



NEW VOYAGE

SUSTAINABILITY REPORT 2021

KRUNGTHAI CARD PUBLIC COMPANY LIMITED

HONORABLE AWARDS

INTERNATIONAL AWARDS



Upgraded rating of
AA from **A** in the
MSCI ESG Ratings



FTSE4Good

Member of the
FTSE4Good Index Series
since 2021

We, **KTC**, are pleased to share our recognition as a company committed to sustainability in our industry.



Member of the **S&P Global's**
Sustainability Yearbook 2022

NATIONAL AWARDS



Member of the list of
Thailand Sustainability Investment (THSI)
for **3** consecutive years since 2019 - 2021
and the **SETTHSI** for 2 consecutive years
since 2020 - 2021



The following certificates for its overall organization:

- The Information Security Management System
ISO/IEC 27001:2013.
- The Privacy Information Management System
ISO/IEC 27701:2019



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



"5-star" in the
Corporate Governance Report
of Thai Listed Companies 2021 survey for
6 consecutive years since 2016



Member with outstanding
Environmental, Social and Governance
Performance and ESG 100
for **6** consecutive years since 2016

Scored **100** points from the Annual General Meeting Quality Survey (AGM)

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KTC IS POISED
TO OVERCOME
CHALLENGES WITH
STAKEHOLDERS
TO SET OUT
A NEW JOURNEY
TO A BRIGHT FUTURE
TOGETHER IN A
SUSTAINABLE MANNER.



Message from the Chairman

KTC operates business responsibly by observing the principles of good corporate governance and respect for human rights as well as adopting suitable risk and cost management approaches. We believe that any growth built upon a strong foundation based on the concept “Sustainable Development by Spirit” will contribute to stability of economic and social sectors, and such concept represents one of the driving forces that will propel Thailand to achieve UN Sustainable Development Goals (SDGs).

In 2021, **KTC continued to reach a new high in profitability**, posting a record high profit of Baht 6,251 million, which reflected its strength and ability to adapt business operation and cope with various challenges. Despite crises brought about by COVID-19 pandemic and mutations that have wreaked havoc on Thai economy and society, **KTC showed its concerns for the plight of all stakeholder groups** by consistently helping affected debtors as mandated by the Bank of Thailand’s relief measures and organizing “care for each other” program to enable merchant partners affected by lockdown measures to keep their businesses afloat. Moreover, the Company also looked after employee’s health and safety and supported vaccination efforts to reduce the risk of COVID-19 infection to themselves and society.

With a strong determination to develop financial products and services to enhance quality of life for all Thais, KTC has unrelentingly pursued digital technologies and innovations development while focusing on security and privacy protection so as to allay concerns of service users by adopting ISO/IEC 27001:2013 Information Security Management System and ISO/IEC 27701:2019 Privacy Information Management System. As a result of company-wide certification in both international standards, KTC Mobile has never stopped winning hearts and minds of users. Additionally, in 2021 KTC developed an online credit application and review system of “KTC P BERM” via electronic channels to entirely engage in digital credit services and expanded its integrated retail finance business to encompass vehicle title loan, hire purchase, and leasing businesses in order to enhance opportunities for full and equitable access to diverse

financial services. Furthermore, KTC introduced digital learning platforms as learning center and community for employee communication anytime anywhere to meet the needs of changing lifestyle trends. Besides enhancing products, services and corporate operations with various digital technologies and innovations as well as efficient resource management, KTC continued to build awareness and turn awareness into action among employees in the organization so that **they can be part of the solution for reducing environmental impacts and the effects of climate changes**.

As a result of strong determination to elevate its integrated sustainability and earn local and international recognition as a leading company in consumer finance business, in 2021 KTC received awards from the Stock Exchange of Thailand by getting inducted into the Thailand Sustainability Investment (THSI) list for the third consecutive year and selected to be part of SETTHSI Index for the second consecutive year. At international level, KTC earned selection to FTSE4Good Index Series and received an upgrade of MSCI ESG rating to AA. Moreover, KTC was selected by S&P Global to be a part of the Sustainability Yearbook 2022 at the first year of assessment.

On behalf of the Board of Directors and the Company, I would like to express our gratitude to everyone for your continued trust in KTC. We promise that we will strive for continuous organizational development and always stand by our stakeholders in every moment of life. No matter what challenges or obstacles lie ahead, we will overcome these crises to set out a new journey to a bright future together in a sustainable manner.



Mr. Prasong Poontaneat

Chairman of the Board of Directors
Krungthai Card Public Company Limited



Our KTC

Our KTC

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Vision

KTC is a membership company in payment and retail lending business with sustainability as key element.

Mission



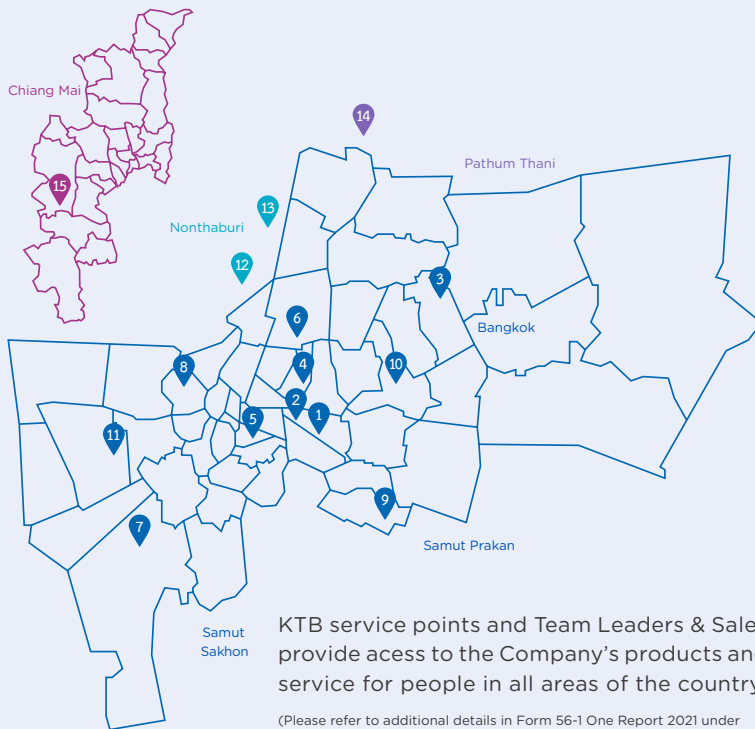
Core Values

Courageous

Smart
Simplicity

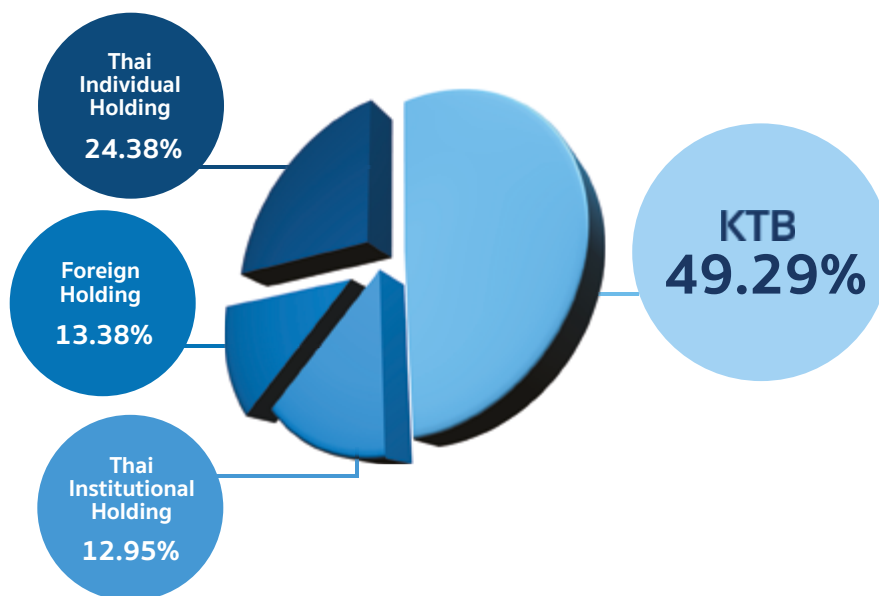
Meaningful

General Information

Company Name	Krungthai Card Public Company Limited (“KTC” or the “Company”)
Headquarter	591 United Business Centre II, 14th Floor, Sukhumvit 33 Road, North Klongton, Wattana, Bangkok 10110
KTC TOUCH Service Points	<p>KTC had a total of 15 KTC TOUCH service points - 14 in Bangkok metropolitan area and 1 in the provincial</p>  <p>KTB service points and Team Leaders & Sales provide access to the Company's products and service for people in all areas of the country.</p> <p>(Please refer to additional details in Form 56-1 One Report 2021 under “KTC TOUCH” topic)</p>
Registered and Paid-Up Capital	Baht 2,578,334,070
Background	<p>December 4, 1996: Registered as juristic person.</p> <p>July 2, 2002 : Registered as public company limited under the name of “Krungthai Card Public Company Limited”</p> <p>October 28, 2002: Listed in the Stock Exchange of Thailand.</p> <p>Present : KTC is a leading company in consumer finance business.</p> <p>(Please refer to more additional in Form 56-1 One Report 2020 under “Policy and Business Overview” topic)</p>
Objectives and Business of the Company and its subsidiaries	<p>Company operates a credit card business as its main business, including credit card related business, merchant acquiring business, payment service, as well as personal loan business which includes personal loan business under supervision and auto title loan. In response to changes in technology and society, the Company has added a full range of financial products covering provincial retail lending business, occupational retail lending business, E-payment business, hire purchase and leasing business as well as holding business to support the Company's business operations to create sustainable long - term returns.</p>

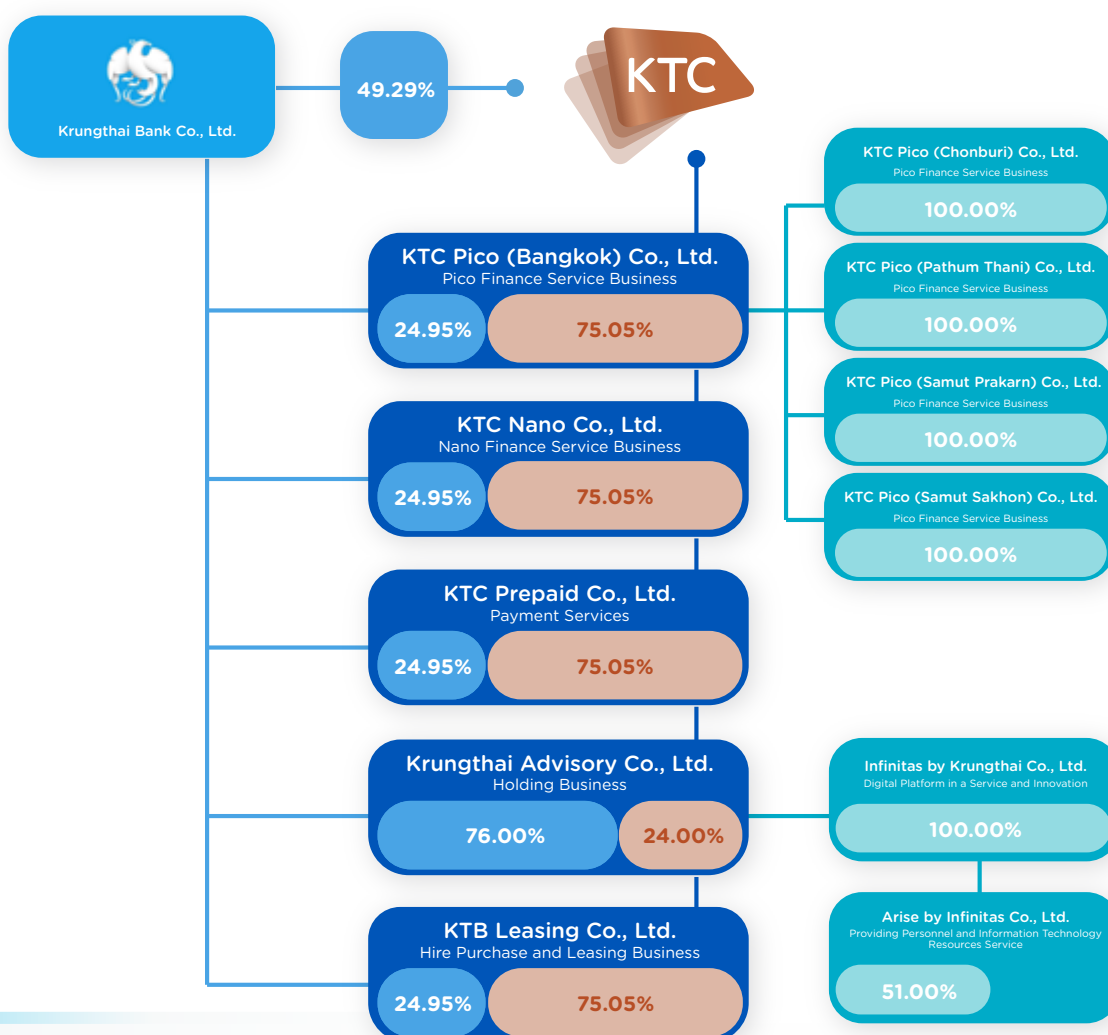
Shareholding Structure of the Company

As of 31 December 2021



Shareholding Structure of the subsidiaries and associated companies

As of 31 December 2021



Relationship with shareholders

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

Relationship with major shareholders

- As at the end of 2021, Krungthai Bank Public Company Limited (“Krungthai Bank”) and Mr. Mongkol Prakitchaiwattana, two major shareholders, held 49.29% and 10.18% of total issued shares respectively.
- The Company has no agreement or obligation with any major shareholders.
- The Company is an affiliated company in the financial business group of Krungthai Bank. It is incumbent upon Krungthai Bank to supervise KTC’s business operations in accordance with the principles of consolidated supervision laid down by the Bank of Thailand.
- The Company forges a business partner relationship

with Krungthai Bank, a major shareholder which is a juristic person. Under collaboration with the Krungthai Bank, the Company can utilize Krungthai bank branches as distribution channel for its products and services in order to reach consumers throughout the country.

- The Company operates its businesses independently without policy and management interference from Krungthai Bank or the public sector, which is a major shareholder of Krungthai Bank.
- Transactions between the Company and Krungthai Bank or any companies in the Bank’s financial business group conforms to conditions of normal course of business practices.

(Please refer to additional details in Form 56-1 One Report 2021 under “Corporate Governance Policy” and “Internal Control and Related Party Transactions” topics)

Investment in subsidiaries and associated companies

2019

To participate in solving informal debt problems, increase financial opportunities to access and create jobs and employment for people in society, the Company and Krungthai Bank jointly

- formed KTC Pico (Bangkok) Co., Ltd. to operate provincial-level Pico finance business under supervision or Pico Plus. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively. KTC Pico (Bangkok) Co., Ltd. held 100% of total issued shares in four Pico Finance companies in four provinces: Chonburi, Pathum Thani, Samut Sakhon, and Samut Prakarn.
- formed KTC Nano Co., Ltd. to operate nano finance services under supervision. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.

2020

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

- formed KTC Prepaid Co., Ltd. to operate a business that provides electronic money, acquiring business,

bill payment and electronic fund transfer services. The Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.

- purchased additional shares in Krungthai Advisory Co., Ltd., a holding business, to acquire additional shares in Infinitas by Krungthai Co., Ltd. for the purpose of investing in digital platform business and other technology-related services. The Company and Krungthai Bank held 24% and 76% of total issued shares respectively.

2021

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

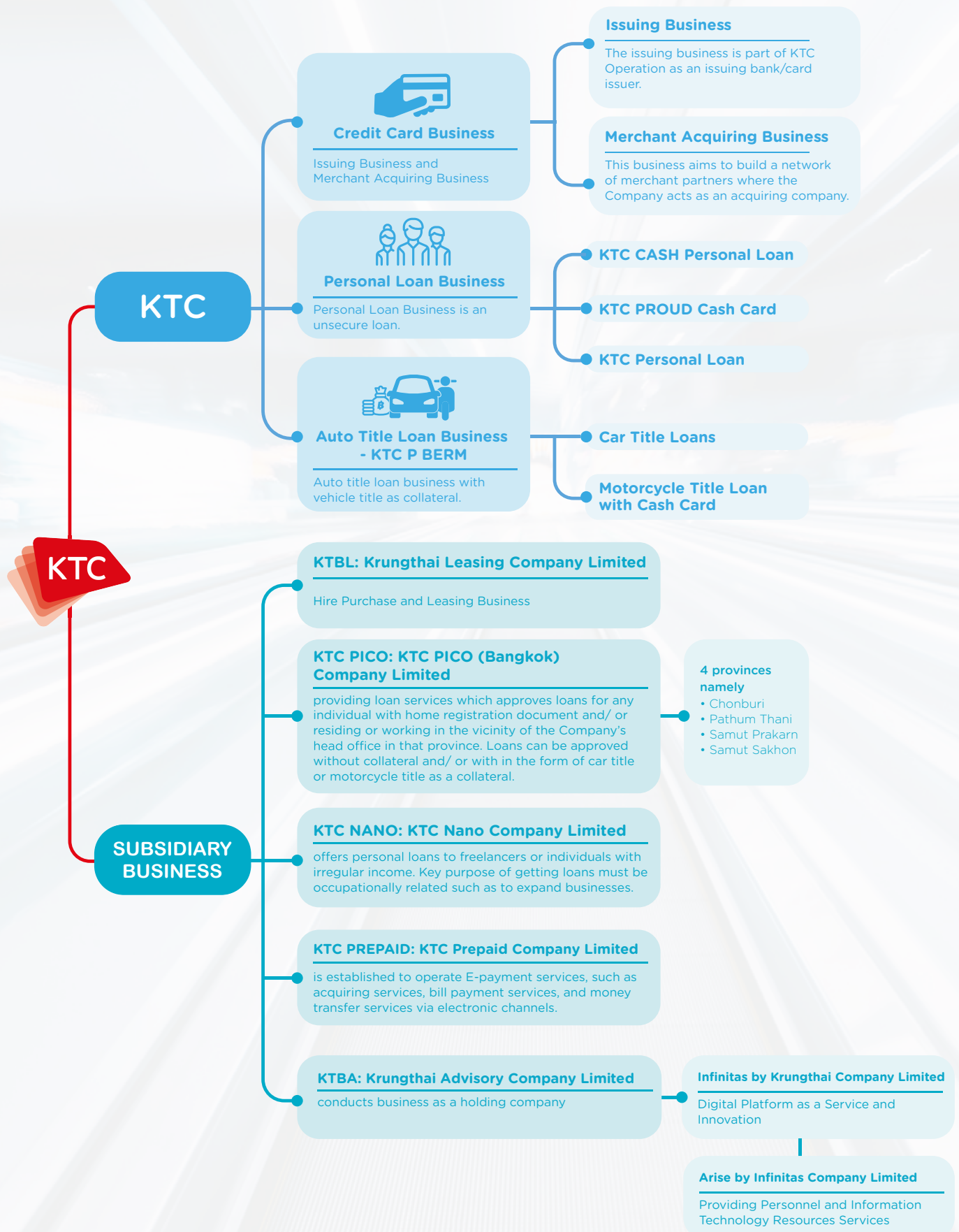
- the Company acquired ordinary shares of Krungthai Leasing Co., Ltd. from Krungthai Bank PCL. to engage in hire purchase and leasing business, in which the Company and Krungthai Bank held 75.05% and 24.95% of total issued shares respectively.

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

Capital management to support business operations

- The Company does not have banking license as stipulated in the Financial Institution Business Act 2008. Therefore, it cannot accept deposits.
- The Company procures loans from diverse loan sources, such as financial instruments and bank loans (including loan from Krungthai Bank, its major shareholder). Applicable loan interest rates correspond to prevailing market rates. As a result, the Company has well diversified sources of funds and can maintain a balanced ratio of short-term and long-term loans and financing cost that corresponds to market conditions.
- The Company has a suitable financial management system to ensure that financing cost and the ratio of each type of loan correspond to aging of its debtors and interest rate trends in the future and that it can maintain sufficient daily cash balance to run its business operation. Moreover, the Company's total credit line from commercial banks amounts to Baht 33,340 million (as at December 31, 2021, available credit line amounted to Baht 24,009 million). Furthermore, the Company maintains a committed credit line for contingencies, develops liquidity risk indicators, and regularly performs liquidity stress test to assure that it would not have any liquidity problems.

Products and Services



(Please refer to additional details in Form 56-1 One Report 2021 under "Nature of Business" topic)

Membership of Associations

102-13

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

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

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

Business Strategy

102-15, 103-1, 103-2

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

To be AGILE ENTITY

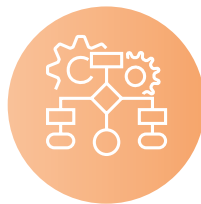
In order to create solid foundation for a sustainable growth through agile concept and be ready to cope with rapid changes, this can be done through 5 key factors as follows:



Strategy



Structure



Process



People



Technology

- **Strategy** : Create opportunity and utilize existing resources to add values to all stakeholders.
- **Structure** : Define clear roles and responsibilities for all personnel, together with encourage them to be able to complete their own works and solve their own problems to gain outstanding performance.
- **Process** : Improve working processes to reduce complexity, yet still emphasize in adequate internal controls and appropriate risk management.
- **People** : Highlight personnel management by respecting human right, along with providing personnel with knowledge and skills that efficiently promote business operations.
- **Technology** : An essential part needed to be merge with every dimension of the organization.

KTC Business Trends and Strategy in 2022



1. Credit card business trends and strategy in 2022



For credit card business in 2022, the Company focuses on expanding its card base together with major partners by launching new products, and developing and improving Co-brand credit cards to have the right benefits that capture cardmembers in the long run. The Company also set target for the card spending amount to grow at 10%

KTC's credit card marketing strategies for 2022 can be summarized as follows:

- **Member base expansion with the right credit card:**

KTC never stops developing and improving credit card products in order to create higher satisfaction level. In 2022, benefits and privileges of some card types will be altered to meet customers' needs more specifically to each card types' target group by focusing on high-end customers and new generation with modern lifestyles. In addition to main sales channels, Krungthai Bank and its sales representatives, KTC will emphasize more on using public relations, applying through online channels, and expanding member base through merchants' stores. For some Co-brand cards that KTC has jointly issued with partners, benefits and privileges will be altered to make the card more attractive. It is expected to see more cooperation with other partners in issuing new types of Co-brand card this year.

- **Proactive credit card portfolio management:**

As the economy is gradually recovered after the COVID-19 outbreak, KTC should also take new card approvals risk management into account. Therefore, the card spending growth requires the most efficient management of current portfolio. Data analysis, changes tracking, and understanding cardmembers behavior are essential for KTC to build long-term relationship with cardmembers.

- **Promotional campaigns to stimulate spending:**

KTC determines to maintain its strength in offering diversified and comprehensive privileges. The Company recognizes the importance of not only offering privileges in all categories, but also covering all merchants nationwide. As a result, cardmembers will spend continuously through KTC credit cards and will become their regular card later. In addition to Bangkok and its vicinities, KTC also focuses on marketing in economic provinces and tourism provinces by cooperating with partners, merchants and organizations, as well as various associations to design marketing campaigns and privileges with KTC's unique corporate identities of novelty, creativity and diversity in order to simultaneously achieve benefits for both business partners and cardmembers. In addition, KTC has continually expanded its online business partners in term of both quantity and diversity of products and services to be in accordance with consumers' behavior in digital era during the past year. KTC also places an importance on convenience, safety, and peace of mind when spending online. Using technology to create convenient



experience, easy and safe promotional campaigns resulted in a positive growth in spending through online channels and more credit card spending. Thus, in 2022, KTC will continue to give its top priority in promoting marketing campaigns with its online partners. In addition, as the trend of retail business is shifting from offline to online and online to offline or omni channel, offline marketing activities are still very important. When the COVID-19 outbreak situation has eased, it will be an opportunity for KTC to create a superior experience through marketing activities and various events which promote KTC brand awareness and create opportunities to expand new credit card customer base. Regardless, KTC's overall marketing campaigns either via online or at merchants premises will exercise KTC FOREVER reward points and monthly installment payment as key marketing tools.



- **Driving marketing activities with KTC FOREVER points and monthly installment payment:**

KTC Forever points are not only a tool to build long-term relationship between KTC and cardmembers, but also creating value for money and a way to reward continuity

of spending via KTC cards. Its variety of merchants, redemption channels, and minimum points to redeem not only create satisfaction for card members, but also create satisfaction for merchant partners where KTC is bringing in new customers and businesses through joint marketing using KTC FOREVER points. There will be more merchants participating in point redemption, as well as increasing the convenience of redeeming/transferring points via KTC Mobile application. The monthly installment payment service is a very important tool especially during the economic slowdown because it reduces the burden and helps cardmembers make purchasing decisions easier. This also makes it easier for merchants to sell more products.



• **Create differentiation strategy with KTC World Travel service and KTC U SHOP:**

Based on higher number of Thai people starting to travel since the lockdown period in 2021, KTC believes that in 2022, there will definitely be more travel. The Company has prepared in terms of service and building a network of travel partners so that the Company can provide a full range of services. With a standardized service quality level, non-stop 24 hours service, and most importantly, credibility will allow KTC World Travel Service to satisfy cardmembers and make cardmembers choose to use KTC cards. For KTC U SHOP, it will be an e-Marketplace that collects interesting products and shops so that cardmembers can choose to buy products and services online with peace of mind and confidence in the service quality and reliability. Customers can use KTC credit cards and KTC FOREVER points to pay for goods and services. KTC U SHOP e-Marketplace will also be an additional sales channel for KTC's current merchant partners.

• **Exploit digital marketing communications to reach target customers.**

In an era where consumer behavior in acknowledging the news is increasingly moving toward digitalization, KTC has added various channels and media formats, whether it is KTC's internal media or the use of external media in public relations marketing activities so that KTC cardmembers can get information on a timely manner and do not miss great privileges provided. In addition, KTC uses social media to reach target customers who are not KTC cardmembers in public relations marketing campaigns which also creates KTC's brand awareness at a broader level.

• **Expand merchant acquiring business:**

KTC focuses on expanding the market by offering appropriate payment services that respond to the needs of merchants and customers in various business groups in order to create a good service experience for merchants and create sustainable growth for the Company. The Company places importance on both offline and online payment services regardless of full payment, installment payment, KTC FOREVER point redemption, as well as 24 hours merchant helpdesk service. The Company has a strategy to expand its merchant base by partnering with bank and business partners in order to promote fully integrated services for merchants through payment acceptance facilities and sales management system. In addition, it will equip online stores with facilities that can accommodate a skyrocketing growth of e-Commerce and Social Commerce businesses and will develop novel payment services and products in order to serve growing businesses that are shifting from accepting cash payment to credit card payment. This strategy is instrumental in helping propel Thailand towards cashless society according to the government policy. Furthermore, the Company will continue to highlight the importance of the development of collaborative partnership between Krungthai Bank and KTC in order to build joint business opportunities that will lead to an increase of the Company's revenue base.

2. Business Trend and Strategies of Personal Loan Business for 2022



The Company foresees that personal loan business in 2022 will possibly grow from 2020 as Covid-19 outbreak situation is getting better and economic outlook should be better than the previous year. Thus, credit demand is likely to be increased. KTC's strategies of personal loan business in 2022 aim at maintaining good quality of receivables portfolio, building brand loyalty with existing members and encouraging the idea of KTC as their brand preference for financing needs, as well as alleviating debt burden for members with good financial discipline through all-time favorite marketing campaigns such as Debt-Clearing campaign. Meanwhile, the Company continues to target new members with credit demands to improve their quality of life for promising future and with sound financial discipline. The Company has also unceasingly developed its products and services for member's utmost convenience and best value for money by highlighting a distinctive feature of "Withdraw-Transfer-Swipe-Pay" all in one card. Furthermore, the Company also focuses on improving member's quality of life for sustainable and simultaneous growth by promoting financial discipline through seminars of Financial Literacy and through useful articles with simple media formats. Knowledge sharing workshops for career and investment advice have also been arranged to elevate member's future income.

3. Business Trend and Strategies of Auto Title Loan Business for 2022



The Company believes that auto title loan business has a potential to substantially expand in 2022. Due to current economic situation along with the COVID-19 outbreak, credit demands are increasingly required constantly. Nonetheless, financial institutions still need to emphasize on credit quality control. As a

result, credit amount is more limited and credit approval criteria are further strictly adjusted. This has led overall industry to divert attention to credit lending with vehicle registration as collateral since target customers with their own vehicles are capable of loan repayment as well as possess potentially low risk.

The Company's strategies of auto title loan business, KTC P Berm, for 2022 are to aim for member base expansion in order to achieve continuous growth, with core strategies summarized as follows:

- **Hybrid Channels:** By leveraging "P BERM Delivery" services coupled with receiving loan applications through Krungthai Bank's main channels whether applying through the Bank's branches with more than 900 branches nationwide or online channels such as Website or various Applications, target customers can access KTC P BERM services easily and quickly, as well as covering more provincial areas.

- **Product Diversification:** Focuses on the design and development of auto title loan products to be more variety and meet all market's needs, including provide credit in the form of "KTC P BERM" cash card, which is the first time ever for car and motorcycle title loans cash card that customers can Withdraw-Transfer-Swipe-Pay for instant use of money in case of emergency.

- **Digitization & Process Improvement:** Aims to develop a convenient and quick credit application process. The Company intends to continually utilize new technologies for credit application process whether it is transaction execution via tablet device or online application (real time) for credit approval request so that credit could be approved and immediately transferred to member's bank account within 2 hours.

- **Brand awareness:** Creates brand awareness mainly through online channel as target customers's main behavior is to receive information via online media channel. The Company focuses on building brand awareness to the industry and target customers by emphasizing on communicating product name of KTC P Berm through main media channels both online and offline particularly influential media with direct connection to target customers' behavior in order to make the product known, get attention, and reach target customers in a wider range.

- **Target Expansion:** Expands member base to new target groups with viable potentials and financing needs but lack of opportunities to access sources of funds such as revolving loans for business partners, loans for investors of franchise business, loans for individuals with second job or freelancers, etc.

4. Business Trend and Strategies of Hire Purchase and Leasing Business for 2022



4. Business Trend and Strategies of Hire Purchase and Leasing Business for 2022

The overall trend of the hire purchase and leasing business in 2022 is expected to have stable growth due to ongoing situation of the COVID-19 outbreak from the past year causing target customers to spend quite cautiously especially for customers who have demand for new car hire purchase loans which is the main business group of this industry. As of December 31, 2021, the industry's total outstanding receivables of hire purchase business stood at 1,180,707 million Baht, increased by 0.1% compared to the same period last year with a total receivables amount of 1,179,314 million Baht. However, the trend of second-hand car hire purchase business segment continues to grow in a positive direction because consumers turn to focus on value for money and affordable prices of used cars. Therefore, behavior has shifted toward buying used cars.

For the hire purchase and leasing business strategy in 2022, the Company focuses on launching new products and expanding member base to both business lending and retail lending customers groups. The main focus is on the second-hand car hire purchase business. The hire purchase business strategy will be in consistent with KTC's secured credit business group strategy, which can be summarized as follows:

- **Product Diversification:** Focuses on the design and development of credit products to be diverse and meet all market's needs.
- **Digitization & Process Improvement:** Focuses on developing a convenient and quick credit application process by continuously introduce new technologies for credit application process.
- **Brand awareness:** Focuses on building brand awareness to the industry and target customers by emphasizing on communicating credit products through mainstream media both online and offline channels.
- **Target Expansion:** Expands member base to new target groups with viable potentials and financing needs but lack of opportunities to access sources of funds both business lending and retail lending target groups. The Company set goal under KTC P BERM and Krungthai Leasing are at 11,500 million Baht.



Corporate Governance



103-3

Long - Term Target 2026	Target 2021	Performance 2021
To conduct business operations efficiently while achieving exceptional corporate governance and consistently attain a CGR* score of no less than 90.	The Company had developed a sustainability strategic plan and presented this plan to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee which is authorized by the board for oversee such matters.	The Company had developed a sustainability strategic plan and presented this plan to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee which is authorized by the board of director for oversee such matters.

* CGR means Corporate Governance Report.

103-1

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



102-16, 102-17, 102-18, 102-19, 102-32, 103-2

KTC adopts the principles of good corporate governance as a vital approach to build and maintain credibility in its business operations, and it also upholds the importance of business integrity and ethics, which will ensure that its organizational management can be carried out in an efficient, transparent and auditable manner. Moreover, KTC is also committed to equitably balanced value creation for all stakeholder groups.

► Corporate Governance Policy

The corporate governance policy covers the following aspects:

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

and customer information or financial information as prescribed by law.

5. Board and committee responsibilities encompass scopes and authority of board of directors, board chairman, 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.
6. Anti-corruption policy encompasses corporate guidelines and practices, which include anti-corruption whistleblowing channels that prevention of any corrupt acts in corporate work processes.

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

► Board of Directors

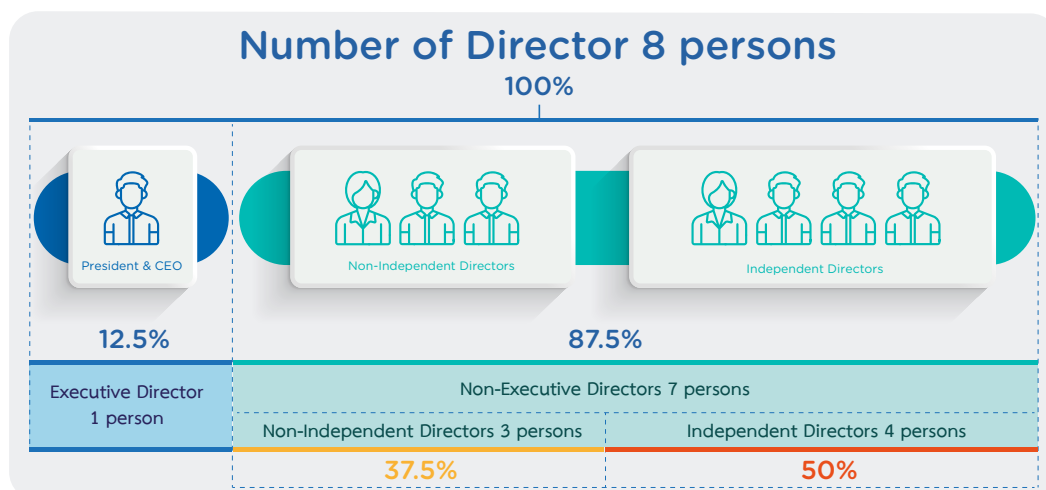
The Board of Directors performs critical corporate governance and management, and it independently makes decisions for the best interest of the Company and its stakeholders. Moreover, it is incumbent upon the board to consider vision and mission statements as well as core values and strategies and to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

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

Board Structure

The Company has one-tier board of directors and two sub-committees to fulfill their duties as prescribed in the corporate governance policy and the committee charters.

By the end of 2021, the Board of Directors' composition is as follows:



Four Independent Directors, representing 50% of a total number of Directors, which is more than the requirement of the Securities and Exchange Commission (SEC) for the number of Independent Directors to be at least one-third of a total number of Directors and not less than three people.

(Please refer definition of independency and the Qualifications of Independent Directors in the Charter on Regulations and Operational Guidelines for Audit, Environmental, Social Responsibilities and Corporate Governance Committee)

Autonomy from the Management

Board chairman is a non-executive, non-independent director. However, to ensure that board chairman can fulfill his or her duties independently without management interference, the Company imposes a clear separation between the roles and duties of board chairman and president & chief executive officer and stipulates that board chairman and chief executive officer must not be the same person.

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

Diversity Policy in the Board of Directors and, President & Chief Executive Officer Nomination

Director

1. The Company stipulates transparency requirements for director nomination in the corporate governance policy through an explicit and transparent process. In director nomination process, candidates with qualifications, skills, knowledge and competence or experience relevant to the Company's businesses will be scrutinized and proposed to the Board of Directors upon consideration of appropriate ratio, number, diversity and composition. There are no restrictions based on rights, gender, sexuality, race, nationality or religion. Moreover, the Company provides shareholders with opportunities to nominate candidates for consideration and election to board membership at a shareholder meeting. Notably, the Company's current directors meet qualification, skill and experience requirements based on its eligibility criteria.

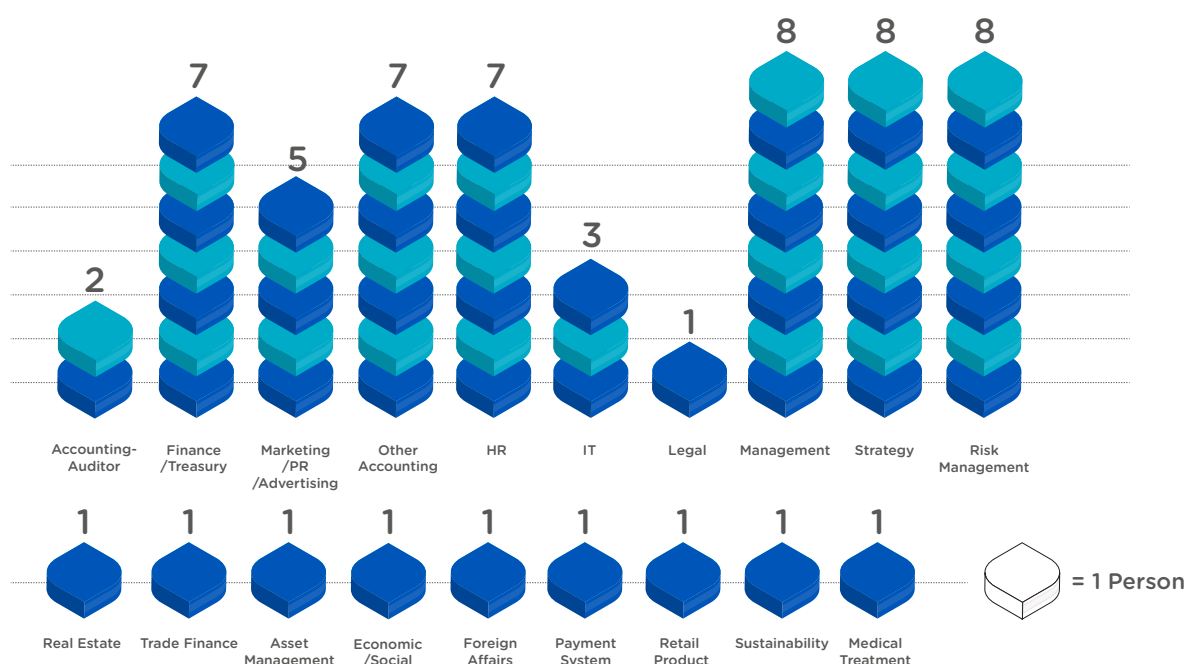
2. The Company scrutinizes knowledge, skill and experience aspects by creating a board skill matrix that highlights specialized expertise and diverse fields of specialization, which will be beneficial to company operations.

3. The Company examines qualifications of nominated candidates to ensure that their qualifications meet legal requirements or regulations of regulatory bodies as well as its regulation or policy.

4. As for appointment of independent members, including the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee member, the Company scrutinizes autonomy of candidates nominated for independent members, including the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee member, in accordance with SEC guidelines. If an independent member is re-appointed for another term, he or she must continue to serve for no more than nine years from the date of his or her first appointment as independent member.

5. To encourage directors to devote sufficient time in fulfilling required duties, the Company stipulates that the number of companies that each director can serve in a board position must not exceed five.

Board Skill Matrix



Knowledge Skill and Experience

President & Chief Executive Officer (CEO)

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

On this, holding of board position in other listed companies, CEO may able to 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.

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

Fulfillment of board duties

Board Meeting attendance

In 2021, board of director meetings were convened to deliberate on various agenda items in forms of online and on-site, for 19 times in total. The average attendance rate was 96 percent, which exceeds the required standard attendance rate of at least 75 percent throughout the year.

Board Mandates in other listed companies

The Company stipulates guidelines on holding of board position in other companies for directors, chief executive officer, and employees in other positions in the corporate governance policy. Such guidelines stipulate that each director may not hold a director position in other listed companies in more than five other listed companies. In 2021, no director hold director position in other listed company more than that specified by the company.

(Please refer to additional details in Form 56-1 One Report 2021 under “Board of Directors” topic)

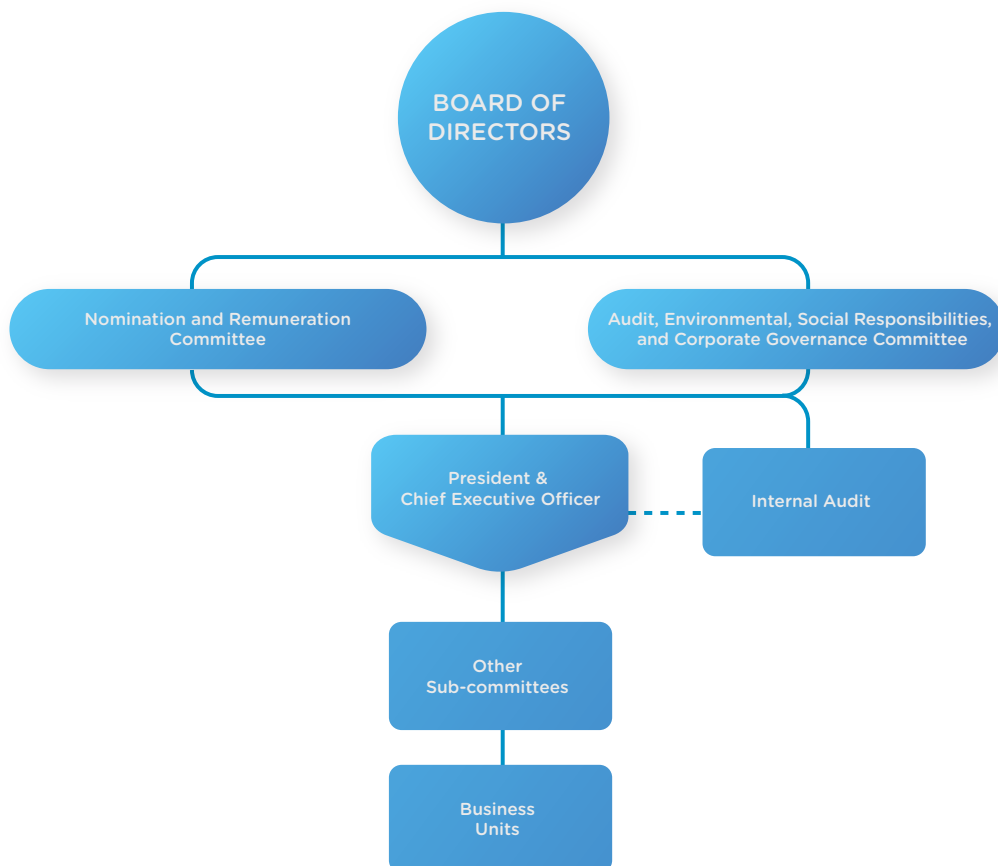
Average Tenure

By the end of 2021, the average board tenure was 3.48 years.

(Please refer to additional details in Form 56-1 One Report 2021 under “Corporate Governance Policy” topic)

Appointment of sub-committee

The Board of Directors appoints sub-committees to help scrutinize and screen crucial matters that require close attention in each area and propose recommendations to the board within the scope of roles and duties prescribed in the charter of each committee. These sub-committees are as follows:



The Nomination and Remuneration Committee

is responsible for determining qualifications of directors and executives appropriate for legally required board and committee structure, size and composition. It is also incumbent upon the nomination committee to recruit, screen and select potential candidates for further nomination and appointment in a board of director position in accordance with the Company's nomination process based on appropriate ratio, number, and diversity in board of director composition in terms of gender, sexuality, age, knowledge and skill, competence and experience as well as compatibility with the Company's business strategies. All these aspects must be in line with legal requirements and the Articles of Association and principles of good corporate governance of the Company. Moreover, for the sake of clarity in corporate governance and management independency and functions,

the Company stipulates that chairman and chief executive officer must not be the same person. Furthermore, the nomination committee is responsible for prescribing criteria and guidelines for performance assessment of directors and chief executive officer, proposing remuneration criteria and policy and guidelines on payment of remuneration and other benefits, considering retirement age extension and early retirement schemes, and developing management succession plan to prepare successors to take over an executive's role when such executive retires or can no longer perform his or her duties as prescribed in the Charter of the Nomination and Remuneration Committee.

In 2021, the nomination committee convened meetings for a total of 7 times.

Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

which is entirely composed of independent members, is responsible for overseeing financial reporting and 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 overseeing compliance with the principles of good corporate governance, sustainable development, social and environmental responsibility practices, and business code of conduct in order to be in conformity with international standards. Notably, one member is

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

In 2021, the nomination committee convened meetings for a total of 12 times.

(For additional details about the Company's committees, please refer to the Charter of the Nomination and Remuneration Committee, Charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and Form 56-1 One Report 2021 under "Corporate governance policy" topic)

Disclosure of remunerations of directors, Chief Executive Officer, senior executives, and employees

The Company disclosed remunerations of directors, Chief Executive Officer, senior executives, and employees in Form 56-1 One Report 2021 under "Corporate Governance Structure and Material Fact related to the Board, Sub-Committees, Executives, Employees and Others")

Annual Performance Assessment of the Board of Directors and its Sub-Committees

The Company requires that directors conduct self performance assessment once a year. The company secretary is responsible for sending performance assessment forms to each board and committee member so that performance assessment results can be used for enhancing the efficiency of good corporate governance practices. There are

four approaches to board and committee member assessment: the assessment of the entire Board of Directors, the assessment of individual director (self-assessment), the assessment of individual director (cross-assessment), and the assessment of the entire sub-committee.

In 2021, the Company mandated that the Board of Directors and every sub-committee member hold an assessment session whose results were further submitted to the Board of Directors for consideration in the first meeting of 2022 held on January 21, 2022. The assessment details are listed as follow;

Evaluation Topics	Average (max score is 5)
The assessment of the entire Board of Directors	4.91
The assessment of individual director (Self-Assessment)	4.78
The assessment of individual director (Cross-Assessment)	4.91
The assessment of the entire sub-committee (Audit, Environmental, Social Responsibilities and Corporate Governance Committee)	4.99
The assessment of the entire sub-committee (Nomination and Remuneration Committee)	5.00

Annual Performance Assessment of President & CEO and Executives

The Nomination and Remuneration Committee stipulates criteria and guidelines for performance assessment of President & 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 and goals as well as management competencies.

As for criteria for performance assessment of executives, President & 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.

Shareholding in the Company

Shareholding by government

Krungthai Bank is a major shareholder of the Company. In 2021, Krungthai Bank's shareholding and voting rights represented 49.29% of total voting rights. Even though the Financial Institutions Development Fund (FIDF) held 55.05% of total shares outstanding in Krungthai Bank, based on legal interpretation of the Office of the Council of State (OCS), OCS undertook review of state enterprise status of FIDF and Krungthai Bank and concluded that FIDF is not a state-owned enterprise according to the definition of

"state-owned enterprise" under Section 4 (1) of the Budget Procedures Act 2018. Consequently, Krungthai Bank does not have characteristics of company or public company that is a state-owned enterprise either according to (2) and (3) of the definition of "state-owned enterprise" in Section 4 of the Budget Procedures Act 2018. Moreover, the Company did not offer shares with special voting rights (golden shares) to the government.

Holding of Company Securities by Board or Committee Members or Executives

The Company does not prohibit trading or ownership of its securities by board or committee members, executives or employees. If any of these individuals buy, sell or transfer company securities, they must comply with SEC notification or the Company's notification.

The Company issued the notification Re: Requirements for Disclosure or Use of Internal Company Information to prescribe code of conduct

for board and committee members, executives and employees who have internal information – for example, stipulation of trading blackout period imposed on employees and security trading guidelines.

In 2021, board and committee members and executives as well as their spouses and children did not engage in trading and transfer of company securities.

Remark: Please refer to Krungthai Bank news reported to the <https://www.set.or.th/set/newsdetails.do?newsId=16048790282481&language=th&country=TH>,

For additional details about the Company's shareholding structure, please refer to Form 56-1 One Report 2021 under "Corporate Governance Structure and Material Fact related to the Board, Sub-Committees, Executives, Employees and Others")

Voting Right

The Company stipulates that each ordinary share carries one vote and a resolution requires a majority of votes, unless stated otherwise in Articles of Association or by law.

In 2021, the exercise of voting rights is as follows:

Voting right	Number of voting right per share	Number of shares	Total voting right
No Vote	0	207,228,082	0
One Vote	1	2,371,105,988	2,371,105,988
Total	-	2,578,334,070	2,371,105,988

Remark: Thai NVDR Co., Ltd. belongs to a class of shareholders ineligible to cast vote in shareholder meeting. As at 31 December 2021, Thai NVDR held 8.04% of total shares outstanding.

Accounting Practices

The Company prepares accounting records and financial statements in accordance with the financial reporting standards and the generally accepted accounting principles of Thailand and adheres to the new Thai financial reporting standards and Thai Accounting Guidance issued by the Federation of Accounting Professions. The Company regularly discloses financial Information, key financial

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

Tax Policy

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

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

Tax Policy

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

1. Ethical tax practices

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

2. Tax risk management

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

3. Tax transparency

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

(In additional, the company discloses aforementioned policy on the company's website <https://www.ktc.co.th/investor-relations/financialinformation/tax-policy>)

Tax Information

(Baht)

consolidated financial statements	2021	2020 ⁽¹⁾ (Restated)
Total Revenue	21,441,674,222	22,451,504,985
Profit before Income Tax	7,255,377,113	6,880,016,724
Income Tax Expense	1,466,856,852	1,371,699,859
Effective Tax Rate	20.2%	19.9%
Income Tax Paid	1,440,734,696	1,332,486,430
Cash Tax Rate ⁽²⁾	20%	20%

(For more details, please see <https://www.ktc.co.th/investor-relations/publications-webcast/investorkits>)

Remark: (1) The financial statement in the account year end 2020 of the Company as shown in the table had been restated in order to compare the amount as if the acquisition of Krungthai Leasing Company Limited had occurred at beginning. (2) Cash tax rate : Corporate income taxed paid under Thai Law.

Anti-Corruption and Bribery



103-3

Long-Term Target 2026	Target 2021	Performance 2021
The Company has renewed its membership with the Thai Private Sector Collective Action Against Corruption or CAC continuously.	100% of total employees have studied and been assessed on corporate governance, anti-corruption, and code of conduct.	100% of total employees have studied and been assessed on corporate governance, anti-corruption, and code of conduct.

103-1

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

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

103-2, 205-1, 205-2



► Anti-Corruption and Bribery

Joining a Network Against Fraud and Corruption

The Company has joined a network against fraud and corruption with other companies and has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) since 2013.

In addition, the Company urges its suppliers to join a network against fraud, bribery and corruption by sending letters notifying corporate governance policy, which includes anti-corruption policy. The Company also asks its suppliers to comply with KTC Supplier Code of Conduct and invites them to join as member of the CAC.

The Company renewed its membership with the Thai Private Sector Collective Action Against Corruption (CAC) on 21 May 2019 and submitted documents for its membership renewal in December 2021.

Anti-Corruption Policy

The Board of Directors approves anti-corruption policy, which forms part of the Company's corporate governance policy, including various anti-corruption measures with an objective to refrain directors, executives and employees of both the Company and its subsidiary 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, to ensure that executives and employees at all levels can perform their tasks accurately and appropriately.

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



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

In 2021, the Company's Board of Directors approved the review of anti-corruption policy during the Board of Directors' Meeting No. 1/2021 on 19 January 2021 and No.8/2021 on 12 May 2021.

2. Require all departments to perform risk control self-assessment (RCSA) on an annual basis. Each department selects its process or procedure that considered as core business and then evaluates probabilities and impact of risks in business operations to determine the risk level. Afterwards, existing control measures are reviewed to evaluate whether their appropriateness i.e., whether the measure should be improved to reduce the risk to an acceptable level. The RCSA report covers corruption risk. The RCSA results are presented to the Risk Management Committee (RMC) and submitted to Krungthai Bank on an annual basis.

In 2021, the RCSA results from each department showed that existing control measures have already been established in total 9 processes and procedures, that exposed to corruption, risk to

prevent such risks from occurring.

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

- Establish standard procurement procedures to ensure that the Company's procurement process is transparent, has no direct or indirect involvement with corruption and focus on the Company's benefits above all else.
- Establish anti-corruption definition and practice guidelines in anti-corruption measures which consist of:
 - (1) Corruption
 - (2) Bribery
 - (3) Gifts and Entertainment
 - (4) Political support
 - (5) Donation and Charity
 - (6) Accommodating Fee
 - (7) Conflict of Interest
 - (8) Government Officer
- The Company urges all departments 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, ready to be audited, and in accordance with accounting standards.





Cooperation with Stakeholders Against Corruption and Bribery

<p>The Board of Directors, Executives and Employees</p>	<p>Provide learning tools to the Board of Directors, executives and employees to gain knowledge and understanding of the Company's policies and its related regulations, such as the inclusion of anti-corruption measures to be part of the orientation session for newcomers regarding to corporate governance policy, code of conduct and anti-corruption continuously. There will be a review of such topics through trainings via multi-animation and annual examinations. Furthermore, new executives and new employees are required to acknowledge and accept such policies on the day of signing the employment contract.</p> <p>In 2021, 100% of total executives and employees of both the Company and its subsidiaries have studied and been assessed on corporate governance, anti-corruption, and code of conduct.</p>
<p>Outsourced service providers and Suppliers</p>	<ul style="list-style-type: none"> Specify in the service contract between the Company and its outsourced service providers in detail that business cooperation must be conducted strictly with integrity, transparency, and auditable in compliance with corporate governance policy, and abide by laws related to anti-bribery, anti-corruption and anti-money laundering and counter-terrorism and proliferation of weapon of mass destruction financing. Provide the Supplier Code of Conduct so that suppliers can evaluate themselves, which includes code of conduct, human rights and labor rights, and occupational health and safety. Thus, suppliers are notified and apply this code of conduct as a guideline. The Company also urges its suppliers to join a network against fraud and corruption.

Whistleblowing and Complaint Reporting

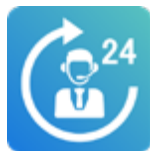
205-3

Information or complaint's characteristics related to corruption

 <p>Information must consist of first name and last name, details of complaints or information must be true, clear, and sufficient to be investigated for further actions.</p>	 <p>Complaints concerning personal problems or personal conflicts, or anonymous complaints are not regarded as corruption whistleblowing/complaints</p>
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Channels to file complaints and suggestions

For customers, general public or other stakeholders



Telephone

- Customer Service Center
02 123 5000, 24 hours a day
- Complaints Hotline 02 123 5000



E-mail

- CService@ktc.co.th



Fax

- 02 123 5190



Postal Letter

- **Krungthai Card Public Company Limited**
591 United Business Center II Building, 14th Floor
Sukhumvit 33 Road,
North Klongton, Wattana,
Bangkok 10110



Website

- <http://www.ktc.co.th>
select Contact Form

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

Employees



E-mail

- send e-mail directly to the Board of Directors and executives The Board of Directors assigns the Compliance Department to act as the central unit for providing consultations in the event of anyone has concerns or require advice related to providing information or complaints concerning corruption. In addition, the Company provides examples of whistleblowing/complaining matters to facilitate those who need advice.

Considerations

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

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

The Human Resources Department, the Compliance Department, and other Independent Department participated in investigation under whistleblowers' rights protective measures.

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.

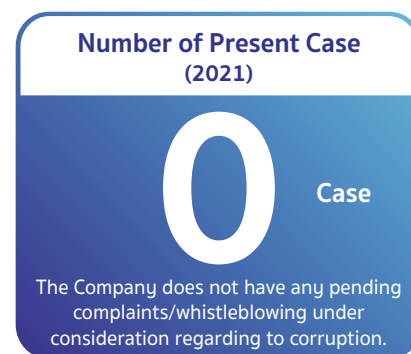
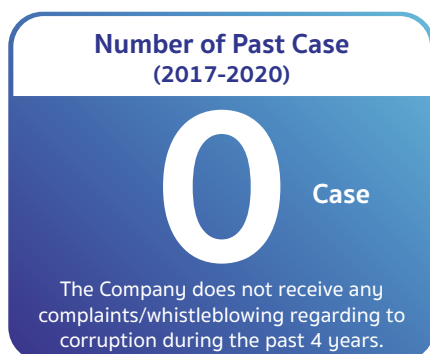
Prevention and Reporting

To monitor and evaluate an implementation of anti-corruption policy and measures and to prevent the reoccurring of complaints on the same case; the Internal Audit Department and the Compliance Department regularly report operational performance


audit and corruption incidents that have been notified through various channels respectively to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

Remarks

1. Processes and operational timeframes were conducted according to the Human Resources Department's operating manual under topic Employees Disciplinary Procedures.
2. In case of complaints against the directors, the complaint will be reported to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee for consideration.



On 15 November 2021, the Company reported its internal audit results which include a summary of whistleblowing or complaints to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee as follow;



According to the audit results by the Internal Audit Department, it does not appear that there are any departments that do not comply with anti-corruption policy and the Company does not receive any complaints via the whistleblowing channels regarding to corruption.

► Anti- Competitive

Anti - Competitive Practices

Corporate governance policy and code of conduct specified anti-competitiveness practices that the Company is committed to conducting its business operations in a fair manner within the competitive framework and does not have a policy to compete by defaming or bullying competitors, impeding market mechanisms of the free trade system, restricting business operations of other companies, monopolizing

the market, or distorting the facts about its competitors. In addition, the Company also avoids discussing, agreeing or arguing with any employee of other financial entities or institutions about geographical location, marketing, customer allocation, interest rate, and various fees as well as products, services or business plans, which may adversely affect its business competition.



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

Policy and Measures

As the Company is committed to preventing 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:



01

Know Your Customer Due Diligence (KYC/CDD)

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

02

Sanction List Screening

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

03

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 approval from the Company's senior management.

04

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.

05

Transactions Reporting

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

06

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.

07

Personnel Training

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

08

Operational Audit

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

(For more information about the Summary of Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Policy, please refer to "<https://www.ktc.co.th/en/sustainability-development/corporate-governance>")

► Code of Conduct

Code of Conduct

The Company prepares the code of conduct which covers policy and operational measures in the following topics:



(Please refer to additional details in “Corporate Governance Policy” and “Code of Conduct”)

Code of Conduct Compliance

The Board of Directors, Executives and Employees

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

- Require the Board of Directors, executives and employees dutifully adhere to policy compliance and code of conduct.
- Require all new employees of both the Company and its subsidiary to sign employment contracts which cover an acknowledgement of policy compliance, code of conduct, or anti-corruption measures.
- Provide orientations for the Board of Directors, executives, and new employees in which topics

includes corporate governance policy, anti-corruption policy, code of conduct and important guidelines that the Board of Directors, executives, and new employees should be aware of.

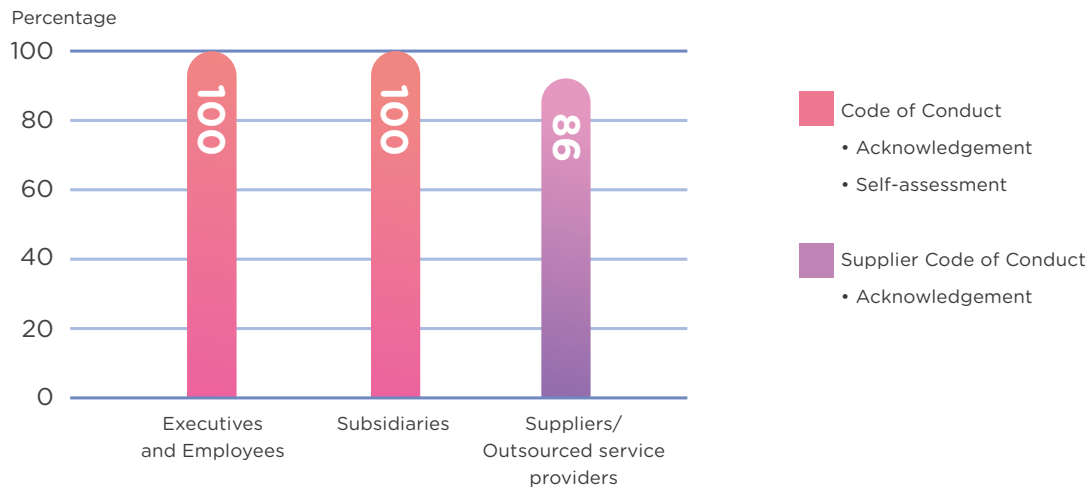
- Provide trainings to review and test knowledge regarding to corporate governance, anti-corruption and code of conduct via multimedia animation on an annual basis in order to communicate results or promote awareness and understandings to the Company’s executives and employees.
- Define code of conduct compliance as part of the performance appraisal and employee compensation scheme.

Suppliers and outsourced service providers

- The Company provides its potential suppliers with the Supplier Code of Conduct so that they can evaluate themselves ahead of supplier selection in which crucial topics includes code of conduct, human rights and labor rights, occupational health and safety as well as laws and regulations. In addition,

the service contract between the Company and its suppliers shall specifies that suppliers must acknowledge the intent to strictly conduct business with integrity, transparency in compliance with corporate governance policy, anti-corruption and anti-money laundering.

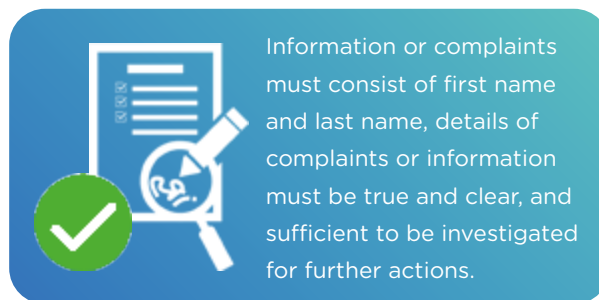
Coverage of Code of Conduct and Supplier Code of Conduct Acknowledgement



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

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

Information or complaint's characteristics



Channels to file complaints and suggestions



Trusted Superior



Human Resources Executive



The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, through the secretary of the sub-committee.



Email
CG_Compliance@ktc.co.th
 Superiors or the Compliance Department will answer questions or provide consultation regarding to code of conduct compliance.

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

Considerations

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

Prevention and Reporting

The company will consider and find solution to the problem that has been notified in order to prevent the problem recurrence. Moreover, the Company regularly reports its corporate governance compliance

(Please refer to additional details in “<https://www.ktc.co.th/en/sites/cs/assets/corporate-governance/document/KTC2021-conduct.pdf>” under “Code of Conduct”)

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.

and complaints relating to non-compliance with code of conduct to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

The Number of Code of Conduct Violation

In December 2021, the Company received 1 complaint regarding to code of conduct violation, regarding unfair transfer of employee. In January 2022, the disciplinary committee considered and resolve the issue. This will be presented to the Audit, Environmental, Social Responsibilities and Corporate Governance committee for further consideration.

Annual audit by an independent external agency for the year 2021

102-12

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

Risk and Crisis Management



103-3

Long-Term Target 2026	Target 2021	Performance 2021
The Company's risk management takes into account ESG factors in a manner consistent with regulatory requirements.	Risk factors and causes of risks associated with ESG issues are incorporated in the Company's enterprise risk management.	Risk factors and causes of risks associated with ESG issues are incorporated in the Company's enterprise risk management.

103-1

The Company places great importance on risk and crisis management. In particular, the Company establishes risk management policies to cover significant risks, which focuses on the development of a risk management system following good corporate governance guidelines. The Company also continuously reviews and improves its work processes to be prepared to handle various risks in business operations, whether influenced by internal or external factors, including ESG factors.

102-18, 102-19, 102-30, 103-2

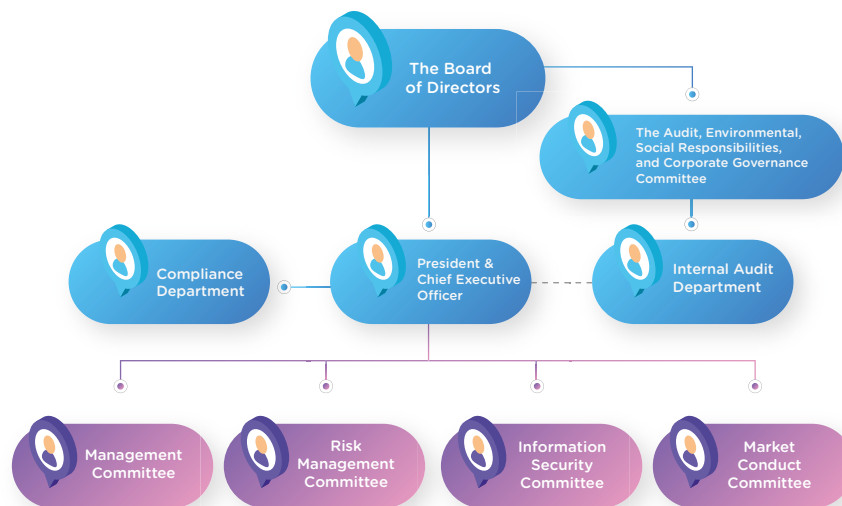
Risk Management Policies

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



(Please refer to additional details in Form 56-1 One Report 2021 under "Risk Management" topic)

▶ Risk Management Structure



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

- The 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 affecting business operations, including, for example, considering and approving products before they are launched.
- The 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 in accordance with targeted goals, with a view to maintain an acceptable risk level in accordance with the risk management guidelines specified for Krungthai Bank's financial business group and the consolidated supervision regulations specified by the Bank of Thailand. In particular, the Risk Management Committee establishes credit policies and approves risks associated with products before they are launched. The Risk Management Committee has set up 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 support plans, including communication with employees, media, and other stakeholders in the event of crises disrupting business operations.

- The Information Security Committee** is responsible for overseeing and implementing the Company's information security. The Information Security Committee oversees strategic plans and information technology budgets, as well as establishes information technology policies in accordance with standard guidelines before implementing the policies organization-wide in an effective manner. Concurrently, the Information Security Committee prepares information technology risk management plans and carries out information technology risk management in a transparent and efficient manner, which includes acting as the Data Protection Officer of the Company and its subsidiaries in accordance with the Personal Data Protection Act 2019 (PDPA), as well as managing information technology services, which includes overseeing management policies and making arrangements to keep the system up to date. In particular, the Information Security Committee determines and inspects Service Level Agreements (SLAs) between the Information Technology Department and other departments that function as end-users. The Information Security Committee may order improvements to the services being provided.

• **The Market Conduct Committee** is responsible for establishing and overseeing policy frameworks, strategic plans, and guidelines to ensure the operating procedures cover customer service management, with a view to develop service fairness, as well as approval for the aforementioned risk management matters. The sub-committees report to the Board of Directors at specified time intervals to keep the Board of Directors informed on the Company's performance and receive recommendations from the Board of Directors. All of the Company's directors possess knowledge, skills, expertise, and experience in risk management. The Company also established an organizational structure, which segregated the duties and responsibilities of different departments, 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 framework and determine the responsible persons for shaping the Company's overall risk management framework.

1st Line of Defense Risk Owner	The Risk Owners are responsible for controlling and maintaining risks within their respective departments to remain at an appropriate level.
2nd Line of Defense <ul style="list-style-type: none"> Enterprise Risk Management Department Compliance Department 	<p>The Enterprise Risk Management Department is responsible for overseeing overall risks and establishing an enterprise risk management framework in accordance with risk management policies. The Enterprise Risk Management Department is also responsible for reporting to the Risk Management Committee and the Board of Directors at specified time intervals.</p> <p>The Compliance Department is responsible for overseeing and reviewing compliance with regulations, as well as providing advice and information on regulations specified by regulatory bodies.</p>
3rd Line of Defense Internal Audit Department	The Internal Audit Department is an independent department responsible for reviewing the overall work of the 1 st and 2 nd Line of Defense and assessing the efficiency and adequacy of the internal control system, the risk management system, and the corporate governance system to ensure that the processes specified by the Company are carried out. The Company's management will use the results from the internal audits to consider making improvements in relevant matters, with a view to ensure quality work. The Internal Audit Department reports directly to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

102-11

Risk Management Process



► Crisis Management

The Company manages crises at the organizational level as follows:

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


In this regard, the Company requires a surprise test of its Communication Tree/Call Tree and BCP on an annual basis. Concurrently, the Company requires

its participation in an observer role for BCP testing of Outsourced Service Provider related to the Company's core transactions.

- In consideration of the COVID-19 pandemic, the Company has implemented measures to prevent and reduce the spread of the virus, including work from home protocols. Concurrently, the Company has organized remote teams and enabled relocation to different workplaces provided by the Company, all of which to maintain social distancing and minimize the impact of risk events. The Company has refrained from testing its BCP to keep social distancing in line with the Bank of Thailand's announcement on waivers from compliance with certain regulations during the COVID-19 pandemic. In any event, the Company continues to test its Communication Tree/Call Tree. The most recent test was completed on September 23, 2021.

► Emerging Risks

The Company analyzed the emerging risks which included the new risks that currently become apparent but not yet obvious and may impact on the business operation of the Company in the next 3-5 years to prepare for appropriate measures and manage these risks timely.

 1. Cyber Threats and Data Breach	
Definitions	<p>Currently, the world has entered to the digital economy, therefore, the technology, information systems, and data are essential tools for driving business to be more competitive and stepping forward. The advanced technology and the epidemic situation of COVID-19 have dramatically changed customer behaviors to increasingly proceed the transaction via online platform and mobile applications. As the result, the business operation has been encountered the variety of risk from cyber threats and data breaches to steal customer data.</p> <p>Hence, security measures against threats and data leaks play a crucial role for the Company. In addition, risk management in personnel, processes, and information technology tools can help increase reliability in all groups of stakeholders; such as, employees, customers, suppliers, creditors and so forth.</p>
Impacts	<p>Impacts of cyber threats and customer data leaks can cause damage to procedures and work processes, operating performance, fines from the authorities or regulatory agencies. In addition, it may degrade the trust from customers and stakeholders as well as affect the Company's image in both short and long term.</p>



1. Cyber Threats and Data Breach

Mitigation Plans

- Information technology policy, information security policy, and personal data protection policy were established and reviewed annually. Furthermore, the information classification standard was set in place and disseminated through KTC UNITE so that employees could easily access and correctly comply with the regulations.
- The Company established the strong measures to maintain information security which allowed only authorized persons to access sensitive customer data. Additionally, the Company set the system to prevent data leakage, a backup system, a process to restore data if destroyed and also a data-recovery center. Physical and environmental security was set in place. The Company's computer centers passed the TIA-942 Data Center Certification standards. Communications security was employed. There was also segregation of networks, encrypted connections to external networks in accordance with PCI DSS and Card Brands. Cyber Security Operations Center (CSOC) was in place to monitor intrusion and security. Computer equipment and communication network were maintained and readily available to support continuous business operations. There was also information technology operations security.
- The Company implemented, reviewed, and tested the Disaster Recovery Plan (DRP) on an annual basis to readily take on various important events related to the security and availability of the information technology system.
- The Company adopted the ISO/IEC 27701:2019 standard for the privacy information management system to be used in the organization which is the additional standard from the ISO/IEC 27001:2013 - the information security management system. According to ISO/IEC 27701:2019 standard, the Company had to take into account the privacy of personal data in every activity of the work process, including storing, controlling, using, processing or disclosing personal data to strengthen the management system, improve the already existing information security measure and comply with Personal Data Protection Act 2019 (PDPA). The Company has taken various additional actions such as
 - organized training or test knowledge and understanding of information security systems, protection of personal data and cyber security to directors, executives, employees and outsourced service providers to review and raise awareness the risks of such matters
 - established strong measures for information security in accordance with the international standards, Payment Card Industry Data Security Standard (PCI DSS). This defined the responsibilities and rights to access work systems of individuals who were authorized to access sensitive customer data.
- Information security was audited annually by internal audit and external provider audit units.



2. Climate Change

Definitions	<p>Extreme weather which occurs in every region of the world results from climate change brought about by human actions such as pollutions, smoke, chemicals from the industrial and agricultural sectors and so forth. As a result, the average global temperature has been rising and increased severe impacts on living things including people, animals, and plants.</p> <p>The entire world recognized the importance of such problems and agreed that the issue must be expedited. In the 26th United Nations General Assembly or COP26 in Glasgow, Scotland convened during October 31 to November 12, 2021, the guidelines each country used to tackle climate change problems were discussed and the mutual efforts to reach an agreement on measures to reduce greenhouse gas emissions or Net Zero were expressed. Consequently, Thailand announced the goal of carbon neutrality by 2050 and to reach net zero emissions target by 2065.</p>
Impacts	<p>Natural disasters, severe weather, even epidemics and emerging diseases affect to the economy, society, people lifestyle, health, occupations and business operations. These are all stemmed from climate change. Natural disasters or epidemics, for instance, can hinder business operations when personnel cannot work inside the building or cause an interruption in operations or affect to the ability to repay of customers. As a result, the Company's services, finance or reputation can be damaged.</p> <p>According to the severity of climate change impacts, the international and domestic regulatory agencies are in the process of considering and issuing additional laws, regulations and rules related to reduction of greenhouse gas emissions, in accordance with the agreements of the United Nations General Assembly which shall affect to the work processes and procedures and also the Company's business operation cost.</p>
Mitigation Plans	<ul style="list-style-type: none">• All KTC products and/or services were assessed on their impact on climate change and the environment before launching to the market. Approval criteria were stipulated based on responsible lending, where customer's risk level, financial position and ability to pay debts were considered.• The Company continually assessed the situation, analyzed, monitored debt quality and set up the debt management process (before it turned into a bad debt) and effective debt collection, which was ready to deal with and solve problems directly to the point. The Company also developed the KTC Mobile application for multiple use aligning to the rapid changing situations and customer behaviors which preferred online transactions without going to the service point.• The Company set up Business Continuity Plan (BCP) including plans for emergencies or other events such as fire incident, response plans for earthquakes, floods, rallies, epidemics as well as evacuation guidelines. The Company also prepared an alternate site and sufficient resources that could be used to restore operations for critical work activities in crisis incidences, where critical business function unit staff was unable to work at the main workplace. In this regard, the Company arranged an annual review and a surprise test of the communication tree/call tree, and Business Continuity Plan (BCP) as well as observed the BCP test done by outsource whose services were also related to the Company's main transactions.• The Company supported environmentally friendly management in work process such as organizing trainings to educate employees, campaigning to reduce the use of wasteful resources or difficult to decompose, waste separation and recycling and so forth. In addition, the Company set a target of reducing energy consumption, and in 2022, additional goals were set on water use reduction within the organization, waste recycling and carbon dioxide emission reduction to decrease the environmental impacts and climate change.• The Company supported and promoted the customers to receive e-Statement via e-Mail or via KTC Mobile application. Not only providing more convenient service to customers, but it also decreasing the concern of losing and being damaged the paper statements and reducing paper consumption which help solve the environmental problems.



3. Changes in Laws and Regulations

Definitions	<p>According to the rapid changing situations and various factors in present day, the regulatory agencies are responsible for overseeing, supervising, auditing, analyzing the status and operations as well as being responsible for risk management of the business/organization to achieve stability. The regulatory agencies, therefore, must issue rules, regulations, and procedures to regulate the said business/organization to ensure that it operates in a same correct and orderly manner.</p> <p>In the past year, KTC, a financial business under the supervision of the Bank of Thailand (BOT), has changed its reporting methods and measures/guidelines to provide relief measures to debtors who affected by COVID-19 in accordance with the Bank of Thailand's guidelines. In addition, KTC also complied with other regulatory agencies such as the SEC, AMLO and so forth.</p>
Impacts	<p>The changes in rules and regulations set by the regulatory agencies have affected work processes, work systems, operating costs, business performance, profitability, and corporate's image. However, if the Company fails to comply with the regulations set by the regulatory agencies, it may be warned, fined or even revoked its license to operate.</p>
Mitigation Plans	<ul style="list-style-type: none"> • The Company put its policies and operational procedures in place and announced them to all employees for their acknowledgment and compliance throughout the organization. • There was a Compliance department that regularly monitored announcements, rules and regulations from the regulatory agencies and reported to the Risk Management Committee, in which Chief Executive Officer (CEO) hold the position as a chairman, or related committees. As a result, all relevant departments were aware of the impact every time there was a new announcement or changes in announcements. • Appointed a coordinator with relevant regulatory agencies. • Participated, discussed and exchanged ideas with people in the same industry such as credit card club, personal loan club etc.



4. Debt Crises

Definitions	<p>The Economic and Inflation Projections in the Monetary Policy Report in the December 2021 issue, prepared by the Bank of Thailand (BOT), stated that the economic growth rate in 2021 was 0.9%, while in 2020 (during the COVID-19 situation) and 2019, it was at -6.1% and 2.4%, respectively. Both Thailand and other countries are in the prolonged economic stagnation, where all sectors are affected. The epidemic situation of the COVID-19 from 2020 to the present is a catalyst that worsens the financial situations and makes many companies face liquidity problems and full of debts. Many companies must breach contracts and close down. There is income inequality in society as well as unemployment problems. The government has measures to help stimulate the economy and help those affected by giving interest rate reduction, moratorium and measures that encourage people to spend.</p> <p>According to the information from the National Statistical Office, the Debt Service Ratio (DSR) of households was high and greatly elevated due to the long-standing situation of the COVID-19 epidemic. As a result, the financial stability was affected, and employees were laid off, resulting in a loss of income. Spending in many sectors declined, resulting in debt default of the Company's customers, whether directly or indirectly, which is a risk to financial institutions or lenders. If the default occurs widely, the financial system can be severely damaged, economic activities can be badly hurt and ultimately lead to an economic crisis.</p>
Impacts	<p>A debt crisis in the economy can affect customers in many ways-work hour reduction, layoffs, or eventual unemployment. Losing income results in a decrease in purchasing power and eventually default payment. As a result, NPL increases in the Company's credit port, causing the Company to prepare more reserves, following the rules prescribed by the regulatory agencies. This can affect KTC's overall performance, image, and reputation. Hence, the Company may not achieve the set goals.</p>
Mitigation Plans	<ul style="list-style-type: none"> • Strategized various products and promoted access to financial services in the system for the public as an alternative to alleviate household liquidity problems in crisis situation. • Determined credit approval criteria according to customer's risk level as well as took into account the ability to pay debt to not greatly burden the debtors. • Monitored customer default, by designated departments, and implemented measures to help customers before defaulting. • Provide preliminary assistance for members through KTC Phone service center. • Assisted debtors who were affected by disasters and epidemics; for instance, provided relief measures to debtors affected by the COVID-19 outbreak in accordance with all authority guidelines,



4. Debt Crises

Mitigation Plans

where rules and conditions have been continually announced on the KTC website to inform customers since 2020. There was a wide range of assistance from minimum payment reduction on credit cards and loans without setting a minimum payment amount. KTC considered debt restructuring for NPL customers by stipulating conditions to help reduce debt repayment burdens by not just extending the repayment period alone, but changing credit card debt type to long-term personal loan debt, with lower interest. In addition, there was a repayment waiver of the cash card to a long-term personal loan debt and interest reduction, including installments reduction or debt restructuring for debtors by extending the period. As for NPL debtors or debtors in the litigation process, KTC provided additional relief measures, such as entering into a compromise agreement, repayment time extension and so forth

Risk Culture

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

- The Company has in place risk management policies, which have been approved by the Board of Directors and announced to all employees to implement in practice.
- The Company has in place corporate governance policies, which allow employees to submit complaints through specified channels in the event of incidents of corruption and bribery, including incidents of violations of the Code of Conduct.
- The development or issuance of the Company's financial products and/or services is subject to compliance with regulations on the issuance of, change to, and discontinuation of financial products and/or services to assess the risks, namely, legal, overall, and budget, with a view to ensure that any risks associated with products and/or services issued or offered for sale have been thoroughly considered.
- There is a link between the Risk Owners and the Enterprise Risk Management Department, in that all departments are required to have a Risk Manager and an Operational Risk Officer (ORO) to carry out operational risk management within their respective departments, consisting of:
 - o All departments must conduct a Risk Control Self-Assessment (RCSA), which is the process by which executives and employees at all levels are required to identify and assess risks and controls.
 - o All departments must report Operational Loss Data on a monthly basis, including actual loss, potential loss and near-missed by reporting all types of information, including all values.

- The Company has in place regulations on reporting issues encountered in business operations, such as service interruptions and data leaks, to function as guidelines and procedures for employees to appropriately respond in the event an issue arises. The Company also provides specified channels for employees to report any unusual incidents related to information or personal data.
- The Company encourages its employees at all levels to be aware of the risks associated with their work. In this regard, risk management performance is included in annual performance reviews for all of the Company's 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 departments with specific risks related to business operations.
- The Company promotes learning about risk and risk management 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, executives, 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 2021, the training topics were:

Risk management training programs	Target group	Training
Communication Tree / Call Tree	All employees	Surprise Test on September 23, 2021
Risk Awareness	All employees	Self - learning
IT Security Awareness	All employees	Self - learning
Global economic challenges and opportunities after COVID - 19	All employees	Classroom: On-site and Online on October 29, 2021 and Video clip
International Organization for Standardization: ISO <ul style="list-style-type: none"> ISO/IEC27001:2013 Information security management ISO/IEC 27701:2019 Privacy information management 	All employees	Self - learning
Market Conduct	All employees	Self - learning
RCSA (Risk Control Self-Assessment) and PII Data List 2021	Operational Risk Officers (ORO)	Classroom: On-site
Security Awareness: Attacks from all Angles	Board of directors	Classroom: On-site



IT Security Awareness the Series

เพื่อให้เป็นไปตามข้อกำหนดของมาตรฐาน PCI-DSS (Payment Card Industry Data Security Standard) ซึ่งเป็นมาตรฐานด้านความปลอดภัยข้อมูลบัตรเครดิต (Payment Card)

ในปี 2021 นี้ บริษัทฯ ได้เชิญเข้ารับการตรวจมาตรฐาน PCI-DSS ซึ่งหนึ่งในข้อกำหนดที่จะต้องทำคือการฝึกอบรมด้านความรู้ การสร้าง IT Security Awareness ให้พนักงาน และผู้ให้บริการภายนอก (Outsource)

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

Encouraging Innovation for the Risk Culture

In 2021, the Company developed work systems to facilitate greater efficiency in risk management and the reporting of operational risks in accordance with the Company's core values, which resulted in optimized workflows, ensured ease in finding information, and reduced paper usage and hard copy document storage. Examples include:

- The Company has in place an Operational Loss Data Report system, which optimizes the reporting process, ensuring the efficient reporting of operational losses.

- The Company groups forms by the 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 outsourced service providers.

- The Company has in place a 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.



KTC and Sustainable Development

KTC and Sustainable Development

Under the Company's vision "KTC is a membership company in payment and retail lending business with sustainability as key element", including the sustainability purpose of "to develop financial products and services to enhance the quality of life for all Thais". KTC has integrated sustainability or the Environmental, Social, and Governance: ESG concept with its responsible business operations as

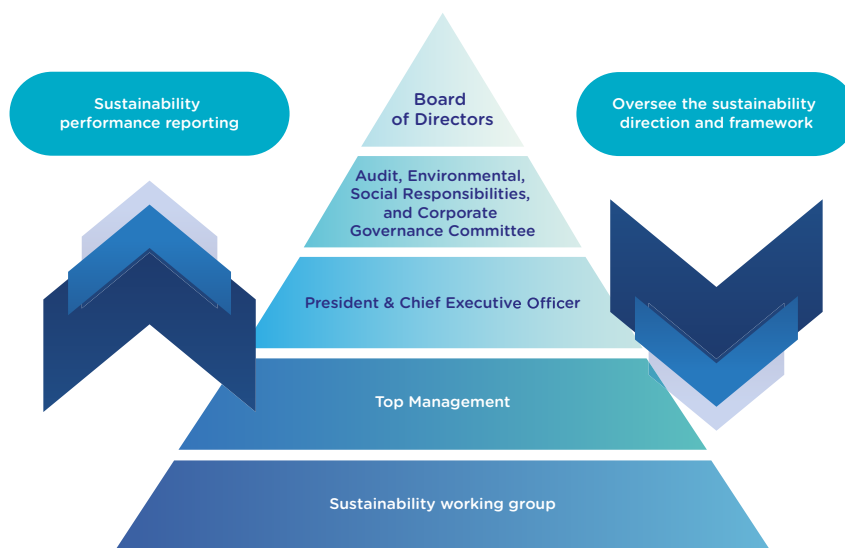
well as develop the organization continuously under the concept of Sustainable Development by Spirit. The Company harmonizes the concept with stakeholders' needs and plays its part of strengthening financial sector business and driving Thailand economic system for sustainable growth in accordance with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

Sustainable Development Goals (SDGs)



Sustainable Development Management Structure

102-18, 102-19, 102-26, 102-32



Roles and Responsibilities



Board Level

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 order to drive its organization in a sustainable manner.

President & Chief Executive Officer and Top Management

President & Chief Executive Officer is the leader in driving the organization sustainably with determination. Furthermore, 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 an importance of applying the sustainable development concept as a concrete part of business operations.



Sustainability Working Group

consists of representatives from all departments who jointly studied both national and international sustainability framework, exchanged opinions among departments, and emphasized on internal communication to raise awareness and understanding for employees to implement and to operate in accordance with the Sustainable Development by Spirit Framework.



► Sustainable Development

In 2021, the Company considered and reviewed business value chain and stakeholder groups. Moreover, the Company has worked with all stakeholder groups to review sustainability materiality topics. The results were input to develop the Sustainable Development by Spirit Framework

and a 5-year sustainability long-term plan (2022-2026) to enhance sustainability operations that support the Company's vision and goals, as well as the Sustainable Development Goals (SDGs) of the United Nations continuously.

Impact Management on Stakeholders in the Business Value Chain

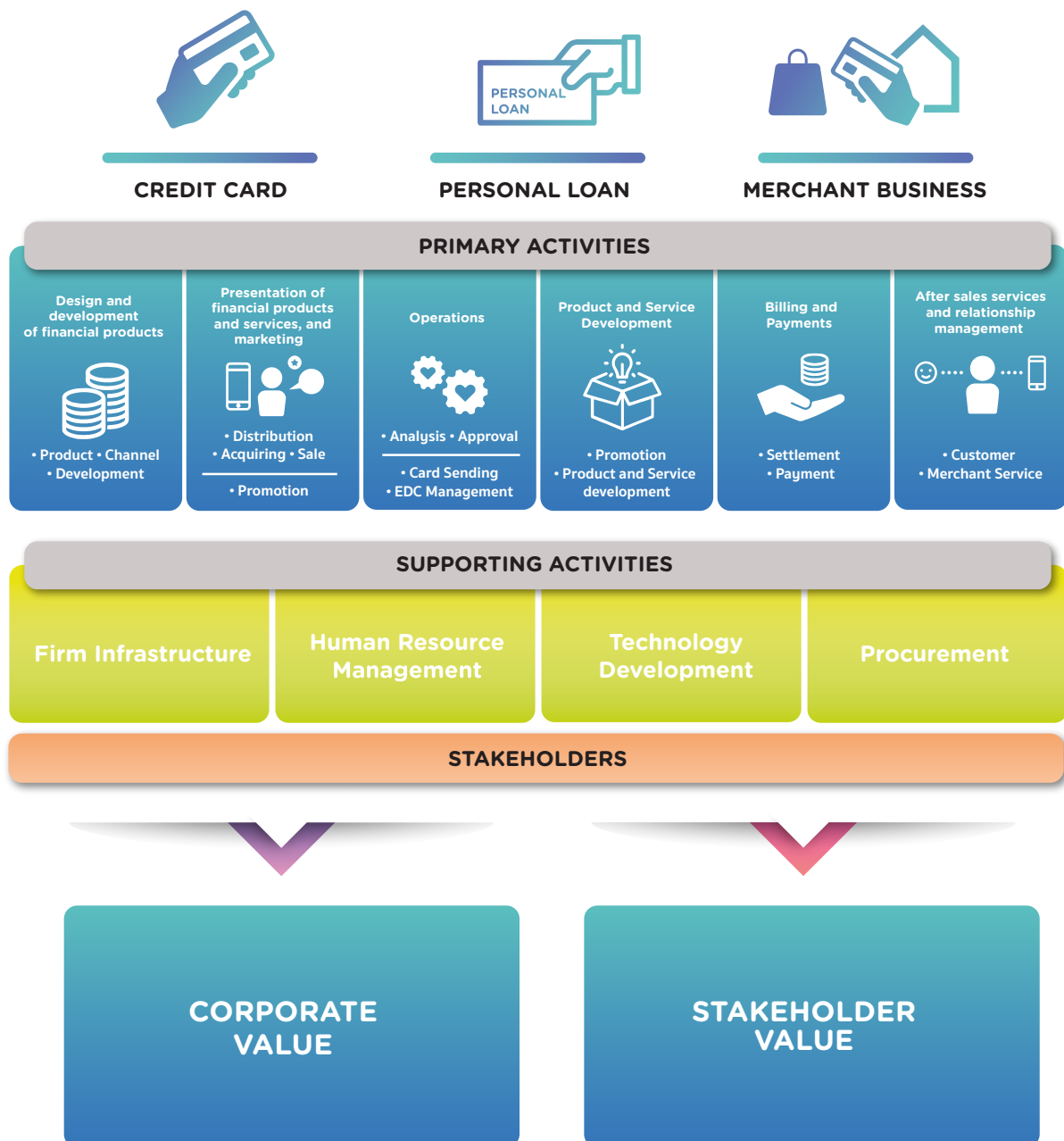
102-42

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

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

Business Value Chain

102-9



► Stakeholder Analysis and Engagement in the Business Value Chain

102-40, 102-42, 102-43, 102-44

Stakeholder Analysis and Review

The Company divides stakeholders into 10 groups according to their relevance to the Company's business value chain. In 2021, 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 guideline for treatment to stakeholders is clearly written in the Company's Corporate Governance Policy and Code of Conduct, which are published on the intranet and the Company's website. (<https://www.ktc.co.th/sustainability-development/corporate-governance>) The Company also encourages all employees to pay attention to and empathize with stakeholders to be able to understand and engage their needs, expectations, and areas that stakeholders value via different channels and activities. Such information will

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

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



Shareholders

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> Annual General Meeting of Shareholders. Extraordinary General Meeting of Shareholders (upon the occurrence of an event) Disclosure of Financial Statements, MD&A (Management Discussion and Analysis) on both quarterly and annually basis (pre and post review/audit). Hosting Opportunity Day and Analyst Briefing quarterly both via online channel and to participate in person at the venue. Opportunity to have Company Visit at any time, including meeting at the Company and communication via online channel. Other IRKTC responding channels, including telephone and E-mail: irktc@kctc.co.th Organizing Roadshow for information disclosure domestically and internationally. Roadshow is hosted online during the severe COVID-19 outbreak and travel is not allowed. 	<ul style="list-style-type: none"> The Company grows steadily and sustainably, ready to accept risks from competition, rules or trade barriers that may occur in business operations. 	<ul style="list-style-type: none"> The Company manages business firmly and grows continuously with a risk management plan that reflects prudent business operations.
	<ul style="list-style-type: none"> The Company has good corporate governance and appropriate risk management. 	<ul style="list-style-type: none"> The Company operates business with transparency and good operating results under proper corporate governance and risk management.
	<ul style="list-style-type: none"> Treat all shareholders fairly and equitably whereby shareholders receive correct information through a transparent, clear, complete, equal and timely disclosure. 	<ul style="list-style-type: none"> The Company discloses correct and complete information in a timely manner and provides equal and easy access to information via various channels.
	<ul style="list-style-type: none"> Shareholders receive positive returns, such as dividends or capital gain. 	<ul style="list-style-type: none"> The company manages its business under strict and prudent risk management measures. As a result, dividends can be paid to shareholders continuously.
	<ul style="list-style-type: none"> The Company is resilient to unexpected events, with sustainability linked to business processes and strategies. 	<ul style="list-style-type: none"> The company constantly adjusts and develops itself; some are reflected in the Business Continuity Management plan in response to unusual events.
	<ul style="list-style-type: none"> Provide good communication channels between the Company and shareholders so shareholders have an opportunity to ask questions either in the Annual General Shareholders' Meeting, Opportunity Day, or other meetings. 	<ul style="list-style-type: none"> Arrange the Annual General Shareholders' Meeting by inviting shareholders to attend the meeting and express their opinions and organize Opportunity Day. Due to COVID-19 outbreak, the majority of appointments and meetings were held online in 2021.
	<ul style="list-style-type: none"> Shareholders receive clear and up to date answers to new questions posed. 	<ul style="list-style-type: none"> Provide answers in a straightforward manner. The executives communicate in a timely manner and answer questions clearly and completely.
<ul style="list-style-type: none"> Meeting for group policy and guideline updates, prepare and submit reports, cooperate with audits undertaken by internal audit function of Krungthai Bank. 	<ul style="list-style-type: none"> Krungthai Bank receives correct and complete information within the specified deadline. 	<ul style="list-style-type: none"> The Company submits its report with correct and complete information in a timely manner for the Bank to use its information in group supervision.

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



Customers

Methods of Communication	Interests and Expectations	Responding Guidelines
<ul style="list-style-type: none"> • A survey on KTC's effectiveness and Brand Health Monitoring was conducted through customer interviews. • A survey on Net Promoter Score. • KTC TOUCH Customer Satisfaction Surveys. • Meeting with customers to present financial products and services across all channels to foster good relationships. • Customer satisfaction telephone surveys to gauge the correctness of sales by team leader & sales or sales agents (Mystery shopping). • Listening to suggestions, issues, and complaints throughout the year. 	<ul style="list-style-type: none"> • Financial products and services including benefits that meet customer needs and help solving the problem. 	<ul style="list-style-type: none"> • Develop products, services, and privileges to meet all groups of customers' needs.
	<ul style="list-style-type: none"> • To present correct information on products and services, including providing appropriate suggestions and effective services that do not lead to misunderstanding. 	<ul style="list-style-type: none"> • Have service mind and respond quickly in every channel. Listen and take customers issues to improve and develop along with offering assistance and giving suggestions for customers' benefits and highest satisfaction.
	<ul style="list-style-type: none"> • To elevate sales and services to be accepted, appreciated and admired by customers, including those applying for products, according to Market Conduct principle, including resolving issues, compensating, and listening to suggestions with willingness, fairness, and quickness. 	<ul style="list-style-type: none"> • Create opportunities for customers to evaluate KTC TOUCH, using telephone surveys to ask for opinions toward the service and gather feedbacks for further improvements. • Accept customer complaints via Customer Feedback Center (CFC), in which teams will investigate and resolve issues within the Service Legal Agreement (SLA) timeframe. • Suggestions are collected and submitted to related departments to study and identify guidelines for products and services improvements.
	<ul style="list-style-type: none"> • To improve the quality of sales and services of team leader & sales in accordance with Market Conduct principle. 	<ul style="list-style-type: none"> • Provide training and product knowledge development skills and related guidelines on product offerings to Team leader and sales regularly in accordance with Market Conduct principle.

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



Creditors

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

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



Suppliers/ Outsourced Service Providers

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

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



Business Partners

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

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



Competitors

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

(Please refer to additional detail under “Corporate Governance” topic)



Society and Environment

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

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



Board of Directors and Management

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

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



Employees

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

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



Government Sectors and Regulators

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

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

Identification of Sustainability Materiality Topics

102-46, 102-47

In 2021, the Company considered and reviewed sustainability materiality topics at the industry, national and international level (Issue Universe) that related to the Company and submitted surveys to 10 stakeholder groups. The Company, consequently, prioritized and prepared the Materiality Matrix, a 5-year sustainability long-term plan (2022-2026) in accordance with the Sustainable Development by Spirit Framework and identify the scope of this Sustainability Report accordingly. The processes are as follows:

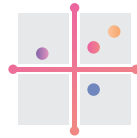
1. Identification of Sustainability Materiality Topics



2. Prioritization of Sustainability Materiality Topics

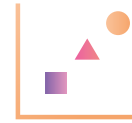


Analyze and consider data from interviews and meetings with the President & Chief Executive Officer and top management, as well as survey results received from the Company's stakeholders.



Prioritize sustainability materiality topics per their importance to the Company and the Company's stakeholders.

- X-axis : Importance to the Company
- Y-axis : Importance to the Company's stakeholders



Specify all 16 sustainability materiality topics in the Materiality Matrix

3. Consideration of Sustainability Material Topics



The Company's top management and the sustainability working group have considered the appropriateness of prioritization and reported to the president & Chief Executive Officer, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors.



Conduct meeting with top management and sustainability working group to jointly formulate sustainability action plans in accordance with material topics.



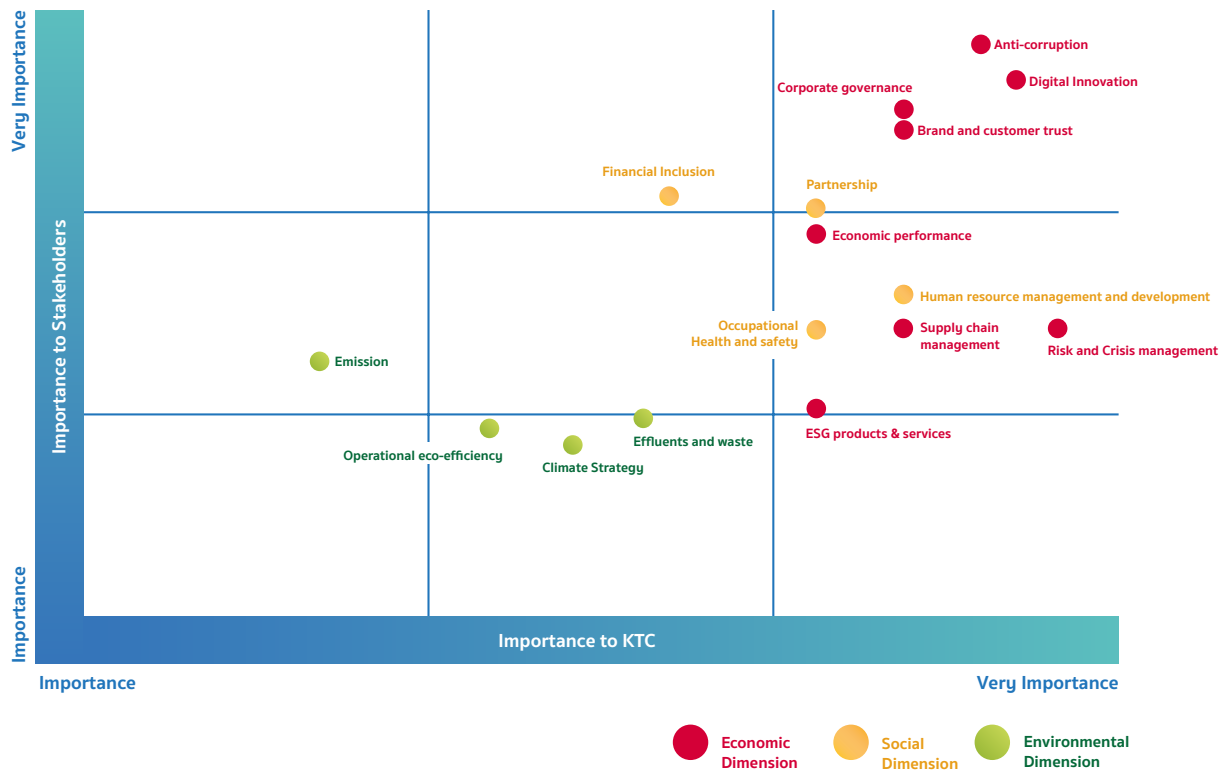
Disclosure of information in the Company's Sustainability Report and Website.

4. Review of Sustainability Material Topics



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.

Prioritization of Sustainability Materiality Topics



Key Sustainability Reporting Changes

102-48, 102-49

This Sustainability Report outlines the key materiality topics under the GRI Standards: Core Options as depicted in the above Materiality Matrix and 16 sustainability materiality topics are the same sustainability topics since 2019.

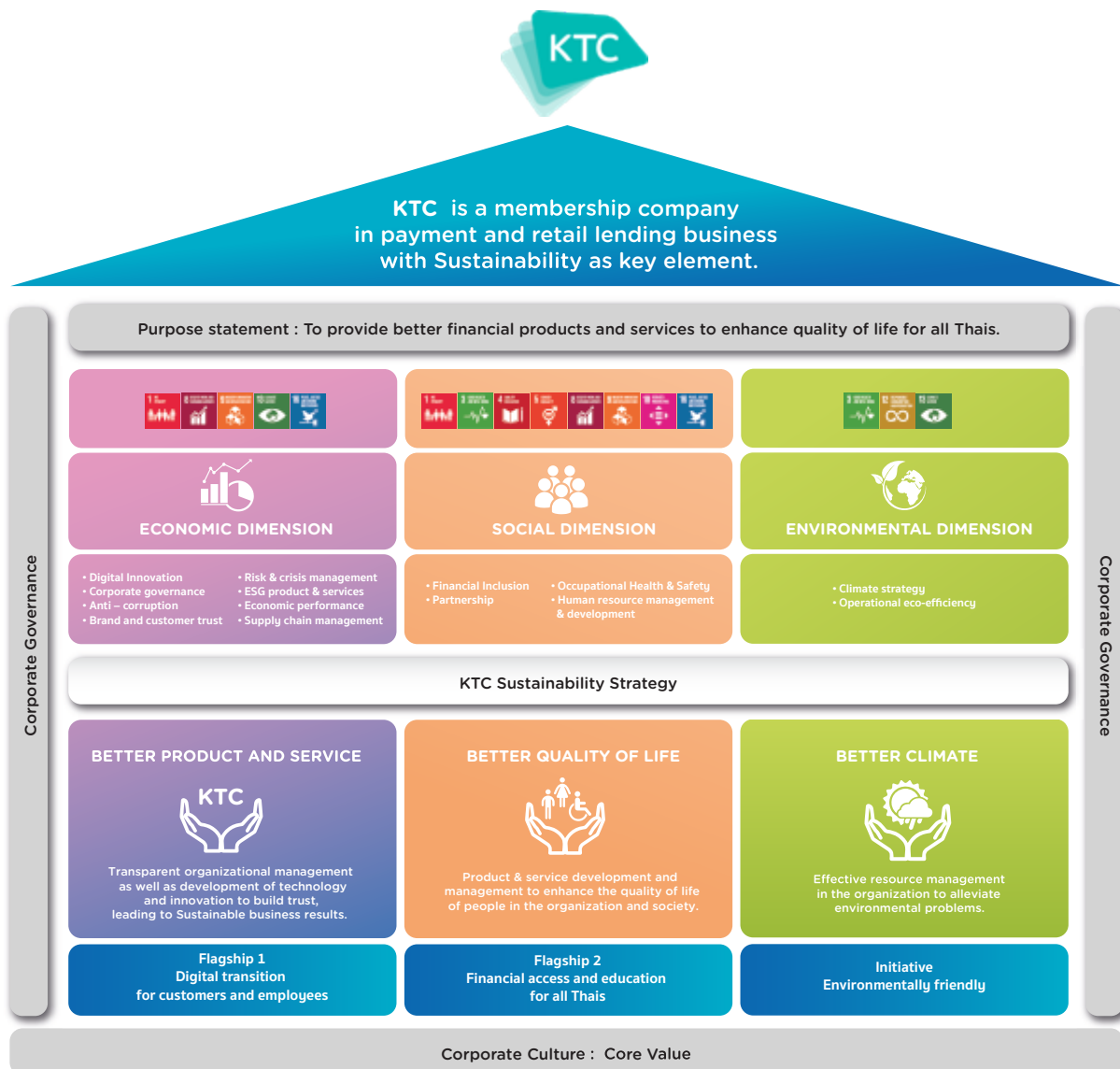
In 2021, the Company renamed some materiality topics to be more comprehensive as follows;

- “Human Resource Management and Development” from “Human Capital Development”
- “Digital Innovation” from “Digitalization”

The Company also re-classified reporting topics “Anti-corruption” from social dimension to economic dimension to reflect its materiality topics grouping in each dimension according to international classification approach and to provide more clarity in the role of Materiality Topic. Including, the company has changed definition and composition of employment categories to be in accordance with the international standards.

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

"Sustainable Development by spirit" Framework







The company has established a sustainability framework based on the principle of “Sustainable Development by Spirit” that addresses key sustainability issues, corporate vision and in line with the 10 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 issues, namely Better Product and Service (economic dimension strategy), Better Quality of








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

Sustainability Reporting Boundaries





This Sustainability Report outlines the key materiality issues under the GRI Standards: Core Options as depicted in the Materiality Matrix. This report also includes the operations of the KTC Pico (Bangkok) Co., Ltd. and subsidiary of KTC Pico (Bangkok) Co., Ltd. in order to provide more clarity in the role of Materiality Topic.

102-47

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Partners	Competitors	Society & Environment	Government sectors & Regulators		
<ul style="list-style-type: none">Substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1)	Digital innovation Developing digital technology and innovations to enhance financial products and services, work process, customer service channels; Placing importance of information security, cyber security, personal data protection.	✓	✓		✓		✓	✓	✓	✓	Economic Dimension Digital innovation		
<ul style="list-style-type: none">Incidents of non-compliance concerning marketing communications (GRI 417-3)	Brand and Customer Trust Responsible business operations; Developing and maintaining the quality of products and services; Mitigating social and environmental impacts; Communicating clearly and fairly; Building satisfaction, experience and trust to customers and stakeholders.	✓	✓		✓		✓	✓		✓	Economic Dimension Brand and Customer Trust		
<ul style="list-style-type: none">Precautionary Principle or approach (GRI 102-11)Governance Structure (GRI 102-18)Delegating authority (GRI 102-19)Effectiveness of risk management processes (GRI 102-30)	Risk and Crisis Management Setting risk structure and corporate culture; Conducting risk assessment, analysis and management covering ESG issue to define guidelines for dealing with anticipated changes and emerging risks	✓	✓	✓	✓	✓	✓	✓		✓	Our KTC Economic Dimension Risk and Crisis Management		
<ul style="list-style-type: none">Direct economic value generated and distributed (GRI 201-1)	Economic Performance 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.	✓	✓	✓	✓	✓	✓	✓		✓	Sustainability Performance Economic Dimension		

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Partners	Competitors	Society & Environment	Government sectors & Regulators		
<ul style="list-style-type: none">• Mechanisms for advice and concerns about ethics (GRI 102-17)• Governance structure (GRI 102-18)• Delegating authority (GRI 102-19)• Highest Governance body's role in sustainability reporting (GRI 102-32)	Corporate Governance 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.	✓	✓	✓	✓	✓	✓	✓	✓	✓	Our KTC Economic Dimension Corporate Governance		
<ul style="list-style-type: none">• Significant indirect economic impacts (GRI 203-2)	ESG Products and Services Creating incentives to reduce environmental and social impacts through loan policies; Developing products services with environment and social consideration; Conducting responsible business.	✓	✓		✓		✓	✓		✓	✓	Economic Dimension ESG Products and Services	 
<ul style="list-style-type: none">• New suppliers that were screened using environmental criteria (GRI 308-1)• New suppliers that were screened using social criteria (GRI 414-1)	Supply Chain Management Supply chain management from upstream to downstream to instill confidence that the Company's suppliers or outsourced service providers considers positive economic, social and environmental impacts by undergoing a selection process, quality control and knowledge sharing.	✓	✓		✓		✓	✓		✓		Economic Dimension Supply Chain Management	 
<ul style="list-style-type: none">• Infrastructure investments and services supported (GRI 203-1)	Financial inclusion 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.	✓	✓		✓			✓		✓	✓	Social Dimension Financial Inclusion and Financial Literacy	    

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Partners	Competitors	Society & Environment	Government sectors & Regulators		
<ul style="list-style-type: none">• 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)	Anti-Corruption and Bribery Having a clear policy regarding anti-corruption, Anti-Money Laundering and Counter-terrorism and Proliferation of Weapon of Mass Destruction Financing; Defining roles and work processes that are clear and transparent; Defining process if corruption is found and whistleblower protection	✓	✓	✓	✓	✓	✓	✓	✓	✓	Our KTC Economic Dimension Anti-Corruption and Bribery		
<ul style="list-style-type: none">• 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)• Average hours of training per year per employee (GRI 404-1)• Programs for upgrading employee skills and transition assistance programs (GRI 404-2)• Diversity of governance bodies and employees (GRI 405-1)	Human Resource Management and Development 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.	✓	✓		✓		✓			✓	Social Dimension Human Resource Management and Development	   	
<ul style="list-style-type: none">• Occupational health and safety management system (GRI 403-1)• Work-related injuries (GRI 403-9)	Occupational Health and Safety Promoting occupational health and safety knowledge amongst employees; Organizing workplace to facilitate work, prevent occupational hazards or work-related illnesses that may occur to employees.	✓	✓				✓			✓	Social Dimension Occupational Health and Safety	 	

GRI Standard	Materiality Topics	Scope of Impacts										Reporting topics	Sustainable development goals (SDGs)
		Internal Scope		External Scope									
		Employee	Board of directors and management	Shareholders	Customers	Creditors	Suppliers/Outsources	Business Partners	Competitors	Society & Environment	Government sectors & Regulators		
<ul style="list-style-type: none">• Significant indirect economic impacts (GRI 203-2)	Collaboration with Partners on Sustainability Collaborating with business partners to drive sustainability in economic, social, and environmental aspects.	✓	✓		✓		✓	✓		✓		Social Dimension Collaboration with Partners for Sustainability	
<ul style="list-style-type: none">• Energy consumption within the organization (GRI 302-1)• Reduction of energy consumption (GRI 302-4)• Energy indirect (Scope 2) GHG emissions (GRI 305-2)• Reduction of GHG emissions (GRI 305-5)• Waste by type and disposal method (GRI 306-2)	Climate Strategy, Operational Eco-Efficiency, Emissions, Effluent and Waste Considering impact of climate change to formulate strategy through products, services, and operations that could reducing greenhouse gas emission and minimizing environmental impacts.	✓	✓		✓					✓	✓	Environmental Dimension Environmental and Climate Strategy Management	  



COVID-19 Crisis Management

COVID-19 Crisis Management

Although the COVID-19 outbreak has been prolonging more than 2 years, it still affects the Company's business operations and economy unceasingly. In addition, the government has launched various measures to enable business operators to assist stakeholders affected by COVID-19, such as issuing debt relief measures, converting credit card debts into long-term loans, etc. The Company places great importance on assisting various groups of stakeholders according to its applicable procedures to reduce or alleviate the effects of this situation.

Crisis Management Guidelines

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

The Board of Directors and related sub-committees, which are the Risk Management Committee, the Management Committee, and the Crisis Management Committee, consider and approve policies and define measures to assist affected customers in accordance with the regulations set by the Bank of Thailand (BOT) and Krungthai Bank as a parent Company, including risk management policies, business continuity management policies, good corporate citizenship policies that cover the epidemic or other external factors that cannot be prevented. This is to provide the Company with a plan to assist business operations continuously during the crisis, to mitigate or minimize the damage that may occur to the Company. Contingency plans will be implemented if necessary, including assigning the Company's ad hoc

management team or good corporate citizenship team with directly responsible personnel for efficient operations and decision making. The Company set up reporting processes where the results of assisting customers will be reported to executives.

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

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

Impact Mitigation

The Company sets guidelines to mitigate impacts or to turn this situation into an opportunity to benefit stakeholders, build long-term trust, and demonstrate the spirit of Good Corporate Citizenship. The Company assesses and manages the impact, and communicates assisting measures and other forms of communication to various groups of stakeholders in order to create the confidence in the Company's operations as follows:

Stakeholders	Impact mitigation management of COVID-19
Government Sectors and Regulators	<p>Regulators such as the Bank of Thailand (BOT) or the Social Security Office (SSO), etc., provide measures to assist stakeholders who affected by the situation.</p> <p>Methods of Communication</p> <ul style="list-style-type: none"> • Meetings, policy, and regulatory guidelines hearings via online channels. • Listen to policy guidelines and government agencies guidelines via website or print media, television or Cabinet Resolution Announcement, or Announcement of the Government Gazette. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • Cooperate with government or government agencies to assist customers in accordance with appropriate assisting measures. • Comply with government or government agencies policies that were announced or be effective such as the reduction of employees' contribution rate to the Social Security Office, employees assisting measures during the outbreak, etc. <p>Responding</p> <ul style="list-style-type: none"> • The Company immediately presents debtors' assisting measures to the relevant sub-committees to consider and approve the measures. The Company also reports debtors' assisting results to the top management and the Bank of Thailand on a regular basis. Thus, its assisting measures are trackable. The Company also promotes its assisting measures to customers via the Company's website. • Slow down the remittance of employees and employer contribution to the Social Security Office according to the specified grace period to alleviate both employees and employer. • Comply with government or government agencies regulations and policies strictly, including coordinating with the Social Security Office to encourage employees to receive vaccinations thoroughly.
Customers	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Communicate and promote precise information via electronic channels. Receive complaints/suggestions via complaints channels and respond to customers regarding to issues related to products development, services, and other requests. • Promote products and services privileges, promotions, and various marketing activities that offer convenience to members via online channels. • Improve KTC Mobile functions in response to changes in lifestyle. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • Provide measures to help and support customers during the COVID-19 outbreak. <p>Responding</p> <ul style="list-style-type: none"> • Strictly comply with government agencies' policies and measures to help and support customers during the COVID-19 outbreak. • Listen to customers' complaints via Customer Feedback system. • Provide assisting measures for affected customers from the COVID-19 outbreak such as lowering KTC credit card minimum payment rate automatically without their advanced requests, decreasing personal loans installment payment amount at least 30% of the original amount, changing credit card loans or transferring revolving loans to Term Loan up to 48 installments with lower interest rate, etc. • Promote assisting measures to customers via the Company's website. Provide a contact center or KTC TOUCH contact center for customers affected by the COVID-19 outbreak to contact for financial assistance according to the measures set by the Company.

Stakeholders	Impact mitigation management of COVID-19
	<ul style="list-style-type: none"> • Provide digital services platform to enable customers to conduct contactless transactions via multiple channels such as Contactless credit card payments, Device Pay (Samsung Pay, Fitbit Pay, Garmin Pay), QR Code, and online credit card payments according to a social distancing measure, including focus on the customers' security using digital services. <p>(Please see additional details under the "Digital Innovation" topic)</p>
Merchants	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Set up a platform to help merchant partners under the project "Let's taking care one another". <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • Enlarge marketing opportunities by supporting merchant partners who are not able to operate during the lockdown. <p>Responding</p> <ul style="list-style-type: none"> • Organize "Let's taking care one another" project to help merchant partners to promote their products via the Company's online channels during the lockdown so that they still have income via online channels. Furthermore, the Company's also liaises with the recruited media company to write news or review merchants' stores through various channels, as well as the Company's employees who have followers on Social Media channels to review merchants' stores to help one another in various ways. • No withdrawal of EDC machine for merchants that do not have a transaction. • Exempted EDC machine service fee for the affected merchants. • The Company realizes that merchants' liquidity is essential for their business operations. Thus, when the transaction is made via the card; merchants still receive payment for goods and service according to the original agreed upon terms. • New payment channel development "KTC Link Pay" where merchants can create a link or QR Code and send to customers to make payment via channel that merchants contact with customers such as social media or E-mail to reduce the chance of touching cash and to reduce risk of contracting the COVID-19 virus. Moreover, the merchants can also sell products or services without customers paying at the merchants' premises.
Business Partners or Outsource Service Providers	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Provide communication channels for suggestions, problems, and complaints. • Organize meetings and trainings for business partners or outsource service providers in order to exchange knowledge. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • Communicate and coordinate in order to exchange useful information. • Provide measures to assist business partners' employees or outsource service providers during the COVID-19 outbreak. • Specify requirements and procedures, including guidelines for business partners' employees who are contracted or are at risk of contracting COVID-19. <p>Responding</p> <ul style="list-style-type: none"> • Coordination Meetings with partners or external service providers are mainly online. • Continuous communication with partners. by disseminating useful information Including the practice in the situation of the COVID-19 outbreak for safety and methods of working appropriately in the current situation. • Making insurance policies for protection against COVID-19 for employees of business partners. or service provider Outside working at the company • The company has a payment cycle for goods or services. to partners or service providers who have a Krungthai bank account, no more than 2 weeks and no more than 3 weeks for other bank accounts After the work has been delivered and the invoice has been sent to the company in full.

Stakeholders	Impact mitigation management of COVID-19
<p>Society</p>	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Organize online meetings and trainings. • Provide communication channel for suggestions, problems, and complaints via telephone. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • Provide measures that contribute to community and society appropriately • Adjust project format or activities with community to be in line with the incident. <p>Responding</p> <ul style="list-style-type: none"> • Although this incident is an obstacle to organize the project, the Company continues to carry out the project by adjusting the project format to be in line with the incident and organizing online activities instead. • Organizing various projects to raise funds for the procurement of medical equipment and supplies. to help COVID-19 patients and medical personnel such as the "Love & Share Project", "Convert Hearts to Merit", "The Charity Sharing Activity Cancel receiving paper statements using e-Statements, including activities "Rao Gin Mod...Pi Gin Im" to provide food to recharge energy for medical personnel, etc. • Organizing a project to change the accumulated points into a generous set. To help those who are quarantined from COVID-19 through the Thai Red Cross Society
<p>The Board of Directors and Employees</p>	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Communicate and promote news about the COVID-19 outbreak situation via E-mail so that employees are informed quickly and accurately. • Prepare public relations material at various points regarding to washing hands and using alcohol gel to make sure that employees do not neglect taking care of themselves strictly. • Set up a specific Line group for employees or departments at risk or infected with COVID-19 to coordinate and communicate closely with Human Resources Department. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • The Board of Directors is still able to define visions, missions or the Company's strategies, including discussing or considering policies or operating the Company's business in accordance with guidelines set by the Board of Directors. • The Company acknowledges employees and let them know that they can acknowledge back whether they want to receive vaccinations and get tested. <p>Responding</p> <ul style="list-style-type: none"> • Due to the COVID-19 outbreak is still ongoing, the Board of Directors' Meeting is held in 2 hybrid forms, in person and via online system. • Arrange the hospital for employees to get COVID-19 tested in the event that employees are at risk within the Company. • Send employees who are at risk to get tested or employees who are contracted with COVID-19 to be admitted at the hospital. • Work together with Building Service Department to establish measures to prevent COVID-19 infection, such as requiring all employees who work in the building, visitors, and outsourced workers to take temperature measurements before entering the building. • Communicate to everyone in the organization about the situation of the outbreak, and ways to protect and live life during the COVID-19 outbreak via internal E-mail to make employees aware but not stress and be careful with such situations. • Prepare work procedures to support Work from Home, including online meetings to reduce the congestion in the office and the employees' performance reporting or record keeping while working from home.

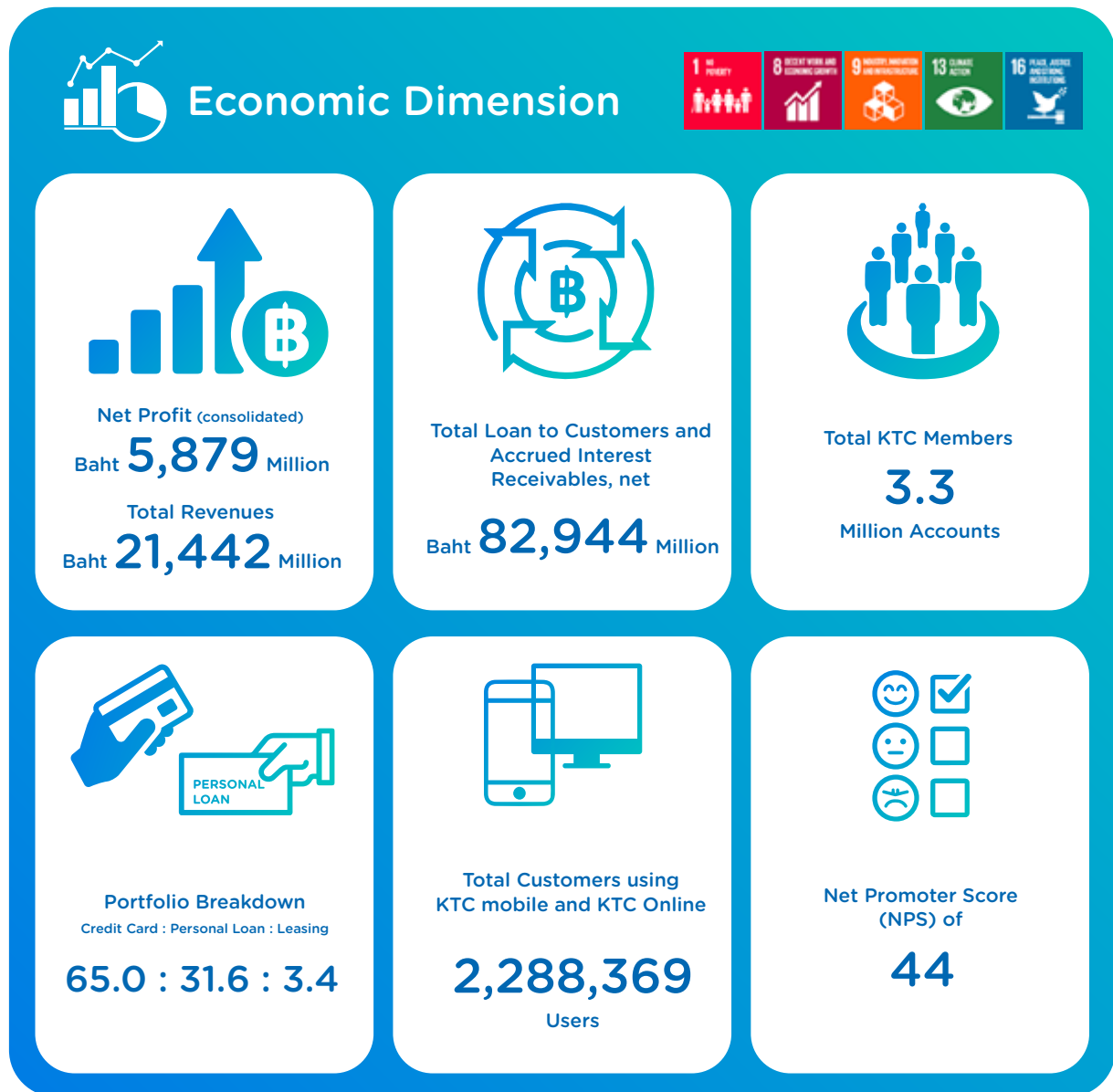
Stakeholders	Impact mitigation management of COVID-19
	<ul style="list-style-type: none"> • In case employees are infected or are at risk of COVID-19 infection, their leave days will not be counted as part of annual leave. • Provide alcohol gel at different locations. Ozone the office space and spray disinfectants on each floor of the Company on a weekly basis, and clean different touch points, such as entrance and exit doors, and toilets, etc. • Coordinate with the Social Security Office, Ministry of Health, Chulabhorn Royal Academy, and private hospitals regarding to COVID-19 vaccinations for the Company's employees and collect statistics of vaccinations received. • Establish measures for employees whose work are in connection with or transit in spreading areas and countries with local spreading that they should perform a self-quarantine in compliance with government's regulations. • Prepare the manpower to be ready in case of emergency, prepare number and list of employees who must come to work during the crisis (Critical Business Function: CBF) which divided into the main team and the back-up team in order to work interchangeably. Provide a place to be used as an Alternate Site, as well as prepare a work system and necessary resources to alter the working site according to Social Distancing measures.
Shareholders	<p>Methods of Communication</p> <ul style="list-style-type: none"> • Dissimilate information via Social Distancing channels such as telephone, online meetings, E-mail, or the Stock Exchange of Thailand's website, or the Company's website. <p>Interests and Expectations toward the Company's Crisis Management</p> <ul style="list-style-type: none"> • The Company has assessed risks that may occur in business operations due to the impact of the COVID-19 outbreak, as well as prepared preventive and corrective measures. <p>Responding</p> <ul style="list-style-type: none"> • During the 2021 Annual General Shareholders' Meeting, the Company concerned about shareholders' health and safety, thus measures are established to prevent and reduce touching of common objects, such as appointed independent directors to attend the meeting as their proxy, accommodated Social Distancing at the meeting venue, arranged a screening point, and asked shareholders to write questions by specifying their first and last names instead of using a microphone, etc. • The Company has assessed risks from COVID-19 outbreak that affected its business operations in various issues and established preventive measures and operational measures in response to the incident in compliance with policies and measures of government and regulatory agencies, including the Business Contingency Plan: BCP as a guideline to deal and manage risks appropriately and swiftly.



Highlights

Highlights

102-7





Social Dimension



Total Training Hours

99,420

Hours



Total Number of Employees

1,705

Persons

- Male 572 Persons
- Female 1,133 Persons



The level of Employee Engagement

66%



Service Channels

- KTC TOUCH 15 Branches
- Team Leader and Sales
- Online Channels
- KTB branches nationwide



Environmental Dimension



The Number of KTC Members applying for e-Statement 2021

129,885 Members

Cutback of paper Consumption

4,178 Reams



Total Volume of Recyclable Wastes

95,547 Kg.



Reduce water consumption

2.03%

(Compare to base year 2018)



Reduce Greenhouse Gas Emissions

GHG Scope 1 = 38%

GHG Scope 2 = 13%

GHG Scope 3 = 27%

(Compare to base year 2018)

A photograph of a man and a woman, both smiling and looking down at a document or tablet they are holding together. The image is heavily tinted with a blue color. The woman is on the left, wearing a dark button-down shirt, and the man is on the right, wearing a plaid shirt. The text "Economic Dimension 'Better Product and Service'" is overlaid in white at the bottom left.

Economic
Dimension
"Better Product
and Service"

Digital Innovation



103-3

Long-Term Target 2026	Target 2021	Performance 2021
Number of KTC Mobile and KTC Online users accounts for 95% of total number of customers.	Number of KTC Mobile and KTC Online users account for 77% of total number of customers.	Number of KTC Mobile and KTC Online users account for 95% of total number of customers.

103-1

Technological changes and progress, the Thailand 4.0, national e-Payment, cashless society policies as well as COVID-19 outbreak situation induced dramatic changes in consumer behavior. As a result, the Company formulated digital technology development policy to offer customers with products and services as well as modes of payment via electronic channels to satisfy their needs for convenient, quick and safe services that could be accessed anytime, anywhere. Moreover, it also formulated corporate policy and standards related to cyber security and safety of personal data of stakeholders so as to build confidence and trust when engaging in online transactions with the Company.

103-2

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



Digital Product



Digital Service



Digital Channel

Products, Services and Platforms

“KTC Mobile” and “KTC Online”

The Company developed efficiently online channels to enhance customer convenience when they using our services by displaying member account information and allowing cardmembers to manage their own accounts and perform transactions online by themselves as the one-stop service platforms that provided access to all products on KTC Mobile application and KTC Online website, which the Company has improved menu features for ease and convenience of use, created better customer experience with modern and clean look, and added security features by using biometric authentication

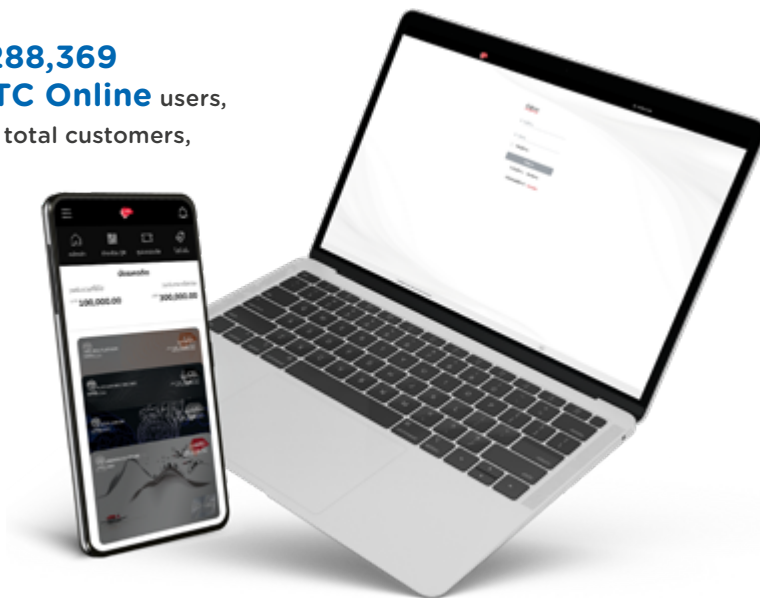
aside from using PIN code, an extra level of security relies on use of dynamic keypad during login to check personal data or perform financial transactions Including usage speed is crucial in accommodating a growing trend of sizeable target groups. Also, with insight of spending behavior of cardmembers in mind, transaction services were designed by having functions that could satisfy daily lifestyle and needs more easily and conveniently, – for example, one-stop site for checking KTC card information, accumulated reward points, balance amounts and remaining credit line of every KTC card.

A key information management feature allows users to freely manage information by themselves – for example, setting alert when they spending thru credit card, setting scheduled payment alert, setting ATM PIN code, suspending usage temporarily when card is lost, setting spending limit via online channels, applying for or changing receipt option of credit card billing statement, requesting for temporary increase of credit line, making cash advance from credit card account, and making cash withdrawal from KTC PROUD cash card. Furthermore, the Company has increased number of banks for greater customer convenience which they

can select banks for interbank money transfer and offered e-Coupon from sales promotion activities as member privilege. In addition, customers can opt for credit card payment via Krungthai bank account. Upon making payment, credit line will be restored promptly.

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

At the end of 2021, there was a total of **2,288,369** **KTC Mobile** and **KTC Online** users, approximately **95%** of total customers, or **13%** growth from the end of 2020.



Accepting payment for products and services

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

Payment service via Electronic Data Capture (EDC)

This payment service is available for merchant members desiring to have Electronic Data Capture (EDC) for installed as a point-of-sale terminal to offer customers an alternative method for the payment of products and services aside from cash payment. The company offer service that accepts cash payment in full amount either in Thai Baht or foreign currency-Dynamic Currency Conversion (DCC), installment payment service and redemption of reward points. At present, the Company's EDC terminals can accept payment for products and services via VISA,

Mastercard, JCB, or UNION PAY card as well as debit cards linked to Local Switching systems (TPN & ITMX), e-wallet, and other systems in the future.

Payment service via KTC QR PAY

The Company has developed a system for payment of products and services via QR Code Payment on KTC Mobile and KTC TAP MERCHANT applications to satisfy the functional needs of credit cardholders and merchants. As for customers, they do not need to carry cash and can make payments on smartphones easily, conveniently, quickly, and safely. After the payment section is done, they will receive successful transaction notifications via these applications. As for merchants, they can receive QR Code payments via credit card or Prompt Pay account. This mode of payment helps reduce costs

and minimize risks in cash management of merchants, such as employee fraud prevention expense, theft risk, expedites sales and reduce problem associated with change. The Company accelerated the pace of recruiting new partner merchants accepting payment via KTC QR PAY to help develop cashless society and deliver more modern, convenient, and speedy spending experience for cardholders and card-accepting merchants throughout the country.

At the end of 2021,
11,773 shop used
“KTC TAP Merchant”



At the end of 2021,
payment via
KTC QR PAY
was available in
2,468 merchants

Payment service via KTC GATEWAY

This payment service accepts payment online via intranet system linked to merchant members, and it is equipped with cardholder authentication system that requires entry of cardholder's PIN code given to card issuer company or OTP (One-Time Password) while performing online credit card payment transaction through international security system. Through this system, online transactions can be made conveniently 24 hours a day.

Payment service via KTC LINK PAY

KTC developed a new payment service to ease the process of accepting payment from customers. This payment service represents another payment channel that satisfies the needs of rapidly growing e-Commerce and Social Commerce merchants and facilitates sending and receiving payment for both merchants and customers via payment link. Merchant members can send a link with product or service information and value to each customer through various contact channels, including social media, so that customers can make payment easily, quickly, and safely anytime anywhere.

Payment service via KTC ALIPAY

This payment service primarily serves Chinese customers: Chinese tourists who traveling to Thailand and Chinese expatriates who living in Thailand. Merchants can receive payment via Alipay through online and offline channels.

Automatic Payment Collection (RECURRING)

Merchants may send billing information for products and services from cardholders in electronic format to the Company for automatically debiting the amount from the cardholder's card monthly. Cardholders must notify and register for the service with the Company or merchants in advance. In addition, the Company has collaborated with MasterCard to launch the token encryption technology, 'Mastercard Digital Enablement Services (MDES) for Merchants', with KTC being the first financial institution in Southeast Asia to participate in order to enhance the safety of online transactions for customers, while enhancing the confidence between online merchants and customers, by encrypting tokens instead of using an account number that poses risk when the card number must be placed on

a merchant website or application for payment. Digital token codes provide an additional layer of protection through the use of a unique Cryptogram for each transaction, reducing the risk of information theft and building trust and safety for customers and merchants.

SMS notification service

The Company sends SMS notification of credit card or loan application assessment results to applicants instead of printing letter unless there is a statutory requirement to notify credit denial reason only in writing. By using this notification method, credit applicants or requesters can quickly learn assessment results and help reduce a large amount of paper consumption. In the process of card delivery and activation, the Company sets up a team to follow up on the status of card delivery to customers, facilitate card activation, and notify them of their entitled benefits to prevent any potential damages from loss or delay during delivery, reduce follow up expense and time, shorten the delivery

process, and minimize the number of produced cards and production cost of new cards delivered.

Interactive voice response system (IVR)

The Company designed a system for IVR activation, customer inquiry, and account update to ensure security for cardmembers, increase service speed and convenience, and reduce waiting time while placed on hold. The IVR system allows customers to perform transactions by themselves, by entering a password when checking account information in the system.

KTC Websites

The Company has changed functional design of its websites – www.ktc.co.th and www.ktc.co.th/ktcworld – to create exceptional user experience, increase display speed, and ease data search. With Mobile First approach, we focus our efforts on web access on mobile devices in response to changing consumer behavior.

Development of Digital technology and innovation

Product/ Service/ Process	Particular	Performance
1. Data center back up storage (green data center): Consider selecting a computer center service provider that meets international standards in terms of data security and safety, preparedness, and environmental conservation.	Objective: Have technology that helps achieve a suitable level of energy consumption in computer center. Time period: Continuous use since 2012	Business outcomes: Reduce energy cost and maintenance expense of high energy consumption equipment. Social benefits: Selecting a computer center located in an upcountry province helps expand job opportunities and generate income for surrounding communities. Environmental benefits: Reduce unnecessary energy consumption and greenhouse gas emission.
2. Robotic Process Automation (RPA) : Consider using RPA as replacement in routine operation or high workload routine operation that requires many human resources and consumable materials and consumes a lot of time.	Objective: Increase operational efficiency and reduce operational mistakes. Enable human resources to perform high efficiency works, such RPA accuracy inspection (quality control). Time period: Continuous use since 2019	Business outcomes: Increase operational efficiency and effectiveness in the Company. Increase convenience and speed of service delivered to customers, merchant members, suppliers, and business partners. Employees can develop more knowledge on other areas apart from works that RPA can handle. Social benefits: Customers, member merchants, suppliers and business partners enjoy convenience and speed of service delivery. As a result, they can spend recovered time to make contribution to society directly and indirectly.

Product/ Service/ Process	Particular	Performance
		<p>Environmental benefits: Reduce use of resources, such as energy, consumable materials (e.g., paper and printer ink) to reduce environmental impact.</p>
<p>3. IT automation, e.g., IR workflow and SCR workflow systems:</p> <p>1) IR workflow system is used to manage and resolve IT incidents efficiently. Problem significance is defined to ensure that response and solution correspond to requirements of problem notifier or service user. Information stored in IR workflow system can be used for analysis to solve long-term problems.</p> <p>2) SCR workflow system is used in project-based or enhancement-based IT change management to optimize efficiency. The significance of each type of change is defined to ensure full and quick response to the needs of customers or service users. Change impact assessment is carried out to ensure that the developed system is secure, safe, complete, correct, and ready to use. Functional and safety testing is performed before actual use, and operational progress of each aspect of such changes can be monitored in a timely manner.</p>	<p>Objective: Increase operational efficiency and reduce use of unnecessary resources.</p> <p>Time period:</p> <p>1) IR workflow system has been used since 2020.</p> <p>2) Deployment of SCR workflow system is expected in 2022.</p>	<p>Business outcomes: The Company can create a system that provides high-quality response to deliver service to customers or service users so that they are confident in its services.</p> <p>Social benefits: Identifying root causes of problems enables long-term problems to be resolved properly or assessing impacts of changes makes the Company's service users satisfied and induces them to pass on such satisfaction to society. Moreover, its business partners can apply this approach to service delivered to their customers, thereby further spreading satisfaction to the society at large.</p> <p>Environmental benefits: Reduce use of resources, such as energy, consumable materials (e.g., paper and printer ink) to reduce environmental impact.</p>
<p>4. SAP HR system (HR on cloud) :</p> <p>Create highly secure and safe HR on cloud system that can be applied to human resource management and development without place and time constraints (e.g. time attendance management, e-learning, training, employee performance, employee benefits, and employee social network).</p>	<p>Objective: Employees enjoy convenience and speed when using the human resource system.</p> <p>Time period: Continuous use since 2020</p>	<p>Business outcomes: Employees can use the human resource system conveniently, quickly, and safely anytime, anywhere where intranet access is available. The Company can ramp up efficiency in human resource management rapidly and share knowledge and experience from internal and external experts.</p> <p>Social benefits: Currently, online learning or seminar via e-Learning system represents a new normal lifestyle, which is necessary for today's living. This system enables learners and knowledge givers to change themselves and apply knowledge to their daily lives in the future.</p> <p>Environmental benefits: Reduce use of resources, such as energy, consumable materials (e.g., paper and printer ink) to reduce environmental impact.</p>

Digital Marketing

Amid ever-changing customer behavior, the Company must develop marketing communication rapidly to accommodate changes in customer behavior and lifestyle and aim at reaching customers and responding to all forms of needs. Traditional communication channels, whether it be TV, radio or even print media, cannot reach customers as well as in the past. To reach target customers precisely and execute marketing communication activities with optimal efficiency and effectiveness, KTC has placed emphasis on the use of a variety of digital marketing media for the presentation of news and information about its products and services by considering suitable use of digital marketing media so that customers can access its products with paid search on online

search platforms. This approach could ease customer access to corporate news and information within a limited time. Moreover, the Company also modernized its website design to generate meaningful search outcomes on search engines according to search engine optimization (SEO) guidelines and implemented content marketing by authoring meaningful articles about products and services, financial management knowledge, and various lifestyles to effectively respond to different customer lifestyles. Moreover, social media, e-mail, and mobile marketing were also implemented to communicate product, service and sales promotion messages that could appeal to a variety of customer interests at each moment in an appropriate manner to achieve maximum communication efficiency.

Digital Workplace

With digital workplace technology, KTC can serve customers more easily and quickly because employees are able to work anytime anywhere, and it will further develop digital workplace to deliver service to customers and enhance work convenience for employees.

KTC has developed digital workplace since 2019 by gradually upgrading each component of relevant works while initially focusing on works of employees who would like to have flexibility and ability to work anytime anywhere. Subsequently, it zoomed in on a bigger picture by integrating key components, such as customers or business partners, to achieve maximum business benefits and developed various applications to support micro service architecture and migrate applications to the Cloud so as to satisfy service needs of customers.

The impacts of COVID-19 outbreaks on IT infrastructure were not significant because KTC undertook preparedness of IT resources to support the growth of e-commerce transactions via burgeoning online channels. Moreover, the Company also increased online activities to support online

working activities, such as online meeting, online training or seminar, and even online auditing, so as to minimize the risk of COVID-19 transmission in the organization.

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

- Virtual Desktop Infrastructure (VDI): VDI solution facilitates work from home for employees and enables them to access the system and work as usual. The VDI solution has a central control system capable of establishing a security policy that complies with ISO or PCI DSS standards
- Network Campus: To upgrade and enable network system in the organization to support VDI for both offices, Dynamic IP and Wi-Fi 6 Generation Technologies are deployed because they can handle relatively high bandwidth.

Information Security and Cyber Security

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

Information security and cyber security governance

The Board of Directors places a strong emphasis on information security and cyber security. Therefore, the Board formed an information security committee (ISC). The Chief Executive Officer is the chairman of the ISC, while senior executives from various departments are sub-committee members and executive vice president information technology, who is equipped with IT management experience and personally responsible for overseeing corporate IT operations, acts as secretary to ISC. The sub-committee regularly held monthly meetings to

discuss about IT-related issues and formulate relevant policies as follows:

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

Information security policy and information system	Policy-related issue
<ul style="list-style-type: none"> • Information technology policy • Information security policy (IS policy) • Personal data protection policy • Announcement concerning personal data protection of data subject under personal data protection policy. • Information classification standard guidelines • Information security incident and privacy management regulations • Code of conduct* 	<ul style="list-style-type: none"> • IT/ cyber security • Information risk management • Customer data privacy protection • Information access control and information confidentiality classification • Informing customers before collecting personal data and scope of customer data privacy • Actions taken in case of infringement, disruption of work systems, and request to exercise statutory rights

Remarks: *Code of conduct was reviewed by the Audit, Environmental, Social Responsibilities and Corporate Governance Committee before presentation to the Board of Directors for consideration and approval.

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

As for IT governance, the Company forms organizational structure conducive to implementation of appropriate IT governance for risk management. This structure constitutes three lines of defense in which there is a clear division

of responsibilities between IT service staff, IT governance and compliance staff, and IT audit staff. Moreover, there are manuals/ guidelines on data and information system security as follows:

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

In 2021, the Company implemented IT and personal data policies in accordance with statutory requirements, the Bank of Thailand's regulations, and international IT-related and data privacy standards, such as conducted review of IT policy and information security policy, and established personal data protection policy in accordance with ISO/IEC 27001:2013, ISO/IEC 27701:2019, and PCI DSS standards.

IT security and cyber security measures

KTC has implemented relevant policies and operational procedures and raised individual employee's awareness about potential threats and the importance of information and cyber security, thereby ensuring that these corporate policies are adhered to. Details are as follows:

- Reviewed and disclosed Information technology policy, information security policy, personal data protection policy, and information classification standard guidelines via corporate intranet system to ease employee access and ensure compliance.
- Conducted knowledge training and testing on Information technology security, personal data protection, and cyber security for directors, executives, employees, and outsourced service providers to brush up knowledge for executives and employees routinely dealing with these issues. Deepened the Board's knowledge with "Security Awareness: Attacks from All Angles".
- Conducted orientation training for new employees and refresher training courses titled "ISO/IEC 27001:2013 Information Security Management System" and "ISO/IEC 27701:2019 Privacy Information Management System for the year 2021 to equip employees with technical knowledge and skills as per information security standards.
- Set up cyber security operation center to detect cyber-attack and prevent leakage of critical corporate information.
- Stipulated information security incident and privacy information management regulations to set out procedures for information security incident reporting, such as system crash or disruption, leakage or infringement of personal data, the exercise of the rights of personal data owners as per the personal data protection law. The Company reports such incidents to the Information Security Committee or regulator to keep them informed about management, access, and use of corporate and personal information. Moreover, it stipulated employee rights to access corporate and personal information as per individual employees' designated rights and duties. Employees are required to keep foregoing information confidential and retain them as necessary, and they are prohibited from disclosing such information without prior approval.

IT and cyber security processes and infrastructure

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

Incident response

- Regularly conduct security system test and incident response drill (Stress - Testing) related to information security and online safety for penetration testing purpose at least once a year and conduct internal and external network vulnerability assessment once every quarter. The Company conducted penetration testing and vulnerability assessment in November and December 2021 by external assessor and reported test results to the Information Security Committee. Currently, we are in the process of improving relevant systems and eliminating uncovered vulnerabilities. As of now, there are safe and secure primary and back up data centers with established preparedness for critical work systems. Moreover, IT disaster recovery plan is regularly reviewed and tested on an annual basis, and BCP testing is also performed while IT unit plays a supporting role.
- Protected the Company's network by installing network security systems and devices, such as Firewall security systems.

- Prevented leakage of critical corporate information by installing data loss prevention system (DLP).
- Followed up on information security and cyber security incidents as well as customer data misuse.
- Deployed incident management process and a process for handling complaints concerning information security and cyber security and IT work system security as well as an incident

response plan to resolve problems related to information security and Information technology system in accordance with ISO/IEC 27701:2019, ISO/IEC 27001:2013, and PCI DSS standards

- The Company has adopted these ISO standards as part of employee performance evaluation.
- Information security and cyber security audits are performed by internal audit department and external provider audit on an annual basis.


Cyber insurance

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

The Company is financial service provider (non bank) that received company-wide certification


December 9, 2019
The Company received


ISO/IEC 27001:2013 certification
(Information Security Management Systems: ISMS)



November 20, 2020
The Company received

ISO/IEC 27701:2019 certification
(Privacy Information Management Systems: PIMS)





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

Privacy Protection

As financial service provider, KTC has recognizes the importance of data security and privacy of service users or stakeholders. Therefore, it formulated personal data protection policy and announcements concerning personal data protection of the data owners – for example, informing data owners about purpose of personal data processing and their rights, responding to data breach notification or desire to exercise statutory rights, and requesting for consent to personal data processing.

On November 20, 2020, the Company received certification for compliance with ISO/IEC 27701:2019 (Privacy Information Management Systems: PIMS) standards for its credit card, personal loan, and payment service businesses.

In 2021, the Company received surveillance audit for the monitoring of the system in order to ensure the integrity and compliance with the criteria.

Privacy management policy, system and procedures

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

- Formulated personal data protection policy and announcements, which encompass all its work processes and personal data owners, including customers, employees, and other personal data owners, such as shareholders or outsourced service providers.
- The Information Security Committee (ISC) acts as data protection officer (DPO) designated to carry out duties and responsibilities within the scope of statutory requirements.
- Improving work processes and amending contractual documents or forms of the Company to include particulars required by law – for example, arrangement to obtain consent to personal data processing and assessment of personal data processing risks.
- To ensure that the Company adheres to personal data protection policy and regulation, internal audit department is designated to be responsible for overseeing the audit process to verify compliance with privacy policy by every department in KTC and report audit findings to the Information

Security Committee and the Audit, Environmental, Social Responsibilities and Corporate Governance Committee for acknowledgment.

- Requiring personal data processor to sign data processor agreement to ensure that personal data processor acknowledges its role and work for KTC within the agreed scope of responsibility, including notifying KTC of personal data owner's privacy breach stemming from certain tasks designated by KTC.
- Prepare personal data protection announcements covering topics like purpose of personal data processing, retention period of personal data, rights of personal data owner, and channels for reporting data leakage; and notify personal data owners of these announcements.
- Every employee must comply with the Company's relevant policy and regulation. If failed to do so, they will face disciplinary action for misconduct, which may carry a disciplinary penalty or punishment by law. To create teamwork spirit, the Company includes data breach as one of KPIs of all employees.

Data privacy of personal data owner

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

- Personal data owner's data attributes to be processed by data processing company as per purpose
- Legal reason or basis for personal data processing
- Granting of rights to personal data owner as required by law
 - Right to be informed
 - Right to access
 - Right to transfer personal data
 - Right to object personal data processing
 - Right to request deletion or destruction of or anonymizing personal data
 - Right to request for suspension of use of personal data
 - Right to amend personal data

- Notification of retention period of personal data collected by the Company
- Approach to data protection
- Formulation of the Company's policy or operating guidelines in case personal data are requested for use by a third party, such as public or private entities
- Channels for contacting the Company to request for exercise of the rights and report personal data breach.
- The Company monitors the percentage of users of customer data for a secondary purpose involving disclosure of customer data to companies in financial business groups and business partners. In 2021, this percentage was 0.42%.

Customer privacy breach

In 2021, the Company identified three incidents of personal data leakage involving mistakes made by outsourced service providers and reported these incidents to the Information Security Committee for acknowledgment. Correction actions are taken according to its prescribed guidelines. In this regard, the Company strongly urged outsourced service providers to exercise precaution to prevent recurrence of such problems.

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

Audits by independent external auditors in 2021

102-12

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

Brand and Customer Trust



103-3

Long-Term Target 2026	Target 2021	Performance 2021
55 of Net Promoter Score (NPS) survey.	41 of Net Promoter Score (NPS) survey.	44 of Net Promoter Score (NPS) survey.

103-1

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

103-2

► Customer Centricity

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

Over the years, KTC has collaborated with business partners and card brands to jointly run sales promotion programs and select over 3,000 privilege

programs each year. The aim is to make every spending worthwhile and offer value creation when choosing to use KTC credit cards and credit services that can satisfy member needs and 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.

► Clear and Fair Communication

417-3



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

Moreover, KTC is also committed to knowledge sharing among team leader and sales staff. So, they can explain product information to customers or consumers correctly and completely.

► Responsible Business Operation

The Company complies with rules and regulations of regulatory bodies and card brands and develops corporate governance policy and code of conduct handbook as operational framework to set out a framework of business conduct as well as product and service development process. Before launching a new product or service and undertaking service modification, the Management Committee and Risk Management Committee will consider pertinent details and potential risk of a new product before launching it into the market. Moreover, the Market Conduct Committee will monitor the Company's

fair customer service practices and follow up on handling of customer complaints on services. Furthermore, to ensure that regulatory bodies' rules and regulations and its own regulation are followed, the Company set up internal audit departments and compliance to examine or validate internal practices of operating units and report findings to Audit, Environmental, Social Responsibilities, and Corporate Governance Committee on a regular basis.

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

► Compliant Procedure

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 channels. Upon receiving a complaint, KTC will quickly examine the complaint, explain the issue, resolve the complaint, and notify customer of resolution within the time limit as required by law. Then, KTC will gather pertinent information and sum up the number of complaints and submit a report to the Market Conduct Committee, Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, and the Board of Directors respectively. Moreover, the Company will consider a corrective action to improve product and service quality, create

customer and stakeholder satisfaction, and it will determine a solution to prevent recurrence of such complaint. Furthermore, information about financial service usage issues and complaint resolutions will be disclosed on website www.ktc.co.th on a quarterly basis.

Upon receiving praises from customers through the Customer Feedback Center, the Company will convey praise messages to employees in the entire the organization in order to praise and motivate service staff and encourage them to serve and listen to customers wholeheartedly, maintain service standards, and deliver meaningful experience to customers in accordance with corporate values on a regular basis.



► Evaluation Customer Satisfaction with the Company's products and services

Based on the foregoing concept of operations, with organizational support for creativity for improved outcomes, and product and service innovation inspired by insight, KTC has developed capability to analyze customer insight and behaviors so as to present only meaningful offerings that can satisfy member needs precisely and utilize member

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

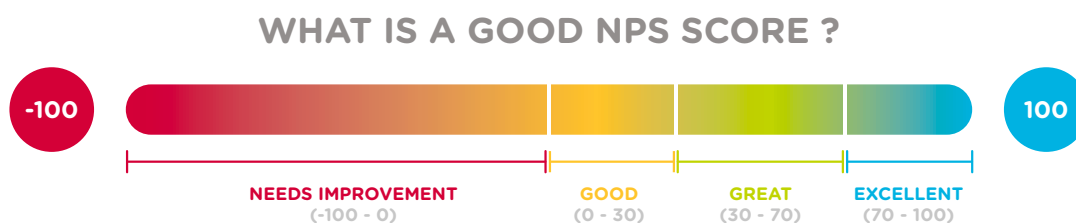
Credit card customer satisfaction survey

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

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

Year	2021	2020	2019	2018
Customer Satisfaction Survey Result: Net Promoter Score (NPS)	44	38	36	23
Proportion of survey respondents to all KTC credit card members (%)	0.04	0.03	0.03	0.04

Remarks: From total of 2,211 credit card customers who participated in the 2021 survey, 933 of them were KTC credit cardholders.

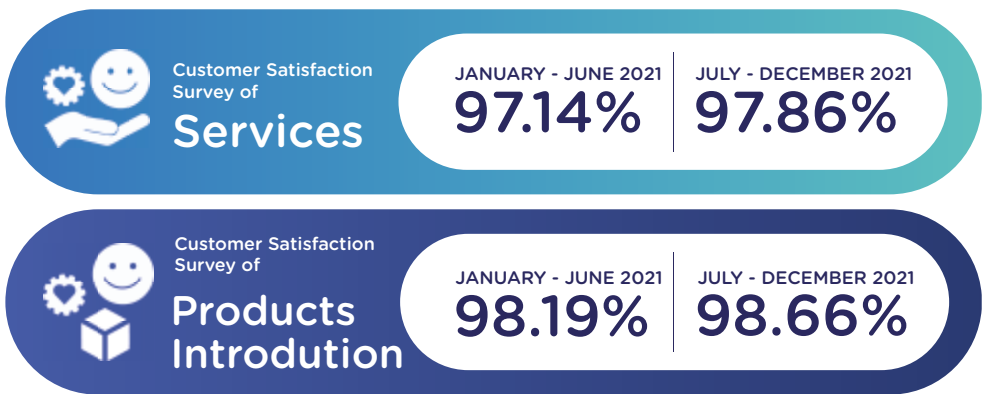


Customer Satisfaction Survey on KTC TOUCH services

The Company conducts customer satisfaction survey on service delivery and product recommendation of KTC TOUCH staff twice a year in order to create customer confidence and good impression upon receiving accurate and complete information. In addition, this survey also focuses on fair market conduct management.

- In 2021, the Company conducted customer satisfaction surveys with 6,214 customers, comprising
- 2,114 customers in the first half of the year (January – June 2021)
 - 4,100 customers in the second half of the year (July – December 2021)

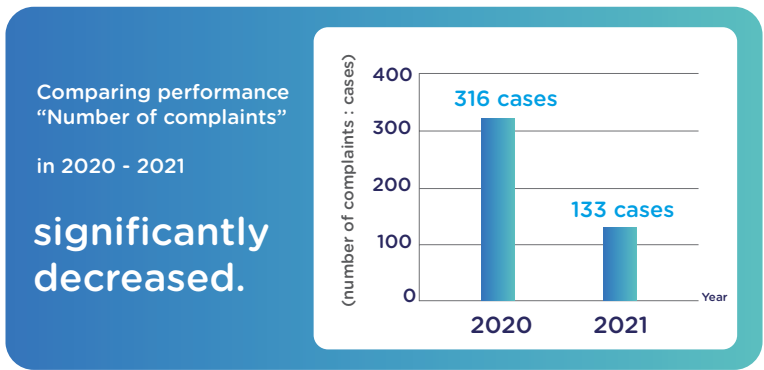
These customer satisfaction surveys were conducted by using telephone and QR code online questionnaire, which is another means to reduce paper usage. Then, the Company undertook analysis of survey results to develop and improve service offerings and product introduction efforts.



Satisfaction survey on Team Leader and Sales services

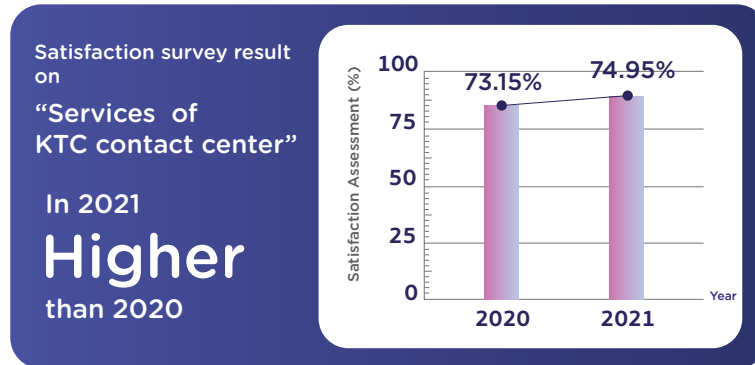
The Company regularly conducts satisfaction survey on service delivery of team leader and sales staff responsible for presenting financial product information – including accurate and complete information about products, privileges, fees and interest rates as described in the sales handbook and fair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

suggestions, the Company will email customer feedback to responsible staff. Then, evaluation results will be analyzed to further develop and improve service quality, sales presentation etiquette, training programs, coaching techniques, and information updates as well as warning and penalty imposition according to supervision and penalty provisions. The purpose is to maintain standards of the Company’s team leader and sales staff and minimize negative customer feedback and complaint.



Satisfaction survey on KTC Contact Center Services

The Company conducts satisfaction survey each time that customer uses KTC contact center services. If satisfaction evaluation results are below established criteria, it will scrutinize such results so as to assist customers, solve problems, and seek preventative measures.



ESG Products and Services



103-3

Long-Term Target 2026	Target 2021	Performance 2021
16 thematic Environmental, Social, and Governance (ESG) products and services.	3 thematic Environmental, Social, and Governance (ESG) products and services.	11 thematic Environmental, Social, and Governance (ESG) products and services.

103-1

KTC has an intention to be a part of developing the country towards sustainable development goals by integrating environmental, social, and governance dimensions with business operations. The Company creates value through its lending policy, development of products, services, and platforms that are socially responsible, alleviate the environmental impact, and promote good governance. The Company also supports and motivates various sectors to be part of promoting sustainability in economic, social, and environmental dimensions together as follows:

► Responsible Business Operations

103-2, 203-1, 203-2

Policy and Governance

The Company defines a responsible lending policy and process that integrates ESG into corporate governance policy and code of conduct. All directors, executives, and employees must comply with policy and code of conduct and adhere to them as guideline in performing their duties with fairness, transparency, and responsibility to all groups of stakeholders. Departments that govern to ensure that responsible business operations are conducted according to the Company's intention are as follows:

Internal Audit Department is an independent department that reports directly to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, assesses the adequacy and efficiency of the internal control system, risk management, and corporate governance of the Company. Internal Audit Department regularly reports internal control system audit results and provides opinions beneficial to the Company to the management team and the Audit, Environmental,

Social Responsibilities, and Corporate Governance Committee, to have proper operations, good internal control system, reduce costs and risks, as well as promoting effective audit as the cornerstone of sustainable growth.

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

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

Lending considerations that promote ESG

The Company focuses and places importance on business operations management in accordance with good corporate governance principles, laws, announcements, rules and regulations of regulatory agencies such as specifying qualifications for credit cardholders both primary and supplementary cards and personal loans, approving credit limits, setting interest rates and other fees, arranging clear and

fair contracts, agreements, and conditions for credit card use and personal loans, informing customers of changes in agreement terms affecting customers' rights, notifying the submission of credit information of customers in accordance with specified rules, and other practices in accordance with market conduct principles, etc. This also includes taking ESG issues into lending considerations.

► Know Your Customer/ Customer Due Diligence

The Company considers applicants' qualifications of credit card, loan, or merchants according to criteria set by regulatory bodies or regulations set by the Company as follows:

Topic	The Company's Operating Guidelines
Suggestions or consultations regarding ESG issues.	<ul style="list-style-type: none"> Organize knowledge training for employees and Team leader & Sales regularly, both in terms of products and regulations related to the offer for sale. This includes the governance guidelines if service is incorrect or does not meet the standards set by the Company. This is part of responsible business operations to provide customers with accurate, complete, up-to-date information and make decisions in choosing the right product according to their needs, and to provide quality services in accordance with the Company's service standards.
Governance or Economic - for applicants to receive correct and complete information before making decision and not using company as channel for money laundering.	<ul style="list-style-type: none"> Specify applicant's qualifications, interest rates, fees, and information that are following regulations stipulated by the Bank of Thailand clearly in credit card and personal loan application forms. Consider qualifications according to criteria set by regulatory bodies or the Company. Set guideline to decline credit card, loan or merchant applicants who do not meet the criteria or is a person who is defined under anti-money laundering and counterterrorism and proliferation of weapon of mass destruction financing law.
Social - to reduce the population's debt over-burdening problem and provide access to financial products	<ul style="list-style-type: none"> Consider approving a credit line that is consistent with an ability to repay the debt based on financial status (salary), the debt burden of the loan applicant, or other criteria to prevent debt over-burden problem, which will become a problem in broader societal level. Consider other criteria such as checking NCB credit information law, etc. Treat product or service applicants with Non-Discrimination regardless of sex, gender, and religion.
Environment - to promote the care of limited natural resources.	<ul style="list-style-type: none"> Consider products or services development opportunities that alleviate environmental problems. Expand opportunities of society to access products and services that reduce environmental impact through greater use of the Company's products or services. Encourage suppliers and business partners to conduct business responsibly in compliance with related environmental laws.

(Please refer to additional details in Form 56-1 One Report 2021 under the "Nature of Business" topic)

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

Topic	The Company's Operating Guidelines
The Company	<ul style="list-style-type: none"> • Certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC), which is certified that there is no corruption occurred in the Company. • Conduct corruption risk assessment in the organization annually. • Ensure that human rights-related operation are not neglected throughout the supply chain.
Suppliers and Outsourced service providers	<ul style="list-style-type: none"> • Determine performance in accordance with good corporate governance principles, anti-corruption, as well as strict anti-money laundering in service agreement between the Company and outsourced service provider. • Send letter inviting suppliers or outsourced service providers to join the Thai Private Sector Collective Action Against Corruption (CAC). • Specify that suppliers or outsourced service providers must perform self-assessment in accordance with the Supplier Code of Conduct. • Evaluate the Company's code of conduct and corporate governance policy compliance.

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

► Analyzing risks and opportunities in launching, modifying, and cancelling financial products and/or services

The Company stipulates guidelines and conditions for launching or modifying products and services in accordance with the regulation on launching, modifying and canceling financial products and/or services (product program). An operating unit planning to launch or modify any products or services is required to conduct feasibility study, competitor analysis, competitive strategy analysis, and data analysis; formulate business model; and discuss with concerned units to analyze potential impacts or relevant regulatory provisions from upstream to downstream processes – for example, reviewing scope of business operation and legal requirements, conducting comprehensive risk analysis and analysis of IT work system, requesting for budget approval, and considering marketing communication and procurement matters. In the end, these review and analysis results will be presented to relevant sub-committee or regulatory body before launching and making sales presentation of such product or service. The purpose is to ensure that the Company integrated environmental, social and governance (ESG) aspects throughout the supply chain in the process of product and service launch.

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

► ESG Products and Services

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

1. KTC Mobile and KTC Online

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

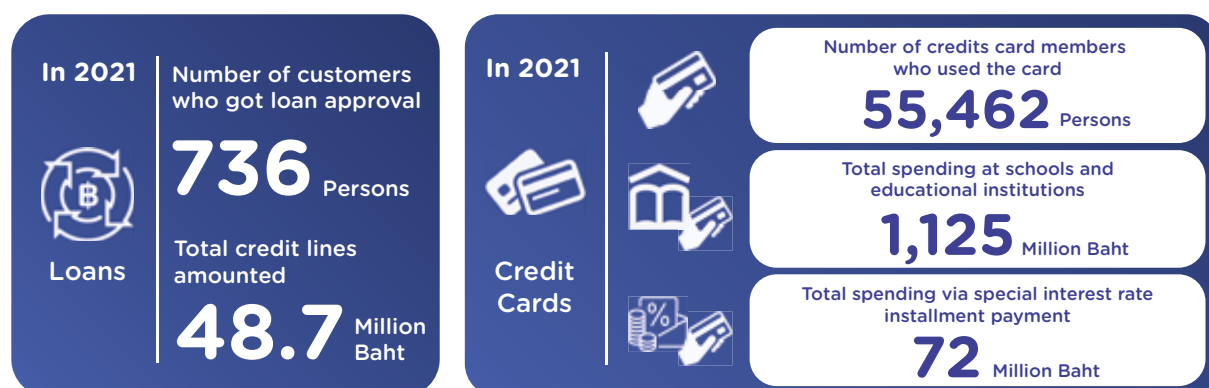
e-Coupon, receipt of ATM PIN Mailer and e-statements, etc. In addition, it is also in line with the lifestyles of many people nowadays who are communicating and conducting various transactions online.

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

2. Education Loan

KTC realizes the importance of education and desires to provide equal education opportunities to the public who aspire for further education but lack the funds to do so. To enhance the quality of life of Thai people and enable Thai people to receive an appropriate education for the purposes of career advancement and financial stability, KTC has collaborated with business partners, such as language schools to offer education loan products to applicants. The loan with appropriate interest rates and fees plus installments option eases the burden of customers. The Company's business operations are not exposed to increased risks. KTC expects to increase the number of customers obtaining education loans. In this respect, KTC has set a goal to increase the number of

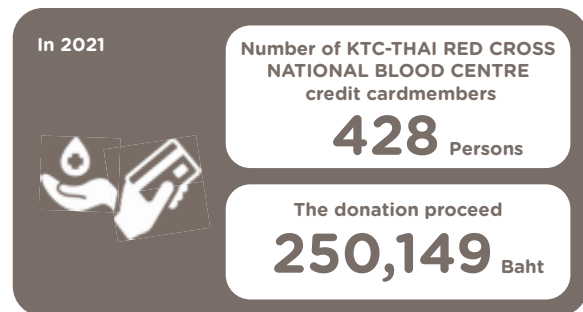
partnerships with a wide range of educational institutions to be able to cater to the diverse educational needs of each customer group. At the same time, KTC is focusing on developing education loans to create the highest customer satisfaction level.



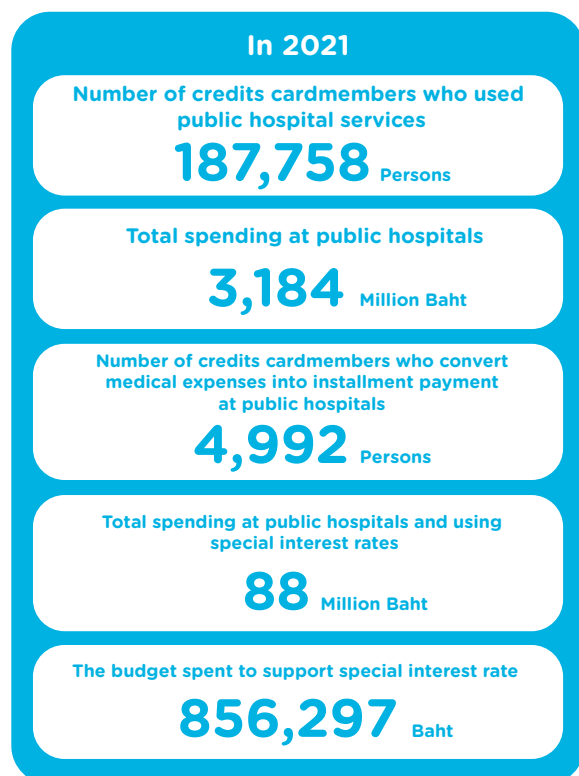
3. KTC-THAI RED CROSS NATIONAL BLOOD CENTRE Credit Card

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

patients all over the country through using KTC credit card.

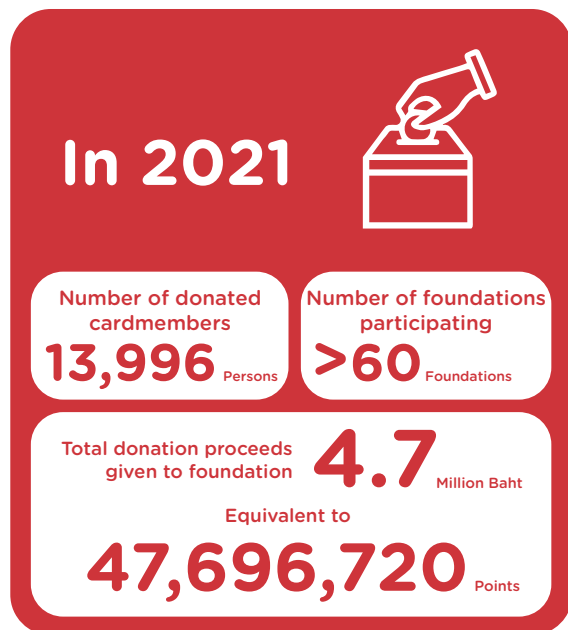


4. Alleviating the Burden of Medical Expenses in Public Hospitals



KTC believes that being healthy is an essential element for living as well as a development of quality of life. Public hospitals play a particularly significant role in assisting a considerable number of patients to get equal treatment opportunities. To assist patients to stay healthy and alleviate the burden of unpredictable medical expenses, the Company allows its credit card members who are treated at public hospitals to pay in installments up to 10 months with a special interest rate of 0.69% per month from a standard rate of 0.74% per month. This campaign receives positive responses from credit cardmembers.

5. Use of Points in Lieu of Cash Donations

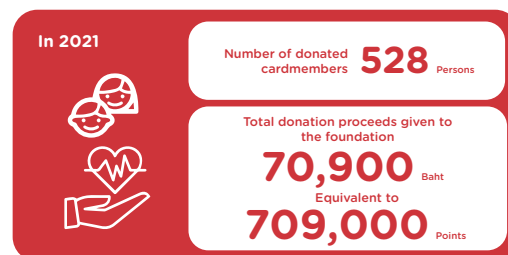


KTC has participated in promoting social equalities by initiating a project using points in lieu of cash donations since 2009 with the hope that it will contribute to building a sustainable society. Regarding the current COVID-19 epidemic situation that is intense and rapid, an important mission that KTC must execute urgently is to cooperate with various foundations with enthusiasm and timeliness to send out support, together with its members, to reach people who need help in a variety of ways and in a timely manner. This includes aiding infected patients and those in quarantine, helping hospitals that lack medical equipment and supplies, or building shelters to support patients classified in the rein group in other provinces. The restrictions on social distancing and travel avoidance to reduce the spread of COVID-19 are some of the reasons why foundations and charities have faceless support from society. Over the past 15 years, KTC has acted as a medium for public relations to support projects and activities between the foundations and its members. Additionally, KTC launched channels to accept donations via credit cards for KTC members to pass on to 60 foundations or charities by developing services whereby member cardholders may exchange points to cash donations at the rate of 1,000 points to a cash donation of Baht 100 through donations receiving platform that KTC has continuously developed via offline, online, and KTC Mobile application. In 2021, KTC has developed an online channel that accepts credit card donations

via QR Pay and points redemption via QR Point on the KTC Mobile application for members to enjoy easier and more convenient to contribute to society by donating to 60 foundations or charities. For example

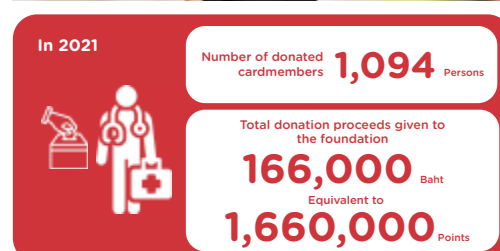
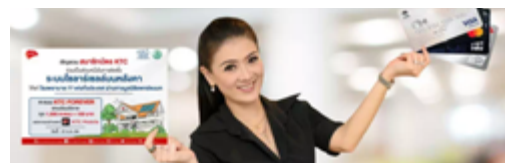
• The Pediatric Cardiac Surgery Foundation

KTC invites KTC credit cardmembers to express love from their hearts in February 2021. Cardmembers redeem every 1,000 KTC FOREVER points into baht 100 donations to support “The Pediatric Cardiac Surgery Foundation’s heart surgery for poor children” and provide medicine, medical supplies, and surgical equipment to treat pediatric patients with congenital heart diseases. Each medical treatment has extremely high expenses that exceed the amount that patients can claim to get covered.



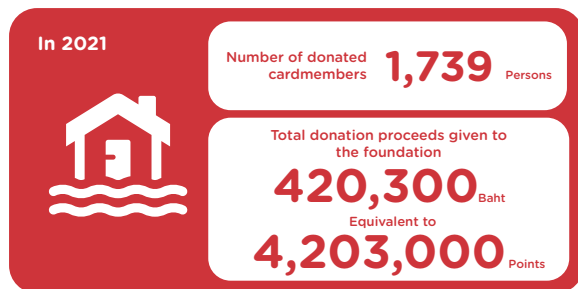
• Rural Doctor Foundation

KTC jointly with Rural Doctor Foundation, invite KTC credit cardmembers to be a part of supporting the “Fai Chak Fah Hospital” project for the installation of solar cell systems on the roof of 77 community hospitals across Thailand. The project will help reduce the burden of hospital electricity fees, allow for budget allocation to benefit other areas, help reduce air pollution, reduce carbon dioxide emissions, and enhance the quality of life with clean energy. Credit cardmembers may participate and redeem every 1,000 KTC FOREVER points into Baht 100 cash donations via 3 channels: KTC PHONE, KTC Mobile application, and SMS.



• The Thai Red Cross Society

KTC invites KTC credit cardmembers to come together for an act of kindness to “Fight the Flood Crisis” via the Thai Red Cross Society. Cardmembers redeem every 1,000 KTC FOREVER points into Baht 100 cash donations to support over 200,000 flood victims without shelter in the North, Central, Northeast, and the eastern regions, and 600,000 farm of damaged agricultural land via KTC Mobile application.



• The Blind in Thailand under the Royal Patronage of H.M. the Queen

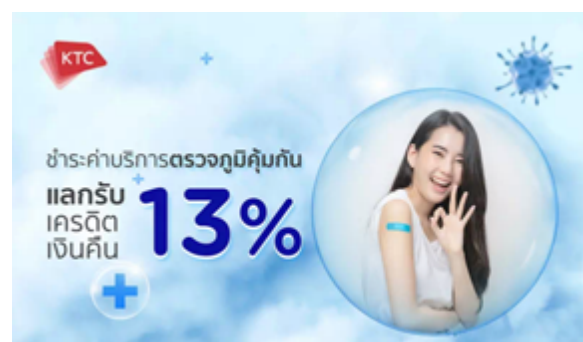


KTC hands over Baht 944,644 in donation money to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen, which KTC credit cardmembers have collectively donated and redeemed their KTC FOREVER points to support the visually impaired in terms of education and occupational training for them to live happily in society. The event took place at the Foundation for the Blind in Thailand, Ratchawithi Road, Bangkok.

6. Special privileges for credit cardmembers during COVID-19

• Special Privileges for Antibody Level Test Service

KTC gives cardmembers peace of mind by compiling COVID-19 Antibody Level Test services and offering special privileges at participating leading hospitals, including Navavej Hospital / MedPark Hospital / Vibhavadi Hospital / Chaophraya Hospital and Praram 9 Hospital. Cardmembers redeem 13% credit cash back by paying for an antibody level test with KTC credit card and redeeming every 1,000 KTC FOREVER points.



• Special Privileges for Standard Vaccinations at Leading Hospitals

KTC acknowledges the importance of health care and the prevention of diseases through standard vaccinations that are suitable for all age groups. KTC offers members special privileges for payments of vaccines with a KTC credit card at participating hospitals. 1st privilege: special price vaccines from leading hospitals. The vaccine price and conditions are as specified by the hospital. 2nd privilege: Get Baht 300 credit cash back simply by spending on vaccines with a KTC credit card and the redemption of 1,999 KTC FOREVER points. Standard vaccines include 4-strain flu vaccine, diphtheria and tetanus toxoids and whole-cell pertussis and hepatitis B (DTP-HepB) vaccine, rabies vaccine, dengue vaccine, and cervical cancer vaccine. The list of availability and duration of the vaccines are subject

to the service of each hospital.

Participating leading hospitals include Bangkok Hospital Soi Soonvijai, MedPark Hospital, Navavej Hospital, Paolo Hospital Group, Phyathai Hospital Group, Rama 9 Hospital, Samitivej Hospital Group, Vibhavadi Hospital, and Vichaiyut Hospital.



• Special Privileges for the Hotel Long Term Stay

KTC organizes the “Long Stay Away from Home” Social Distance with Love and Care special promotion as a solution and an option for cardmembers who wish to stay in a hotel long term away from family to mitigate the risk or wish for a change of scene from Work from Home to Work from Hotel. KTC credit cardmembers may reserve accommodation at 54 participating hotels nationwide at a starting price of only baht 297 per night, redeem for 12% credit cashback with the usage of KTC FOREVER

points in the amount equivalent to the transaction, or redeem every 1,000 KTC FOREVER points for Baht 120 discount.



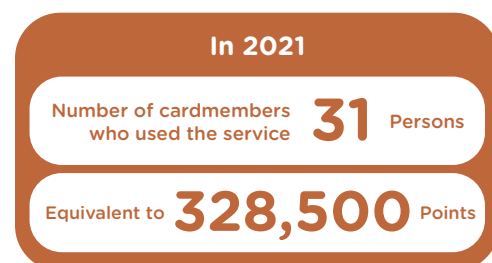
• Special Privileges from “Hospital at Home” Campaign

KTC cares about the safety of cardmembers and launches the “Hospital at Home” campaign, offering hospital services delivered directly to cardmembers’ homes. Available services include medicine delivery, vaccinations, venipuncture, wound dressing, health checks, and online telemedicine. Cardmembers also enjoy 13% credit cashback by making every payment valued at 1,000 baht per transaction with a KTC credit card and the usage of every 1,000 KTC FOREVER points for 130-baht cashback. Details of services and participating hospitals are as follows:

Online telemedicine: Bangkok Hospital Soi Soonvijai, BNH Hospital, Phyathai Hospital Group, Paolo Hospital Group, Chaopraya Hospital, Praram 9 Hospital, Bumrungrad Hospital, and Samitivej Hospital Group

Medicine delivery, vaccinations, and venipuncture or wound dressing: Bangkok Hospital Soi Soonvijai, Phyathai Hospital Group, Paolo Hospital Group, Chaopraya Hospital, Bumrungrad Hospital, and Samitivej Hospital Group

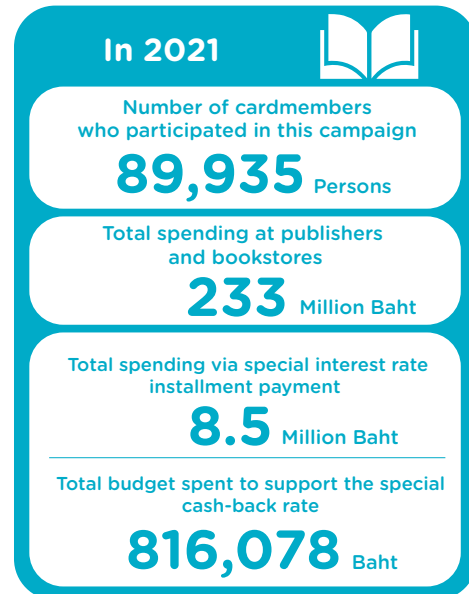
Health checks: Phyathai Hospital Group



7. Support Thais Reading

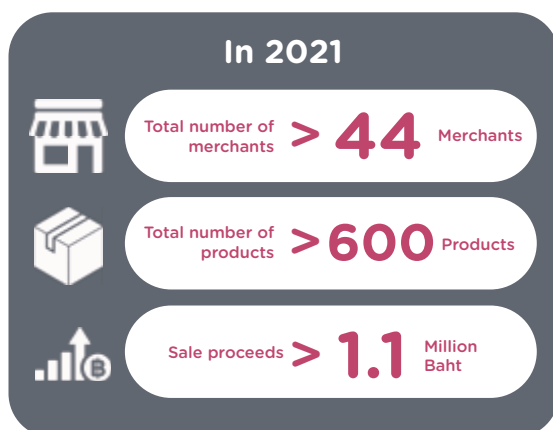
KTC realizes the importance of reading as a key to unlocking the world of learning in all subject matters and promotes continuous learning, which paves the way towards the sustainable development of human resources and society. KTC wants to support the Thai government's policy to elevate reading as a national agenda, to support publishers to publish and develop quality books, to stimulate Thais to realize the importance of reading, and to respond to the tax stimulus campaign - "Shop Dee Mee Kuen"; KTC has collaborated with leading bookstores and publishers in Thailand organizing promotional campaigns or activities with its partners over 35 projects. KTC also integrated technology for use in campaigns throughout 2021, such as granting discounts at partner bookstores up to 15%, and online distribution channels, using KTC points in exchange for cash-back credit up to 18% from the standard rate of 10%. For customers who purchase copious quantities of books, KTC grants certain privileges

to ease the burden of payment, particularly in the form of installment payment with KTC card with an interest rate of 0.69% per month from the standard rate of 0.80% per month for up to 3 months.



8. KTC U SHOP Website

KTC has offered KTC U SHOP Website service since 2016 and has thoroughly selected merchants so that members can choose quality products from diverse categories via online channel. This service not only increases spending volume via KTC credit cards in a meaningful manner as members able to choose natural products which have a positive impact on their health, environment, and quality of life eventually, but it also supports the sustainable growth of communities and KTC. Details are as follows:



Greenies Forever Project

KTC U SHOP commits and places importance on merchants' selection under the natural products category like organic products without chemical hazards, environmentally friendly production process by Thai SMEs and community enterprise groups. This gives KTC credit cards the opportunity to choose healthy natural products that affect the quality of life of the whole community and consumers overall.

Products of Thai SMEs and community enterprise groups.

KTC supports Thai SMEs and community enterprise groups by providing them opportunities to access online market through KTC U SHOP Website such as:

- Natural extracted cleaning products from Pungungreen
- Pure essential aroma therapy oil products from Chomppinn, Thai SME entrepreneurs.

Products from entrepreneur who are affected from the COVID-19 situation

- KTC U SHOP supports products distribution of small entrepreneurs during the COVID-19 epidemic by promoting through various KTC's communication channels such as Website, LINE, Facebook, EDM, etc.,

It sets up an area for merchants to sell their products at KTC TOUCH Sukhumvit 33, focusing on shops/entrepreneurs who experienced a crisis from the closure of the department store/storefront and small entrepreneurs who do not have their own online platform.

- Cooperates with Local Alot, a community business platform developer, to sell community products related to tourism that affected from the COVID-19 outbreak such as processed food and community products to expand products distribution channels and increase SMEs or community enterprises revenue.
- Special price cleaning products or redeem KTC FOREVER points in substitute of cash with free home delivery on www.ktc.co.th/ushop and Line@KTCUSHOP. Product assortment includes

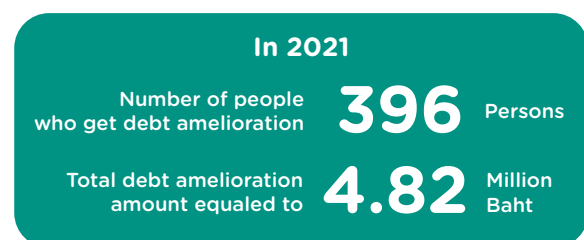
a multipurpose disinfectant set from Dettol (disinfectant and hand sanitizer), surgical masks, and aloe clean gel and spray set (70% alcohol). Furthermore, KTC offers organic products designed to disinfect while keeping the skin moisturized such as “Pungungreen” bergamot hand wash, “PiPPER” and “Common Ground” multi-purpose natural cleaning product, etc.



9. “Debt-Clearing” Campaign for KTC PROUD Cash Cardmembers

KTC has organized “Debt-Clearing” campaign for the 12 consecutive year to maintain long-term relationship with customers to alleviate debts burden of “KTC PROUD” Revolving Loan cardmembers with good debt payment records and on time repayment. Only one registration is required to earn chances for 11 rounds of debt amelioration throughout 2021 via SMS, the Company’s website www.ktc.co.th/cleardebt12, or at any KTC TOUCH service points with a total of 396 prizes as follows:

- 1st Grand Prize - 100% existing KTC PROUD debt clearance with no restrictions on maximum debt value (11 lucky draws for one winner each time)
- 2nd Grand Prize - 10% KTC PROUD debt clearance (11 lucky draws for 35 winners each time)



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

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

merchant or establishment with the usage of KTC FOREVER points in the amount equivalent to the transaction.



Supply Chain Management



103-3

Long-Term Target 2026	Target 2021	Performance 2021
24% of green procurement	15% of green procurement	24% of green procurement

102-9, 103-1

The Company recognizes the importance of responsible business management according to the principles of good corporate governance and anti-corruption, and it is also concerned with social and environmental aspects. However, such concerns are not only confined within the Company's periphery but also extended to supply chain management and usage of services provided by outsourced service providers and suppliers in the upstream and downstream of supply chain, starting from selection process to choose suppliers or outsourced service providers running their businesses with standard service operation. It is important to look after these suppliers and outsourced service

providers and help them grow with the Company sustainably in order to prevent and minimize potential risks that may undermine service quality and corporate image and operation of the Company directly and indirectly. Moreover, these will help foster creativity in the Company and ensure delivery of quality products and services to stakeholders. In this regard, the Company is committed to raising awareness about collaborative partnership on sustainable supply chain management between the Company and its suppliers through adoption of the following management approaches:



103-2, 308-1, 308-2, 414-1

► Procurement and hiring policy and use of services offered by outsourced service providers and suppliers

The Company stipulates clear policy and guidelines that touch upon economic, social and environmental issues and adopt them as criteria for recruiting new outsourced service providers or suppliers in the procurement and hiring process, reviewing qualifications of existing outsourced service providers and supplier, as follow:

1. Outsourced service providers policy.

Conforms with the consolidated supervision policy of Krungthai Bank. Relevant information includes

- Roles, duties, and responsibilities of outsourced service providers
- Guidelines and conditions on outsourcing services to outsourced service providers
- Selection and work acceptance inspection
- Provisions of service contract
- Guidelines consistent with anti-corruption and anti-money laundering policies
- Risk monitoring and management
- Outsourcing checklist form
- Memorandum of agreement between the Company

in the capacity of data controller and outsourced service providers and supplier in the capacity of data processor

To comply with the Personal Data Protection Act 2019, the Company has entered into memorandums of agreement between the Company in the capacity of data controller and outsourced service providers and suppliers in the capacity of data processor in order to define roles, duties and responsibilities in

collecting, utilizing or disclosing personal data of data owners as prescribed in this law.

2. Procurement and hiring regulation cover supplier selection methods, procurement and hiring authority, product, or service acceptance inspection, and so forth.

3. Supplier Code of Conduct and Memorandum of Confidentiality Agreement.

Compliance with the foregoing policies and guidelines brings about transparency and fairness in terms of criteria for consideration and approval, procurement price determination, delivery of quality works according to guidelines and agreement conditions, and ability to manage outsourcing risk. Every operating unit in the Company engaging outsource is required to comply the foregoing policies or regulations.

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

102-9

Managing risks associated with outsourced service providers and suppliers

Guidelines for classify outsourced service providers and suppliers

The company has clearly defined criteria to classify outsourced service providers and suppliers according to nature of work and volume of spending to identify key outsourced service providers and suppliers of the Company as follow:

Outsource service providers and suppliers	Criteria
Tier 1	Key outsourced service providers and suppliers are not associated with strategic decision making and business support groups (defined in accordance with the outsourced service providers Policy) with volume of spending ≥ Bath 5 million.
Tier 2	Key outsourced service providers and suppliers are not associated with strategic decision making and business support groups (defined in accordance with the outsourced service providers Policy) with volume of spending Bath 1 - <5 million.
Tier 3	Outsourced service providers and suppliers other than Tier 1-2 and has been assessed to have medium or low risk.

The Company has a wide variety of suppliers, each of the suppliers receive varying forms of quality certifications, such as card production with the high security standards from Card Brands, and measures related to performance and information management following International Organization for Standardization: ISO in various aspects. These aspects include printing security management, quality and service management, energy and environmental management, and occupational health and safety management, etc.

Risk identification

The Company has a process to identify risk associated with outsourced service providers via annual outsouce's risk control self-assessment, Potential risks include the following:



In addition, the Company also has an additional process to identify risks by types of outsourced service providers or supplier as follows:

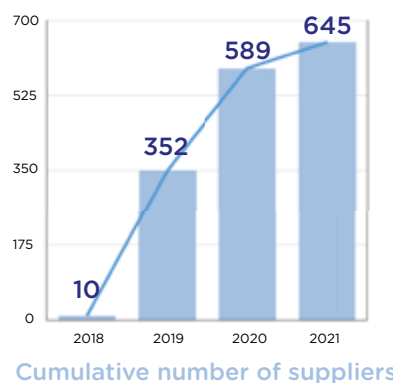
Categories	Risk identification process
Outsourced service providers	<ul style="list-style-type: none"> • The Company requires that assessment of outsourced service providers be undertaken prior to engagement/ contract extension/ annual assessment to assess qualifications of outsourced service providers or supplier and scrutinize procedures and processes that may be prone to various risks or impacts, such as financial standing, corporate governance practices, practices required by rules and regulations of concerned authorities, and protection of customer data. • The Company requires identification of operational risk stemming from outsourcing, such as service quality of and service delivery by outsourced service providers and data security-especially in case of outsourced service providers can access internal network and work system and various information and in case internal control system is inadequate and inappropriate. Potential risks are identified in processes/ procedures/ information and/or information system. In addition, any points prone to risk, causes of risk, and risk control measures must be identified so that such risk can be controlled at a level acceptable to user of outsourced service providers. • The Company requires annual self-assessment of outsourcing risk management approaches by determining risk level and quality of operational risk management, customer protection measures, and business continuity management as well as environmental, social and governance risks. Furthermore, prioritization of potential risks that could affect KTC's business operations must be undertaken.
Supplier that is not outsourced service providers	<ul style="list-style-type: none"> • The Company requires that assessment of suppliers that are not outsourced service providers be undertaken prior to engagement/ contract extension/ annual assessment to assess qualifications of supplier and scrutinize procedures and processes that may be prone to various risks or impacts. The Supplier Code of Conduct constitutes guidelines that should be followed by suppliers. The scope and guidelines of code of conduct are as follows: <ol style="list-style-type: none"> 1. Business ethics 2. Human rights and labor 3. Occupational health and safety 4. Environment 5. Law and regulation

Risk management and risk mitigation measures

The Company formulates measures to mitigate potential risks associated with suppliers as follows:

- Prepare KTC's Supplier Code of Conduct and Confidentiality agreement and disclose the information to suppliers for self-assessment to determine whether their practices conform with guidelines in the Supplier Code of Conduct before partnering with the Company. Suppliers must operate their businesses transparently in accordance with business ethics principles, recognize human rights, practice fair and legitimate treatment of workers, comply with occupational health and safety standards, observe environmentally friendly management practices, adopt sustainable development approaches to business ethics, stipulate scope of work according to service contract provisions, and conduct fair trade practices. Furthermore, to ensure that the Company and suppliers operate in the same directions, the Company stipulates contractual provisions to obligate outsourced service providers to observe its corporate governance policy, anti-corruption policy, and anti-money laundering policy.
- Prepare outsourcing policy to form guidelines on risk management practices by placing emphasis on regular assessment and control of potential risks stemming from selection and monitoring of operational processes of outsourced service providers and on continuity of business operation and service delivery by adopting business continuity plan.
- Quality control ensure that outsource service providers meet the requirements of service contracts. and continuously improve the work efficiency of products and services delivered.
- Monitor compliance with the Supplier Code of Conduct through supplier self-assessment.
- Comply with the Bank of Thailand's guidelines on outsourcing services. These requirements form part of service contract that allows the Bank of Thailand and third-party auditors to inspect operation of outsourced service providers.
- Conduct supplier site visit to assess supplier's workspace. In 2021, the Company conducted site visit at two key suppliers, and it was found that they adhered to rules and regulations, code of conduct, and regulation on confidentiality of information and personal data, recognized human rights, practiced fair and legitimate treatment of workers, observed occupational health and safety standards, observed environmentally friendly management practices, and adhered to the Supplier Code of Conduct.
- Stipulate service level agreement (SLA) as minimum standard requirements for outsourced service providers, enabling them to monitor, examine and report risks on a monthly, quarterly, or yearly basis as appropriate.
- Regarding acceptance inspection of interior refurbishment and construction works, Inspection and Acceptance committee is formed to examine completeness of work before accepting any work delivered by contractor. Moreover, work quality inspection must be carried out to ensure safety and health of employees – for example, cleaning dust particles before opening workspace for use, measuring lighting levels in workplace, and checking temperature and wind speed of air conditioning system.

**Total suppliers who signed
an acknowledgement of the Supplier Code of Conduct from 2018-2021**



Proportion of Tier 1-2 suppliers who signed an acknowledgement of the Supplier Code of Conduct to total number of Tier 1-2 suppliers

= **100%**

Proportion of suppliers who signed an acknowledgement of the Supplier Code of Conduct to total number of suppliers*

= **86%**

(As of December 2021)

*Suppliers with volume of spending in 2021

Risk resolution and mitigation

In case it is found that any supplier violates established guidelines, the Company has warning notification process so as to seek preventive measures and grant a time period for corrective action. If the supplier does not comply with such notification, the Company will terminate the contract and remove the supplier's name from supplier register.

Number of Tier 1 and Tier 2 suppliers who are not comply with the Supplier Code of Conduct

0%

► Assistance and raising awareness about sustainable business operation with suppliers or outsourced service providers

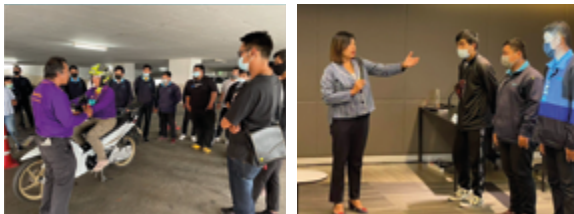
The Company provides suppliers or outsourced service providers with opportunities to submit suggestions and jointly develop and improve work processes so as to make them more equitable and efficient through sharing of experiences in regularly held meetings and seminars. Moreover, KTC and suppliers or outsourced service providers also jointly organize training programs to develop and improve work skills of suppliers or outsourced staff on a yearly basis.

In 2021, The Company arranged activities that could help promoting sustainable business by sharing knowledge with suppliers or outsourced service providers as follow:

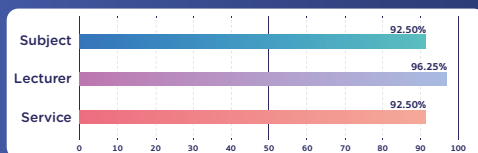
Training to equip outsourced staff with knowledge on service work

KTC and outsourced service providers jointly organize training programs to impart knowledge of service work to employees of outsourced service providers, particularly driver staff, courier staff, admin staff, general maintenance staff, and cleaning staff. The purpose is to enhance work skills and knowledge, conduct continuous staff training and development, build service mindset, achieve impressive service delivery, and induce participation in social responsibility activities. These training programs are as follows:

“Increasing Courier Skills No.1/2021” course March 13, 2021 at UBC II building



Training Results



94%



of participants had “High-Highest” level of satisfaction.

“Increasing Administrative Skills” course

Date: March 13, 2021

Number of participants: 11 participants

Course objectives:

- Introduce new perspectives on service work for admin staff; roles, duties and responsibilities; staff attire; service delivery; customer communication; and confidentiality of information.
- Discuss do and don't in admin staff work.

“Increasing Courier Skills” course

Date: March 13, 2021

Number of participants: 20 participants

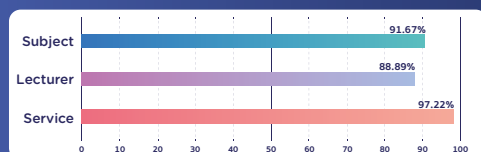
Course objectives:

- Introduce new perspectives on service work for courier staff; roles, duties and responsibilities; staff attire; service delivery; customer communication; and confidentiality of information.
- Discuss do and don't in courier work.
- Enhance theoretical and practical knowledge on safe driving

“Increasing Administrative Skills” course March 13, 2021 at UBC II building



Training Results



93%



of participants had “High-Highest” level of satisfaction.



◀ **“Improving Driving Skills” course**
conducted by a team of trainers from
the Department of Land Transport
Date: March 21, 2021
Number of participants: 50 participants

Course objectives:

- Enhance knowledge on vehicle preparation before use, basic vehicle performance maintenance, and driver prepping.
- Enhance safe driving techniques and safe driving mindset.
- Review traffic rules and proper driving etiquette.

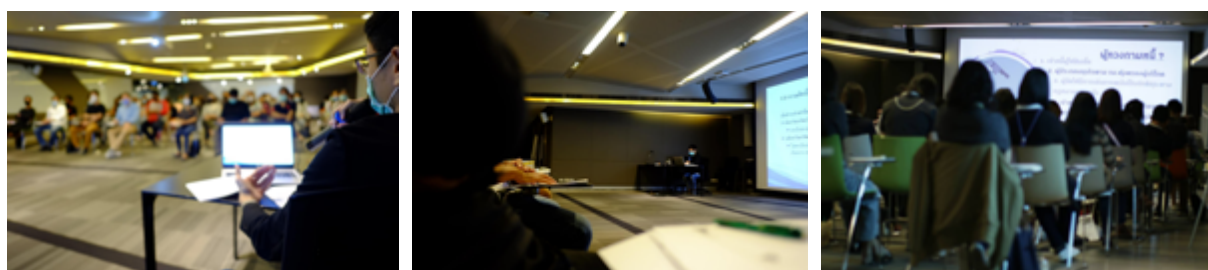
Training to outsourced debt collectors

KTC and outsourced service providers jointly organized training programs to impart knowledge of debt collection work to employees of service providers companies. Course titles are as follows:

- The course titled **“Personal Data Protection Act 2019 (PDPA) and Debt Collection Law,”** which was held on February 20, March 7 and March 14, 2021, was attended by three batches of 183 participants. The objective is to inform participants about personal data protection law, information security standard, roles and duties of DPO and data collection law.



- The course titled **“Debt Collection Strategy for Hire Purchase”** held on February 23 and November 13, 2021, was attended by 18 participants. The objective is to create knowledge and upskill in debt collection process to be able perform for greater efficiency in accordance with the law.



Training and testing on information security



In 2021, the Company conducted online training and testing on information security and personal data management for its employees and outsourced service providers staff. The purpose is to raise awareness about information security and solutions to cyber security threats, which are more likely to happen under present circumstances.



Supporting products from printing houses with carbon neutral or green print certification marks

The Company encourages its employees, customers, and suppliers to reduce wasteful use of resources in every part of their works so as to reduce environmental impacts and operating cost, such as reducing printing materials for customers and some groups of suppliers. Moreover, it has also supported green procurement practices and received environmental labels (e.g., green label and carbon reduction label), such as for office furniture and writing instruments as well as eye care paper for printing office documents, credit card or personal loan application, and promotional newsletter.

In 2021

total value of green procurement amounted to

7.32 Million Baht

From operations and new office decoration project

A blue-tinted photograph showing two hands high-fiving. The hands are positioned in the center of the frame, with fingers spread. The background is a blurred view of a building's interior, featuring a large skylight that allows natural light to filter through. The overall mood is positive and collaborative.

Social
Dimension
"Better Quality
of Life"

Financial Inclusion and Financial Literacy



103-3

Long-Term Target 2026	Target 2021	Performance 2021
13 financial literacy programs	9 financial literacy programs	9 financial literacy programs

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

103-1

The Company is consistently committed to development of products and services so that customers and service users can have equal and equitable access to its products and services with fair interest rates and fees. It offers products and services that meet customer needs through various channels, both online and offline, in order to increase opportunities to use approved credit to satisfy daily living needs, enhance quality of life, and relieve burdens from informal loan with a whopping interest rate. Moreover, it also recognizes the importance of educational opportunities and corporate engagement in youth development to unleash their limitless potential by focusing on enhancing their financial knowledge and understanding that can be applied in various aspects of their lives.

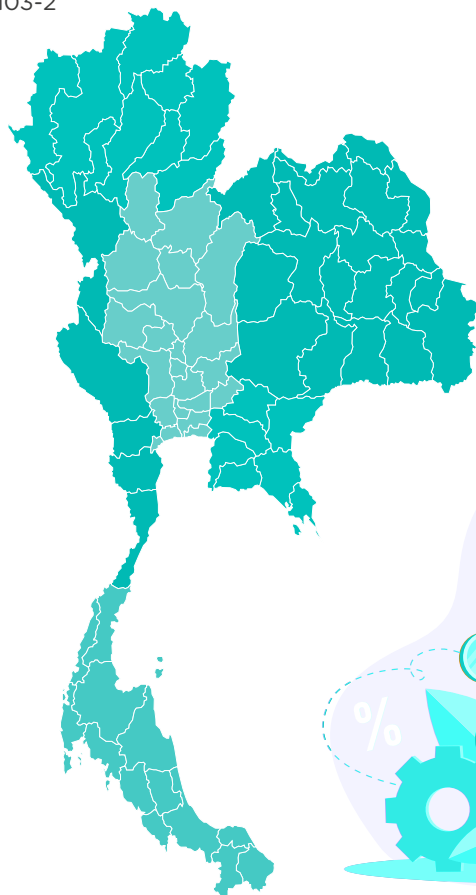
Financial Inclusion and Financial Literacy

Diverse channels to easily access financial products and services throughout the country	Availability of micro finance products and services for small entrepreneurs or vulnerable groups	Creating access for geographically underserved groups	Creating access to financial services for low-income customers	Creating access for persons with disabilities
<ul style="list-style-type: none"> KTC TOUCH service points All nationwide branches of Krungthai Bank Team Leaders and Sales Company website (www.ktc.co.th) Business Partner websites Social Media Krungthai NEXT KTC Mobile Applications KTC Online 	<ul style="list-style-type: none"> Credit card for independent contractors Merchants acquiring QR code and e-commerce payment 	<ul style="list-style-type: none"> KTC P BERM loan (Pico Finance) 	<ul style="list-style-type: none"> KTC P BERM offers car and motorcycle title loans for low-income customers in every occupation group who have vehicle ownership. Education loan 	<ul style="list-style-type: none"> KTC does not discriminate against persons with disabilities, and it looks after the safety of people with disabilities as required by law.
	<ul style="list-style-type: none"> Occupation Loan 			
Financial Literacy Program to small enterprise, low-income, or disabilities groups.				

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

► Nationwide channels for submitting application for products or services and accessing company news and information conveniently

102-6, 103-2



The company has various accessibility channels to products and service to help customers understand products in details before making decision on the use of financial products suitably. Details are as follow:

Physical access

- KTC TOUCH service points: 15 locations
- Krungthai Bank: 1,027 branches
- Team Leader and Sales



Online access

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

- Accommodating information search or submission of application for products and services for further follow-up
 - o Company website (www.ktc.co.th)
 - o Business Partners' websites or online media sites used for product introduction and comparison of financial products, such as www.rabbitfinance.com, www.masii.co.th, and www.moneyguru.com
 - o Social media

• Mobile/ online transactions

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

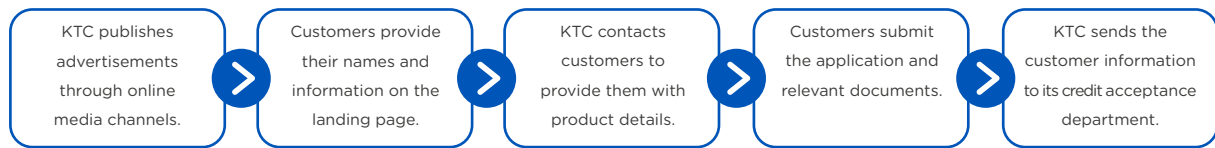
- o Krungthai NEXT
- o KTC Mobile Application
- o KTC Online

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

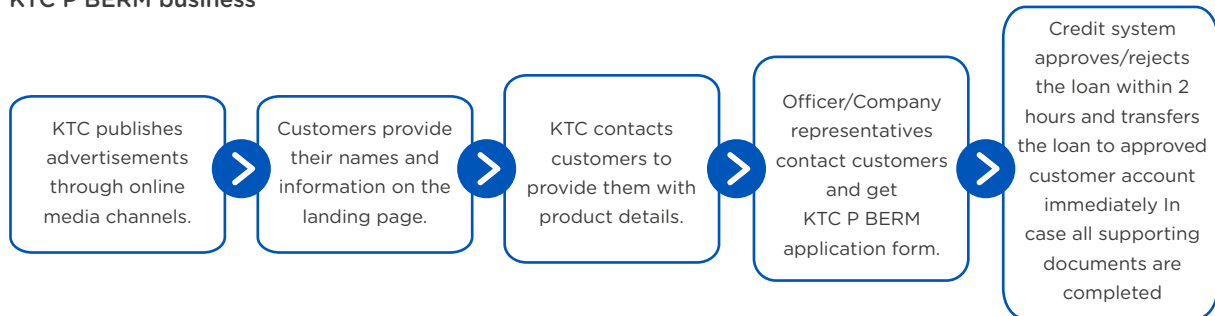
(Source: Notification on the principles of fair market conduct)
(Please refer to additional details under the "Digital innovation" topic")

Steps to access products and services via online channels

Credit card business and personal loan business



KTC P BERM business

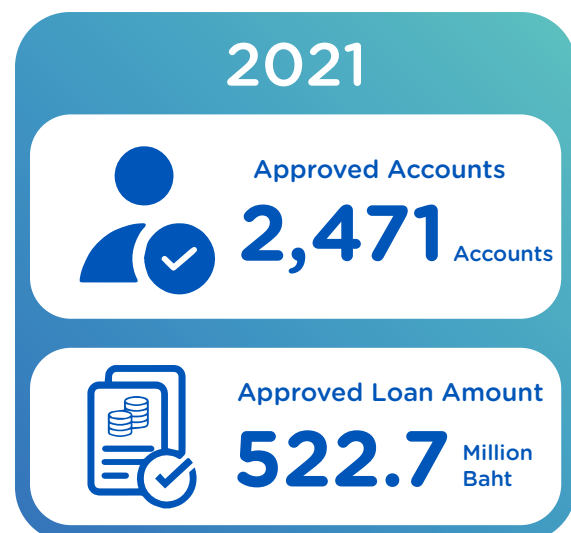


To conform with the government policy on technology and communication protocols for identity verification and authentication in electronic transactions, the Company ensures that its practices are consistent with legal requirements related to national ID card reading (Dip Chip) and verification of smart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

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

► Financial products and services

KTC P BERM



Motorcycle title loan with KTC P BERM CASH CARD

KTC has exploited synergistic effects between unsecured and secured loans and upgraded a product called "motorcycle title loan with KTC P BERM cash card" to equip it with swipe-transfer-cash advance features. This product marked the first time a product with these features was launched in Thai credit market to enable Thai people unable to access credit sources to have cash flow to cover spending on necessities. Moreover, it is suitable for people having a motorcycle and vehicle registration book with their names as registered owner. The showcases selling points are: quick, easy loan;

when approved, receive a considerable amount of money along with cash card.” After getting approval, KTC members can use their motorcycles, receive a revolving credit line, and withdraw extra cash from the credit line with cash card for emergency use. With good repayment history, customers can have cash cards swiped to buy products, perform real-time money transfer into bank accounts, and withdraw cash from ATMs free of charge.



Vehicle title loan

KTC and KTC Pico (Bangkok) together with KTC Pico (Bangkok)’s subsidiaries in four provinces offer vehicle title loan to customers who cannot access sources of fund or do not have documentary evidence of debt repayment ability, such as salary payment slip, but have a car or motorcycle ownership. Under this scheme, customers can use a car or motorcycle as collateral when applying for a loan according to an assessment of their debt repayment ability. Then, customers can retain possession of their vehicle and benefit from vehicle use as they normally enjoy as owners.

Collaboration with Lalamove Thailand Co., Ltd.

KTC P BERM and Lalamove Thailand Co., Ltd., a major courier application service in Thailand, offered opportunities for self-employed persons driving motorcycles and cars in the network of Lalamove Thailand to receive financial privileges and have access to vehicle title loan and cash loan called “KTC P BERM.” When applying for credit review, driving history is required in place of a salary slip and financial documents. KTC P BERM applicants will learn of approval status and receive money within two hours, and they will be eligible to receive a credit

up to Baht 700,000 with a fixed low interest rate, starting from a monthly interest rate of only 0.98%. The aim is to provide customers with access to a formal credit system that charges a fair interest rate. In terms of organizational and social impacts, KTC could play a role in helping self-employed persons to gain access to a source of fund with a fair interest rate. KTC granted credit to 7 employees of Lalamove Thailand Co., Ltd. in 2021.

Collaboration with Food Passion Co., Ltd.

KTC P BERM enabled Thai people to pick themselves up and move on with their lives amid economic crisis in Thailand by offering a vehicle title loan called “KTC P BERM” as an alternative for Thai people who refused to give up and desired to own a franchise business named “Mootod Kodkho” (deep fried pork). Under this program, these people can access a source of fund in a proper, transparent and equitable manner, learn of credit approval within two hours and receive money right away. No complicated

document, salary slip or commercial registration certificate is required, Applicants can use their vehicle without disruption in their lives. Moreover, customers can access a formal credit system that charges a fair interest rate and obtain capital to run their business. The provision of assistance to customers facing restricted access to a source of fund is a role that enables the Company to support undeterred persons to begin their quest to own franchise business.

Collaboration with Chaixi Bameekiao Co., Ltd.

KTC P BERM offered a credit program for vehicle owners desiring to own a franchise business named “Chaixi Bameekiao” (noodle & pork dumpling) or existing franchise owners needing working capital or expanding their branches so that they could access a source of fund properly and fairly. Under this program, customers can access formal credit system that charges a fair interest rate and obtain capital to run their business. The program’s outstanding

strength lies in convenience and speed that appeal to people earning their livelihood. When applying for a loan, applicants are not required to submit a salary slip and will learn of approval and receive money transferred into a bank account within two hours. Moreover, applicants are eligible to receive a credit of up to Baht 700,000. All they need is car or motorcycle ownership with a vehicle registration book with their names as registered owner.

Occupation loan

The Company offered a credit program – personal loan under supervision program for vocational purposes – for wood suppliers of Vanachai Panel Industries Co., Ltd. This program aims at enabling Vanachai’s suppliers classified as vulnerable group living in provinces where Vanachai operates or nearby provinces to access a source of fund in a formal credit system that charges a fair interest rate and increases vocational opportunities.

Furthermore, the Company and its partners jointly supported small business operators or vulnerable groups throughout 2021, such as credit card for independent contractors, merchants acquiring accepting QR code and e-commerce payment.

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



► Creating opportunities to access financial services for persons with disabilities

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

► Financial literacy

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

Education for Self – Empowerment and Sustainable Growth Year 3

203-1

KTC believes that physical disabilities are not an impediment to learning if a suitable development opportunity is available. The Company has played a role in preparing students and equipping them with knowledge on how to achieve self-reliance from self-sufficient farming practices, which have been a traditional way of life of Thai people. Under this program, participants can gain practical experience from hands-on learning. They will further build upon acquired knowledge to pursue a vocation and generate income. Additionally, they can learn financial management concept that will enable them to live a sustainable, happy life and further pass on knowledge to the society. Initially, the Company chose to undertake a fully integrated organic mushroom cultivation process as a pilot program, starting from learning about different types of mushroom, mushroom cultivation process, mushroom processing packaging design, brand building, cost calculation, and financial planning. In 2019, KTC initiated a program called “Education for Self – Empowerment and Sustainable Growth” at Setsatian School for the Deaf, our first target group. The program has built up a body of knowledge until 2021 as follows:



KTC, in collaboration with Thungmahamek School for the Deaf, and Nonthaburi Deaf School, continued to run the “Education for Self – Empowerment and Sustainable Growth” for capacity development of hearing impaired youths to enable them to be self-reliant by offering vocational training courses in line with the five vocation groups

identified in the Ministry of Education’s strategy to achieve long-term sustainability in the society.

Due to worsening COVID-19 outbreak situation, KTC switched to online learning and VDO recording via channels of these schools by using a curriculum based on the concept of triparties knowledge sharing and creating a train the trainer network supported by sign language teachers and students of Thungmahamek School for the Deaf who gained knowledge in the Year 2 program. The aim is to pass on knowledge in the third year to fellow students at Nonthaburi School for the Deaf, a special education school for hearing impaired students participated in the Year 3 program.

As for the program’s success, a total of 156 students and teachers from Setsatian School for the Deaf and Thungmahamek School for the Deaf participated in the past two programs. KTC recognizes the importance of sharing helpful knowledge in the society, especially promoting learning for vocational development and income generation to achieve sustainable growth. It also supports equitable educational opportunities for Thai youths.

Testimony from program participants

The school director of Nonthaburi for the Deaf School said :“ Education for Self – Empowerment and Sustainable Growth Year 3 program” will open up opportunities for hearing impaired students to learn about mushroom cultivation and the entire process of mushroom product production, including cultivation, caring, processing, product design, and distribution. Participating students will build upon this basic knowledge to further apply learning in other subjects and vocational engagement in the future. Thanks to KTC, Thungmahamek School for the Deaf, and Phothong mushroom farm for opportunities and support to student participation in this program. Nonthaburi for the Deaf School will try to learn and create a body of knowledge and vocational skills as best as we could to ensure that our students will receive most benefits from this program.”



The acting school director of Thungmahamek School for the Deaf said : “In education year of 2020, the school received an honor from KTC and Setsatian School for the Deaf that passed on the “Education for Self – Empowerment and Sustainable Growth” Year 2 program to us. Besides standard mushroom cultivation houses and quality mushroom spawns, another valuable and useful thing that our school would receive is a transfer of knowledge, experience and management process from Setsatian School for the Deaf and KTC. Not only that, Phothong mushroom farm, where KTC arranged field trips, has also been a source of inspiration. Throughout this program, students learned the preparatory process of mushroom cultivation house, program management, mushroom care and harvest, mushroom processing into products, and creative preparation of food varieties to generate income. Moreover, students were also taught to transfer knowledge and be equipped with leadership skills. All these are directly beneficial to students. Participating teachers also collaborated to arrange an experience that would enhance student learning. As a result, the mushroom has been one of our income-generating products of and a source of in-school learning and adopted as an approach to vocational creation for students. This year it is a great pleasure of Thungmahamek School for the Deaf to pass on this useful program

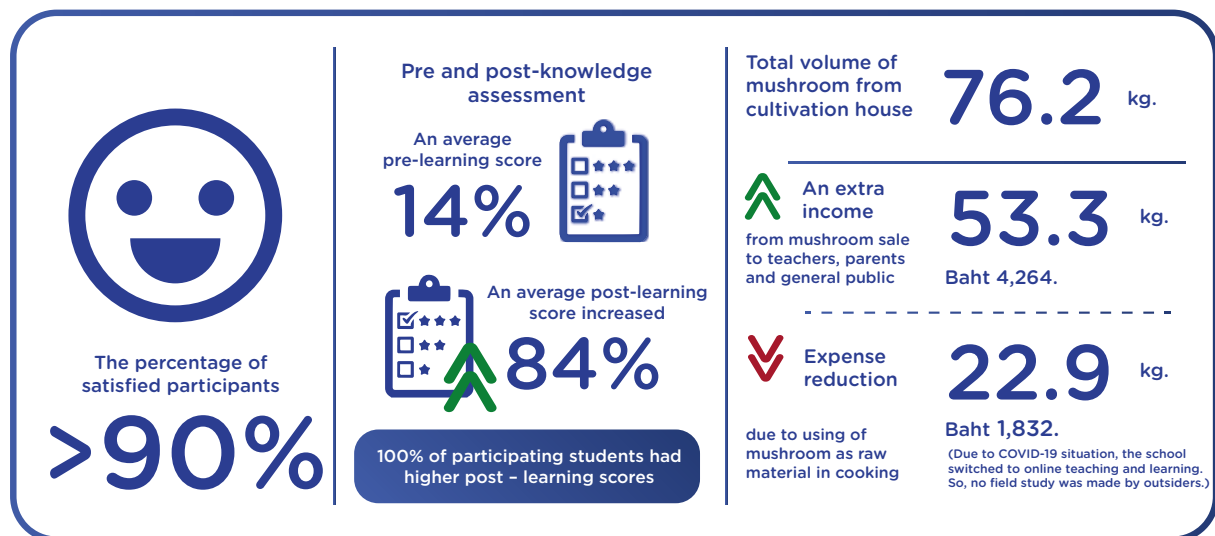
to our fellows in another school, Nonthaburi Deaf School. We sincerely hope that the Education for Self – Empowerment and Sustainable Growth will continue to produce fruitful results as long as possible.”

A team of student trainers of Thungmahamek School for the Deaf : shared their learning experience in the Year 2 program through a sign language interpreter “When our teacher told us that KTC will build a mushroom cultivation house for our school, and teachers and deaf students from Setsatian School will come to our school as trainers. We’re very excited and happy because we’ve never seen or had experience with a mushroom cultivation house. The mushroom cultivation house was lovely, and it was installed with ready-to-use electrical and mist watering systems. When Phothong mushroom farm sent us the first batch of mushroom spawns, we were shocked because there were as many as 1,800 mushroom spawns. Students from Setsatian School taught us how to open the bags, arrange mushroom spawns, and water them. When they started blooming, we’re very excited. Why are there so many of them? When we collected them for sale, each crop yielded so many kilograms. We sold them at Baht 100 per kilogram to school canteen, surrounding communities, and Suan Plu market. We also gave them away to donors as token of appreciation. Weeks later, we still learned how to prepare mushroom dishes. They’re

fun to cook and very delicious. We made a big book. Moreover, KTC staff taught us how to create receipt and expense account and calculate cost and profit, as well as design mushroom logo. We would like to thank teachers and students from Sesatian School, KTC staff, and Kru Rath from Phothong mushroom farm, who brought good things to us. We have

delighted to hear that in 2021 we will have a chance to share our knowledge and experience with our friends and brothers at Nonthaburi School for the Deaf in Nonthaburi province. We will do our best. Thanks to KTC for giving us great opportunities, knowledge and experience.”

Learning organic mushroom cultivation techniques according to self-sufficient farming practices and financial knowledge



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

First batch	Second batch	Third batch
<p>Program objective: Impart knowledge about financial and banking crimes to police officers attending criminal investigation training program of the Police College.</p> <p>Training date: July 13, 2020 (Police Training Center, Salaya)</p> <p>Number of participants: 60</p>	<p>Program objective: Impart knowledge about financial and banking crimes to police officers attending the criminal investigation training program of the Police College.</p> <p>Training date: August 2, 2021 (Online training at KTC)</p> <p>Number of participants: 60</p>	<p>Program objective: Enhance investigative and fact-finding skills in technology fraud cases.</p> <p>Training date: December 17, 2021 (Training at KTC)</p> <p>Number of participants: 35</p>

Online financial knowledge

KTC consistently disseminated information about cash and expense management and business building approaches that could be accessed by the general public to help each person undertake life planning and increase opportunities to manage financial liquidity properly. Moreover, the Company also shared information on how to use financial products safely via Facebook page and its website throughout the year for KTC P BERM pursued knowledge sharing activities to disseminate knowledge on financial literacy online via Facebook page of KTC P BERM. Moreover, other knowledge sharing online include KTC Real Privilege, KTC Journey and the Company website.

Facebook page of KTC P BERM



Facebook page of KTC Real Privilege



KTC Website: Articles

รู้ทัน ป้องกัน ปลอดภัย “PHISHING” ก่อนตกเป็นเหยื่อ... ภัย ใกล้เคียง

กลุ่มมิจฉาชีพมักอาศัยเหตุการณ์สำคัญในช่วงนั้นๆ สร้างประสบการณ์ให้เหยื่อตระหนักหรือดีใจแล้วหลอกลวงเพื่อไป...

ทำไมร้านค้าออนไลน์ควรอัปเดตความปลอดภัยเป็น 3D Secure 2.0

การชำระเงินออนไลน์ปลอดภัยแค่ไหน? แน่ใจได้อย่างไรว่าลูกค้าผู้ถือบัตรเป็นผู้ทำรายการเอง? หากลูกค้าปฏิเสธ...

► Corporate citizenship and philanthropy

Strategies for the Company and its subsidiaries

KTC formulates strategies for the Company and its subsidiaries related to corporate citizenship and philanthropy, which are consistent with corporate strategies and UN Sustainable Development Goals (SDGs). The Company provides social support and assistance in a transparent manner so as to ensure that corporate support or donation does not contribute to corruption. Moreover, it also adopts a clear policy of not supporting political parties and places emphasis on transfer of internal knowledge to the public in order to effect positive changes in the society and country as follows:

Corporate Social Responsibility Activities

- KTC and the Economic Reporters Association (ERA) jointly held online course titled “DISC for Building Relationship” for ERA members

KTC and the Economic Reporters Association (ERA) jointly held an online course titled “DISC for Building Relationship” to share interactive, ready-to-use knowledge with economic reporters. As a special speaker, Mrs. Sudpratana Damrongchaitham, KTC’s Vice President Human Resources, gave ERA members advice on how to know themselves and understand others better and how to analyze behavior of each personality style so that they are able to accept personal differences, learn from one another, and adjust themselves to better related with others in order to establish good relationship for future interpersonal communication.



- KTC donated COVID-19 PPE kits and health insurance to participate in vaccination driven campaign

KTC handed out “I Got Vaccinated” t-shirts together with health and accident insurance to Team Leaders and sales who got at least one vaccination shot. These Team Leaders and sales can wear this t-shirt while introducing products to make prospective customers confident. In addition, the Company also handed out COVID-19 PPE kits (cloth mask, face shield and 2-in-1 bag) to Team Leaders and sales as a token of appreciation for their good performance amid COVID-19 outbreaks. These COVID-19 PPE kits also made our Team Leaders and sales feel safe while working out in the field throughout the year.

- “KTC Journey” held an activity called “Rao Gin Mod...Pi Gin Im” to donate foods to medical personnel

Facebook page of “KTC Journey” donated foods and drinking water from an activity called “Rao Gin Mod...Pi Gin Im” to medical personnel at CH9 Airport Hospital and Sirindhorn Hospital under the



Medical Service Department, Bangkok Metropolitan Administration. Fanpage members collectively posted photos of finished food plates so that “KTC Journey” could turn a photo of one food plate into one meal. 200 meals in total have boosted morale of medical personnel in their fight against COVID-19.



- “KTC Journey” acted as a bridge of merit to make financial contribution for purchase of medical equipment in an activity called “Convert Hearts to Merit.” KTC represented “KTC Journey” Facebook page to donate Baht 15,000 from an activity called “Convert Hearts to Merit” to three foundations: Ramathibodi Foundation, Siriraj Foundation, and Rajvithi Hospital. For one click on heart sticker on KTC Journey Facebook page, KTC made a matching donation of Baht 50 as contribution for purchase of medical equipment for treatment of COVID-19 patients.

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

KTC solicited donations from kind-hearted persons to make financial contribution for purchase of medical devices and equipment for Rajvithi Hospital for treatment of COVID-19 patients. In its ninth consecutive year, this program provided an opportunity for corporate employees, partners and Team Leaders and sales as well as friends of corporate employees to act as giver making financial contribution to Thai society through the regularly held annual charitable activity. Initially, the aim was to donate money to monasteries, but the focus gradually

shifted to poor people cared for by foundations so as to make people's lives better, and healthcare facilities desiring to spend money on medical personnel development and medical equipment so as to keep patients breathing and alive. In 2021, KTC donated money for purchase of medical devices and equipment to join the fight against COVID-19. However, the hospital still had enormous needs for treatment of COVID-19 patients, including 20 ICU beds worth Baht 1.88 million, 2,000 blood sugar prick test kits at Baht 2,000 each worth a total of Baht 4,000,000 for COVID-19 patients with diabetes, and other necessary medical devices and equipment, such as air quality monitor in infection control room, oxygen generator, PPE for frontline health workers.



• **KTC joined hands with healthy employees to donate blood to alleviate shortages of blood reserve.**

KTC employees collectively made blood donations, which were subject to COVID-19 prevention measures. Corporate executives and employees joined these efforts by donating a total of 208,950 cc. of blood to the National Blood Center under Thai Red Cross Society. Over the years, KTC has been concerned that new waves of COVID-19 outbreaks caused a dramatic decline in the number of blood donors and ensuing blood shortages and insufficient supply of blood to various hospitals, thereby affecting patients in urgent need of blood for treatment. Therefore, we organized an activity called “Blood Donation during New Waves of COVID-19 Outbreaks” to mobilize blood donation from our employees with volunteer spirit to alleviate blood reserve shortage. These blood donation drives were held in February, May, September and November in 2021.



• **KTC received donation of reward points converted to “Thannamjai” gift sets for support of COVID-19 quarantined persons through Thai Red Cross.**

KTC, in collaboration with Thai Red Cross, invited KTC credit cardmembers to support the program called “Unite to Fight COVID-19 Crisis” to help people required to quarantine themselves for 14 days by donating KTC FOREVER points via Thai Red Cross. Under this scheme, every 1,000 reward points are worth Baht 100 of donation. Such contributions were spent on “Thannamjai” gift sets handed out to quarantined persons so as to reduce COVID-19 transmission. Each quarantined person was eligible to receive one gift set worth Baht 660, which consists of drinking water, packaged foods, 5 kg rice bag, body cleansers, and garbage bags.

- **KTC employees made donations to socially disadvantaged children on Thai New Year's Day.**

KTC brought necessary items, such as rice, dry foodstuffs, sanitary napkins, cleansers and children toys, donated by kind-hearted KTC executives and employees to Bandek Ramindra School (Home for the Blind with Multiple Disabilities) and Wat Tan Ched Cho Orphanage in Ang Thong province in April to bring happiness to children to mark the occasion of Thai New Year's Day.



- **KTC employees gave away old desk calendars to be used as teaching and learning media for visually impaired children.**

KTC gave away old desk calendars to the Foundation for the Blind in Thailand to be used as teaching and learning media and for embossing braille characters for visually impaired students of Bangkok School for the Blind. At this event, chairperson of the Foundation for the Blind in Thailand welcomed KTC representatives and received donated desk calendars at the foundation's office on Rajthevi Road in Bangkok.



Human Resource Management and Development



103-3

Long-Term Target 2026	Target 2021	Performance 2021
The level of employee engagement with the organization equals to 77 %	The level of employee engagement with the organization equals to 76 %	The level of employee engagement with the organization equals to 66 %
Average hours of training per year per employee more than 57 hours	Average hours of training per year per employee 35 hours	Average hours of training per year per employee 57 hours

103-1

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

Human Resource Management

102-41, 103-2, 401-1, 405-1

Human rights policy

The company specifies policies and human rights guidelines for employees, suppliers or outsourced service providers as parts of the Code of Conduct, which is approved by the Board of Directors, covering the following topics:

- Fair labor treatments, non-discrimination due to similarities or differences
- Non-human trafficking, prohibit the use of child labor under the legal age, non-forced labor

- Anti-harassment or threatening such as anti-sexual harassment
- Respect individual rights and liberties, personal data protection in accordance with legal rights
- Transparent suppliers or outsourced service providers selection processes
- Complaints receiving processes, as well as human rights infringement monitoring and remediation

Fair Labor Treatments in accordance with Human Rights Principles

The Company focuses on treating applicants and employees in accordance with Human Rights principle regarding law and labor, including fairness, equality, non-discrimination, and respecting diversity as specified in Code of Conduct guidelines, regardless of education, nationality, race, color, religion, sex or gender, or physical disability.

Details are as follows:

Employee Recruitment and Hiring

The Company focuses on efficiency and maximizing value in human resource planning and management by identifying strategies to attract talented personnel to join the Company.

According to human resource regulations regarding to the Company's employee recruitment and hiring, no criteria or conditions were specified to deprive employment or discriminate, but to provide equal employment opportunities by considering qualifications, knowledge, and capabilities with transparent selection processes.

The Company announces and recruits by first considering internal employees to fulfill vacant positions and will only consider external personnel for positions that required specific skill sets that cannot be provided by current employees as necessary and appropriate for the business, by considering qualifications, knowledge, capabilities,

and attitude. The Company also develops various recruitment channels and methods through public relations via various social media such as Facebook, Line, LinkedIn, and the Company's website in response to rapidly changing lifestyles in the digital era.

The Company has a qualified committee responsible for recruitment and compensation in accordance with applicant's qualifications and industry standards so that new employees can come to work in response to the department's needs. In addition, the Company's job postings for various positions are based on respecting human rights principles, that provide equal opportunities regardless of gender or other prescribed criteria not related to work performance.



External Hiring
158 persons
equivalent to 91%



Internal Hiring
16 persons
equivalent to 9%

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

Promoting diversity and inclusion through the workplace

Creating job opportunities for diverse groups of people in society

The Company treats labor fairly, respects human rights without discrimination and harassment. Sex, gender, and nationality are not used to hinder employment opportunities and career advancements. These principles are applied in all departments in conjunction with the labor law standards, including anti-child labor and illegal foreign workers.

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

The Company places importance on promoting and

improving people with disabilities' quality of life by hiring employees with physical disabilities to work in the Company and in accordance with Empowerment of Persons with Disabilities Act, B.E. 2550 that was enacted to protect the welfare of employees with physical disabilities or health disorders in which the Act outlines for governmental agencies and employers or business operators to employ disabled people in accordance to Section 33, or send money to the Empowerment of Persons with Disabilities Fund under Section 34, or choose to grant concessions and employ persons with disabilities under sub-contracts under Section 35.

In 2021, the Company hired 1 employee with disabilities and has promoted employment of people with disabilities under the innovative approach, which is career promotion. The Company sub-contracted or outsourced vocational training services, totaling 16 people with disabilities to work outside the Company but in communities or public organizations residing in the domicile of persons with disabilities which will directly benefit and help people with disabilities who live in remote areas to


have a chance of having thorough career and be able to rely on oneself.

For employees experiencing health problems, the Company will adjust their roles and responsibilities according to their potential and capability to perform tasks to minimize the impact on their health.

University Students

The Company has consecutively organized the KTC LEARN & EARN project for 19 years with the purpose of supporting and developing the skills of youths in Thai society and supporting university students to learn how to work with the organizations in the form of LEARN & EARN in various areas such as the

Company’s business operations, technology, innovation, creativity, communication, leadership. This project promotes using free-time to gain new perspective and experiences that cannot be discovered in the classroom. It also prepares students before entering the marketplace and increase the opportunity to earn extra income, which is helpful not only for working in a volatile changing world but also increasing the opportunity to create competent personnel for the society.

<div>  Number of University Students </div>	2022	2003 - 2021
KTC LEARN & EARN	12	3,710
KTC LEARN & EARN work with the company after completing the course	1	314

In 2021, details of employees’ composition are as follows.



(Please refer additional details about workforce breakdown under “Sustainability Performance” topic)

Performance Evaluation

The Company sets a policy to encourage employees with high growth potential in their position advancement and provides opportunities for employees to transfer jobs according to their expertise and interests. The Company also possesses a systematic and ongoing performance management system to drive employees’ performance to reach goals set by the Company. The Company has set performance metrics, goals, and clear performance evaluation models for all employees since the beginning of the year in accordance with the Company’s strategic directions by using Key Performance Indicators (“KPI”) model in consistent with the Balance Scorecard assessment in terms of finance, customers, internal processes, and employee’s performance appraisal which are used as goals setting tool with a mutual agreement between supervisors and employees. This is a process that places importance on the engagement between supervisors and employees to drive higher employee performance. To create collaboration within the

organization and to raise operating performance standards, the Company has set KPI that both executives and all employees must be responsible for so that the KPI assessment reflects their commitment in economic, social, and environmental dimensions, such as compliance with ISO 27001, ISO 27701 standards, so that employees can develop themselves. The Company has adopted a 360-degree Core Value, and Core Competencies as part of its evaluation models. The employee’s performance appraisal results are linked to the consideration of their compensation throughout the organization to determine salary adjustments, bonuses, including clear promotion criteria, as well as regular follow up on the implementation of a defined action plan to motivate employees with superior performance and highly committed. 100% of the Company’s employees at all levels received a performance evaluation.

Compensation and Welfare Management

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

information for consideration to improve compensation and welfare appropriately. The Company also provides various welfare programs such as retirement welfare program in accordance with the Labor Protection Act, Employee Choice provident fund by which employees can select investment policies that are in line with their expected return upon their retirement with acceptable risk level. Employees can also switch their investment policies during their tenure, Compensation Fund, and Social Security Fund, etc.

Freedom of Association

The Company provides employees with the rights to participate in political activities under the constitution and law. It also set the welfare committee in the workplace with employees' representatives as a voice in considering agreements that may have a positive or negative impact on all employees to earn rights and receive good welfare, possess high morale, eager to engage with the organization, and continue providing good service to the Company's customers. Duties and responsibilities of the welfare committee in the workplace consist of:

- Discussing with employer regarding employee welfare management.
- Consulting and providing suggestions to employer regarding employee welfare management.
- Supervising, controlling, and monitoring employee welfares provided by employer
- Offering recommendations and guidelines on employee welfare management that benefit employees to the welfare committee.



Termination

The Company has set rules and operating procedures to ensure clarity in employees' related work. In terms of termination of employment, the Company has a process of termination in accordance with the law in case of resignation, retirement, advance notice, and compensation payment, etc.

Human Rights Mitigation and Remediation

The Company provides action plans for the Company and its subsidiaries to mitigate negative human rights impacts in case human rights risk arises as follows:

• The Company's human rights mitigation processes

Business operations from upstream to downstream are transparent and fair with clear work processes, which promote and support the Company to reduce risks that may occur in work processes related to human rights.

• Type of Remediation actions

- o The Company has a guideline to remediate issues that have been notified regarding non-compliance with the Code of Conduct according to the impact of severity on a case-by-case basis.
- o The Company determines reporting processes if an incident occurred. The Company provides channels for employees to consult or complain about if the Company or employees have practices that are not in compliance with the Code of Conduct.

Channels to receive complaints	Processing	Report of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.
<ul style="list-style-type: none">- Trusted Management- Human Resource Manager- The secretary of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	Compliance Department acts as a central unit to control and coordinate with Human Resource Department. In the event of discrimination or harassment, corrective and disciplinary actions are proceeding in accordance with employees' disciplinary procedures specified in Standard Operating Procedure manual.	To prevent complaints recurrence, the Company regularly reports its findings to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee.

Human Rights Assessment Results

In 2021, human rights assessment results are as follow:



The company has not yet performed the human right due diligence in 2021.

► Human Resource Development

404-2

Learning Organization

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

Human Rights Principles

The Company applies human rights principles as a framework for planning, managing knowledge, training, and enhancing career advancement for employees of all groups and genders to receive equal opportunities. Furthermore, the Company has added human rights principles into learning material and quiz for employees to be aware and to avoid discrimination or harassment in the workplace that would violate human rights principles.

Competency Development and Promotion of Employees Career Advancement

Human Resource Development Planning Principles

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

Strategic Workforce Planning

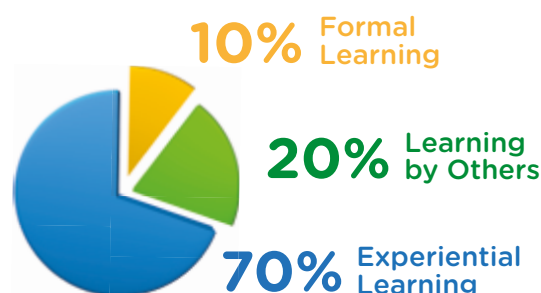
The Company uses the workforce dashboard as a valuable tool to perform a Gap Analysis between the characteristics of the current workforce and the desired workforce to identify human resource strategies, including strategic workforce planning to select, manage, develop, allocate compensation, or adjust personnel positions appropriately. As a result, employees possess crucial qualifications such as Right Mindset, Right Skills, and Culture Fit and Job Fit which make them ready to respond to current and future needs that are in line with the organization's strategies, business trends, and competition in the workforce market. This framework enables KTC to make better management decisions, such as expanding employee's recruitment channels, delivering "Happiness by Design" to reward employees in both monetary and non-monetary forms, training that covers a wide range of needs, creating good experiences for employees throughout their time working with the Company, and enhancing the organizational engagement to make the Company a "Happy Workplace" for current employees and potential candidates.

Knowledge and Understanding Enhancement

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

• Learning Catalog

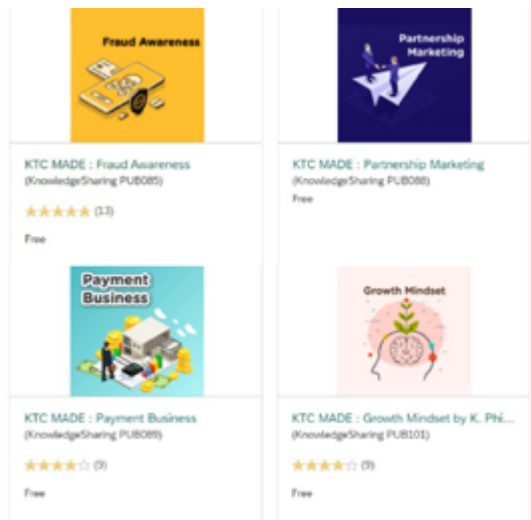
KTC promotes KTC Learning Culture by opening opportunities to employees to select learning methods that suit them under the Blended Learning 70:20:10 framework. The Company has gathered knowledge from various sources for interested employees to participate in learning in various forms and developed an e-Learning platform that focuses on managerial skills which can be learned anywhere anytime. Learning Catalog is divided as follows:



1) Experiential Learning

• Functional development

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



2) Learning by Others

• Coaching

The process of working together between the coach, a person who stimulates thinking or unlocking something in the coaches, and the coachees so the coachees will have higher potential through various methods and tools, which lead to learning and self-awareness to change. This includes implementation with thorough thoughts, understanding, skills, and Coachees' capabilities.

• Mentoring

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

3) Formal Learning

• Classroom Training

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

• On the Job Training

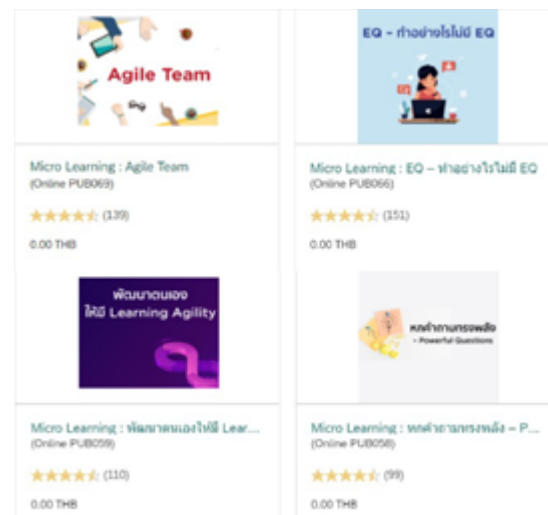
On the Job Training: OJT focuses on training while working on the job with a supervisor or a person assigned to do the job as an instructor. Instructor must follow up to explain and guide work practices in the organization to make this type of training more beneficial.

• Consulting

Consulting focuses on giving advice when employees facing problems that arise from their job responsibilities. Supervisors are required to listen, suggest guidelines, tips, and methods so that employees can solve their problems.

• e - Learning

Focuses on self-time management skills to be able to learn in micro learning form through Success Factor system anywhere and anytime to facilitate employees who are eager to learn but have various limitations and have physical barriers to access learning equally.



• Self - Learning

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



• Outstanding Training in 2021

Course No. 1: Career Aspiration

Learning course in the form of Workshop/Brain storming was started in 2020 for employees to set career goals, create self-understanding and self-development with a method that is suitable for everyone to facilitate work processes to be successful in accordance with the set objectives and standards to reach their goals effectively, which is beneficial to employees and in accordance with the Company's business policy. The course has continued in 2021 to emphasize that supervisor and employee have followed up and consulted with one another. Details are as follows:

- Employees set development goals and career advancement (Career Planning) to cooperate with supervisor to define knowledge, abilities, skills, competencies that are important and necessary (Required Competency) for each position according to roles and responsibilities.
- Employees know themselves better, know their strengths and weakness (Dossier), or even their talents which potentially built into their strengths, including personalities development and behaviors, expressed according to the DISC Model (Dominance / Influence / Steadiness / Compliance). It is a model used to assess preference working styles of oneself and Colleagues' to identify their strengths or limitations to be able to work together.
- Know self-improvement gap to reach their targeted position effectively.
- Plan career advancement to reach their goals.
- Set Individual Development Plan.
- Provide Coaching Feedback and arrange meetings to discuss various issues (Career Conversation) with supervisors.

Course No. 2: Communication Development Course

Learning course in the form of Workshop/Brain storming promotes communication skills in various situations and usage levels according to expected Core Competency, topic "Communication" which divided into 2 topics: High Impact Presentation and Super Productive Communication Tools. Number of employees attending the course are 106 persons

Objective:

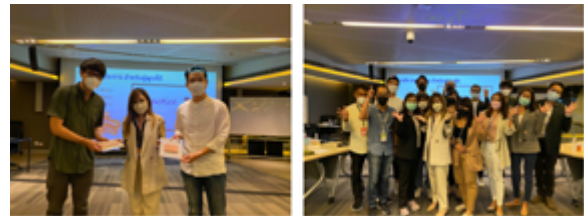
High Impact Presentation Course

- 1) Understand principle and logical ideas technique for effective presentations.
- 2) Superbly present in a logical manner, convey message systematically, interestingly and worth

following.

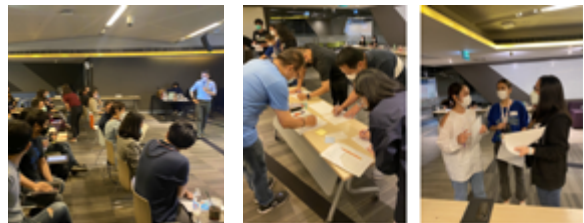
3) Enhance needed skills to deliver effective presentations.

4) Develop credible presentation personality and create confidence even with limited time or without preparation time.



Super Productive Communication Tools Course

- 1) Know: able to utilize effective communication benefits through world-class tools that is not just a theory.
- 2) Understand: able to understand communication process that captures, motivates, and can be used throughout the working life.
- 3) Implement: able to link and apply different techniques to actual works.



Employee Benefits

Upgrade communication skills by linking world-class techniques, understanding communication process and applicable to actual work effectively.

Company Benefits

Effective internal communication with the right communication skills and knowledge, which is essential and incredibly important.

Course No. 3: Internal Coach

Learning course in the form of Coaching enables coaching to be a part and another option for human resources development in terms of knowledge, skill, and mindset. Coaching focuses on empowering personnel to develop themselves through exploiting their highest potential in conjunction with other development methods such as teaching, training, consulting, and appropriate situational counseling. Number of employees attending the course are 21 persons.

Objectives:

Provide knowledge, skills, and methods for trainees (Internal Coach) to implement coaching process for potential development, inspiration creation, and solutions finding in both workplace and daily lives. Thus, employees in the organization (or others) can overcome challenges and achieve life goals.

Employee Benefits:

Employees in the organization can talk to Internal Coach to discover their potential or options to improve or solve employee problems. The coaching process is confidential between Coach and Coachee.

Quantitative Company Benefits:

Employees discover their potential and develop themselves precisely. As a result, work quality and performance are heading in a positive direction, as well as enhancing coaching culture in the organization.



Other Courses

In addition, KTC also organizes various online courses for knowledge and understanding enhancement and assessment throughout 2021 as follows:

• Corporate Governance Policy & Code of Conduct course

205-2

Course content covers anti-corruption, good corporate governance policy guidelines and code of conduct, social and environmental considerations, and respecting human rights.

ขอเชิญพนักงานทุกท่านเข้าเรียนรู้ และทำแบบทดสอบหลักสูตร

นโยบายกำกับดูแลกิจการและคู่มือจรรยาบรรณธุรกิจ (Corporate Governance Policy & Code of Conduct)

โดยมีวัตถุประสงค์...

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

ระยะเวลา 18-30 พ.ย. 2564

เข้าสู่บทเรียน และแบบทดสอบ

ศูนย์นวัตกรรม (โทร) : 02-828-5613
ศูนย์ลูกค้าสัมพันธ์ (โทร) : 02-828-5227

Indicators	Results	Participants
Knowledge and understanding enhancement 100% of total employee	100 %	100 %

Benefits
<ul style="list-style-type: none">• Employees are aware of corporate governance policy, code of conduct, as well as anti-corruption.• There is no report of corruption occurring in the organization.• Employees work properly according to regulations such as securities trading, send and receive the gift etc.

Market Conduct principles in accordance with the Bank of Thailand.



Indicators	Results	Participants
Knowledge and understanding enhancement 100% of total employee	100 %	100 %

Benefits
<ul style="list-style-type: none"> Employees possess knowledge and understanding of market conduct principles. Employees are aware of offering or providing financial products in compliance with market conduct principles. Employees can provide precise and effective services to customers.

Information Security Management System course (ISO/IEC 27001:2013)
and Privacy Information Management System course (ISO/IEC 27701:2019).



Indicators	Results	Participants
Knowledge and understanding enhancement 100% of total employee	100 %	100 %

Benefits
<ul style="list-style-type: none"> Employees possess knowledge and understanding of laws related to personal data protection. The Company gains customers and stakeholder's trust. Employees concern with Information security and privacy Information.

IT Security Awareness course



Indicators	Results	Participants
Knowledge and understanding enhancement 100% of total employee	100 %	100 %

Benefits
<ul style="list-style-type: none"> Employees possess knowledge and understanding and comply with PCI DSS (Payment Card Industry Data Security Standard) Reduce the risk of IT Security and Cyber Security.

• Risk Awareness course

Course content covers risk definitions, risk management processes, operational risks, business continuity management and communication through communication tree, which include knowledge of sustainable business practices and sustainability risks for employees to apply in their works beneficially.



Indicators	Results	Participants
Knowledge and understanding enhancement 100% of total employee	100 %	100 %

Benefits
<ul style="list-style-type: none"> Employees possess knowledge and understanding of enterprise risk management criteria. The Company can control risks effectively. This is partly due to employees possessing knowledge, understanding, and being aware of risks that started from employees themselves.

• AML/CFT & WMD course

Course that provides knowledge on Anti-Money Laundering Act and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Act.



Indicators	Results	Participants
Employees who must be trained in accordance with all regulations scored at least 70%	100 %	100 %
General employees scored at least 85%	100 %	100 %

Benefits
<ul style="list-style-type: none"> To enable employees who must meet or provide services to customers and general employees to possess knowledge and understanding of laws related to AML/CFT & WMD principles.

In 2022, the Company has a plan to develop Knowledge Management and establish a community of experts or Community of Practice (COP) to manage knowledge at the organizational level for maximum benefits.

Digital Innovation for Learning

The Company has developed 2 learning platforms as follows:

KTC UNITE: Platform to Learn

“KTC UNITE” a digital innovation for employees as an internal communication channel to discuss and share important news at any given time such as policies or messages from executives, suggestions, and invitations to join activities that reflect Core Values and Core Competency that create organizational engagement. It is also a channel for knowledge sharing from both inside and outside the organization. Knowledge Community has been created on various matters that the Company is interested in or current trends that are useful for work, including KTC’s various interesting promotions.



SAP System: Platform to record studying time

In 2021, the Company has provided a Learning Management System (LMS), which is one of the modules in SAP Success Factor to manage employees learning and training development in the Company. It consists of interesting courses for employees to find, learn and able to collect various development training data. The data can be used to analyze employees’ development in the organization as well.



Average Training Hours in 2021

With the KTC UNITE learning platform, various courses were selected for employees and linked with external learning resources such as Mind DOJO, SET, Beyond Training, Skill Lane, etc. Employees can choose to study according to their interests together with campaigns to encourage self-learning and collecting training history under the campaign “Top Learner”. As a result, the average training hours per employee increased from 45.59 hours in 2020 to 57.04 hours in 2021. Details are as follows:





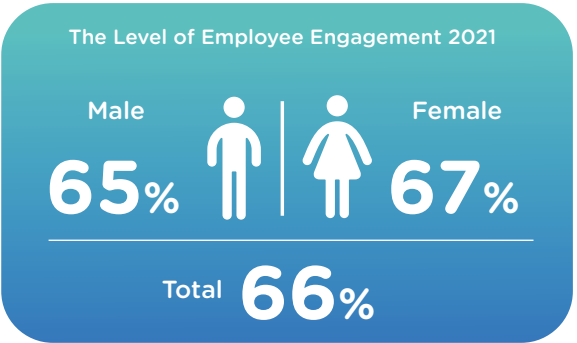
Remark: The data represents the number of employees who attended training based on the training topics offered to 100% of full-time employees.

Motivating and Retaining Employees

Employee Satisfaction and Engagement Surveys

The Company places significance on fostering employee engagement by conducting employee satisfaction and engagement surveys once a year. Employees were invited to express their opinions via a third party’s survey channel in which satisfaction levels were divided into 6 levels. This gives employees peace of mind in providing information since it does not show individual survey results. The Company communicates the satisfaction and engagement survey results to employees throughout the organization via e-mail to acknowledge, improve, develop, and manage several factors that enable employees to live a good life and the Company to be a Happy Workplace. This is not only to retaining

personnel who are talented, adequate, to be proud and want to work with the organization, but it is also creating a strong organizational image (Employer Branding) and attracting people to come work with KTC (Employer of Choice).



The number of employees who attended employee engagement surveys was 100% of the total employees. The Employee Engagement Survey result did not meet the target of 76%, the result was 66%. Due to COVID-19 situation, it was likely that satisfaction and engagement scores were decreased in the same direction around the world, especially during the second to the fourth quarter of with the impact of the COVID-19 both Delta and Omicron variants, it affected employees' feelings toward changes of working arrangement, increasing of working difficulty, and dealing with family and work life balance. All these changes cause stress and concern for employees regarding their job security (Psychological Safety).

To enhance satisfaction and engagement level in 2022, the Company still focuses on communication and listens to employees via the organization's communication channel - KTC UNITE. It is a channel that provides information and answers questions on employees' working guidelines during the COVID-19 situation. In addition, the Company has allocated vaccines to employees, their family, and closed

personnel. The working arrangement has been adjusted in response to the situation, such as work from home arrangement, distribution of ATK test kits to screen for working in the office to build confidence and safety for employees. Supporting equipment, technology gadgets for working outside the office, and necessary communication devices are provided so that employees can work smoothly.

Furthermore, satisfaction and engagement in-depth results analysis is conducted to formulate operation plans at the organization level and the department level. Surveys' score results, together with analysis and solutions are reported to executives. The department's representatives who organize engagement activities (People Champion) acts as a delegate who listen to suggestions and opinions toward activities arrangement, communication method that meet employees' various needs, participate in defining additional activities and plans, monitoring performance throughout the year to promote higher employee satisfaction and engagement level.

Succession Planning

The Company initiates the Succession Planning program to outline and search for personnel who possess adequate qualifications with knowledge and capacity that match the Company's direction for a sustainable growth in the future. The person who will replace or hold a senior executive position is called Key Position. Another position that highly impacted the organization's operation, there must be someone holding this position all the time to prevent business halt, called Critical Position. The

procedures and selection processes needed to be systematically laid out with proper principles and well agreed upon, so that successors will be ready to carry on the Company's mission. It is also regarded as good management practice to protect all stakeholders interests.

(Please refer to additional details under "Additional Information" and "Sustainability Performance" topics)

Occupational Health and Safety



103-3

Long-Term Target 2026	Target 2021	Performance 2021
Absenteeism rate equals 0%*	Absenteeism rate equals 0%*	Absenteeism rate equals 0%*
Number of incidents from work ** equals zero	Number of incidents from work ** equals zero	Number of incidents from work ** equals zero

*The target is absenteeism as a result of work-related injuries
 **Reported via HR and the GS Online system

103-1

The Company attends to health and safety in work environment by keeping the workplace safe and free from health hazards. It also promotes and instills a sense of occupational health and safety (“OHS”) of management and employees to reduce risks and anxiety and prevent accidents and injuries from occurring when employees are at work with the following guidelines:

103-2, 403-1

OHS Governance Oversight

The Company arranges governance oversight and manages occupational health and safety as follows:

Occupational Health and Safety Committee

Occupational Health and Safety Committee was appointed and is consisted of the Chairman, management representatives and employee representatives from various department: Human Resources, General Services, Contact Center & Process Development, Credit Acceptance, Internal Audit, Operations, Compliance, Distribution and Office of President & CEO.

Occupational Health and Safety Committee	Number of Members
Chairman	1
Management Representatives	7
Employee Representatives	7
Total	15

The Committee is responsible for efficiently managing, planning, supervising, coordinating and arranging safety training for employees so that they can appropriately follow the Occupational Health and Safety guidelines, in accordance with related standards and laws. The committee members received following OHS training courses: Safety Officer Management Level Training Course and Safety Officer Supervisory Level Training Course.

Crisis Management Committee

This Committee provides an action plan for managing various critical situations or Business Continuity Plan (BCP) to support different critical situations such as disasters, epidemics, fires, etc.

► OHS Management

The Company set quantitative target in OHS management as part of the performance evaluation based on the key performance indicators of the relevant departments e.g. complete incident management within the specified time. It also identified employee health risks with supportive action plans and report to management on a quarterly basis.

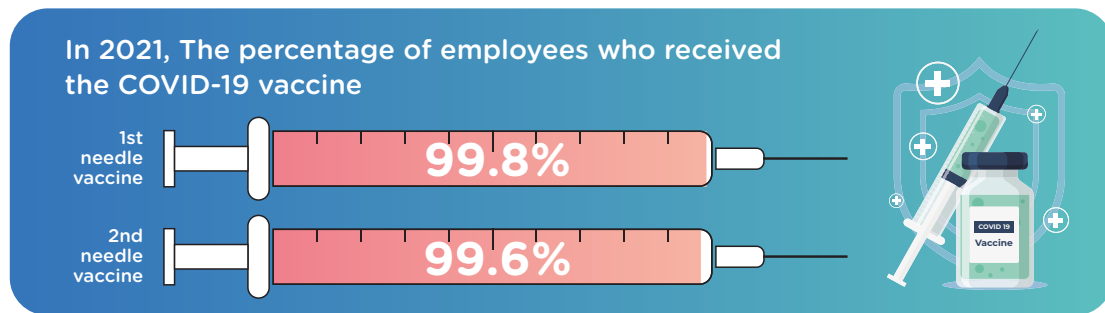
In addition, the Company has in place various measures to ensure effective OHS management as follows:

Risk Reduction Measures in Epidemic Situation

The Company announced measures to prevent and reduce the spread of COVID-19, including the Work From Home measure and the rights to take leave during the pandemic. In addition, it also took care of employees in such distressing situations such as communicating quickly and accurately about

the situation of the Coronavirus, closely supported employees who were at risk or had been exposed to COVID-19 or provided vaccinations for employees, etc.

(Please refer to additional details under “COVID-19 crisis management” topic)



Remark: percentage of employees received COVID-19 vaccination was not 100% because some employees could not received the vaccination due to their personal health issues.

► Promoting health and safety knowledge

403-5



KTC has continuously provided training courses on occupational health and safety in workplace for employees to raise awareness and enable them to cope with risks from the work environment. In 2021, the company continued to educate employees about occupational health and safety in the workplace and distributed knowledge on healthcare and good nutrition, through the Company’s internal e-mail under the topic “Good To Know” in order to reach employees thoroughly and quickly. Additionally, it also provided knowledge and created understanding among employees on how to take care of both physical and mental health correctly, reduce anxiety, and gave a practice guideline on how to reduce chances of contracting or risks from COVID-19. This created legitimate organizational values and culture on health and safety in the workplace.

Providing suitable working environment



The Company provided a suitable and ready-to-use working environment, in accordance with legal standards and suitable for various usage as follows:

- Illuminance control
- Proper temperature setting
- Air duct cleaning to allow the air conditioning system to better deliver airflow and using air purifiers in workplace to stop the spread of germs
- Regular inspection and follow-up assessment of sanitation in each work area

In 2021, the company arranged safety quality assurance construction management, inspection of work equipment after installation, illuminance and humidity, by external agencies.

Establishment of Notification Channels for Insecure Facility Usage

The Company provided channels for employees to notify of the facility problems or the risk of using the facility so that it could be repaired to prevent risks in the workplace. There were 2,130 incidents notified via GS Online, which was 100% amended. These incidents included defective electrical appliances, defective furniture, damaged toilets, etc., All of which did not cause any unsafety or destruction to employees.

Promoting Exercising, Stress Management and Ergonomics*



Exercising

The Company founded badminton club and football club according to employee interests to promote good health and support exercising among employees. It has continually arranged activities since 2006. However, since the COVID-19 situation in 2021 did not yet resolve, the Company, therefore, canceled all activities. However, it still arranged places such as badminton courts, yoga rooms for health-loving employees to exercise according to their interests to relieve stress from work. These group activities were strictly done in accordance with government measures.



Other Stress-Relief Activities Adapted to Online Format

1. Online Dressing Contest The Company supported activities that employees could do together through online channels. Various dress-up contests were participated by all employees, for those who worked from home or at work, for COVID-19 and overcrowding prevention. In addition, the Company provided equal opportunities for all employees of all genders, ages and groups, including LGBTQI+ to showcase their talents and creativity in designing dresses. There were costume contests as follows:

Remark : * Ergonomics refers to the scientific discipline or study of the change in working conditions suitable to workers or the systematic improvement of working conditions in order to perform work accurately and quickly, reduce errors in work performance, improve safety, and reduce stress and fatigue from work.

- **Fighting COVID Dressing Contest:** To raise awareness among employees on how to prevent the spread of COVID-19 by themselves. This activity allowed employees to freely create a dress that protects and shields themselves from the Coronavirus in their own style.
- **KTC Noppamas Dressing Contest:** To allow employees to join in the continuation of the Thai traditions through the Nang Noppamas dress. A recorded videotape of the costume presentation was available on the KTC UNITE platform where all employees were given an opportunity to vote for the most creative outfit in the event.



2. Crossword Competition: The Company encourages employees to learn ceaselessly. The Crossword Competition was one of the activities that encouraged employees to compete on their English skills in order to reduce stress from work and increase opportunities for employees to develop their English skills. In observance of social distancing measures, the competition was held online, live via Microsoft Teams so that other employees could watch and show their support.



3. Communication Activities of Distribution team

- **Communication Activities to Convey Concerns for Employees to Hygienically Adjust Themselves in the COVID-19 Pandemic** through online channels by distribution department. Communication tools were utilized to publicize how to protect and take care of themselves from contracting the disease or when they were in a high-risk group and changes in operation methods when social distancing was required.

- **KTC Organized an Online Seminar of the Year “Move On...Forward with Courage to Success”:** The meeting was participated by more than 500 team leader and sales staff. It was an Online Edutainment, with an emphasis on attitude adjustment and inspiration on how to confidently and happily present KTC products to consumers. This was to fine-tuned to the New Normal working life era. The keynoter, Coach Moss Treemin Kasemwirattiphong exchanged his views on mindset adjustment and attitudes through the current crisis in order to achieve the goal of success in a career in sales. KTC attached importance on healthcare and supported the work of team leader and sales staff; the Company provided the COVID-19 protective equipment kit, the protection policy in case of contracting COVID-19, and the health insurance protection plan for good health. In addition, team leader and sales staff, KTC's alliances and KTC jointly raised funds to provide medical tools and equipment to help COVID-19 patients at Rajavithi Hospital under the “Love & Share Give for Life” Power of Giving, Extending Breath... Giving Life “Fighting COVID”.



4. Setting up a Relaxing Zone to relax and relieve stress after work. The Company believed that having space for employees to relax not only could it relieve work-related stress in employees, but it could also increase work efficiency. In 2021, the Company has renovated the area, to be open for service in 2022, for employees to relieve stress or relax.



Coordinating Fire Drill Evacuation with the Office Building

For the safety of the employees as tenants of the office building, the Company joined the annual fire drills, where the result of which was reported to the Crisis Management Committee (CMC). However, due to the pandemic situation, the building lessor informed the Company that for the safety of the building tenants the 2021's fire-fighting training activities and fire drill evacuation were postponed.

Welfare Arrangements for Employees

Welfare	Type of employee	
	Full-time Employee	Contractor
Salary	●	●
Overtime Pay	●	●
Training/Staff Development	●	●
Funeral Expenses	●	●
Maternity Allowance	●	●
Medical Expenses	●	●
Gift Baskets	●	●
Financial Support for Marriage	●	●
Provident Funds	●	-
Annual Health Checkups	●	●

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

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

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

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

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

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

- Arrangement of annual health checkups for employees. The Company also provides welfare for inpatient and outpatient medical expenses at leading hospitals, with coverage for employee

families, defined as a voluntary option, where the Company pays 50 percent of the family health insurance premiums for employees.



- Provision of vaccination against various diseases for employees and their families at a special price such as influenza, hepatitis B, etc.



- Caring for, monitoring, following up and recording information about the illness of an unwell employee which may spread in the work area. In addition, the Company provides cares for injured employees until they can return to work as normal.

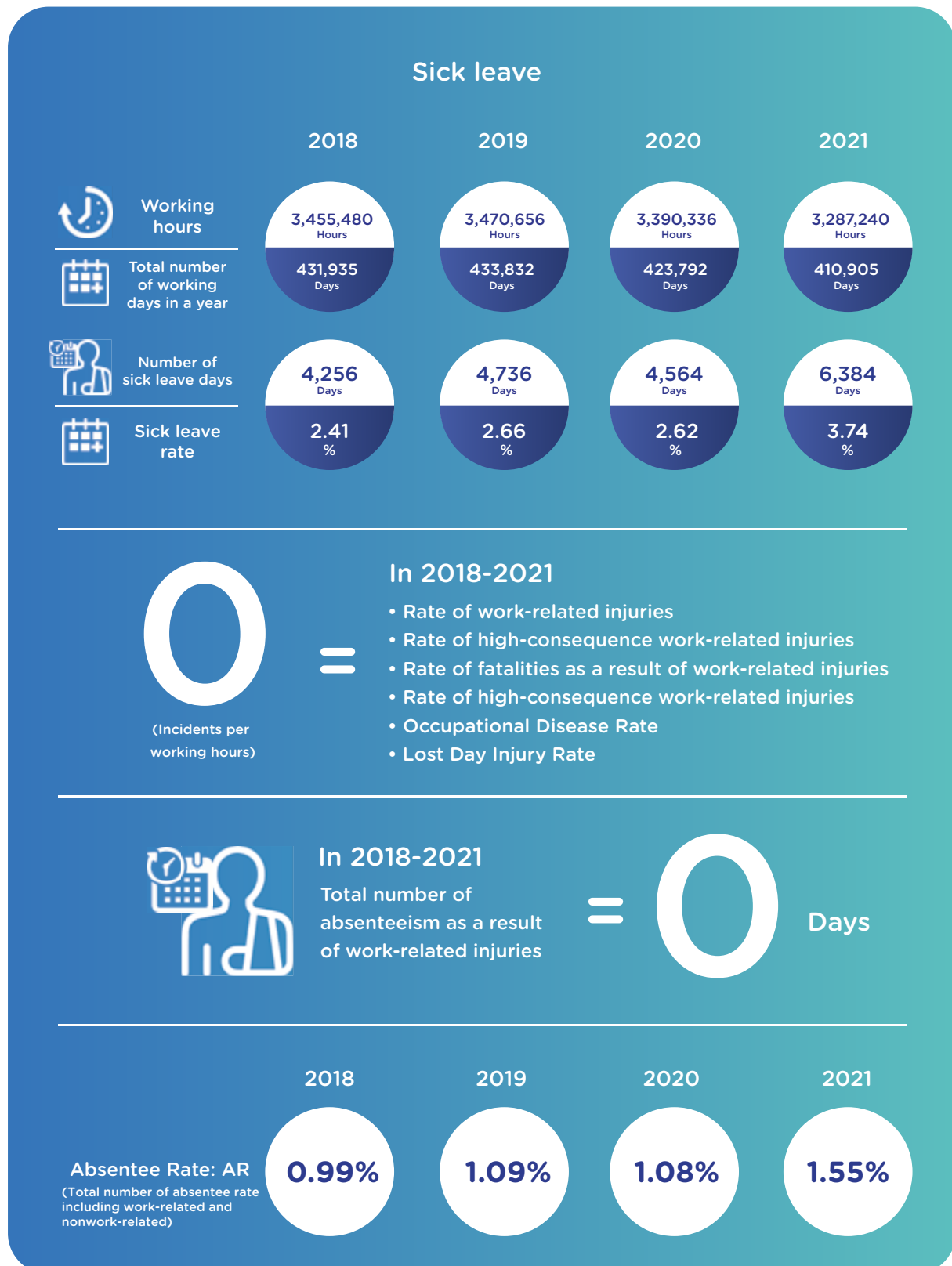
- Provide a two-bed first-aid room each at UBC II and the Thai Summit Building to provide medical services with basic medicine, first-aid medical supplies and a nurse in the first-aid room to provide health advice to employees according to appropriate standards.

- The Company signed a memorandum of understanding or MOU with an emergency transportation company to readily transport employees to receive emergency treatment, which has been going on for more than 5 years.



Occupation health and safety information

403-9, 403-10



(Please refer to additional details under "Additional Information" and "Sustainability Performance" topic)

Collaboration with Partners for Sustainability



103-3

Long-Term Target 2026

Collaborating in 8 projects with government or private agencies.

Target 2021

Collaborating in 3 projects with government or private agencies.

Performance 2021

Collaborating in 7 projects with government or private agencies.

103-1

KTC is committed to sustainable operation and solicits cooperation from its partners to ensure robustness of sustainable operation and pass on sustainability to the society at large. In 2021, the Company collaborated with various partners in public and private sectors as follows:

103-2, 203-2

SCG Cement-Building Materials Co., Ltd. (Siam Cement Group)

Credit card for independent contractors (KTC-SCG VISA Purchasing)



For five consecutive years, KTC has collaborated with SCG and Nexter Digital Co., Ltd. to organize seminars for authorized SCG dealers in order to equip them with knowledge on the benefits of using the credit card, QR code technology for payment of products and services, and execution of online transactions without having to show up at point of sale. Thereby, with this knowledge it might be reducing cash payment or lowering the risk of getting infected with COVID-19. Moreover, this collaboration has raised contractor awareness about the benefits of financial discipline that would result in good financial records and help these independent contractors gain access to funding sources or equip them with the ability to apply for loan from various financial institutions that are legitimate funding sources, which charge legally prescribed interest rates. In addition, this collaboration scheme could also mitigate informal debt problems.

Linkages with other sustainability topics

Digital Innovation,
Financial Inclusion
and Financial Literacy

Impacts and benefits

Impacts on organization

In 2021, over 200 SCG dealers and a total of 886 independent contractors that already received approval of SCG credit card participated in the program. Total amount of credit line was Baht 195 million.

Impacts on society

This group of independent contractors could access funding sources and gain more contractor businesses. Moreover, they also recognized the benefits of good financial discipline that could help them gain access to funding sources at other financial institutions in the future.

Impacts on environment

Mobile payment technology via KTC TAP MERCHANT (Mobile Application) that facilitates digital transaction and helps reduce use of carbon paper or sales slip that printed out for and kept by customers and dealers as transaction evidence, and reducing paperwork expense and process.



Q-Chang

KTC has collaborated with SCG for three consecutive years to offer privileges to KTC cardmembers. Under this program, KTC card members can receive a special discount up to baht 150 and redeem KTC FOREVER points for 10% discount when making online payment for air conditioner cleaning with disinfectant service to SCG's independent contractors on Q-Chang digital platform. On this, The aim is to support and create works for SCG's independent contractors.

Linkages with other sustainability topics

Financial Inclusion and Financial Literacy

Impacts and benefits

Impacts on organization

Created more positive experience made life easier and answer to lofe for credit card members.

Impacts on society

Helped create works for independent contractors, enabled them to manage work queue more efficiently, and ensured that customers used services from contractors that meet SCG standards.

Impacts on environment

Reduced energy consumption caused by the inefficiency of home air conditioners while producing cool air and collecting dust particles dispersed in the air or built up in dust filters.

Bank for Agriculture and Agricultural Cooperatives (BAAC)

Services for merchants accepting QR code payment and e-commerce merchants



KTC and BAAC entered into a business cooperation agreement to expand payment services to serve members of BAAC's Nong Hom Chang shop by using QR credit card payment system on Visa and Mastercard networks. Notably, KTC was the first credit card issuer to use this QR payment system in Thailand. Such expansion of payment channels enabled payment of products and services of Nong Hom Chang shop members with mobile application. These members consist of retail stores, farmer community enterprise shops, Smart Farmer groups, and non-VAT registered small retail shops. Moreover, this payment scheme can increase market opportunities through access to a modern, convenient, safe payment system which can meet the needs of new lifestyles, and it can also reach new credit card customer groups that will expand opportunities to sell more products and services to new customer groups other than existing customers.

Linkages with other sustainability topics

Digital Innovation,
Financial Inclusion
and Financial Literacy

Impacts and benefits

Impacts on organization

Expanded services for card accepting merchants to reach small retail shops and increased payment points with QR credit card payment system so as to promote cashless society.

Impacts on society

Promoted QR credit card payment technology among small retail shops so as to reduce rental charges of EDC device and expand opportunities to sell more products and services of small retail shops. Moreover, non-VAT registered small retail shops also received service fee at a special rate.

Impacts on environment

Reduced amount of paper used in transaction execution process and by using payment notification on mobile application.

Legal Execution Department

Mega debt mediation and settlement event

KTC and the Legal Execution Department have collaborated for seven consecutive years to organize two mega debt mediation and settlement events in 2021. The aim is to seek dispute resolution so that debtors can repay outstanding debts depending on their ability to pay and to minimize disputes in the legal execution stage.



Linkages with other sustainability topics

Financial Inclusion
and Financial Literacy

Impacts and benefits

Impacts on organization

A total of 2,071 debtors participated in the mega debt mediation events, and total amount of debt recovery or reduced NPL was Baht 158,644,534.78 The success rate of debt settlement negotiation was 67.17%.

Impacts on society

Reduced debt burden of customers depending on their ability to pay so as to reduce long-term debt problems in the society.

Note: Due to persistent COVID-19 outbreaks, the Company has changed the process to solicit debtors' participation in the program by sending a letter with proposed conditions to induce responses from interested debtors. This year debt settlement negotiation over phone was conducted instead of organizing debt mediation event like before.

► Offering support to merchants amid COVID-19 situation

Help each other project



The Company carried out “help each other” project to support its merchant partners who affected by lockdown measures that prevented them from opening businesses during COVID-19 outbreaks from June to September 2021. Under this project, the Company acted as a medium of communication that allowed retail shops and business owners to promote their products or services on its online media channels, such as Facebook, Instagram and Twitter. Moreover, the Company also invited its employees from KTC Influencer Club to use their personal social media spaces to publicize businesses of its partners. In addition to internal media, it also used external media, such as TV, newspapers and public websites, to publicize special interviews with merchant partners. Notably, these external media acted as mouthpieces for public relations narratives that could reach a wider group of audience. Furthermore, the Company carried out promotion programs for KTC cardmembers to let them enjoy convenience and worthiness of its offerings at the same time. This operational approach has been adopted by KTC to promote sustainable growth of its stakeholders under any circumstances.

Linkages with other sustainability topics

Brand and Customer Trust, Financial Inclusion and Financial Literacy

Impacts and benefits

Impacts on organization

Provided support to merchant partners to enable them to continue operating during lockdown. This approach enabled KTC to build trust and gain a higher degree of acceptance with partners.

Impacts on society

This project helped merchant partners keep their operations running without having to shut down, and it contributed to employment and income generation for their employees as well as reduction of long-term economic and social impacts. Moreover, contacts between merchant partners and customers through online channels or any other appropriate channels amid COVID-19 situation could help reduce direct social contacts and minimize the risk of COVID-19 infection. Notably, this project represents another way to support hospitals, doctors and nurses as well as the public health system.

Impacts on environment

The use of online platform helped promote reduction of resource utilization and customer's travel activities and supported lockdown measures of the government.



Environmental
Dimension
"Better Climate"

Environmental and Climate Change Management



103-3

Long-Term Target 2026	Target 2021	Performance 2021
<ul style="list-style-type: none"> Electricity energy consumption reduction by 5% Water usage reduction by 5% Waste separation and recycling or proper waste disposal by 100% Greenhouse gas emissions reduction by 6% in total 	<ul style="list-style-type: none"> Electricity energy consumption reduction by 4% Water usage reduction by 4% Waste separation and recycling or proper waste disposal by 100% Greenhouse gas emissions reduction by 4% in total 	<ul style="list-style-type: none"> Electricity energy consumption increase by 0.9% Water usage reduction by 2% Waste separation and recycling or proper waste disposal by 100% Greenhouse gas emissions reduction by 22% in total

Remarks:

- The reduction of electricity energy consumption, water consumption, waste disposal and greenhouse gas emissions in 2021 was compared to the base year 2018.
- Recycling waste is considered only underqualified caused by the production process and expired plastic credit card
- Greenhouse gas emission included the scope 1-3 of greenhouse gas protocol.
- The reduction of greenhouse gas emission in 2021 was significantly greater than the long-term target due to COVID-19 outbreak and the office renovation which caused the decrease in some activities in daily life (compared to the base year 2018) e.g. the reduction of travel, energy and other resources consumption etc.
- Long-term target in 2026 calculated from the accumulated reduction amount of greenhouse gas emission and energy consumption.

103-1

Despite slight impacts on the environment from conducting its retail lending businesses, the Company never disregards its environmental responsibilities. In order to follow one of the key elements in sustainable development, the Company has defined its objectives and guidelines for environmental management such as eco-efficiency, water and waste management. The Company also campaigns for its business operations to reduce energy consumption, natural resources consumption, as well as greenhouse gas emissions.

In addition, the Company encourages its employees to gain further environmental awareness to be in accordance with the National Economic and Social Development Plan, the Paris Agreement, which Thailand joined as a party to the United Nations Convention on Climate Change. This included an additional action plan to be reviewed every five years at the 26th United Nations Climate Change Conference (COP26) in 2021.

103-2

Environmental Policy

The Company established an environmental policy in the Code of Conduct, which was approved by the Board of Directors. The policy covers compliance with requirements/laws, managing, supervising, and controlling environmental impacts from business operations. In 2021, the Company reviewed key sustainability topic with all stakeholders, and they all held the same opinion that the environmental dimension

in the sustainability issues is classified as having a low business importance compared to other key topics. However, the Company had a green strategy for its business operations, and the Climate Champions, made up of executives and business unit representatives, jointly studied and supported environmental activities within the core of the sustainability strategy.

► Climate Management

To be part of alleviating global warming issues, the Company considered managing risks arising from climate change as a part of enterprise risk management by analyzing risks, opportunities, and impacts, including control and mitigation, monitoring and reporting on climate change risks. This risk management also considers physical risks and transition risks at only the general basic level within the organization. With all these measures, the Company can, therefore, be prepared and develop guidelines to mitigate impacts on it.

The Company has established a long-term environmental sustainability strategy, which will

be considered with the relevant departments to cover the appropriate scope, plans and actions in the environmental management. The factors to be considered will be as follows: the nature of business; In which the environmental dimension in the sustainability issues is classified as having a low business importance in the viewpoint of stakeholders, government policies and relevant regulatory agencies that are responsible to the COP26 agreement-related issues addressed the potential future climate risks, as well as the Task Force on Climate-related Financial Disclosure (TCFD), which the Company is in the process of studying for disclosure that suits the Company in the future.

► Raising Awareness within the Organization

Although 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 right if each individual pays attention to each of his or her daily activities.

- In 2019, the Company produced a video clip that was easily understood and accessible to all employees through email and online media internally to create awareness among employees. The aim was to encourage all employees to be aware of the severity and urgency of the problem and to together take care of the environment and the weather. This received good feedback from the employees.

- In 2020, the Company shared knowledge and asked for cooperation from employees throughout the organization, including cleaning staff, to change their behaviors for a better environment under the "Every Day Say No to Plastic" project. This was to reduce the use of single-use plastic products such as plastic straws, Styrofoam containers, plastic cups, plastic bags and plastic bottles throughout the organization and switch to reusable products such as cloth bags, water bottles, plastic food boxes, etc. In addition, a campaign was organized so that employees could exchange Poly-Ethylene Terphthalate(PET)plastic bottles or cloth bags for paper straws. The cloth bags received from employees were placed in the central location for other employees

to easily pick up and use. This campaign reduced many plastic bags from stores, and as for PET bottles, the Company collected them for recycling. Furthermore, the Company implemented the "Sort Before Throw Out" project, which was an extension of the "Every Day Say No to Plastic" project. This new project promoted understanding among employees about the problems of waste management from the beginning to the end. It worked on how to manage waste to its maximum benefits. In addition, dustbins were arranged to make it easier to separate recyclable waste to various organizations.

- In 2021, the Company continuously implemented various projects. There was a campaign to encourage employees to bring their own personal water cups to use to reduce the amount of plastic waste. During the COVID-19 situation, the number of takeaway food and beverage soared up at the office; as a result, the amount of plastic packaging waste, drinking cups and plastic bags also increased. The campaign on waste separation, under the "Sort Before Throw out " project, allowed maximum use of waste are continue. The Company also spread knowledge and promoted understanding on global warming through online learning channel or KTC UNITE to make employees more aware of the impacts and importance of global warming problems. The Company, additionally, further distributed sustainability knowledge to interested employees.



► Efficient Resource Management

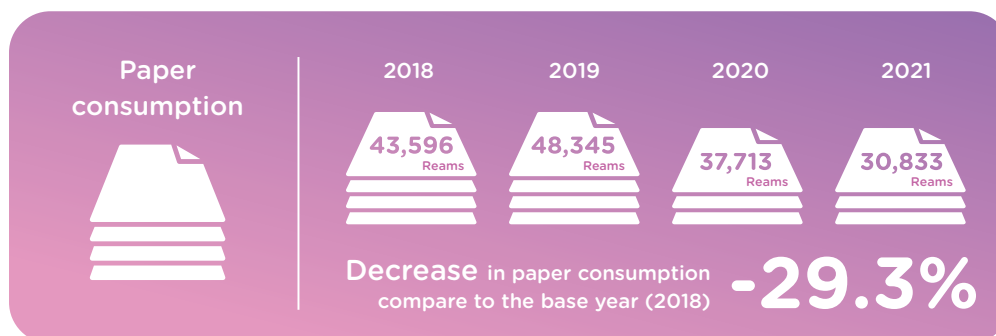
302-1, 302-4



Cutbacks of Paper Consumption

Paper Use Reduction in Operations

The Company aims to reduce its paper uses in working processes of every department throughout the organization by changing its filing system for crucial documents to be stored in electronic files with organized system viable to access and used in various procedures. Moreover, the Company not just replaces hard copies of documents distribution among departments with electronic mails but also arranges for recycled paper uses within each department by taking into account of information safety of such recycled paper in order to reduce usage of paper, which is made from natural resources, minimize storage space while being easily located, as well as save electric power in copying documents.



The Company has improved its working procedures in many areas as follows:

- Various electronic request forms are provided to customers such as a permanent credit limit request form in which customers can fill out information in the system, along with attach supporting documents.
- Data storage or Data retrieval for customers, Credit Bureau, or customer service center is executed by installing computer software packages for analyzing

and enhancing services as well as for data processing to achieve desired results instead of hard copies printing for various reports.

- A Host-to-Host credit information system is developed for credit officers to be able to search and retrieve necessary information instead of printing a hard copy report.
- In legal litigation, a large amount of paperwork

is required to file a lawsuit. The Company made photocopies of billing statements on both sides of the paper. As a result, it reduced the amount of paper usage by approximately 6,329 reams per year. Moreover, the Company filed lawsuits through the electronic filing system (e-Filing), which reduced the amount of paper from copying for submission to court with outsourced service provider for approximately 6,000 reams.

- Human resource department replaces its documents in paper format with electronic format to increase convenience and save time required for sending and receiving documents in which employees can access document files via the Company's Intranet or Mobile Application. Such document files are for example a registration form for employment, an employment contract, a certificate of employment, a request form for a new health insurance card, a request form for a new employee card, a probationary evaluation form, including a form of resignation letter. The Company also keeps employment database using a human resource information system for accuracy and convenience while reducing paper consumption.

- Accounting department cuts back its paper uses by cancelling its hard copy printing of Card Journal Voucher from Oracle system and attached documents of RPA in which not only increasing efficiency is achieved but also the amounts of documents can be brought down by around 504 reams per year.

- Circulations of the Company's quality manuals are done in electronic format instead of hard copies with folders for each department or each operating point being created so that the Company's quality manuals are easily accessible and up-to-date. Employee can access the quality manuals for their operational references through the Company's Intranet such as Policies, Rules and Requirements, Business Authorities, and Standard Operating Procedure etc. Such action can help preserve environment with paper cutbacks of approximately 12 reams per year.

- The Enterprise Risk Management reduced paper usage by approximately 11 reams in its risk management's system developments and its operational risk reports.

- Meeting documents for the Board of Directors meetings and sub-committees meetings are prepared and conveyed via electronic mails to lessen hard copies printing.

Paper Use Reduction in Business Operations

With the development of various digital technologies and innovations in offering products, services, promotions, and payments such as KTC Online, KTC Mobile or QR PAY, the Company integrated its business strategies in an environmentally- friendly manner in a variety of ways as follows:

1. e-Coupon:

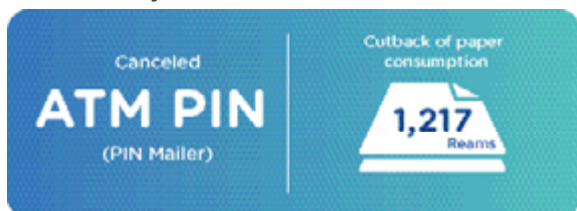
e-Coupon technology was implemented to allow customers to receive discounts at partner stores to reduce the consumption of paper resources, the use of energy and chemicals from the printing process and to be consistent with the way of life majority of the people are currently conducting transactions 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 channel so that customers can show it at the shop to request benefits. In addition, the e-Coupon is also beneficial to merchants in controlling and preventing fraud from the loopholes in the processing management as well. Customers can receive e-Coupons via KTC Mobile from various marketing activities such as point redemption, spending according to specified conditions, etc.

In 2021, KTC had a total of 3,214,162 e-Coupons sent to customers.



2. 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.



Remark: An ATM PIN (PIN mailer) equals 1.5 piece of paper and 500 mailers equal 1 ream.

3. e-Statements

The Company realizes the significance of global warming issue and promptly prepares in easing its impacts. In 2019, KTC had campaigned within its organization in urging its employees to receive their billing statements in electronic format instead of hard copies under the project “Switch even better” for better life today and in the future, which had been positively received and cooperated by all employees.

The Company, therefore, had extended such concept to KTC’s members by initially adopting an emphatic approach with target audiences in which their results revealed that they recognized the importance in preserving environment and were interested in applying for e-Statement via E-mails under the campaign “Switch to e-Statement”. Such campaign provides members with more convenient and faster approach in reviewing their expenses as well as eases their burdens with statement loss or damage. Cutback of statement hard copies will also reduce natural resource consumption, along with preserve environment and reduce energy of waste disposal from discarded statements. The Company has continuously campaigned such program through various channels as follows:

- Contact center officers will recommend e-Statement service for all members who notify of receiving none of statement hard copies.

- Sending E-mails to urge KTC members in applying for e-Statement in which the Company will donate Baht 20 each for every application to Seub Nakhasathien Foundation.

- In 2020 the Company had provided the additional channel for KTC members to apply for e-Statement via KTC Mobile (Push Notification) with the emphasis on communicating the issue of reducing paper consumption to preserve the world as well as to preserve the big forests for our entire nation. Such campaign received positive feedbacks from 34,218 KTC members with a total amount of Baht 684,360 the Company donated to Seub Nakhasathien Foundation.

- KTC members are able to apply for transaction notifications in Realtime and retrieve e-Statement in the same application both on a monthly basis and for previous 6 months.

In 2021, the Company organized an activity “Sharing Kindness, Stop Receiving Paper Statements, get e-Statements” to invite KTC members to apply for e-Statement via KTC Mobile (Push Notification) to avoid the risk of touching and together to reduce global warming from the use of paper. KTC donate Bath 20 for the Siriraj Foundation to support the procurement of medical equipment to treat COVID-19 patients. 11,267 members participated in the project, representing an amount that KTC donated to the foundation of Bath 225,340. This project has been continued to 2022.

In 2021, The number of KTC members applying for e-Statement is 129,885 members; resulting in cutback of paper consumption by 4,178 reams.

(Please refer to additional detail under the “Digital Innovation” topic.)



Waste Management

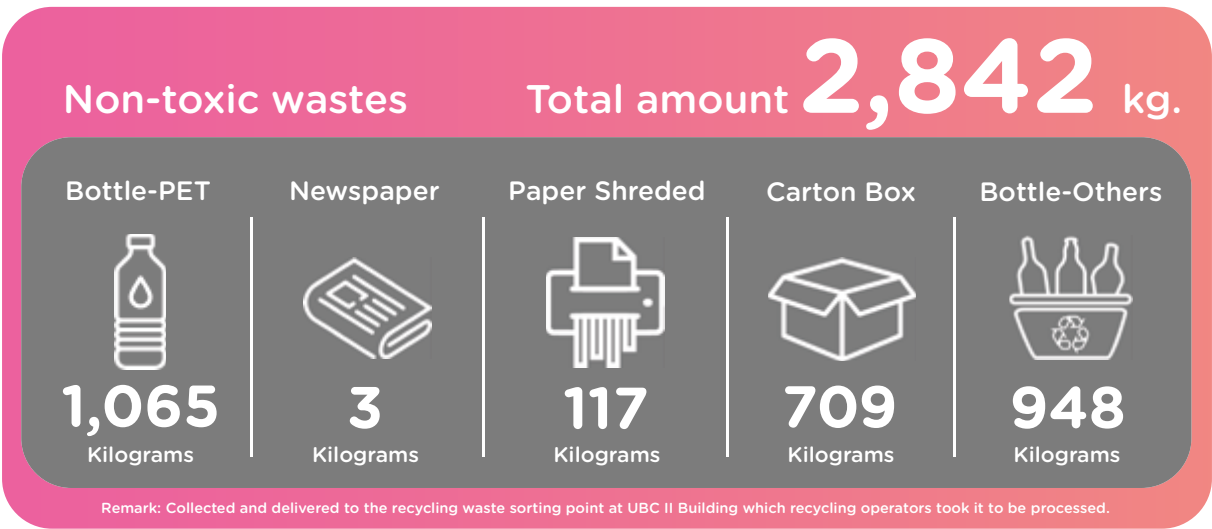
306-2

Waste Management

The Company classifies its waste disposal into 2 categories which are

1) Non-toxic wastes from daily routines and consumption within the office buildings.

The Company encourages its employees to sort their wastes before throwing out at prepared locations. The Volume of wastes for recycling is 2,842 kilograms in total.



In 2021, the Company collected and submitted 3.7 kilograms of aluminum materials to the Pollution Control Department in 2022.

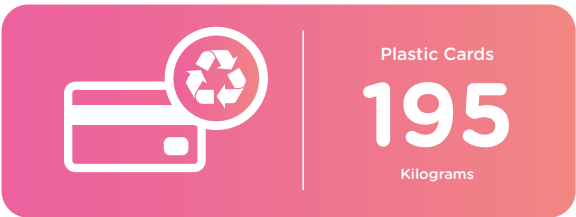
2) Toxic wastes from electronics such as computers and electronic devices.

The Company has a safe, reliable, and environmentally friendly electronic waste processing process. This included the delivery of e-waste for disposal through standardized storage and data management services companies who turn waste into energy or donate them to create benefits for society.

In 2021, the Company donated a total of 364 computer notebooks, CPUs and monitors to 16 schools, hospitals and foundations.

Plastic Cards Handling

In order to avoid throwing away its credit cards and cause pollution, the Company has coordinated with Chan Wanich Security Printing Co. Ltd., a plastic card manufacturer, to disintegrate unusable cards into small plastic fragments before sending them for recycling into new materials such as PVC chairs on electric trains, PVC water pipes etc.



In 2021, the Company was able to recycle its cards for 195 Kilograms.

Shred2Share Project

The Company realizes the significance of information responsibility towards its organization and its customers. As a result, the Company has established standard measures to safely dismantle its information whilst continuing its social and environmental responsibilities. The Company has taken part in the project “Shred2Share: Safety Information and Environment Protection” in which paper no longer use will be safely destroyed and placed in recycling process for reuse. Hence, carbon dioxide emissions from new paper manufacturing, coal consumption as well as water consumption, which are the causes of global warming, can be reduced. The Company also donates recycled learning and teaching equipment to school in remote areas.

Year	2018	2019	2020	2021
Volume of recycled documents (tons)	6.81	88.56	90.91	92.51
CO ₂ reduction (Kgs)	1,769.49	23,026.77	23,637.09	24,052.57
Coal reduction (Kgs)	748.63	9,742.09	10,000.31	10,176.09
Water use reduction (Cu. M.)	340.29	4,428.22	4,545.59	4,625.49

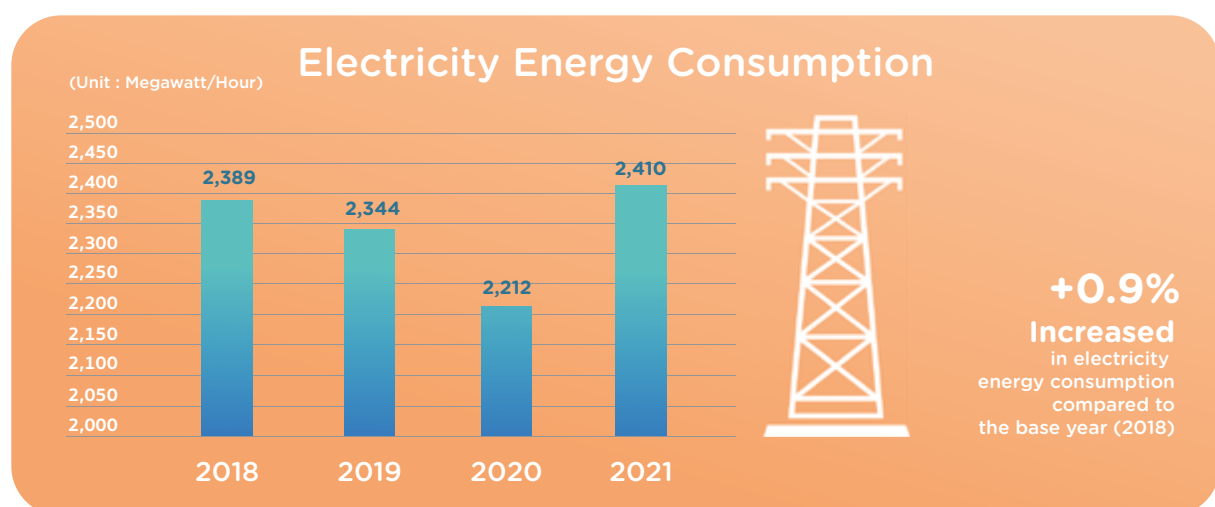
Efficient Power Consumption

305-2

The Company reduced the power consumption through the following actions:

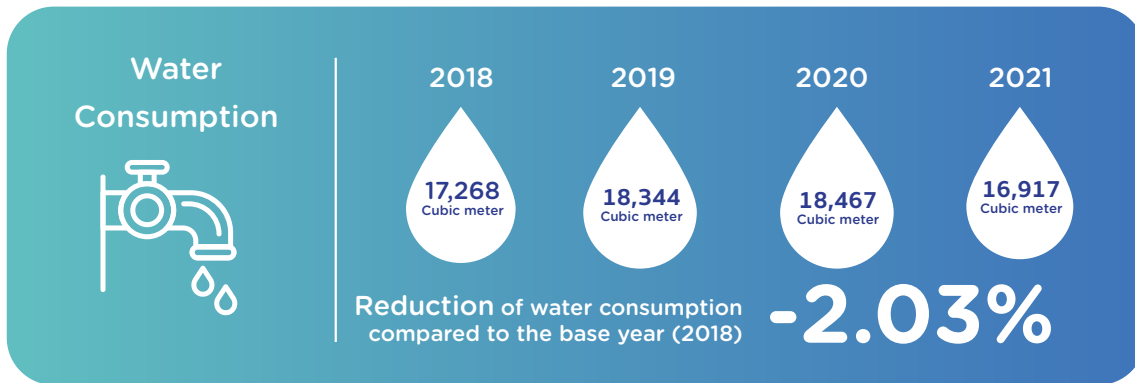
- Changed the light bulbs to LED bulbs for its entire head office, including KTC TOUCH service points nationwide.
- Chose LED bulbs in construction projects and interior decoration of the building
- Arranged for lighting assessment to ensure that employees received the appropriate brightness
- Reduced the use of electricity in unnecessary areas
- Set the time to turn on and off the air conditioner system from 7:00 AM to 6:00 PM
- Adjusted the temperature of the air conditioner system to the appropriate temperature
- Campaigned for employees to save energy.

Due to the COVID-19 situation in 2021, the Company complied with the public health measures regarding social distancing for employees. The Company rented some temporary extra office space. As a result, the Company's power consumption increased from the previous year.



Water Resource Management

The Company realized the importance of the usage of water resources. It ran a campaign to raise awareness among employees to be aware of the necessity to use water sparingly, knowing the value and maximizing the benefits as well as checking for leaks of faucets and water pipes regularly. In addition, in the construction and decoration project of the co-working space on the 11th floor office that will be opened for service in 2022, the Company has switched to automatic faucets to help save water and reduce exposure to germs in the situation of COVID-19.



Remark: In 2021, the water consumption of the Company decreased from the closure of some areas due to office's renovation. In some areas, the cost of water was part of rental fee.

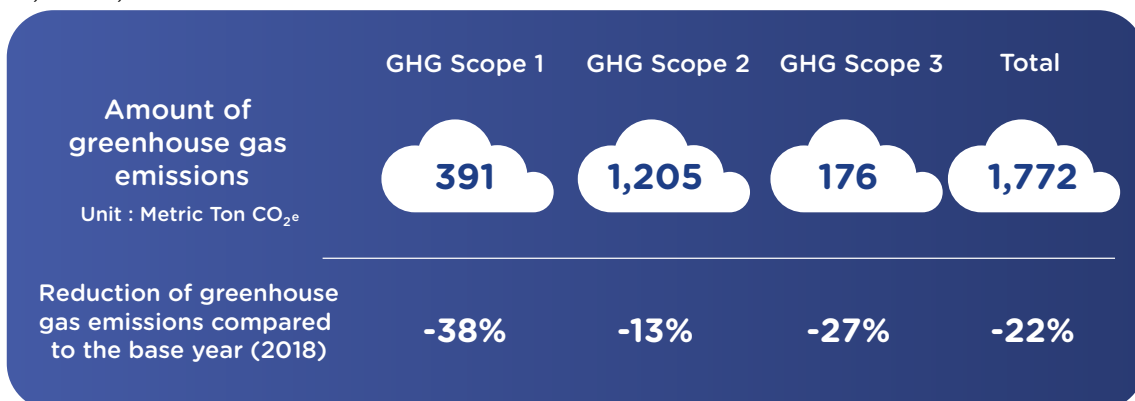
Fuel Energy Management

In the procurement the Company's central vehicles, the Company specified the quality of the central cars to use environmentally friendly fuel to reduce pollution emissions from exhaust gases such as E20, E85 by traveling on a business necessity only.



Greenhouse Gas Emissions

305-1, 305-2, 305-3



Collaboration with Business Partners to Reduce Environmental Impacts

Credit to support Environment

To support customers to take part in reduction of environmental impacts, the Company arranged loans and special promotions for customers to easily purchase environmentally-friendly product.

(Please refer to additional detail under the “ESG Products and Services” and “Collaboration with Partners for sustainability” topics).

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.

In addition, the Company renovated the 11th of floor UBC II office building in 2021. The Company purchased products, building materials and services that were environmentally friendly such as interior paint, wooden furniture, etc.

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

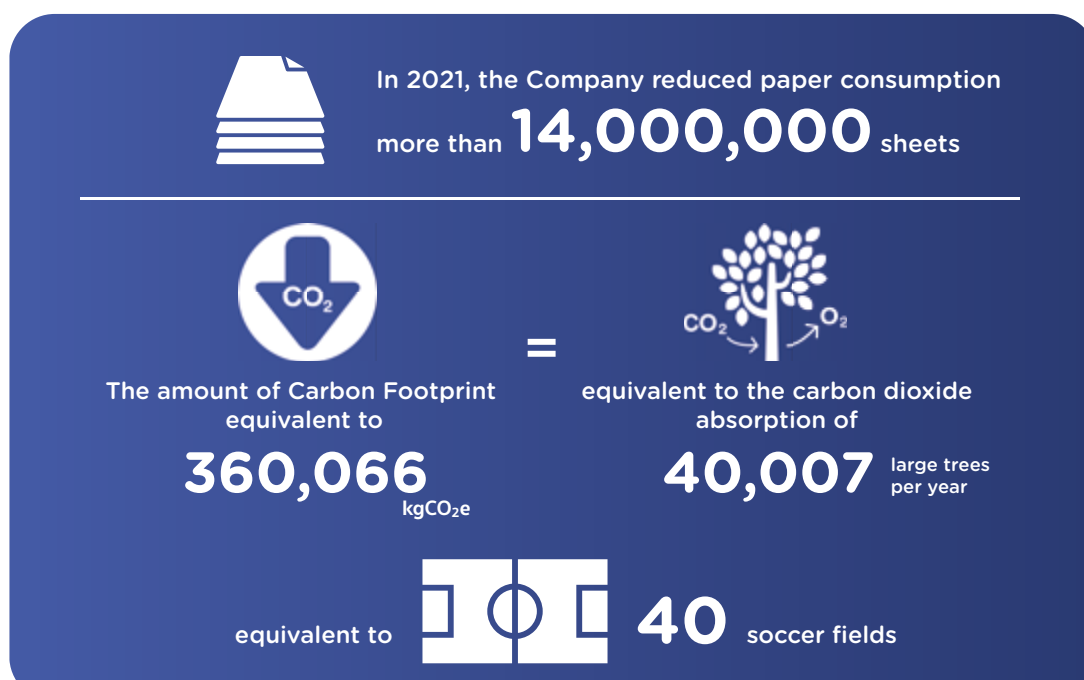
305-5

Participation in the “Care the Bear”

The Company has joined the Stock Exchange of Thailand’s “Care the Bear: Change the Climate Change by Eco Event” project since 2019 in order to reduce global warming problems by reducing carbon footprint by arranging activities or eco events via 6 approaches:

1. Encourage public transportation or car pool.
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 2021, the Company reduced the amount of Carbon Footprint equivalent to 360,066 kilograms of carbon dioxide equivalent to the carbon dioxide absorption of 40,007 large trees per year, from the general meeting of shareholders, including meetings and various trainings of the Company.



About this Report

Report Boundaries

102-45, 102-46, 102-50, 102-51, 102-52, 102-54

KTC Group consists of:

- Krungthai Card Public Company Limited
- Subsidiary Companies are as follows:
 - KTC Pico (Bangkok) Co., Ltd., and its subsidiaries which are KTC Pico (Chonburi) Co., Ltd.,
 - KTC Pico (Samut Sakhon) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd.,
 - KTC Pico (Samut Prakan) Co., Ltd.
 - KTC Nano Co., Ltd.
 - KTC Prepaid Co., Ltd.
 - KTB Leasing Co., Ltd.
- Associate is Krungthai Advisory Co., Ltd., a holding company

The consolidated financial statements are prepared by including the financial statements of Krungthai Card Public Company Limited and its subsidiaries, including equity interest in an associate.

The scope of this Sustainability Report only covers the sustainable operating results of KTC, KTC Pico (Bangkok) Co., Ltd., and KTC Pico (Bangkok) Co., Ltd.'s subsidiaries. KTC Nano Co., Ltd. and KTC Prepaid Co., Ltd. have not been operated in full functions yet and KTB Leasing Co., Ltd., a company KTC acquired in 2021, are in the process of information gathering. Nevertheless, 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.

Information in the Sustainability Report 2021 covers the period of business operations from 1 January 2021 to 31 December 2021. 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: Core Option, and the Sustainable Development Goals (SDGs). The most recent report is the Sustainability Report 2020.

Assurance for the Report

102-56

The information contained in the Sustainability Report which related to economic operating results is based on accounting information audited by Certified Public Accountant. However, the Company has yet to seek assurance for information related to social and environmental operating results contained in the report and has yet to engage external assurance consistent with GRI Standards for the report. In any event, seeking assurance for future sustainability reports is part of KTC's plan.

All inquiries regarding the report should be addressed to

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Krungthai Card Public Company Limited

591 United Business Centre II, 14th Floor,

Sukhumvit 33 Road, North Klongton, Wattana, Bangkok 10110

Telephone: 02 828 5017, 02 828 5756 , 02 828 5369

E-mail: sdktc@ktc.co.th

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 which include Anti-Corruption Policy
2. Code of Conduct
3. Charter on Regulations and Operational Guidelines for Audit Committee
4. Charter of Nomination and Remuneration Committee
5. KTC's 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

- <https://www.ktc.co.th/en/investor-relations/publications-webcast/investorkits>

consists of

1. Form 56-1 One Report 2021
2. Financial Statements
3. MD&A

- <https://www.ktc.co.th/en/investor-relations/financialinformation/tax-policy>

Tax Policy

Additional Information

Social Dimension

Employees

Employees refer to individuals who are employed to work for the Company and is assigned to perform duties determined by the Company with details as follows:

1.Full-time Employees refer to individuals whom the Company agrees to employ on a regular basis. The termination period of employment is not specified. Such employees have passed the work trial and have been placed as full-time, according to the conditions of employment. Full-time Employees can be categorized as follows:

1.1 Management Position

- 1.1.1 **Top** management Position means the President & Chief Executive Officer and all executives with direct chain of command to the President & Chief Executive Officer according to the Company's structure
- 1.1.2. Middle management Position means the levels under item 1.1.1 to the senior manager level
- 1.1.3. Junior management Position means manager level.

1.2 Non-management Position

- 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 department, the Personal Loans department, the Distribution department, the Merchant Acquiring Business department, the KTC P Berm department.

STEM (Science, Technology, Engineering and Mathematics) employees means employees in the Information Technology department, the Management Information System department, the Process Development department, the Corporate Finance department.

The Company's employees work in Thailand 100%

Definitions

- **Number of days** means to scheduled workdays.
- **Injury** means injuries ranging from a minor work accident to one or more than one day of absence 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).
- **Fatal work-related accidents** mean accidents due to work or the Company's activities, causing injuries or sicknesses or fatal to death to the point of death.
- **Terminated employees** means employees who have retired from being employees of the Company in the event of resignation, retirement, termination of employment, failure to pass probation and non-renewal of the employment contract.
- **Employees voluntarily retired** means employees who are retired from being employees of the Company, excluding those with termination of employment from the Company, failure to pass probation and non-renewal of the employment contract.

Calculation

- Number of hours worked = (Number of people X Number of working days X Number of normal working hours (per day)) + Total overtime hours (Only applied to operating personnel)
- Total number of working days in a year = Number of people X Number of working days in a year

• Injury Rate (IR)

$$\frac{\text{Number of all injuries (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

• Lost Time Injury Rate (LTIR)

$$\frac{\text{Number of Lost Time Injuries (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

• Lost Day Injury Rate (LDIR)

$$\frac{\text{Number of Lost Day Injuries (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

• Work Fatalities (WF)

$$\frac{\text{Number of Work Fatalities (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

• Absentee Rate (AR)

$$\frac{\text{Number of Absentee Rate and other Occupational Diseases that are not excused (as of the day the report is prepared)} \times 100}{\text{Total number of operating days in one year}}$$

• Occupational Disease Rate (ODR)

$$\frac{\text{Number of Occupational Disease Rate (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

• Lost Day Rate (LDR)

$$\frac{\text{Number of Lost Day Rate (as of the day the report is prepared)} \times 200,000 \text{ (operating hours)}}{\text{Operating hours (as of the day the report is prepared)}}$$

Environmental Dimension

Electrical Power

The Company uses electricity for its business operations and activities such as lighting, office equipment, air conditioners and other electrical appliances. The reporting scope covers the two office-building rental areas: the UBC II Building and the Thai Summit Building, and the electricity usage was a compilation of invoices from these two office buildings.

Greenhouse Gases

Refers to the amount of greenhouse gas emissions from the Company's business operations activities.

1. Scope of reporting

- **Direct greenhouse gases (Scope 1)** are caused by using fuel for vehicles used in the Company's business operation through all corporate fuel credit cards (Fleet cards).
- **Indirect greenhouse gases (Scope 2)** are caused by purchasing of electricity from the Metropolitan Electricity Authority, the scope covers only the two office-building rental areas: UBC II Building and the Thai Summit Building.
- **Other indirect greenhouse gases (Scope 3)** are caused by water usage and paper usage in operations and activities in the Company's business. The scope covers only the two office-building rental areas: UBC II Building and the Thai Summit Building, including business travels with a ride-hailing service through an application.

2. Amount reporting

- **Direct greenhouse gas emissions (Scope 1)** calculation is reported from the fuel consumption for the vehicle X the emission factor.
- **Indirect greenhouse gas emissions (Scope 2)** calculation is reported from the amount of electricity purchased X the emission factor.
- **Other indirect greenhouse gas emissions (Scope 3)** calculation is reported from the purchase volume of water and paper, including business travel information with ride-hailing services through an application X the emission factor.

3. Emission Factor

- Emission factor are referred from Thailand Greenhouse Gas management Organization (Public Organization)

4. Calculation Method

- Refer to assessment guidelines on the carbon footprint for organization by the Thailand greenhouse gas management Organization (Public Organization)

Water

Water is referred to tap water. The reporting scope covers the office-building rental areas: the UBC II Building and the Thai Summit Building. The information is taken from the invoices provided by the company which manages the building that the Company rents.

Waste

Waste management comprises the amount of waste generated by the Company's operational processes and activities.

Remark

- The Company collects social and environmental information to compare with historical data and to assess the management efficiency. The data is collected from the UBC II Building and the Thai Summit Building, which accounts for more than 75% of the total operations.

Sustainability Performance

Economic Dimension

Economic Value Retained ⁽¹⁾

102-7, 103-1, 103-2, 103-3, 201-1

KTC operates 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 Bath

Description	2021	2020 (Restated) ⁽⁷⁾
Operating Income ⁽²⁾	21,452,343	22,452,301
Operating Cost ⁽³⁾	4,392,252	4,614,691
Employee expenses and benefits ⁽⁴⁾	2,422,484	2,411,341
Tax payment to government ⁽⁵⁾	2,021,112	1,865,297
Payment to providers of capital ⁽⁶⁾	3,684,658	3,828,994
Donation to public charity	2,132	5,077
Economic Value Retained	8,929,704	9,726,900
Total assets	89,471,090	91,594,496
Total liabilities	62,386,689	67,482,153
Equity attributable to owners of the parent	26,836,357	22,798,953
Total Comprehensive Income-Owners of the parent	5,878,693	5,332,865

(1) The Company changed the disclosure rules on Economic Value Retained.

(2) Operating Income consist of Total revenue and Share of Company's Profit for using The Equity Method.

(3) Operating Expense defines to administrative expense excluded employee benefit expense, management remuneration, tax and donation expense.

(4) Employee Benefits Expense consist of Management remuneration and employee expense.

(5) Government tax consist of Income tax expense, Specific business tax and Stamp duty free.

(6) Payment to provider of capital consist of Finance Costs and Dividend paid to Shareholders.

(7) The financial statement in the accounting year end 2020 of the Company as shown in the table had been restated in order to compare the amount as if the acquisition of Krungthai Leasing Company Limited had occurred at the beginning.

Social Dimension

Employee Information

Total Number of Employees

102-8, 405-1

Information	Units	2021			2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Employee	Persons	572	1,133	1,705	602	1,142	1,744	610	1,168	1,778	624	1,139	1,763
Total Full-Time Employees	Persons	531	1,039	1,570	556	1,041	1,597	555	1,025	1,580	557	991	1,548
By Employee Level	Persons	572	1,133	1,705	602	1,142	1,744	610	1,168	1,778	624	1,139	1,763
Management Level	Persons	148	186	334	144	182	326	144	190	334	143	177	320
Top Management Level	Persons	8	5	13	8	5	13	8	2	10	8	2	10
X ≤ 30	Persons	0	0	0	0	0	0	0	0	0	0	0	0
30 < X ≤ 50	Persons	0	4	4	0	4	4	0	1	1	0	1	1
50 < X	Persons	8	1	9	8	1	9	8	1	9	8	1	9
Middle Management Level	Persons	66	90	156	57	89	146	62	97	159	62	87	149
X ≤ 30	Persons	0	0	0	0	1	1	0	0	0	0	0	0
30 < X ≤ 50	Persons	35	36	71	28	38	66	34	50	84	38	49	87
50 < X	Persons	31	54	85	29	50	79	28	47	75	24	38	62
Junior Management Level	Persons	74	91	165	79	88	167	74	91	165	73	88	161
X ≤ 30	Persons	1	0	1	1	0	1	0	0	0	0	0	0
30 < X ≤ 50	Persons	58	69	127	64	75	139	61	75	136	59	77	136
50 < X	Persons	15	22	37	14	13	27	13	16	29	14	11	25
Management Level in revenue generating functions	Persons	48	73	121	48	76	124	43	81	124	42	76	118
X ≤ 30	Persons	1	0	1	1	1	2	0	0	0	0	0	0
30 < X ≤ 50	Persons	37	38	75	39	46	85	36	47	83	35	50	85
50 < X	Persons	10	35	45	8	29	37	7	34	41	7	26	33
Non-management Level	Persons	424	947	1,371	458	960	1,418	466	978	1,444	481	962	1,443
General Employee	Persons	383	853	1,236	412	859	1,271	411	835	1,246	414	814	1,228
X ≤ 30	Persons	66	178	244	80	191	271	91	185	276	93	220	313
30 < X ≤ 50	Persons	298	644	942	317	636	953	306	623	929	310	571	881
50 < X	Persons	19	31	50	15	32	47	14	27	41	11	23	34
Contractor	Persons	41	94	135	46	101	147	55	143	198	67	148	215
X ≤ 30	Persons	23	51	74	28	64	92	40	100	140	49	103	152
30 < X ≤ 50	Persons	17	43	60	18	37	55	15	43	58	18	44	62
50 < X	Persons	1	0	1	0	0	0	0	0	0	0	1	1
STEM-related position	Persons	81	94	175	87	96	183	94	98	192	89	97	186
X ≤ 30	Persons	6	12	18	7	11	18	11	7	18	9	9	18
30 < X ≤ 50	Persons	57	65	122	62	67	129	66	75	141	67	76	143
50 < X	Persons	18	17	35	18	18	36	17	16	33	13	12	25
Thai Nationality	Persons	572	1,133	1,705	602	1,142	1,744	610	1,168	1,778	624	1,139	1,763

Total Number of New Employees

401-1

External Hiring	Units	2021			2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
External hire External hire to total vacant positions (Internal & External)	Persons	40	118	158	57	118	175	88	200	288	126	247	373
	%	22.99	67.82	90.80	26.69	61.46	91.15	29.24	66.45	95.68	32.39	63.50	95.89
By Age	Persons	40	118	158	57	118	175	88	200	288	126	247	373
X ≤ 30	Persons	26	74	100	31	77	108	54	115	169	73	174	247
30 < X ≤ 50	Persons	14	44	58	25	40	65	34	81	115	51	72	123
50 < X	Persons	0	0	0	1	1	2	0	4	4	2	1	3
By Employee level	Persons	40	118	158	57	118	175	88	200	288	126	247	373
Management level	Persons	2	3	5	14	8	22	10	16	26	12	8	20
Top Management Level	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Middle Management Level	Persons	1	2	3	2	4	6	4	8	12	4	1	5
Junior Management Level	Persons	1	1	2	12	4	16	6	8	14	8	7	15
Non-Management Level	Persons	38	115	153	43	110	153	78	184	262	114	239	353
General Employee	Persons	22	80	102	13	56	69	52	120	172	64	115	179
Contractor	Persons	16	35	51	30	54	84	26	64	90	50	124	174
Thai Nationality	Persons	40	118	158	57	118	175	88	200	288	126	247	373

Internal Hiring	Units	2021			2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Internal hire Internal hire to total vacant positions (Internal & External)	Persons	2	14	16	7	10	17	6	7	13	6	10	16
	%	1.15	8.05	9.20	3.65	5.21	8.85	1.99	2.33	4.32	1.54	2.57	4.11
By Age	Persons	2	14	16	7	10	17	6	7	13	6	10	16
X ≤ 30	Persons	1	3	4	1	6	7	3	3	6	1	4	5
30 < X ≤ 50	Persons	1	9	10	6	4	10	3	4	7	5	6	11
50 < X	Persons	0	2	2	0	0	0	0	0	0	0	0	0
By Employee level	Persons	2	14	16	7	10	17	6	7	13	6	10	16
Management level	Persons	0	6	6	4	0	4	1	3	4	3	1	4
Top Management Level	Persons	0	0	0	0	0	0	0	0	0	0	0	0
Middle Management Level	Persons	0	3	3	2	0	2	1	0	1	0	0	0
Junior Management Level	Persons	0	3	3	2	0	2	0	3	3	3	1	4
Non-Management Level	Persons	2	8	10	3	10	13	5	4	9	3	9	12
General Employee	Persons	2	8	10	2	10	12	5	4	9	3	9	12
Contractor	Persons	0	0	0	1	0	1	0	0	0	0	0	0
Thai Nationality	Persons	2	14	16	7	10	17	6	7	13	6	10	16

Total Number of Employees Turnover

401-1

Information	Units	2021			2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total Employee Turnover	Persons	67	105	172	49	111	160	91	150	241	91	200	291
Total Employee Turnover Rate	%	3.93	6.16	10.09	2.81	6.36	9.17	5.12	8.44	13.55	5.16	11.34	16.51
Voluntary Employee Turnover	Persons	65	103	168	45	110	155	89	149	238	90	198	288
Voluntary Employee Turnover Rate	%	3.81	6.04	9.85	2.58	6.31	8.89	5.01	8.38	13.39	5.10	11.23	16.34
By Age	Persons	67	105	172	49	111	160	91	150	241	91	200	291
X ≤ 30	Persons	25	40	65	17	46	63	43	83	126	26	126	152
30 < X ≤ 50	Persons	38	60	98	25	53	78	41	64	105	59	66	125
50 < X	Persons	4	5	9	7	12	19	7	3	10	6	8	14
By Employee Level	Persons	67	105	172	49	111	160	91	150	241	91	200	291
Management Level	Persons	13	11	24	14	16	30	15	11	26	16	15	31
Top Management Level	Persons	0	0	0	0	0	0	0	0	0	0	3	3
	%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.17	0.17
Middle Management Level	Persons	3	7	10	7	9	16	7	4	11	7	4	11
	%	0.18	0.41	0.59	0.40	0.52	0.92	0.39	0.22	0.62	0.40	0.23	0.62
Junior Management Level	Persons	10	4	14	7	7	14	8	7	15	9	8	17
	%	0.59	0.23	0.82	0.40	0.40	0.80	0.45	0.39	0.84	0.51	0.45	0.96
Non-Management Level	Persons	54	94	148	35	95	130	76	139	215	75	185	260
General Employee	Persons	36	71	107	24	54	78	48	82	130	43	78	121
	%	2.11	4.16	6.28	1.38	3.10	4.47	2.70	4.61	7.31	2.44	4.42	6.86
Contractor	Persons	18	23	41	11	41	52	28	57	85	32	107	139
	%	1.06	1.35	2.40	0.63	2.35	2.98	1.57	3.21	4.78	1.82	6.07	7.88
Thai Nationality	Persons	67	105	172	49	111	160	91	150	241	91	200	291
	%	3.93	6.16	10.09	2.81	6.36	9.17	5.12	8.44	13.55	5.16	11.34	16.51

Total Number of employees who are labor union members

401-1

Information	Information	2021	2020	2019	2018
Number of employees who are labor union members	Persons	0	0	0	0

Remark: The Company has established a welfare committee which has employee representation

Occupation health and safety information

403-2, 403-9

Information	Information	2021		2020		2019		2018	
		Male	Female	Male	Female	Male	Female	Male	Female
Sick leave									
Sick leave rate	%	1.02	2.72	0.70	1.92	0.78	1.89	0.73	1.69
		3.74		2.62		2.66		2.41	
Number of sick days	Days	1,745	4,639	1,222	3,342	1,381	3,355	1,283	2,974
		6,384		4,564		4,736		4,256	
Number of time lost due to non-work related illness	Hours	13,958	37,110	9,776	26,735	11,044	26,840	10,260	23,791
		51,068		36,511		37,884		34,051	
Working hours	Hours	1,102,816	2,184,424	1,170,288	2,220,048	1,190,720	2,279,936	1,223,040	2,232,440
		3,287,240		3,390,336		3,470,656		3,455,480	
Total numbers of working days in a year	Days	137,852	273,053	146,286	277,506	148,840	284,992	152,880	279,055
		410,905		423,792		433,832		431,935	
Number of days off work due to work-related illnesses and injuries	Days	0	0	0	0	0	0	0	0
		0		0		0		0	

Information	Information	2021			2020			2019			2018		
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Occupational injury/illness rate and accidents leading to lost time													
Injury Rate (IR)	Number of employees per 200,000 operating hours	0	0	0	0	0	0	0	0	0	0	0	0
Lost Time Injury Rate (LTIR)	Number of employees per 200,000 operating hours	0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Injury Rate (LDIR)	Number of employees per 200,000 operating hours	0	0	0	0	0	0	0	0	0	0	0	0
Work Fatalities (WF)	Number of employees per 200,000 operating hours	0	0	0	0	0	0	0	0	0	0	0	0
Occupational Disease Rate (ODR)	Number of employees per 200,000 operating hours	0	0	0	0	0	0	0	0	0	0	0	0
Lost Day Rate (LDR)	%	0	0	0	0	0	0	0	0	0	0	0	0
Absentee Rate (AR)													
Absentee Rate (AR)*	%	1.27	1.70	1.55	0.84	1.20	1.08	0.93	1.18	1.09	0.84	1.07	0.99

*Total number of absentee rate including work-related and nonwork-related

Parental leave - maternity leave

401-3

Information	Units	2021		2020		2019		2018	
		Male	Female	Male	Female	Male	Female	Male	Female
Number of employees entitled to parental leave	Persons	0	1,132	0	1,142	0	1,168	0	1,139
Number of employees who are entitled to parental leave	Persons	0	21	0	26	0	25	0	28
The number of employees who returned to work after the end of the parental leave period.	Persons	0	19	0	25	0	23	0	28
Rate of return to work	Persons	0	90	0	96	0	92	0	100
Employees after the end of the leave period Employee retention rate after the end of the leave period	Persons	0	89	0	96	0	96	0	96

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

402-1

Information	Units	2021	2020	2019	2018
Timing	Weeks	2-4			

Employee complaints about labor practices

Information	Units	2021	2020	2019	2018
Number of employee complaints about labor practices	Case	0	0	0	0
Number of complaints that have been resolved	Case	0	0	0	0
Number of complaints during the process	Case	0	0	0	0

Human resource development data

404-1

Data	Unit	2021	2020	2019	2018
Average training hours per full-time employee	Hours/Persons	57.04	45.59	39.23	21.67
Average total number of employees per year	Persons	1,743	1,824	1,854	1,845
Total number of training hours	Hours	99,420	83,151	72,732	39,980
Total number of employees trained	Persons	22,679	18,193	13,818	5,197
By Gender					
Male	Persons	8,539	6,008	4,503	1,711
Female	Persons	14,140	12,185	9,315	3,486
By Level					
Executive	Persons	43	53	37	26
Top Management	Persons	120	186	166	114
Management	Persons	443	586	498	260
General Employees	Persons	18,624	15,864	11,372	3,711
Contractors	Persons	3,379	1,445	1,504	943
KTC LEARN & EARN	Persons	70	59	241	143

The Level of Employee Engagement

Information	Units	2021			2020			2019	2018	2017
		Male	Female	Total	Male	Female	Total			
Employee engagement score	%	67	65	66	70	73	72	76	68	
Response rate	%	100	100	100	100	100	100	99	77	

Environmental Dimension

Greenhouse Gas Emissions

305-1, 305-2, 305-3, 305-5

Information	Units	2021	2020	2019	2018
Amount of direct greenhouse gas emissions (GHG Scope 1) (Fleet Card)	Metric Ton CO ₂ e	391	495	626	629
Amount of indirect greenhouse gas emissions (GHG Scope 2) (Electricity)	Metric Ton CO ₂ e	1,205	1,006	1,364	1,390
Amount of indirect greenhouse gas emissions (GHG Scope 3)	Metric Ton CO ₂ e	176	214	267	241
• Water (Data collection started in 2017)		13	15	15	14
• Paper (Data collection started in 2018)		162	198	252	227
• Business Travel by ride-hailing application (Data collection started in 2020)		1	1	-	-

Electricity Use

302-1

Information	Units	2021	2020	2019	2018
Electricity purchased from Metropolitan Electricity Authority	MW/h	2,410	2,212	2,344	2,389
Electricity charges	Thousand Baht	14,270	13,099	13,896	14,161
Proportion of revenue	%	0.07%	0.06%	0.06%	0.07%

Water Use

Information	Units	2021	2020	2019	2018
Purchased tap water	Cubic Metre (m ³)	16,917	18,467	18,344	17,268
Water charges	Thousand Baht	338	369	367	345
Proportion of revenue	%	0.00%	0.00%	0.00%	0.00%

Business Travel

302-2

Information	Units	2021	2020	2019	2018
Petrol used for travel	Litre	159,708	203,779	258,085	258,697
Petrol charges	Thousand Baht	4,566	4,579	6,964	7,369
Proportion of revenues	%	0.02%	0.02%	0.03%	0.04%

GRI Content Index

102-55

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103-3	Evaluation of the management approach	167	-			

GRI Standards	Disclosure	Page Number (s)		Omission	External Assurance	Relation to SDGs
		Sustainability Report	56-1 One Report			
GRI 201 : Economic Performance 2016						
201-1	Direct economic value generated and distributed	167	-			
Corporate Governance						SDG 16
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	19	-			
103-2	The management approach and its components	19-27	238-276, 303			
103-3	Evaluation of the management approach	19	-			
Anti-Corruption and Bribery						SDG 16
GRI 103 : Management Approach 2016						
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103-2	The management approach and its components	28-37	245-246			
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GRI 205 : Anti-Corruption 2016						
205-1	Operations assessed for risks related to corruption	28-37	-			
205-2	Communication and training about anti-corruption policies and procedures	28-37	-			
205-3	Confirmed incidents of corruption and actions taken	31	-			
ESG Products and Services						SDG 8, SDG 9
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	94	-			
103-2	The management approach and its components	94-104	-			
103-3	Evaluation of the management approach	94	-			
GRI 203 : Indirect Economic Impacts						
203-1	Infrastructure investments and services supported	94	-			
203-2	Significant indirect economic impacts	94	-			
Supply Chain Management						SDG 8, SDG 13
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	105	-			
103-2	The management approach and its components	105-112	-			
103-3	Evaluation of the management approach	105	-			
GRI 308 : Supplier Environment Assessment 2016						
308-1	New suppliers that were screened using environmental criteria	105	-			
308-2	Number of suppliers assessed for environmental impacts	105-112	-			
GRI 414 : Supplier Social Assessment 2016						
414-1	New suppliers that were screened using social criteria	105	-			

GRI Standards	Disclosure	Page Number (s)		Omission	External Assurance	Relation to SDGs
		Sustainability Report	56-1 One Report			
SOCIAL DIMENSION						
Financial Inclusion and Financial Literacy				SDG 1, SDG 4, SDG 5, SDG 8, SDG 9		
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	114	-			
103-2	The management approach and its components	115-126	-			
103-3	Evaluation of the management approach	114	-			
GRI 203 : Indirect Economic Impacts						
203-1	Infrastructure investments and services supported	114-126	-			
Human Resource Management and Development				SDG 4, SDG 5, SDG 8, SDG 10		
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	127	-			
103-2	The management approach and its components	127-140	273-274			
103-3	Evaluation of the management approach	127	-			
GRI 201 : Economic Performance 2016						
201-3	Defined benefit plan obligations and other retirement plans	130	-			
GRI 205 : Anti-Corruption 2016						
205-2	Communication and training about anti-corruption policies and procedures	135-137	-			
GRI 401 : Employment 2016						
401-1	New employee hires and employee turnover	127, 169-172	-			
401-3	Parental leave	172	-			
GRI 402 : Labor / Management relations						
402-1	Minimum notice periods regarding operational	172	-			
GRI 404 : Training and Education 2016						
404-1	Average hours of training per year per employee	139, 172	273			
404-2	Programs for upgrading employee skills and transition assistance programs	132-139	-			
GRI 405 : Diversity and Equal Opportunity						
405-1	Diversity of governance bodies and employees	127, 168-173	-			
Occupational Health and Safety				SDG 3, SDG 8		
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	141	-			
103-2	The management approach and its components	141-147	275			
103-3	Evaluation of the management approach	141	-			

GRI Standards	Disclosure	Page Number (s)		Omission	External Assurance	Relation to SDGs
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GRI 403 : Occupational Health and Safety 2018						
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403-2	Types of injuries and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	171	-			
403-5	Worker training on occupational health and safety	142	-			
403-9	Work-related injuries	147, 171	-			
403-10	Work-related ill health (Employee only)	147	-			
Collaboration with partnership for sustainability						SDG 8
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	148	-			
103-2	The management approach and its components	148-151	-			
103-3	Evaluation of the management approach	148	-			
GRI 203 : Indirect Economic Impacts						
203-2	Significant indirect economic impacts	148-151	-			
ENVIRONMENTAL DIMENSION						
Environmental and Climate Change Management						SDG 3, SDG 12, SDG 13
GRI 103 : Management Approach 2016						
103-1	Explanation of the material topic and its boundary	153	-			
103-2	The management approach and its components	153-161	-			
103-3	Evaluation of the management approach	153	-			
GRI 302 : Energy 2016						
302-1	Energy consumption within the organization	155	-			
302-4	Reduction of energy consumption	155	-			
GRI 305 : Emissions 2016						
305-1	Direct (Scope 1) GHG emissions	160, 173	-			
305-2	Energy indirect (Scope 2) GHG emissions	159-160, 173	-			
305-3	Other indirect (Scope 3) GHG emissions	159-160, 173	-			
305-5	Reduction of GHG emissions	161	-			
GRI 306 : Effluents and waste 2016						
306-2	Waste by type and disposal method	158	-			



KTC Sustainability Report 2021

Your suggestions will be incorporated in the improvement of the future KTC Sustainability Report. KTC highly appreciates your valuable feedback.



Please Scan
QR Code for
online questionnaire

Please kindly mark ✓ in ☐ provide suggestions in the space provided.

Which stakeholder group(s) best describes you ?

- | | |
|---|---|
| <input type="radio"/> Shareholders/Investors | <input type="radio"/> Customers |
| <input type="radio"/> Supplier/Outsource | <input type="radio"/> Business Partners |
| <input type="radio"/> Social and Environment | <input type="radio"/> Creditors |
| <input type="radio"/> Board of Directors and Management | <input type="radio"/> Employees |
| <input type="radio"/> Government and regulator | <input type="radio"/> Competitors |
| <input type="radio"/> Other, please specify : _____ | |

Where do you receive/read KTC Sustainability Report 2021?

- ☐ Seminar
☐ Shareholders' Meeting
☐ Office/KTC Touch service point
☐ Website/social media or other channels of KTC
☐ Other, please specify : _____

Why do you read KTC Sustainability Report 2021 ?

- ☐ To recognize the company
☐ To find information for making investment decisions
☐ To learn about sustainability management process
☐ To prepare for your Company's sustainability report
☐ To research and development
☐ Other, please specify : _____

Which of KTC sustainability topics are you interested in ?

- ☐ Digital Innovation
☐ Brand and Customer Trust
☐ Risk and Crisis Management
☐ Economic Performance
☐ Corporate Governance
☐ Anti-Corruption and Bribery
☐ ESG Products and Services
☐ Supply Chain Management
☐ Financial Inclusion and Financial Literacy
☐ Human resource management and development
☐ Occupational Health and Safety
☐ Collaboration with Partners for Sustainability
☐ Environmental and Climate Change Management

Please rate your level of satisfaction

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Which sustainability topics would you recommend for KTC in addition to its current operations

After reading this sustainability report, what are your thoughts on KTC's determination and action regarding sustainable development?

Please provide further recommendations (if any)

Please address your inquiries regarding this report to:

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