving the public and private sectors.



Source: <https://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 (UNGP), under the 3 principles: Protect, Respect and Remedy. The Policy covers the following topics.

### Customers

- Integrate environment, social and governance (ESG) elements in business operation, in process of issuing and developing financial products and services. The Company must not be involved in human rights violations.
- Refrain from discriminatory practices based on similarity or difference and committed to developing products or services so as to build confidence among customers and provide convenient and equal access to our services.
- Adhere to the fair market conduct framework throughout the entire processes from presale, during sale, and after sale in order to ensure that customers can obtain complete and accurate financial products and services information, which are presented with sale or service offering in a fair and accurate manner.
- Establish policy and regulation regarding customer data privacy protection and guidelines on personal data processing to ensure highest security for customers obtaining services from the Company

(Please refer to additional information in <https://www.ktc.co.th/en/sustainability-development/corporate-governance> under "Code of Conduct" topic and the "Respect for human rights" sub-topic)

## ➤ Human Rights Risk Assessment Process

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

### Suppliers

As part of new supplier selection process, the Company ensures that suppliers conduct human rights due diligence through the Supplier Code of Conduct assessment. This includes random reviews of supplier services by conducting on-site evaluations or inquiries in accordance with the Supplier Code of Conduct assessment. The Supplier Code of Conduct reflects the Company's commitment to ethical practices and human rights standards.

In 2023,  
The Company  
performed site visit of **16** suppliers





The results of the onsite assessments of suppliers showed **no violations of the Supplier Code of Conduct, including no human rights violations.**

(Please refer to additional information under the "Supply Chain Management:" Topic)

### Employees

- Ensure fair and equitable treatment of employees, prohibiting any forms of infringement, harassment, and discriminatory practices based on similarities or differences. Additionally, emphasize the significance of diversity within the Company.
- Refrain from using child and illegal labor and uphold respect for individual rights and personal data protection.
- Provide safe and hygienic workplace environment.

### Suppliers and business partners

- Establish a transparent process for selecting suppliers or outsources in accordance with business partners policy or procurement regulations.
- Set parameters for self-assessment by suppliers or outsources as shown in the supplier code of conduct form, which encompasses human rights, environment, and occupational health and safety.
- Uphold respect for human rights of outsources as required by law.
- Encourage suppliers or outsources to develop or enhance work-related skills for better efficiency through training programs or sharing of opinions with the Company.

Regarding engagements with other stakeholders in this matter, the Company complies with the legal stipulations or contractual agreements set forth between the involve parties.

### The Company

In the year 2023, the Company conducted a risk assessment in its operational processes, covering risks arising from improper hiring practices, unfair treatment of employees, violations of legal regulations, and guidelines, inappropriate hiring processes, and inadequate compensation, which could lead to lawsuits, resignations, 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 2023,



The assessment of the relevant risk issues indicated **low risk levels and no significant risk issues were identified.**

## Human Rights Guidelines

### Fair Labor Practice

The Company is committed to treating all job applicants and employees equally and fairly, in line with human rights principles, encompassing compliance with labor laws, non-discrimination, inclusion, and respect for diversity as outlined in the Code of Conduct. This commitment extends to all aspects of employment, regardless of an individual's education, nationality, ethnicity, skin color, religion, sex, gender, or physical disabilities, including recruitment and hiring processes, creating opportunities for a diverse workforce, organizational structure, work procedures, performance evaluations, compensation, employee benefits, and termination processes.

Furthermore, the Company prohibits management, managers, supervisors, or inspectors from committing sexual harassment. Harassment based on gender and age, whether it involves females, males, or children, as well as sexual harassment between employees at the same or different levels, is considered a disciplinary offense. 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.

The Company incorporates human rights principles as a framework in its planning and management practices to provide training, knowledge development, and career advancement opportunities for all employees, regardless of gender, in order to ensure equal opportunities. Human rights issues are integrated into the learning materials and assessments in the corporate governance policy and code of conduct training courses to raise awareness among employees and prevent discriminatory or unethical practices in the workplace that would violate human rights principles. Additionally, other support measures are in place, such as the HR Clinic, to provide a platform for feedback and suggestions, offer counseling to employees, review welfare benefits, regulations and various policies to stay abreast of changes in labor-related laws.

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

### Fair Treatment to Customers

The Company adheres to a framework for managing customer service in a fair manner (Market Conduct) and providing credit responsibly and fairly (Responsible Lending). This encompasses various processes from pre-sales, during sales, post-sales services, as well as providing assistance to customers facing difficulties in debt repayment. The aim is to ensure that customers receive comprehensive, accurate information about financial products and services and are offered or serviced in a fair and ethical manner without discrimination. The Company listens to and addresses problems arising from service usage, develops products or services, promotes the provision of information on terms and warnings that customers should be aware of to nudge behavior and support financial discipline. Customers should be able to manage their debts beneficially for themselves to build confidence, security, and convenience in using services equally.

(Please refer to additional information 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 and review of supplier selection with transparency, in accordance with the guidelines outlined in the Business Partners Policy or procurement regulations. Factors have been established for suppliers to self-assess. This includes reviewing their establishments and gathering information. These measures ensure that the Company's suppliers comply with the guidelines set forth in the Supplier Code of Conduct, which covers human rights, occupational health and safety, environmental standards, etc. Additionally, contractual practices are in place to respect the human rights of suppliers, in accordance with the law. The Company also supports suppliers in developing or enhancing their skills through training programs or exchanging ideas with the Company.

(Please refer to additional information under the "Supply Chain Management" Topic)

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

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 conducted 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 conducts 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” topic and “Actions in case of violation or non-compliance with code of conduct” sub-topic.



case of reported  
human rights  
violations

By providing a policy, regulations and having appropriate internal control and risk management system, in 2023, 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

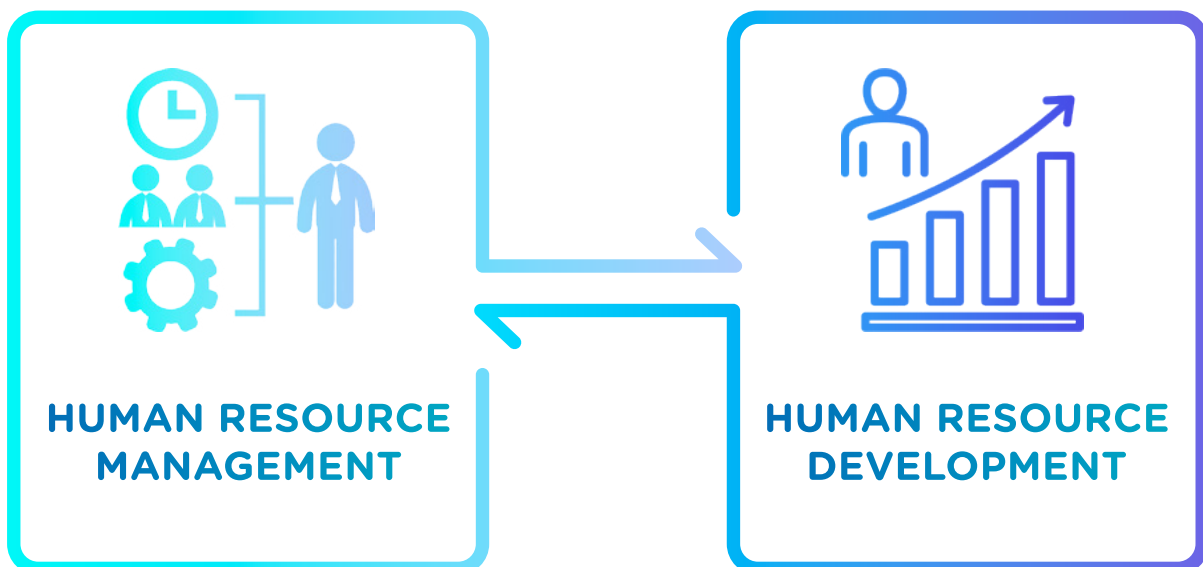
### Risk

Ineffective management and development of human resources can lead to employees' skills and knowledge lagging behind the changes stemming from internal and external factors related to business operations. This, in turn, results in missed opportunities to generate value for the business and stakeholders. Moreover, neglecting employees' rights or welfare can impact satisfaction levels and contribute to an increase in employee turnover rates.

### Opportunity

Effective human resource management within a company, emphasizing the enhancement of employees' capabilities, empowers personnel with the skills, knowledge, and expertise to adapt to evolving circumstances. This not only boosts individuals' self-esteem but extends the positive impact to the entire organization, facilitating more effective innovation in products, services, and various benefits. Furthermore, it opens opportunities for enhanced business competitiveness.

The Company acknowledges the pivotal role of employees as essential assets propelling the business forward. As a result, it places significant emphasis on this starting from the recruitment process and manages its workforce with respect to diversity based on human rights principles. Additionally, strict adherence to the Personal Data Protection Act and the Privacy Notice governs the handling of employees' personal information, ensuring that the Company collects, uses, or discloses personal data only as necessary and communicates to employees. Moreover, the Company provides suitable benefits and welfare to foster personnel development. It formulates plans for enhancing employee skills, ensuring their preparedness for evolving roles and facilitating swift adaptation to changes. This approach aims to instill pride, motivation, organizational commitment, a high standard of living, and life stability through effective personnel management and development. It aims to reciprocate employees who dedicate their physical and intellectual efforts to creatively produce excellent work for the Company, driving continuous and sustainable business growth.



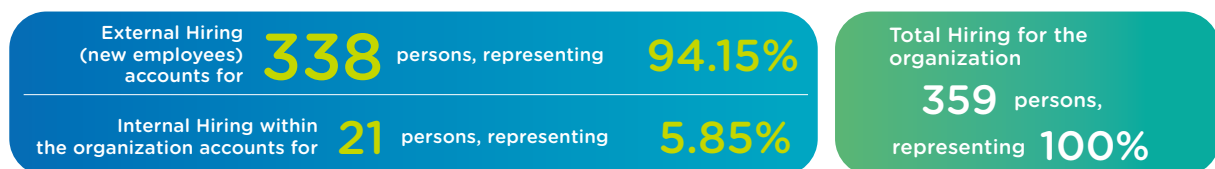


## ➤ Human Resource Management

### Employee Recruitment and Hiring

The Company plans and manages manpower rates for maximum efficiency and benefits. The Company has defined a strategy to attract talents to the Company by considering the recruitment and selection of potential talent to meet the needs of the business unit. The Company's job postings for various positions are based on the principles of respect for human rights, providing equal employment opportunities and having a transparent selection process in accordance with human resources regulations and the Recruitment & Selection Standard Operating Procedure (SOP), which will be considered according to the necessity and suitability of the job. The candidates who will be employed must have the education, qualifications, experience, and abilities suitable for the job position, regardless of their origin, color, gender, ethnicity, religion, beliefs, political opinions, social status, minority, or any other unrelated to the job, including considering the remuneration rate that is consistent with the applicant's qualifications and that of the industry.

The Company's primary approach to filling vacant positions is through internal announcements and recruitment. In cases where suitable internal candidates are not readily available or for new roles with specific skill requirements not found within the organization, external recruitment will be considered. This process is carried out as needed and in accordance with the business's demands. The Company employs diverse channels and formats for employee recruitment, adapting to the swiftly changing lifestyle of the digital age. Various social media platforms, including Facebook, Line@, LinkedIn, and the Company's official website, are utilized to effectively communicate with potential candidates, aligning with the dynamic trends in the digital era.



(Please refer to additional information under the "Sustainability performance" topic)

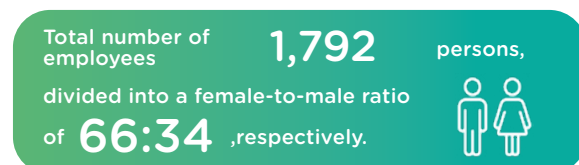
### Promotion of Diversity and Equality of Labor Practices

The Company treats its employees with fairness, respecting human rights, refraining from discrimination, and rejecting any form of harassment. It does not allow gender, sexual orientation, race, or minority status to hinder individuals from participating or advancing within the Company. These principles are applied universally across all departments, in addition to strict adherence to labor laws and regulations. Moreover, the Company is committed to combating illegal practices such as child labor or forced labor. In cases where employees encounter health issues, the Company adjusts their roles and responsibilities based on their capabilities and abilities to minimize the impact on their health.

#### Gender-diverse (LGBTQ+)

The Company respects the right to express individuality on occasions that do not affect its operations. For this reason, the Company does not target or set quotas for male, female, or gender-diverse (LGBTQ+) employees, believing this reflects a commitment to supporting human rights and diversity equitably in society. Moreover, the Company treats all employees equally, including gender-diverse (LGBTQ+) individuals. It supports social equality by providing equal benefits. This includes

supporting the well-being of employees in diverse gender and unregistered marital partnerships, such as health insurance benefits at all levels, and financial assistance benefits for marriage and bereavement cases.



#### People with disabilities

The Company intends to promote and improve the quality of life of people with disabilities by employing physically impaired employees to work in the Company in accordance with the Empowerment of Persons with

Disabilities Act B.E. 2550 (2007). It is intended to protect people with disabilities from employment or occupation without unfair discrimination due to physical and health reasons that require government entities, employers

GRI 401-1

or business owner to accept people with disabilities to work under Section 33, send money to the Empowerment of Persons with Disabilities Fund under Section 34 or choose to give concessions and subcontract work under Section 35. In 2023, the Company promoted employment of people with disabilities by sub-contracting or outsourcing vocational training services, with 17 npersons. This is the employment of such persons to work outside the Company in communities or

public interest organizations located in the domicile of disabled persons, which would directly benefit them, and help disabled persons living far away to have opportunities to have a thoroughly career so that they can be self-reliant.



The number of persons with physically impaired hired through Section 35 is **17** individuals.

## Students

The Company acknowledges the pivotal role of youth in shaping the future of the nation and society. Over the past two decades, the Company has been dedicated to nurturing and harnessing the potential of students. Through hands-on experience in a real work environment, students are equipped with practical skills and effective work methodologies, preparing them for a seamless transition into the professional world. This initiative not only contributes to the development of skilled individuals for society but also fosters a supportive atmosphere for the exchange of ideas across generations. Serving as mentors allows for the observation and assessment of students' development, facilitating the identification of high-quality candidates more efficiently than traditional job interviews. This approach presents valuable opportunities for the Company to attract top-tier talent and concurrently reduces recruitment expenses. To date, 322 students who participated in the program have been hired as full-time employees by the company.

### "KTC LEARN & EARN Program"

The program that allows students to collaborate with organizations to enhance knowledge, understanding, and skills in technology, innovation, communication, leadership, and to broaden perspectives with new experiences that may not be found in classrooms, while also making productive use of their time.



2003 - 2022  
**3,809** students participated in the KTC LEARN & EARN program.

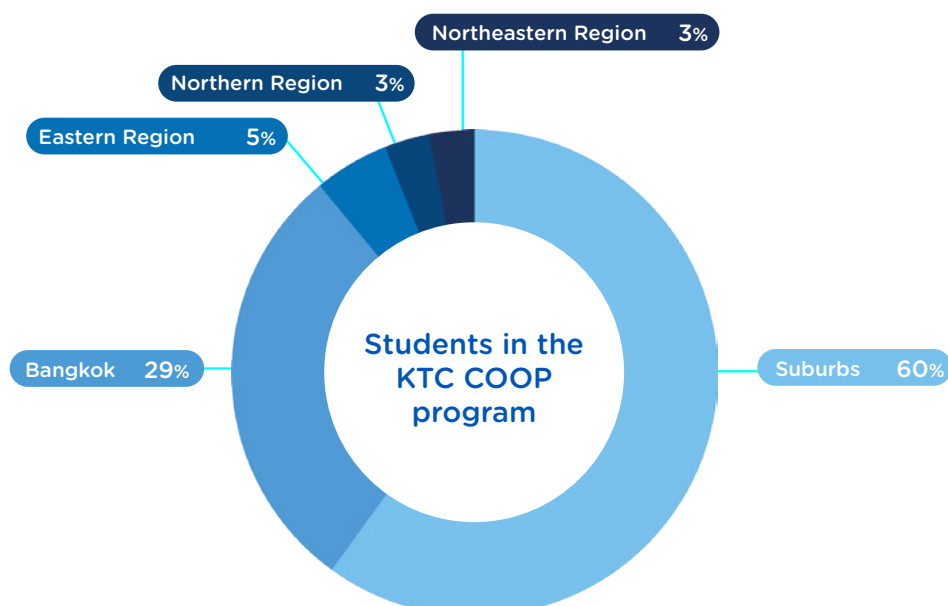
**Project Expansion**  
To broaden opportunities for students from all fields of study, from universities nationwide.

### "KTC COOP Program"

The opportunity is given to students from educational institutions with cooperative education programs to apply knowledge gained from classrooms to real work practice for a semester. The learning format has been adjusted to be more comprehensive, covering knowledge in credit card business, personal loans, and auto loans, as well as diverse self-development courses such as Growth mindset, 7 habits, and financial literacy.



2022 - 2023  
**63** students participated in the KTC COOP program.



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

## Performance Evaluation

The Company has implemented a comprehensive policy aimed at fostering the professional growth of potential employees. This includes offering opportunities for job transfers based on individual aptitudes and interests. A systematic and ongoing performance management system has been established to propel employees towards achieving the Company's set goals. The Company strategically defines performance indicators, goals, and evaluation criteria, outlining them at the beginning of the year to align with the organizational strategies. Performance appraisal is a Key Performance Indicator (KPI), aligning with Balanced Scorecard Guidelines in areas such as finance, customers, and internal processes. This KPI serves as a tool for setting work targets through agreements between supervisors and operators, emphasizing engagement to enhance employee performance. Cooperation within the organization is prioritized to ensure everyone works towards shared objectives and elevates performance standards. Management and employees at all levels must meet group KPI criteria, including adherence to market conduct, information security management systems and privacy information management systems

standards, which are assessed alongside individual KPIs. These criteria underscore the commitment to sustainable business practices encompassing economic, social, and environmental dimensions.

Furthermore, the Company employs a 360-degree evaluation model. This model integrates indicators from core values and core competencies along with KPIs. Employee evaluation results are derived from the overall performance assessment throughout the Company, adhering to predefined criteria. These results are then ranked and compared across groups using the Bell Curve Model. Performance evaluation outcomes play a crucial role in determining remuneration considerations, including salary increments, incentives, and promotions. Regular follow-ups on the implementation of the established performance plan are conducted to maintain continuous efficiency and motivate high-performing employees. All levels of employees throughout the organization received a 100% performance evaluation.

## Employee Remuneration and Benefits Management

The Company adheres to its remuneration management policy, prioritizing the provision of fair and unbiased compensation to employees. This is determined based on factors such as experience, competency, equality, and non-discrimination, ensuring alignment with performance standards and competitiveness in the labor market. The formulation of this policy and the regular review of employee remuneration and benefits fall under the purview of the Human Resources business unit. Collaborating with a reputable HR consulting company, the Company conducts an annual survey on remuneration and benefits within the industry. The insights gained from this survey inform revisions to the Company's remuneration and benefits structure, maintaining appropriateness and competitiveness. Employee benefits encompass the Workmen's Compensation Fund, the Social Security Fund, and the Post-Employment-Benefits, all compliant with the Labor Protection Act. Additionally, the Provident Fund for Employee's Choice allows employees to select an investment policy tailored to their desired rate of return at retirement and an acceptable risk level, with the flexibility to modify the investment policy throughout their membership. The Company also extends various employee support benefits as follows:

Benefit	Type of Employee	
	Performance Employee	Contractor
Training/Human Resources Development	✓	✓
Funeral Benefits	✓	✓
Maternity Benefits	✓	✓
Life Insurance/Medical Benefits	✓	✓
Get Well Basket	✓	✓
Marriage Benefits	✓	✓
Provident Fund	✓	✗
Annual Health Check-ups	✓	✓
Emergency Loan Benefit	✓	✗

## Work Flexibility Arrangements

- **Working Hours Flexibility**

The Company provides flexible working hours for employees to choose in and out times within the time frame specified by the Company to increase their convenience in commuting and avoid congestion from rush hour traffic.

- **Workplace Flexibility**

The Company has designated and crafted Relaxing & Common Areas to enable employees to alter their surroundings without the necessity of being desk-bound. Furthermore, the Company has instituted a Work from Home Guidelines to cater to work during emergencies or when it becomes essential to perform tasks from home, ensuring adherence to data security protocols.

## Pregnancy and Childbirth Benefits

- **Maternity Leave**

Expectant mothers are entitled to maternity leave for a maximum of 98 days, which includes time off for prenatal appointments. During this period, employees receive their full salary for up to 60 days, inclusive of public holidays, surpassing the legal requirement of 45 days.

- **Job Transfer for Pregnant Women**

Pregnant employees certified by a first-class medical practitioner as unfit to continue their current duties may request a temporary job transfer either before or after childbirth. The Company assesses and offers suitable alternative roles for the pregnant employee as necessary

- **Breastfeeding Room Provision**

An area of the Nursing Room has been allocated for breastfeeding rooms aims to encourage breastfeeding, fostering the well-being of mothers and infants.

- **Paternity Incentive Package**

Male employees receive a paternity incentive package of Baht 2,000 per child born to their spouses, with a maximum of 5 children.

## Freedom of Association

The Company adheres to the principle of respecting human rights, both in individual aspects and ideological beliefs. Employees enjoy the freedom to associate or express their opinions, including participating in political activities as outlined by the constitution and laws. Furthermore, to ensure that employees have a platform to voice their rights and opinions regarding benefits and work practices, the Company has established a welfare committee within the workplace. This committee engages in dialogue and consults with the employer on employee welfare matters.



## Termination of Employment

The Company has well-defined rules and procedures for ending employment, adhering closely to legal requirements. This encompasses resignation, retirement, providing advance notice, compensation disbursement, and other related matters.

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

## ➤ Human Resource Development

KTC aspires to be a trusted organization for all stakeholders. To achieve this, the Company nurtures a corporate culture based on trust by instilling in its personnel the same mindset grounded in the 3 Core Values, which serves as the guiding principle for all employees. Simultaneously, the Company is dedicated to fostering a continuous learning culture, motivating employees to embrace ongoing education. This constant pursuit of knowledge represents an unceasing development of their potential. KTC believes this commitment forms the cornerstone of a values-driven culture, influencing not only individuals and the organization but also acting as a foundational element for society, with enduring and far-reaching effects that cascade through various levels. At its core, the Company organizes training sessions for continuous development and consistently conducts programs aimed at enhancing employee potential. These initiatives include coaching through various courses, such as the 7 Habits, Leadership, Design Thinking, and more.





## Potential Development and Promotion of Employee Advancement

### Principles for Human Resource Development Planning

The Company leverages its organizational strategy, objectives, direction, and analyzes the knowledge and skills required for each job profile, competency, and core values as factors in designing human resource development plan for maximum effectiveness and efficiency. Aligned with the identified needs, it can be beneficially utilized through the “T-SHAPE Know Deep, Know Wide” project, a program aimed at developing employees’ skills in each job category and position comprehensively, covering all types of knowledge, such as



Furthermore, there was knowledge dissemination facilitated by top management who attended training sessions and conferences at the global level, such as Gartner focusing on Artificial Intelligence, IMD covering Value-Based Marketing, and Leadership OS, among others.

### Strategic workforce planning

To enhance the capabilities of its workforce amidst the ever-evolving landscape, the Company has devised crucial tools for conducting gap analysis. This involves comparing the current attributes of the workforce with the desired ones, with the aim of formulating strategic human resource plans. These plans encompass strategic workforce planning, facilitating the selection, management, development, allocation of remuneration, and adjustment of personnel positions as needed. This approach is driven by data and ensures that employees possess essential qualities such as the Right Mindset, Right Skills, Culture Fit, and Job Fit, catering to current and future needs. It is aligned with the organization’s strategic goals, business trends, and market competitiveness. With these guidelines in place, the Company can make informed management decisions, including the implementation of “Happiness by Design” initiatives that encompass monetary and non-monetary rewards. Additionally, comprehensive training programs are provided to meet diverse needs, fostering a flexible learning environment across the organization. This creates positive employee experiences and fosters organizational commitment, ultimately establishing a “Happy Workplace” with Psychological Safety for all employees.

### Strengthen Knowledge and Understanding

The Company has a policy to continuously develop the capabilities of all employees at every level, ensuring that they possess knowledge, skills, and competencies aligned with their responsibilities and are ready to respond to the direction of the business. This is particularly crucial given the changing social and business landscape in the digital era. Moreover, the Company has integrated its business operations as a vital component in sourcing knowledge and various courses that promote essential knowledge, skills, and competencies required for roles, responsibilities, and job-related duties. This enhances effective job performance aligned with objectives and predefined standards. This includes creating a Learning & Development Master Plan annually to Upskill, Reskill, and Build & Bridge capabilities, fostering a culture of robust learning experiences to strengthen and reinforce a strong learning culture.

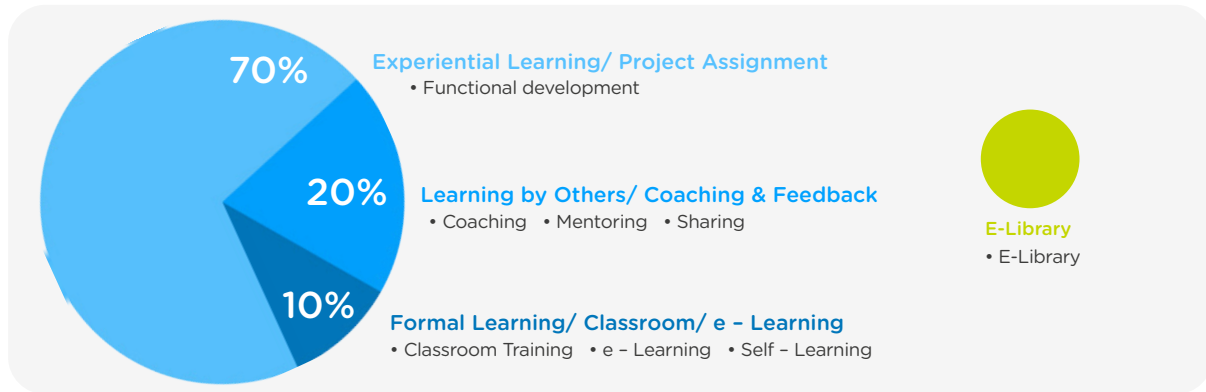
#### Learning Method

The Company has established a continuous development guideline for employees at all levels, with no restrictions on learning opportunities. Employees are encouraged to request training from internal and external courses on various platforms. Throughout the year 2023, the Company organized internal training sessions, seminars, and study visits with external institutions domestically and internationally. Additionally, various learning initiatives, including projects and activities aimed at fostering knowledge exchange and mutual learning within the Company were actively encouraged and facilitated as follows:

- **Knowledge Sharing Activities**
- **Internal Coaching Sessions** to explore employees’ potential.
- **Establishment of Communities of Practice (COP):** Sharing expertise among professionals in various fields through projects known as “KTC Made.”

- **Exploration of New Knowledge or Trends:** Providing employees with updates through the KTC UNITE platform.
- **Accessible E-Learning Resources:** Offering learning materials that can be accessed anytime, anywhere, and on any device through various electronic channels.
- **KTC E-Library:** An online library allowing employees to freely explore and read books in various categories according to their interests, providing them with easy and convenient access to knowledge for self-improvement.

KTC promotes a Learning Culture by offering employees the opportunity to choose a blended learning approach that suits them best (Blended Learning 70:20:10). The organization has gathered knowledge from various sources for interested employees to participate in learning in different formats.



### Experiential Learning/ Project Assignment

“KTC Made” entails imparting knowledge and exchanging experiences from industry experts in their respective fields to interested employees. It aims to foster a deep understanding of job processes through interactive sharing, questioning, and dialogue sessions. This initiative has garnered significant interest and engagement from participating employees, enabling them to acquire valuable insights and practical benefits. They can then apply these learnings to improve their own work efficiency and contribute to delivering high-quality outputs across different departments.

<p>Knowledge Sharing : mfangs Azure In... (KnowledgeSharing PUB247)</p> <p>★★★★★ (5 out of 5 stars from 4 rat...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Approval Process ฝึกอบรม... (KnowledgeSharing PUB093)</p> <p>★★★★★ (4.5 out of 5 stars from 10...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Authorize Process Knowl... (KnowledgeSharing PUB084)</p> <p>★★★★★ (4.5 out of 5 stars from 2 r...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Fraud Awareness (KnowledgeSharing PUB085)</p> <p>★★★★★ (5 out of 5 stars from 13 r...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC Made : KTC Product (Credit Card ... (Classroom PUB148)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>
<p>KTC MADE : KTC World Travel Service... (KnowledgeSharing PUB087)</p> <p>★★★★★ (4.5 out of 5 stars from 5 r...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Partnership Marketing (KnowledgeSharing PUB088)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Payment Business (KnowledgeSharing PUB089)</p> <p>★★★★★ (4 out of 5 stars from 10 r...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : Product Knowledge-Struc... (KnowledgeSharing PUB094)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>	<p>KTC MADE : การทำระบบสารสนเทศ (KnowledgeSharing PUB090)</p> <p>★★★★★ (4.5 out of 5 stars from 13...)</p> <p>Free</p> <p>Assign to Me    &amp; More</p>

### Learning from others

#### • Coaching

Collaborative work process between the coach, who acts as a thinking partner or unlocks certain aspects within the coachee, aims to enhance their capabilities through various methods and tools, enabling the coachee to learn, self-aware, and initiate changes, including hands-on practice based on their own thoughts, understanding, strengths, and abilities. In KTC, there's a development of 39 internal coaches and opportunities for interested employees to join coaching sessions with internal coaches. Additionally, support is provided for internal coaches to undergo certification examinations according to ICF standards.

#### • Mentoring

Mentoring within the organization involves experienced individuals sharing their expertise, knowledge, and guidance to assist employees. It emphasizes providing appropriate work practices, step-by-step instructions, and problem-solving strategies based on the mentor's experience. The mentor transfers this knowledge to employees to enhance their efficiency in performing tasks. Additionally, mentors are responsible for supporting employees' well-being and work-life balance within the organization.

In the year 2023, KTC introduced two programs: the Management Trainee (MT) program and the KTC COOP internship program. These initiatives feature mentors who are existing employees responsible for providing counsel, imparting job skills, and offering guidance within the organization. This mentoring role is deemed pivotal in fostering success for both programs.

#### • Sharing

The process of learning in a group setting involves individuals with mutual interests coming together voluntarily to exchange knowledge. This collaborative endeavor aims to foster understanding and enhance practices in a specific area. Presently, KTC facilitates sharing activities centered around sharing knowledge, compelling experience narratives, and the practical application of knowledge to achieve successful outcomes.

### Formal Learning/Classroom/e - Learning

#### • Classroom Training

Classroom training, focusing on learning from learners of various job groups/positions. The Human Resource Organization Development (HROD) team organizes internal training and facilitates employees to undergo training with external units that are suitable.

#### • e - Learning

A learning format that promotes self-management skills for learners to learn in e-Learning format through the SAP Success Factor system or Learning Platform from leading institutions anytime and anywhere. This is to facilitate interested employees by providing equal opportunity to access E-learning courses, focusing on criteria to be followed or managerial skills topics.

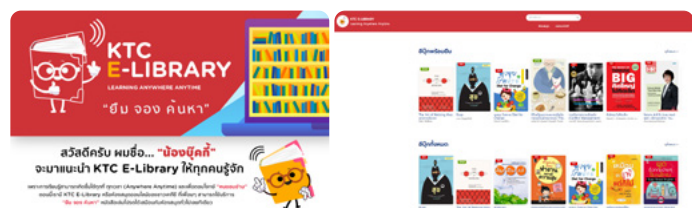
#### • Self - Learning

Self-learning emphasizes practicing independently from various sources of knowledge, utilizing diverse learning channels such as reading books, studying work systems from work instructions, researching information through the internet, e-learning, or consulting experts.



### E-Library

An online library is established to provide employees with additional options and avenues for independent learning based on their interests. Through various access channels, employees can search, reserve, and borrow books across different categories. This platform allows them to read via smartphones, tablets, or computers anytime anywhere, according to their convenience.



## The Outstanding Training Courses in 2023

### Course 1: Six Sigma Green Belt

#### ● What was learned

Six Sigma is an effective organizational development approach that can significantly enhance the capabilities of business processes by setting challenging goals. Organizations can achieve these goals by applying advanced statistical principles with clear frameworks and procedures. Therefore, Six Sigma is considered an innovation for business process improvement within an organization.

As for this Green Belt Training course, it aims to develop employees' knowledge and expertise in Six Sigma process improvement before advancing to the Black Belt level. The course includes theoretical training, practical workshops, and participation in special projects

#### ● Benefits to employees

1. Develop skills with theoretical and practical knowledge in Six Sigma process improvement at the Green Belt level.
2. Learn to use the statistical data processing software called "Minitab."
3. Able to choose Six Sigma tools to design process control methods.

#### ● Benefits to the organization

1. Helps reduce costs and increase profitability while also enhancing customer satisfaction.
2. Helps minimize defects/waste to the point of aiming for zero defects.

### Course 2: Knowledge Sharing from management, attended courses from leading international institutions

The management participated in seminars with the world-renowned institution IMD (International Institute for Management Development) and applied that knowledge or expanded upon it to benefit their work. Furthermore, they shared this knowledge and experience through organizing Knowledge Sharing sessions on five topics, which received significant participation from employees. The training had a total of 502 attendees, with details as follows:

#### Topic 1: Non-Market Strategy

#### ● What was learned

1. Formulating challenging and effective strategies.
2. Conducting business while considering changing consumer behaviors in evolving societal contexts.
3. Considering conditions or limitations set by regulators.

#### ● Benefits to employees

1. Learning alternative approaches to strategy formulation and consideration.
2. Understanding strategies and operations in compliance with regulatory oversight.

#### ● Benefits to the organization

1. Establishing competitive advantages in strategy formulation and business planning.
2. Identifying other factors impacting business operations beyond those outlined in traditional organizational strategies.





## Topic 2: Value-Based Marketing

### What was learned

1. Analyzing Customer Insights.
2. Strategies for Value Co-Creation, the process of creating mutual value between customers and the Company, and providing product examples.
3. Communication Value, the process of conveying news, information, knowledge, experiences, feelings, and opinions.
4. Capturing Value refers to determining the value of products.

### Benefits to employees

1. Acquiring knowledge in understanding customers.
2. Gaining appropriate guidance in designing, product strategies and marketing strategies.

### Benefits to the organization

1. Planning and adjusting strategies to develop products and services that best meet customer needs, creating the highest level of impression.



## Topic 3: Customer Centricity

### What was learned

1. Understanding "Customer Centricity."
2. Understanding the importance of "Customer Centricity" in the organization's business operations.
3. Strategies for developing business operations using "Customer Centricity."
4. Key elements in implementing "Customer Centricity."

### Benefits to employees

1. Gaining awareness and knowledge in marketing and customer-centric product.
2. Understanding the principles and methods of analyzing "Customer Centricity".

### Benefits to the organization

1. Building customer confidence in KTC.
2. Enhancing the efficiency and image of KTC products.



## Topic 4: Productive Psychological Safety

### ● What was learned

1. What is Psychological Safety?
2. Why is Psychological Safety important?
3. Methods for creating Psychological Safety.

### ● Benefits to employees

1. Encouraged to speak up and express opinions, becoming integral parts of the team.
2. Ability to produce innovative work, think creatively beyond boundaries.

### ● Benefits to the organization

1. Employees within teams and the organization trust one another.
2. Promotes shared learning and development, increased participation, fostering engagement.



## Topic 5: Leadership OS (Operating System)

### ● What was learned

1. The roles and responsibilities of leaders that extend beyond Leadership.
2. The concept of leadership operating system.
3. Strengthening team performance towards better outcomes/results.
4. Building Trust.

### ● Benefits to employees

1. Learning how to build efficient teams.
2. Ability to develop leadership qualities in various contexts.
3. Inspiring and motivating employees within the organization.

### ● Benefits to the organization

1. Creating a unified identity within the organization.





## Course 6: Supervisory Skills

### ● What was learned

This course aims to develop, increase knowledge, and skills for employees at the Supervisor, Team Lead, or Assistant Manager levels to understand their roles as team leaders. It emphasizes the need to excel in critical thinking, people management, and effective time and task management. The course covers the following topics:

#### Mindset

Shifting from working individually to working through a team, relying more on understanding the psychology of teamwork and fostering a positive attitude to achieve goals more efficiently.

#### Knowledge

Learning shortcuts, techniques, and key strategies in time management, people management, and team management to enhance productivity within a team.

#### Skills

Developing crucial skills in collaborating with others, such as communication, delegation, and motivation to achieve success in work tasks and team dynamics.

### ● Benefits to employees

1. Understanding the roles and responsibilities of being a Team Lead who excels in tasks and people management.
2. Increasing efficiency in work through time management and prioritization.
3. Developing communication skills to effectively implement company strategies.

### ● Benefits to the organization


1. Generating valuable, efficient, and effective work results.
2. Effective performance management.

## Other courses


KTC organizes various online courses to enhance and assess knowledge and understanding throughout the year 2023

### ● Corporate Governance Policy & Code of Conduct


covers content related to anti-corruption practices, compliance with good corporate governance policies, code of conduct, consideration of society and environment, as well as respect for human rights.

Criteria for Measurement	Assessment Result	Number of Participants	Benefits
<p>Knowledge and Understanding 100% of all employees</p> 	100%	100%	<ul style="list-style-type: none"> <li>• Employees have awareness of corporate governance criteria, codes of conduct, anti-corruption practices, consideration for society and environment, and guidelines related to respecting human rights.</li> <li>• Employees adhere to company-established criteria, including securities trading, and giving or receiving gifts etc.</li> <li>• No reports of corruption within the organization.</li> </ul>

• **Essential Knowledge about Market Conduct and Fair Lending Standards in alignment with the Bank of Thailand criteria for the year 2023.**


Criteria for Measurement	Assessment Result	Number of Participants	Benefits
<p>Knowledge and Understanding 100% of all employees</p> 	100%	100%	<ul style="list-style-type: none"> <li>Employees have knowledge and understanding of Market Conduct and Fair Lending.</li> <li>Employees are aware of offering or providing financial product services that comply with Market Conduct and Fair Lending criteria.</li> <li>Employees are able to provide customers with accurate and efficient service.</li> </ul>

• **The information security management systems (ISO/IEC 27001:2013) and privacy information management systems (ISO/IEC 27701:2019) standards**

Criteria for Measurement	Assessment Result	Number of Participants	Benefits
<p>Knowledge and Understanding 100% of all employees</p> 	100%	100%	<ul style="list-style-type: none"> <li>Employees have knowledge and understanding of laws related to personal data protection.</li> <li>Employees prioritize the security of information and personal data.</li> <li>The Company is trusted by customers and stakeholders.</li> <li>The Company is certified in the standards for information security management system (ISO/IEC 27001:2013) and privacy information management systems (ISO/IEC 27701:2019) throughout the organization.</li> </ul>

• **Risk Awareness**

encompassing topics ranging from risk definition, risk management processes, operational risk, business continuity management, and communication using communication tree. The content also delves into sustainable business operations and sustainability risks, providing valuable insights for integration into employees' work practices.

Criteria for Measurement	Assessment Result	Number of Participants	Benefits
<p>Knowledge and Understanding 100% of all employees</p> 	100%	100%	<ul style="list-style-type: none"> <li>Employees have knowledge and understanding of criteria related to organizational risk management.</li> <li>The Company can effectively control risks, partly due to employees' knowledge, understanding, and awareness of risk management starting from the employees.</li> </ul>

### • AML/CFT & WMD Course

This course provides knowledge on Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Act. It is designed for general employees and employees required to undergo legal training.

Criteria for Measurement	Assessment Result	Number of Participants	Benefits
Employees required to undergo training according to all regulations must score at least 70%.	100%	100%	Employees have knowledge and understanding of criteria related to Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Act
General employees attending all training sessions must score at least 85%.	100%	100%	



## Learning platform

The Company has developed 2 learning platforms, namely:


### KTC UNITE: Learning Platform

“KTC UNITE” acts as an internal communication channel for discussions, sharing vital news such as policies or messages from management, and inviting participation in various activities that reflect the organization’s Core Values and Core Competencies. It fosters a sense of unity within the organization and facilitates the sharing of knowledge from internal and external sources. Moreover, it establishes Knowledge Communities on topics relevant to the Company’s operations.

## KTC Knowledge Management

รวบรวมองค์ความรู้ต่างๆ  
จากพี่ๆ ผู้เชี่ยวชาญในแต่ละหน่วยงาน





## CAREER ASPIRATION

พูดคุย/แบ่งปันเรื่องจุดมุ่งหมายในการทำงาน



คลิก Join เพื่อร่วมกลุ่มกับเรา

### Career Aspiration : Article



**Blog Entry**  
23 คำถามสำหรับการ 1 on 1 สักกานี้ 2023  
ผู้รู้ที่ มะเจ็งสิทธิ์ 23 days ago  
👍 4 🗨 76 💬 1



**Blog Entry**  
คนลักษณะแบบ Controller  
ผู้รู้ที่ มะเจ็งสิทธิ์ about 1 month ago  
👍 7 🗨 42 💬 0



**Blog Entry**  
3 วิธีมองหาจุดแข็งของสมาชิกในทีม  
ผู้รู้ที่ มะเจ็งสิทธิ์ about 3 months ago

### Career Aspiration : Article



**Blog Entry**  
4 คำถามดี ๆ เพื่อช่วยในการตัดสินใจของคุณ  
ผู้รู้ที่ มะเจ็งสิทธิ์ about 4 months ago  
👍 5 🗨 63 💬 0



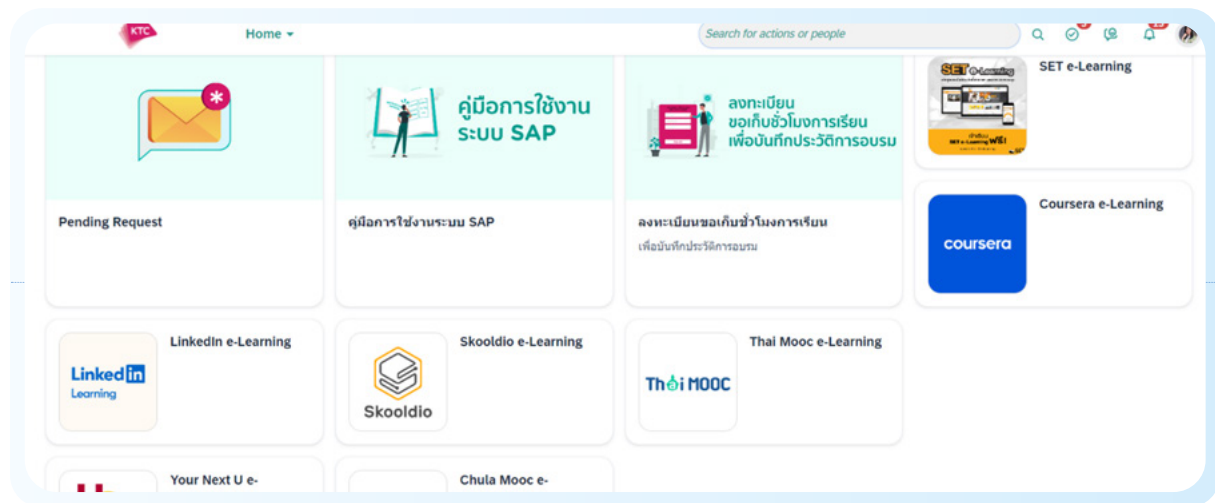
**Blog Entry**  
BANI และการรับมือโลกอนาคต  
ผู้รู้ที่ มะเจ็งสิทธิ์ about 6 months ago  
👍 5 🗨 48 💬 0



**Blog Entry**  
5 ทักษะที่มนุษย์ต้องการ เมื่อเทคโนโลยีครองโลก  
ผู้รู้ที่ มะเจ็งสิทธิ์ about 8 months ago

## SAP Platform: Learning Time Tracking System

The Company has established a Learning Management System (LMS) as part of SAP Success Factors, consolidating engaging courses covering Soft Skills and Managerial Skills for employee learning. Moreover, it records employees' training and development data for analysis and organizational workforce planning.



### • Summary of Training Hours in 2023

Utilizing the KTC UNITE learning platform, which consolidates various courses from internal and external sources like Mind DOJO, SET, Beyond Training, and Skill Lane, employees have the flexibility to select courses based on their preferences. Moreover, encouraging self-directed learning enables employees to study conveniently at their own pace anytime anywhere with their training history recorded. Additionally, recognition is given through the monthly “Top Learner” campaign to motivate and cultivate a learning-centric culture within the organization. Consequently, the average training hours per employee increased from 64.38 hours in 2022 to 77.12 hours in 2023. Details are as follows.



### Employee Development

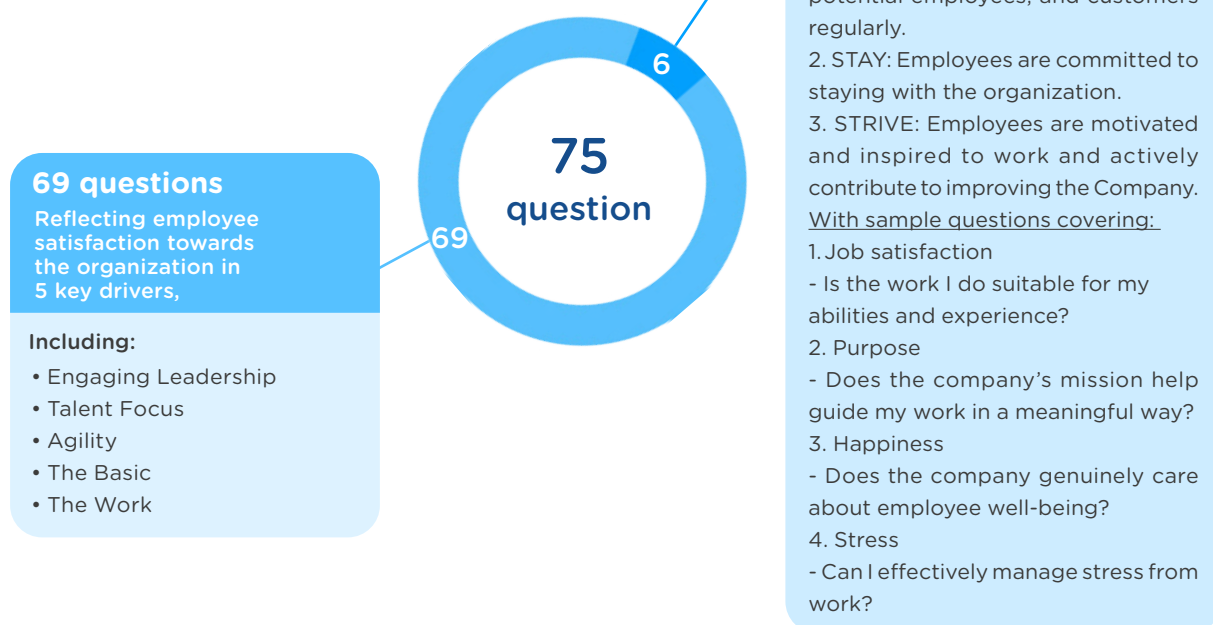
	2023	Unit
Average Training Hours per Employee (FTE)	77.12	Hours/Person/Year
Total Average Number of Employees in the Year	1,735	Persons
Total Training Hours	133,786	Hours



## • Employee Motivation and Retention

### Measurement of Employee Satisfaction and Engagement Levels

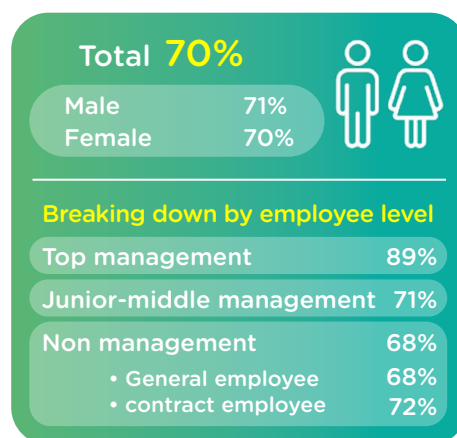
The Company emphasizes the importance of building employee engagement by conducting surveys to assess employee satisfaction and organizational commitment annually. Employees are invited to provide feedback through surveys covering 75 questions via the system.



The external evaluator system categorizes satisfaction levels into 6 tiers, ensuring employees feel at ease sharing feedback as individual survey results are kept confidential. The Company disseminates satisfaction and engagement assessment outcomes to all employees through email and utilizes these findings to enhance and manage various aspects within the organization, aiming to foster a pleasant and fulfilling workplace environment (Happy Workplace). This approach not only retains skilled and high-quality personnel but also fosters a sense of pride in being part of the organization, ultimately bolstering the Company's reputation as an attractive employer and preferred choice for prospective candidates (Employer of Choice).

### Employee Satisfaction and Engagement Results for 2023

All employees participated in measuring the levels of satisfaction and engagement with the organization, accounting for 100% of the total workforce. The results of the Employee Engagement Survey stood at 70%, falling below the set target of 75%. However, satisfaction and engagement levels increased compared to the year 2022, which scored 68%. The Company utilized the 2022 assessment results to develop improvement plans continually throughout 2023 focusing on various aspects such as



### **1. Talent Staffing**

Managing human resources and enhancing capabilities to prepare for organizational structure changes and increasingly challenging job characteristics. The Company implemented SMART development programs to nurture potential individuals through diverse development plans. The Management Trainee program was introduced to recruit ambitious and talented newcomers. The KTC COOP (Cooperation) program was initiated to provide fourth-year students with internship opportunities, potentially leading to permanent positions at KTC upon graduation.

### **2. Enabling Infrastructure**

The Company has upgraded its infrastructure to enhance operational efficiency and improved workplace environments to reduce congestion, adding more comfortable and convenient facilities, contributing to a more conducive working environment.

### **3. Career Opportunity**

The Company continues to emphasize the development of employee capabilities, fostering readiness and communicating career growth opportunities. This involves restructuring positions to enhance job growth prospects, with communication channels including Town Hall, CEO Live Talk, KTC UNITE (Intranet), and regular communication through various levels of management. The Company provides year-round skill development programs, online and offline, internal coaching, and HR Clinics for personal development consultations.

The Company consistently analyzes employee engagement survey results to formulate organization-wide, departmental, and team-level action plans. Results and solutions of the engagement survey are presented to the management. Ongoing tracking of progress are carried throughout the year with HR Business Partners provide close consultation and support. The Company has implemented two-way communication channels, such as Skip Level, monthly CEO Live Talk, and Ur-Voice for online issue reporting, encouraging employee participation and feedback throughout the year. This aims to promote satisfaction and commitment among employees.

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## **• Succession Planning**

The Company has Succession Planning program to strategically identify and select qualified individuals with the knowledge, skills, and abilities aligned with the organization's business direction. This aims to ensure sustainable growth in the future. The Company has prepared for two main aspects: individuals to replace or hold key management positions (Key Positions) and critical positions with a significant impact on the Company's operations (Critical Positions). Both components require individuals to be ready at all times to prevent business disruptions. The selection process is systematic, with established criteria and mutual agreement. Initially, emphasis is placed on internal candidates with experience and recognized performance. Ongoing development of knowledge and leadership qualities ensures readiness for effective people management, aligning with the organization's mission. This builds confidence in sound management that benefits employees, business partners, and customers.

In the year 2023, several key executives in critical positions are set to retire. The Company has proactively prepared by implementing Succession Planning, identifying successors in advance. Throughout 2023, the Company dedicated time to transition and coach successors, ensuring a smooth handover that doesn't impact business operations.

# Occupational Health and Safety Management

## Risk

Ensuring health and safety in the workplace is crucial. If a company neglects or fails to comply with relevant standards, it may result in an unsuitable workplace environment. This can become a problem affecting the physical and mental well-being of employees, as well as potentially reducing work efficiency.

## Opportunity

If a company effectively manages employee health and safety in the workplace, it will positively impact employee work efficiency. This can result in reduced sick leave or resignation rates among employees, as well as enhancing the company's image and reputation.

The Company is dedicated to safeguarding the safety rights of its employees and emphasizes their health and safety in the workplace. This dedication aims to establish an accident-free organization, promote happiness, and ensure a good quality of life for employees. The Company promotes knowledge, understanding, and cultivates awareness of occupational health and safety within the organization. It nurtures an understanding of the causes and impacts that may lead to accidents or hazards in the workplace and takes measures to ensure a safe workplace environment in compliance with laws and regulations related to occupational health and safety in the workplace environment. This program is designed to create a conducive work environment for employees, reduce risks, alleviate concerns, and prevent accidents or injuries resulting from business operations within the Company.



## Occupational Health and Safety in the Workplace Environment Policy

## The Governance of Occupational Health and Safety in the Workplace Environment



## Management and Administration

## Occupational Health and Safety in the Workplace Environment Policy

The Company has adopted the principles of relevant laws, domestically and internationally, regarding the management of occupational health and safety in workplace environmental conditions to incorporate into its policies. These policies have been reviewed and approved by the Management Committee with the following objectives:

Responsibilities of the committee	Objectives
<ul style="list-style-type: none"> <li>• Develop policies</li> <li>• Establish a management structure</li> <li>• Develop plans and implementation strategies.</li> <li>• Evaluate and review</li> <li>• Improve and develop safety management systems</li> </ul>	<ul style="list-style-type: none"> <li>• To guide in developing and maintaining a quality management system for occupational health and safety in the workplace environment</li> <li>• To reduce the various risks and accidents for employees and customers within the organization.</li> <li>• To improve and promote the Company's business operations to ensure safety.</li> <li>• To prevent potential losses from incidents, emergencies, and crises, while also promoting the occupational health and safety in workplace environment of employees.</li> <li>• To cultivate a safety culture and implement operational processes to ensure the safety of everyone.</li> <li>• To control and develop operations, emphasizing quality, stability, safety, occupational health, and workplace environment aspects from the beginning to the delivery of services to customers.</li> <li>• To communicate operational processes and the effectiveness of quality, stability, safety, occupational health, and workplace environmental aspects to internal and external stakeholders. This entails attentively understanding needs and expectations, utilizing feedback to review and enhance operations.</li> </ul>

Remark: This policy applies to all employees, including permanent and contract employees, as defined in the "Additional Information" section.

Furthermore, the Company supports its suppliers in adhering to occupational health and safety standards by outlining the scope and practices in the supplier Code of Conduct. This ensures that suppliers utilize these guidelines in their business operations, aligning with legal requirements and the Company's Code of Conduct. In essence, this means that:

1. Suppliers must comply with laws regarding safety, occupational health, and the workplace environment, which are strictly enforced.
2. Suppliers should ensure that the workplace environment is safe, conducive to good health, and supportive of effective work, providing employees with adequate and appropriate personal protective equipment.

GRI 2-23, 3-3, 403-1

## ➤ The Governance of Occupational Health and Safety in the Workplace Environment

### The occupational health and safety in the workplace environment committee

The Company has established various committees to ensure confidence in the governance and management of occupational health and safety in the workplace environment, as follows:

#### The occupational health and safety in the workplace environment committee



= 17 Persons

consists of



The chairman of the committee

1 Person



Management representatives and secretary

8 Persons



Employee representatives

8 Persons

The committee is responsible for efficiently managing workplace safety, as follows:

1. **Reviewing policies and plans** regarding workplace safety.
2. **Reporting and recommending measures or corrective actions** to ensure compliance with laws related to workplace safety.
3. **Promoting and supporting workplace safety activities** of the business entity, such as training employees on safety, to ensure compliance with suitable standards and laws regarding occupational health and safety in the workplace.
4. **Inspecting workplace safety practices and reviewing statistics on workplace incidents** occurring in the business entity, at least once a month.
5. **Establishing a system for reporting unsafe working conditions**, with all employees participating, including reporting on the evaluation of workplace safety operations of the business entity, with meetings held at least once a month.
6. **Considering training programs or plans** related to workplace safety.

#### Workplace Safety Officer: Managerial level



1. Supervise safety officers under their jurisdiction.
2. Propose safety plans or projects.
3. Promote, support, and monitor operations.
4. Supervise and ensure corrective actions are taken.

#### Workplace Safety Officer: Supervisor level



1. Supervise offices within the unit to comply with guidelines.
2. Analyze the unit's tasks to identify preliminary risks or hazards from the work.
3. Develop and review guidelines according to the Company's specified timeframe.
4. Instruct proper work practices to officers in the safety-responsible unit.
5. Inspect work conditions, tools, and equipment to ensure safety before operation.
6. Supervise the use of fire-fighting equipment in the area or safety control equipment for officers in the unit responsible.
7. Report accidents, injuries, or incidents caused by work.
8. Investigate the causes of accidents, injuries, or incidents caused by work.

#### All employees and new hires.



Employees are responsible for learning, understanding, and being aware of their roles and responsibilities, as well as complying with safety guidelines and regulations, including following safety officers' instructions and relevant laws, to minimize the risk of accidents or hazards.

### Crisis Management Committee

Responsible for defining the scope of the Business Continuity Plan (BCP) to support continuous business operations during various crises such as disasters, pandemics, or emergencies. They also make decisions regarding the activation of the plan and oversee its implementation to ensure that the Company's critical functions can continue uninterrupted. In the year 2023, the Crisis Management Committee consisted of:

#### Crisis Management Committee

In 2023,



**Chairman of Crisis Management Committee**

(Chief Operations Officer)

1 Person



**Sub-Committee Members and Secretary**

(Management Representatives from Various Departments)

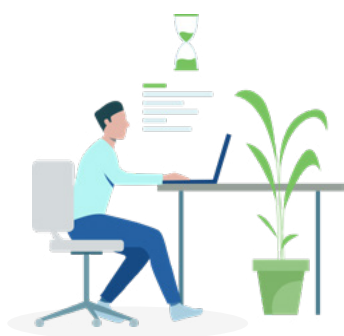
6 Persons

7 Persons



## ➤ Management and Administration

The Company takes the following actions to effectively manage occupational health and safety in the workplace environment as follows:



### Compliance with relevant standards and laws

The Company complies with laws related to occupational health and safety in the workplace environment.



### Setting goals and Evaluating Safety Performance

Safety goals are set as part of sustainability goals. These goals will be part of the performance evaluation based on the Key Performance Indicators (KPIs) of the relevant departments. This ensures that incident management can be completed within the specified time frame.

## Risk assessment, prioritization, and integration of action plans with quantitative targets for Risk Management

### Risk assessment and prioritization

The people responsible for each area such as Human Resources (HR), General Services (GS), Nurses, etc. assess and prioritize health and safety risks in the workplace environment.

### Developing projects and action plans.

The stakeholders develop projects and action plans, along with defining objectives, quantitative targets, and responsible parties.

Propose to the committee for occupational health and safety in the workplace environment or the management committee for their consideration and approval.



Risk Levels	Risk Management
High	The risk is at a high level, immediate risk management must be implemented, and corrective actions taken to reduce the risk to an acceptable level. Verification of these corrective actions must be conducted before work resumes, along with the development of control measures. Evidence must be available for review throughout the process.
Rather High	The risk is at a moderately high level. Existing control measures should be reviewed. If existing control measures are insufficient, consider improving existing measures or canceling and implementing new measures. Evidence must be available for inspection throughout the implementation period.
Medium	The risk is at a moderate level, within an acceptable range. Continuously implement the existing control measures to prevent and monitor against further increases in risk. Also, mandate close monitoring of all operations by designated supervisors.
Rather Low	The risk is at a moderately low level. Continue implementing the existing control measures consistently to prevent and monitor against any further increase in risk
Low	The risk is at a low level. Regularly inspect the work by supervisors, responsible departments, and the occupational health and safety in the workplace environment committee.

In addition, the Company also identifies and assesses occupational health and safety in the workplace environment risks at the organizational level through the identification of sustainability risks (ESG Risk).

## Providing Channels for Reporting Safety, Occupational Health, and Work Environment Issues.

The Company is dedicated to ensuring occupational health and safety in the workplace environment. It also places a high priority on mental health and well-being, actively addressing and preventing employee health risks. This is particularly important given the rising prevalence of mental health issues, stress, work fatigue, and burnout that can impact employees of all ages and backgrounds. To facilitate this, KTC has established multiple channels for employees to report issues or seek advice as follows:



### GS Online

Channel for employees to report problems or risks associated with workplace facilities usage. This enables timely resolution of issues, repairs, or preventative measures to mitigate workplace hazards. GS Online has received 1,099 reports. All of which have been resolved. These incidents involve reporting issues such as electrical equipment repairs, damaged furniture, malfunctioning bathrooms, facility rearrangements, equipment relocation, and workplace temperature. There has been no previous occurrence that has resulted in unsafe conditions or posed any danger, causing harm to the employees.

### HR Incident

Enables channel for employees to report any incidents that occur in the workplace. Managed by HR, this system oversees the reception of reports, collaborates with relevant parties and conducts thorough investigations to resolve the issues effectively.

### HR Clinic

Serves as a direct communication channel for employees to engage with HR regarding any issues, seek advice, lodge complaints, or share information. Confidentiality is maintained for all discussions, and employees have the freedom to select their preferred contact within HR. This channel creates an environment of psychological safety, ensuring employees feel comfortable discussing their concerns directly and without intermediaries.

### The Medical Room

The Medical Room serves as a point of contact for employees seeking advice from nursing staff. Nurses are available to assess symptoms, provide initial medical care, and offer guidance on health concerns and illnesses that may arise during work hours. In an emergency, the nurse will promptly coordinate with nearby medical facilities.

### Jaifull (Mental Service)

Mental health service channels (Jaifull Listens) establish a bridge for employees to communicate, seek guidance, express concerns, alleviate anxiety and stress, and receive advice through an external firm with specialized expertise in mental health. It ensures confidentiality and safety in sharing information while serving as an early monitoring system for addressing issues.



## Preparation and Response to Emergency Situations.

- Providing occupational health and safety in the workplace environment training for employees and/or relevant parties.
- Fire Drills: to ensure the safety of employees within the office building, the Company actively participates in annual fire drills conducted by the building management. In 2023, a coordinator and fire warden were designated for each unit. The Company took part in the fire evacuation drill held at the Thai Summit Building on April 8, 2023, and participated in the fire evacuation drill held at the UBC II Building on August 25, 2023.
- In case of a workplace accident, employees can notify their department head or the General Service division (GS) or the Human Resources business unit (HR) for coordination of treatment. The Company has a medical room equipped for first aid and basic treatment. In emergencies, an ambulance can be called for immediate assistance with arrangements for transportation to nearby hospitals when needed. Furthermore, annual health examinations and group life and health insurance are provided to all employees.
- There is a team responsible for monitoring news updates and managing epidemic control measures in the workplace. Their role is to ensure the safety of employees by preventing the spread of infectious diseases and addressing work-related injuries, including accidents, unsafe conditions, and security incidents.

## Provide Adequate Work Environment

Occupational health and safety considerations are integrated throughout the design, construction control, and inspection processes. This ensures that the Company has a suitable workplace environment that complies with relevant standards and regulations. (The design process encompasses five key areas: design, construction control, construction inspection, workplace environment management and workplace environment evaluation.)

### Design



- Compliance with high-rise building regulations, including specifications for main walkway width, bathroom quantity, pantry facilities, water supply locations, building assembly and fire protection systems.
- Adherence to ergonomic principles (human scale) for factors like seated working distance, desk and chair dimensions, furniture design, and per-person square meterage. Ensuring optimal health conditions and minimizing accident risks for users.

### Construction Control



- Deployment of certified safety officers on-site to oversee safety protocols during construction activities.
- Enhanced collaboration between the Building Department and the GS Department for the comprehensive review of decoration plans and building assembly systems, with the goal of authorizing designs prior to commencing construction. This is to ensure strict compliance with building regulations and construction laws.

### Construction Inspection Processes



- Conducting thorough testing and inspections of the building assembly system, fire protection system, AV system, and IT system before office spaces occupancy.
- The Building Department and GS Department collaborate on inspections of decoration work and building assembly systems, ready to authorize post-construction designs to ensure compliance with building standards and regulations, enabling optimal space utilization.
- Presenting designs and surveying the area with UAT, ISO, and BCP teams to plan and inspect work processes, ensuring safety, efficiency, and readiness for use.

### Workplace environment Management



- Control of Lighting Intensity, design and placement of LED light bulbs to ensure optimal brightness in various work areas including desks, meeting rooms, and rest areas.
- Adjusting the office space temperature to accommodate the occupancy level and the nature of the operations.
- Implementing a schedule for air duct cleaning to optimize the air conditioning system's efficiency in air distribution. Additionally, utilizing air purifiers in the workplace every three months to prevent the spread of germs.

### Workplace environment Evaluation

- Office Space and Building Assembly Systems Inspection (General Service Building Inspection) conducted jointly with external consultants, ensures compliance with occupational health and safety in workplace environment standards. Regular inspections are carried out, and findings are recorded in inspection reports. Necessary improvements are implemented to mitigate potential workplace hazards.
- The Company organizes inspections for construction safety operations (Construction Management), including equipment checks post-installation. Light brightness, humidity, and temperature measurements within office spaces (Quality Assurance) are conducted by an external service provider. Additionally, annual security inspections are conducted within office premises by external consulting agencies, typically from the building department. These inspections cover fire systems, electrical systems, sanitation systems, passenger elevator systems, etc.

### Results of the workplace environment assessment in 2023

#### Assessment topics



#### Assessment results

#### Meeting Requirements

- Performing internal audits based on the 5S criteria and consistently monitoring and assessing the cleanliness of workspaces in each department.

#### KTC Clean and Care Initiative

The Company has initiated the KTC Clean and Care project to foster an organized and safe work environment. This project aims to promote convenience, orderly, cleanliness, efficiency, safety, and quality in our operations. This initiative aims to cultivate a culture of organization, setting standards as guidelines. Representatives from each department form a committee to conduct monthly inspections and report their findings through KTC UNITE.



### ● Promoting Knowledge, Training, and Organizing Health and Safety Activities

The Company actively promotes health and safety knowledge and provides training to employees and relevant departments to raise awareness and minimize health and safety incidents in operations. This includes:



**Safety and workplace environment**



**Ergonomics for physical and psychological aspects**



**Health care and good nutrition**



## Occupational Health and Safety in workplace environment training courses

The Company organize training sessions on occupational health and safety in workplace environment for employees in 4 batches, covering the following main subjects:

Subject 1: Workplace safety knowledge

Subject 2: Occupational health and safety in workplace environment laws

Subject 3: Regulations pertaining to occupational health and safety in workplace environment

Furthermore, the Company consistently educates employees on occupational health and safety in the workplace. This knowledge is disseminated via email and the Company's KTC UNITE platform to ensure comprehensive and prompt delivery to all employees. By providing accurate knowledge and understanding, employees can better care for their physical and mental well-being, thereby reducing anxiety and minimizing the risk of work-related illness or injury. This approach fosters an ongoing culture of occupational health and safety within the organization.



Batch 1: February 16, 2023

Batch 2: March 16, 2023

Batch 3: March 23, 2023

Batch 4: April 20, 2023

### Type of course or training



**Safety and workplace environment**

### Indicators

Satisfaction assessment results **9.5/10 points**

### Topics Covered

**Introduction to occupational health and safety in the workplace environment for employees.**

**Emergency procedures for fire incidents accessing nursing rooms, hospitals, and patient transportation.**



**Workplace safety practices and 5S activities for employees.**





## Basic First Aid Course



January 28, 2023

Accidents can occur unexpectedly, often resulting in damage. The “Basic First Aid” course aims to equip participants with the knowledge and skills necessary to administer first aid effectively, reducing the risk of fatalities and minimizing medical expenses.

### Theory

1. Definition, objectives, and principles of basic first aid
2. Injury assessment and nature of injury

### Practical

1. Basic life support training including CPR
2. Techniques for safely moving injured individuals
3. Utilization of cloth rolls
4. Application of triangular bandage

### Type of course or training



Safety and workplace environment



Health care and good nutrition

### Indicators

Satisfaction assessment results **9.9/10 points**



## Inspiration Talk “Creating life Balance” with Dr. Kobkunya (Doctor Puen).



January 3, 2023

The Company recognizes the value of its personnel and places a strong emphasis on promoting health knowledge. To ensure the well-being and happiness of employees, physically and mentally, the Company invited Dr. Kobkulya Jungprasertsri, Director of Premier Life Center at Phyathai 2 Hospital, to deliver a lecture on achieving life balance. Dr. Kobkulya covered various topics including effective time management, maintaining hygiene in food and nutrition, the importance of adequate rest for the body, especially when entering middle age, and the benefits of regular exercise. By prioritizing physical and mental health, employees can enhance their overall well-being and achieve greater success in their work endeavors.

### Type of course or training



Ergonomics,  
psychological  
aspects



Health care and  
good nutrition



## Good health is not for sale. Join us for a workout session with Oh and Oh!



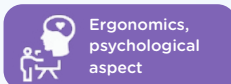
March 21, 2023 - May 25, 2023

To boost employee engagement in achieving work-life balance focus on providing relaxation, alleviating work-related stress, and fostering good health. Employees are encouraged to join yoga and dance classes led by Teacher Oh, two KTC employees skilled in exercise, yoga, and dance, for one-hour sessions after work.

### Type of course or training



Ergonomics,  
physical aspects



Ergonomics,  
psychological  
aspect



Health care and  
good nutrition

### Indicators

Satisfaction assessment results **9.6/10 points**



## KTC VIRTUAL EXERCISE CHALLENGE 2023 “Three-Months Calories Shake”



May 15, 2023 - August 15, 2023

Empowering all employees across various levels, including affiliated companies, to prioritize their health through physical activity. Participants are encouraged to engage in any form of exercise they prefer and must log their daily calorie-burning results via the KTC UNITE system. The goal is to collectively reach a specified calorie target within a three-month period.

- Upon reaching 20,000 calories, participants will receive a yellow Finisher shirt.
- Those who achieve 25,000 calories will receive a blue Finisher shirt and stand a chance to win one of three Garmin watches.

### Type of course or training



Ergonomics,  
physical aspects



Health care and  
good nutrition

### Indicators

Satisfaction assessment results **9.2/10 points**





## Sports activities

KTC recognizes the power of exercise to enhance employee well-being and cultivate a thriving work environment, KTC actively promotes sportsmanship, teamwork, and camaraderie through organized sports competitions. These events foster not only healthy competition but also deeper connections within and beyond workforce, building partnerships with affiliated companies, the sports competitions are structured as follows:

### KTC SOCCER CUP 2023

 September 16, 2023

An annual 8-a-side indoor football competition featured 9 teams and a cheering team contest. The KTC Football Club played a key role in organizing the event, implementing rules, and coordinating the competition format.

#### Type of course or training



Ergonomics,  
physical aspects




Health care and  
good nutrition

#### Indicators

Satisfaction assessment results **9.54/10 points**



### Badminton competition 2023.

 July 1, 2023

KTC provides employees with a badminton court for weekly exercise sessions every Friday throughout the year. Internal badminton competitions are held annually, with support from the KTC Badminton Club in organizing events, rule implementation, and competition formats. The competition includes four categories: Men's doubles, Women's doubles, Mixed doubles, and General pairs (group of death).

#### Type of course or training



Ergonomics,  
physical aspects




Health care and  
good nutrition

#### Indicators

Satisfaction assessment results **9.72/10 points**



### Badminton activities: Five coaches, former Thai national badminton players, conduct a badminton clinic.

 June 17, 2023

The KTC Badminton Club, in collaboration with the Human Resources Organization Development department, recognized a valuable opportunity for employees passionate about badminton to enhance their skills under expert guidance. Thus, they initiated the Badminton Clinic activity, inviting five coaches who are former members of the Thai national badminton team to impart techniques and correct playing methods to all participants. The event took place at the Promlikhit Badminton Court.

#### Type of course or training



Ergonomics,  
physical aspects



Health care and  
good nutrition

#### Indicators

Satisfaction assessment results **9.95/10 points**



## Singers Behind the UNITE Wall



March - November 2023

The Company arranges online activities via KTC UNITE, inviting employee applicants with a passion for singing. Participants must submit audio clips for the contest and undergo selection by a committee. Successful candidates will become the singers behind UNITE's walls, where fellow employees will guess the singers weekly. Ten finalists will each receive a Baht 1,000 voucher, while ten correct guessers weekly will be awarded Baht 200 vouchers.

### Type of course or training



Ergonomics,  
psychological  
aspect



## Dressing Up for Different Festivals Event

### Dress in Auspicious Attire for the Chinese New Year Festival



January 19 - 24, 2023

To enrich the atmosphere of the Chinese New Year celebration and invite good fortune, employees are encouraged to dress in auspicious Chinese New Year themes. Participants can enter the contest by dressing in attire that reflects the spirit of the festival and holding auspicious objects while explaining their significance. This activity serves to share tales of prosperity across different generations within the organization and foster deeper connections among colleagues.

### Type of course or training



Ergonomics,  
psychological  
aspect



### Offer food to the monks and bathe the Buddha Image on Songkran Festival.



April 10-12, 2023

To uphold Thai traditions during the Songkran festival, arrangements were made to offer rice and dry food to monks, as well as set up a ceremonial arch for bathing the Buddha image. These activities aim to usher in good fortune and boost morale on Thai New Year's Day, fostering camaraderie among employees and managements as they come together to give alms each year.

### Type of course or training



Ergonomics,  
psychological  
aspect

## Dressing Up for Different Festivals Event

### Fashionista conquers the hot breeze.

 April 18 - 28, 2023


In April, Thailand experiences intense heat. To cool down and boost employee engagement, employees are encouraged to bring vibrant energy to the workplace and showcase creativity through attire, dressing up enjoyable for KTC employees. Employees can pick a stylish spot within the Company for photos, sharing them on KTC UNITE. Photos with over 50 likes will be rewarded with Baht 300 vouchers for 20 prizes.

#### Type of course or training

 Ergonomics, psychological aspect



### Mother's Day Photography Contest "Celebrating Styles Across Generations"

 August 9- 20, 2023

Engaging activities designed to strengthen family bonds between mothers and their children, highlighting the beauty of generational differences. While having fun with dress-up, capture joyful moments in photos. When shared on KTC UNITE, colleagues can witness the charm of each family, fostering stronger connections within the organization.

#### Type of course or training

 Ergonomics, psychological aspect



## Employee Health Benefits

### Annual Health Check-up

Providing employees with annual health check-ups.

In 2023,  
**1,382** employees  
utilized their right to  
undergo health check-ups.



### Medical Benefits

Comprehensive program covers inpatient and outpatient medical expenses at top-tier hospitals for employees. This extends to the families of dedicated staff as a voluntary offering. Additionally, the Company supports its full-time employees by contributing half of the health insurance premiums for their families.

### Medical Room Facilities

KTC have established medical rooms equipped with two beds at UBC 2 and the Thai Summit Building to deliver essential medical services. These rooms are stocked with basic medicines and first aid supplies. A dedicated nurse is stationed in the medical room to provide health advice to employees in accordance with established standards.

### Vaccination Program

Providing employees and their families with access to vaccinations against various diseases at preferential rates, including vaccines for influenza, Hepatitis B virus, and more.

In 2023,  
**572** employees  
availed themselves of disease  
prevention vaccinations.



### Employee Health Support: KTC

prioritizes the well-being of employees by actively monitoring, following up, and recording information about illnesses. Additionally, the Company extends care to injured employees, ensuring they receive treatment until they can seamlessly reintegrate into their normal work life.

### Entering an MOU with a Medical Facility

Formalizing a longstanding collaboration by signing a Memorandum of Understanding (MOU) with a medical facility. This agreement ensures our readiness to promptly dispatch employees for emergency treatment. This partnership has been established and maintained for over 7 years.

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

GRI 403-6

KRUNGTHAI CARD PUBLIC COMPANY LIMITED - SUSTAINABILITY REPORT 2023

## Collaboration with Partners for Sustainability

### Risk

Failure to actively seek new partners or the absence of skill, knowledge, or experience sharing between the company and its business partners may result in missed opportunities to attain both performance and sustainability goals.

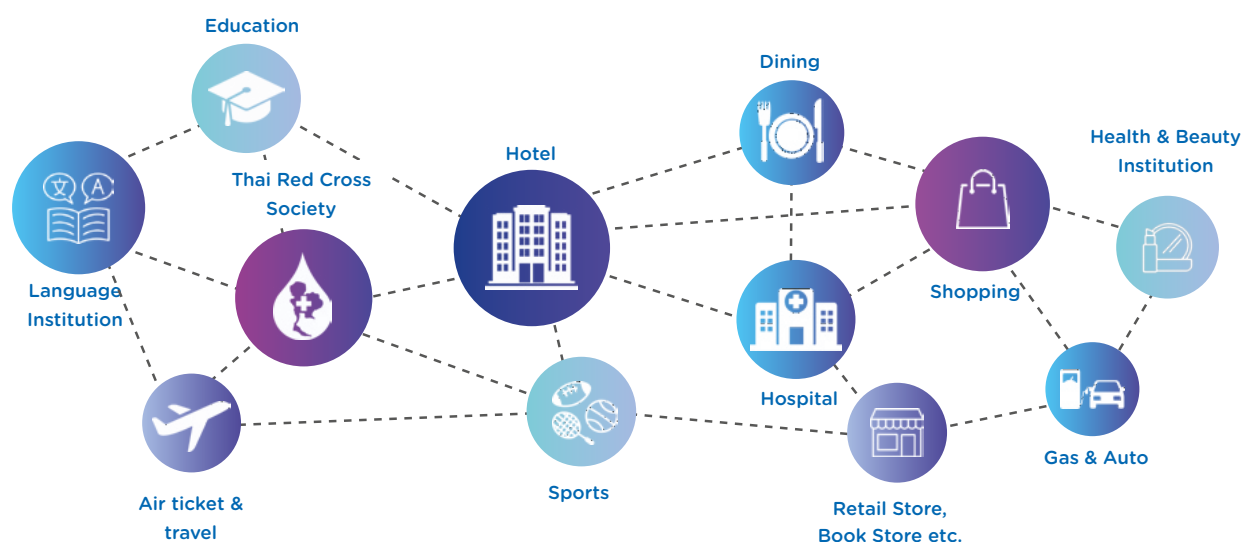
### Opportunity

Establishing diverse alliances and collaborative skills enhances the potential to broaden business cooperation. This applies to both public and private sectors, encompassing all stakeholder groups, with the aim of promoting economic development and improving the quality of life for the Thai people through collective growth.

KTC is dedicated to sustainable business operations. Through collaboration with diverse partners, we strive to collectively develop products, services, and benefits that cater to the needs and deliver a positive experience for all stakeholders. This commitment includes actively participating as members in various organizations, reinforcing our robust sustainability initiatives. This approach enables us to extend products, services, and benefits more broadly to society as outlined below:

### Partnerships

KTC collaborates with various partners to jointly drive sustainable business growth through products, services, and benefits that extend to considering environmental, social, and governance aspects.



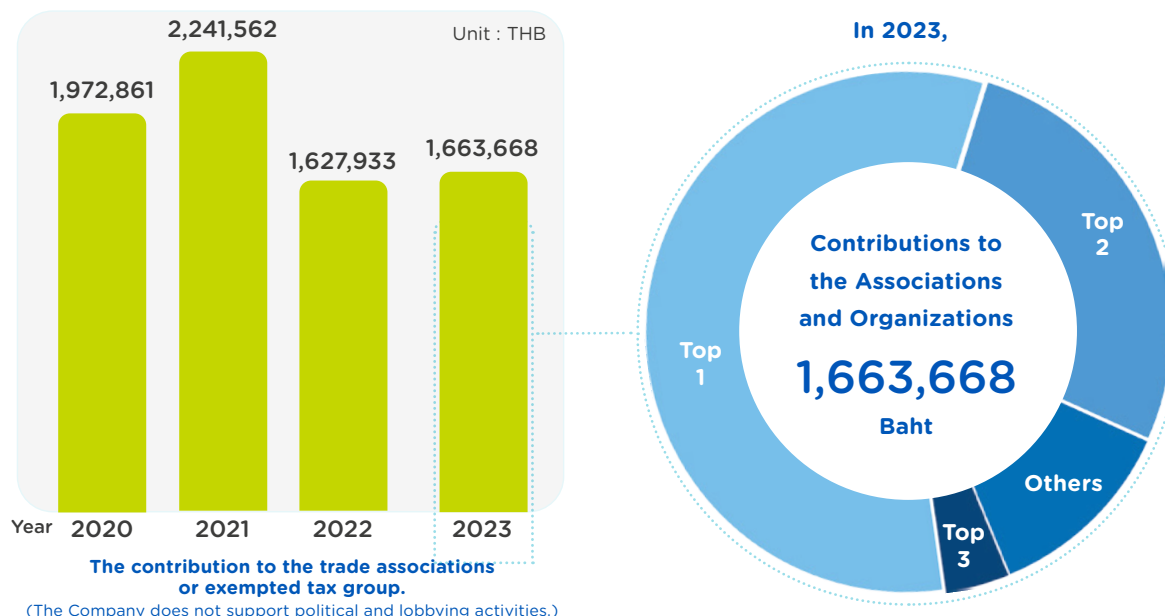
Please refer to additional information under “ESG Products and Services”, “Financial Inclusion and Financial Literacy” topics and the Company’s website <https://www.ktc.co.th/en> for more information.



## Membership of Associations

The Company is a member of various organizations and associations, actively engaging to share experiences, opinions, or beneficial suggestions for the development of policies or practices. All members collectively contribute to implementing initiatives aimed at promoting economic and social well-being.

### Contributions to the Associations and Organizations



### Top Three Largest Contributions & Expenditures

#### Top 1: Thailand Development Research Institute: TDRI

The Thailand Development Research Institute (TDRI) was founded in March 2527 B.E. (1984) as a “non-profit foundation” in the form of an independent organization, not a government agency. It conducts policy research in various areas, particularly in economic policy, for government agencies, private sector entities, international organizations, and initiates its own research projects. This includes supporting the formulation of Thailand’s economic and social development policies to be conducive to sustainable quality growth.

(For more details, please visit <https://tdri.or.th/en>)

#### Top 2: The Stock Exchange of Thailand (SET)

The Stock Exchange of Thailand (SET) was established under the Securities Exchange of Thailand Act B.E. 2517 (1974). It plays a crucial role as a fundraising hub to support the economic and industrial development of the country. Subsequently, the Securities and Exchange Act B.E. 2535 (1992) was enacted to replace the Securities Exchange of Thailand Act B.E. 2517 (1974). This new act defined the main roles of the Stock Exchange as follows:

1. Acting as a central security trading center, registering and developing necessary systems to facilitate securities trading.
2. Engaging in any business related to securities trading, such as serving as a clearinghouse, securities depository, registrar of securities, or other relevant activities.
3. Conducting other businesses approved by the Securities and Exchange Commission.

(Please refer to additional information in <https://www.set.or.th/en/about/overview/journey>)

#### Top 3: Thai Hire - Purchase Association

The Thai Hire-Purchase Association was established on March 24, 2000, to serve as a central hub for coordinating collaboration between relevant entities, both public and private. It functions as a central organization to promote and facilitate creative activities in the development of the profession. Currently, the association has members consisting of financial institutions, leasing, and hire-purchase companies, including those affiliated with automobile manufacturers. The objectives include promoting and developing the hire-purchase business, protecting, and maintaining the benefits of members, supporting and assisting members in resolving various obstacles and challenges. Additionally, it monitors and follows the movements of the hire-purchase business, both domestically and internationally, for the benefit of conducting hire-purchase business.

(Please refer to additional information in <https://www.thpa.or.th/>)

#### Others

- Credit Card Club
- Personal Loan Club
- Thailand's Private Sector Collective Action Against Corruption
- The Federation of Thai Industries
- Thai Boutique Accommodation Trade Association
- Personnel Management Association of Thailand
- Thailand Management Association
- The Association of Domestic Travel: (ADT)
- Thai Travel Agents Association: (TTAA)
- Thai Listed Companies Association
- Thai Institute of Directors: (IOD)
- Thai Chamber





# ENVIRONMENTAL DIMENSION

## Environmental and Climate Change Management

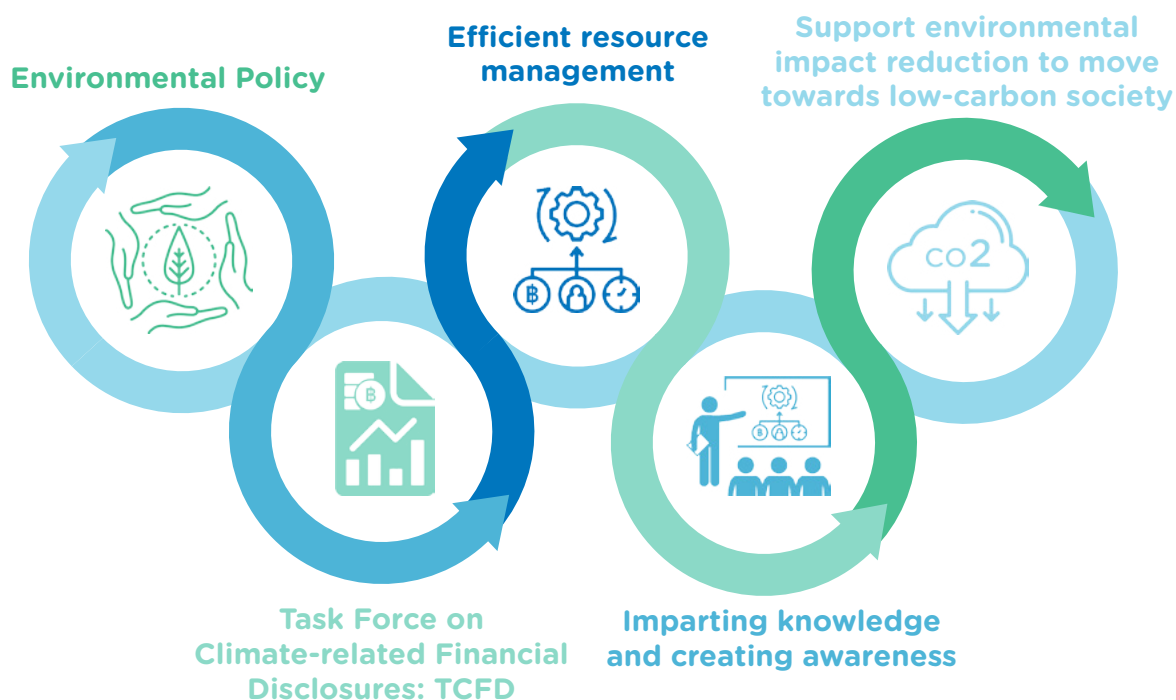
### Risk

It is likely that the occurrence of natural disasters caused by climate change will be more frequent and intense, and authorities have issued various laws and regulations to mitigate environmental impacts. If the Company lacks planning to efficiently deal with the environment and relevant risks, such failure might adversely affect its environmental operation and goals.

### Opportunity

If the Company undertakes environmental management in an efficient manner, it will be able to reduce resource use that creates impacts on the environment and its operating expenses, and it will have opportunities to expand the base of customers willing to support environmentally-friendly products and services. Moreover, the Company will be able to raise stakeholders' awareness of potential impacts on the environment and climate change.

Even though consumer finance business creates little environmental impacts, KTC has not neglected on environmentally-friendly business operation through establishing environmental goals and management approaches to address key sustainability issues, such as eco-efficiency, water and waste management. In its role as financial institution, the Company campaigned on reduced use of energy and resources as well as reduced greenhouse gas emissions from business operation, instilled conscientiousness among employees, and sought opportunities to support the efforts to minimize environmental impacts. All these activities have been carried out according to the approaches prescribed by the Office of Natural Resources and Environmental Policy and Planning to integrate climate change issues into national policies and plans – for instance, national strategy, master plan under national strategy, national economic and social development plan, and master plan to address climate change – in alignment with the objectives of the Paris Agreement, to which Thailand joined as a party to the United Nations Framework Convention on Climate Change.



## ➤ Environmental Policy

The Company prescribes environmental policy in the Code of Conduct, which has been endorsed by the Board of Directors. The policy covers the followings:



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

## ➤ Task Force on Climate-related Financial Disclosures: TCFD

The Company established and developed a long-term environmental strategy. Relevant departments jointly studied and contemplated strategic approaches to carbon emission and climate strategy in order to ensure comprehensive coverage of the scopes, operational plan and suitable implementation in environmental management. Such consideration was based on business characteristics, weights of key issues in environmental sustainability, which were ranked at a low level based on opinions of stakeholders, and policies of the public sector and regulatory bodies relevant in responding to the COP28 agreements so as to address potential climate risks in the future. In addition, the Company has been considering suitable disclosure of climate-related finance information according to the Task Force on Climate-related Financial Disclosures (TCFD)'s guidelines. Information is as follows:



### Governance

The Company has oversight on climate-related risks and opportunities.

### Strategy

The Company conducts assessment of short, medium and long-term climate-related risks and opportunities as well as impacts on business, strategy and financial planning of the organization.

### Risk Management

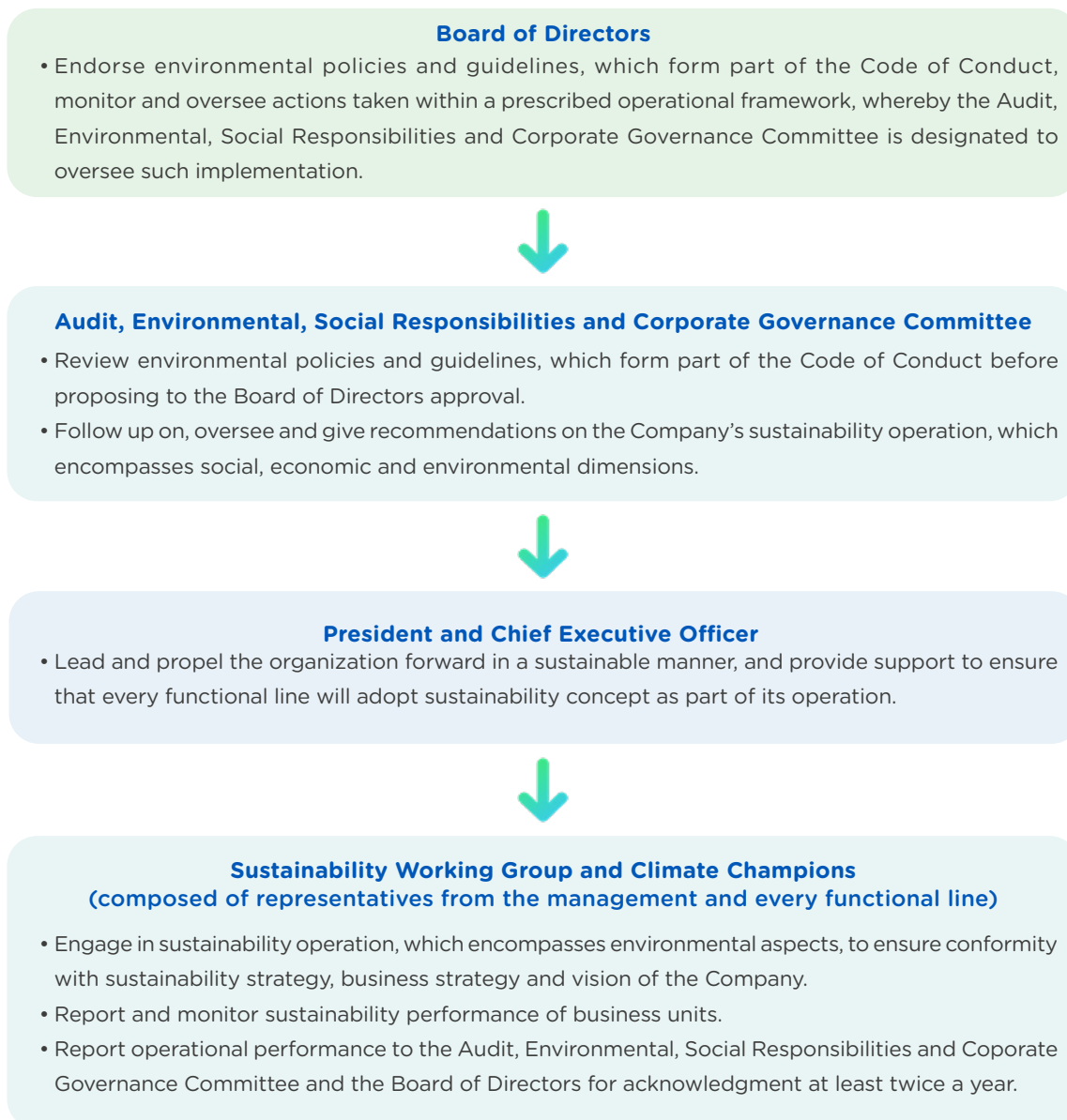
The Company ensures that risk management for climate change is included as part of enterprise risk management. This involves analysis and assessment of risks, opportunities and impacts; impact control and mitigation; as well as follow-up and report on climate change risks.

### Metrics and Targets

The Company sets greenhouse gas emission targets and establishes Scope 1, Scope 2 and Scope 3 according to risk management strategy and measures. In addition, it monitors operational outcomes and results of management measures on a continuous basis.

## Governance

The Company undertakes climate change oversight, which is part of its sustainability operation, as follows:



(Please refer to additional information under the "KTC and Sustainable Development" topic)



## Strategy

The Company incorporates management of risks caused by climate change as part of enterprise risk management through analysis of risks and opportunities, impact control and mitigation, follow-up and report on impacts of climate change risks, including physical and transition risks at a general level of risks specifically identified within the organization. The aim is to undertake preparedness and develop adaptation approaches to climate change impacts on the Company in accordance with good practices in implementing the Task Force on Climate-related Financial Disclosures (TCFD)'s recommendations, which encompass the upstream to downstream value chain. Results are as follows:

### Risks

Type	Climate Change Risk	Potential Business Impact	Time Period	Approaches to Risk Control
<b>Transition Risk</b>	<b>Policy and Regulation</b> <ul style="list-style-type: none"> <li>Require disclosure of greenhouse gas emission reports</li> <li>Issuance or Change of policies and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Business costs increase due to higher operating expenses because public entities or regulatory bodies revise any regulation or policy or issue a new one. As a result, the Company needs to improve or modify operational processes in order to comply with prescribed rules.</li> </ul>	Short-Medium	<ul style="list-style-type: none"> <li>Relevant work units regularly keep abreast with rules and regulations and keep the management and the Board of Directors informed of potential impacts when authorities issue or revise rules and regulations.</li> <li>Designate a coordinator to liaise with relevant regulatory bodies.</li> </ul>
	<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>	<ul style="list-style-type: none"> <li>Business costs increase because the Company needs to develop personnel, channels or products so as to meet changing market trends.</li> </ul>	Long-term	<ul style="list-style-type: none"> <li>Develop products and services that contribute to mitigating environmental impacts such as KTC Mobile, e-Coupon, e-Statement and PIN, in order to minimize resource use and business costs, as well as alternative for customers.</li> </ul>
	<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>Environmentally conscious investors may lose interest in the Company.</li> <li>Stakeholders' confidence declines.</li> </ul>	Medium	<ul style="list-style-type: none"> <li>Implement an environmental strategy that mandates relevant business units regularly to report progress of the achievement of environmental sustainability goals to the management and the Board of Directors on a regular basis; disclose sustainability operational performance to stakeholders for acknowledgment.</li> </ul>
	<b>Technology</b> <ul style="list-style-type: none"> <li>Environmentally-friendly technologies undergo rapid changes.</li> </ul>	<ul style="list-style-type: none"> <li>The Company cannot adapt itself to technological changes in a timely manner.</li> <li>Stakeholders' confidence declines.</li> </ul>	Long-term	<ul style="list-style-type: none"> <li>Keep abreast with the change of innovation and technology</li> <li>Develop a strategy and designate responsible business units to achieve environmental targets</li> </ul>
<b>Physical Risk</b>	<ul style="list-style-type: none"> <li>Acute natural disasters such as floods and droughts</li> </ul>	<ul style="list-style-type: none"> <li>Expenses increased from prevention or recovery from natural disasters</li> </ul>	Medium	<ul style="list-style-type: none"> <li>Develop a business continuity plan and an emergency disaster response plan to deal with various types of disaster, and prepare an alternative site and resources required for recovery of key activities.</li> </ul>
	<ul style="list-style-type: none"> <li>Chronic natural disasters such as unseasonal rains and higher global temperatures</li> </ul>	<ul style="list-style-type: none"> <li>Damage to customers and the Company's assets</li> </ul>	Long-term	



## Opportunities

The growing trend of increased focus on climate change, environmental conservation, and eco-friendly products has become more prominent. The Company envisions an opportunity to innovate products and services aligning with the preferences of this customer segment. This expansion aims to tap into a new target audience, creating avenues for competitiveness and fostering business growth, as outlined below:

Opportunity Stemming from Climate Change	Opportunity or Benefit to the Organization	Approach to Opportunity Response
<b>Products and services</b> Developing products and services through integration with various digital technologies and innovations.	<ul style="list-style-type: none"> <li>• Broaden market reach to encompass new target demographics and enhance opportunities for income generation through products and services.</li> <li>• Create opportunities in competition and for business growth.</li> <li>• Help expand membership base.</li> <li>• Help reduce waste and expenses related to plastic card or paper management.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide products and services, as well as special promotions, to customers that help reduce environmental impact.</li> <li>• Develop products with outstanding digital innovation features, such as KTC DIGITAL credit card, introducing safety features through numberless card and dynamic CVV/CVC2.</li> </ul>
<b>Marketing</b> Offering environmentally-friendly products, services and promotions to mitigate climate change impacts.	<ul style="list-style-type: none"> <li>• Reduce business costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Offer products, services and promotions in conjunction with online payment schemes, as an alternative to paper, such as e-Coupon, e-Statement, e-Newsletter and PIN.</li> </ul>
<b>Efficient use of resources</b> Managing efficient use of energy and resources.	<ul style="list-style-type: none"> <li>• Reduce operating costs.</li> <li>• Reduce greenhouse gas emission.</li> </ul>	<ul style="list-style-type: none"> <li>• Environmentally-friendly procurement, such as paper or furniture</li> <li>• Pursue campaigns and create awareness on efficient use of resources, such as water, electricity and paper.</li> <li>• Improve work processes to ensure efficient use of resources, such as creating online forms.</li> </ul>

## 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 prepared a business continuity plan (BCP) and sought an alternate site that could operate critical business functions so as to minimize physical impacts.

**In 2023, environmental risk assessment reported a low risk level and did not identify any significant risk issue.**

## 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 information under the "Sustainability Performance" topic)

## Efficient Resource Management



Paper



Waste



Electricity



Water



Fuel



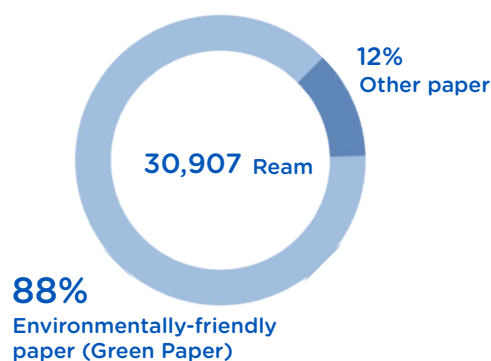
Care the bear

### Cutbacks of Paper Consumption

#### Reducing use of paper from work processes

The Company adopts an approach to minimize paper consumption in work processes throughout the organization by retaining important documents in an electronic file format, developing a work system to support paperless work processes, sending email, instead of sending a document copy, to other business unit, and using recycled paper, while recognizing the importance of security of information when email is sent out or recycled paper is used. The aim is to minimize use of paper, which is made from natural resources, save storage space, allow for ease of retrieval, and save electricity when using photocopier.

#### Paper for operations in 2023



#### Supporting reduction of paper consumption through products and services

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 to receive discounts at partner stores to reduce the consumption of paper resources, the use of energy and chemicals from the printing process and to be consistent 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 and MAAI BY KTC Application 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 and MAAI BY KTC Application from various marketing activities such as point redemption, spending according to specified conditions, etc.

In 2023,  
KTC had a total of  
**2,664,530**  
e-Coupons sent to  
customers



and cutback  
of paper  
consumption

**1,330**  
reams

##### • 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.

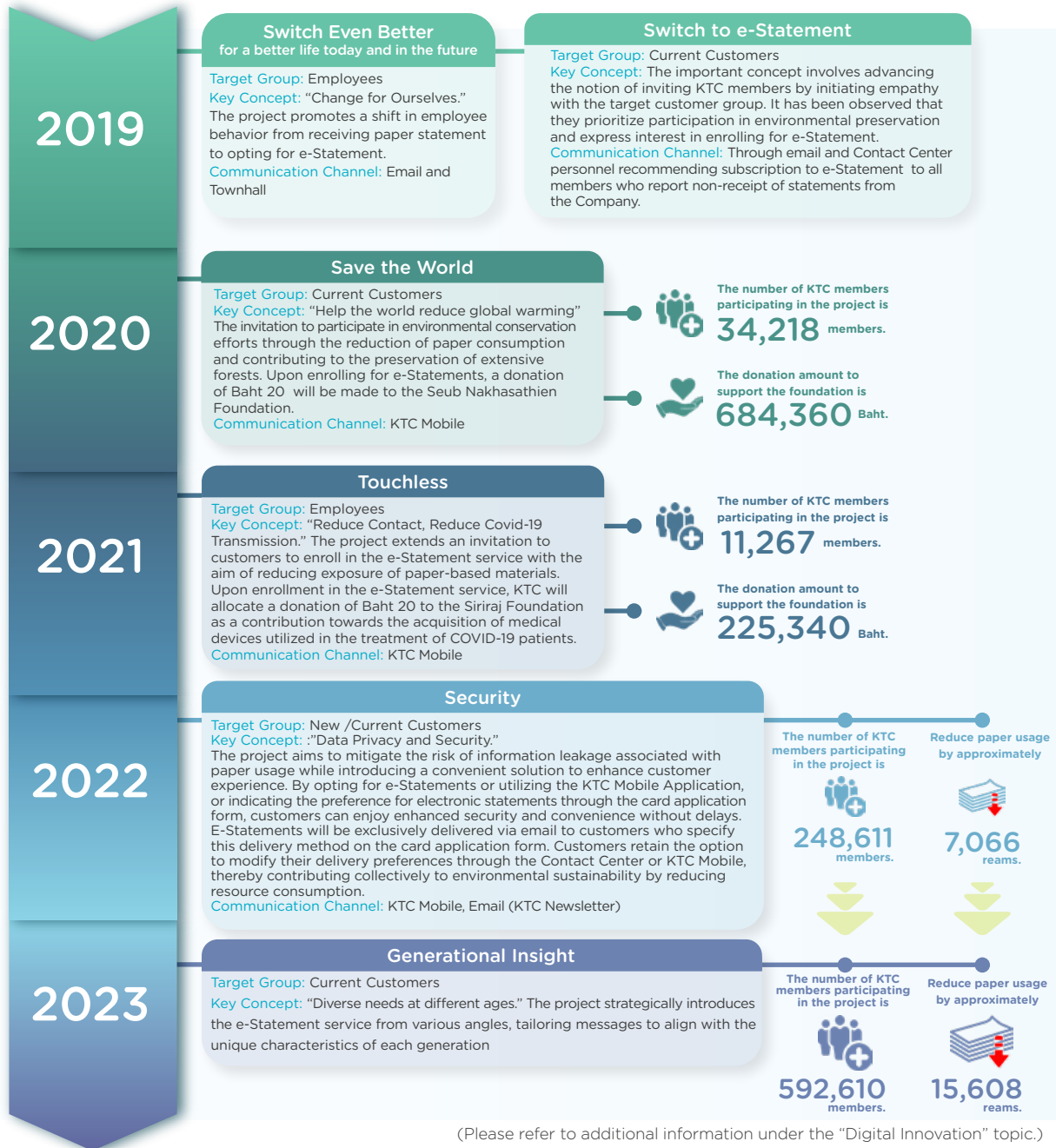
In 2023, KTC was able to reduce paper usage by canceling the sending of ATM PINs (PIN Mailer), resulting in paper reduction of **1,954** reams



Note : one copy of ATM PIN (PIN Mailer) equals 1.5 pages (500 pages equal 1 ream).

## • e-Statement

The Company is cognizant of and prepared to contribute to the mitigation of global warming issues by transitioning from paper statements to electronic statements (e-Statements). This transition is aimed at minimizing challenges associated with damaged or lost paper documents and expediting expense verification for increased convenience. Additionally, the adoption of e-statements has reduced the resources consumed in paper statement printing, thereby promoting environmental preservation and conserving energy expended in the disposal of unused statement waste as follows:



## • Welcome Book

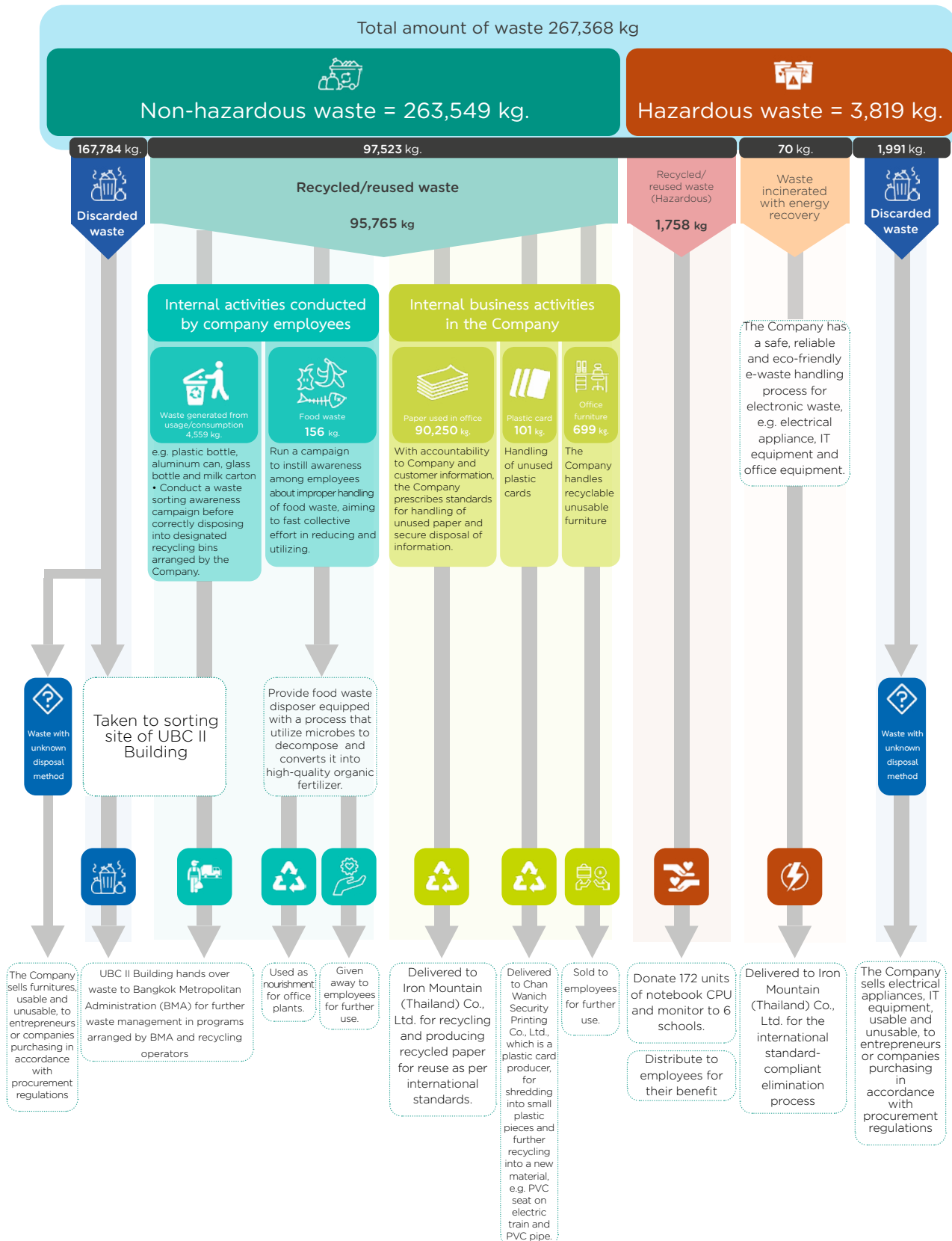
The company has decided to discontinue the delivery of the Welcome Book, as well as the terms and conditions of card usage, to members. Instead, these materials will be provided via email.



## Waste Management

### Waste Management

The Company's waste management consists of two components as follows:

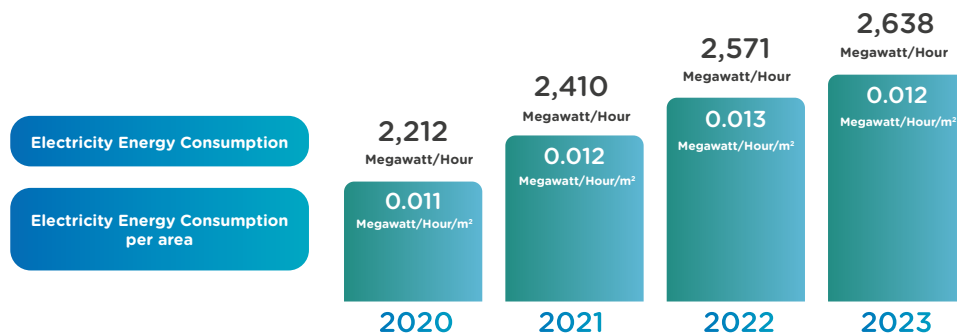
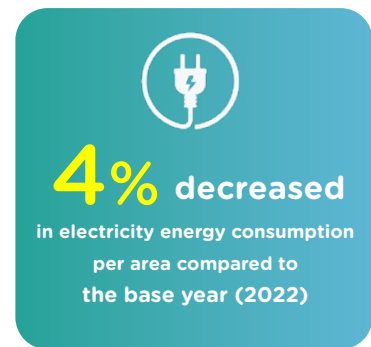


GRI 302-4, 306-2, 306-3, 306-4, 306-5

## Efficient Electricity Consumption

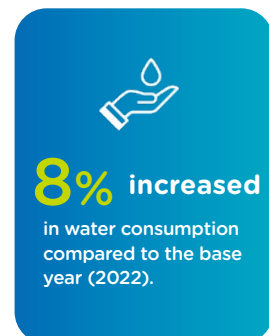
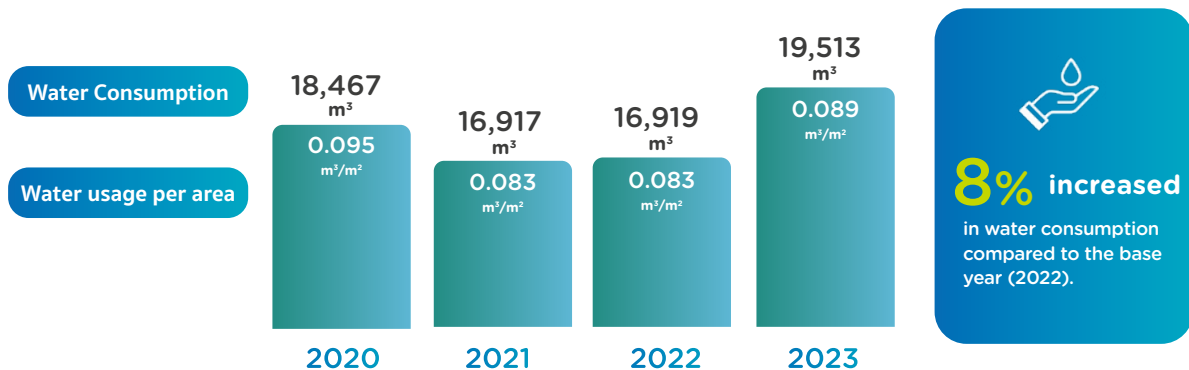
The Company reduced the electricity consumption through the following actions:

- Used LED light bulbs for 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 7:30 AM to 6:00 PM
- Adjusted the temperature of the air conditioner system to the appropriate temperature
- Campaigned for employees to save energy.



## Water Resource Management

The Company recognizes the importance of water resource usage. It has run a campaign to instill awareness among employees to ensure that they recognize the need to save water, know the value of water, and maximize benefits of water usage. Moreover, faucet and pipe leakage are also inspected regularly. Used water goes through UBC II building's efficient wastewater treatment system that meets legal requirements. Furthermore, when the Company undertook the office construction and renovation project on G level in 2023, it also switched to automatic faucets and toilet and urinal flushes in order to save water and minimize contact with germs.



Increase in water consumption was attributed to a rise in leased space and number of employees.

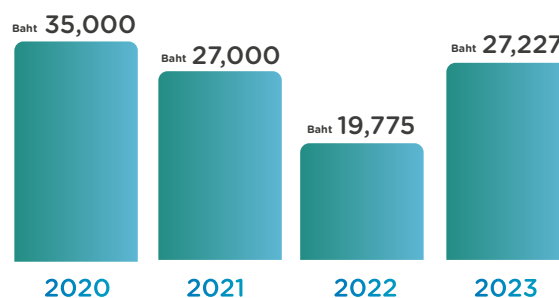
GRI 302-1, 302-3, 302-4, 305-1



## Fuel Energy Management

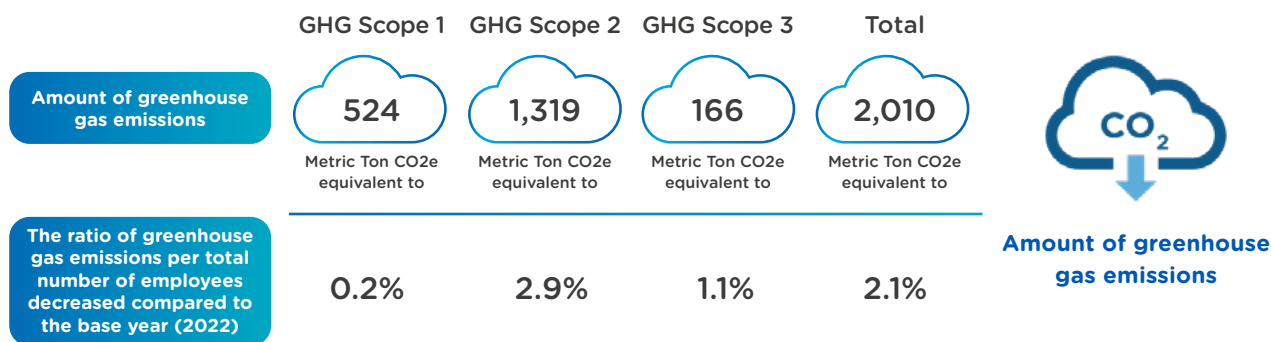
The Company has a leasing contract for central fleet vehicles and executive cars. It has specified vehicle standards to choose eco-friendly fuels, reducing emissions from exhaust pipes, such as E20 and E85 fuels. Notably, traveling is based on business necessity only.

### Fuel Cost Saving



## Greenhouse Gas Emissions

The Company produces greenhouse gas emissions as consequences of its resource management in various aspects of its operation.





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:



## KTC ECO ZONE: Campaign on waste sorting before disposal



## Separating plastic spoons and forks before disposal

Solicit employee participation in reducing the amount of plastic spoon and fork waste and forwarding them to Siriraj Hospital for proper recycling.



## Campaign on electricity saving and reducing global warming

Run an awareness-raising campaign to solicit employees' participation in electricity and energy saving or reducing greenhouse gas emissions by showing impacts on the amount of electricity usage and energy cost on a monthly basis and use email messages to solicit their effort in reducing electricity and energy cost.

### Noppamas costume contest under the theme “Modern-day Loy Krathong: Care for the Environment”

KTC organizes a Loy Krathong event by inviting employees to participate in Noppamas costume contest, in which contestants must wear a traditional costume made from recycled or natural materials. The objective is to raise employees' awareness of environmental issues and current global warming situation, which nowadays is deemed a crisis situation. Determined by votes cast by employees, winners are contestants who come up with creatively designed costumes that meet the event's objective and can create eco-friendly hype in the organization.



### Knowledge Talk KTC FIT Talk #10: “It’s Time for Alternative Energy to Shine: The Energy for Survival”

KTC, in conjunction with the Department of Alternative Energy Development and Efficiency and Siam Cement Group PLC., promotes proper understanding among the general public and interested individuals by inviting representatives from public and private sectors related to alternative energy to share their views on alternative energy, trends of EV and solar cell use in Thailand, opportunities to access alternative energy at household level, and special privileges designed to lighten expense burden of credit card members and consumers.



**Number of participants:**  
75

● **Media: 60 media**  
(economic/ financial/ insurance/ marketing/ sustainable development/ social contribution activities)

**Format: Online and offline**

● **KTC employee: 15 persons**

**Format: Offline**



**Views and live watching via Facebook: KTC Journey**

● **Number of reach: 1,874 views**

● **Number of engagement: 97 interactions**



**Number of published news pieces: 160**



**PR Value equivalent:**  
Baht 10,907,252



**Date:**  
November 28, 2023

## ➤ 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.



(Please refer to additional information under the “ESG Products and Services”)

### Green Procurement

The Company supports entrepreneurs who are concerned with the environment. We have continually considered supporting products from printing manufacturers that have received Carbon Neutral Certification or Green Print. Moreover, in 2023 the Company renovated G and P2B floor office space in UBC II Building and 17th floor office space in Thai Summit Building with procurement of environmentally-friendly products, construction materials and services (Green Procurement) such as interior.

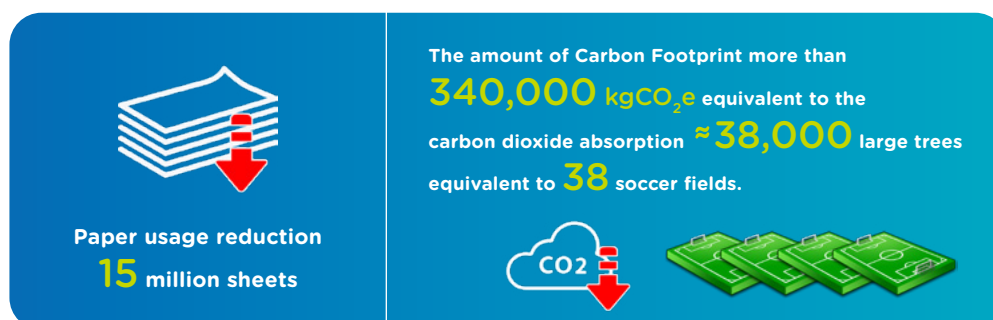
(Please refer to additional information under the “Supply Chain Management” topic)

### 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 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 2023, the Company reduced the amount of Carbon Footprint from business operations and internal resources management more than 340,000 kilograms of carbon dioxide.



## ABOUT THIS REPORT

### ➤ Report Boundaries

#### KTC Group consists of:

- Krungthai Card Public Company Limited
- Subsidiary Companies are as follows:
  - KTC Pico (Bangkok) Co., Ltd.
  - KTC Nano Co., Ltd.
  - KTC Prepaid Co., Ltd.
  - KTB Leasing Co., Ltd.
- Associate is KTB 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 2023 to 31 December 2023.

The scope of this Sustainability Report covers the sustainable operating results of KTC, KTC Pico (Bangkok) Co., Ltd. Information in the Sustainability Report 2023 covers the period of business operations from 1 January 2023 to 31 December 2023.

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/en/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., is 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 Information

#### **Krungthai Card Public Company Limited**

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North Klongton, Wattana, Bangkok 10110, Thailand

**Telephone :** 02 828 5017, 02 828 5369

**E-mail :** [sdktc@ktc.co.th](mailto:sdktc@ktc.co.th)

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



## 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>  
consists of
  1. Corporate Governance Policy
  2. Code of Conduct
  3. Charter on Regulations and Operational Guidelines for Audit Committee
  4. Charter of Nomination and Remuneration Committee
  5. KTC Supplier Code of Conduct and Confidentiality Agreement
  6. Internal Control and Risk Management
  7. Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CFT&WMD) Policy Statement
  8. Summary of the Anti-Corruption Procedure
  
- <https://www.ktc.co.th/en/investor-relations/publications-webcast/investorkits>  
consists of
  1. Form 56-1 One Report 2023
  2. Financial Statements
  3. MD&A
  
- <https://www.ktc.co.th/en/investor-relations/financialinformation/tax-policy>  
Tax Policy

## ADDITIONAL INFORMATION

### ➤ 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. Permanent** 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

1.2.1 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 Digital Marketing Division, the Distribution Business Unit, the Merchant Acquiring Business Unit, the Auto Loan Business Unit, the Personal Loans Business Unit.

##### STEM (Science, Technology, Engineering and Mathematics) employees

means employees in the Finance Business Unit, the Information Technology Business Unit, the Data 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** mean 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 =** 
$$\frac{(\text{Number of people} \times \text{Number of working days} \times \text{Number of normal working hours (per day)}) + \text{Total overtime hours (Only applied to operating personnel)}}{1}$$
- **Total number of working days in a year =** 
$$\text{Number of people} \times \text{Number of working days in a year}$$
- **Rate of Recordable Work-related Injuries =** 
$$\frac{\text{Number of Recordable Work-related Injuries (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **Lost Time Injury Rate (LTIR) =** 
$$\frac{\text{Number of Lost Time Injuries (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **Lost Day Injury Rate (LDIR) =** 
$$\frac{\text{Number of Lost Day Injuries (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **Rate of Fatalities as a result of Work-related Injury =** 
$$\frac{\text{Number of Fatalities as a result of Work-related Injuries (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **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) =** 
$$\frac{\text{Number of Occupational Disease Rate (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **Lost Day Rate (LDR) =** 
$$\frac{\text{Number of Lost Day Rate (as of the day the report is prepared)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **Rate of High-consequence Work-related Injuries (excluding fatalities) =** 
$$\frac{\text{Number of High-consequence Work-related Injuries (excluding fatalities)} \times 1,000,000 \text{ (hours worked)}}{\text{Number of hours worked (as of the day the report is prepared)}}$$
- **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 factors are referred from Thailand Greenhouse Gas Management Organization (Public Organization) for that year.

#### 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.

GRI 305-1, 305-2, 305-3, 305-5

# SUSTAINABILITY PERFORMANCE

## Economic Dimension

Unit: Million Baht

Information	2023
Total Revenue	25,418
Net Profit	7,295
Total Portfolio	112,346
• Credit Card	74,441
• Personal Loans	34,716
• Leasing	3,189
Credit Card Spending	265,383
Net Interest Margin	13.2%
Total NPL	2.2%
NPL Coverage Ratio	400.3%

Remark: The consolidated financial statements of Krungthai Card Public Company Limited



## Social Dimension

### Total Number of Employees

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Employee	Persons	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695	604	1,188	1,792
% of total workforce	%	34.52	65.48	100.00	33.55	66.45	100.00	34.10	65.90	100.00	33.71	66.29	100.00
< 30 years old	Persons	109	254	363	90	224	314	89	186	275	104	209	313
	%	6.25	14.56	20.81	5.28	13.14	18.42	5.25	10.97	16.22	5.80	11.66	17.47
30-50 years old	Persons	427	792	1,219	408	801	1,209	410	802	1,212	423	845	1,268
	%	24.48	45.41	69.90	23.93	46.98	70.91	24.19	47.32	71.50	23.60	47.15	70.76
> 50 years old	Persons	66	96	162	74	108	182	79	129	208	77	134	211
	%	3.78	5.50	9.29	4.34	6.33	10.67	4.66	7.61	12.27	4.30	7.48	11.77
Full-time employees	Persons	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695	604	1,188	1,792
% of total Employee	%	34.52	65.48	100.00	33.55	66.45	100.00	34.10	65.90	100.00	33.71	66.29	100.00
By type of employment													
Permanent	Persons	556	1,041	1,597	531	1,039	1,570	540	1,026	1,566	563	1,086	1,649
% of total FTEs	%	34.82	65.18	100.00	33.82	66.18	100.00	34.48	65.52	100.00	34.14	65.86	100.00
< 30 years old	Persons	81	190	271	67	173	240	69	144	213	81	166	247
	%	5.07	11.90	16.97	4.27	11.02	15.29	4.41	9.20	13.60	4.91	10.07	14.98
30-50 years old	Persons	409	755	1,164	391	758	1,149	392	754	1,146	405	790	1,195
	%	25.61	47.28	72.89	24.90	48.28	73.18	25.03	48.15	73.18	24.56	47.91	72.47
> 50 years old	Persons	66	96	162	73	108	181	79	128	207	77	130	207
	%	4.13	6.01	10.14	4.65	6.88	11.53	5.04	8.17	13.22	4.67	7.88	12.55
By Employee Position													
Management position	Persons	144	182	326	148	186	334	176	263	439	174	280	454
% of total management positions	%	44.17	55.83	100.00	44.31	55.69	100.00	40.09	59.91	100.00	38.33	61.67	100.00
Top management position	Persons	8	5	13	8	5	13	7	5	12	6	6	12
% of total top management positions	%	61.54	38.46	100.00	61.54	38.46	100.00	58.33	41.67	100.00	50.00	50.00	100.00
< 30 years old	Persons	0	0	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30-50 years old	Persons	0	4	4	0	4	4	0	2	2	0	3	3
	%	0.00	30.77	30.77	0.00	30.77	30.77	0.00	16.67	16.67	0.00	25.00	25.00
> 50 years old	Persons	8	1	9	8	1	9	7	3	10	6	3	9
	%	61.54	7.69	69.23	61.54	7.69	69.23	58.33	25.00	83.33	50.00	25.00	75.00
Middle management position	Persons	57	89	146	66	90	156	79	93	172	77	99	176
% of total middle management positions	%	39.04	60.96	100.00	42.31	57.69	100.00	45.93	54.07	100.00	43.75	56.25	100.00
< 30 years old	Persons	0	1	1	0	0	0	0	0	0	0	0	0
	%	0.00	0.68	0.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30-50 years old	Persons	28	38	66	35	36	71	41	35	76	39	40	79
	%	19.18	26.03	45.21	22.44	23.08	45.51	23.84	20.35	44.19	22.16	22.73	44.89
> 50 years old	Persons	29	50	79	31	54	85	38	58	96	38	59	97
	%	19.86	34.25	54.11	19.87	34.62	54.49	22.09	33.72	55.81	21.59	33.52	55.11

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Junior management position	Persons	79	88	167	74	91	165	90	165	255	91	175	266
% of total junior management positions	%	47.31	52.69	100.00	44.85	55.15	100.00	35.29	64.71	100.00	34.21	65.79	100.00
< 30 years old	Persons	1	0	1	1	0	1	1	1	2	2	0	2
	%	0.60	0.00	0.60	0.61	0.00	0.61	0.39	0.39	0.78	0.75	0.00	0.75
30-50 years old	Persons	64	75	139	58	69	127	68	122	190	71	135	206
	%	38.32	44.91	83.23	35.15	41.82	76.97	26.67	47.84	74.51	26.69	50.75	77.44
> 50 years old	Persons	14	13	27	15	22	37	21	42	63	18	40	58
	%	8.38	7.78	16.17	9.09	13.33	22.42	8.24	16.47	24.71	6.77	15.04	21.80
Non-management position	Persons	412	859	1,271	383	853	1,236	364	763	1,127	389	806	1,195
% of total non-management positions	%	32.42	67.58	100.00	30.99	69.01	100.00	32.30	67.70	100.00	32.55	67.45	100.00
General Employee	Persons	412	859	1,271	383	853	1,236	364	763	1,127	389	806	1,195
% of total general employee	%	32.42	67.58	100.00	30.99	69.01	100.00	32.30	67.70	100.00	32.55	67.45	100.00
< 30 years old	Persons	80	189	269	66	173	239	68	143	211	79	166	245
	%	6.29	14.87	21.16	5.34	14.00	19.34	6.03	12.69	18.72	6.61	13.89	20.50
30-50 years old	Persons	317	638	955	298	649	947	283	595	878	295	612	907
	%	24.94	50.20	75.14	24.11	52.51	76.62	25.11	52.80	77.91	24.69	51.21	75.90
> 50 years old	Persons	15	32	47	19	31	50	13	25	38	15	28	43
	%	1.18	2.52	3.70	1.54	2.51	4.05	1.15	2.22	3.37	1.26	2.34	3.60
Contractor (Non-management position)	Persons	46	101	147	41	94	135	38	91	129	41	102	143
% of total contractor	%	31.29	68.71	100.00	30.37	69.63	100.00	29.46	70.54	100.00	28.67	71.33	100.00
< 30 years old	Persons	28	64	92	23	51	74	20	42	62	23	43	66
	%	19.05	43.54	62.59	17.04	37.78	54.81	15.50	32.56	48.06	16.08	30.07	46.15
30-50 years old	Persons	18	37	55	17	43	60	18	48	66	18	55	73
	%	12.54	25.17	37.41	12.59	31.85	44.44	13.95	37.21	51.16	12.59	38.46	51.05
> 50 years old	Persons	0	0	0	1	0	1	0	1	1	0	4	4
	%	0.00	0.00	0.00	0.74	0.00	0.74	0.00	0.78	0.78	00.00	2.80	2.80

By function group													
Management Level in revenue generating functions	Persons	48	76	124	48	73	121	51	86	137	57	116	173
% of total Management Level in revenue generating functions	%	38.71	61.29	100.00	39.67	60.33	100.00	37.23	62.77	100.00	32.95	67.05	100.00
< 30 years old	Persons	1	1	2	1	0	1	1	0	1	0	0	0
	%	0.81	0.81	1.61	0.83	0.00	0.83	0.73	0.00	0.73	0.00	0.00	0.00
30-50 years old	Persons	39	46	85	37	38	75	36	52	88	42	76	118
	%	31.45	37.10	68.55	30.58	31.40	61.98	26.28	37.96	64.23	24.28	43.93	68.21
> 50 years old	Persons	8	29	37	10	35	45	14	34	48	15	40	55
	%	6.45	23.39	29.84	8.26	28.93	37.19	10.22	24.82	35.04	8.67	23.12	31.79
STEM-related position	Person	87	96	183	81	94	175	90	97	187	89	100	189
% of total STEM-related position	%	47.54	52.46	100.00	46.29	53.71	100.00	48.13	51.87	100.00	47.09	52.91	100.00
< 30 years old	Persons	7	11	18	6	12	18	11	14	25	15	18	33
	%	3.83	6.01	9.84	3.43	6.86	10.29	5.88	7.49	13.37	7.94	9.52	17.46
30-50 years old	Persons	62	67	129	57	65	122	59	63	122	55	62	117
	%	33.88	36.61	70.49	32.57	37.14	69.71	31.55	33.69	65.24	29.10	32.80	61.90
> 50 years old	Persons	18	18	36	18	17	35	20	20	40	19	20	39
	%	9.84	9.84	19.67	10.29	9.71	20.00	10.70	10.70	21.39	10.05	10.58	20.63

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
By Nationality													
Thai	Persons	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695	604	1,188	1,792
	%	34.52	65.48	100.00	33.55	66.45	100.00	34.10	65.90	100.00	33.71	66.29	100.00
Foreigners	Persons	0	0	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Country													
Thailand	Persons	602	1,142	1,744	572	1,133	1,705	578	1,117	1,695	604	1,188	1,792
	%	34.52	65.48	100.00	33.55	66.45	100.00	34.10	65.90	100.00	33.71	66.29	100.00
Elsewhere	Persons	0	0	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Hiring

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of hires	Persons	64	128	192	42	132	174	119	255	374	121	238	359
Total number of hires to Total vacant positions (internal & external)	%	33.33	66.67	100.00	24.14	75.86	100.00	31.82	68.18	100.00	33.70	66.30	100.00
External Hires													
Total number of new employee hires	Persons	57	118	175	40	118	158	112	238	350	116	222	338
External hire to Total vacant positions (internal & external)	%	29.69	61.46	91.15	22.99	67.82	90.80	29.95	63.64	93.58	32.31	61.84	94.15
By type of employment													
Full-Time Employees	Persons	27	64	91	24	83	107	82	148	230	94	176	270
By Employee Position													
By Management Position	Persons	14	8	22	2	3	5	13	13	26	13	22	35
Top management Position	Persons	0	0	0	0	0	0	0	1	1	0	0	0
Middle management Position	Persons	2	4	6	1	2	3	5	1	6	2	4	6
Junior management Position	Persons	12	4	16	1	1	2	8	11	19	11	18	29
By Non-management Position	Persons	13	56	69	22	80	102	69	135	204	81	154	235
General Employee	Persons	13	56	69	22	80	102	69	135	204	81	154	235
Contractor (Non-management position)	Persons	30	54	84	16	35	51	30	90	120	22	46	68
Contractor	Persons	30	54	84	16	35	51	30	90	120	22	46	68
By age group													
< 30 years old	Persons	31	77	108	26	74	100	53	108	161	58	104	162
30-50 years old	Persons	25	40	65	14	44	58	56	126	182	58	117	175
> 50 years old	Persons	1	1	2	0	0	0	3	4	7	0	1	1
By Nationality													
Thai	Persons	57	118	175	40	118	158	112	238	350	116	222	338
Foreigners	Persons	0	0	0	0	0	0	0	0	0	0	0	0

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Internal Hires													
Total number of internal hires	Persons	7	10	17	2	14	16	7	17	24	5	16	21
Internal hire to Total vacant positions (internal & external)	%	3.65	5.21	8.85	1.15	8.05	9.20	1.87	4.55	6.42	1.39	4.46	5.58
By type of employment													
Full-Time Employees	Persons	6	10	16	2	14	16	7	17	24	4	15	19
By Employee Position													
By Management Position	Persons	4	0	4	0	6	6	3	3	6	2	3	5
Top management Position	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Middle management Position	Persons	2	0	2	0	3	3	0	1	1	1	2	3
Junior management Position	Persons	2	0	2	0	3	3	3	2	5	1	1	2
By Non-management Position	Persons	2	10	12	2	8	10	4	14	18	2	12	14
General Employee	Persons	2	10	12	2	8	10	4	14	18	2	12	14
Contractor (Non-management position)	Persons	1	0	1	0	0	0	0	0	0	1	1	2
Contractor	Persons	1	0	1	0	0	0	0	0	0	1	1	2
By Age													
< 30 years old	Persons	1	6	7	1	3	4	0	5	5	0	3	3
30-50 years old	Persons	6	4	10	1	9	10	7	10	17	5	11	16
> 50 years old	Persons	0	0	0	0	2	2	0	2	2	0	2	2
By Nationality													
Thailand	Persons	7	10	17	2	14	16	7	17	24	5	16	21
Foreigners	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Total number of open position	Persons	205			197			389			395		
Average hiring cost / FTE	Baht	25,242			28,920			13,387			14,791		

## Total Number of Employees Turnover

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Employee Turnover	Persons	49	111	160	67	105	172	95	195	290	81	137	218
Total Employee Turnover Rate	Persons	2.81	6.36	9.17	3.93	6.16	10.09	5.60	11.50	17.11	4.52	7.65	12.17
By type of employment													
Full-Time Employees													
Total Full-Time Employees Turnover	Persons	38	70	108	49	82	131	78	158	236	72	116	188
Total Full-Time Employees Turnover Rate	Persons	2.18	4.01	6.19	2.87	4.81	7.68	4.60	9.32	13.92	4.02	6.47	10.49
By Employee Position													
By Management Position	Persons	14	16	30	13	11	24	17	18	35	21	16	37
Top management Position	Persons	0	0	0	0	0	0	1	0	1	1	0	1
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.06	0.06	0.00	0.06
Middle management Position	Persons	7	9	16	3	7	10	4	7	11	9	6	15
	%	0.40	0.52	0.92	0.18	0.41	0.59	0.24	0.41	0.65	0.50	0.33	0.84
Junior management Position	Persons	7	7	14	10	4	14	12	11	23	11	10	21
	%	0.40	0.40	0.80	0.59	0.23	0.82	0.71	0.65	1.36	0.61	0.56	1.17
By Non-management Position	Persons	24	54	78	36	71	107	61	140	201	51	100	151
General Employee	Persons	24	54	78	36	71	107	61	140	201	51	100	151
	%	1.38	3.10	4.47	2.11	4.16	6.28	3.60	8.26	11.86	2.85	5.58	8.43
Contractor (Non-management position)													
Total Contractor Turnover	Persons	11	41	52	18	23	41	17	37	54	9	21	30
Total Contractor Turnover Rate	%	0.63	2.35	2.98	1.06	1.35	2.40	1.00	2.18	3.19	0.50	1.17	1.67
By age group													
< 30 years old	Persons	17	46	63	25	40	65	29	59	88	24	42	66
	%	0.97	2.64	3.61	1.47	2.35	3.81	1.71	3.48	5.19	1.34	2.34	3.68
30-50 years old	Persons	25	53	78	38	60	98	57	127	184	47	83	130
	%	1.43	3.04	4.47	2.23	3.52	5.75	3.36	7.49	10.86	2.62	4.63	7.25
> 50 years old	Persons	7	12	19	4	5	9	9	9	18	10	12	22
	%	0.40	0.69	1.09	0.23	0.29	0.53	0.53	0.53	1.06	0.56	0.67	1.23
By Nationality													
Thai	Persons	49	111	160	67	105	172	95	195	290	81	137	218
	%	2.81	6.36	9.17	3.93	6.16	10.09	5.60	11.50	17.11	4.52	7.65	12.17
Foreigners	Persons	0	0	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Information	Units	2020			2021			2022			2022		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Voluntary Employee Turnover	Persons	45	110	155	65	103	168	93	187	280	78	137	215
Voluntary Employee Turnover Rate	%	2.58	6.31	8.89	3.81	6.04	9.85	5.49	11.03	16.52	4.35	7.65	12.00
By Type of Employment													
Full-Time Employees													
Voluntary Full-Time Employees Turnover	Persons	34	69	103	49	80	129	76	152	228	70	116	186
Voluntary Full-Time Employees Turnover Rate	%	1.95	3.96	5.91	2.87	4.69	7.57	4.48	8.97	13.45	3.91	6.47	10.38
By Employee Position													
By Management Position	Persons	12	15	27	13	11	24	16	18	34	20	16	36
Top management Position	Persons	0	0	0	0	0	0	1	0	1	1	0	1
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.06	0.06	0.00	0.06
Middle management Position	Persons	6	8	14	3	7	10	3	7	10	9	6	15
	%	0.34	0.46	0.80	0.18	0.41	0.59	0.18	0.41	0.59	0.50	0.33	0.84
Junior management Position	Persons	6	7	13	10	4	14	12	11	23	10	10	20
	%	0.34	0.40	0.75	0.59	0.23	0.82	0.71	0.65	1.36	0.56	0.56	1.12
By Non-management Position	Persons	22	54	76	36	69	105	60	134	194	50	100	150
General Employee	Persons	22	54	76	36	69	105	60	134	194	50	100	150
	%	1.26	3.10	4.36	2.11	4.05	6.16	3.54	7.91	11.45	2.79	5.58	8.37
Contractor (Non-management position)													
Voluntary Contractor Turnover	Persons	11	41	52	16	23	39	17	35	52	8	21	29
Voluntary Contractor Turnover Rate	%	0.63	2.35	2.98	0.94	1.35	2.29	1.00	2.06	3.07	0.45	1.17	1.62
By Age Group													
< 30 years old	Persons	16	46	62	24	40	64	29	58	87	23	42	65
	%	0.92	2.64	3.56	1.41	2.35	3.75	1.71	3.42	5.13	1.28	2.34	3.63
30-50 years old	Persons	23	53	76	38	58	96	57	120	177	45	83	128
	%	1.32	3.04	4.36	2.23	3.40	5.63	3.36	7.08	10.44	2.51	4.63	7.14
> 50 years old	Persons	6	11	17	3	5	8	7	9	16	10	12	22
	%	0.34	0.63	0.97	0.18	0.29	0.47	0.41	0.53	0.94	0.56	0.67	1.23
By Nationality													
Thai	Persons	45	110	155	65	103	168	93	187	280	78	137	215
	%	2.58	6.31	8.89	3.81	6.04	9.85	5.49	11.03	16.52	4.35	7.65	12.00
Foreigners	Persons	0	0	0	0	0	0	0	0	0	0	0	0
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Total Number of Labor Union Member

Information	Units	2020	2021	2022	2023
Number of employees who are labor union members	Persons	0	0	0	0

Remark: The Company has established a welfare committee in which the members have partially been selected from employees as representatives.

## Occupation Health

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Female	KLVD	Total	Male	Female	Total
Sick leave													
Number of sick days	Days	1,222	3,342	4,564	1,745	4,639	6,384	3,698	8,250	11,948	2,531	5,977	8,508
Number of time lost due to non-work related illness	Hours	9,776	26,735	36,511	13,958	37,110	51,068	29,584	66,000	95,584	20,248	47,816	68,064
Number of hours worked	Hours	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	1,174,176	2,309,472	3,483,648
Total scheduled work days in a year	Days	146,286	277,506	423,792	137,852	273,053	410,905	139,298	269,197	408,495	146,772	288,684	435,456
Number of days off work due to work-related ill health and Injury	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 recordable work-related injury	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Number of high-consequence work-related injury	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Number of fatalities as a result of work-related	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Occupational injury/illness rate and accidents leading to lost time													
Rate of recordable work-related injuries	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Lost Time Injury Rate (LTIR)	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Injury Rate (LDIR)	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Rate of fatalities as a result of work-related injury	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Disease Rate (ODR)	Number of employees per 1,000,000 operating hour	0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Rate (LDR)	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Absentee Rate (AR)													
Absentee Rate (AR)	%	0.84	1.20	1.08	1.27	1.70	1.55	2.65	3.06	2.92	1.72	2.07	1.95
Absentee rate ( work-related )	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Leave without Prior Notice	Days	0	0	0	0	0	0	0	0	0	0	0	0

## Parental Leave - Maternity Leave

Information	Units	2020		2021		2022		2023	
		Male	Female	Male	Female	Male	Female	Male	Female
Total number of employees that were entitled to parental leave	Persons	0	1,142	0	1,132	0	1,117	0	1,188
Total number of employees that took parental leave	Persons	0	26	0	21	0	21	0	15
Total number of employees that returned to work in the reporting period after parental leave ended	Persons	0	25	0	19	0	21	0	15
Rate of return to work	%	0	96	0	90	0	100	0	100
Total number of employees that retained to work	Persons	0	24	0	17	0	19	0	15
Employee retention rate after the end of the leave period	%	0	96	0	89	0	90	0	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 leave the previous year)\*100.

## Notifying employees in advance of any changes that will affect the position/character of employment

Information	Units	2020	2021	2022	2023
Timing	Weeks	2-4 Weeks	2-4 Weeks	2-4 Weeks	2-4 Weeks

## Significant Labor Dispute

Information	Units	2020	2021	2022	2023
Number of significant labor dispute	Case	0	0	0	0

Note: Important labor disputes, such as disagreements between employers and employees regarding employment conditions, which have not been resolved within the specified 3-day period or have been negotiated but no agreement has been reached, regardless of the reasons.

## The Level of Employee Engagement

Information	Units	2020			2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employee engagement score	%	70	73	72	67	65	66	69	68	68	71	70	70
Response rate	%	100	100	100	100	100	100	100	100	100	100	100	100

By Age					
Below 25 year	%	47	33	51	65
25-34 year	%	68	59	60	63
35-44 year	%	74	64	67	79
45-54 year	%	82	72	79	80
55 year and above	%	83	86	83	94

By Employee position					
By Management position					
Top management position	%	89	82	95	89
Middle management position	%	74	70	74	71
Junior management position	%	71			
By Non-management position					
General Employee	%	69	62	64	68
Contractor	%	54	55	77	72

By Nationality					
Thai	%	72	66	68	70

GRI 402-1

## Human Resource Development Data

Information	Units	2020	2021	2022	2023
Average hours per FTE of training and development	Hours/ Persons	45.59	57.04	64.38	77.12
Average total number of employees per year	Persons	1,824	1,743	1,689	1,735
Total number of training hours	Hours	83,151	99,420	108,744	133,786
Total number of employees trained	Persons	18,193	22,679	24,021	27,776

By Gender					
Male	Persons	6,008	8,539	8,902	12,334
Female	Persons	12,185	14,140	15,119	15,442

By Employee Position					
By Management position					
Top management Position	Persons	53	43	64	88
Middle management Position	Persons	205	104	204	314
Junior management Position	Persons	606	458	1,104	1,243
By Non-management position					
General Employee	Persons	15,864	18,639	18,957	21,664
Contractor	Persons	1,465	3,399	3,695	4,467



## Environmental Dimension

### Greenhouse Gas Emissions (GHG Emissions)

Information	Units	2020	2021	2022	2023
Total Greenhouse Gas Emissions	metric tonnes CO2 equivalents	1,715	1,772	1,941	2,010
Direct Greenhouse Gas Emissions (GHG Scope 1) (FleetCard)	metric tonnes CO2 equivalents	495	391	497	524
Indirect Greenhouse Gas Emissions (GHG Scope 2) (Electricity)	metric tonnes CO2 equivalents	1,006	1,205	1,285	1,319
Indirect Greenhouse Gas Emissions (GHG Scope 3)	metric tonnes CO2 equivalents	214	176	159	166
• Purchased Goods and Services (water and paper)	metric tonnes CO2 equivalents	213	175	158	165
• Business travel	metric tonnes CO2 equivalents	1	1	1	1
Intensity ratio of total GHG emissions to total revenues (Consolidated)	Metric tonnes of carbon dioxide equivalent / Thousand Baht of total revenues	0.00	0.00	0.00	0.00
Intensity ratio of total GHG emissions to total number of employees	Metric tonnes of carbon dioxide equivalent / Person	0.98	1.04	1.15	1.12

### Energy Use

Information	Units	2020	2021	2022	2023
<b>Electricity Consumption</b>					
Total electricity consumption within the organization	Megawatt-Hours	2,212	2,410	2,571	2,638
Electricity purchased for consumption from non-renewable energy sources	Megawatt-Hours	2,212	2,410	2,571	2,638
Electricity purchased or generated for consumption from renewable energy sources	Megawatt-Hours	0	0	0	0
Intensity of total electricity consumption within the organization	Kilowatt-Hours / m <sup>2</sup>	0.011	0.012	0.013	0.012
Intensity ratio of total electricity consumption within the organization to total number of employees	Kilowatt-Hours / Person / Year	1.27	1.41	1.52	1.47
Total electricity expense	Thousand Baht	13,099	14,270	15,423	16,291
Percentage of total electricity expense to total revenues (Consolidated)	%	0.06	0.07	0.07	0.06
<b>Fuel Consumption</b>					
Fuel Consumption	Megawatt-Hours	1,888	1,489	1,534	1,525
Total fuel expense	Thousand Baht	4,579	4,567	5,913	5,683
Percentage of total fuel expense to total revenues	%	0.02	0.02	0.03	0.02
<b>Energy Consumption</b>					
Total energy consumption	Megawatt-Hours	4,100	3,899	4,105	4,163
• Total non-renewable energy consumption	Megawatt-Hours	4,099	3,898	4,105	4,164
• Total renewable energy consumption	Megawatt-Hours	0	0	0	0
Intensity ratio of total energy consumption within the organization to total number of employees	Megawatt-Hours / FTE	2.35	2.29	2.42	2.32

### Water Use

Information	Units	2020	2021	2022	2023
Total water withdrawal by third-party water	Cubic meters	18,467	16,917	16,919	19,513
Total water discharge to third-party water	Cubic meters	14,773	13,534	13,535	15,611
Total water consumption	Cubic meters	3,693	3,383	3,384	3,903
Intensity of total water consumption	Cubic meters / m <sup>2</sup>	0.095	0.083	0.083	0.089
Total water withdrawal expense	Thousand Baht	369	338	338	390
Percentage of total water withdrawal expense to total revenues (Consolidated)	%	0.00	0.00	0.00	0.00

Remark: Total revenue from the consolidate financial statements of Krungthai Card Public Company Limited.

GRI 302-1, 302-2, 302-3, 302-4, 305-1, 305-2, 305-3, 305-5

# GRI CONTENT INDEX

Statement of use	Krungthai Card Public Company Limited has reported the information cited in this GRI content index for the period from January 1 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards 2023	Disclosure 2023	Page Number(s)		Relation to SDGs
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