krungsri
กรุงศรี

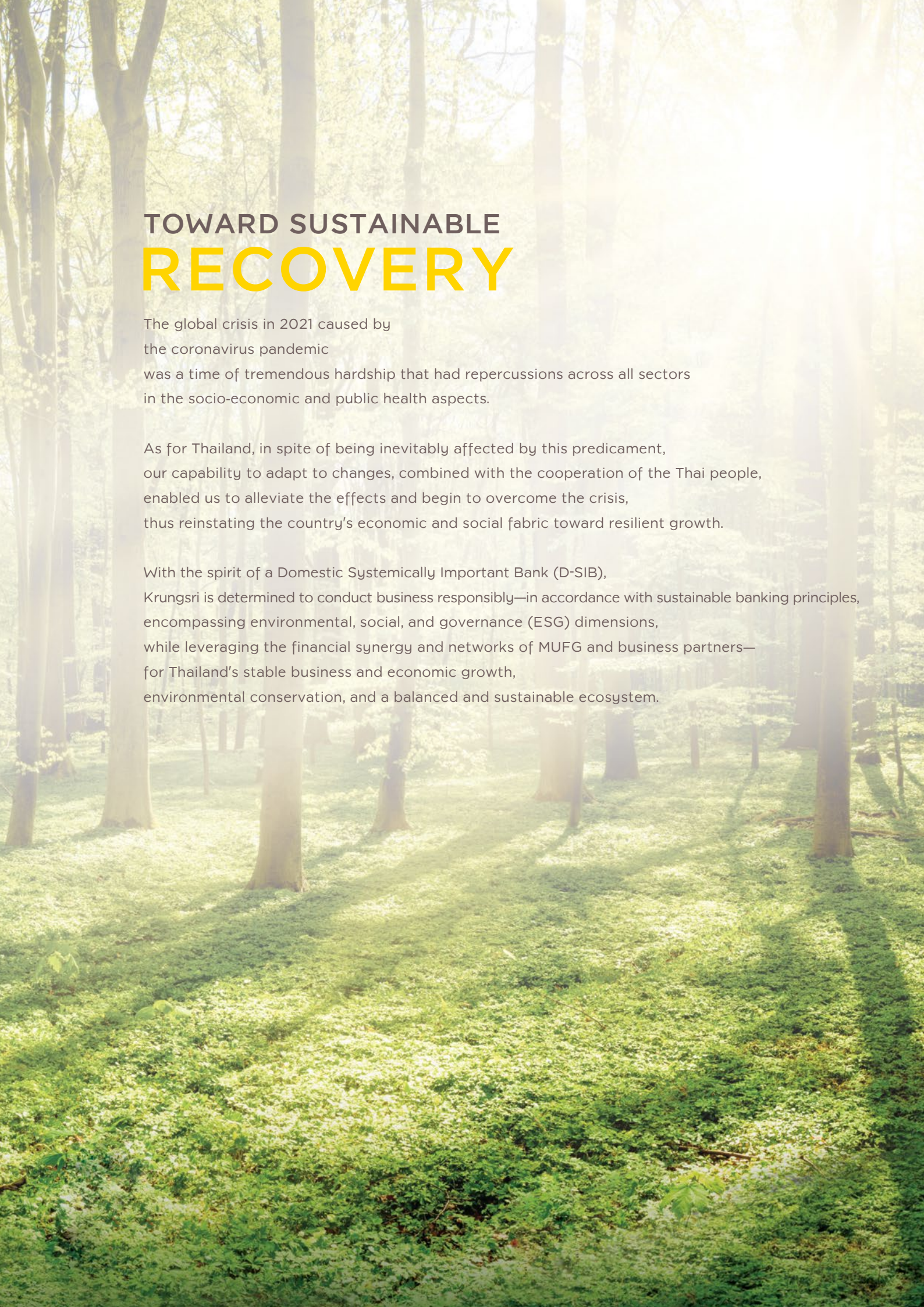
A member of MUFG
a global financial group

TOWARD SUSTAINABLE RECOVERY



SUSTAINABILITY REPORT 2021





TOWARD SUSTAINABLE RECOVERY

The global crisis in 2021 caused by
the coronavirus pandemic
was a time of tremendous hardship that had repercussions across all sectors
in the socio-economic and public health aspects.

As for Thailand, in spite of being inevitably affected by this predicament,
our capability to adapt to changes, combined with the cooperation of the Thai people,
enabled us to alleviate the effects and begin to overcome the crisis,
thus reinstating the country's economic and social fabric toward resilient growth.

With the spirit of a Domestic Systemically Important Bank (D-SIB),
Krungsri is determined to conduct business responsibly—in accordance with sustainable banking principles,
encompassing environmental, social, and governance (ESG) dimensions,
while leveraging the financial synergy and networks of MUFG and business partners—
for Thailand's stable business and economic growth,
environmental conservation, and a balanced and sustainable ecosystem.



ENVIRONMENT

Emphasis is placed on the efficient management of environmental issues
with the target of reducing carbon emissions from the Bank's operations
and supporting business transitions into a low-carbon society
to create sustainable positive impact on society and the environment.





SOCIETY

We share and inculcate financial literacy and self-discipline in youths
while promoting inclusive and equitable learning opportunities
to build a solid foundation for our community and society
toward national and international sustainable development goals.







GOVERNANCE

Our employees operate with integrity and accountability
under legal frameworks and good corporate governance,
standing firm against all forms of corruption,
to win the trust of all stakeholder groups.

Contents



10 Mission, Vision, Core Values

12 Message from the Chairman, the Vice Chairman, and the President and Chief Executive Officer



28 Reporting Methodology

29 Defining Report Content and Boundaries
29 Materiality Identification Process
30 Key Amendments in the Sustainability Report
31 External Assurance Report
31 Report Dissemination Channels and Contact Information
32 Impacts of Materiality



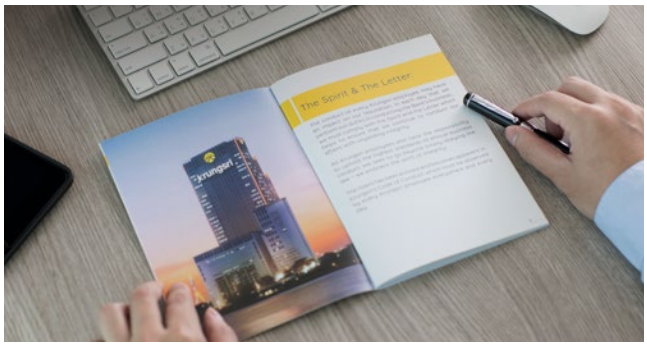
16 About Krungsri

17 General Information
18 Shareholder Structure
19 Organization Structure
20 Committee Chart
21 Products and Services
21 Krungsri Customers
22 Subsidiaries, Joint Ventures, and Associate
24 Strategies and Business Plans
26 Operating Results and Key Developments



34 Environmental, Social, and Governance Policies toward Sustainability

35 Krungsri toward Sustainable Banking
36 Krungsri and the SDG 2030
40 Krungsri's Contributions to the Achievement of the SDGs
42 International Standards for Sustainable Development Practices
43 Membership of Associations
44 Sustainability Awards and Achievements



46 Economic and Governance Aspects

47 Risk and Crisis Management
53 Cybersecurity
58 Good Governance and Anti-Corruption
62 Customer Experience and Market Conduct
65 Economic Performance and Impacts
65 Data Governance and Personal Data Protection
68 Innovation and Digital Transformation
73 Supply Chain Management



128 Environmental Aspect

129 Environmental Management and Resource Efficiency
138 Climate Change Management



76 Social Aspect

77 Responsible Lending and ESG Consideration
82 Fair Labor Practices and Respect for Human Rights
89 Financial Inclusion and Promotion of Financial Literacy
100 Community Participation and Social Engagement
110 Stakeholder Engagement
115 Human Resources Development
123 Occupational Health, Safety, and Working Environment



144 Numerical Data on Sustainability Performance
150 Assurance Statement
152 Content Index
156 Questionnaire on Krungsri's Sustainability Report 2021

Mission

To be a leading regional financial institution with global reach, committed responsibly to meeting the needs of our customers and serving society through sustainable growth

Vision

Highly-qualified team of professionals providing innovative products and services, dedicated to becoming our customers' number one preferred financial group





Core Values

Customer Centricity
We put our customers first, understanding and anticipating their needs and expectations and responding with best solutions.

Integrity
We are fair and professional, inspiring trust and work with transparency, legalism and ethics.

Team Spirit
We work together as a team for the benefit of our customers and Krungsri with open hearts and open minds to reach our goals.

Passion for Excellence
We are committed to instill in ourselves the expectation of excellence in delivering our work and services.

Making Innovative Changes
We start by changing ourselves and intend to improve every day by creating for the better that will positively benefit our customers along with Krungsri.

Global Awareness
We challenge ourselves as a valued member of a global financial group, supporting the growth of our customers both within and outside Thailand.

Message from the Chairman, the Vice Chairman, and the President and Chief Executive Officer



2021 marked the second year of the recurrent waves of COVID-19 transmission that have severely impacted the socio-economic fabric of Thailand. Amidst the adverse operating environment, Krungsri managed to thrive with strong financial performance and achieve significant progress corresponding to the strategic thrusts and initiatives laid out by our current Medium-Term Business Plan (2021-2023), while proactively advancing customer relief programs assisting pandemic-hit businesses and households.

Despite the year's unrelenting socio-economic challenges, Krungsri embarked on a new chapter of our environmental, social, and governance (ESG) journey as we declared the Krungsri Carbon Neutrality Vision, inaugurated Thailand's sustainability-linked loan (SLL) and sustainability-linked bond (SLB) denominated in Thai baht, and signed a statement of intent to adopt the Principles for Responsible Banking (PRB) together with the Principles for Responsible Investment (PRI) of the United Nations Environment Programme Finance Initiative (UNEP FI).

Krungsri was presented with multiple awards and recognition in both regional and international forums, receiving praise for our efforts in 'doing better business for society', particularly in terms of financial inclusion and gender equality. For instance, Harvard Business School, as part of its 2021 undergraduate curriculum, published a case study on Krungsri being the first Asia-Pacific bank to issue gender bonds, an innovative ESG financing instrument. Other marks of recognition received during the year included an honorable mention for 'Best Bank for Women Entrepreneurs' at the 2021 Global SME Finance Awards, organized by the International Finance Corporation (IFC), and the 1st Runner-Up for the UN Women 2021 Thailand WEPs Awards in the Gender-Responsive Marketplace Category granted by UN Women.

Also, in mobilizing resources to achieve partnerships for sustainable development goals, Krungsri has been one of the key commercial banks in helping formulate the Thai Bankers' Association's three-year strategic plan, starting in 2022, that will serve as a crucial transition pathway for the Thai banking industry amid the ever-changing operating environment toward the future of resilient and sustainable banking.

On the environmental front, in late December 2021, Krungsri set an example for industry peers by declaring our Carbon Neutrality Vision, a bold move taken in the spirit of 'banking with purpose' while aligning with the international agenda at the 26th United Nations Framework Convention on Climate Change Conference of the Parties (UNFCCC COP26), the Sustainable Development Goals of the United Nations, Goal 13: Climate Action, and Thailand's nationally determined contribution (NDC), as well as Mitsubishi UFJ Financial Group Inc. (MUFG)'s Carbon Neutrality Declaration. Embracing the vision of a carbon-neutral future, Krungsri has committed to decarbonizing our own operations by 2030 and decarbonizing our financial services by 2050.

To achieve net zero in our own business operations, a series of vital actions was commenced in 2021 in expanding the carbon footprint calculation to include our nationwide branch network to effectively measure and thus help find meaningful solutions for greenhouse gas reduction. Krungsri also became a founding member of the Carbon Markets Club to promote the carbon credit exchange system, the first of its kind in Thailand, which Krungsri will employ not only to achieve the organization's environmental goals of offsetting carbon emissions, but also in support of stakeholders' commitments and transitions toward these shared and ambitious goals.

Another prominent development in our journey to net zero, 'Krungsri… The Green Office', a project initiated in collaboration with the Ministry of Natural Resources and Environment, entailed a rigorous assessment of Krungsri's environmental track record. Krungsri became the first commercial bank in Thailand to achieve the Excellent Level (G-Gold), the highest-level award of the Green Office project. This recognition reflects Krungsri's environmental responsibility in addressing climate change, as well as our earnest intention of promoting climate action through employee and community engagement.

As for our journey to decarbonizing our financial service portfolio, Krungsri has committed to phasing out our exposure to coal-fired power plants within this decade, increasing our social and sustainable finance portfolio to 50-100 billion baht by 2030, and continuing the active promotion of sustainable and green finance market development in Thailand, while disclosing our portfolio's financial emissions as well as reduction targets.

Turning to social matters, in alignment with and support of the government's and the Bank of Thailand's guidance, Krungsri offered relief measures to help mitigate the most severe impacts of COVID-19 among the most vulnerable enterprises and households, registering the outstanding amount of 170,211 million baht as of the end of December 2021, accounting for around 9 percent of total loans outstanding. Furthermore, soft loan and special rehabilitation loan programs providing liquidity support for SMEs amounting to 28,017 million baht contributed substantially to our 2021 loan growth of 3.1 percent.

2021 also saw an inflection point for the Thai banking industry in accelerating its sustainable banking development journey. Krungsri Group, along with other leading financial institutions, committed to adopting the Principles for Responsible Banking (PRB) and the Principles for Responsible Investment (PRI) of the United Nations Environment Programme Finance Initiative (UNEP FI). This vital pledge not only reflects our inspiring determination to conduct business with the utmost responsibility, but also contributes significantly to aligning the operating standards for financial institutions in Thailand with global best practices, and achieving final outcomes that conform with the United Nations Sustainable Development Goals (SDGs).

Other highlights of social progress included Krungsri becoming an official signatory of the Women's Empowerment Principles (WEPs), a fundamental social contract. Governed by guidance established by the UN Global Compact and UN Women, we have the deep conviction to advance our practices regarding gender equality and women's empowerment in our workplace, the markets we serve, and the communities we belong to.

Carrying on with our mission to promote our flagship financial literacy project, while building on the success of the animated learning media developed in 2020 during the period of home-schooling prompted by the pandemic, Krungsri in 2021 developed new episodes of our animated series for the second consecutive year to promote financial literacy, reaching out to all public elementary schools nationwide, in partnership with the Bank of Thailand (BOT), the Office of the Basic Education Commission (OBEC), and the Equitable Education Fund (EEF).

As one of the Domestic Systemically Important Banks (D-SIBs) that plays a crucial role in setting the course of Thailand's financial sector, Krungsri continued to place great emphasis on our social and sustainable finance mandate, through our support of Thailand's first sustainability-linked loan (SLL) and sustainability-linked bond (SLB) denominated in Thai baht, an accomplishment that secured Krungsri's position as market leader on the ESG debenture league table, with 29 percent—the largest market share—of underwriting service for Thailand's leading corporations with green, social, and sustainability bond issuances.

Amid the prolonged pandemic, effective communication with stakeholders about specific and pertinent information regarding Krungsri's financial status and business developments was a central responsibility of investor relations. Krungsri continued to capitalize on our excellent communications with the investor community at home and elsewhere, as evidenced by a new record of 24 awards in recognition of the Bank's excellent investor relations and communications, corporate governance, and ESG performance achieved in 2021.

In 2022, our second year of the current Medium-Term Business Plan, committed to the guiding principles of 'banking with purpose' and accountability together with the spirit and responsibility of a D-SIB, we will not only lead the industry by example in the provision of social and sustainable finance that is socially and environmentally responsive, but we will also accelerate our strategic emissions reduction initiatives in supporting customers' sustainable transformation toward low-carbon investments and operations, by integrating ESG considerations as competitive tools to achieve their 'brown to green' transitions. And of equal importance, we will continue to meet our stakeholders' expectations in both financial and socio-economic terms as well as environmental sustainability performance over the long term.



Karun Kittisataporn
Chairman



Takanori Sazaki
Vice Chairman



Seiichiro Akita
President and
Chief Executive Officer

About Krungsri



General Information

Established on April 1, 1945 and listed on the Stock Exchange of Thailand on September 26, 1977, Bank of Ayudhya Public Company Limited (Krungsri) has ingrained good corporate governance in our business, while setting the tone that supports moral righteousness, transparency, and fairness. We adhere to the highest principles of ethical conduct transcending all statutory prerequisites in taking our business to the next level as we committed to responding to expectations of stakeholders, communities, and society.

Krungsri is ranked Thailand's fifth largest commercial bank in terms of assets, loans, and deposits. We are a strategic member of MUFG Bank, Ltd. (MUFG Bank), a wholly-owned subsidiary of Mitsubishi UFJ Financial Group (MUFG) – Japan's largest financial group and one of the world's financial groups. In addition, the Bank has been recognized by the Bank of Thailand as one of the Domestic Systemically Important Banks (D-SIBs) that play a crucial role in driving Thailand's economy and financial system*.

Krungsri has undertaken its business in strict compliance with the Financial Institutions Businesses Act, B.E. 2551 (A.D. 2008), the Securities and Exchange Act, B.E. 2535 (1992), and notifications and regulations of the Office of the Securities and Exchange Commission and the Bank of Thailand (BOT), as well as other related regulatory requirements. Krungsri conducts the fundamental commercial banking business, including accepting deposits, offering loans, foreign exchange trading services, financial instruments trading services, loan guarantees, payment and funds transfer services, risk hedging products, e.g. interest rate and FX derivatives, etc. The Bank's other businesses approved by the BOT include businesses of insurance-related services, securities-related services, financial derivatives, e-banking, and other financial and non-financial services.

As of the end of 2021, Krungsri has 23 subsidiaries and joint ventures, while our 642 branches[1/] are in well diversified locations throughout the country and in Lao PDR, with a total of 33,397 employees[2/]. The Bank's registered capital is 75,741 million baht, while our paid-up capital stands at 73,558 million baht.

Remarks:

* Refer to Notification of the Bank of Thailand No. FPG. 17/2560 Re: The List of Domestic Systemically Important Banks

[1/] Including the Head Office and one overseas branches

[2/] Number of permanent employees of the Bank, subsidiaries, joint ventures, and associate

[3/] Total operating income: Net interest income + Net fees and service income + Other operating income



Name of Company:
Bank of Ayudhya Public Company Limited

Type of Company:
Listed on the Stock Exchange of Thailand

SET Symbol:
BAY

Registration number:
0107536001079

Business type:
Commercial bank

Brand name:
Krungsri

Business group name:
Financial Business Group ('Krungsri Group')

Area of operation:
Five countries consist of Thailand, Lao People's Democratic Republic (2 branches and a joint venture), Republic of the Union of Myanmar (Representative Office), Kingdom of Cambodia (Subsidiary), Republic of the Philippines (Joint Venture)

Head Office address:
1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

Contact channels:
- Head Office:
  - Telephone 0-2296-2000
  - Facsimile 0-2683-1304
- Krungsri Call Center 1572
- Online channels www.krungsri.com

Krungsri Simple

Total workforce:
35,913 people
(Permanent and temporary employees of the Bank, subsidiaries, joint ventures, and associate)

Fees and service income:
24,053 million baht

Total operating income[3/]:
122,906 million baht

Shareholder Structure

The list of shareholders with over 0.5 percent of the total issued shares

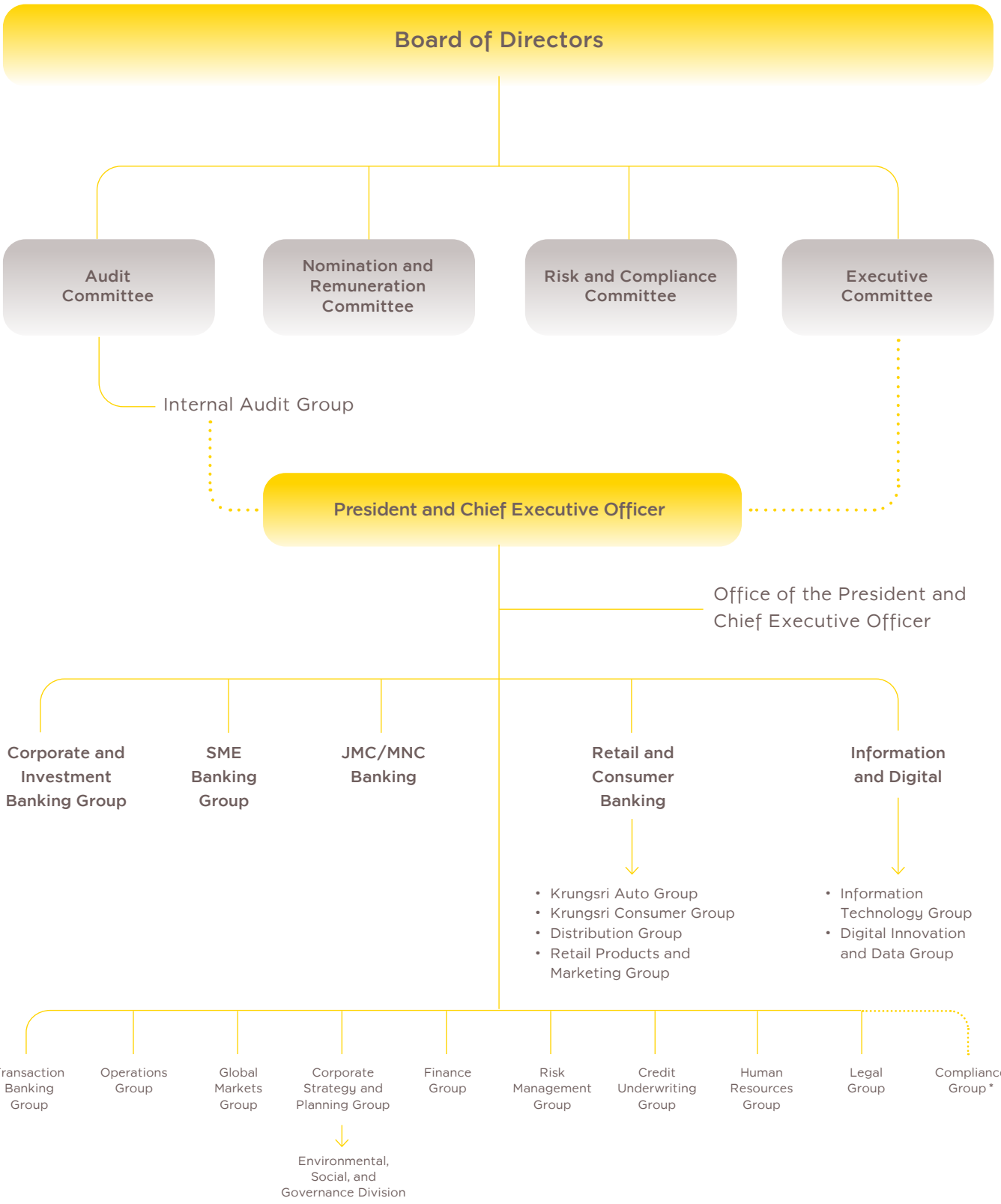
As of September 8, 2021 (Latest Record Date)
(7,355,761,773 issued and paid-up ordinary shares at a par value of 10 baht per share)

Item	Shareholder Name	Number of Shares	% of Total Shares
1	MUFG BANK, Ltd.	5,655,332,146	76.88*
2	Stronghold Assets Company Limited	166,536,980	2.26
3	The Great Luck Equity Company Limited	166,478,940	2.26
4	GL Asset Company Limited	166,414,640	2.26
5	BBTV Satelvision Company Limited	166,151,114	2.26
6	BBTV Asset Management Company Limited	163,112,900	2.22
7	Bangkok Broadcasting & T.V. Company Limited	160,789,220	2.19
8	Mahakij Holdings Company Limited	158,726,810	2.16
9	Tun Rung Rueng Company Limited	157,889,440	2.15
10	Super Assets Company Limited	51,421,714	0.70
11	C.K.R Company Limited	48,528,834	0.66
	Other Shareholders	294,379,035	4.00
	TOTAL	7,355,761,773	100.00

Remark:
* As approved by the Ministry of Finance, the total shares held by foreign shareholders represent 76.90 percent.

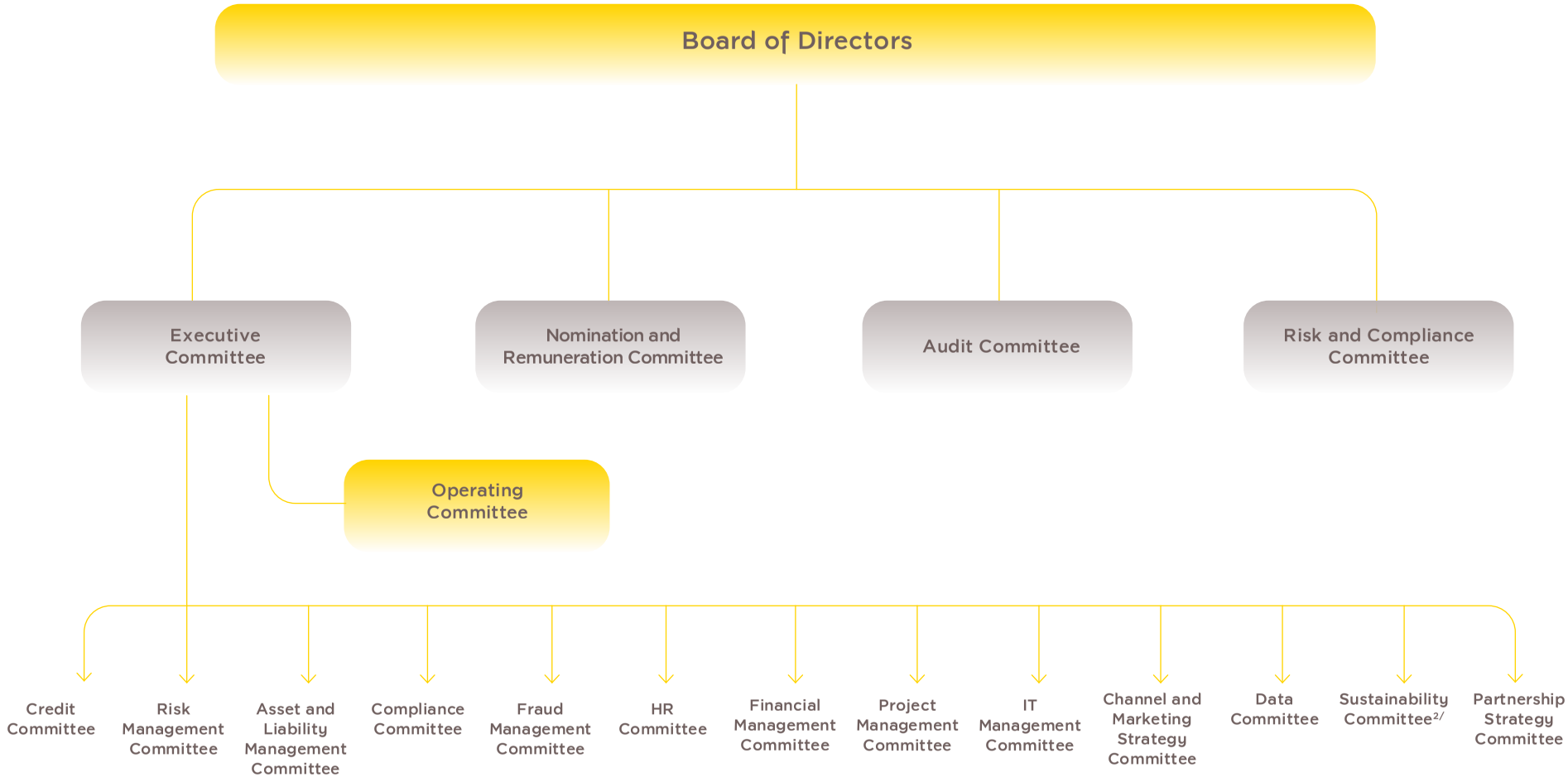
Organization Structure

(As of January 1, 2022)



* The Compliance Group reports directly to the Risk and Compliance Committee.

Committee Chart [1/]



Remarks:

[1/] The Bank issues appointment directives and regulations for all committees and makes announcements accordingly for enterprise-wide acknowledgement.

[2/] The Sustainability Committee is established to oversee the overall strategic direction, policies & regulations on Environmental, Social, and Governance ('ESG') or sustainability as well as Corporate Social Responsibility ('CSR') of Bank of Ayudhya Public Company Limited and the companies under the Bank's financial business group ('Group Companies'). The Sustainability Committee Meeting shall be held at least once per quarter and shall report directly to the Executive Committee.

Products and Services

Deposit Products

- Current accounts
- Savings accounts
- Time deposit accounts
- Foreign currency deposit accounts

Loan Products

- Overdraft (O/D)
- Promissory notes and term loans for corporate customers
- Housing loans and personal loans for retail customers
- Foreign currency loans
- Trade finance credit
- Other loan services, such as aval and acceptance, letter of guarantee and bank guarantee, letter of credit, and financial status certification, etc.

Other Services

- e-banking services
- Domestic money transfer
- Foreign exchange and international money transfer
- Krungsri Tradelink
- Direct debit and direct credit
- Bancassurance
- Investment banking
- Securities services
- Cash management
- Transaction banking
- Foreign exchange forwards, and foreign exchange and interest rate derivatives products
- Trade finance services
- Government bonds, treasury bills and state enterprise bonds

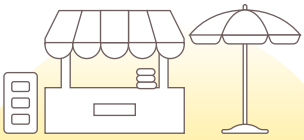
Krungsri Customers



Corporate Segment
- Thai corporations
- Japanese corporations
- Multinational corporations



Small and Medium Enterprise (SME) Segment



Retail Segment

Subsidiaries, Joint Ventures, and Associate

Krungsri holds shares of 18 subsidiaries, 4 joint ventures, and 1 associate as defined in a relevant notification of the Office of the Securities and Exchange Commission, of which the information as of December 31, 2021 is as follows:

Company Name	Type of Business	Krungsri's Shareholding (Percentage)
Subsidiaries		
Financial Business Group		
1. Hattha Bank Plc.[1/]	Commercial Bank in the Kingdom of Cambodia	100.00
2. Krungsri Ayudhya AMC Ltd.	Purchases or accepts impaired asset transfers (NPAs and NPLs) for management through debt restructuring or collateral for disposal, including undertaking NPA maintenance to ensure they are in good condition and ready for sale	100.00
3. Krungsri Nimble Co., Ltd.	Provides information technology services to only the Bank and all companies in Krungsri financial business group	100.00
4. Ayudhya Development Leasing Co., Ltd.	Provides financial lease and hire purchase services to enable SMEs and large corporations to acquire machinery, equipment, and all types of commercial vehicles for business use	99.99
5. Ayudhya Capital Auto Lease PCL	Hire purchase for motorcycles and top up loans for existing customers and inventory financing for car dealers	100.00
6. General Card Services Limited	Credit card and personal loan	100.00
7. Ayudhya Capital Services Co., Ltd.	Sales financing (merchandise installment financing), personal loans, credit card and nanofinance products	100.00
8. Krungsriayudhya Card Co., Ltd.	Credit card and personal loan	100.00
9. Krungsri Finnovate Co., Ltd.	Venture capital	100.00
10. Krungsri Securities PCL	Securities business	99.84
11. Krungsri Asset Management Co., Ltd.	Asset management	89.73
12. Krungsri Leasing Services Co., Ltd. [2/]	Leasing/ Hire purchase/ Sales finance in Lao People's Democratic Republic	100.00
13. Krungsri Non-Deposit Taking Microfinance Institution Co., Ltd. [3/]	Microfinance institutions that does not accept deposit taking company in Lao People's Democratic Republic	99.99

Company Name	Type of Business	Krungsri's Shareholding (Percentage)
Supporting Business		
14. Siam Realty and Services Security Co., Ltd.	Provides car rentals and human resources service to Krungsri Group	100.00
15. Total Services Solutions PCL	Collection services	100.00
16. Krungsri Life Assurance Broker Limited [4/]	Life insurance broker	100.00
17. Krungsri General Insurance Broker Limited [4/]	Non-life insurance broker	100.00
18. Hattha Services Co., Ltd.[5/]	Supporting business in relation to property development for an operation of Hattha Bank Plc. And subsidiaries under Krungsri Financial Business Group	49.00
Joint Ventures		
19. Lotus's Money Services Limited [6/]	Credit card and personal loan	50.00
20. Lotus's Life Assurance Broker Limited [7/]	Provides life insurance products to customers of Tesco Card Services Ltd. and Tesco Lotus	50.00
21. Lotus's General Insurance Broker Limited [8/]	Provides non-life insurance products to Tesco Lotus customers	50.00
22. SB Finance Company, Inc. [9/]	Operating consumer finance business in the Philippines	50.00
Associate		
23. Ngern Tid Lor PCL	Provides hire purchase and secured loan contracts to customers who already hold titles of cars and other vehicles, as well as non-life insurance brokerage services	30.00

Remarks:

[1/] Krungsri's subsidiary of which the Bank directly holds 100 percent shares. Formerly Hattha Kaksekaar Limited, Microfinance Deposit Taking Institution, obtained the approval from relevant regulators both in Thailand and the Kingdom of Cambodia to expand its business to be a commercial bank on August 26, 2020

[2/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Ayudhya Capital Auto Lease PCL by 75 percent and Ayudhya Capital Services Co., Ltd. by 25 percent

[3/] Krungsri's subsidiary of which the Bank indirectly holds 99.99 percent shares via Krungsri Leasing Services Co., Ltd.

[4/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Ayudhya Capital Services Co., Ltd.

[5/] Krungsri's subsidiary of which the Bank indirectly holds 49 percent shares via Hattha Bank Plc.

[6/] Krungsri's subsidiary of which the Bank indirectly holds 50 percent shares via Ayudhya Capital Services Co., Ltd. Previous company name, Tesco Lotus Money Services Limited

[7/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Lotus's Money Services Limited. Previous company name, Tesco Life Assurance Broker Limited

[8/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Lotus's Money Services Limited. Previous company name, Tesco General Insurance Broker Limited

[9/] Krungsri's subsidiary of which the Bank directly holds 50 percent shares

Strategies and Business Plans

To fulfill Krungsri's aspiration 'To be a leading regional financial institution with global reach' through sustainable banking, social responsibility and responding to customer needs, the mission of being recognized as 'a Domestic Systemically Important Bank (D-SIB)', and MUFG's vision 'to be the world's most trusted financial group'; the Bank established the **Medium-Term Business Plan (MTBP)** which is Krungsri's strategic roadmap and business targets for a three-year period, to cope with changing business environments and customer behaviors. In addition, Krungsri has cooperated closely with MUFG in expanding business networks to support growth of corporate and retail customers through varied financial solutions, and the best advisory service based on the customer-centric strategy.

The third Medium-Term Business Plan (2021-2023)

2021 was the first year of our new MTBP covering 2021-2023. We started planning the third MTBP (2021-2023) by considering our key achievements and challenges during the first and second MTBPs, including the pandemic, as well as global and local shifts in the market environment and outlook. We have set our aspiration as **'Be the preferred Thai bank connecting customers' needs across ASEAN'** and identified five strategic directions and three key enablers as follows:



5 Strategic Directions

1. One Retail Transformation
2. Commercial Business Enhancement
3. Ecosystem and Partnership
4. ASEAN Expansion
5. New Revenue Streams



3 Key Enablers

1. Productivity and Efficiency
2. IT, Digital and Analytics
3. People and Organization

Key challenges and opportunities

2021 saw the persistent harsh reality of the COVID-19 pandemic, prolonged since 2020. However, thanks to accelerated vaccinations and reopening that helped boost the economy and investment, there were positive signs in the last quarter of 2021. Firmly striving to provide continuous customer assistance toward economic recovery, Krungsri has reviewed our financial support given to each industry and adjusted loan portfolios in tandem with different stages of recovery in respective industries.

Amid intense market competition, Krungsri also saw emerging business opportunities abounding for new revenue streams and consequently sustainable growth, at home and abroad, including:

- Domestic market – Jointly enhanced new business models and data analysis with business partners in order to seek products and services appropriate and aligning with the specific needs of each customer segment. Examples include Krungsri entering into strategic alliance with a business partner by introducing lending for merchants and drivers of the ride hailing and food delivery application.
- International market – Expanded operations to foreign markets, while supporting corporate customers' business expansion in overseas, particularly fast-growing ASEAN with huge economic potential.

In 2021, Krungsri continued to place great emphasis on environmental, social, and governance (ESG) considerations, focusing on sustainable finance through sustainability-linked bond (SLB) and sustainability-linked loan (SLL), in which Krungsri has been a market leader, and out of which opportunities for product presentation to corporate customers significantly arise.



Operating Results and Key Developments

Adhering to business operations based on commitments and the third Medium Term Business Plan (2021-2023), Krungsri achieved key developments in 2021 in the aspects of economic, and environmental, social, and governance (ESG) as follows:



Economic and Governance Aspects

Gained
24,053 million baht
in fees and service income

Total operating profit was
122,906 million baht

Recorded
2,985 million transactions
via Krungsri Mobile Application (KMA)
(up 52.14 percent compared to 2020)

Signed the statement of intent to adopt the Principles for Responsible Banking (PRB) together with the **Principles for Responsible Investment (PRI)** of the United Nations Environment Programme Finance Initiative (UNEP FI) to promote operations of Thailand's financial institutions to be in parity with international standards with greater stability

Announced to purchase and receive the transfer of
100 percent of charter capital in SHBank Finance Company Limited **(SHB Finance),** a consumer finance player in Vietnam, from Saigon-Hanoi Commercial Joint Stock Bank, with a total investment of VND **3,590.30** billion or approximately **5,184.40** million baht

Social Aspect

Adopted the Women Empowerment Principles (WEPs) as another key social framework governed by the guideline established by the UN Global Compact and UN Women

Recorded
3,479 Krungsri volunteers

Recorded
6,789 Krungsri volunteer hours

Developed two new episodes of animated series of financial literacy learning under the Krungsri Financial Literacy project entitled 'Simple to Learn – Stay Safe during COVID-19', namely 1) Let's Get to Know Commercial Banks and the Central Bank, and 2) Following the Journey of Banknotes to promote financial literacy among elementary students in grade 4-6, supported by the Bank of Thailand (BOT), the Office of the Basic Education Commission (OBEC) and the Equitable Education Fund (EEF)

Recorded an average of
58.26 training hours
per employee

Environmental Aspect

Declared 'Krungsri Carbon Neutrality Vision' committing to decarbonizing our own operations by 2030 and decarbonizing our financial services by 2050

Became a founding member of the Carbon Markets Club to promote the digital carbon credit exchange system, the first of its kind in Thailand, supporting society and the Thai business sector in their transition toward a low-carbon society

Announced the success of becoming the first Thai commercial bank to achieve the Excellent Level (G-Gold) for 2021, the highest level of award of the Green Office project, initiated by the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment

Recorded clean energy lending at
10,718 million baht
(as of the end of December 2021)

Expanded the scope of the collection and calculation of corporate carbon footprint (CCF) to cover all of the Bank's branches (using 2021 as the base year)

Reporting Methodology



Krungsri has annually published Sustainability Report since 2014, making our 2021 report the eighth of the Bank's Sustainability Report (after the previous one published in March 2020), intended to disclose information on Krungsri Group's sustainability performance to stakeholders in the environmental, social, economic, and governance dimensions.

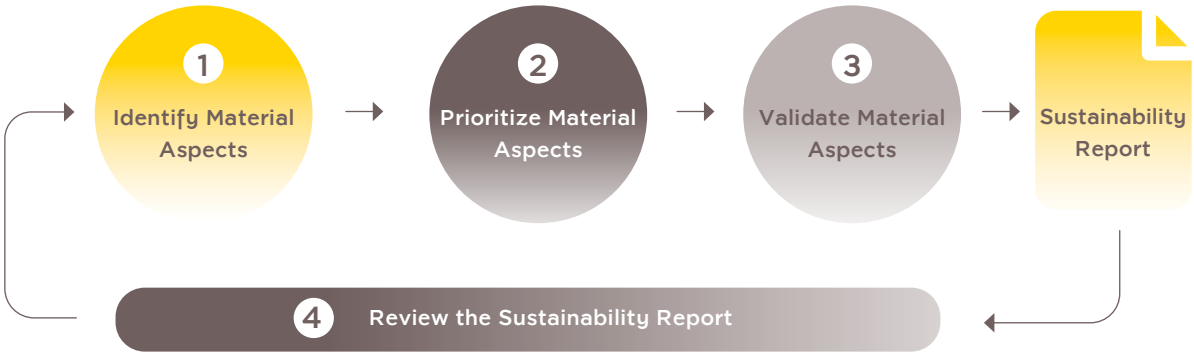
Covering the period from January 1 to December 31, 2021, Krungsri's 2021 Sustainability Report has been prepared in accordance with the GRI Standards: Core option and the GRI G4 Financial Service Sector Disclosures Guideline, in tandem with Krungsri's nature of business as well as sustainability topics significant for the Bank, stakeholders namely employees, customers, business partners, shareholders, regulators, communities and society, etc. Moreover, connection between the organization's operational directions and the United Nations Sustainable Development Goals 2030 (SDG 2030) was also portrayed in the report.

Defining Report Content and Boundaries

Krungsri defines content and boundaries of the report based on internal and external factors related to business operations as well as its essence and benefits, as per the 10 standards of the GRI Sustainability Reporting Guidelines as follows:

Content	Quality
• Stakeholder Inclusiveness	• Accuracy
• Sustainability Context	• Balance
• Materiality	• Clarity
• Completeness	• Comparability
	• Reliability
	• Timeliness

Materiality Identification Process



Step 1: Identify Material Aspects

The Sustainability Report Working Team, under the supervision of the Sustainability Committee, identified material aspects relevant to Krungsri Group's sustainable development and status as a financial service provider, including stakeholder expectations toward the Bank as well as the material aspects reported in the previous year.

In addition, operational and assessment guidelines on sustainability established by national and international organizations were taken into account, including the Stock Exchange of Thailand's sustainability assessment questionnaires for listed companies, the self-assessment in accordance with the Bank of Thailand (BOT)'s sustainable banking guideline, the corporate governance evaluation framework designed by the Thai Institute of Directors

Association (Thai IOD), the Sustainable Banking Assessment (SUSBA) Report of the World Wide Fund for Nature (WWF), the Fair Finance Thailand guidelines for assessing domestic commercial banks, etc. Recommendations from stakeholders beneficial to the stakeholders, the organization, and society were also considered.

Step 2: Prioritize Material Aspects

After identifying material aspects based on stakeholder expectations and the Bank's practices in sustainability, the working team prioritized these material aspects by considering following principles:

- **Significance of economic, environmental and social impacts** based on the relation between the material aspects and the Bank's philosophy, visions, core values; or business directions, policies, operating guidelines; or risks. Characteristics of impact are considered and prioritized, including the impacts on financial aspect, performance, strategies, reputation and image, and regulatory requirements, regulations, or business practices, etc.
- **The influence on stakeholder assessment and decisions** surveyed by Krungsri to seek views and recommendations on material aspects from employees, customers, business partners, commercial banks, regulators, independent sustainability organizations, etc., through stakeholder engagement activities, including meetings, seminars, interviews, and materiality surveys.

In this regard, results of above-stated considerations will be used to prioritize and prepare the materiality matrix.

Step 3: Validate Material Aspects

The Sustainability Committee, comprising the President and Chief Executive Officer and senior executives from various business units of the Bank and companies in the Financial Business Group, verified material aspects based on Step 2 in order to ensure that relevant impacts and issues were thoroughly considered. The material aspects verified were proposed to the Executive Committee and the Board of Directors for acknowledgement and consideration. The final outcome was used as the base information for sustainability action planning as well as preparation of the 2021 Sustainability Report.

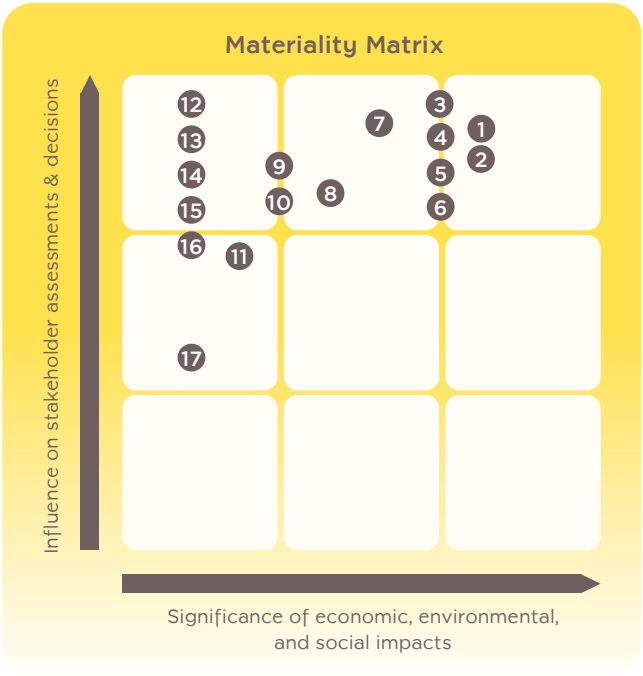
Step 4: Review the Sustainability Report

Krungsri puts in place the process for reviewing the content and aspects of sustainability as well as gathering feedback from the stakeholders after the launch and dissemination of the Sustainability Report each year. This allows us to further identify key areas for improvement and set directions toward sustainability in the future. Krungsri encourages its stakeholders to join in fostering a sustainable society by voicing their concerns and opinions on sustainable business undertakings through various communication channels, including a questionnaire form (attached herewith). Therefore, the Bank could achieve sustainability goals which are relevant to and significant for the organization, stakeholders, society and the nation with ultimate efficiency.

Key Amendments in the Sustainability Report

Reviewing the materiality identified in 2020, the Sustainability Report Working Team was of the view that the material aspects continue to be relevant to and significant for the organization and all groups of stakeholders, while aligning with the expectations of regulators and sustainability organizations both in Thailand and the region.

In addition, the Sustainability Report Working Team has taken into account and disclosed stakeholders' views on **supply chain management**, while adding issues related to the **environmental management and resource efficiency** which are all relevant and related. The change in the sequence of material aspects derived from the material matrix reflects Krungsri's current strategies, direction, and prioritization in integrating environmental, social, and governance considerations into business operations as follows:



	Materiality	ESG Dimension
1)	Responsible Lending and ESG Consideration	S
2)	Risk and Crisis Management	G
3)	Cybersecurity	G
4)	Good Governance and Anti-Corruption	G
5)	Customer Experience and Market Conduct	G
6)	Economic Performance and Impacts	G
7)	Data Governance and Personal Data Protection	G
8)	Innovation and Digital Transformation	G
9)	Fair Labor Practices and Respect for Human Rights	S
10)	Financial Inclusion and Promotion of Financial Literacy	S
11)	Community Participation and Social Engagement	S
12)	Stakeholder Engagement	S
13)	Human Resources Development	S
14)	Occupational Health, Safety and Working Environment	S
15)	Environmental Management and Resource Efficiency	E
16)	Climate Change Management	E
17)	Supply Chain Management	G

External Assurance Report

To ensure the credibility of Krungsri's Sustainability Report, the Bank requested an assurance review by an external entity in accordance with the GRI Reporting Guidelines. See page 150-151, Topic 'External Assurance Report' for additional details.

Report Dissemination Channels and Contact Information

- Website www.krungsri.com
  - Topic 'Sustainability Development' > Sub-topic 'Sustainability Report'
  - Topic 'Investor Relations' > Sub-topic 'Annual Report' > Tab 'Sustainability Report'

- Publications
  500 hard copies each of the Thai and English versions are available.

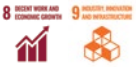
- Scan the QR Code for Krungsri Sustainability Report

Thai version

English version

- For more information on the Sustainability Report, please contact
  Environmental, Social, and Governance Division
  Bank of Ayudhya Public Company Limited
  (Head Office), 17th Floor
  1222, Rama III Road, Bang Phongphang,
  Yan Nawa, Bangkok, 10120
  Tel.: 0-2296-2000 Ext. 84026, 83935
  e-mail: KrungsriESG@krungsri.com

Impacts of Materiality

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Economic -Governance				
Risk and Crisis Management	GRI 102-11, 102-15, 102-30 GRI 103	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Creditors	
Cybersecurity	GRI 102-30 GRI 103	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Regulators,Creditors, Other commercial banks or financial institutions	
Good Governance and Anti-Corruption	GRI 102-18, 102-19, 102-22 GRI 103 GRI 205-1, 205-2	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Regulators, Creditors, Other commercial banks or financial institutions, Communities and society	
Customer Experience and Market Conduct	GRI 103 GRI 418-1	Executives and staff of all business units	Customers, Regulators	
Economic Performance and Impatcs	GRI 201-1, 203-1	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Regulators, Creditors, Other commercial banks or financial institutions, Communities and society	
Data Governance and Personal Data Protection	GRI 103 GRI 418-1	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Creditors	
Innovation and Digital Transformation	GRI 103	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Regulators, Creditors	
Supply Chain Management	GRI 103 GRI 414-1	Executives and staff of all business units	Customers, Vendors/ suppliers	
Social				
Responsible Lending and ESG Consideration	GRI 102-11 GRI 103 GRI G4: FS 8, FS 11	Executives and staff of all business units	Customers, Shareholders, Investors, Regulators, Communities and society	

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Fair Labor Practices and Respect for Human Rights	GRI 103 GRI 401-1, 401-2, 401-3	Executives and staff of all business units	Customers, Vendors/ suppliers, Regulators	
Financial Inclusion and Permotion of Financial Literacy	GRI 103 GRI 201-1 GRI G4: FS 6, FS 13, FS 14, former FS 16	Executives and staff of all business units	Customers, Regulators, Communities and society	
Community Participation and Social Engagement	GRI 103	Executives and staff of all business units	Customers, Vendors/ suppliers, Communities and society	
Stakeholder Engagement	GRI 102-40, 102-42, 102-43, 102-44 GRI 103	Executives and staff of all business units	Customers, Shareholders, Vendors/ suppliers, Investors, Regulators, Creditors, Other commercial banks or financial institutions, Communities and society	
Human Resources Development	GRI 103 GRI 404-1, 404-2	Executives and staff of all business units	Customers, Vendors/ suppliers, Regulators	
Occupational Health, Safety and Working Environment	GRI 103 GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9	Executives and staff of all business units	Vendors/ suppliers, Regulators, Communities and society	
Environmental				
Environmental Management and Resource Efficiency	GRI 103 GRI 301-1, GRI 302-1, 302-2, 302-4 GRI 303-1, 303-2, 303-5	Executives and staff of all business units	Customers, Vendors/ suppliers, Regulators, Communities and society	
Climate Change Management	GRI 102-11 GRI 103 GRI 203-1 GRI 302-1, 302-2, 302-4 GRI 303-5 GRI 305-1, 305-2, 305-3, 305-4, 305-5	Executives and staff of all business units	Customers, Vendors/ suppliers, Communities and society	

Environmental, Social, and Governance Policies toward Sustainability



Krungsri toward Sustainable Banking

Krungsri, as a Domestic Systemically Important Bank (D-SIB), has been well aware that serving as an 'intermediary' in facilitating capital funds to the business sector, society, and retail customers, is the key mechanism that helps drive the economic system for continual and steady growth. Therefore, for ultimate benefits of overall economy, society, and communities, Krungsri's focus has been on the development and presentation of financial product and service innovations, based on our considerations for economic, social, environmental, and governance issues, while responding to the expectations of all groups of stakeholders.

To achieve the aforementioned commitment, Krungsri strives to operate in accordance with good corporate governance, while strictly and earnestly adhering to **sustainable banking** with **responsible lending**.

2019 saw the key turning point for the Thai banking industry in shifting to the sustainable development journey. Krungsri joined force with the Thai Bankers' Association and other 14 commercial banks to sign the memorandum of understanding on '**Sustainable Banking Guidelines –Responsible Lending**'—reflecting a common goal of the country's banking sector in achieving the sustainable development aspiration, particularly urgent issues like household debt.

In 2021, Krungsri significantly advanced in implementing sustainable banking practices by signing the statement of intent to adopt **the Principles for Responsible Banking (PRB)** of the United Nations Environment Programme Finance Initiative (UNEP FI) together with top executives of 12 other commercial banks in the Sustainable Thailand 2021 webinar, organized by the Ministry of Finance, the Government Pension Fund (GPF), in collaboration with the United Nations as well as vital public and private entities.

Also at the event, Krungsri Asset Management Company Limited, together with 24 other asset management firms, signed the statement of intent to adopt **the Principles for Responsible Investment (PRI)**, in alignment with international standards for sustainable investment.

Krungsri Group's intention to adopt the above-stated PRB and PRI reflects our determination to conduct business following sustainable banking guidelines while also contributing to raising the operating standards of financial institutions in Thailand to the global level in alignment with the Sustainable Development Goals (SDGs) of the United Nations.

Principles for Responsible Banking: PRB



Alignment:

Alignment of business strategies with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other relevant national and regional frameworks



Impact & Target Setting:

Setting and publishing of the Bank's targets that increase positive impact and significantly reduce negative impacts



Clients & Customers:

Working responsibly with clients to encourage sustainable practices and enable economic activities



Stakeholders:

Proactive engagement and partnership with stakeholders to achieve society's goals



Governance & Culture:

Governance and promotion of an organizational culture that aligns with the Principles



Transparency & Accountability:

Review and disclosure of implementation of the Principles

Krungsri and the SDG 2030

Krungsri aspires 'To be a leading regional financial institution with global reach' through sustainable growth and social responsibility, while responding to customer needs. The Bank, thus, adheres to best practices of good corporate governance and sustainable banking, thereby striving to achieve the 'Sustainable Development Goals (SDGs)' initiated by the United Nations within a period of 15 years from 2015-2030. The Bank establishes strategies, targets, action plans, and projects that are corresponding to and in line with the SDGs as follows:





Promoted equity and inclusion in financial services— especially for grassroots people such as nanofinance and microfinance



Ensured good health and access to quality health care, and promoting well-being of employees and communities, such as:

- **Employees:** Provision of general health insurance and annual check-up, provision of 'Krungsri Clinic' with physicians available for initial treatments, arrangement of influenza vaccinations, provision of the COVID-19 health insurance policy, and supporting COVID-19 vaccinations
- **Communities:** Arrangement for mobile mammography units to offer health consultation and breast cancer examinations to female members of the public, and provision of online media to enhance knowledge of the breast self-exam through the Thanyarak Breast Centre, Breast Foundation Under the Patronage of HRH the Princess Mother



Promoted quality education as well as equity and inclusion in learning opportunities through diverse initiatives and activities:

- Initiated the **'Krungsri Financial Literacy'** project to share financial knowledge and create financial discipline among students in primary schools (fourth and sixth graders). In 2021, Krungsri, supported by the Bank of Thailand, the Office of the Basic Education Commission (OBEC) and the Equitable Education Fund (EEF), launched two new episodes of the online edutainment animated series titled **'Simple to Learn — Stay Safe During COVID-19'** which was first introduced in 2020. The first and second of new episodes are 'Let's Get to Know Commercial Banks and the Central Bank' and 'Following the Journey of Banknotes', respectively, which are aimed to share the knowledge regarding duties of commercial banks and the central bank, as well as the process of banknote production
- Provided knowledge and skills needed for sustainable development, e.g., joining hands with the Stock Exchange of Thailand to promote financial literacy among staff through the **'Happy Money'** project, holding a financial literacy seminar titled **'Plan Your Money'** for university students and staff of corporations, and Ngern Tid Lor's **'Life Rolls Forward Project'** which provides financial knowledge and business planning skills for retail vendors
- Promoted the improvement of educational institutions, provided them educational equipment and materials, as well as safe learning environment, such as providing learning equipment for underprivileged school students in rural areas and the Krungsri Auto Library project



Promoted gender equality, as well as a greater role of female leadership and their access to financial services:

- Promoted the role of women and offered them equal treatments to assume a leadership role at every level of the organization such as the Chief Financial Officer, the Head of Internal Audit Group, the Head of SME Banking Group, the Head of Digital Innovation and Data Group, etc.
- Offered equal opportunities to women to access financial services such as the gender bond issuance
- Promoted gender equality and women empowerment in the workplace, communities, and society by signing statement of support for the Women's Empowerment Principles (WEPs) established by UN Global Compact and UN Women



Promoted sustainable water management:

- Jointly protected and restored the ecosystem of water resources, mountain, forest, wetland, river, etc., through CSR activities, such as check-dam building in many areas
- Enhanced water use efficiency in the organization to promote the most efficient usage of natural resources and reduce the risk of water scarcity, such as reusing treated wastewater



Promoted the expansion and upgrade of clean energy infrastructure and technology which help drive the economy and society, while sustainably conserving the environment:

- Provided green energy loans to increase the share of renewable energy in the global energy mix, as well as sustainability-linked loans
- Facilitated the issuance of ESG bonds, green bonds, social bonds, sustainability bonds, and sustainability-linked bonds by both private and public sectors to promote environmental investments along with economic development



Promoted economic growth with continuity, inclusion, and sustainable development, as well as decent work for all:

- Facilitated networking and expansion of small and medium-sized enterprises (SMEs) through financial access, such as loans for SMEs and micro SMEs, etc.
- Provided financial technology and innovations to enhance economic efficiency, and to improve access to banking, insurance and financial products for people from all walks of life
- Promoted investments in businesses with gender equality in work
- Promoted and protected labor and human rights and provided safe and secure workplaces for all employees in compliance with applicable regulatory requirements



Promoted the development of inclusive and sustainable infrastructure, industries, and innovation by taking following actions:

- Supported investments that enhance infrastructure and industries for sustainability, e.g., extending loans to businesses driven by environmentally-friendly technology
- Promoted innovation and digitalization within the organization by establishing the **'Digital Innovation and Data Group'** under the Information and Digital which is responsible for developing and managing technology and digital projects, digital solutions, digital banking, and other related innovations that support product and service delivery with utmost efficiency, while also boosting staff productivity. The **Business Transformation Division** was also established for business transformation toward the digital era, and efficiency and competitiveness enhancement
- Developed innovations and utilized digital technology for customer convenience in accessing products and services, e.g., **'Krungsri Mobile Application' (KMA)**, a safe and efficient mobile banking platform that makes life simple; **'Kept' Application**, an online savings account that makes savings easy; and **'Krungsri Mung-Mee SHOP'** Application which has been developed to especially serve needs of merchants as it supports bill payments made from mobile banking applications of all banks
- Promoted access to data technology, communication, and the internet by donating computers to schools in remote areas



Promoted equal opportunity and economic inclusion, and reduced inequality by introducing financial products and services to address inequality regardless of age, gender, physical disabilities, financial status, ethnicity, etc., including the issuance of gender bond and offering account opening service to visually impaired people



Promoted sustainable and resilient cities and communities through activities as follows:

- Promoted protection and restoration of national and global heritage sites, such as the Ayutthaya Historical Site Conservation Project held in the province's historical sites and the Ayutthaya Historical Park which was declared a UNESCO World Heritage Site; other conservation activities at temples and religious places via annual Kathin and off-season robe presentation ceremonies of Krungsri Group



Promoted sustainable production and consumption:

- Conducted waste sorting and reduction, and promoted reuse activities such as **'Krungsri Zero Waste'; 'Care the Bear'** which was carried out in collaboration with the Stock Exchange of Thailand to reduce waste and emissions from events organized; 'Thais Say No to e-Waste' which was carried out in collaboration with Advanced Info Service (AIS) for the proper disposal of e-waste and pollution control; the **installation of a food waste disposal machine** at Krungsri Head Office; the Shred2Share project, in collaboration with Iron Mountain (Thailand) Co., Ltd., for data safety and environmental conservation, etc.
- Supported employee engagement in energy and resource efficiency, waste management in the organization to reduce greenhouse gas emissions through the **'Krungsri...The Green Office'** under the Green Office Project of the Department of Environmental Quality Promotion, the Ministry of Natural Resources and Environment



Participated in climate action and coped with climate change impacts through following actions:

- Raised awareness among the Bank's employees regarding the environmental problem and climate change through training and activities, e.g., the Zero Waste training course
- Communicated about, supported, and promoted employee awareness and engagement in ultimate energy and resource efficiency to help mitigate environmental impacts and greenhouse gases
- Reduced climate change impacts by formulating a plan to reduce carbon footprint within the organization and establishing targets to reduce greenhouse gas emission at the organization
- Jointly found the **Carbon Markets Club** to support, promote, and enhance carbon credit trading in Thailand in both organization and individual levels toward a net zero society



Promoted the preservation of marine ecosystems by organizing mangrove planting activities in Chon Buri and Chachoengsao



Promoted and organized tree planting activities to restore land ecosystems such as the **Care the Wild 'Plant & Protect',** a collaborative project jointly held with the Stock Exchange of Thailand and the Royal Forest Department at the Baan Khao Hua Kon community forest, Ratchaburi; the Ban Putoom community forest, Petchaburi; a joint effort with PTT PCL. and partnership networks to develop the green area under the 'Our Khung Bangkachao' project in Samut Prakan; the tree planting project at Khao Mai Kaew in Chon Buri, etc.



Promoted justice and strong institutions and society with responsible practices for sustainable development:

- Adhered to the good corporate governance and anti-corruption practices, and was certified as a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC)
- Operated the business according to the sustainable banking principle by taking into consideration the environmental, social, and governance (ESG) aspects
- Declared Human Rights Policy Disclosure Statement
- Promoted the policy on impartial treatments such as promotion of diversity in the organization and supply chain regardless of race, nationality, religion, gender, etc.
- Disclosed both financial and sustainability performance via Krungsri's multiple channels to showcase responsibility and transparency in our business operation



Promoted national and regional partnerships to achieve sustainable development at home and abroad:

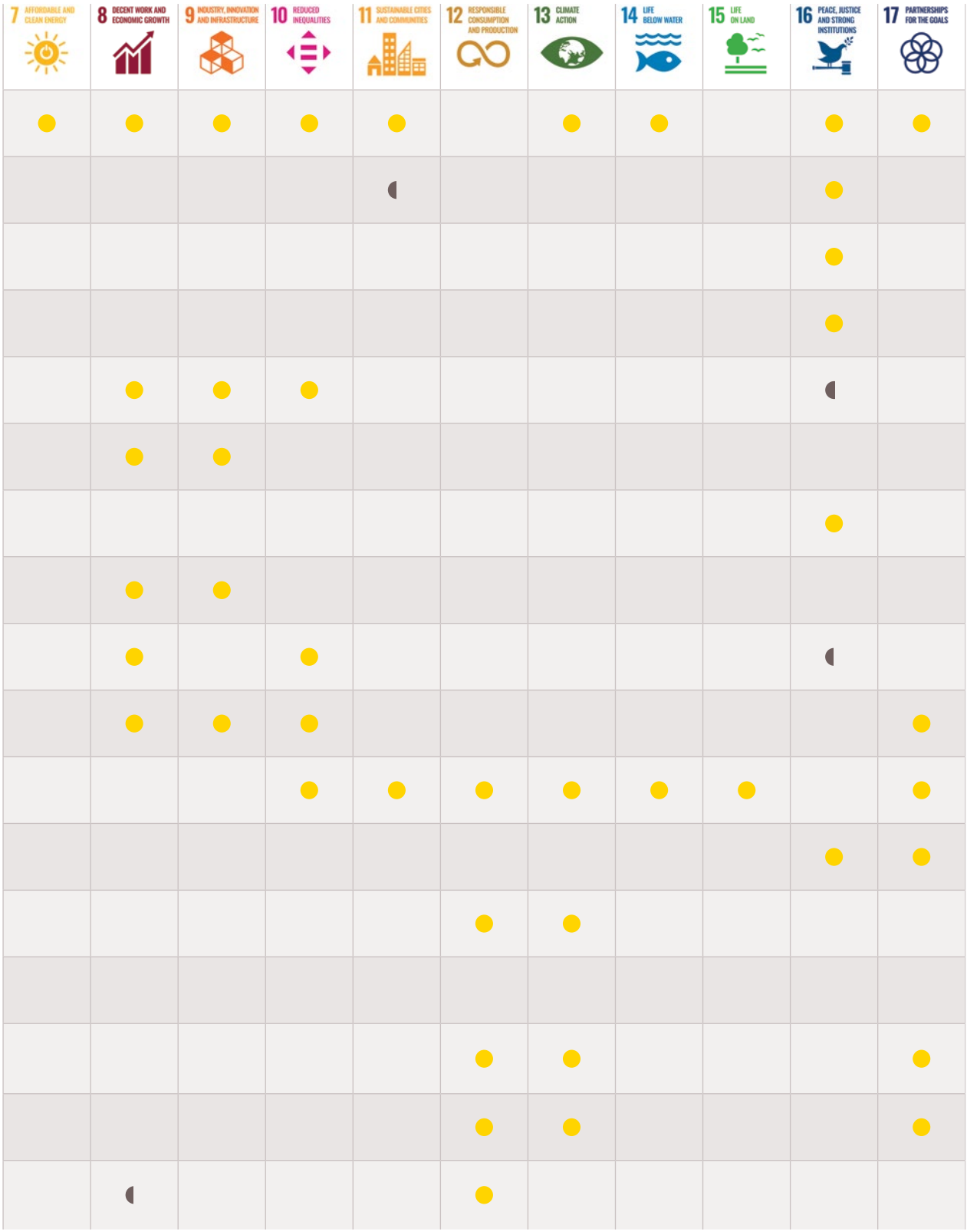
- Joined the membership and promoted the establishment of sustainable development networks, such as becoming a member of the Thai Bankers' Association, the Association of International Banks, the Carbon Market Club, etc.
- Signed the statement of intent to adopt the **Principles for Responsible Banking (PRB)** and the **Principles for Responsible Investment (PRI)** initiated by UNEP FI and UN Global Compact reflecting Krungsri's determination to conduct business by following responsible banking and investment guidelines
- Engaged with stakeholders, communities, and society through various activities and projects to achieve sustainable development goals domestically and internationally

Krungsri's Contributions to the Achievement of the SDGs

	Material Topics	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
1	Responsible Lending and ESG Consideration						
2	Risk and Crisis Management						
3	Cybersecurity						
4	Good Governance and Anti-Corruption						
5	Customer Experience and Market Conduct						
6	Economic Performance and Impacts	●					
7	Data Governance and Personal Data Protection						
8	Innovation and Digital Transformation						
9	Fair Labor Practices and Respect for Human Rights			●	●	●	
10	Financial Inclusion and Promotion of Financial Literacy	●			●	●	
11	Community Participation and Social Engagement	●		●	●		●
12	Stakeholder Engagement						
13	Human Resources Development				●		
14	Occupational Health, Safety and Working Environment			●			●
15	Environmental Management and Resource Efficiency						
16	Climate Change Management						
17	Supply Chain Management						

Remarks:

● Direct Support ◐ Indirect Support


7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

International Standards for Sustainable Development Practices

Krungsri, as a responsible financial provider, undertakes business by taking into account environmental, social, and governance dimensions, while being compliant with related standards, guidelines, and initiatives as follows:

Guidelines, Standards, and Initiatives	Organizations	Implementation Status
Sustainable Development Goals 2030 (SDG 2030)	The United Nations	Adopted as an operational guideline for establishment of strategies, targets, and sustainable operations
The Principles for Responsible Banking (PRB)	United Nations Environment Programme Finance Initiative (UNEP FI)	Adopted as an operational guideline
The Principles for Responsible Investment (PRI)	United Nations Environment Programme Finance Initiative (UNEP FI) and UN Global Compact	Adopted as an operational guideline
The Social Bond Principles (SBP) and ASEAN Social Bond Standards (ASEAN SBS)	International Capital Market Association (ICMA) and ASEAN Capital Market Forum (ACMF)	Adopted as an operational guideline
The Green Bond Principles (GBP)	International Capital Market Association (ICMA)	Adopted as an operational guideline
The Sustainability-Linked Bond Principles (SLBP)	International Capital Market Association (ICMA)	Adopted as an operational guideline
GRI Standards	The Global Reporting Initiative (GRI)	Adopted as an operational guideline for sustainability reporting
The Women's Empowerment Principles (WEPs)	UN Women and UN Global Compact	Adopted as an operational guideline for women's empowerment
ASEAN CG Scorecard	ASEAN Capital Markets Forum (ACMF)	Adopted as an operational guideline for good corporate governance practices
Commercial banks' code of ethics	The Thai Bankers' Association (TBA)	• MOU among commercial banks • Adopted as an operational guideline
The memorandum of understanding on 'Sustainable Banking Guidelines – Responsible Lending	The Thai Bankers' Association (TBA)	• MOU among commercial banks • Adopted as an operational guideline
International Financial Standard 9 (IFRS 9)	International Accounting Standards Board	Adopted as an operational guideline
Basel III Framework	The Basel Committee on Banking Supervision and Bank of Thailand	Adopted as an operational guideline
ISO 20022 Universal Financial Industry Message Scheme	International Standard Organization	Adopted as an operational guideline
ISO/ IEC27001: 2013 – Information Security Management (BAHTNET and ICAS)	International Standard Organization and International Electrotechnical Commission	Adopted as an operational guideline
The Carbon Footprint Organization (CFO)	Thailand Greenhouse Gas Management Organization (TGO)	Adopted as an operational guideline for implementation of the organization's carbon footprint and greenhouse gas reduction

Membership of Associations

Krungsri operates under good corporate governance and places great emphasis on becoming a member of and building up networks with external organizations, from which synergy is particularly vital – enabling the Bank to drive and strengthen its business toward sustainability. Due to the fact that each organization has unique potential, strengths and expertise collaboration with these parties is regarded as a pathway to bring the best out of each organization in an effort to improve society and environment for sustainable growth. Additionally, this coalition will effectively drive the economy and broaden positive impacts on society and environment at home and in the ASEAN region. In addition, the mentioned partnership and networks also align with the SDG No.17 Partnership for the Goals.

Organization	Collaboration Status
The Association of International Banks: AIB	Member
The American Chamber of Commerce in Thailand: AMCHAM	Member
The Thai-Japanese Association: TJA	Member
The Thai Institute of Directors Association: IOD	Member
The Thai Bankers' Association (TBA) and its clubs	Consultant/ Member/ Club President/ Taskforce
Thailand Private Sector Cellective Action Against Corruption: CAC	Certified member
The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB)	A representative of the Thai Bankers' Association to attend business council meetings, including meetings of the Australia - Thailand Business Council,and the New Zealand – Thailand Business Council, as well as monthly meetings of the Joint Standing Committee on Commerce, Industry and Banking
Carbon Markets Club	Founding member

Sustainability Awards and Achievements

Governance and Economic Aspects



1
- **Asia's Best CEO Award** (Investor Relations) (7th consecutive year)
- **Asia's Best CFO Award** (Investor Relations) (7th consecutive year)
- **Asia's Best CSR Award**
- **Best Investor Relations Professional Award**
- **Best Investor Relations Company Award** (Thailand) (8th consecutive year)

from Corporate Governance Asia



2 **ESG Influencer Award**
from Corporate Governance Asia

3
- **ICON on Corporate Governance Award**
- **Asian Corporate Director Recognition Award**

from Corporate Governance Asia

4 **The Asset ESG Corporate Awards 2021 (Platinum Award)**
from The Asset

5 **The Collective Action Against Corruption (CAC) member certificate** (3rd consecutive year)
from Thai Private Sector Collective Action Against Corruption

6 **Listed in Thailand Sustainability Investment (THSI)** (6th consecutive year) by The Stock Exchange of Thailand (SET)

7 **Certificate of ESG100 Company** (6th consecutive year) from Thaipat Institute

8 **Sustainability Disclosure Award**
from Thaipat Institute







Social Aspect

1. **UN Women 2021 Thailand WEPs Awards in the Gender-Responsive Marketplace Category (1st Runner Up)**
   from UN Women

2. **Best Bank for Women Entrepreneurs Award**
   from Global SME Finance







3. **Marketing & Brand Initiative of the Year – Thailand Award**
   Financial Inclusion Initiative of the Year – Thailand Award
   Domestic Technology and Operations – Thailand Award
   Thailand Domestic Initiative of the Year Award
   from Asian Banking & Finance (ABF) Retail & Wholesale Banking

4. **Best Bank for CSR Award**
   from Asiamoney

5. **CSR Recognition Award**
   from AMCHAM

6. **Rating Excellent Award**
   from Thai Institute of Directors Association (IOD)

7. **Thailand Corporate Excellence Award (Product and Service Excellence Award)**
   from Thailand Management Association (TMA) and Sasin Graduate Institute of Business Administration



Environment Aspect

1. **Green Office Project Award with an excellent level of Green Office (G-Gold)**
   from Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment

2. **BSA Building Safety Award (Gold Award) 2021 for Krungsri Ploenchit Office**
   from Building Inspector Association

3. **The Carbon Footprint Organization (CFO) Certificate**
   from Thailand Greenhouse Gas Management Organization (TGO)





Economic and Governance Aspects



Risk and Crisis Management

With the ongoing impacts of the COVID-19 pandemic on the business sector and the economy, as well as the well-being of customers, staff, and other stakeholder groups, Krungsri has assessed potential impacts on business and all stakeholders, while reviewing risk and crisis management guidelines to appropriately and thoroughly cope with the complex and unprecedented COVID-19 pandemic, so that businesses can achieve strong growth post-crisis and related stakeholders, particularly our customers, can get through this crisis together.

Krungsri places great importance on prudent risk and crisis management, believing that efficient proactive preparation for and adjustments to cope with future changes will help efficiently manage potential emergencies in diverse forms, while mitigating risks arising from disruptions on business operations, particularly critical business functions (CBFs) which could cause damage to our business and customers, as well as financial and reputational risks, etc. Also, efficient risk and crisis management approaches would help create business opportunities toward secure, strong, and sustainable growth.

Management Approaches

Risk Management

- Establish the 'Risk and Compliance Committe' to oversee overall risks, including the business management principles and practices of the Bank and the companies in the Financial Business Group. The committee stipulates and advises on risk management strategies, policies, frameworks, and overall business governance for the Board of Directors, and establishes duties and responsibilities, as well as the scope of work, of the Compliance Group and the Risk Management Group in accordance with the complexity of the Bank's businesses and the stipulated charter. The committee also ensures that the Senior Management Team as well as heads of risk management units comply with the policies on risk management strategies and risk appetites.

  In addition, it is the Risk and Compliance Committee's duty to supervise and monitor results of strategies regarding capital and liquidity management, as well as corporate governance policies, to cope with key risks, namely credit risk, market risk, liquidity risk, operational risk, legal risk, IT risk (including cyberthreats), reputational risk, and corporate governance risk. Its duties also include regularly reporting risk status, risk management efficiency, and the status of compliance with the organization culture in terms of risk, including significant factors, issues, and areas of improvement in accordance with the Bank's risk management and corporate compliance policies and strategies to the Board of Directors for acknowledgement and consideration. The committee shall report any non-compliance with the regulatory requirements to the Audit Committee as well.
- Establish the 'Risk Management Committee'. The Executive Committee considers and appoints no less than 11 members of the Risk Management Committee which is required to hold necessity-based meetings for efficient operations within the stipulated timelines, which must not fewer than once a month. In case of the situation where a meeting cannot be held, the Chairman must be notified by the Secretary to approve that the meeting is omitted and the Executive Committee must also be notified accordingly. In this regard, upon any necessity or emergencies, the Chairman has the authority to immediately call a special meeting needed to protect the Bank's interest.

  The committee is also required to review and assess the integrated risk management policy and procedures then propose them to the Executive Committee in a timely manner. Recommendations on strategic risk, credit risk, market risk, liquidity risk, operational risk, legal risk, information technology risk which includes cyber risk, and other risks affecting the reputation of the Bank and companies in the Financial Business Group should be in line with the Bank of Thailand's risk-based approach for commercial banks. The committee determines the Bank's risk appetite and devises strategies in accordance with the Bank's overall risk management policy so that

the volume of the Bank's risks is assessed, monitored, and kept at appropriate levels. Another duty is to manage and govern the Bank's overall risk management according to the Bank's good governance principles, and to establish the risk management framework to govern companies in the Financial Business Group, as well as risk capital management, in accordance with regulations of the Bank of Thailand, and the Bank's risk management policies, procedures, and manuals. The committee has the duty to report operating results to the Executive Committee as well as the Risk and Compliance Committee.

- Establish the '**Risk Management Group**' which continuously sets the risk management policies and the proper methods for each type of risk in accordance with the risk appetite as approved by the Risk Management Committee. Other duties of the Risk Management Group are to monitor and report portfolio quality, key risks, including developing strategies to manage potential portfolio and account risks for the Board of Directors and other relevant committees
- Establish the '**Policy for Enterprise-wide Risk Management**' as the fundamental risk management framework for Krungsri and companies in the Financial Business Group to ensure systematic risk management in consistent with the Enterprise-wide Risk Appetite Statement (RAS), which is the supportive document for this policy specifying risk strategies and risk appetite types for the Bank and companies in the Financial Business Group
- Adopt MUFG's policies and regulations to enhance the risk management process, namely risk identification, risk assessment, risk mitigation solutions, and monitoring and controlling risks taken within stipulated risk appetite limits
- Set up risk management measures and controls with the '**Three Lines Model**' in separating structures, roles, duties, responsibilities, and decision-making authority to meet the governance and risk management requirements and to achieve organization stability as follows:

Three Lines Model



First Line:
Business unit teams responsible for managing risks from daily operations to ensure that risks are considered and mitigated efficiently



Second Line:
The Risk Management Group with the duties to oversee, check, and control risk management processes



Third Line:
Internal audit units providing independent assurance by assessing policies and workflows to ensure effective implementation as determined

- **An integrated approach is used to manage four main types of risk:** credit risk, market risk, liquidity risk, and operational risk.

Four main types of risk



Credit risk

- Appoint two business units responsible for monitoring credit risk management, i.e. the unit that monitors the credit risk of corporate customers and the unit that monitors the credit risk of retail customers
- Develop credit risk management policies and action plans, i.e. credit policy, credit risk management policy, and credit risk rating policy



Market risk

- Develop market risk and liquidity risk management policies
- Monitor market risk closely to respond promptly upon changes in the business environment by employing Value-at-Risk (VaR) as a tool for assessing risks and backtesting in order to assess model accuracy. Furthermore, flash reports are sent to alert the relevant parties of scenarios in case of significant changes and there is stress testing to estimate losses due to stress scenarios.



Liquidity risk

- Stipulate market risk and liquidity risk management policies
- Develop the contingency plan for managing liquidity in crises. The plan determines the roles and duties of the relevant executives and business units, complete with early warning indicators and action plans for the Bank to swiftly deal with the crisis and fully recover to its normal state.



Operational risk

- Develop the operational risk policy
- Establish the operational risk management process which is comprised of risk identification, risk assessment, risk monitoring and mitigation, and risk reporting

- As regards the **Enterprise-wide Risk Management Framework (ERM)**, tools are implemented to ensure that all material risks are identified, measured, and managed to remain within acceptable limits as follows:

The Risk Appetite Framework
is an overall risk governance framework including policies, procedures, controls, and systems through which risk appetite is established, communicated, and monitored. The framework is specified to ensure Krungsri Group has clear and appropriate guidelines to manage risks—corresponding to our risk capacity and business strategies.

The Risk Map
is developed to identify potential risk events that could significantly impact Krungsri Group's business.

The Heat Map
is implemented to measure and monitor the current status of each significant risk by utilizing the key risk indicators.

Top Risks
refer to material risks identified through the Risk Map, the Heat Map, as well as the significant risks as per the opinions of management. Also, it is stipulated that such risks be managed under appropriate timeframes so as to prevent and mitigate the impact of such risks in a timely manner.

Identifying potential emerging risk, Krungsri undertakes the procedure under the Enterprise-wide Risk Management Framework as follows:

1) The risk owner develops a **risk map** to identify potential risks that may impact the Bank's business operations and risk profile over the next three to five years, namely economic risk, political risk, natural disaster risk, operating platform risk, and regulatory risk. In 2021, Krungsri took into account **the risk arising from erratic weather**, including droughts which not only impact farm income and the agro-industry, but also indirectly affect industries related to agriculture, e.g., agrochemical products and industries relying on farm income. However, the Bank deliberately assesses the impacts on the Bank's operations and puts in place risk management plans that cover the aforementioned risks.
2) The business unit which is the risk owner analyzes the risk's potential impact on the Bank's lending portfolio or business operations. In case the risk is material, it would be identified as a **top risk** and an action plan will be proposed accordingly.
    - Identify '**material risks**' —both mandatory regulatory risks and material risks arising from internal and external factors. We have established risk monitoring and control processes to ensure that such risks are effectively managed within acceptable limits, with the following important risks identified for 2021:

Risk Category	Material Risks
Pillar 1	• Credit Risk • Market Risk • Operational Risk
Pillar 2	• Credit Concentration Risk • Interest Rate Risk in Banking Book • Liquidity Risk • Reputation Risk • Strategic Risk
Other material risks	• Fraud Risk • IT Risk • Compliance Risk • Capital Adequacy Risk • Model Risk

- Develop a '**recovery plan**' as part of the Enterprise-wide Risk Management Framework, with the recovery and restoration triggers related to the risk appetite framework regarding risk appetite limits. The recovery plan will be activated in accordance with details specified in the Recovery Plan Document, comprising procedures, and communication plans for 1) executing liquidity recovery option, liquidity contingency plan (LCD), and procedures under the market and liquidity risk management policy for the governance of the Financial Business Group, and 2) executing capital recovery option, capital contingency plan (CCP), and procedures under the policy for risk and capital adequacy assessment.
- Determine the **Risk and Control Self-Assessment (RCSA)** and **Key Risk Indicators (KRI)** as tools and methods that Krungsri uses for closely monitoring and assessing various aspects of all business units' risks.

  In this regard, 'fraud' is another matter that must be assessed and checked. All business units must assign a champion to send an RCSA report every month to the Operational Risk Management Division. This monthly report makes up one of champion's KPIs for the sake of timely risk reports and extra carefulness in the organization's operations.

Moreover, the **control testing** must be conducted for risks identified in the Risk and Control Self-Assessment (RCSA) Report to ensure that key controls are designed and complied with on a regular basis, appropriately reflecting the risk status.

- Provide training in the **'Internal Control – Integrated Framework based on COSO principles' (The Committee of Sponsoring Organizations of the Treadway Commission)** which consists of five key components: Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring. The COSO program is a compulsory one wherein executives and employees must study, take a test, and pass the minimum requirement.

Crisis Management

- Stipulate the **'Policy on Operational Risk: Business Continuity Management'** as a guideline for mitigating impacts of business disruptions on operations, finance, legal issues, and reputations, as well as other significant impacts, particularly on disruptions on key operations, and for communicating to relevant parties about structures, roles, duties and responsibilities, operating frameworks, and processes regarding Krungsri's business continuity management to ensure efficient readiness and achievement of the Bank's specified objectives and strategies upon crises that severely affect the Bank.
- Develop the **'Bank-wide Business Continuity Plan' (BBCP)** as a guideline for setting policies, standards, and processes for the entire organization to ensure that whenever there is an incident that halts operations, the specified critical business functions' operations would still carry on continuously or resume within an appropriate time frame to minimize the effects from the disruption, ranging from impact on financial status, legal status reputation, to other significant impact such as catastrophes. The pillars of business continuity management are as follows:



- Develop the **'Business Continuity Plan' (BCP)** in writing by specifying needed steps and workflows for business continuity or recovery after disruptions on operations. Business units or supportive functions related to critical business functions (CBFs) must develop and maintain their respective BCP, while those running non-critical or supportive business functions without significant transactions shall comply with the procedure regarding the Bank's business continuity plan.
- Develop the **'Disaster Recovery Plan' (DRP)** in preparing for any crises that could disrupt the Bank's IT system and mitigating potential impacts, while restoring the Bank's normal IT operations within a timely basis. The plan comprises four key steps as follows: 1) pre-crisis preparation; 2) disaster recovery plan activation and notification; 3) IT system restoration; and 4) returning to normalcy and cancelling the plan implementation. Details should be consistent with the procedure for disaster recovery plan developed by the Information Technology Group.

- Develop the '**Crisis Management Plan**' (CMP) for stipulating crisis management strategies and approaches for employees, the crisis management team, and other relevant parties in order to carry on operations upon crises that affect normal operations.
- Designate '**alternate sites**' which are defined as operating sites ready to be used whenever it is necessary for the Bank's businesses to continue operating. This includes spatial and technological requirements for operating.
- Stipulate that staff must '**work from home**', meaning they have to work from their residence during the crisis period by using appropriate technology equipment for the Bank's business continuity.
- Establish the '**Crisis Management Framework**' which is comprised of the following:



Preparation of the crisis management plan
- Crisis Management Plan
- Crisis Communication Plan
- Premises Plan



Readiness of the crisis management plan
The effectiveness and readiness of the crisis management plan is assessed at least once per year.



Improvement and maintenance of the crisis management plan
The relevant divisions must review and improve the crisis management plan at least once per year or upon significant changes.

Performance

Introduced the operational risk management system (ORMS), in order to improve operational risk management efficiency and efficiently analyze the risk operational data

Performance:

In 2021, the Bank implemented ORMS in the operational risk incident reporting process, the Risk and Control Self-Assessment (RCSA) approach, and key risk indicators reporting process. Therefore, business functions that are risk owners can easily access operational risk management process, report operational risk incidents, as well as review and reassess the RCSA program. Krungsri will continue to apply ORMS in other operational risk tools.

Risk and Control Self-Assessment (RCSA)

Performance:

All business units carried out the RCSA annually and regularly and submitted their Key Risk Indicator (KRI) report every month.

Business Continuity Management

Performance:

In 2021, the important transactions and business continuity plans were continually reviewed to ensure that all major transactions can be conducted to serve customer smoothly.

Updating of the names and telephone numbers of employees in each business unit every quarter to be used during the call tree test

Performance

The names and telephone numbers of employees in each business unit (100 percent) were regularly updated every six months or upon any significant changes that impact their structures or manpower.

Call Tree testing at least once per year

Performance

In 2021, the call trees were tested once.

Who is the Risk Liaison Office (RLO)?

The RLO is the business unit representative who has the key role in implementing the operational risk management policy, process, and tools, including reporting on relevant operational risk activities.



RCSA & Control Testing
Annually review RCSA (Risk & Control Self-Assessment) and test the controls



Incident Report
Report operational risk incidents when an incident is discovered.



BCP & Call Tree
Update BIA (Business Impact Analysis), BCP plan, and call tree with annual testing.



Business Partner Activity
Newly register and update a business partner activity and third party regularly.



Key Risk Indicator Report
Monthly KRI (Key Risk Indicator) reporting

Cybersecurity

IT and digital technology development has become one of the most critical business drivers in most sectors, namely manufacturing, service, and trade, as well as other economic and social activities, including education, while consequently helping boost economic development, people's quality of life, and employment.

As a responsible financial service provider, Krungsri adopts IT and digital innovations in our operations to enhance efficiency and customer service, in terms of financial data access and personal data security, as well as providing customer convenience for greater customer experience. With its dramatic advances, IT and digital technologies, on the other hand, also enable continual cyberthreats and attacks, be it stealing, destroying, or altering data, or even deceiving victims which consequently create adverse impacts and damages at personal, organizational, national, and global levels.

In this light, Krungsri places great importance on privacy protection and cybersecurity, as well as effective cyber risk management in order to mitigate threats related to data theft, data leakage, misuse and unauthorized use of personal data. However, the Bank strikes a good balance between maintaining cybersecurity and reasonable access rights particularly remote access. The above-stated practice is the key mechanism in building credibility among all stakeholders, while promoting the use of technology in improving work efficiency and maintaining cybersecurity.

Management Approaches

- Establish the '**IT Security Division**' responsible for managing and monitoring the Bank's IT security to ensure that the IT control level is maintained in compliance with the Enterprise Information Security Policy, supervising following departments:
  1) The **IT Access Control Management Department** responsible for supervising the user account management process in compliance with the Bank's related policies and regulators' requirements.
  2) The **IT Controllership Department** responsible for managing the Enterprise Information Security Policy and supervision within the Bank, acting as the ISMS Coordinator and Document Controller which manages internal documents within the scope of IT security management.
  3) The **Cyber Security Department** responsible for IT supervision, design, and test in accordance with IT security guidelines, as well as cyberthreat detection and monitoring.
- Establish '**Enterprise Information Security Policy**' as a guideline to manage and protect IT data of the Bank and communicate with the Bank's employees and other stakeholders such as counterparties, temporary employees, suppliers and vendors, and other external parties who need to use the Bank's data to ensure that they acknowledge such policy and abide by the legal requirements and regulations related to this policy. Relevant actions are taken under three important frameworks such as maintenance of **data confidentiality**, **integrity**, and **availability** whereby the IT contingency plan was formulated. It is stipulated that the policy be applicable to the Bank and companies in the Financial Business Group ('subsidiaries') in which at least 50 percent of shares are held by the Bank, where the subsidiaries are required to adopt this policy as a common guideline to formulate their own IT security policy. Moreover, the content is to be reviewed and updated at least once a year in line with the risk landscape and future trends that could impact the Bank's IT security.
- Apply efficient security control measures starting from employment, transfer of position, or resignation procedures and informed the IT security system administrator in case of transfer of employees or computers
- **Prepare a complete IT asset register** and maintain IT assets on a regular basis to ensure availability to support the Bank's business continuity
- **Perform information classification**, maintain and destroy the data according to its class, manage the cryptography and key management throughout the encrypted key usage period which are reliable and meet international standards
- Stipulate access management and verify user identity according to their respective access rights, level of necessity, and the risk level to prevent access and system or data alteration performed by unauthorized persons
- Maintain security for the computer center and the areas used for key IT operations to prevent damage caused by invasions and natural disaster
- Manage irregular incidents and issues arising from the use of technology in an appropriate and timely manner, and also record, analyze, and report the irregularities, problems, and rectification guidelines to the **IT Management Committee**
- Formulated the '**IT contingency plan**' to enable the Bank to handle irregular incidents that caused system interruption and damage to ensure business continuity and timely system recovery. The Bank needs to review and test the IT contingency plan at least once a year and when there are any significant IT changes.
- Establish '**Information Technology Security Measures**' to cope with various situations in line with the 'Enterprise Information Security Policy' of the Bank, comprising 14 sub-measures as follows:

Information Technology Security Measures


IT security management


Communication network security


Organization-wide IT security structure


IT operation security


Personnel security


System procurement and development


IT asset management


IT incident and problem management


Data security


IT contingency plan formulation


Access control


Third-party management


Physical and environmental security


Compliance security

- Establish '**Guidelines for Cybersecurity Incident Response**' to increase the Bank's capability to comprehensively maintain maximum cybersecurity to prevent cyberthreats and support IT advancements including the phishing simulation exercise and the cyber tabletop exercise. An incident in which the Bank is under cyberattack is simulated where officers from relevant functions are required to participate in the exercise to ensure that they acknowledge and understand, and are familiar with the cyberthreat response process to ensure that they can efficiently handle cyberthreats.
- Adopt domestic and international industry standards and apply best practices for the cyber and IT security management in the organization. Examples include the advanced persistent threats tool and cyberthreat intelligence tool from reliable sources to enhance capability for detecting irregular incidents which was part of the cyberthreat monitoring process performed by the Security Operations Center (SOC); the control framework of the Society for Worldwide Interbank Financial Telecommunications (SWIFT); and the ISO 27001 Certification for the Information Security Management System (ISMS) in two different systems –

which are the Bank of Thailand Automated High-value Transfer Network (BAHTNET) for large-sized funds transfer transactions and Imaged Cheque Clearing and Archive System (ICAS) according to the BOT's requirements. The Bank also takes other relevant actions to strengthen cybersecurity standards.

- Establish procedures for e-mail management, the use of the internet, the use and administration of personal computers, the use of services on mobile devices, remote access, and the use of social networks as a guideline for uses of diverse services in facilitating business operations, while taking into account IT security and complying with the Bank's IT security and related policies
- Provide a channel — e-mail: CSIRT@krungsri.com — for employees to report the Cyber Security Department when receiving phishing mails, e-mails with malware, computer virus, and other irregularities caused by cyberattacks

Performance

Communication about basic cybersecurity knowledge

Objective:

To communicate with Krungsri executives and staff about the guideline for access to information on social networks, the use of the internet, and setting and using passwords

Performance:

Communicated via the 'IT Update' e-mail on a regular basis

IT Backup System Test 2021

Objective:

To assure the Bank of Thailand, the Bank's customers and counterparties that the Bank has capability in mitigating impacts from business interruption and timely recovery in case of emergency incidents in the Bank's main computer center

Performance:

Provided training for employees to ensure that they have correct understanding before the testing and carried out a test in December 2021

Vulnerability Management 2021

Objective:

To assess IT vulnerability and take actions to solve the problems and prevent possible cyberthreats in a timely basis. The IT vulnerability of key systems must be assessed at least twice a year and when there are any significant IT changes.

Performance:

The IT vulnerability assessment was done twice as planned:

- First, from February - June 2021
- Second, from July - November 2021

Penetration Test 2021

Objective:

To conduct a penetration test in the application systems and internet-facing network services by independent internal or external experts at least once a year and when there are any significant changes

Performance:

The test was conducted once during the period from March to November 2021 as planned.

Joined forces with the Human Resources Division to organize the IT security training courses for Krungsri executives and staff

Objective:

To provide knowledge to employees to ensure that they understand and are aware about cyberthreats, in accordance with the Bank's IT security regulations and policies

Performance:

Training was provided through Krungsri Learning Companion (KLC) and Microsoft Teams as follows:

1) Phishing Attacks on The Rise
2) Information Security Awareness

Communication about phishing e-mail

Objective

To communicate with Krungsri's executives and staff about prevention and coping methods for phishing e-mails

Performance

Regularly communicated through the IT Update e-mail



Enhance the level of proactive prevention phishing e-mail

Objective:

To enhance employees' understanding and capacity in coping with cyberthreats, while encouraging employee engagement in reporting incidents suspicious as phishing by clicking the Report Phishing button on the Outlook e-mail to enable the CSIRT team to timely take proactive actions

Performance:

The number of phishing e-mail increased significantly from an average of 20 items per month (before July 2021) to 120 items per month (from July to December 2021), enabling the CSIRT team to prevent cyberattacks via e-mails on a timely basis.

Phishing simulation exercise

Objective:

- To enhance and raise employees' awareness for cybersecurity by sending a phishing e-mail to them
- To test whether the employees click on the link or fill out their personal information in the fake website

Performance:

Carried out the exercise and communicated with employees for the entire year to ensure that they acknowledge best practices to mitigate the risk where the employees may fail to realize such threats

Participate in the Thailand's National Cyber Exercise 2022 for organizations of critical information infrastructure

Objective:

To ensure understanding of cyberthreats and preparation for timely responses to cyber incidents, as well as enhancing the efficiency of cyberthreat analysis for the banking sector to maintain the country's economic stability

Performance:

Krungsri as an organization of critical information infrastructure (CII) participated in the Thailand's National Cyber Exercise 2022 held via an online channel by the National Cyber Security Agency (NCSA) during December 22-24, 2021

The DDoS attack simulation training

Objective:

- To test the anti DDoS platform upon multi vector attacks
- To test incident responses upon DDoS attacks

Performance:

Carried out the test once on August 19, 2021 as planned

Good Governance and Anti-Corruption

Good governance and anti-corruption are key factors that drive business in an efficient, transparent and auditable manner. All this will help bolster the confidence and trust of all stakeholders, including shareholders, investors, and customers in us and also add value and worth to the business in the long term, while also strengthening and promoting the organization's sustainable growth.

Krungsri Group, therefore, aspires to continuously strengthen good governance to ensure that our entire organization, both policy and operational levels, and to instill into our employees the sense of duly complying with good governance principles. We also promote the organizational culture of zero tolerance toward all forms of corruption, both direct and indirect.

Management Approaches

Krungsri emphasizes conducting business based on good corporate governance principles and combating all forms of corruptions. Our management approaches are as follows:

- Krungsri's '**Good Corporate Governance Principles**' are stipulated in writing. The contents cover shareholders' rights and equitable treatment; disclosure of information and transparency; composition and qualifications of the Board of Directors; roles and responsibilities of the Chairman and the Board of Directors including the subcommittees reporting to it; roles and responsibilities of the President and Chief Executive Officer and other executives; internal control system and internal audit system; Krungsri Group's business philosophy and roles toward stakeholders; Krungsri's mission, vision, and core values; and the Code of Conduct and employees' compliance with it. It is stipulated that these principles must be revised every year or without delay upon any significant change to ensure that Krungsri's Good Corporate Governance Principles are appropriate to the changed situations and correspond with the relevant criteria, including the organization structure and the compliance environment of Krungsri Group.
- Monitor and supervise to ensure that Krungsri's operations are carried out in compliance with the good governance guidelines, with which most of Krungsri's operations complied over the past year. However, the guidelines have not been applied to some of our operations as the Board of Directors is of the view that they are too complicated. Therefore, other measures and guidelines have been adopted to supervise such operations instead, to ensure that overall operations are carried out in compliance with the Good Corporate Governance Principles.
- Stipulate '**The Spirit & The Letter (S&L)**' as practices for all directors, executives, and staff in working with integrity under laws and good governance principles. The S&L specifies the matters for acknowledgement, compliance, caution, and punishment in case of violation in writing in order to create continuous awareness of the practices. Krungsri stipulates that all employees must regularly affix signature as acknowledgement and consent to comply with The Spirit & The Letter every year.

The Spirit & The Letter (S&L)



Section 1 Compliance excellence
- Compliance excellence

Section 2 Working with customers and suppliers
- Improper payments
- Supplier relationships
- International trade controls
- Anti-money laundering
- Privacy and personal data protection

Section 3 Government business
- Working with government agencies

Section 4 Competing globally
- Complying with competition laws

Section 5 In the Krungsri community
- Fair employment
- Environment, health, and safety
- Security and crisis management

Section 6 Protecting Krungsri assets
- Intellectual property
- Controllership
- Conflicts of interest
- Insider trading and stock tipping



- Adhere to the '**Banking Industry Code of Conduct**' which was jointly determined by the Thai Bankers' Association (TBA) and its member banks to uphold the standards and code of ethics for commercial banks and also to bolster customer confidence in the banking industry. Business is run based on three main principles, i.e. **integrity, fairness,** and **accountability to stakeholders**. The code covers practices regarding 1) Code of Conduct; 2) Roles of Directors and Executives; 3) Service Standard; 4) Employees and Working Environment; 5) Commitment to Customers: 6) Conflict of Interest; 7) Information Management; 8) Overall Compliance; and 9) Trade Competition and Dispute Resolution. In addition, in 2020, TBA and member banks have jointly established the 'guidelines on code of ethics for commercial banks' to make the above-stated nine items of best practices clearer and more practical for the efficiency of compliance.
- Stipulate that all groups must appoint a '**Compliance Champion**' to communicate, promote, and oversee compliance with regulatory requirements, policies, and regulations, as well as the Bank's corporate compliance requirements for that particular group for employees' acknowledgement and compliance
- Communicate and disclose '**Good Corporate Governance Principles**' and '**The Spirit & The Letter**' to all stakeholder groups through the Bank's website (www.krungsri.com)
- Establish the '**Fraud Management Committee**' which has the duties to formulate and propose policies to the Executive Committee as well as reviewing the adequacy of anti-corruption policies, criteria, management system, and the efficiency of such systems and compliance with the policies on a continuous basis. The aim is to improve the overall anti-corruption mechanisms of the Bank and the companies in the Financial Business Group to ensure they are prudent, strict, and efficient.
- Stipulate the '**Policy and Program for Anti-Bribery and Corruption**' as a guideline for operating business with honesty, integrity, good governance, and ethics. The Bank has zero tolerance toward any form of corruption, both direct and indirect. The Bank, companies in the Financial Business Group, and the Bank's branches in foreign countries must all refer to this policy when formulating their policies, criteria, and workflows regarding anti-corruption unless there is a stricter or more stringent and more comprehensive policy or requirements imposed. This policy is revised every two years or upon any significant change and must be approved by the Board of Directors through the Risk and Compliance Committee, and the Executive Committee.
- Stipulate the '**Anti-Bribery and Corruption Guideline**' as the anti-corruption guideline for reiterating the roles, duties, and responsibilities of all the relevant business units to ensure compliance with the Bank's corporate governance principles, to which all levels of executives and staff must strictly adhere. The program also promotes good organization culture and shows our standpoint of zero tolerance toward bribery and corruption.
- Stipulate the '**Procedure for Gift and Entertainment**' so that executives and staff understand the scope, criteria, and proper practices to give or receive gifts and entertainment including relevant practices, to promote compliance with good corporate governance and ethics, and to reduce corruption risks from giving or receiving gifts and entertainment. The policy covers giving or receiving gifts and entertainment with counterparties or partners in businesses related to the Bank such as customers, advisors, agents, Thai government officials, foreign government officials, international organization officers, and any other person or operator dealing with the Bank. The Bank, companies in the Financial Business Group, and the Bank's branches in foreign countries all must refer to this policy as a guideline when formulating their criteria, principles, and workflows regarding giving or receiving gifts and entertainment unless there is a stricter or more stringent and more comprehensive policy or requirements imposed.
- Stipulate the '**No Gift Policy**' to which Krungsri's employees shall adhere by not accepting gifts from the Bank's customers or suppliers. This policy shall be communicated to stakeholders and external parties through the Bank's many channels, including Krungsri's website (www.krungsri.com), the Facebook Fanpage 'Krungsri Simple', ATM screens, Line Official Account 'Krungsri Simple', etc., to show our intention to comply with principles to counter corruption of all forms, under the Thai Private Sector Collective Action against Corruption (CAC) and good governance principles.

- Stipulate that all employees must study the six compulsory programs promoting good governance and ethics (e-learning programs) regarding good governance, risk mitigation, and fraud and money laundering via the Krungsri Learning Companion (KLC) system as follows:

Compulsory Programs Promoting Good Governance and Ethics



Good Corporate Governance (CG)



Gift and Entertainment (G&E)



The Spirit and The Letter (S&L)



COSO Internal Control Framework



Anti-Money Laundering/ Combating the Financing of Terrorism (AML/ CFT)



Related Party transaction (RPT)

- Be recertified as a member of 'Thailand's Private Sector Collective Action Coalition Against Corruption' (CAC), reflecting Krungsri Group's determination to prioritize countering all forms of corruption and bribery in accordance with our written policy and procedure which serve as guidelines for measurable sustainability. All our directors, executives, and employees must sign and observe a binding agreement to adhere to the Policy and Program for Anti-Bribery and Corruption, with disciplinary punishments for those who violate these provisions.
- Communicate and promote the Bank's good corporate governance and ethics to ensure that operations are carried out prudently and to mitigate fraud-related operational risks. Advertising materials regarding such matters are regularly publicized through the appropriate channels, e.g. the e-mail 'Compliance Message', to ensure that information about good governance and ethics is communicated to all levels of employees.
- Lay down the fundamental principles for whistleblowing and protecting whistleblowers. By Krungsri's provision of easily accessible whistleblowing channels, employees or any person can rest assured that after whistleblowing through those channels, they will not suffer any repercussion. In this regard, complaints shall be processed without delay and investigated justly. We also have rectification, preventive, and reporting measures, as well as processes for updating the whistleblower (in case the whistleblower's identity is known) and reporting to the relevant committees for acknowledgement.

Whistleblowing Process



Report a lead or file a complaint about violation of rules, policies, procedures, or business code of conduct



Follow up and investigate the facts



Determine the rectification and report to the whistleblower and the relevant committees

Whistleblowing Channels

1. **Supervisor or second-line supervisor trusted by the whistleblower**

2. **Compliance Group**
   (Head of Corporate Compliance Department)

3. **Ombudsperson**
   - Tel. 0-2296-2000 ext. 85588
   - P.O. Box 169, Yan Nawa, Bangkok 10120
   - Intranet: We Connect channel > Krungsri Compliance > Whistleblowing

4. **Branch Operational Risk Management Department**
   - Tel. 0-2296-2000 ext. 83456 followed by 1 then 2

5. **Human Resources Group**
   - HR Hotline Tel. 0-2296-2000 ext. 85577

6. **Audit Committee**
   - Address: Audit Committee
     Bank of Ayudhya PCL, Head Office,
     1222, Rama III Road, Bang Phongphang,
     Yan Nawa, Bangkok 10120
   - e-mail: audit.committee@krungsri.com

7. **MUFG Channel** (in English or Japanese only)
   - Nishimura & Asahi Law Firm
     Address: Otemo Tower, 1-1-2 Otemachi,
     Chiyoda-ku, Tokyo 100-8124, Japan
     e-mail: mufgwhistleblow@nishimura.com
   - MUFG Audit Committee
     Address: JP-Tower, 2-7-2, Marunouchi, Chiyoda-ku,
     Tokyo 100-0005, Japan
     e-mail: mufg-group-helpline_kansaiinkai_PF@mufg.jp

Performance

Good Corporate Governance Principles

Details:

The Bank stipulates that the Good Corporate Governance Principles must be revised every year or without delay upon any significant change.

Performance:

In 2021, the Board of Directors conducted the annual review of the Good Corporate Governance Principles. Their opinion was that the content should be revised in accordance with the current good corporate governance guidelines of the related regulators and organizations, as well as the Bank's internal guidelines.

The Corporate Governance report of Thai listed companies (CGR) project undertaken by the Thai Institute of Directors (IOD)

Details:

Assessment of listed companies' compliance with corporate governance principles based on the documents which are disclosed to the public.

Performance:

The assessment result for the Bank in 2021 was 'Excellent'.

Compliance Champion/ Representative Meeting

Details:

The workshop on compliance with banking regulatory requirements was organized for the Compliance Champions of all groups and the Compliance representatives of companies in the Financial Business Group.

Performance:

Three Compliance Champion/ Representatives Meetings were held online:

- The first meeting on March 11, 2021 was attended by 173 persons.
- The second meeting on July 7, 2021 was attended by 156 persons.
- The third meeting on September 17, 2021 was attended by 133 persons.

The 'Thailand's Anti-Corruption Day 2021' event was held under the theme 'Friending Children to Build a Nation' and the International Anti-corruption Day 2021 was held under the theme 'Zero Tolerance'

Details:

The events promote and encourage all public and private sectors, education institutions, and the civil society sector to take part in whistleblowing and probing fraud in order to stamp out the country's corruption.

Performance:

Krungsri regularly participates in the annual activities to show our intention of countering all forms of corruption. In 2021, the Bank's representatives attended both activities which were held online via the Facebook Fanpage of the Anti-Corruption Organization of Thailand on September 6, 2021 and that of NACC Thailand on December 9, 2021

Customer Experience and Market Conduct

Krungsri's core value of '**Customer Centricity**' has been firmly adhered by all executives and staff members. Viewing 'customers' as a primary stakeholder group who plays a vital role in promoting our success, Krungsri therefore focuses on optimizing customer experience through an in-depth analysis in order to understand their expectations, pain points, and needs, while also listening to their feedback and suggestions through the Bank's many customer contact channels. As a result, our financial product and service innovations can be tailored to perfectly suit the demands of each customer group, namely corporate, SME, and retail customers. Customer experiences are connected across our omnichannel for their smooth journey in accessing our products and services, anywhere, anytime.

It is Krungsri's belief that treating customers fairly based on the principles of non-discrimination will help advance their satisfaction, loyalty, and engagement with the Krungsri brand. As a result, Krungsri will be able to maintain and expand our customer base in the long term, thus becoming the main bank of customers who trust our services.

Management Approaches

- Establish the Krungsri core value of '**Customer Centricity**' as part of the organization's culture as well as the heart of our business operations in order to become customers' most preferred financial institution.
- Formulate the '**Market Conduct Policy**' for controlling market conduct management according to regulatory requirements. The policy serves as a guideline on providing fair services to customers for both the Bank and companies in the Financial Business Group ('Krungsri Group'), which are all obliged to comply with the policy and must refer to it as a guideline for formulating their own comparable policies unless there are more stringent legal or regulatory requirements imposed on each company. Moreover, the policy must be reviewed at least once a year or upon significant changes.
- Stipulate processes relating to offering products and services in an appropriate manner so as to not invade customers' privacy. Customers shall receive complete, sufficient, and accurate key facts about products or services for their decision-making. This includes providing complete and appropriate after-sales information and services. In this regard, the after sales service and data provision must be sufficient and appropriate, particularly where there is a change in terms and conditions or services that could cause higher burdens or risks for customers.
- Put in place an audit of sales and service operations of staff by establishing **the procedure of callbacks** to control, supervise, and audit sales and service operations in compliance with the market conduct policy by randomly making telephone calls for customer satisfaction surveys. The survey results will be analyzed and used for the Bank's service enhancement.
- **Safeguard customers' data by being mindful of privacy and confidentiality.** In this regard, disclosure of customer data to other parties must not violate the customer's privacy, be it for marketing purposes or not (Please see more details under the topic of 'Private Data Security').
- Training and communicating to all levels of customer service staff about the importance of providing services fairly with the content that is complete, explicit, up-to-date, and easy to practice (Please see more details under the topic of 'Human Resources Development').
- Strictly comply with the Bank of Thailand's market conduct guideline to mitigate potential risks arising from noncompliance with BOT regulations and requirements, or being suspended from service provision, penalized, blamed, as well as potential brand and reputation risks
- Promote, communicate, and set standards so that all parts of the Bank realize and understand the Bank's '**Customer Complaint Resolution Process' (CCRP)** which covers not only the main contact channel '**Krungsri Call Center 1572**', but also other channels such as the Bank's branches, website, e-mail, and fax. This is so that employees have a guideline to follow for handling customers' complaints, compliments, and suggestions. All relevant business units must resolve any complaint within the time limit counting from the date that the complaint was received.

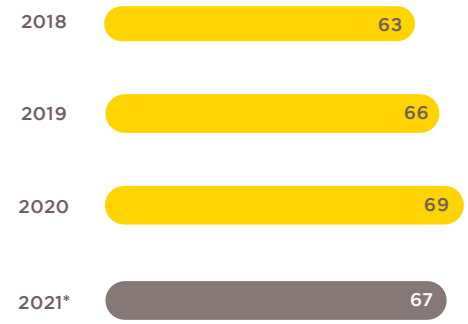
- Expand scope of customer services via live chat by establishing **the 'Digi-care Contact Center' team** to support customer contact through the Bank's social media channels, e.g. Facebook, Twitter (Krungsri Simple), website (www.krungsri.com), e-mail, or other online media such as the Pantip Webboard to ensure that customer services and assistance are provided on a timely basis
- Maintain sufficient manpower at customer service centers to ensure no impact on customer services during the COVID-19 pandemic
- Disclose product and service quality information on a quarterly basis on Krungsri's website (www.krungsri.com) to make it easy for customers to understand and compare different products in accordance with the guideline and format stipulated by the Bank of Thailand
- Put in place the customer satisfaction survey process with a tool called **'Net Promoter Score (NPS)'**. Krungsri measures customer satisfaction annually to keep track of interests, preferences, and opinions on the Krungsri brand. The NPS is another channel for listening to the feedback of customers who are among the organization's most important stakeholders, in order to perfectly satisfy their expectations and demands.
- Establish the **'Customer Experience Management Division'** responsible for collecting and analyzing customer feedback and suggestions given via multiple channels, e.g., product satisfaction surveys, customer feedback given to frontline staff and via social media. In addition, channels to receive staff feedback are available as they play an important role in enhancing customer experience, while meetings to promote internal cooperation have been arranged in order to improve operational and service process for greater efficiency and effectiveness. Feedback from both customers and staff is crucial for in-depth analysis and product and service development planning while taking customer experience to the next level. In this regard, the customer feedback analysis and planning information would be proposed to the **Customer Experience Council (CXC)** of which the chairman is the Bank's senior executive, so that the council would select suitable solutions for product and service development as well as the best customer experience.

Performance

Customer satisfaction toward the Krungsri brand



Net Promoter Score (NPS)

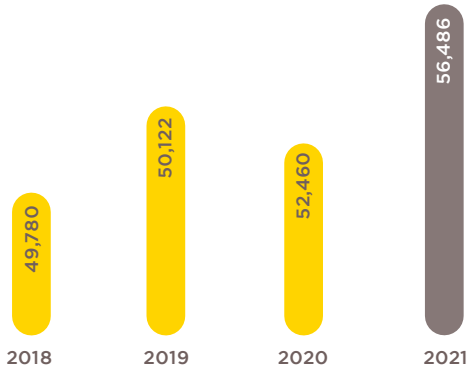


Remark:

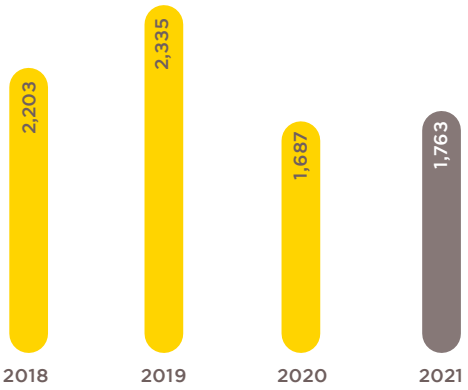
* In 2021, the NPS Survey method was changed from contacting by phone to by SMS.

Receipt of complaints, compliments, and suggestions

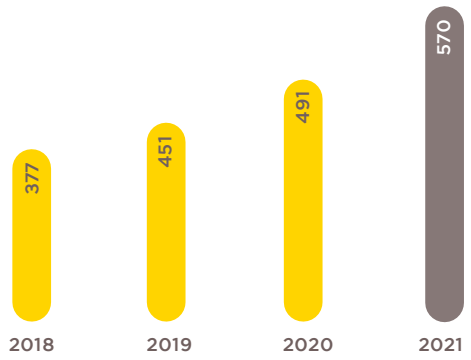
No. of complaints, compliments, and suggestions via CCRP system (items/ year)



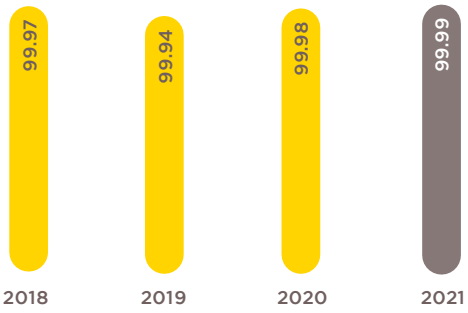
No. of Customer Complaints (items/ year)



No. of Customer Compliments (items/ year)



No. of complaints resolved within 15 days (percent)



Relief programs for customers impacted by the COVID-19 pandemic

2021 marked the second year of the ongoing COVID-19 crisis which brought about severe impacts on Thailand's socio-economic structure. Amid uncertainties of the pandemic and economic recovery, Krungsri continued to carry out proactive approaches in assisting customers impacted by COVID-19 since 2020, so that their financial burdens could be reduced. Also, in response to the government's and the Bank of Thailand's policies, **total loans outstanding extended under Krungsri's relief programs for both corporate customers and fragile households was 170,211 million baht.**

In addition, as at the end of December 2021, **credit lines of 28,017 million baht** were offered to SMEs to boost their liquidity under the Special Loan and soft loan programs, so that they can get over this crisis and move on toward economic recovery.

Economic Performance and Impacts

Items	Unit	2018	2019	2020	2021
Total operating income[1/]	Million baht	109,579	121,608	113,987	122,906
Operating cost[2/]	Million baht	22,665	21,649	20,633	20,020
Employee expenses[3/]	Million baht	26,287	27,648	25,297	26,717
Payment to providers of capital[4/]	Million baht	38,056	40,285	30,068	27,341
Tax payment to government[5/]	Million baht	6,458	6,957	6,516	8,010
Cash donation[6/]	Million baht	11.92	33.88	39.15	23.70
Economic value retained	Million baht	55,648	65,795	66,456	69,537
Total assets	Million baht	2,173,622	2,359,592	2,609,374	2,499,109
Total liabilities	Million baht	1,929,904	2,087,476	2,320,195	2,180,872
Shareholders' equity	Million baht	243,718	272,116	289,179	318,237
Workforce[7/]	persons	30,933	33,086	33,340	33,397
Number of branches[8/]	branches	705	692	671	642

Remarks:

1/ Total operating income: Net interest income + Net fees and service income + Other operating income

2/ Operating cost (exclude expenses associated with employees) such as director's remuneration, expenses relating to buildings, premises and other equipment, and others

3/ Employee expenses means salaries, wages, overtime pay, bonuses, cost of living subsidies, employee benefits, the Bank's contribution to provident funds, welfares and other benefits e.g., health insurance, annual health checkup.

4/ Payments to providers of capital means dividends paid to shareholders and interest expenses.

5/ Tax payment to government means duty tax and income tax excluding deferred tax income/ expenses.

6/ Cash donation means donation to charitable organizations, donation for education support, service activities and disaster reliefs.

7/ Permanent employees of the Bank and its subsidiaries, joint ventures, and associate companies

8/ Included Head Office and one overseas branches

Data Governance and Personal Data Protection

Krungsri emphasizes implementing the highest level of personal data protection, retention, and safeguard as personal data is confidential, unless it does not breach Krungsri's policies and/or related laws, particularly the Personal Data Protection Act B.E. 2562 (2019) which will take full effect on June 1, 2022. Krungsri therefore establishes the requirement of compliance with related measures in protecting, retaining, and safeguarding personal data to maintain trust and confidence from our customers and stakeholders.

Management Approaches

- Establish the '**Data Governance Committee**' responsible for stipulating policies and measures for handling various sets of information of the Bank and companies in the Financial Business Group. The committee consists of at least 12 executives from the relevant departments
- Establish the '**Data Governance Department**' responsible for communicating about the policies and the data management measures to the executives, employees, and relevant stakeholders as well as exercising a control to ensure that they strictly comply with the Data Management Governance Policy

- Establish the '**Data Management Governance Policy**' adopted as a guideline for managing the personal data starting from data input, management, analysis, and report insurance to ensure correctness and completeness. The said policy shall be applicable to the Bank, directors, executives, employees, and individuals and juristic persons performing tasks on behalf of the Bank such as outsourced staff whereby all these groups of stakeholders shall strictly comply with the said policy. In this connection, the policy shall be updated every two years or upon any significant change
- **Establish the clear data classification approach** to manage the data in the most efficient manner—especially the '**Key Data Elements' (KDEs)** deemed as a key data for customer services, risk and financial reports, and reports submitted to the relevant regulatory authorities by focusing on five principles consisting of accuracy, correctness and completeness, compliance with relevant standards, alignment, and non-redundancy
- **Establish the procedure for the use of biometric technology** to control and report the use of biometric data to related regulators, including the Bank of Thailand, etc.
- Establish the roles and responsibilities of relevant persons regarding the data management under the concept of '**Three Lines of Defense**' to ensure that the Bank has a systematic data management throughout the organization.

Three Lines of Defense



First Line of Defense
refers to business and supporting functions



Second Line of Defense
refers to the Data Governance Committee, the Data Governance Department, the Risk Management Group, and the Compliance Division



Third Line of Defense
refers to the Internal Audit Group

- Establish '**Privacy Policy**' with the following objectives:
  - To provide a guideline in establishing measures to protect, retain, and safeguard 'personal data' of customers, suppliers, employees, and the Board of Directors
  - To provide a reference document for sharing knowledge on collecting, use, disclose, and retain personal data in a responsible manner, to prevent violation of laws, to protect the Bank's reputation, credibility, and image

In this regard, the said policy shall be applicable to the Bank, companies in the Financial Business Group, and overseas branches. Also, companies in the Financial Business Group and overseas branches shall adopt this policy as a guideline to formulate their comparable policies, criteria, and operating process except for having other stricter and more comprehensive policies, regulations, and procedures, unless they have policies or requirements which are more stringent and cover a broader scope. The said policy shall be reviewed every two years or upon any significant changes.

Performance

Formulation of policies and procedures of the Bank related to personal data protection, and those related to requests for consent for collection, use, disclosure of personal data

Objective:

To serve as a guideline related to collection, use, or disclosure of personal data

Performance:

The policy and the procedures were announced before the Personal Data Protection Act B.E. 2562 (2019) becomes fully effective.

Preparation of the Privacy Notice

Objective:

To explain details of the personal data processing to the data subject and boost confidence among the Bank's customers, executives and staff that the Bank collects, uses, and discloses the personal data in a transparent and responsible manner in compliance with the Personal Data Protection Act B.E. 2562 (2019)

Performance:

The communication about the Privacy Notice in both hard-copy and soft-copy formats has been completed as scheduled via diverse channels, including branches, the Bank's website (www.krungsri.com) and Krungsri Mobile Application (KMA).

Preparation of the consent request form for collection, use, and disclosure of personal data

Objective:

To use the form to collect, use, and disclose the personal data whereby the consent shall be granted from the data subject according to the Personal Data Protection Act B.E. 2562 (2019)

Performance:

The consent request form in both soft-copy and hard-copy formats has been completed as scheduled and took effect since the first quarter of 2021.

Communication with employees through e-mail: Compliance Message

Objective:

To enhance knowledge about the Personal Data Protection Act B.E. 2562 (2019) of executives and staff

Performance:

Communicated about the definition; duties of relevant persons; best practices for collecting, using, disclosing personal data, consent requests, lawful bases, and cautions on a monthly basis

Organization of online (compulsory) training sessions on the Personal Data Protection Act B.E. 2562 (2019) for executives and staff

Objective:

To enhance knowledge about the Personal Data Protection Act B.E. 2562 (2019) of executives and staff

Performance:

Organized training sessions for executives and staff of various business units, especially those related to collection, use, and disclosure of personal data

Record of data processing

Objective:

To ensure that each business unit of the Bank associated with collection, use, or disclosure of the personal data performs the data flow assessment (starting from collection, usage, disclosure, and disposal) of the personal data. This aims at stipulating the controlling mechanism of each business unit and ensuring that the data can be processed in an appropriate manner.

Performance:

Under the process of updating and completing data, and reviewing it upon changes of procedures related to personal data

Preparation of IT systems as follows:

- **Consent Management**
- **Data Subject Rights**
- **Data Breach Incident**

Objective:

To prepare internal systems, contact channels, in order for the Bank to manage diverse incidents in an efficient manner:

- To give and revoke consent by the data subjects
- To exercise the Data Subject Rights
- To manage data breach incident

Performance:

These systems have been prepared and completed since May 2021.

Customer personal data management

Objective:

To safeguard and protect customer personal data

Performance:

In 2021, the Bank did not receive any complaint from regulators of the banking industry related to significant breaches of customer personal data.

Preparation of assessing impacts of personal data use (Privacy by Design)

Objective:

To assess risks of the use of personal data and establish a guideline to ensure that all procedures and system designs comply with the Personal Data Protection Act B.E. 2562 (2019)

Performance:

These processes have been prepared and implemented since July 2021.

Innovation and Digital Transformation

The fast pace of innovation and digital technology advancements significantly impact behaviors, attitudes, and lifestyles of customers and the general public. In addition, digital technology has substantially disrupted diverse industries particularly the banking industry that has taken operations and customer services to the next level.

Krungsri fully embraces the digital transformation platform by promoting the adoption of digital technology in developing and creating financial innovation and services among staff in order to satisfy ever-changing customer needs on a timely basis. The environmentally-friendly digitalized operations have also been promoted to boost working efficiency that could help the Bank keep pace with the industry, while taking part in upholding resource and energy efficiency.

Achieving digital adoption will not only promote efficiency and help create innovation and business opportunities, but also reduce operating costs and business risks that could arise from the accelerated digital disruption.

Management Approaches

Krungsri supports the development of innovation and digitization based on management approaches as follows:

- Instill the organization culture and core value of **'Making Innovative Changes'** by encouraging employees to exchange ideas in search of new viewpoints. Employees are also encouraged to think out of the box for better changes, test their ideas, and learn under proper impact mitigating mechanisms. They should also readily adapt to changes, particularly those regarding innovation and digitization which play a role in the current ways of working and operating business.
- Establish the **'Digital Innovation and Data Group'** under the Information Technology Group. The division is tasked with the development and management of IT and digital system projects, digital solutions, digital banking and innovations to deliver products and services with ultimate efficiency and an uplift of operational efficiency. Also, the division will seek investment opportunities in startups both in Thailand and overseas through Krungsri Finnovate.
- Emphasize and educate employees about innovation and technology in effort to elevate potential of the employees and equip them with the necessary skills in preparation for new ways of working such as learning and employing big data technology and data analytics, the agile management method and the scrum method, and design thinking for long-lasting success.
- Establish the **'Project Management Committee' (PMC)** responsible for considering and managing the investment in significant projects initiated by the employees and supporting functions in line with the strategic business plan, the IT strategic plan covering IT and Non-IT projects, the testing of the business innovation project, and new technology implementation project to serve customers or to improve internal operations. Moreover, the **'Digital Innovation Subcommittee'** is established and in charge of following up on and assessing the progress of approved projects, reviewing business testing, and providing recommendations on whether to proceed with or halt a particular project according to the strategic framework. Also, the 'Digital Innovation Subcommittee' shall directly report to the 'Project Management Committee' (PMC) on a monthly basis.
- Promote the organization culture of innovation and digitization through projects and activities such as the **'Simple to Work' project** which encourage employees to propose ideas, working methods, and new technologies that can simplify, expedite, and facilitate processes for the best interests of employees, working teams, customers, and the organization in general. In addition, the **'My Paperless Idea Contest'** is an activity under the Simple to Work project that places emphasis on improving the working process along with the paper use reduction.
- Communicate and encourage employees to keep abreast of innovations and digital technologies such as digital working styles of leading organizations and tips on using digital technology to enhance operational efficiency through e-mail namely 'Around Krungsri CX'
- Invest in the development of and adopt innovations and digital technologies, e.g. artificial intelligence (AI) and robotic technology or 'Robo Advisory', and 'Robotic Process Automation' (RPA) in our operational process and customer services to continually create a good experience for employees, customers, and relevant stakeholders such as 'AI Manow' and 'Bella Voice Bot' as banking virtual agents to answer customer's questions and provide unsophisticated information about various products via online channels

Performance

In 2021, Krungsri not only launched innovative products and services but also developed the existing innovations to better serve customers. Furthermore, the Bank improved a digital work system to enhance flexibility, convenience, swiftness, and efficiency where the outstanding innovations and technologies of the Bank could be summarized as follows:

Krungsri Mobile Application (KMA)

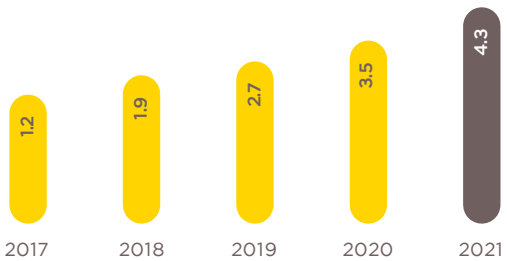


Details:

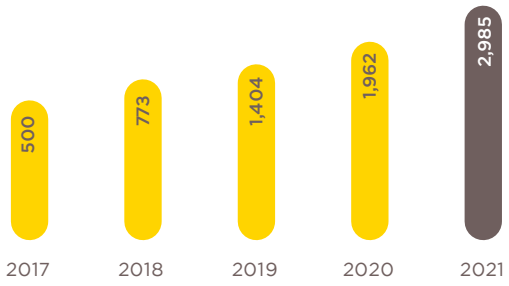
Krungsri Mobile Application (KMA) is a new standard of Thai digital banking that superbly reflects our complete understanding of our customers' requirements and needs. The application enables customers from all segments to access funds anywhere, anytime. The Bank takes into account the highest security maintenance measures to safeguard customers' confidential information in line with the international standards along with creating the best experience that helps the Bank to gain customer trust. A number of features and platforms in the app can be easily used, e.g., funds transfer, bill payments, cashless cash withdrawal, trading of debt instruments or equities, etc.

Performance:

Number of KMA Users (million)



Number of KMA Transactions (million)



In 2021, Krungsri has taken Krungsri Mobile Application (KMA) to the next level by introducing the **Cross-Border QR Payment Linkage between Thailand and Indonesia** which is part of the collaboration on ASEAN Payment Connectivity initiated by the Bank of Thailand and other ASEAN central banks with an aim to promote the ASEAN financial integration. Starting in September 2021, Thai customers can use KMA to scan merchants' QR code to make real-time bill payments in Indonesia, view the payment amount in baht, and instantly know the exchange rate which is better than that of credit card payment. Likewise, the Bank's customers in Indonesia can use any mobile applications participating in the service provision to scan for making bill payments in Thailand as well. Therefore, cross-border transactions can be carried out in a more convenient, faster, and safer manner.





In addition, the digital lending scope has been extended with the launch of **'Krungsri iFIN'** under the concept of 'download, upload, receive, achieve', an online loan service using the National Digital ID (NDID) for credit underwriting. Non-Krungsri customers can also easily download KMA and apply for loans. The turnaround time is only one day from the day the Bank receives a complete application form and supporting documents via KMA.

Introduction of the Central Web Service (CWS) under the digital factoring ecosystem development project

Details:

Krungsri in collaboration with the Bank of Thailand has promoted and developed the Central Web Service (CWS) with an aim to create an ecosystem for SMEs and capitalize on technology to boost efficiency while mitigating operational risks arising from the entire process of credit underwriting for SMEs. The service will also benefit micro, small and medium enterprises (MSMEs) in achieving convenient, fast, and low-cost financial access.

CWS will serve as a central hub in tracing the status of invoices used by SMEs as supporting documents for loan application in order to prevent double financing, while promoting the digital transformation for the industry.

Performance:

Krungsri in collaboration with the Bank of Thailand has executed a successful rollout of the Central Web Service (CWS) in 2021 as planned.

'Krungsri Mung-Mee SHOP' application

Details:

The new 'Krungsri Mung-Mee SHOP' is a tailed-made application developed especially to serve merchant's needs to accept bill payments via mobile banking of all banks, bill payments from Visa or Mastercard credit card applications using QR codes, and bill payments using Alipay and WeChat Pay made by tourists. Online real-time notifications are sent upon receiving funds transfers. In addition, 'Krungsri Mung-Mee SHOP' is designed with user-friendly features convenient for merchants to see all transactions from sales slips, so that they can easily sum up their daily sales for complete sales and accounting management. The new 'Krungsri Mung-Mee SHOP' application has been available for downloads since August 30, 2021.

Performance:

Krungsri customers could downloads the 'Krungsri Mung-Mee SHOP' application available in both Android Play Store and iOS App Store. Having a Krungsri account and KMA, merchants can easily apply for the service on their own without the need to visit the Bank's branches. Non-Krungsri customers can get the service by downloading KMA and opening an e-savings account by conduct authentication through National Digital ID (NDID) or Krungsri i-confirm, then applying for Krungsri Mung-Mee SHOP.

There are currently more than 3,000 users of Krungsri Mung-Mee SHOP, with an average growth of 60 percent per month, while the transaction growth registered 240 percent per month reaching 254 million baht over the last four months of 2021.

Open API platform that connects business partners in the Bank's ecosystems to diverse digital services

Details:

The open application programming interfaces (APIs) have been developed under the collaboration between Krungsri and IBM Consulting on the Red Hat OpenShift software which better connects business partners in Krungsri's ecosystems to the Bank's financial services, while responding to specific customer needs via the secure and cutting-edge open architecture software. The common IT security standard is also adopted in the entire hybrid cloud environment.

The business efficiency enhancement for corporate and SME customers via Krungsri's ecosystems, which serve all customer segments, will help create business opportunities and uplift customer experience, while connecting their needs across ASEAN.

Performance:

Leading companies in Thailand and ASEAN, including Ngern Tid Lor PCL (TIDLOR), participate in Krungsri's open APIs that timely deliver new products and services to them. The platform also supports outward remittance to Lao PDR, the Kingdom of Cambodia, and Indonesia. In addition, Krungsri's open APIs are connected to the international payment platform of Nium, a global FinTech that enables financial access for customers in 13 countries worldwide, including the US, the United Kingdom, Australia, and many countries in Europe.

Real-time international transactions via application Programming interfaces (APIs)

Details:

The collaboration that directly connects Krungsri to partner banks via application programming interfaces (APIs) is aimed to develop real-time international transaction services as part of Krungsri's third Medium-Term Business Plan (2021-2023) that will connect customers' needs in Thailand and across ASEAN by leveraging MUFG's network strength and the Bank's capability in enhancing financial services and products in response to customer needs with convenient, timely, and low-cost transactions.



Performance:

In 2021, Krungsri successfully connected APIs to Hattha Bank Plc. and offered Thailand-Cambodia transaction service as the pilot pair before expanding to other partner banks in ASEAN including Indonesia and Vietnam as well as other countries which are under the joint action plan development process.

Automatic Signature Verification

Details:

Krungsri has developed the Automatic Signature Verification process for cheque clearing between the Bank and branches by adopting technology to enhance cheque verification efficiency and effectiveness, and to reduce tasks of the Cash Management and Cheque Operations Division in verifying a huge amount of cheques on a daily basis.

Performance:

In 2021, the Phase 1 of Automatic Signature Verification process was developed and could help reduce the volume of signature verification task regarding the Bank's instruments (cashiers' cheques, gift cheques and drafts) with a common signature in the Bank Bill System, by 7 percent of the total cheque clearing task, while also boosting the efficiency of cheque verification. This project has passed the test under the Krungsri Own Sandbox and the Digital Innovation Committee approved the project to move out of the sandbox in August 2021.

Robotic Process Automation

Details:

Krungsri has employed robotic process automation (RPA) since 2018 to remove many tasks from employees, while reducing the need to increase manpower in many business units for new business expansion. In addition, RPA also helps promote resource efficiency and save on operational time and costs.

Performance:

During 2018-2021, Krungsri has enhanced 145 operating processes with RPA, while reducing 200,000 man hours per year and 1.4 million pieces of A4 paper.

Enterprise Fraud Management

Details:

Krungsri has continually placed importance on the security of financial products and services. In 2021, the Bank allocated 500 million baht in budget to upgrade for the cutting-edge fraud management system based on artificial intelligence and machine learning technologies that analyze and consolidate all data for more secure financial service provision.

Performance:

The Enterprise Fraud Management project is under development process and scheduled to be completed by 2023.

Omnichannel Experience

Details:

Creating a seamless omnichannel experience for financial services through Krungsri's diverse service channels has been initiated in 2021 by focusing on enhancing the Bank's existing core service channels to be combined with new channels next year.

Performance:

In 2021, Krungsri designed customer journeys based on customer service at the Bank's branches or call centers by

shifting to digital service channels, so that customers can access them in according with their preference with greater convenience, speed, and ease. These services include personal data revisions, queries regarding bank statements, credit details, etc. The customer journey design also involved studying customer behaviors to create seamless customer experience in response to customer needs in the digital era and to develop digital platforms for frontline staff.

Thanks to the designed customer journeys, Krungsri has successfully developed and rolled out the Salesforce system, the key mechanism that enables the Bank to offer omnichannels to support the call center service for retail customers, while extending the service scope to other financial products and services within the Bank's branches. Thanks to this customer journey system, retail customers have used Bank's services with greater satisfaction, while staff efficiency has been apparently boosted. Krungsri, therefore, plans to adopt the full-fledged customer journey system for all corporate and SME customers in mid-2022 as the previous trial on commercial customers have been very well-received.

'My Paperless Idea Contest 2021'

Details:

'My Paperless Idea Contest 2021' is part of the 'Simple to Work' project initiated in 2021 with an aim to enhance the internal operating process by focusing on reducing paper use and encouraging employee engagement in adopting the 'Reduce, Refrain, or Stop Paper Usage in Our Work Process' concept.

The project not only helps reduce carbon footprints, but also be in alignment with the Bank's third Medium-Term Business Plan (2021-2023) in heightening productivity and efficiency at work.

Performance:

Krungsri's staff participated in initiating ideas to enhance workflows and reduce paper use through 144 projects, six of which were outstanding and granted awards as follows:

1) **Digital Transformation for New Loan Platform** by the Provincial SME Small Business Region 2 Department with the concept of developing the system of document verification and tracing toward the credit contract signing process.
2) **Customer Service Paperless Workflow – Happy Work, Happy Life** by the SME Client Service Department with the concept of turning paper-based to electronic data for faster data transmission and approval.
3) **Simple Loan Top Up** by the Collateral Valuation Department with the concept of reducing redundant document collection processes for existing customers requesting for additional loans.
4) **Krungsri Knowledge Base for Paperless Solutions** by the SME Sale Management Department with the concept of turning paper-based to digital data, of which the operating system is on the Bank's intranet for internal use only, to reduce the software copyright cost which is on the rise in line with the user number.
5) **Land Expropriation** by the Collateral Valuation Department with the concept of improving the communications within the team in order to access notifications from government agencies that are beneficial for operations and decision making, thus reducing paper-based documents and document preparation for off-premise operations.
6) **SWIFT e-Delivery** by the SWIFT Operations Department with the concept of adopting Robot Process Automation (RPA) in developing a central system for verifying and sorting SWIFT messages to streamline workflows and reduce document printing.



"The creation of new things is always a result of making questions. When things change but we refuse to learn or change our work directions, how could we be able to catch up with changes or pursue sustainable growth?"

KRUNGSRI SIMPLE TO WORK

Khun Yothin Kiewanich
Provincial SME Small Business Region 2 Department
Winner of 'My Paperless Idea Contest 2021'

Supply Chain Management

Relationship management between the Bank and companies in the Financial Business Group ('Krungsri Group') and suppliers or goods and service providers in the supply chain has proved crucial in business undertaking, while driving Krungsri Group's business continuity toward stipulated business goals.

Therefore, common standards of fair treatment of suppliers, including service providers, intermediaries, and agents for equality, fairness, and non-discrimination, have been established. All suppliers are managed and encouraged to adopt their corporate governance guidelines, while strictly complying with regulatory requirements related to self-governance and responsibly undertaking business by taking into social and environmental issues into account. Above-stated approaches will lead to sustainable supply chain management.

Supply chain management that takes into account sustainability will not only mitigate the risk of business discontinuity as a result of economic, social, and environmental impacts, but also promote greater efficiency of business cost management. In addition, it supports the development of financial product and service innovations, while creating impressive customer experience and enhancing business competitiveness.

Management Approaches

For ultimate supplier management efficiency, Krungsri Group stipulated management guidelines comprising initially screening suppliers and service providers, selection, and performance assessment, so that supply chain management would be accomplished meeting mutual objectives as follows:

- Establish '**Supplier Code of Conduct**' as a guideline to encourage all suppliers to adopt corporate governance guidelines and code of conduct standards in the same fashion as Krungsri Group did, particularly regulatory requirements related to their respective corporate governance guidelines, such as laws regarding countering all forms of direct and indirect bribery and corruption, and laws regarding human rights and labor, workplace well-being and safety. They are also encouraged to undertake their business responsibly taking into account impacts on social and environmental aspects. Therefore, Krungsri and companies in the Financial Business Group, as well as suppliers, can sustainably thrive together. The Supplier Code of Conduct covers four main aspects, namely business code of conduct, human rights and labor, workplace well-being and safety, and the environment.



- Establish '**Supplier Relationship Policy**' as a guideline to promote governance and ensure that they are treated and managed in a prudent manner and not against laws, other internal policies and procedures. The Policy helps foster relationship between Krungsri and vendors or suppliers so that the business activities can be carried out in an efficient and fair manner. The Bank expects that the vendors or suppliers acknowledge and comply with the Policy as well. In this regard, this Policy is applicable to the Bank and companies in the Financial Business Group, of which 50 percent share is held by the Bank ('subsidiaries'), which are required to apply this Policy to their equivalent policies.
- Establish regulations regarding '**Know Your Customer (KYC)**' requiring every vendor or supplier to go through the KYC process. The Bank takes cautious approaches in making transactions that possibly lead to any conflict of interest by establishing clear criteria and regulations on selection of vendors or suppliers who may have connections with the Bank's directors and senior management (Related Party Transactions: RPT); and supplier risk assessment or outsourced service provider risk assessment to verify possible impacts on business continuity. The Bank also complies with the Policy on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT), the Policy on Sanctioned Countries and Blocked Persons, and the Policy on Ant-Corruption.

- Provide the **agreement in maintaining and protecting the Bank's own and confidential information**, while also protecting information confidentiality of vendors or suppliers per the confidentiality agreement
- Stipulate a **fair supplier selection process and provide equal opportunity for all of them**, including small enterprises, those of the underprivileged, minority groups, females, disable veterans, etc., in offering goods and services to the Bank
- **Take into account environmentally-responsible procurement** to enhance business operations in parity with related standards and reduce adverse social and environmental impacts
- **Classify suppliers of the Bank** to ensure that Krungsri Group can continually deliver customer services by grouping suppliers as follows:
  - **Critical vendors** are providers of goods or services that directly impact Krungsri Group's business operations. This group of suppliers mostly has specific expertise, no competitors, or irreplaceable goods or services. They have to stipulate action plans and contingency solutions or uninterrupted goods or service delivery to Krungsri Group. Moreover, their contingency plans must be tested to ensure that risk management is maintained to prevent impacts on Krungsri Group's business operations.
  - **Non-critical vendors** are providers of goods or service that have no direct impacts on Krungsri Group's business operations. This group of suppliers provide goods or services which are widely available in the market and are replaceable by other suppliers.

Fair supplier selection process

Step 1 Use e-auction for transparency and preventing monopoly

Step 2 Establish a taskforce comprising representatives from related business units, and experts or specialists to select service providers

Step 3 Supplier assessment per the Supplier Evaluation Form

Step 4 Provide whistleblowing channels for suppliers

Performance

e-Auction

Objectives:

For fair and transparent vendor or supplier selection process, while helping save their valuable time.

Performance:

Krungsri started implementing the online procurement system in December 2015. In 2021, 19 items of supplier selection were conducted via e-auction, a decrease of 32.14 percent compared to 2020, due to the COVID-19 pandemic.

Notification of the Gift and Entertainment Policy during the New Year festival



Objectives:

To ensure that vendors or suppliers comply with the Bank's No Gift Policy

Performance:

- At the end of 2021 (New Year festival), Krungsri communicated with all active vendors and suppliers to notify them about this policy and guidelines.
- No complaints regarding gifts and entertainment offered by vendors or suppliers were made.
- No vendor or supplier complaints were made via the Bank's whistleblowing channels.

Communication about our statements regarding integrity in operations, as well as social and environmental responsibility for sustainability

Objectives:

To encourage all vendors and suppliers, including service providers, intermediaries, and agents to adopt their respective code of conduct in the same fashion as Krungsri Group did and to show our commitment in compliance with related regulatory requirements on corporate governance. Examples include laws regarding countering all forms of direct and indirect bribery and corruption, and laws regarding social and environmental issues, e.g. respect for human rights.

Performance:

Krungsri communicated with all vendors and suppliers to notify them about the statements and The Spirit and The Letter, as well as the environmental and human rights disclosure statements.

Communication with vendors and suppliers that 'Krungsri Group was certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption'

Objectives:

To ensure that our vendors and suppliers acknowledge our commitment in joining force for anti-corruption and determine to counter all forms of direct and indirect corruption

Performance:

Krungsri has communicated the matter with active vendors and suppliers.

Establishment of the Supplier Code of Conduct

Objectives:

To encourage vendors and suppliers to undertake their business in compliance with good corporate governance guidelines and code of conduct standards, as well as related regulatory requirements

Performance:

Krungsri notified the details of the Supplier Code of Conduct on the Bank's website (www.krungsri.com)

Preparation of the Supplier Code of Conduct questionnaire

Objectives:

To encourage vendors and suppliers to conduct self-assessment and support them to undertake their business in compliance with good corporate governance and code of conduct standards, as well as related regulatory requirements

Performance:

Krungsri has communicated with active vendors and suppliers about this matter, so that they would conduct self-assessment and have a guideline to comply with the Supplier Code of Conduct.

Supplier Classification

Objectives:

To mitigate the risk in procuring products and services and to increase the business competitiveness in accordance with the best practice of sustainable supply chain management

Performance:

In 2021, Krungsri started clearly provide definitions for supplier classification, by separating them into two groups: critical and non-critical vendors. Now, the Bank is working on supplier classification.

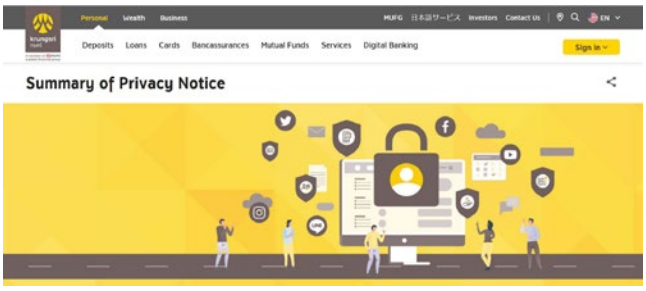
Communication with suppliers to notify about the Personal Data Protection Act B.E. 2562 (PDPA)

Objectives:

To ensure that vendors/suppliers acknowledge and comply with the PDPA, effective from June 1, 2022 onward

Performance:

Krungsri has communicated the personal data protection to active vendors and suppliers via e-mail as well as the Bank's website (www.krungsri.com)



Social Aspect



Responsible Lending and ESG Considerations

Krungsri continues to act with the spirit and responsibilities of a Domestic Systemically Important Bank (D-SIB) serving as a financial intermediary in fundraising and financial resource allocation for supporting commercial and retail customers, including the socio-economic system, the undertakings of which may create both direct and indirect impacts on society and the environment.

In this light, Krungsri places great importance on the provision of financial products and services that take into account environmental, social, and governance (ESG) dimensions parallel to the economic dimension, in alignment with **responsible lending principles.** In addition, the Bank aims to create positive outcomes through supporting businesses or transactions that create value for and benefit society and the environment over the long term, thus boosting employment and leading to income generation, and socio-economic development, including development of innovations and technologies. We are also committed to promoting a low-carbon economy and society by supporting businesses that are environmentally-friendly.

In addition, adhering to responsible lending principles with ESG consideration will not only help prevent financial, operational, reputational, and regulatory risks, but also support businesses and society toward sustainable development and growth.

Management Approaches

- Declare the intention to adopt the '**Principles for Responsible Banking' (PRB)** of the UNEP FI, reflecting Krungsri's unwavering determination in following sustainable banking guidelines
- Adhere to '**sustainable banking guidelines**' by focusing on best practices of **responsible banking**, under which credit underwriting takes into account of ESG dimensions in parallel with the economic dimension
- Establish the '**Policy for Credit Risk Management**' which serves as the criteria and guidelines for managing credit risks. It is communicated to the Bank's operating officers for acknowledgement and full compliance with emphasis on raising awareness of ESG risks among the parties related to the credit underwriting process. In this regard, the policy is applicable to the Bank, our branches nationwide, and domestic and overseas representative offices. The policy shall be reviewed annually or upon any significant change to ensure that the Bank's credit underwriting is in line with the ever-changing business environment.
- Establish the '**Sustainable Lending Guidelines**' by taking into consideration ESG dimensions as follows:
  - **Environmental dimension:** Greenhouse gas emissions and climate change, deforestation, and biodiversity loss, sustainable water management, air and land pollution and contamination, prevention and reduction of marine pollution, and hazardous materials and waste management
  - **Social dimension:** Human rights, labor rights, occupational health and safety, community engagement and rights, high household debt, and stakeholder engagement
  - **Governance dimension:** Code of ethics and integrity, code of conduct, anti-corruption, risk management, audit, reporting and transparency

In addition, Krungsri places emphasis on extending loans to business activities that are friendly to the environment, society, and promote good governance, e.g., renewable power generation, energy efficiency projects, etc., that help improve quality of life and society.

- **Establish the nature and types of transactions as credit underwriting criteria by taking into account ESG risk management.** The appropriateness of the nature and types of transactions established has been considered and endorsed by the Sustainability Committee. In addition, employees of all related business units are required to comply with the above-stated criteria and consider ESG risks for prudent credit underwriting. The nature and types of transactions are as follows:

  (1) **Prohibited Transactions:** Krungsri Group shall refrain from providing financial support to the transactions that could create significant ESG risks as follows:

  (i) **Nature of transactions**

  - Illegal transactions and transactions for illegal purposes

- Transactions which violate public order and good morals
- Transactions that negatively impact wetlands designated under the Ramsar Convention
- Transactions that negatively impact UNESCO designated World Heritage Sites
- Transactions violating the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Transactions involving the use of child or forced labor

(ii) Types of transactions

- Production or trade in radioactive materials, weapons and munitions, e.g. businesses concerning nuclear weapons, biological weapons, chemical weapons, other weapons able to cause substantial damage to humankind, animals, plants, or the environment in the same manner as the aforesaid weapons, including distribution systems of weapons and their components or accessories, manufacturers of cluster bombs (finished products) which produce the bombs themselves or the businesses related to cluster bomb manufacturing
- Unsustainable fishing methods
- Cross-border trade in waste and waste products
- Coal-fired power plants

(2) **Restricted Transactions:** Krungsri Group shall not provide financial support for transactions that tend to have ESG risks, unless the transactions have been prudently considered and gone through the due diligence process, or there are specialists conducting in-depth examination. If it is found that the customers' EGS risk management is insufficient to mitigate potential risks. Related business units should avoid extending credits to them.

(i) Nature of transactions

- Transactions that impact indigenous people or communities or society, e.g., construction of dams
- Transactions that lead to land survey or development and consequently cause pollution or involuntary resettlement
- Transactions that impact high conservation value areas

(ii) Types of transactions

- Construction of dams or reservoirs
- Activities related to hazardous chemicals
- Mining industry
- Forestry industry or industries that support forestry operations
- Palm oil industry
- Oil and gas industry

Moreover, Krungsri continued to provide financial support for transactions in the **Positive List**, e.g., electricity generation from alternative energy such as solar, wind, etc.; businesses related to electrical vehicles; businesses that promote infrastructure development and environmentally-friendly innovations, etc., to take part in combating climate change toward a low-carbon economy and the United Nations Sustainable Development Goals (SDGs).

- Comply with the '**Know Your Customer' (KYC)** and '**Customer Due Diligence' (CDD) principles** to ensure that the Bank's funds are not used to support, promote, or engage in any misconduct or create any negative impact on society and the environment.
- Establish the '**Credit Risk Management Procedure**' whereby the relevant officers at all levels must strictly adhere to and comply with while also realizing the shared social responsibility by providing financial support to entrepreneurs who operate businesses for the benefits of society and the environment or to businesses that do not negatively impact society and the environment. Additionally, the relevant officers must take part in upholding the standards for credit underwriting and credit risk management.
- Establish the '**Credit Examination Division**' responsible for reviewing the credit underwriting process of the Bank and its subsidiaries and ensuring that the internal control, risk management, and governance processes are sufficient, effective, and in accordance with the policies, regulatory requirements, and relevant laws. The Credit Examination Division is clearly segregated from the frontline functions and the Credit Underwriting Group to prevent any conflict of interest and to promote effective credit review. The Bank arranges reviews of credit quality and risks on an annual basis.

Responsible Lending



Equal treatment

All customers shall be treated equally regardless of gender, age, ethnicity, nationality, belief, religion, social status, background, and disability.



Prevention of authority abuse or unfair negotiation

All customers shall not be forced or pressurized to make a transaction due to the abuse of the Bank's authority.



Verification of customer information

Customers' credit information shall be appropriately verified to ensure KYC and CDD compliance.



Creditor's responsibility

The Bank's officers should be fully confident in the debtors. Also, the Bank, as a creditor, should not question the debtors about their debt servicing ability and responsibility.



Safeguarding customer confidentiality

Customers' sensitive financial information such as credit facilities and credit conditions shall be treated with absolute confidentiality to prevent access from irrelevant persons and employees.



Environmental preservation

Credit underwriting shall take account of the environmental aspect to create sustainability, which is a part of the Bank's social responsibility commitments.

Performance

Krungsri strives to develop financial products and services based on the 'Sustainable Banking Guidelines – Responsible Lending' to create financial innovations with environmental, social, and governance benefits in tandem with driving the country's economy while also promoting sustainable development in the Thai society as well as Southeast Asia.

In 2021, Krungsri facilitated financial products with ESG considerations, by becoming an underwriter for green bonds, sustainability bonds, and sustainability-linked bonds, as well as providing sustainability-linked loans and green loans as follows:

Bonds

- 'Sustainability bond' issued by Bangkok Expressway and Metro PCL, worth 6 billion baht, on April 28, 2021, which was the first sustainability bond issued by a company in the transportation sector in Southeast Asia. The proceeds from the issuance will be used for refinancing existing debts and/or equity investment in its MRT Blue Line Project.
- 'Green bond' issued by Toyota Leasing (Thailand) Co., Ltd., worth 2 billion baht, on April 29, 2021, which was the first green bond of the company and the leasing industry. Proceeds from the issuance will be used for refinancing existing debts and/or financing hire purchase and leasing services for vehicles passing the eligibility criteria.

- ‘Sustainability-linked bond (SLB)’ issued by Thai Union Group PCL., comprising the 5-billion-baht trance, issued on July 20, 2021, which was the country’s first SLB, and the 6-billion-baht trance, issued on November 10, 2021. The SBL reflects the company’s continual commitment to sustainable business operations and marked a key milestone for blue finance.



- ‘Green Bond’ issued by SPCG PCL., worth 1.5 billion baht, on October 1, 2021. Proceeds from the issuance will be used for financing the ‘Ukujima Mega Solar Project’ in Japan, as well as working capital for the company’s future business expansion.

Loans

- ‘Sustainability-linked loan’ for Thai Union Group PCL., comprising two amounts: 6.5 billion baht issued in Thailand denominated in Thai baht and US dollars; and USD183 dollar in Samurai loan denominated in US dollars and Japanese yen. Both amounts add up to 12 billion baht in total, with five years of tenure, and were very well received by banks in Thailand and Japan, with supply more than double demand. The success in the loan arrangement reflect the company’s blue finance advancement which benefits both the company and the overall industry.
- ‘Sustainability-linked loan’ for SCG Packaging PCL., worth 5 billion baht, with four years of tenure. The company is the first packaging producer in ASEAN which has been granted the sustainability-linked loan, demonstrating that sustainability can increase business opportunities, marking an important milestone to make its business thriving and sustainable in ASEAN.



- ‘Green loan’ for Toyota Leasing (Thailand) Co., Ltd., worth 2 billion baht, with three years of tenure. It is the first green loan of the company and the leasing industry in Thailand. Proceeds from the loan will be used for refinancing existing debts and/or financing hire purchase and leasing services for vehicles passing the eligibility criteria.

The success in facilitating the issuance of green, sustainability, and sustainability-linked bonds in the Thai capital market, as well as the support of sustainability-linked loans mirror the Bank’s commitment to ESG considerations and response to customers’ financial demand, while promoting and enhancing bonds as one of Thailand’s main financial assets. This also highlights the Bank’s determination to achieve the UN SDGs, especially SDG No. 8: Decent Work and Economic Growth; SDG No. 9: Industry, Innovation, and Infrastructure; SDG No. 13: Climate Action; and SDG No. 17: Partnerships for the Goals.

In addition, Krungsri focuses on supporting environmentally-friendly businesses, especially financing businesses that promote the use of alternative energy such as rooftop solar power systems, wind power plants, biomass power plants, electric vehicles (EVs), energy storage systems (ESSs), businesses related to equipment or stations that supply electrical power for electric vehicles, etc.





Support for environmentally-friendly businesses

At the end of 2021, Krungsri extended loans to businesses using renewable energy, e.g., solar power, wind power, water power, biomass and biogas power, industrial waste power, etc., for a total of **10,718 million baht**. In this regard, loans extended to businesses using renewable energy can help mitigate greenhouse gases to the environment by **2,928,117.61 kilograms of carbon dioxide equivalent** (calculated in comparison with general electricity use).

Types of renewable energy	Details in 2021		
	Percentage of renewable energy loans	Maximum electricity generation capacity (megawatts)[1/]	Reduced carbon dioxide ($kgCO_2e$)[2/]
Water	53.98	2,479.00	1,483,929.40
Biogas	22.05	1,608.07	962,590.70
Wind	13.36	96.90	58,004.34
Industrial waste	4.34	9.90	5,926.14
Biomass	3.22	19.94	11,935.94
Solar	3.04	677.80	405,731.08
Total	100.00	4,891.61	2,928,117.61

Remarks:

[1/] 1 megawatt (MW) is equivalent to 1,000 kilowatt (kW)

[2/] The reduced greenhouse gas amount was calculated based on the emission factor per types of industries stipulated by the Thailand Greenhouse Gas Management Organization (TGO) (updated in March 2021). In this regard, one kilowatt hour of electricity grid mix has the emission factor of 0.5986 $kgCO_2e$.

Fair Labor Practices and Respect for Human Rights

Krungsri adheres to and places emphasis on human rights and fair treatment of employees, taking into account individual equality and non-discrimination, while appropriately managing these issues in compliance with international regulatory requirements and principles regarding labor and human rights. This covers issues of employment, fair compensation, appropriate labor welfare, the promotion of freedom of association and collective bargaining, and employee engagement. These factors are key to maximum employee efficiency and happiness. Eventually, fair treatment of employees and respect for human rights would help drive business development in compliance with human rights principles, while also boosting competitiveness for the organization toward sustainable growth.

Management Approaches

The Bank and companies in the Financial Business Group place emphasis on fair treatment of employees and respect for human rights with following management approaches:

Human Rights, Employment, and Workplace Diversity

- Promulgate the '**Human Rights Disclosure Statement**' in 2018 that reads *'Krungsri recognizes respect for human rights as an important issue to be addressed in our business management to realize our Corporate Mission as a member of the world's most trusted financial group in serving society through sustainable growth. We aim to fulfill our responsibility to respect human rights across all of our operations'*. This disclosure statement reaffirms the Bank's commitment to meeting with the international sustainable issues and targets.
- Establish the '**Human Resources Committee**' to give advice concerning the Human Resource Policy and any significant changes regarding human resource matters of the Bank and companies in the Financial Business Group, including employee policies, projects, plans, benefit plans, etc. Krungsri's compliance with the Human Resource Policy is also monitored to ensure human resource activities are effectively and efficiently organized. The committee also reviews and evaluates the key strategies, policies, and projects or action plans related to human resources operations of the Bank and companies in the Financial Business Group to ensure the aforementioned strategies, policies, and projects or action plans are competitive and comparable with that of industry peers, while complying with relevant laws and regulatory requirements.
- Stipulate the '**Human Resource Policy**' as a framework for establishing a guideline for communicating our human resource management and development process, as well as related roles and responsibilities, applicable to the Bank and companies in the Financial Business Group in which the Bank holds more than 50 percent of shares ('subsidiaries'). The subsidiaries must apply the Human Resource Policy to establish the comparable policy of their own. This policy comprises four elements as follows:
  1) **Recruitment:** Cover consideration in internal and external recruitment based on the basic foundation of fair hiring practices, prevention of conflicts of interest, respect for differences and diversity, and employee engagement
  2) **Workplace environment:** Focus on promoting and supporting diversity in the workplace at home and abroad for positive working environment, while preventing unwelcome employee behavior, discrimination and division, conflicts of interest, and any harassment that could lead to disrespect for employee rights
  3) **Performance and compensation management:** Focus on fairness, transparency, verifiability, and non-conflicts of interest, with clear, fair, and nondiscriminatory guidelines and procedures for employee compensation and benefits
  4) **Employee development and career management:** Focus on employee development and performance enhancement for both employees and the Bank in accordance with the Bank's business targets and strategies, while also responding to customers' demands and equipping employees with competency enhancement to support a sustainable business growth
- Establish the '**Guidelines on Fair Hiring Practices**' covering full-time employees, short-term employees, advisors, specialists, and outsourced staff taking into account fair recruitment and employment, while being strictly compliant with labor laws and regulatory requirements. Job applicants' qualifications and job descriptions are considered without discrimination, while emphasis and value are placed on diversity, including ethnicity, gender, age, religious belief or faith. In addition, the Bank focuses on the employee and applicant privacy best practice, while taking into account data security and respect for the rights of employees and applicants.

- Focus on compliance with international legal requirements and frameworks of each country in which the Bank is operating its business such as Lao PDR and the Kingdom of Cambodia
- Formulate a termination guideline where 'terminated' employees are notified by the Human Resources Group before their payday for that month so that the effective date of termination falls on the payday of the following month. In addition, severance is paid to such employees as per legal requirements to ensure fair treatment. Any change according to the period of negotiation between the Bank and the labor union will be based on the length of the period of the relevant agreement.

Compensation and Benefits

- Establish the 'Nomination and Remuneration Committee' by the Bank's Board of Directors. The Committee consists of no less than three independent directors or non-executive directors. The Chairman of the Committee shall be the Bank's independent director. The Committee is responsible for determining policy for remuneration and benefits that reflect objectives, duties and responsibilities, as well as the risks associated with the Bank and/or the companies in the Bank's Financial Business Group by adhering to clear and transparent regulations. The said remuneration and benefits should be considered competitive when compared to industry peers. Furthermore, the Committee is required to organize at least one meeting per quarter as deemed appropriate to ensure that the operation is efficient and obliged to report it performance to the Bank's Board of Directors.
- Establish the 'Incentive Subcommittee' by the Human Resource Committee to revise, supervise, and approve principles, guidelines, plans, and other issues related to incentive and/or reward prizes as well as the payment of incentives and/or rewards prizes of the Bank and companies in the Financial Business Group. This is aimed to ensure accuracy, transparency, and fairness for the best interest of the Bank and companies in the Financial Business Group, and compliance with related regulations. The Subcommittee is required to organize at least one meeting per year.
- Perform a survey and review the remuneration payment and provision of employees' benefits on a regular basis to improve criteria/ remuneration structures in line with the current labor market trends as well as to ensure the Bank's remuneration and benefits are competitive and corresponding to industry peers. In this connection, differences and diversity, including gender, age, ethnicity, religion, etc., will not be taken into consideration when determining remunerations, benefits, and promotions of the employees
- Establish an 'employee benefits committee' for Krungsri Head Office and Krungsri Ploenchit Office each, of which some directors are elected from staff representatives (operational level) to provide advice and views on employee benefits
- Provide appropriate benefits to support employees and their family and/or reduce their cost of living and ease their financial concerns that will lead to good operating performance. The benefit can be categorized into seven programs as follows:
  1. Health and insurance packages comprise:
     - Group health insurance, life insurance, total permanent disability insurance, and personal accident insurance
     - Health insurance and COVID-19 life insurance for employees in 2021
     - Annual check-up and additional health packages for employees who may be exposed to health risks arising from work, such as employees under the Domestic Cheque Operations Department
     - Influenza vaccination program offered to the Bank's employees at a special price
     - Establish Krungsri Clinic with medical doctors and nurses stationed at the Head Office (19th floor) and Krungsri Ploenchit Office (12th floor) to provide on-site first aid care and health advice and to help employees save traveling expense as well as enhance convenience. The service hours are from 8.30 to 16.30 hr. on business days.
     - Establish Happy Heart Center at Krungsri Head Office to offer an opportunity to the Bank's employees to share their family, personal, and work problems with and receive advice from psychologists from Chulalongkorn University. The information of the employees will be treated confidentially and their issues would not be reported to the Human Resources Operations Department. In this regard, the employees can access the Happy Heart Center service through the hotline channel or on a face-to-face meeting for which the appointment can be

made via mobile phone or the Line application. The service is available on every business day from 10.00 to 17.00 hr. when the mental health specialists will be available to provide the service at least one day per week.
    - Provide employees COVID-19 vaccinations of first, second, and booster doses free of charge
    - Establish the Krungsri Well-being Center as a special-purpose healthcare center for staff of Krungsri Group, full- and part-time, including family members of employees who have infected with COVID-19
    - Communicate and impose preventive measures for the COVID-19 pandemic among employees. Examples include disseminating precautionary measures and knowledge on the pandemic via the Bank's many channels; encouraging employees to work from home to reduce crowding in common areas and mitigate risk of COVID-19 transmission; providing appropriate protective devices; putting in place temperature checks for employees and customers before they enter the workplaces; providing alcohol-based hand sanitizers at diverse common areas; and carrying out ozone treatment on a regular basis. Employees suspected of COVID-19 infection are immediately required to be tested for the virus.
2. **Financial benefits** such as home rental allowances; extra allowances for employees at the branches in high living cost areas; extra allowances for the officers at the branches that are open six or seven days a week for service; child education allowances; financial support in case of workplace relocation; financial relief in case of disaster; financial support in case of death or the death of a spouse or parents; mobile phone allowances
3. **Employee loans** such as welfare loans; housing loans; family loans; computer loans; education loans; car or motorcycle loans; and other loans
4. **Provident funds** with the objective to give benefits to employees after their retirement or resignation, motivate them to perform efficiently, as well as foster savings habits to ensure that employees can have a happy retirement
5. **Social security benefits** with the objective to give benefits and life security to the employees in case of illness, childbirth, disability, deaths, children's allowances, aging, and unemployment to ensure that the Bank's employees access medical treatments and have a secondary financial support. This benefit is an addition to the Bank's health benefit packages.
6. **Compensation funds** with the objective to give benefits and life security to the employees in case of accidents, illness, or deaths as a result of a work-related cause. This benefit is an addition to Bank's health benefit packages.
7. **Funeral Assistance Association of the Bank of Ayudhya Public Company (Limited)** established to help cover the expenses for the funeral of the members, as well as the members who are former Krungsri employees

- Communicate about employee benefits through the Bank's employee manuals and online channels such as e-mail (HR Inspires: WE Care), One Krungsri Portal (Intranet), Krungsri Employee Mobile Application (KarE)
- Provide flexible working hours by changing working hours in line with each individual employee's working conditions, tasks, personal needs, without any impacts on customer services or the Bank's operations. Ranges of working hours (including one-hour break) available for selection are 07.30-16.30 hr., 08.00-17.00 hr., 09.00-18.00 hr., and 9.30-18.30 hr.
- Provide other facilities in the office to promote employees' well-being namely;
    - Facility for religious activities such as prayer rooms for Buddhists and Muslims
    - Facility for employees and children such as a lactation room where working mothers can safely express their breastmilk
    - Facilities for occupational health and wellness such as Krungsri Canteen on the 8th and 9th floor of Head Office, and 12th floor of Krungsri Ploenchit Office, Krungsri Fitness Center on the 10th floor of Head Office with trainers available for giving advice of fitness equipment safety and closely monitoring employees using the equipment, and opening hours of 6.30-21.00 hr. on Monday to Friday, the Oasis corner on the 8th floor



of Head Office, and Krungsri D-Space on the 9th floor of Head Office

- Launch **the employee's performance management system and formulate the operating manual to determine the annual performance target** to be communicated to all employees. In this regard, the performance of employees at all levels shall be evaluated using KPIs and Krungsri Core Values criteria covering six aspects namely Customer Centricity, Integrity, Team Spirit, Passion for Excellence, Making Innovative Changes, and Global Awareness. The said results will be used to summarize the overall performance of each employee. Furthermore, the aforementioned performance shall be calculated and analyzed before making a bonus payment, salary increase, and promotion to promote the culture of a High Performance Organization and retain the employees with outstanding performance and good conduct in line with the Bank's core values.

Structure for determining operational target

Score	Indicators	Definition of indicators
100%	**Financial KPIs**	
	The Financial KPIs consist of results of internal management or the employee's roles and responsibilities reflecting in profit and loss, balance sheet, OPEX, etc.	
	Non-Financial KPIs	
	Customer & Society KPI	The indicator refers to services offered to both internal and external customers such as marketing process, customer base expansion, customer satisfaction, and collective efforts to develop and participate in CSR activities, etc.
	Internal Process KPI	The indicator refers to the operating process that indicates the strategy and operational excellence such as initiative, strategy, process improvement, business process innovation, etc.
	Human Capital KPI	The indicator refers to a strategy to manage, develop, and retain human workforce in the organization such as employee improvement (e.g., knowledge development, individual development plan), retention of employees, and the level of employee engagement, etc.

Promotion of Employee Engagement

- Conduct an **employee opinion survey (Voice of Krungsri)** by an external party. Employees' feedback would be taken into consideration to develop the human resource operation as well as enhance efficiency and engagement of the employees. The frequency of the survey depends on the Bank's consideration.
- Organize **activities to foster engagement of employees** such as the retirement and service recognition ceremony, activities in important occasions namely a merit-making ceremony on the occasion of Krungsri's establishment anniversary, 'Krungsri D: Market' with quality and inexpensive products sold for employees, 'Pay Day Play Day' with a quiz game relating to the Bank's basic information, and 'One Krungsri' with a quiz game relating to Krungsri's core values
- Establish the '**Krungsri Club**' to encourage employees from different business units to get to know each other and participate in beneficial activities and hobbies together during free time to strengthen unity and harmony. The employees can choose to be members of clubs of their interests such as the music club, running club, bike club, football club, shooting club, photography club, and the volunteer club.



Freedom of Association and Collective Bargaining

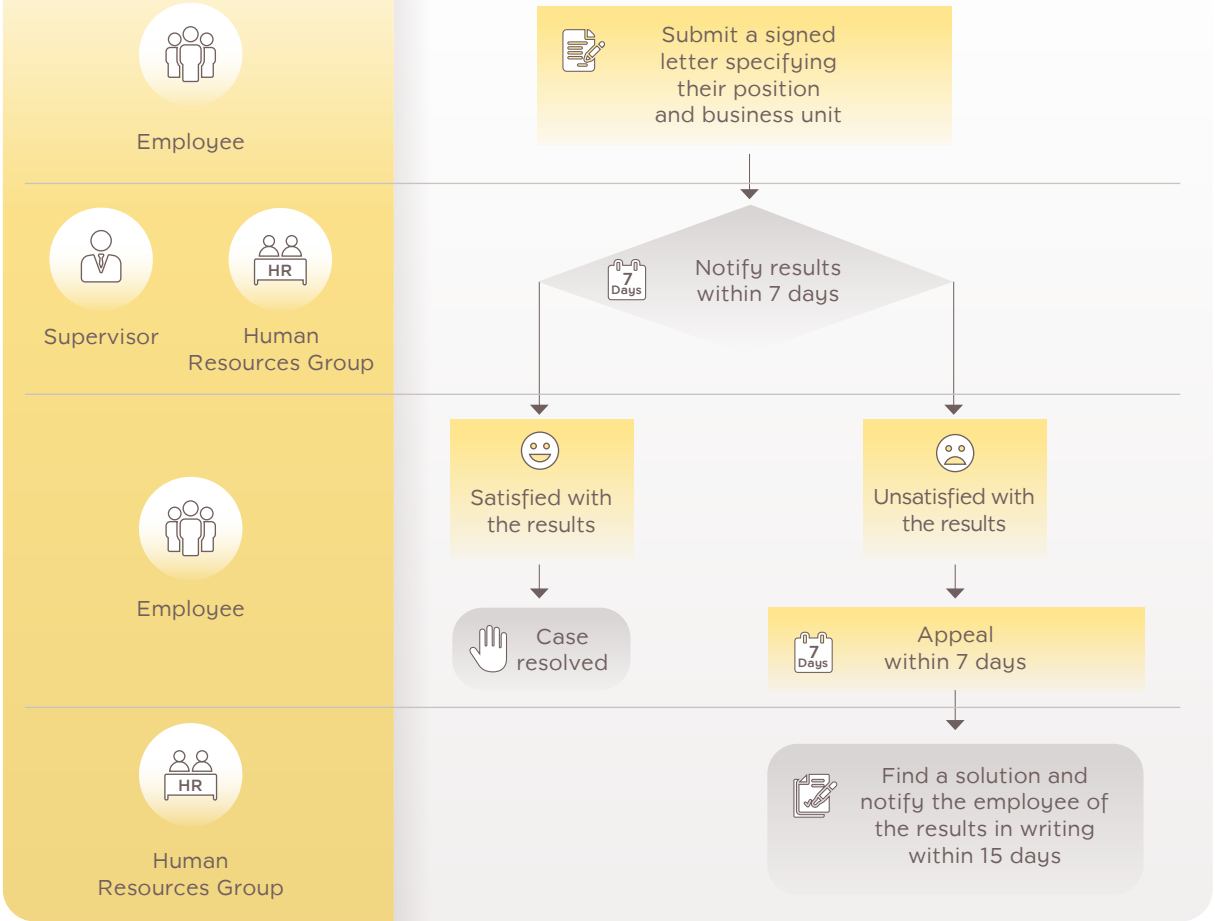
- Promote and offer an opportunity to employees to join together in union and negotiate for employees' interest, and to establish and become members of Krungsri Labor Union according to the Labor Relations Act B.E. 2518 (1975); encourage employees to exchange opinions with the Bank; and create good labor practice in the organization. A meeting between the Krungsri Labor Union Committee and the Human Resources Group was organized to discuss about problems related to environment and employee benefits as well as provide recommendations beneficial to the Bank's employees.

Listening to Employee Voice

- Enable employees to voice their concerns through various channels in a bid to help solve their problems according to the Bank's regulations as follows:

Issues	Channels
Issues about working, employment, termination of employment, breach of human rights, discrimination, employee ethics, and integrity	Employee Relations and Disciplinary Procedure Department, 12th Floor, Head Office, Tel. 0-2296-2000, Ext. 72836
Services and advice related to personal, welfare, and workplace environmental issues	HR Service 12th Floor, Head Office, Tel. 0-2296-2000, Ext. 85577

Channel for filing complaints with regard to employment and workplace issues



Performance

Total workforce of Krungsri Group:

35,913* persons

* This number includes permanent and temporary employees of the Bank, subsidiaries, and joint ventures

Diversity in the workplace

Krungsri's permanent employees:

14,093 persons

Gender



30.50%



69.50%

Age range

<30 years	30-50 years	>50 years
9.12%	68.34%	22.54%

Ethnicity



Thai

99.4%



Others

0.6%

Meeting of the Nomination and Remuneration Committee

Target:

At least one meeting per month

Performance:

A total of 15 meetings were held.

Meeting of the Human Resources Committee

Target:

At least one meeting per month

Performance:

A total of 18 meetings were held.

Meeting of the Incentive Committee

Target:

At least one meeting per year

Performance:

A total of six meetings were held.

Meeting of the Krungsri Labor Union

Target:

Continually hold meetings to discuss on employee compensation and benefits, as well as other related issues

Performance:

At the end of 2021, the Krungsri Labor Union's members represented 15 percent of the Bank's total employees*. A total of two meetings were held.

Remark:

* The Bank's full-time employees only

Group Health Insurance Plans

Target:

Provide 100 percent of eligible employees group health insurance plans

Performance:

Provided 100 percent of eligible employees group health insurance plans. In 2021, the Bank also provided the 'Flexible Group Health Insurance Plan' with seven sub-plans for employees of Plan 1 (Officer 1 – Officer 6) and seven sub-plans for those of Plan 2 (Officer 7-8) to enable them to choose the insurance plan that best suits their needs.

Influenza Vaccination Service

Target:

Survey demands of employees at Krungsri's Head Office, Krungsri Ploenchit Office, Ploenchit Tower, and SSP Tower, as well as branch employees, to provide on-site influenza vaccinations for the Bank's employees and their family as requested

Performance:

In 2021, the Bank canceled on-site influenza vaccinations due to the COVID-19 outbreaks.

Annual Health Check-up

Target:

- Communicate to and provide employees annual health check-up packages, as well as provide vulnerable employees, who may expose to the risks arising from work, additional health examination packages
- No health issues regarding the respiratory system, hearing levels, and the lead level in the blood circulation system are found in 100 percent of vulnerable employees.

Performance:

- The Bank's employees underwent annual health check-ups, available from July 1, 2021 to February 15, 2022 as per the Bank's conditions. Due to the COVID-19 pandemic, the annual health check-up period was extended for employees' convenience and safety.
- The annual health check-up results of 100 percent of vulnerable employees revealed no health issues about irregular respiratory system, hearing problem, and the lead level in the blood circulation system.

COVID-19 Insurance

Target:

Provide 100 percent of eligible employees a COVID-19 insurance plan

Performance:

Provided 100 percent of eligible employees a COVID-19 insurance plan for coverage starting March 20, 2021 and running through March 19, 2022

COVID-19 Vaccinations

Target:

Provide COVID-19 vaccinations of first, second, and booster doses

Performance:

98 percent of employees were fully vaccinated with first two doses, while the booster dose will be provided in 2022.

Krungsri Fitness Center

Target:

Employees use Krungsri Fitness Center services at least 15,000 times per year.

Performance:

In 2021, due to the severe COVID-19 outbreaks, the Bank temporarily closed the center from April 8, 2021 onward to mitigate its spread. Therefore, there were only 317 employees using Krungsri Fitness Center services for 1,129 times.

Krungsri Club

Target:

At least 1,500 employees apply for membership of diverse clubs.

Performance:

- In 2021, there were a total of 11 clubs, namely the bike club, soccer club, photography club, Krungsri running club, badminton club, music club, volunteer club, basketball club, shooting club, table tennis club, and people-who-love-to-share club.
- There were 1,436 employees applying for memberships of these clubs. In this regard, the number of club members was lower than expected due mainly to the COVID-19 pandemic which caused club activities to be postponed or cancelled.

Survey of Employee Productivity and Well-being

Target:

The feedback from the employee survey will be used to enhance human resources management for greater employee efficiency and engagement.

Performance:

In 2021, Krungsri conducted a survey of employee productivity and well-being among employees who worked from home in comparison with when they work at the office, of which results will be used to design and assess the work-from-home policy in the future for ultimate benefits for both employees and the organization.

Listening to Employee Voices

Target:

There is no complaints related to human rights, discrimination, breach of the right to personal liberty of employees.

Performance:

In 2021, Krungsri found a complaint of a former employee via social media. In this regard, the Bank was well aware about the incident and immediately responded to investigate for facts related to this case. The Bank has stipulated channels through which employees can file complaints without the knowing of their respective direct managers for any unfair treatments, e.g., HR Service Tel. 0-2296-2000, ext. 85577, or ombudspersons which have been announced publicly.

Financial Inclusion and Promotion of Financial Literacy

Krungsri, as a Domestic Systemically Important Bank (D-SIB), recognizes that it is of importance to promote comprehensive and equitable access to basic services such as financial services for all customer segments namely corporate, SME, and retail customers, particularly low-income earners, and vulnerable groups.

Therefore, Krungsri strives to promote financial product and service innovations appropriate for each specific customer segment and consumer groups—including microfinance and nanofinance—while empowering customers to access financial services with thorough equality. We not only provide funding sources for their business operations, but also aim to help them develop innovation and technology, well-being, job creation, and other positive impacts through investments. Moreover, we promote the sustainable growth and drive the overall economy of the country and ASEAN—corresponding to the UN Sustainable Development Goals (Goal 1: No Poverty, Goal 8: Decent Work and Economic Growth, Goal 9: Industry, Innovation, and Infrastructure, Goal 10: Reducing Inequalities, Goal 17: Partnerships for the Goals).

At the same time, Krungsri is determined to promote financial literacy among employees, youths, customers, and related stakeholders by adhering to the conviction that prudent financial planning and management would lay a foundation for strong communities and society. Moreover, the endeavor would contribute to the prevention of household debt which is a major structural problem that massively impedes the country's economic and social development.

Management Approaches

- Develop financial products and services in accordance with the needs of customers in each segment by striving for the core value of '**Customer Centricity**' as guidance
- Manage our balanced lending portfolio prudently by adhering to **Sustainable Banking Guidelines-Responsible Lending**
- Leverage synergies with MUFG, a financial group with a global network, to respond to all financial needs of businesses at home and ASEAN, e.g., customers in the Kingdom of Cambodia, Lao PDR, Myanmar, and Vietnam (CLMV), and those in the ASEAN Economic Community (AEC), while helping boost Krungsri's and customers' business potential toward the global arena
- Develop inclusive and suitable financial access channels for each segment through the implementation of innovations and technologies to promote efficiency and enhance financial access anywhere, anytime
- Promote financial literacy among students, customers, employees, and the general public, while cultivating the discipline of saving, as well as efficient financial planning and personal financial management

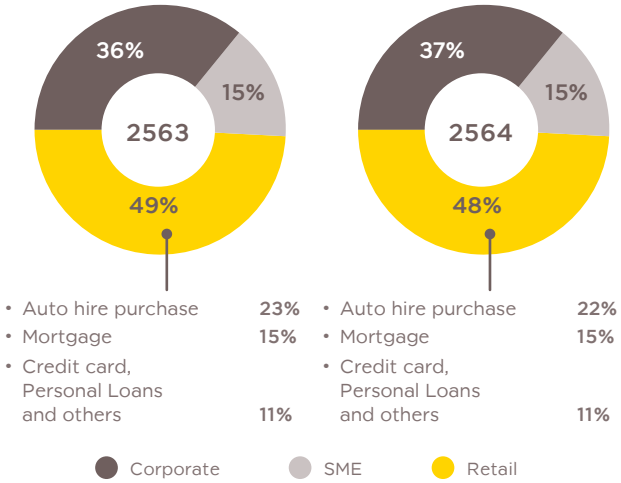
Performance

Balanced Portfolio Management

Krungsri maintained well-balanced portfolios for corporate loans, SME loans, as well as retail loans. As of December 31, 2021, **total outstanding loans stood at 1,890,376 million baht,** an increase of 57,411 million baht, or 3.1 percent from December 2020. In this connection, corporate and SME loans were accounted for 52 percent while retail loans stood at 48 percent of the total loan portfolio. The proportions slightly changed compared to 2020 and the details of which are as follows:

- **Corporate loans were 694,501 million baht (37 percent)** comprising 445,329 million baht of loans provided to Thai corporates, and 249,172 million baht of loans given to Japanese and multi-national corporations.
- **SME loans were 289,566 million baht (15 percent)**
- **Retail loans were 906,309 million baht (48 percent).** Loans provided to retail customers were consisted of 416,340 million baht in auto hire purchase loans, 285,394 million baht in mortgage loans, and 204,575 million baht in credit card and personal loans.

Krungsri's Portfolio



Corporate Loans and Small and Medium Enterprise (SME) Loans

Krungsri focused on enhancing growth opportunities for all customer segments, including corporate customers (Thai, and Japanese and multi-national corporations), including SMEs across all industries, reinforcing our commitment to becoming a **'trusted banking partner'** with following initiatives:

- Driven by three key strategies, which are:
  1) Commercial Business Enhancement through digital platform creation in accelerating the value chain business and synergizing for cross-segment strengths, by leveraging research and analytic capabilities and MUFG networks to expand business opportunities to cover all customer segments in the value chains
  2) Accelerating Ecosystem and Partnership to better and completely respond to corporate customer needs
  3) ASEAN Expansion to pursue new ASEAN business opportunities for Thai corporates
- Enhanced financial services and products that are appropriate and responsive for corporate customers, while reviewing and monitoring to ensure that loans granted to customers are utilized in the way most beneficial to socio-economy and the environment toward sustainable growth. In addition, environmental, social, and governance (ESG) financial products were developed for businesses, including funds mobilizing through debt instruments, e.g., sustainability bond, green bond, social bond, etc., as well as ESG loans, e.g., sustainability-linked loan (SLL), available as alternative financing tools for Thai corporates, thanks to synergies with MUFG's expertise and global networks



- Focused on digital innovation and technology to seek complete financial solutions for customers' expanded business opportunities, while providing customers liquidity and risk management in conformity with the post-COVID-19 era, including Krungsri Biz Online, Krungsri Biz Mobile, Krungsri Global Transfer, Krungsri Cashless Chain, Krungsri PayAlert, Krungsri CashLink, Krungsri Tradelink, etc.
- Leveraged the synergies with MUFG's expertise and global networks in driving and supporting commercial customers at home and elsewhere, while offering assistance measures to them to get through the COVID-19 crisis
- Provided knowledge sharing, business matching, and network-building activities that boost business opportunities domestically and internationally, though **'Krungsri Business Empowerment'** to help commercial customers grow their business potential and create long-term strengths in preparing to cope with the changing business environment in the future:
  - Jointly organized online seminars under the **'Krungsri Business Talk'** theme with the public and private sectors for commercial customers, namely corporate customers, SME customers, customers which are financial institutions, JPC/MNC customers, and general business operators with following titles:

- ‘What’s Next for Thai Economy and Business’ to share insights on global economic perspectives, the new trade direction under US President Joe Biden and China’s solid role post-COVID-19, opportunities and challenges of Thai businesses in China and ASEAN, as well as perspectives on the Thai economy, megatrends, and new supply chains
- ‘What’s Next for Food Industry’ presented by academics, renowned businessmen, and Thailand’s food experts to share insights and views so that commercial customers could get ready and adjust their business plans in accordance with global megatrends and supply chain revolution of the food industry
- ‘What’s Next for Automobile Supply Chain’ in collaboration with executives from the Federation of Thai Industries and other leading organizations to share knowledge and views on changes that impact the demand and production of the future automobile industry



- ‘Thailand after COVID-19: Business Opportunities and Transformation’ in collaboration with the Board of Investment of Thailand (BOI) to share perspectives on domestic and global industrial directions so that businesses can be well prepared and adjust their business plans in tandem with post-COVID-19 changes and new business opportunities
- ‘Catching Up with the Experts’ to provide knowledge on global and Thai financial systems and the changes post-COVID-19, as well as insights on foreign exchange and financial market trends upon policy rate announcements

- The **‘THE CHANGE MASTER’ project** which provided knowledge, perspectives, and inspirations to customers and business operators. At the event, renowned guest speakers namely Mr. Prasit Boondoungprasert, Chief Executive Officer of Charoen Pokphand Foods PCL, Mr. Surachai Chetchotisak, Chief Executive Officer of RS Group PCL, Mr. Tassapon Bijleveld, Executive Chairman of Asia Aviation PCL, and Mr. Somphote Ahunai, Chief Executive Officer of Energy Absolute PCL, shared their insights and views on changing global trends and needed adjustments to survive amid socio-economic challenges.
- The **‘Krungsri Virtual Business Matching 2021’** event, held for the second consecutive year since 2020 during June 1-24, 2021, was well received by Thai and ASEAN businesses. There were around 300 business matches made, higher than expected, participated by more than 170 sellers and 20 buyers from local and international companies, namely those from the Kingdom of Cambodia, Lao PDR, and Vietnam. In this regard, top three most popular businesses were foods and beverages, beauty, and household products, reflecting their popularity among our neighboring markets.



- The **‘Krungsri-Thai Town Matching Fair 2021’** event which was held on September 23-29, 2021, via Microsoft Teams, to present Thai products to Thai Town Supermarket which imports and distributes Thai products in Myanmar with an opportunity to test Thai products’ market demand for one to six months for manufacturers of beverages, fresh and frozen foods, instant foods, fresh fruits, processed fruits, food supplements, household products, electrical appliances, etc.



- The 'Krungsri-MUFG Virtual Business Matching Fair 2021' event, which was the collaboration between Krungsri and MUFG held for the ninth consecutive year. More than 80 food companies and retailers from Thailand, Japan, and ASEAN participated in the event, reflecting the synergies between Krungsri's domestic expertise and MUFG's global networks in driving the Thai business sector in accordance with the third Medium-Term Business Plan (2021-2023) that aspires to boost commercial customers' business potential while connecting their needs across ASEAN.
- Established the customer service center to provide advisory and financial services to commercial customers, via contact channels: Tel. 0-2626-2626, or e-mail address: commercialbanking.callcenter @krungsri.com

Retail Loans

Committing to responsible lending, Krungsri takes into account the appropriateness of financial products and services which are diverse in accordance with demands of retail or individual customers, namely mortgage loans, Krungsri Auto's automotive finance products, credit card and personal loans. We are well aware that customers' access to appropriate lending products would uphold their financial security, while being beneficial for the overall economy and society.

With clear procedures for the approval of all loan types, Krungsri considers customers' ability to service debts. The Bank ensures sound risk management and observes any irregular repayment behaviors to prevent customers from falling into payment predicament. Recommendation for debt restructuring and management is given when necessary. These operations help the organization mitigate NPL risks, relieve customers' burden, and might lower the volume of bad and household debt in the economic system as well.

Microfinance and Nanofinance

Krungsri realizes the importance of providing the grassroots level with opportunities to access financial services in the form of microfinance and nanofinance. Financial access is a factor that helps life go on more smoothly, readying the person for expenses that are unexpected or exceed their current debt servicing coverage. Moreover, people can create their financial records at trustworthy financial institutions, positively affecting their quality of life and establishing a solid foundation.

Krungsri aims to raise the standards of microfinance and nanofinance to ensure fairness and transparency—serving as a reliable source of funds for low-income customers. Therefore, the Bank uplifts its microfinance and nanofinance services both domestically and internationally through subsidiaries and joint ventures that provide services in this particular area namely Ngern Tid Lor Public Company Limited and Hattha Bank Plc.–Krungsri's subsidiary in the Kingdom of Cambodia.

Ngern Tid Lor

- Offered financial access to more than **834,904 customers** (up 14.35 percent from 2020)
- Total loans of **61,458 million baht** (up 19.73 percent from 2020)
- **1,286 branches**

Hattha Bank Plc.

- **203,789 customer accounts** (up 10.46 percent from 2020)
- Total loans of **USD 1,691 million** (up 27.82 percent from 2020)
- **177 branches**

Financial Distribution Channels

Krungsri consistently propels financial technology innovation by enhancing a variety of service channels to allow rapid and convenient customer access, anywhere, anytime, covering areas in Bangkok and its vicinity and the provinces, as well as foreign offices and branches. The financial products and services were presented via both online and offline **'financial service channels'**, reinforcing Krungsri's make life simple concept, in response to customers' changing demands and behaviors and relying on and using technology for customer convenience and equity and inclusive financial access.

Krungsri continued to place importance on our **'branch network'**. Branches have been persistently changed in terms of branch format toward greater modernity and customer convenience, while boosting branch staff's capabilities and skills to take the role of financial advisors that can provide complete customer advice.

Remark:
Please see more details in the topic of 'Channels of Financial Access'

Krungsri Branch Types

1) **Smart Branch**
a new branch emphasizing the importance of 'space staff' and 'speed'—while focusing on the automated service, customers can also make transactions themselves. Moreover, the branch staff is ready to give advice about products and services upon needed. The branch is equipped with 3-in-1 machines at which customers can make deposits, withdrawals, funds transfer, bill payments, and passbook updates, cash bill payment machine, and smart teller machine.



2) **Smart Kiosk**
a kiosk with automatic machines for self-service transactions with more limited staff presence for advice



3) **Partnership Branch**
a special branch jointly run with other organizations, e.g., universities

4) **Typical Branch**
a normal type of branch

In 2021, amid uncertainties of ongoing transmission of COVID-19, we took the best care of our customers while placing paramount importance on the safety of the customers, employees, and branch visitors. We still strictly complied with the measures to ensure safety of our customers and employees such as body temperature measurement, face mask requirement, installation of protective shields between customers and counter staff, while imposing social distancing measures by limiting the number of visitors and keeping a safe distance between persons and arrangement of seating in waiting areas, with provision of hand sanitizers at service areas, ozone treatment and disinfection at various high-touch areas, etc.





Financial Literacy Promotion

Krungsri Financial Literacy: 'Simple to Learn Project'

Details:

The 'Krungsri Financial Literacy: Simple to Learn' Project, the Bank's CSR flagship one, has been organized since 2015 with objective to promote basic financial knowledge and saving habits among primary school students in grades four to six throughout the country through activities and games facilitated by Krungsri volunteers.

Due to the COVID-19 pandemic in 2020, Krungsri adjusted its activities and collaborated with the **Office of the Basic Education Commission (OBEC) and Equitable Education Fund (EEF)** to developed online animated series called '**Simple to Learn: Stay Safe During Covid-19**'. The animated series featured easy-to-digest and entertaining financial knowledge through Krungsri's key cartoon characters (Billy and Bella), consisting of four lessons namely Thinking before Buying, The Savings, Young Book Keeper, and Recycle with the objective to educate youths about finance as well as one special episode about the COVID-19 preventive measures in schools to enhance their awareness in the new normal era.

In 2021, the project was in its seventh year. The online animated series was further developed with two new episodes comprising **1) Let's Get to Know Commercial Banks and the Central Bank**, and **2) Following the Journey of Banknotes**, of which content has been supported and reviewed by the **Bank of Thailand**. The partnership highlighted the Bank's commitment to promoting financial knowledge among youths—perceived as a rock-solid foundation for sustainable development in line with the United Nations' Sustainable Development Goals (SDGs) (No.4 Quality Education, No.10 Reduced Inequalities, and No.17 Partnerships for the Goals).

Performance:

In 2021, the animated series was distributed through the Bank's social media channels, as well as the network of our partners including more than 28,000 schools throughout the country under the supervision of the Office of the Basic Education Commission (OBEC) and Equitable Education Fund (EEF) to the audience of primary school students.



Please scan this QR code to watch Krungsri's animated series 'Simple to Learn: Let's Get to Know Commercial Banks and the Central Bank'



Please scan this QR code to watch Krungsri's animated series 'Simple to Learn: Following the Journey of Banknotes'

"Financial literacy is very important as it relates to and impacts the lives of everyone, especially in today's world where challenges are everywhere. So, making little children financially literate will not only help inculcate financial discipline in them, but also create sustainable financial ideas and habits for them when they grow up. I would like to extend my sincere admiration and appreciation to Bank of Ayudhya for placing great emphasis on this matter, which is believed to help address the nation's household debt and inequality problems going forward."



Dr. Chayawadee Chai-Anant
Senior Director
Corporate Communications
Department, Bank of Thailand

"Financial discipline and knowledge about money are key fundamentals that will help our children and youths grow into quality and successful population who will contribute to the country's stability and prosperity. It is great that Bank of Ayudhya Public Company Limited has developed these educational materials promoting smart saving and spending among students so they can create a good future."



Dr. Nipon Kongweha
Secretary-General
of the Basic Education
Commission's Assistant
Office of the Basic Education
Commission (OBEC)



"The EEF extends its thanks to Bank of Ayudhya Public Company Limited for providing the online animated series of the Krungsri Financial Literacy: 'Simple to Learn' project for EEF students. Financial literacy is one of the essential life skills for efficient financial planning and management in terms of spending, saving, and debt management, enabling the improvement of the quality of life of oneself and one's family, thus breaking free from the cycle of poverty within their generation."

Dr. Kraiyos Patrawart
Deputy Managing Director
Equitable Education Fund (EEF)

Happy Money

Details:

Happy Money is a project in collaboration between Krungsri and the Stock Exchange of Thailand with an aim to provide Krungsri staff financial planning and management knowledge, while promoting and encouraging them to become financial mentors and further share the financial knowledge to our subsidiaries.



Performance:

2021 was the first year of the project, where online training sessions were held by Krungsri, with speakers from the Stock Exchange of Thailand invited, as follows:

- 1st activity on August 11, 2021, was attended by 186 Krungsri staff members
- 2nd activity on October 20, 2021, was attended by 179 Krungsri staff members

Krungsri Plan Your Money

Details:

'**Krungsri Plan Your Money**' is a professional financial and investment planning consultant with a focus on providing financial knowledge such as personal finance, retirement, investment, tax, or credit planning. The main target groups are employees of private companies, university students/ students who are about to graduate to ensure that they can easily access to financial news. Also, the financial management and planning tools are available on the Bank's website (www.krungsri.com) so as to simplify the customer's life.

Moreover, Krungsri Plan Your Money organizes financial seminars both on online and offline platforms—including workshops—to promote financial literacy and comprehensively cover all target groups.

Performance:

In 2021, Krungsri Plan Your Money organized financial seminars as follows:

- An online seminar titled 'Financial Planning for the First Jobber' at Prince of Songkla University on May 6, 2021, attended by 180 students, focusing on a guideline for basic financial planning, namely income-expense planning, savings and investments, for their future financial planning and management
- An online seminar titled 'Savings and Loan Management' on June 24, 2021, for 30 employees of Unicharm (Thailand) Co., Ltd., focusing on savings and loan management as a guideline for their efficient personal finance management
- An online seminar titled 'Savings and Loan Management' on August 2, 2021, for 50 employees of Honda Automobile (Thailand) Co., Ltd., focusing on savings and loan management as a guideline for their efficient personal finance management
- An online seminar titled 'Financial Planning for University Students' on October 19, 2021, for 120 students of Thammasat University to provide them financial management knowledge and savings techniques for their financial planning
- Organized an online seminar titled 'Financial Planning for University Students' on November 16, 2021, for 150 students of Rajamangala University of Technology Tawan-ok to provide them financial management knowledge and savings techniques for their financial planning

Online content hub: Plearn เพลิน by Krungsri GURU



Details:

Since 2014, **the Plearn เพลิน by Krungsri GURU** platform has been developed as an online content hub on our website, www.krungsri.com. The platform gathers the content about finance, investment, business, innovation, and lifestyle with the aims to educate and inspire Krungsri customers and the general public to think about efficient financial planning which will consequently lead to financial sustainability.

Plearn เพลิน by Krungsri GURU platform revolves around the content under the concept of '**Simple Finance: Read Plearn Plearn**' using plain—yet, casual—language by sharing a fun story to create good experience for all groups of readers. Featuring a fully responsive design, content shown in all devices, namely tablets, smartphones, and notebooks, is easy-to-navigate with attractive displays, anywhere anytime. The artificial intelligence-based technology was adopted to study website visitors' behaviors to introduce articles related to target groups' interest, so that the number of visitors of the Bank's product and service sites could be boosted.

Plearn เพลิน by Krungsri Guru is designed to portray every aspect of consumer daily life comprising following four content pillars: 1) **Finance:** Matters that make life simple; 2) **Business:** Secrets to success in business; 3) **Innovation:** To stay ahead of the digital era curve; 4) **Lifestyle:** Cool ideas and lifestyle trends. During the spread of COVID-19, the content was also developed to help readers cope with the new normal era.

In 2020, Krungsri developed '**Krungsri Plearn เพลิน PODCAST**' under the concept of '**Simple Finance: Listen Plearn Plearn**'. This is an alternative for the target audiences to easily gain knowledge and entertainment in place of reading in response to the lifestyle of urban people whereby most of them prefer listening to the audio tracks while traveling to work and going back home (driving or using public transportation), during work-out, or their free time. The podcast is divided into two parts namely 1) Easy Finance and 2) Easy Life.

Performance:

The growth of viewers was 11 percent compared to 2020, while the content of the podcast was developed in response to customers' interest, making the number of podcast listeners growing by 100 percent compared to 2020.

The accolade that we have taken pride in was Financial Inclusion Initiative of the Year – Thailand, from the Asian Banking & Finance (ABF) Retail & Wholesale Banking Awards 2021, given in recognition of the online content hub's ultimate objectives of promoting financial literacy through fund and easy-to-understand articles, as well as Krungsri Plearn เพลิน PODCAST that conveys edutainment-based content with knowledge as well as aspirations.

Krungsri Auto $mart Finance 2021: 'Money Clinic for Financial Checkups, Prescriptions, and Vitamin Supplements'



Details:

Krungsri Auto initiated '**Krungsri Auto $mart Finance**' since 2009 as part of its corporate social responsibility activity based on responsible lending that focuses on providing financial literacy. 2021 was marked the 13th year of the project.

Performance:

In 2021, amid concerns over the pandemic, health matters, and keeping financial health strong to cope with upcoming uncertainties, Krungsri Auto therefore organized the **Krungsri Auto $mart Finance 2021: 'Money Clinic for Financial Checkups, Prescriptions, and Vitamin Supplements'** to provide financial knowledge as well as inspirations for sustainable financial health of customers and the general public, starting from the accurate understanding of own financial health, selecting appropriate treatment methods, and boosting financial immunity via building secure wealth.

The seminar was held on December 8, 2021 via Facebook Live broadcast set as a private group titled 'Krungsri Auto $mart Finance 2021' with three experts who shared insightful financial management and extra income creation techniques. They were Mr. Jakkapong Mespan, also known as Noom the Money Coach, a personal finance planning expert who provided advice in money checkups and personal finance planning titled 'Checkups' and 'Prescriptions' while giving ideas for extra jobs (Vitamin C: Career) titled 'Find Vitamin Supplements'; Assistant Professor Lalita Santiworarak, the digital marketing guru and independent academic, who shared the knowledge on digital marketing (Vitamin D: Digital) to equip the audience with selling in the social media era; and Mr. Chayuth Parinyathanakul, Managing Director of Chayuth Tar Preme Consultant Co., Ltd., who gave advice on investments (Vitamin F: Fitness) to strengthen financial health by building growth of returns.

In addition, over the past year, Krungsri Auto also provided advice, given by Krungsri Auto experts, for customers and members of the public who wish to enhance their self-disciplines and get ready at all circumstance through online seminars attended by more than 250 persons in total.

Money Matters Project by Krungsri Consumer

Details:

Krungsri Consumer has initiated the 'Money Matters' project since 2017—recognizing that effective financial management will bring good quality of life and stability for now and in the future. The concept is proven crucial during the COVID-19 epidemic. The objective of the activity is to provide comprehensive financial knowledge to employees, customers, students and the general public through a variety of activities that are appropriate for each target group as per the following details:

- Employees: Krungsri Consumer established the 'Savings Club' to raise awareness among staff members on the importance of financial security and to inspire them to have financial discipline and generate additional income which does not interrupt their full-time job through diverse activities, including daily personal bookkeeping, extra income generating
- Customers and the general public: Krungsri Consumer also held financial education activities for customers and the general public regarding financial planning and personal finance management via online and social media channels, e.g., the Money Matters Facebook Fan Page, the live streaming event titled 'New Normal, More Money', etc.

Performance:

- 'Savings Club' by Krungsri Consumer: due to the spread of COVID-19 that continued to adversely affect the arrangement of 'Savings Club' activities, thus, Krungsri Consumer has provided knowledge on financial management and creating a saving discipline via online channels for employees to participate during their work-from-home periods. For example, the staff was encouraged to record their income and expense. In addition, the Facebook live events titled 'Savings Live Streaming' were organized on diverse topics with financial gurus invited to provide knowledge and answers to staff's financial queries.

In this connection, Krungsri Consumer believes that providing financial management knowledge amid the COVID-19 crisis is a wake-up call for the employees whereby they become more active, carefully plan their spending, and envision the importance of emergency savings. In 2021, there were 168 employees participating in the Facebook live activities organized by the club, with 2,745 views recorded for the club's content.

- The Facebook live event titled 'New Normal, More Money' was organized in 2021 as the 'New Normal, More Money, Season 2' that featured smart financial management knowledge sharing, while provided financial management tips via the Facebook live event via 'Krungsri Consumer' Fan Page, a new, attractive and modern form of financial knowledge sharing. Financial advice and tips in the new normal era were provided by well-known experts from the business sector as well as popular online influencers with interesting lifestyle and financial management. Therefore, target groups and the general public can apply the financial management knowledge to get through the COVID-19 crisis and adverse economic impacts. Throughout this online campaign, there were more than 244,744 views.





Life Rolls Forward Project by Ngern Tid Lor

Details:

'Ngern Tid Lor' aims to create shared value (CSV) by launching the 'Life Rolls Forward' Project, through which basic financial knowledge was provided to low-income communities, targeting vendors, industrial workers, as well as Ngern Tid Lor's employees.

Performance:

In 2021, basic financial knowledge sharing activities were organized as follows:

- The Stop Gambling Foundation Network: Ngern Tid Lor organized a financial knowledge sharing participated by 450 persons from 12 communities in three provinces, namely Saraburi (five communities), Phatthalung (four communities), and Lampang (three communities). The activity was led by community leaders who had been trained by Ngern Tid Lor PCL under the Train The Trainer study course.
- The Teach for Thailand: provided training for 60 teachers in nine provinces (Bangkok, Nakhon Pathom, Lop Buri, Kanchanaburi, Nakhon Sawan, Prachinburi, Rayong, Chon Buri, and Khon Kaen) with three study courses via Zoom, comprising 1) Financial Planning, 2) Before Taking on Debt, and 3) Get Ready before Investing, participated by seven volunteers from Ngern Tid Lor PCL

'Basic Financial Literacy Workshop' by Ngern Tid Lor



Details:

'Ngern Tid Lor' realizes the importance of personal finance and investment management to support their profession. Hence, a financial literacy project was organized to share knowledge with the people who made a mistake and are set to be released to live a normal life in line with the 'Inspire' Project under the Royal Initiative of Her Royal Highness Princess Bajrakitiyabha Narendiradebyavati Krom Luang Ratchasarinee Siripatchara Maha Watchara Ratchathida. This was to equip them with necessary knowledge and give them opportunity to ensure they can make a living and live on their own upon release.

Performance:

2021 was the third consecutive year that Ngern Tid Lor organized this project to share knowledge with those who made a mistake in life. But due to the COVID-19 crisis, an e-learning VDO platform was developed and delivered to Chanthaburi Provincial Prison on October 28, 2021, which was used in the training session for 35 persons who made a mistake in life.

Community Participation and Social Engagement

As a part of society, Krungsri attaches importance to engaging in the support and the improvement of communities and society for a better quality of life and overall well-being through cooperation with external agencies and alliances in the public sector, the private sector, and the civil society such as the Stock Exchange of Thailand, Thai Bankers' Association, Thai Red Cross Society, Social EnterpriseThailand Association, Department of Fine Arts, foundations and foster homes, and local communities. We leverage the synergy from combining each organization's expertise to further enhancing existing projects and activities for a broader scope of concrete, positive impacts, while also promoting the country's sustainable development and growth.

Furthermore, Krungsri places emphasis on promoting social and environmental responsibility among all executives and employees, as well as the volunteerism and participation in communities and society under the 'Simple to Share' concept through a range of projects and activities that cover economic, social, and environmental dimensions, with the goals of strong and sustainable growth for communities and society.

Management Approaches

- Appoint the 'Sustainability Committee' responsible for determining the strategies, directions, policies, and regulations for the operations relating to ESG, sustainability, or social accountability of the Bank and the companies in the Financial Business Group (Group Companies) in accordance with sustainable banking principles, the guidelines and expectations of regulators, including the Sustainable Development Goals (SDGs) of the United Nations to be proposed to the Executive Committee for approval. The Sustainability Committee shall hold a meeting no less than once per quarter and shall report its performance directly to the Executive Committee.
- Form the 'Policy for Social Contribution and Project Formulation' as the basic framework for providing financial support and donations to corporate social responsibility (CSR) activities of the Bank and the Group Companies which must use this policy as a guideline on forming an equivalent policy of their own.
- Establish the 'Corporate Social Responsibility Department' under the Environmental, Social, and Governance Division of the Corporate Strategy and Planning Group. Its responsibility is to devise CSR strategies and determine plans, projects, or campaigns that have positive impact on society, including driving Krungsri's CSR activities in cooperation with our alliances and relevant parties, both internal and external, to carry out CSR activities in conformity with international guidelines or standards as well as the SDGs.
- Stipulate the social responsibility framework called 'Krungsri's 4 CSR Pillars' so that our CSR activities respond to sustainable development at the national and international levels. Details are as follows:

KRUNGSRI'S 4 CSR PILLARS

Creating Sustainability Value	Giving Back to The Community	Preserving The Environment	Providing Financial Support
Focusing on creating an understanding of social responsibility and sustainability among employees and executives, and promoting the long-term participation of stakeholders. The Sustainability Report is also prepared in order to assess our performance and create awareness among all groups of stakeholders.	Emphasizing the creation of community engagement both in the Bank's surrounding community and other areas via CSR activities and projects	Focusing on the cultivation of environmental conservation habits and awareness via CSR activities and projects, and promoting eco-friendly operating processes	Promoting support for and assistance to society in various forms such as granting scholarships, disaster relief, and donations to charitable organizations

Performance

Investments for community and social development *

6.29 million baht

3,456 Krungsri Group volunteers participated in CSR activities

Donations *

23.69 million baht

Krungsri Group volunteers representing

6,789 volunteer hours

* Bank of Ayudhya and subsidiaries only

Creating Sustainability Value

Provision of training for executives and employees on ESG and the finance and banking business

Details:

Krungsri is cognizant of the importance of integrating environmental, social, and governance (ESG) considerations into operations toward our aspiration for sustainable banking, particularly issues related to the banking business. With this in mind, the Environmental, Social, and Governance Division in collaboration with the Learning Solutions and Leadership Development Department introduced online ESG training sessions for executives and employees at all levels.

Performance:

- Advised and provided ESG fundamentals to new hires on their orientation day
- Held an online training session about 'Environmental, Social, and Governance (ESG) for Sustainable Growth' in two rounds on June 23 and October 20, 2021 which were attended by 182 employees
- Held an online training session about 'ESG Finance & Business Opportunities' on September 30, 2021 which was presented by ESG finance experts from Ernst & Young (EY) and attended by 250 executives and employees from the relevant business units
- Held an online training session about 'ESG Finance & Business Opportunities' on October 27, 2021 which was presented by ESG finance experts from Ernst & Young (EY) and attended by nine directors from the Board
- Held an online training session about 'ESG Knowledge Sharing: ESG for Banks' on December 3, 2021 which was presented by the expert consultant Pricewaterhouse-Coopers (PwC) and attended by 80 executives and employees from the relevant business units

Training and educating employees on the topic of 'New Zero Waste Lifestyle'

Details:

In response to environmental and climate change issues, Krungsri organized staff training sessions to instill an environmental preservation mindset and create a correct understanding of waste problems and global warming, ultimately leading to waste management to help combat global warming by starting with internal collaboration.



Performance:

The 'New Zero Waste Lifestyle' training session held on June 22, 2021 was presented by experts from Chulalongkorn University and attended by 102 employees.

Training and educating employees on the topic of 'Green Office Promotion'

Details:

Krungsri promoted the standards for making our offices environmentally-friendly in tandem with adjusting our employees' habits to save energy and resources and reduce waste from the Bank's processes, including underscoring environmentally-friendly activities to cut down the emission of greenhouse gases (GHG) – the primary cause of global warming.

Performance:

Held training sessions regarding green office promotion projects presented by the researchers and advisors, Faculty of Environment and Resource Studies, Mahidol University. The training topics are as follows:

- Held the first training session for the Working Committee on Environment and employees from the relevant business units about the 'Guidelines for turning offices into green offices' at the Head Office on March 26, 2021 which was attended by 51 persons
- Held the second training session (online) for the Working Committee on Environment and employees from the relevant business units about 'Specification of legal and environmental problems' on April 21, 2021 which was attended by 16 persons
- Held the third training session (online) for the Working Committee on Environment and employees from the relevant business units about 'Assessment and management of environmental problems' on April 22, 2021 which was attended by 17 persons
- Held a training session about 'Green Office Promotion' at the Head Office in December 2021 which was attended by 70 outsourced cleaning staff

Giving Back to the Community

Krungsri Financial Literacy: 'Simple to Learn' Project

Details:

Krungsri initiated the 'Krungsri Financial Literacy' project in 2015, underlining our commitment to promote basic financial knowledge and saving habits among primary school students in grades four to six nationwide. However, because of the COVID-19 pandemic in 2020, visiting the target groups was inadvisable so Krungsri adjusted the project activities accordingly by creating an animated series titled 'Simple to Learn – Stay Safe during COVID-19' to share easily digestible financial knowledge through Krungsri's main characters Billy and Bella. The series consists of four episodes: 1) Think before Buying, 2) The Savings, 3) Young Bookkeeper, 4) Recycle, plus one special episode on hygienic measures to prevent the spread of COVID-19 in schools. The animated series was supported by the Office of the Basic Education Commission (OBEC) and the Equitable Education Fund (EEF).

Performance:

2021 was a cautious year of curbing the spread of COVID-19 in continuation of 2020. It was also the seventh year of the Krungsri Financial Literacy: 'Simple to Learn' Project. Krungsri added two more episodes to the animated financial knowledge series: 1) Let's Get to Know Commercial Banks and the Central Bank, 2) Following the Journey of Banknotes, and the Bank of Thailand (BOT) helped review the content. Krungsri also received support from the OBEC and the EEF in promoting and disseminating our animated series to elementary students at over 28,000 schools throughout Thailand under the responsibility of the OBEC and the EEF, including 15 elementary schools in the vicinity of our Head Office.





'Money Smart Next-Gen Year 3' project in collaboration with the Thai Bankers' Association

Details:

Krungsri operated the project in collaboration with the Thai Bankers' Association (TBA) and other member banks for the third year. The project aims to promote the concept of smart savings and financial management among university-level students nationwide. Because of the pandemic, the TBA extended the third year (2020) of the project period to June 2021.

Performance:

- Krungsri organized a financial literacy activity on June 11, 2021 for 86 students of Rajamangala University of Technology Krungthep with three Krungsri volunteers who carried out the activity and shared their financial knowledge.
- Krungsri organized a financial literacy activity on June 19, 2021 for 554 students of Srinakharinwirot University with the participation of two Krungsri volunteers and the volunteers from other TBA member banks.

'Giving More...Receiving More' project promoting blood donation

Details:

Krungsri started this project in 2007 to promote the donation of blood, organs, and eyes to the National Blood Centre, Thai Red Cross Society, to aid people in need, especially in crises when the blood inventory is insufficient for patient treatments.



Performance:

The severe COVID-19 pandemic continued from 2020 to 2021, resulting in a high demand for blood supplies to help patients. Krungsri sped up its support of blood drives by adjusting the operation method accordingly, taking account of donor safety in strict compliance with contagion preventive measures.

- Blood donation activities are normally held quarterly at the Head Office and at Krungsri Ploenchit Office, but because of the pandemic, the Bank was able to hold only one activity in the first quarter during March 2021. For the second to fourth quarter, to ensure donors' safety, the blood donation activities were relocated from the Head Office and Krungsri Ploenchit Office to the National Blood Centre, Thai Red Cross Society.
- For the blood donation activities at 15 provincial branches, given the pandemic, the number of branches was reduced to seven in accordance with the degree of severity of outbreaks in each area for optimal safety.
- 2,685,600 cc of blood was donated to the National Blood Centre, Thai Red Cross Society, exceeding the target of 1,000,000 cc.

'Krungsri Breast Cancer Awareness' project

Details:

Krungsri started this project in 2010 with the support of the Thanyarak Foundation under the Patronage of HRH The Princess Mother, aiming to support the country's public health strategies through diverse activities such as breast self-examination training by experts and free mobile mammography units providing the public with quality and standard breast examination service equivalent to examination at the Thanyarak Breast Center.

Performance:

In 2021, Krungsri planned to disseminate a video clip instructing women in breast self-examination, which the Bank had provided support to the Thanyarak Foundation in producing the instructional clip in the previous year. The plan was to disseminate the instructional clip to public health officers at two public health service centers in the Yan Nawa District, namely Public Health Service Center 055 Techa Samphan and Public Health Service Center 7 Bunmee Pururachrungson, including village health volunteers, through the network of four tambon health promoting hospitals, namely Song Khanong Tambon Health Promoting Hospital, Bang Yo Tambon Health Promoting Hospital, Bang Krasob Tambon Health Promoting Hospital, and Bang Kachao Tambon Health Promoting Hospital in Samut Prakan Province. However, because of the COVID-19 pandemic, as a precaution, the project was postponed. Upon returning to normality, Krungsri will continue raising awareness of breast cancer as planned.

'Ayutthaya Historical Site Conservation' project

Details:

Krungsri has carried out heritage conservation activities in our hometown province, Phra Nakhon Si Ayutthaya, in collaboration with the 3rd Regional Office of Fine Arts Department, Ayutthaya, to sustain communities' cultural heritage and encourage Krungsri people to take part in the country's cultural preservation.

Performance:

In 2021, Krungsri planned to hold six activities but because of the pandemic, they were cancelled in accordance with the government's and the Bank's COVID-19 preventive measures.

'Pan Kan: Turn Your Used Items into Scholarships' project

Details:

In 2016, Krungsri initiated the 'Pan Kan: Turn Your Used Items into Scholarships' project. Now in its sixth year, the project aims to promote the spirit of sharing among Krungsri employees and help extend educational opportunities to youths by accepting donations of used items in good condition which are offered for sale at Pankan Society shops. Proceeds from the sales are allocated as scholarships for youths under the supervision of the Yuvabadhana Foundation.



Performance:

In 2021, Krungsri organized an activity to accept used items in good condition from Krungsri Group staff throughout the year so they can be sold at Pankan Society shops. The donations were sold for 228,460 baht, funding **32 scholarships (an average of 7,000 baht each)** for students under the supervision of the Yuvabadhana Foundation.

Collaborative project with the Social Enterprise Thailand Association

Details:

Krungsri signed a memorandum of understanding with the Social Enterprise Thailand Association (SETH) in 2019 to promote widespread positive social and environmental impacts as well as integration among various sectors through enhancing the potential of and supporting social enterprises, particularly the promotion of financial literacy, investment planning, and social enterprise lending which is Krungsri's expertise.

Performance:

In 2021, Krungsri attended Thailand's first '**Social Enterprise Thailand Forum 2021**' under the theme 'Where Profit Meets Purpose' from November 19-21, 2021, organized by the SETH together with the Good Society Network, the partnership networks of the public sector, the private sector, the education sector, international organizations, and social enterprises both local and international, totaling over 60 organizations. The forum served as a stage for knowledge-sharing among SETH members and the interested general public. Krungsri joined the following activities in the 'Social Enterprise Thailand Forum 2021':



- Online seminar titled 'Leveraging Finance and Investments for Social Change' on November 19, 20201. A senior executive from Krungsri's Environmental, Social, and Governance Division jointly shared the Bank's sustainability vision and mission to drive the growth of social enterprises.
- Online seminar titled 'Liquidity Management during a Crisis, and the Pros and Cons of Debt Restructuring' on November 20, 2021. An executive from Krungsri's Business Banking Division jointly shared knowledge with social enterprises.

In addition, Krungsri helped boost social enterprises' sales of goods and services by advertising them via Krungsri's online channels. Among the social enterprises is 'Local Alike', a community-based tourism start-up that presents quality products from local communities, increasing their income during the COVID-19 pandemic.

Preserving the Environment

Mangrove reforestation activity

Details:

Initiated in 2012, the Bank's mangrove reforestation activity has been organized in collaboration with government agencies and provincial administrative authorities such as the Mangrove Forest Resources Development Station 5 (Chon Buri), the Mangrove Resources Administration Center Chon Buri Province, the Marine and Coastal Resources Administration Office 2, and the Department of Marine and Coastal Resources.

Performance:

In 2021, Krungsri planned to arrange three activities but because of the pandemic, they were cancelled in accordance with the Government's and the Bank's COVID-19 preventive measures.

'Krungsri Zero Waste' project

Details:

Krungsri initiated this project in 2018 under the concept **'Let's Unite for Zero Waste'**, aiming to raise employee awareness of waste problems and promote efficient waste management in the organization for recycling and reducing landfill waste. The Bank organized activities to encourage 'zero waste' habits among employees and promoted internal efforts, namely waste management training sessions, campaigns for proper waste sorting, and campaigns against single-use plastics to reduce pollution and environmental problems stemming from plastic waste.



Performance:

In 2021, Krungsri organized many activities toward the 'zero waste' goal as follows:

- Joined the Green Office project of the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment. We initiated the 'Krungsri… The Green Office' for the purpose of changing employees' habits and encouraging their engagement in the organization to save energy and resources, reducing the amount of waste from resource utilization, including carrying environmentally-friendly activities to cut down GHG emissions to zero (Please see more details about the 'Krungsri…The Green Office' project in the topic of 'Environmental Management and Resource Efficiency').
- Supported the reduction and proper disposal of e-waste according to international standards through the 'Trusted by Synnex e-Waste' project of Synnex (Thailand) Public Company Limited. Krungsri placed more e-waste drop boxes to cover a wider range than the previous project scope (Please see more details in the topic of 'Environmental Management and Resource Efficiency').
- Installed a food waste decomposer at the Head Office to reduce food waste to landfills to zero. In 2021, the machine helped break down **5,000 kilograms** of food waste, representing the reduction of GHG emissions by **12,700 kilograms of carbon dioxide equivalent ($kgCO_2e$)**. The food waste was converted into 1,300 kilograms of high-quality organic fertilizer for application in the green areas surrounding the Head Office and it was also given to the Royal Forest Department for further use. A feasibility study is being conducted on installing a food waste decomposer at the Krungsri Ploenchit Office. It is projected that the machine can be installed and start operating by the end of 2022 (Please see more details in the topic of 'Environmental Management and Resource Efficiency').

Care the Wild 'Plant & Protect' collaborative project with the SET

Details:

In 2020, Krungsri, in collaboration with the Stock Exchange of Thailand (SET), participated in the Care the Wild 'Plant & Protect' project in order to express our commitment to resolving environmental issues and tackling climate change. The project's mechanisms were to raise funds to grow forests and to protect forests together through the good governance mechanism. The growth of the trees can be monitored through the Care the Wild mobile application. Several parties such as

the Royal Forest Department and the Foundation for Thailand Rural Reconstruction Movement Under Royal Patronage have collaborated in the project.



Performance:

In 2021, Krungsri facilitated the Care the Wild 'Plant & Protect' project as follows:

- Provided the Ministry of Finance 400,000 baht in sponsorship of the planting of 2,000 trees in the Ban Phu Tum Community Forest in Ban Lat District, Phetchaburi, helping reduce GHG emissions by 18,000 $kgCO_2e$. The Bank also provided organic plant fertilizer derived from 1,000 kilograms of food waste to the Royal Forest Department.

'Care the Bear' collaborative project with the SET

Details:

Since 2019, Krungsri has been participating in the SET's 'Care the Bear' project initiated under the concept of 'Change the Climate Change' by Eco-Event, wherein the public and private sectors as well as social enterprises are invited to help accelerate the mitigation of global warming by reducing GHG emissions through event organization. Adhering to the 'Principle of 6 Cares', the project campaigns for commuting on electric trains or public transport, reducing the use of paper and plastics, banning foam containers, reducing power consumption, choosing decorative items made from reusable materials for organized events, and selecting only as much food as one can finish to reduce food waste. The Bank's goal in joining the 'Care the Bear' project is to have employees engage in the Bank's activities addressing environmental issues and reducing GHG emissions which are the main cause of global warming.

Performance:

Reduced GHG emissions by 608,930.04* $kgCO_2e$, comparable to planting 67,658.63 trees

Remark:

* Reference is made to the calculation information from https://www.carethebearcom/member/activity

'Old desk calendars for the blind' activity

Details:

Starting in 2017, the Bank collected and delivered old desk calendars to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen or other agencies to produce Braille-printed instructional materials for the blind. This activity contributes to optimal resource utilization by means of reuse, which also helps cut down GHG.

Performance:

In 2021, Krungsri collected 9,680 calendars from employees and delivered them to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen.

Tree planting activity of Hattha Bank



Details:

Hattha Bank organized the tree planting activity to raise awareness of the importance of environment preservation and care among employees and the general public.

Performance:

106 Hattha Bank volunteers planted 116 trees in Banteay Meanchey, Takeo, and Kampot provinces, the Kingdom of Cambodia.

Providing Financial Support

Details:

Krungsri Group in collaboration with government agencies and charitable organizations provided financial support for the organizations' public benefit activities to assist communities with urgent needs in terms of education, natural disaster relief, combating emerging infectious diseases, including other public benefits. Details are as follows:

Education

- Granted 20,000 baht to the War Veterans Organization of Thailand Under Royal Patronage as scholarships for the children of war veterans

- Granted 10,000 baht to the Japanese Association in Thailand as scholarships for youths
- Granted 9,000 baht to Thepsatri Rajabhat University as scholarships for students in need
- Provided financial support of USD 20,000 by Hattha Bank Plc. to the National Bank of Cambodia for the construction of a classroom building in Siem Reap Province, the Kingdom of Cambodia
- Donated USD 6,165.17 of education supplies and sports supplies by Hattha Bank Plc. to students in Pursat, Tboung Khmum, Phnom Penh, and other provinces in the Kingdom of Cambodia

Natural disaster relielf and combating emerging infectious diseases



- Provided financial support of 2,000,000 baht to the Siriraj Foundation under the 'Tor Lom Hai Jai' project to finance the purchase of high-flow nasal cannula oxygen therapy devices (HFNC), which are critical for reducing the use of ventilators as well as the mortality rate of COVID-19 patients, for hospitals facing equipment shortages across the country
- Provided 25,000 sets of antigen self-test kits (ATK) totaling 5,000,000 baht to Krungsri Group customers
- Provided financial support of 400,000 baht to the Siriraj Foundation, the Rajavithi Hospital Foundation, the Ramathibodi Foundation, and the Thai Red Cross Society to equip healthcare workers for handling the COVID-19 pandemic
- Provided financial support of 200,000 baht to the Thai Business Association of Myanmar (TBMA) to finance the purchase of oxygen concentrators and oxygen cylinders
- Provided 144,644 baht of home isolation kits 'Simple to Share' for COVID-19 patients to the Yan Nawa District Office
- Helped promote the 'Friends in Need (of 'PA') – Friends are forever' project of the Friends in Need (of 'PA') Volunteers Foundation through Krungsri's online channels by inviting employees and the general public to make donations to the project from July 11 - August 12, 2021. 9,619,271.30 baht of donations was received.



- Helped invite the general public to donate to the Friends in Need (of 'PA') Volunteers Foundation to aid flood victims through Krungsri's online channels and other online news agencies from July 29 – September 30, 20201. 521,153.49 baht of donations was received.
- Provided 135,969.57 baht of funds and drinking water to the COVID-19 immunization centers of Bangkok Hospital Group Company Limited, Bangpakok Hospital, Chularat 3 International Hospital, Piyavate Hospital, Nakornthon Hospital, Ladprao Generla Hospital, and Rajthanee Hospital



- Donated 742,150 baht of funds and drinking water by Krungsri Auto to those affected by the pandemic in Min Buri District, Bangkok; Bangna Community Isolation Center, Bangkok; Maejo University and Chiang Mai University, Chiang Mai; Khlong Khlung Hospital, Kamphaengphet; Nakhon Phanom University field hospital, Nakhon Phanom; Roi-Et Hospital, Roi-Et; Chakkarat Hospital, Nakhon Ratchasima; Health Promoting Hospital of Regional Health Promotion Center 7, Khonkaen; Television Station Channel 3; and Krob Krua Khao Foundation

- Provided 179,500 baht of 'Car4Cash Smile Packs' by Krungsri Auto to healthcare workers in five field hospitals located in Bang Khun Thian Geriatric Hospital, Bangkok; Nonthaburi Wittayalai Scool, Nonthaburi; Dhonburi Rajabhat University Samut Prakan Campus, Samut Prakan; Thailand National Sports University Chon Buri Campus, Chon Buri; and Chiang Mai International Exhibition and Convention Centre, Chiang Mai
- Provided financial support of 84,000 baht by Krungsri Auto to Kumpawapi Hospital in Udon Thani to finance the purchase of medical devices and equipment
- Donated 5,000 baht of relief packs and firefighting equipment by Krungsri Auto to the officials of the Royal Forest Department and those who were affected by the forest fire in Samoeng District, Chiang Mai
- Provided 156,600 baht of 'Car4Cash Smile Packs' and necessities by Krungsri Auto to the Bangpleeyai Subdistrict Administrative Organization and the Banphaeo Municipality to aid those affected by the fires at the factory in Soi King Kaew, Samut Prakan, and at the 100-year-old market in Samut Sakhon
- Provided 300,000 baht of 'Car4Cash Smile Packs' by Krungsri Auto to those affected by the Tropical Storm Dianmu-induced flood in Sukhothai, Lopburi, Chaiyaphum, Phetchabun, Nakhon Sawan, and Nakhon Ratchasima
- Donated 963,00 baht of N95 respirators by Krungsri Consumer to Rajavithi Hospital, Ramathibodi Foundation, Thammasat University Hospital, and Bang Khun Thian Geriatric Hospital
- Donated a part of Krungsri Asset Management Company Limited's income from trading fees at the amount of 702,499.48 baht to the Association of Thai Securities Companies to finance the purchase of oxygen concentrators for treating COVID-19 patients
- Donated 280,000 baht by Krungsri Asset Management Company Limited to King Chulalongkorn Memorial Hospital, Thai Red Cross Society; and Rajavithi Hospital to finance the purchase of medical devices and equipment
- Donated 5,000 baht by Krungsri Asset Management Company Limited to the Aeronautical Radio of Thailand Saving and Credit Cooperative Limited to finance the purchase of medical equipment
- Donated 24,878.30 baht of funds and drinking water by Krungsri Leasing Services Company Limited to aid those affected by the pandemic in Lao PDR
- Donated 81,926 baht of patient beds by Hattha Bank Plc. to hospitals in Kampong Speu Province, the Kingdom of Cambodia
- Donated 17,545.57 baht (USD 533.83) of protective equipment for COVID-19 and necessities by Hattha Bank Plc. to health centers and hospitals in Pursat Province, Siem Reap Province, and Kandal Province in the Kingdom of Cambodia
- Donated USD 1,666.44 of education supplies and necessities for preventing the spread of COVID-19 by Hattha Bank Plc. to schools in Banteay Meanchey, Kampong Thom, Pursat, and Mondul Kiri provinces, the Kingdom of Cambodia

Other public benefits



- Supported 2021 Kathin and off-season robe presentation ceremonies with cooperation from executives and staff members of the Bank and companies in the Financial Business Group, vendors, customers, as well as interested parties in making merit to sustain Buddhism by raising funds to finance various hospitals' purchase of medical equipment and supplies for patient treatment. In 2021, donations received through the Bank's annual Kathin and off-season robe presentation ceremonies amounted to **10,795,367.23 baht** as follows:
  - Jointly hosted Kathin ceremonies at four temples, namely Wat Pa Sawang Bun in Ubon Ratchathani, Wat Na Fai (Uttaradit Thammaram) in Uttaradit, Wat Thung Charoen in Sa Kaew, and Wat Lam Pho in Nonthaburi
  - Jointly hosted off-season robe presentation ceremonies at five hospitals, namely Uthai Hospital in Phra Nakhon Si Ayutthaya, Ban Hong Hospital in Lam Phun, Ratchaphiphat Hospital in Bangkok, Bang Pakong Hospital in Chachoengsao, and U Thong Hospital in Suphan Buri
- Jointly supported royal Kathin robe presentation ceremonies with various agencies as follows:
  - Jointly provided financial support of **10,000 baht** with the Social Security Office to organize the Kathin robe presentation ceremony at Royal Monastery Wat Khiri Wihan in Trat

- Jointly provided financial support of 10,000 baht with the Thai Credit Guarantee Corporation (TCG) to organize the Kathin robe ceremony at Wat Samphanthawongsaram Worawihan in Bangkok
- Jointly provided financial support of 10,000 baht with TMBThanachart Bank Public Company Limited to organize the Kathin robe presentation ceremony at Wat Pa Lelai Worawihan in Suphan Buri
- Jointly provided financial support of 5,000 baht with the Office of the Consumer Protection Board to organize the Kathin robe presentation ceremony at Wat Sawang Arom in Nakhon Pathom

- Provided financial support of 500,000 baht to the Thanyarak Foundation under the Patronage of HRH The Princess Mother to support its activities
- Purchased 100 sets of Thai Red Cross Society raffle tickets for 2021 amounting to 100,000 baht from the Friends in Need (of 'PA') Volunteers Foundation, the proceeds of which shall be used to support the public benefit operations of the Thai Red Cross Society
- Supported the 'Pueng Pa Fair 2021' online event, organized by the Friends in Need (of 'PA') Volunteers Foundation, by having a representative from Krungsri's Mass Affluent Segment Department as a joint speaker for the topic of 'Plan Your Money after COVID-19' to provide knowledge about financial planning and management to people affected by the pandemic so they can avoid financial difficulties and plan their money in case of another crisis
- Provided financial support of 50,000 baht to the Thai Japanese Association (TJA) to support the renovation of the Japanese Village in Phra Nakhon Si Ayutthaya
- Provided financial support of 50,000 baht to the Siriraj Foundation to provide medical aid to patients in need
- Provided financial support of 4,354,000 baht to the Krungsri Foundation to support its public benefit activities
- Provided financial support of 20,000 baht to the National Blood Centre, Thai Red Cross Society, to support the Blood Hero Year 2 Project
- Provided financial support of 120,000 baht to the Saitarn Foundation under the patronage of Betagro Group and the Jamnong Bhirombhakdi Foundation to support their public benefit activities
- Provided financial support of 100,000 baht to the Pol. Gen. Pow Sarasin Foundation to support its public benefit activities
- Provided financial support of 5,000 baht to the Thai Christian School to support its volunteer activity of building a playground for Ban Khuan Inthanin Ngam School in Trang
- Provided 53,000 baht of consumption goods and toys for small children by Krungsri Auto to the Foundation for the Better Life of Children in Pathum Thani
- Donated 33,600 baht of items and food to people in Nongbualamphu and Udon Thani
- Donated 2,500 baht by Krungsri Auto to Ban Takud School in Nakhon Sawan to supports its 2021 Children's Day activity
- Donated a part of Krungsri Asset Management Company Limited's income from KFTHAICG management fees at the amount of 718,009.64 baht to the Thai CG Funds
- Donated a part of Krungsri Asset Management Company Limited's income from management fees at the amount of 320,144.74 baht to support the activities of the Mae Fah Luang Foundation under Royal Patronage
- Donated 28,453.18 baht of food and consumption goods by Siam Realty and Services Company Limited to the Priest Hospital in Bangkok
- Donated USD 1,094.84 of office supplies and solar cells by Hattha Bank Plc. to the Kingdom of Cambodia
- Donated USD 3,833.02 of food by Hattha Bank Plc. to those in need and cleaned the communities in Kampong Cham, Kampong Thom, and other provinces in the Kingdom of Cambodia
- Donated USD 213.85 of cement and food by Hattha Bank Plc. for the construction of the chedi gate in Siem Reap Province, the Kingdom of Cambodia



Stakeholder Engagement

Placing high fairness-based value on all stakeholders, internal and external, Krungsri has established processes that build meaningful stakeholder engagement focusing on their very own expectations and perspectives on the Bank's operations. In light of this, we can establish stakeholder engagement guidelines and best practices, covering the economic, social, and environmental dimensions, including issues that could spill over into the Bank's business capabilities. Greater stakeholder engagement will not only enable us to make strategic business decisions, so that we would be able to respond to expectations across all stakeholder groups, but also mitigate potential risks and adverse impacts to build better stakeholder relationships that promotes sustainable success.

Management Approaches

- The Bank ensures that the stakeholder analysis and prioritization process is in place taking into account diverse relevant factors. They include the context of relationships with stakeholders and the connection with adding value throughout the entire supply chain, shareholder expectations, impacts of the Bank's operations on stakeholders in terms of economic, social, environmental, and governance aspects, mutual dependency, codes of conduct, and responsibility toward stakeholders. Krungsri categorizes stakeholders into nine groups: **executives and staff members, customers, shareholders, suppliers or vendors, creditors, regulators of the banking business and listed companies, investors and analysts, other commercial banks or financial institutions, and communities and society.**



- The Bank's all business units are required to conduct stakeholder analysis concerning their respective operations, while considering related laws, regulations, requirements, and guidelines of diverse regulators including the Stock Exchange of Thailand, the Bank of Thailand, the Office of the Securities and Exchange Commission, the Office of the Consumer Protection Board, National Credit Bureau Co., Ltd., the Ministry of Commerce, and the Ministry of Labour, to stipulate appropriate operating guidelines and participation. Therefore, we can efficiently respond to the interests and expectations of each stakeholder group.

Stakeholder Engagement Process

Executives and staff members

Interests and Expectations

- Clear business direction and goals
- Codes of conduct and employee fair treatment
- Appropriate compensation, welfare, and benefits
- Overseeing occupational health, safety, and environment of the workplace
- Job security and advancement
- Respect for labor and human rights

Engagement and Communication Channels

- New employee orientation
- Town Hall Meeting held once a year
- Krungsri Leadership Meeting held once a year
- Meetings for discussion among executives and staff members in the same and different divisions on a regular basis
- Monthly message from the President and Chief Executive Officer
- Internal communications via diverse channels, e.g., the intranet 'One Krungsri Portal', e-magazine 'Krungsri Life', e-newsletter 'Around Krungsri', e-mails of 'ESG Simple to Share' or 'ESG Flash', announcements via a public address (PA) system, etc.
- Year-round communications among the Human Resources Management Division, executives and employees through diverse activities and/or channels, such as the 'HR Inspires' e-mail, the 'Humans of Krungsri' Line account, 'KarE' Application, etc.
- Activities to promote organizational culture and core values
- Engagement activities of the Bank, executives and employees in diverse opportunities, e.g., New Year

parties, the Songkran Festival, retirement parties, and team building or engagement activities, all of which have been adjusted to comply with the COVID-19 preventive measures for ultimate safety.
- Employee opinion surveys
- Regular meetings with representatives of Bank of Ayudhya's labor union
- View sharing between external experts and the Bank's executives and employees

Approaches/ Responses
- Human resource development and performance assessment
- Annual staff training and career path planning
- Overseeing workplace well-being, safety, and environment
- Fair labor practices and respect for human rights, such as stipulating appropriate remuneration and benefits in accordance with economic conditions, etc.
- Listening to employee complaints via the Bank's complaint channels, e.g., HR Service, whistleblowing channels, etc.
- Engagement activities between executives and employees

Customers
(Retail, SME, and Corporate)

Interests and Expectations
- Provision of accurate and complete information of products and services
- Provision of appropriate products and services which match customer needs
- Professional and speedy services
- Advice about diverse financial service, particularly those on the online channels, websites, and in smartphone applications
- Customers' rights and personal data protection
- Assistance measures for customers impacted by the COVID-19 crisis

Engagement and Communication Channels
- Provision of officials to facilitate customer convenience and to socialize with customers, including customer visits as appropriate and needed, such as relationship managers (RMs)
- Annual customer satisfaction survey conducted at least once a year
- Communication about product and service information via diverse channels including the website 'Krungsri.com', online and social media accounts of 'Krungsri Simple', leaflets, brochures, marketing activities, etc.
- Year-round activities to build strong relationships with customers, e.g. seminars, business matching activities, which have been adjusted to comply with the COVID-19 preventive measures for ultimate safety.
- Customer visit activities on an as-needed basis, including communication activities that convey information of sustainability performance, ESG trends, e.g., ESG knowledge sharing activities for JPC/MNC customers, etc.
- Krungsri Call Center 1572
- Communication about assistance measures for customers impacted by the COVID-19 crisis via the Bank's branches, website, and social media channels.

Approaches/ Responses
- Fair treatment of customers
- Maintaining customers' personal data protection with utmost care
- Maintaining cybersecurity
- Provision of accurate and complete product and service information per best market-conduct practices
- Accountability to customers in terms of products and services
- Provision of impressive customer experiences through product and service innovations taking into account economic, social and environmental dimensions
- Adopting digital innovation and technology that help increase customer access to products and services, such as Krungsri Mobile Application (KMA), Krungsri Online, and Krungsri Biz Online, Kept by Krungsri Application, QR Code payment via Krungsri Mung-Mee, Krungsri Mung-Mee SHOP Appllication, and the website www.krungsri.com.
- Provision of a whistleblowing channel and a customer complaint resolution process (CCRP)
- Assistance measures for customers impacted by the COVID-19 crisis

Shareholders

Interests and Expectations
- Qualifications and professionalism of the Board of Directors and executives, and the proportion of independent directors
- Impressive returns

- Disclosure of operating results in an accurate, complete, transparent, and verifiable manner
- Preventing breaches of shareholders' personal data and rights

Engagement and Communication Channels

- Annual and/or extraordinary general meeting of shareholders (at least once a year), of which process has been adjusted in compliance with COVID-19 preventive measures for utmost safety
- Dissemination of the 56-1 One Report and the Sustainability Report (once a year)
- Information dissemination through the website www.krungsri.com
- Information disclosure through the SET Portal Straight Through system of the Stock Exchange of Thailand

Approaches/ Responses

- Good corporate governance and codes of conduct
- Anti-fraud and corruption policy
- Prudent risk management
- Handling shareholders' personal data with utmost security
- Business continuity management
- Respect for shareholder rights and ensure their equality
- Delivering good performance and reasonable returns
- Developing digital innovation and operating systems
- Disclosure of operating results in an accurate, complete, transparent, and verifiable manner via diverse channels
- Provision of whistleblowing channels

Suppliers or vendors

Interests and Expectations

- Fair and equitable treatment of suppliers or vendors
- Accurate and adequate information, and equal access to information
- Fair business partner selection
- Transparent procurement and fair payment
- Protection of customer confidentiality
- Provision of chances to join hands with the Bank and companies in the Financial Business Group in the future

Engagement and Communication Channels

- Regular news updates via e-mail, e.g., Krungsri Group's The Spirit and The Letter, environmental and human rights disclosure statement
- Meetings between the Bank and suppliers or vendors
- Disclosure of suppliers' and vendors' codes of conduct via the website www.Krungsri.com
- Communication of the Thai Private Sector collective Action Against Corruption (CAC) via e-mail
- Notification of the gift and entertainment policy at least once a year particularly during the New Year festival via e-mails
- Supplier or vendor site visits

Approaches/ Responses

- Fair and equal treatment for suppliers or vendors without discrimination
- Handling suppliers' and vendors' personal data with utmost security
- Fair trade with an explicit supplier selection guideline
- Establishment of a green procurement guideline and promoting suppliers with environmentally-friendly business operations
- Use of e-auction for transparency
- Provision of accurate and adequate key information and conditions under common standards
- Strictly honoring contracts or conditions agreed with suppliers or vendors
- Keeping information received from suppliers or vendors confidential
- Provision of whistleblowing channels

Creditors

Interests and Expectations

- Honoring agreed terms and conditions
- Timely debt repayment
- Managing liquidity and expectation of potential emergency incidents which could impact liquidity
- Consistent information disclosure

Engagement and Communication Channels

- Company visits
- Meetings for view sharing and taking advice on diverse occasions

Approaches/ Responses

- Honoring agreed terms and conditions based on integrity, equality, and fairness
- Timely interest payment and debt repayment
- Refraining from disclosing creditors' confidential information
- Provision of accurate and adequate information and organizing activities that promote mutual understanding

Regulators supervising commercial banks and listed companies

Interests and Expectations

- Good corporate governance and business operations under the 'sustainable banking' principles
- Creating economic and social value
- Codes of conduct, as well as fraud and corruption prevention
- Compliance with laws and regulations related to the banking business and listed companies
- Transparency and disclosure
- Potential impacts caused by the Bank's operations on society and the environment

Engagement and Communication Channels

- Regular meetings and cooperation with, and reporting to regulators
- Meetings in important occasions for view sharing and taking advice
- Transparent performance disclosure via the Bank's channels

Approaches/ Responses

- Good corporate governance and a code of conduct
- Anti-fraud and corruption
- Anti-money laundering and countering terrorism financing
- Prudent risk management
- Business continuity management
- Compliance with laws and regulations related to the banking business and listed companies
- Transparent performance disclosure
- Cooperation and support in creating economic and social value, and compliance with the sustainable banking policy
- Provision of officials whose main duty is to cooperate with regulators supervising commercial banks and listed companies

Investors and analysts

Interests and Expectations

- Qualifications and professionalism of the Board of Directors and executives, and the proportion of independent directors
- Compliance with principles of good corporate governance and transparency
- Business operations that take into account economic, social, and environmental dimensions
- Efficiently managing opportunities and risks
- Disclosure of operating results useful for investors' decision making
- Operating results and business growth

Engagement and Communication Channels

- Regular meetings with investors and analysts
- Teleconferences
- Holding year-round meetings and roadshows at home and abroad
- Holding securities analyst meetings
- Holding meetings with credit rating agencies which rate Krungsri and our subsidiaries
- Organizing company visits at Krungsri Group's subsidiaries
- Holding press conferences on performance, business expansion, and key developments
- Preparing press releases presenting Krungsri Group's financial status
- Reporting quarterly operating and financial results through the Stock Exchange of Thailand and the website www.Krungsri.com
- Notifying news about the Bank's key developments via e-mail on a year-round basis

Approaches/ Responses

- Establishment of an investor relations unit responsible for information disclosure and contacting investors and securities analysts
- Good corporate governance and codes of conduct
- Anti-fraud and corruption policy
- Prudent risk management
- Business continuity management
- Delivering good performance and reasonable returns
- Developing digital innovations and operating systems
- Disclosure of Krungsri's financial and non-financial information accurately, adequately, transparently, regularly, and timely through diverse channels and media, e.g., preparing quarterly management discussion and analysis (MD&A)
- Provision of whistleblowing channels

Other commercial banks and financial institutions

Interests and Expectations

- Fair competition
- Banking and economic development
- Cooperation and building networks for sustainable development

Engagement and Communication Channels

- Regular meetings with member banks, at least once a month, through the Thai Bankers' Association (TBA), as well as meetings with the Payment System Office (PSO), the Thailand Banking Sector Computer Emergency Response Team (TB-CERT), and the Thai Banking Academy (TBAC) under TBA's supervision
- Meetings with member banks through the TBA's clubs including the CSR Club, and Compliance Club
- Year-round communications among member banks through the TBA's clubs
- Regular meetings and communications among member banks of the Association of International Banks (AIB)

Approaches/ Responses

- Compliance with banking codes of conduct
- Fair competition with a level playing field and business transparency under stipulated regulatory requirements
- Provision of marketing information that would not impact competitors
- Participation in activities beneficial for the financial and banking industry to prevent negative impacts on the banking system
- Participation in and cooperation with member banks in matters on which the government agencies seek cooperation, such as assistance measures during disasters, or the government's activities , or preparation for cyberthreats

Communities and society

Interests and Expectations

- Provision of a variety of financial products and services in response to the needs of local communities particularly low-income earners, the underprivileged, etc
- Provision of complete and accurate financial products and services
- Quality of life enhancement and promotion of income generating activities for communities through diverse forms of social activities
- Potential social and environment impacts caused by the Bank's operations
- Resource efficiency
- Listening to views and demands of communities and society

Engagement and Communication Channels

- Provision of financial products and services that respond to community and society needs
- Organizing corporate social responsibility (CSR) activities with CSR staff joining local communities in participating in the activities
- Creating value for communities and society using the organization's expertise to organize financial literacy projects that help develop and promote the economic strength of communities and social enterprises, such as signing memorandum of understanding with the Social Enterprise Thailand (SETH)
- Discussion and cooperation with local units to promote activities that help enhance communities' quality of life

Approaches/ Responses

- Development of financial products and services in accordance with community and society needs and enhancing appropriate channels to access products and services
- Establishment of the 'Sustainability Committee[1/]' responsible for setting strategies, directions, policies, and directives related to issues of environmental, social, and governance (ESG) or sustainability for the Bank and companies under the Financial Business Group. The committee meets at least once a quarter.
- Establishment of the Corporate Social Responsibility Department (CSR), under supervision of the Environmental, Social, and Governance Division[2/]. CSR operations are carried out under 'Krungsri CSR 4 Pillars' namely Building Sustainability Value, Giving Back to the Community, Preserving the Environment, and Providing Financial Support.
- Satisfactory survey conducted among those participating in CSR activities
- Listening to perspectives of the communities and society and providing whistleblowing channels
- Dissemination of the information of CSR activities via Krungsri's channels, such as the website www.krungsri.com, as well as provision of the 56-1 One Report and the Sustainability Report

Remarks:

[1/] For more information about the Sustainability Committee, please visit the website: https://www.krungsri.com/th/esg/sustainable-banking/committee

[2/] For more information about the ESG Division, please visit the website: https://www.krungsri.com/th/esg/sustainable-banking/esg-division

Human Resources Development

Krungsri Group has been well aware and place great importance on continual **human resource development toward 'People Excellence'** as employees are considered an invaluable resource that plays a very crucial role in the organization's productivity on various aspects, while driving the organization toward set missions and business goals.

We therefore has focused on enhancing and building employees' capabilities in tandem with ever-changing economic, social, and environmental contexts, particularly the transition toward a low-carbon society. Employees are encouraged to take actions in alignment with Krungsri Core Values, as well as Making Innovative Changes, while promoting strong leadership and professionalism among them with an aim to pursue business competitiveness and ultimate value for the organization.

Moreover, boosting employees' productivity can also help them thrive and advance in their career path amid business challenges and rapidly-changing digital technologies, while maintaining and creating employee engagement, which is a challenging goal for the organization, yet a key factor that determines the business direction and sustainable success.

Management Approaches

Krungsri strives to build People Excellence while growing the organization as our manpower progress along their professional paths. Our strategic approaches for human resource management are as follows:

- Appoint the **Human Resources Committee** to review and assess major strategies, policies, projects and plans concerning human resource management of Krungsri Group to ensure they are competitive, comparable with the industry, and designed to attract and retain talents, while complying with applicable regulatory requirements
- Stipulate and review the **Human Resource Policy** as a framework used to establish our human resource management and development process, as well as related roles and responsibilities, applicable to the Bank and companies in the Financial Business Group in which the Bank holds more than 50 percent of shares ('subsidiaries'). The subsidiaries must apply the Human Resource Policy to establish the comparable policy of their own.
- Stipulate the **Procedure Regarding Human Resource Development** to ensure that management and staff members understand the human resource learning and development, and that it is used as their framework for operations and communication about their roles and responsibilities toward human resource learning and development for clarity and common operational standards, while complying with related laws, regulations, and policies.
- **Stipulate four pillars toward People Excellence** and **six strategies to achieve success:**



6 strategies to achieve success



Enhancing the performance of the organization and personnel



Continually developing talents and leaders



Increasing employee engagement



Fostering a self-improvement culture



Enhancing efficiency with cutting-edge technology



Creating a knowledge-sharing network under MUFG and Krungsri Group

- Provide '**Krungsri Learning Center**' that promotes learning and manage learning courses via the '**Krungsri Learning Companion (KLC)**' to boost staff efficiency and promote organization-wide knowledge sharing
- Design and develop learning programs using a '**learner-centered approach**' as follows:

1) **Design upskill and reskill** training solutions mainly taking into account benefits of learners, responding to challenges at work, and boosting the productivity of staff and the organization. The training helps enhance current knowledge and capabilities, as well as getting ready for challenges expected to come in the future, comprising following six key programs:
    - Achieving Everyday Success Program
    - Striving Beyond Your Best Program
    - Getting Ready for Future Program
    - Winning Business Challenges Program
    - Growing Expertise Program
    - Leading to the NEXT Level Program
2) **Encourage employee personal development through multiple learning types** in accordance with their personal preferences and differences, while using digital platforms to attract the new generation so that they can pursue their learning anywhere, anytime.
3) **Maximize learning potential and cooperation through the '70-20-10' concept** to yield achievements worth investment and learning effectiveness comprising external learning (70 percent), formal education (20 percent), and exposure with others (10 percent)
4) **Initiate the Krungsri Talent Management System** project to enhance the learning management through 'Krungsri Learning Companion (KLC)', while supporting efficient and complete succession and talent management, as well as senior management capability assessment and development planning

- **Review and revise the Bank's compulsory learning courses** in accordance and compliance with laws, rules, regulations, and the Bank's policies. These courses are categories into three modules as follows:

1) Core Values, Culture, Organizational & People

comprising:

- Krungsri Orientation
- Krungsri Core Values

2) Compliance & Good Corporate Citizenship

comprising:

- The Spirit and The Letter (S&L)
- Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CFT)
- Gift and Entertainment (G&E)
- The Personal Data Protection Act (PDPA)
- Good Corporate Governance (CG)
- COSO Internal Control Framework
- Related Party Transaction (RPT)
- Policy for Enterprise Information Security
- Operational Risk Management Awareness

3) Organization Transformation

comprising:

- Design Thinking
- Digital & Innovation Management
- Elective courses for capability enhancement: two of which can be selected by general staff, and three of which can be selected by branch staff depending on their respective positions.

- Develop and proceed with **special projects and upskill/reskill learning programs** for human resource development in order to **enhance the organization's performance and productivity** of personnel for creating ultimate value to the organization, boosting competitiveness, driving growth in the digital era, and promoting sustainable banking. They are following five programs:
  1) A program designed to prepare senior management, talents, and successors to lead the organization to grow further to the next career level, namely, the **TRANSCEND program**, a collaboration between Krungsri and Harvard Business Publishing, the **TRANSITION program**, jointly developed with Sasin Graduate Institute of Business Administration of Chulalongkorn University, **Individual Development Plan**, and **Executive Coaching**, including lectures and knowledge sharing by external experts. Courses in which the Bank's directors are interested to participate include Re-Engineering New Business Model, Regulatory Technology (RegTech), Information Security Awareness, etc.
  2) **Krungsri School of Data project**, under which Krungsri in collaboration with leading training institutions designed blended learning programs for driving the organization by data-based decision making and add value to the business, while enhancing staff to make them ready for future changes through upskilling and reskilling with a focus on future digital capacity and skills, e.g., learning programs of Data Analytic Bootcamp 2021, and Personalized Data Development.
  3) **Productivity Improvement Series** project to boost productivity at the levels of personnel, working teams, and organization by creating needed mindset, skillset, and toolset, such as Design Thinking, Agile Mindset, driving toward operational excellence, LEAN process improvement, etc.
  4) **Upskill/ Reskill** project for staff of all business units to continually enhance their capabilities and efficiency in accordance with business needs and heighten their digital literacy in the new normal era, as follows:
     - Learning courses under the Krungsri Upskill/ Reskill for branch staff to promote positive attitude and adjustment to the ever-changing working environment, including skill enhancement toward professional financial advisors
     - Learning courses developed especially for leaders in specific groups, e.g., GMG Leadership Pathway, Operations Leadership Pathway, IT Leadership Series 2021, Performance Group Coaching for Leaders, etc.

- Learning courses that accommodate the business goal of regional expansion toward sustainable growth, namely Cultural Awareness for Working with Filipinos, and Cultural Awareness for Working with Vietnamese, so that staff can learn to increase basic cultural awareness, and efficient cross-cultural teamwork and business communication, etc.

5) **Krungsri Tech Academy: Internship Trainee Development Program**, jointly developed with six leading universities to boost future skills for fourth-year university students via diverse learning activities, online and on-the-job training, with experts available to assist and give advice for the program

- **Develop and add learning channels through digital technology** to boost the efficiency of human resource management in tandem with the COVID-19 pandemic and create learning agility by providing opportunities for executives and staff at all levels to enhance their capabilities through modern learning platforms, diverse learning types per different learning styles, and digital learning solutions, so that learning opportunities could be advanced anywhere, anytime, as follows:
  - **Webinars and virtual training** through diverse digital platforms, namely Microsoft Teams, WebEx, etc., with speakers from leading domestic and international training institutions
  - **Blended learning courses**, comprising multiple forms of learning such as online courses, webinar training, on-the-job training or special projects, etc.
  - **Developing Krungsri Digital Learning and promoting external learning platforms** to give employees an opportunity to continue their learning and self-development amid the pandemic as this learning approach helps mitigate the spread of COVID-19, while enhancing employees' skills, knowledge, and competencies in a safe and thorough manner, e.g., e-learning via KLC, Superskills KS x Brighter Bee, MUFG Global e-Learning x Intuition, etc.
  - **Training registration system**, 'iJoin', for training attendance registration, used together with the KarE application which is the Bank's new employee management system to be used in 2022
- **Develop and provide market conduct programs** and review other related programs to provide branch staff knowledge and understanding of best market-conduct practices for accurate, appropriate, and fair customer service provision, while complying with regulatory requirements of regulatory bodies.
- **Develop and provide sustainable growth and banking programs** through training and special lectures
- **Provide knowledge concerning well-being and safety, as well as workplace ergonomics**, such as so that employees are well equipped physically and mentally through Wellness Booster Series (Healthy Mind, Healthy Fit and Healthy Money) which has been especially developed to help them build resilience to get through the COVID-19 crisis

Performance

Hours of training per employee

58.26

Krungsri employees passing compulsory programs

99.84%

(or 99.90% including employees under special conditions*)

Branch employees who were recruited in 2021 and passed the training and/or tests of the Market Conduct program

100%

Remark:

* Employees under special conditions refer to employees identified by supervisory business units that they could not attend compulsory programs, such as those who suffer terminal illness and retired employees

Krungsri e-Orientation

Detail:

A training program about the Bank's general information, such as history, regulations, and requirements in the workplace, employee benefits, etc., which need to be attended by newly-recruited employees within 119 days starting from their first day of work

Target:

100 percent of new employees can pass the program.

Performance:

441 new employees (100 percent) recruited in 2021 passed the program.

Compulsory Program

14 programs

Target:

- 100 percent of new employees[1/] can pass the programs
- 100 percent of existing employees can pass the programs upon due dates of refresher training

Performance:

- 99.32 percent of new employees could pass the programs in 2021
- 99.90 percent of existing employees could pass the compulsory programs (including employees under special conditions[2/])
- In 2021, Krungsri added Personal Data Protection (Personal Data Protection Act: PDPA), a new program in the Compliance & Good Corporate Citizenship module

Providing the compulsory AML/CTPT program, in compliance with the 'Anti-Money Laundering Board Ordinance on the Provision of Training to the Reporting Entities under Section 13 and Section 16, B.E. 2563' of the Anti-Money Laundering Office (AMLO)

Target:

The AML/CTPT program, in compliance with the 'Anti-Money Laundering Board Ordinance on the Provision of Training to the Reporting Entities under Section 13 and Section 16, B.E. 2563' of the Anti-Money Laundering Office (AMLO) was stipulated as a compulsory program for employees preparing or controlling the preparation of reports, transactions, KYC and CDD. The program is available through the TBAC-KS Community of the Thai Banking Academy (TBAC) under the Thai Bankers' Association, and available through the Krungsri Learning Companion (KLC) from May 2021 onward.

Performance:

In 2021, the program was made available based on requirements of the TBAC-KS Community and KLC, with 100 percent of employees (including employees under special conditions[2/]) passing the program.

Achieving Everyday Success

Details:

The program was designed to enhance key skills and create core values as well as leadership, so that employees would be able to deliver their daily performance smoothly and successfully.

Performance:

19 courses were included in the Annual Training Calendar with 34 classes held, while there were 32 courses available online.

Striving beyond Your Best

Details:

The program was designed to enhance staff skills and performance by boosting their efficiency, as well as self- and team-effectiveness, and consequently business effectiveness.

Performance:

23 courses were included in the Annual Training Calendar with 43 classes held, while there were 57 courses available online.

Getting Ready for Future

Details:

The program was designed to prepare employees for their future work as they will be trained to level up their mindset, boost their required knowledge through upskilling and reskilling processes. Therefore, they would have more choices for future jobs. The program comprises following three sections: Customer Centricity & Experience Design, Digital & Data Capability, and Agile Way of Working

Remarks:

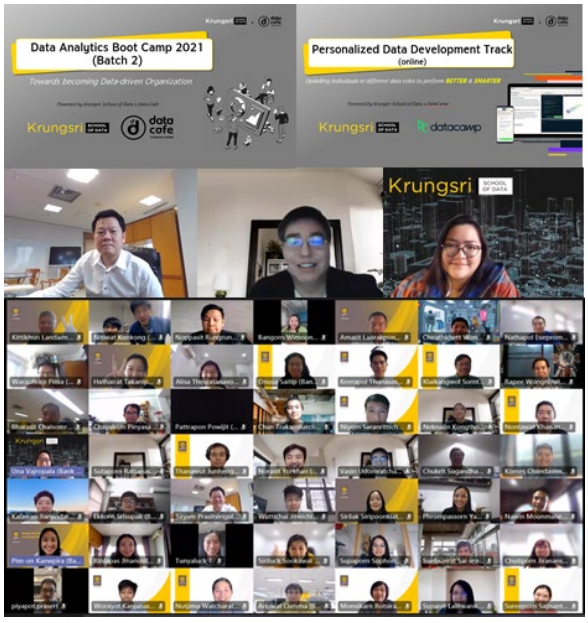
1/ New employees refer to employees starting their job in 2021 and passing the probationary period (119 days)

2/ Employees under special conditions refer to employees identified by supervisory business units that they could not attend compulsory programs, such as those who suffer terminal illness and retired employees



Performance:

18 courses were included in the Annual Training Calendar with 31 classes held, while there were 102 courses available online. In addition, five blended-learning programs were also jointly held with leading educational institutions under the Krungsri School of Data for upskilling and reskilling staff on digital and data capability. Other learning programs were also held under other projects for upskilling and reskilling staff of all business units.



Winning Business Challenges

Details:

The program was designed to provide relevant insights in bracing and coping with business challenges.

Performance:

Seven courses were included in the Annual Training Calendar with eight classes held, while there were 143 courses available online.

Growing Expertise

Details:

The program was designed to enhance specific areas of expertise, including professionalism and service excellence for specific groups of staff. The program objective is to promote the Bank's strategy of customer centricity and impressive customer experience.

Performance:

A total of 241 courses* with 1,867 classes were held.

Remark:

* Only planned courses, excluding additional courses provided during the year

Succession Plan

Details:

Succession planning is carried out to identify and develop successors who can replace those outgoing executives in positions essential to the Bank's operations for business continuity and appropriateness. The established succession plans are reviewed annually.

Target:

100 percent succession for key positions

Performance:

Succession plans for 100 percent of key positions were created.

Leading to the NEXT Level

Details:

This leadership program was designed to take employees to the next level, comprising:

- TRANSCEND: A nine-month program jointly developed by the Bank and Harvard Business Publishing for Division Heads or equivalents
- TRANSITION: A six-month program jointly developed by the Bank and Sasin School of Management for Section Heads or equivalents

There are also other short programs jointly developed by the Bank and MUFG, available for senior management.



Performance:

- TRANSCEND: 50 executives attending Class 3 were assigned to attended virtual company visits and initiate and propose eight projects designed to improve the Bank's operations.
- TRANSITION: 38 executives attending Class 1
- Global Executive Officer (EO) by MUFG: One executive
- Global Leaders Forum (GLF) by MUFG: Two executives
- Global Leadership Enterprise-wide Accelerated Development (LEAD) by MUFG: One executive

Individual Development for senior management, including talents and successors

Details:

This is part of the succession planning to seek successors who can replace those outgoing executives in positions essential to the Bank's operations. In addition, the Krungsri Talent Management System project was initiated to support the complete and efficient development of staff and senior executives, as well as talents and successors.

Performance:

- Conducted strengths-based assessment totaling 32 persons
- Developed individual development plan for senior management, talents, and successors, totaling 458 persons, of which their developments can be tracked on a real-time basis
- Provided the Leadership Development Program, totaling 27 courses for 939 employees
- Provided the Executive Coaching program for successors
- Three executives joined the program of senior management development and networking in MUFG
- Two following modules were uploaded onto the Krungsri Talent Management System:
  - Performance and Goal Module which covers performance management and competency assessment
  - Succession and Development Module which covers successor planning and development, individual development planning, career path planning, and employee relocation assessment

Blended Learning Solutions and Pathway

Details:

To maximize learning potential and cooperation through the '70-20-10' concept to yield achievements worth investment and learning effectiveness, focusing on boosting individual productivity and work efficiency

Performance:

Promoted blended-learning programs, totaling 44 courses for 897 employees, representing 4,137 training hours

e-learning programs

Details:

These programs provide an opportunity for Krungsri staff's continuous learning and self-development, while improving their learning agility and promoting the engagement of the younger generation through digital learning. During the COVID-19 crisis, more than 1,000 online programs are available for selection through diverse learning platforms. The online training programs developed by Krungsri Group, as well as those provided by training institutions through external platforms via personal computers, smartphones, and tablets are aimed for knowledge enhancement in a convenient and boundless manner.

Performance:

A total of 764 online training programs were made available in 2021, attended by 74,895 employees, representing 108,115.19 training hours.

Branch Career Program

Details:

The program was initiated to support branch staff's career growth and to prepare the Bank's personnel for the future, stipulating and clearly communicating career growth and criteria for job rotation and promotions, with qualification screening process, tests, interviews, and training

Performance:

Due to the COVID-19 crisis, tests were taken by 262 employees via KLC with authentication and test control through webinars using Microsoft Teams in July 2021.

Market conduct and other related programs

Details:

These programs are developed and reviewed to provide branch staff knowledge and understanding of market conduct practices, while encouraging staff to present products and services to customers with accuracy, appropriateness, and fairness, for consumer protection that promotes sustainable banking



Performance:

At least 23 market conduct programs made available in 2021, attended by 6,196 employees, representing 9,264.50 training hours

ESG practices toward 'Sustainable Development'

Details:

Support learning courses and special lectures by external organizations that promote sustainable development concerning three dimensions of environmental, social, and governance (ESG)

Performance:

A total of 43 learning courses related to sustainable development were made available in 2021, attended by 24,132 employees, representing 39,562.86 training hours.

Online and in-person training programs, and special lectures regarding cybersecurity and personal data protection for business

Details:

The Bank puts a high priority on developing training programs for the Board of Directors, management, and staff particularly those who carry out IT-related operations to raise their awareness of cybersecurity at present and potential cyberthreats in the future. Knowledge about the country's IT standards and regulatory requirements is provided, while promoting best practices among related operating officers in accordance with their cybersecurity roles and responsibilities.

Performance:

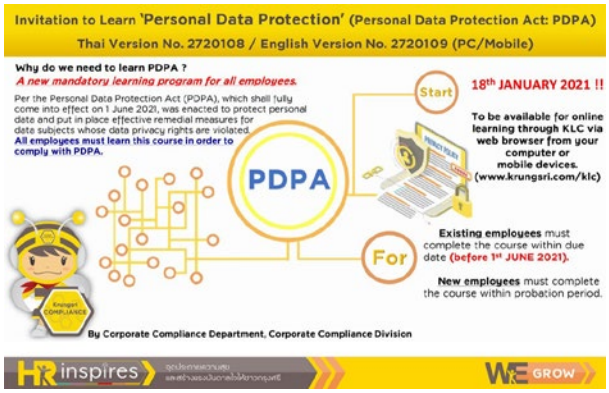
The Policy for Enterprise Information Security and the Personal Data Protection (Personal Data Protection Act) were provided as compulsory training courses for all staff members. Other 40 webinars and online programs related to cybersecurity and personal data were made available and attended by 50,168 employees, representing 85,587.05 training hours. These learning courses include PDPA for Every Work & Life, Preparation for the Personal Data Protection Act (PDPA, Checking for Readiness before PDPA Enforcement, Cybersecurity, IT Regulation, Compliance, and Security Management, and Stay Cyber-Safe.

In addition, there were also 14 other special training courses and briefings for the Board of Directors, management, and staff members, as well as employees who carry out IT-related operations, attended by 474 employees, representing 1,404 training hours.

Online and in-person training programs, and special briefings regarding the Personal Data Protection Act

Details:

The programs are developed to provide management and staff members knowledge and understanding of the Personal Data Protection Act (PDPA), so that they can accurately analyze related impacts and operate in compliance with the law.



Performance:

A total of 17 courses were made available, attended by 33,850 employees, representing 53,008.19 training hours.

Well-being and safety, and workplace ergonomics

Details:

The programs focus on staff well-being and safety, as well as workplace ergonomics, including their readiness, physically and mentally, so that they can build resilience to healthily get through the pandemic.

Performance:

In 2021, 27 training courses and special lectures were made available, attended by 2,796 employees, representing 5,422.44 training hours. These learning courses include How to Work from Home without Stress, Understanding Home Isolation and COVID-19 Self-Protection Guidelines, How to Stay Fit in Good Shape & Away from Office Syndrome During WFH, Nutrition Guides to Stay Healthy & Safe During WFH, Healthy Mind: Empathic Leadership, Leading Team through the Crisis and Happy Money: Plan Your Money… during Covid-19 Crisis.

Occupational Health, Safety, and Working Environment

Krungsri places great emphasis on compliance with safety and occupational health measures, including appropriate working environment to prevent accidents, injuries, and illnesses in the workplace, in compliance with related laws, regulations, and requirements. The occupational health, safety, and working environment management covers all employees and related parties, e.g. external outsourced service providers, goods and service providers, suppliers, etc., who operate in the areas under the responsibility of Krungsri, namely the Head Office, Krungsri Ploenchit Office, the Bank's branches, etc.

Efficient management of these issues would not only help mitigate risks and hazards posed to people's lives and property, but also reduce risk of noncompliance with related laws and regulatory requirements which could lead to fines or punishment, or business disruption, as well as impacts on well-being of employees' family and other related parties. In addition, efficient management of occupational health, safety, and working environment will result in good reputation and image of the organization.

Management Approaches

- Establish the 'Safety, Occupational Health and Environment Committee' comprising 11 employer and employee representatives with a term of two years each. Meeting once a month, the committee has a duty to consider policies, action plans, and compliance with regulatory requirements related to safety, occupational health, and environment, such as the ministerial regulation for the Administration and Management of Occupational Safety, Health and Environment, B.E. 2549
- Stipulate the 'policy for environment, well-being, and safety' as a guideline in establishing measures for workplace well-being and safety, as well as resource efficiency. The policy is applicable to the Bank and the companies in the Financial Business Group of which 50 percent of shares are held by the Bank (subsidiaries). The subsidiaries may approve or apply this policy as a guideline for preparing their respective comparable policies.

- Encourage employees at all levels to attend training courses on safety, occupational health, and working environment, as well as organizing activities and communication via diverse channels to consistently raise staff awareness regarding safety and employee engagement, e.g., fire drills and evacuation, the CPR/AED Champion Project, notifying staff to switch off and unplug electrical appliances after use, etc.
- Set targets of reducing accidents in the workplace toward zero percent, while related committees stipulate preventive measures and guidelines to mitigate potential risks. Control and assess workplace environment, and also file information about employees' and related parties' work-related injuries, accidents, and illness
- Regularly assess health risk of high-risk employees, such as employees carried out document collection tasks under the Domestic Cheque Operations Department, etc., to seek preventive and risk mitigation solutions
- Keep personal data regarding employees' and related parties' work-related health and illness confidential, taking into account their privacy and human rights
- Provide Krungsri Clinic at the Head Office, 19th floor, and Krungsri Ploenchit Office, 12th floor, with physicians and nurses available for initial treatments
- Establish fire prevention and suppression plans, ensure that there is no materials or working conditions that could trigger fire, organize annual fire evacuation drills in compliance with related laws
- Establish contingency plans, including needed equipment and resources to be well prepared for emergencies
- Regularly conduct air quality assessment in the Bank's buildings to be at par with the standards, assess current and future environmental conditions as well as air quality in the areas of the Bank's operations, and notify employees accordingly, e.g., the PM 2.5 situation or the use of pesticides in the buildings, etc.
- Examine and ensure that lighting in the workplace is adequate and appropriate for operations in compliance with related regulatory requirements
- Stipulate that there must be controls of noise pollution in the workplace and provide a guideline for managing noise caused by construction or renovation in the building, e.g., communication or warning signs, providing temporary operational sites for employees
- Communicate for knowledge sharing or notify employees or related parties about noise pollution caused by diverse activities to equip them with preventive and precautionary measures
- Appropriately provide green areas at office, internal and external, e.g., small gardens, or trees that could absorb carbon dioxide emissions in the workplace, to create recreation areas for staff
- Provide channels for workplace well-being, safety, and environment complaints as employees can make complaints through Krungsri's website (www.krungsri.com), Krungsri Call Center 1572, or directly inform the Safety, Occupational Health and Environment Committee via the e-mail committee.Safety@krungsri.com
- Stipulate the '**guideline for managing risks related to operational health and workplace safety amid the COVID-19 pandemic**' as follows:
    - Establish the '**Crisis Management Team**' responsible for managing the COVID-19 situation, comprising the Crisis Management Steering Committee, the Crisis Manager, and the Crisis Management Working Team which monitor the situation and progress of action plans and support the working team in their operations during the pandemic
    - Stipulate COVID-19 prevention measures with timely response to ensure utmost safety for employees and related parties carrying out operations in the areas under the Bank's responsibility. Related measures and operating guidelines are appropriately adjusted in compliance with the COVID-19 prevention and control measures of the Department of Disease Control, Ministry of Public Health, the Communicable Disease Act, B.E. 2558 (2015) and other related regulatory requirements. Communication and notifications are conducted for acknowledgement and strict compliance of employees and related parties as follows:
        - Measures imposed for employees traveling to provinces or countries with high risk of COVID-19 transmission, including the requirement that they have to report to the Bank when traveling from these provinces or countries via the 'Humans of Krungsri' Line account
        - Measures imposed for staff working from home (WFH), particularly those who are high-risk, namely older staff, staff with illnesses, pregnant staff, etc., to stem COVID-19 transmission

- Measures imposed for meetings, training, seminars of staff and related parties, e.g., a guideline for meeting room use with appropriate number of attendees during the pandemic, encouraging online meetings, training, seminars, etc.
- Measure strictly imposed for screening at building entry points, with thermal imaging cameras supervised by officials to screen employees and visitors at exit and entry checkpoints of Krungsri's buildings. Staff or visitors with symptoms indicating illnesses are prohibited from entering the office and required to immediately visit the doctor and report their physical examination results.
- Measures imposed to keep social distancing and reduce close crowding in the Bank's shared spaces, including elevators, meeting rooms, canteens, as well as shutter vans between buildings, while some shared spaces were omitted from usage in accordance with the situation, e.g., Krungsri Fitness Center, Krungsri D Space, etc.

◦ Provide 'COVID-19 Helpdesk' via the 'Humans of Krungsri' Line account to notify news and give COVID-19 advice to staff

◦ Carry out internal communications about staff infected with COVID-19 and their timelines of latest entry to the office, status of medical treatments, as well as imposing the Bank's quarantine measure for staff with high-risk exposure and requiring them to report their symptoms via the 'Humans of Krungsri' Line account for 14 days

◦ Prepare protective equipment for employees sufficient for preventing infections, such as face masks, disposable gloves, alcohol-based hand sanitizers, installing counter shield at the reception counters, as well as ozone treatments to disinfect areas within the office buildings on a regular basis, particularly the floors where infected staff are found

◦ Provide a health insurance policy covering COVID-19 based on employees' current insurance plans, so that employees are confident in safety and have lower healthcare expenses, while also providing effective COVID-19 vaccines for staff to mitigate their risk of getting coronavirus infection

◦ Install facial recognition scanners at the exits and entrances of the Head Office and Krungsri Ploenchit Office to mitigate the risk arising from touching employee ID cards at the exits and entrances

◦ Change door exit buttons at each floor of the Head Office and Krungsir Ploenchit Office to infrared sensor no touch exit buttons to mitigate the risk arising from touching the door exit buttons

◦ Communicate, explain, and firmly insist the roles and duties of security and related staff who need to strictly comply with the Bank's precautionary measures during the COVID-19 pandemic, and organize training sessions for cleaning staff regarding infectious waste, including surgical masks, by providing appropriate drop-off points



◦ Prepare and supervise the installation and provision of office equipment and devices to make them available for use at the Bank's alternative sites, such as the repairment of air conditioners, office equipment changes, etc., and provide and facilitate office equipment, such as tables, chairs, for alternative sites in supporting split team arrangement and preventing crowded workplaces and the spread of emerging infectious diseases

Performance

Effective occupational health, safety, and working environment management resulted in continual reduction of injuries and accidents, reflecting Krungsri's commitment to achieving a zero-accident workplace

Occupational Health and Safety Data*	2018	2019	2020	2021
Number of fatalities as a result of work (person)	0.00	0.00	0.00	0.00
Occupational Disease Rate (ODR)[1/]	0.00	0.00	0.00	0.00
Lost Time Injury Rate (LTIR)[2/]	0.01	0.02	0.01	0.01
Lost Day Injury Rate (LDIR)[3/]	0.31	0.44	0.43	0.15

Remarks:
[1/] Occupational Disease Rate (ODR) = (Number of persons with occupational diseases * 200,000 hours worked) / total employees' hours worked
[2/] Lost Time Injury Rate (LTIR) = (Number of injured persons who need days off * 200,000 hours worked) / total employees' hours worked
[3/] Lost Day Injury Rate (LDIR) = (Number of days off due to injuries * 200,000 hours worked) / total employees' hours worked

The meetings of the Safety, Occupational Health and Environment Committee

Target:

Hold a meeting at least once a month in compliance with the appointment directive and regulation of the Safety, Occupational Health and Environment Committee

Performance:

11 meetings were held in 2021 (one meeting in December was omitted due to the outbreak of the Omicron coronavirus variant) to follow up on operations of safety, occupational health, and environment of the past month, including potential risks and preventive solutions for potential incidents, and to supervise the Bank's compliance with regulatory requirements related to workplace environment, well-being, and safety

Air quality assessment

Target:

To assess and control air quality in the building to be at par with the ASHRAE Standard 62 (American Society of Heating Refrigerating and Air Conditioning Engineers) with CO_2 levels not exceeding the standard limit of 1,000 ppm*

Performance:

Assessment was carried out during 10.00-12.00 hr. on each working day amounting to 15 floors per week at the Head Office and Krungsri Ploenchit Office. The air quality assessment in these building showed CO_2 levels at below 1,000 ppm*.

Remark:
* Part per million (ppm) refers to the number of units of a toxic gas per million units of air.

Health risk assessment among high-risk employees

Target:

Employees of document collection functions, under the Domestic Cheque Operations Department, are among the employees who are at high risk of developing respiratory diseases due to their exposure to toxic substances of paper pulp. The Bank, therefore, has them undertake annual health check-ups and closely monitor impacts on their health.

Performance:

In 2021, health check-up results of eight employees, comprising seven persons, of document collection functions, under the Domestic Cheque Operations Department, showed that all of them are normally healthy.

Fire evacuation drills

Target:

To ensure that employees learn about fire safety best practices and to comply with the Ministerial Regulations: The Standard For Service, Management, And Proceeding On Occupational Safety, Health And Environment At A Workplace For Prevention And Extinguishment Of Fire, B.E.2555 (2012) which requires the Bank to undertake a fire evacuation drill at least once a year.

Performance:

In 2021, fire evacuation drills were planned as follows:

- Krungsri's Head Office on November 30, 2021
- Krungsri Ploenchit Office on November 29, 2021
- Ploenchit Tower on November 25, 2021
- Tonson Tower on November 26, 2021

The planned fire evacuation drills could not be carried out due to the new round of COVID-19 outbreak. Krungsri then discussed with the Department of Labour Protection and Welfare which considered and responded to the Bank's queries about the fire evacuation drills during the pandemic. The department concluded that although the drills must be carried out in compliance with regulations related to workplace safety, but they involve activities with gatherings per the Notification No. 2548 (Edition 30), particularly Item 4. which prohibits holding activities that could pose a risk of COVID-19 transmission and requires strict compliance. When COVID-19 subsides, the concerned organizations can carry out fire evacuation drills immediately.

Robbery simulation drills at branches

Target:

To ensure that branch employees learn about best practices and safety for emergency response by organizing robbery simulation drills at least once a year, with all branches alternating in organizing the drill

Performance:

In 2021, due to uncertainties and new waves of COVID-19, only one robbery simulation drill was organized at the Saphanluang Branch, Bangkok

Handgun shooting drill among branch security guards

Target:

To ensure that branch security guards learn about accurate and safe emergency response procedures, and be able to use handguns with safety and accuracy by organizing handgun shooting drills at least once a year, with all branches alternating in organizing the drill



Performance:

In 2021, two handgun shooting drills were carried out for security guards overseeing the Bank's branches as follows:

- On March 20, 2021, security officers from 27 branches attended a shooting drill at the Lanna Shooting Club, Chaing Mai.
- On April 3, 2021, security officers from 25 branches attended a shooting drill at the Payont Group Shooting Drill Field, Nakhon Sawan

Occupational health, safety, and working environment complaints

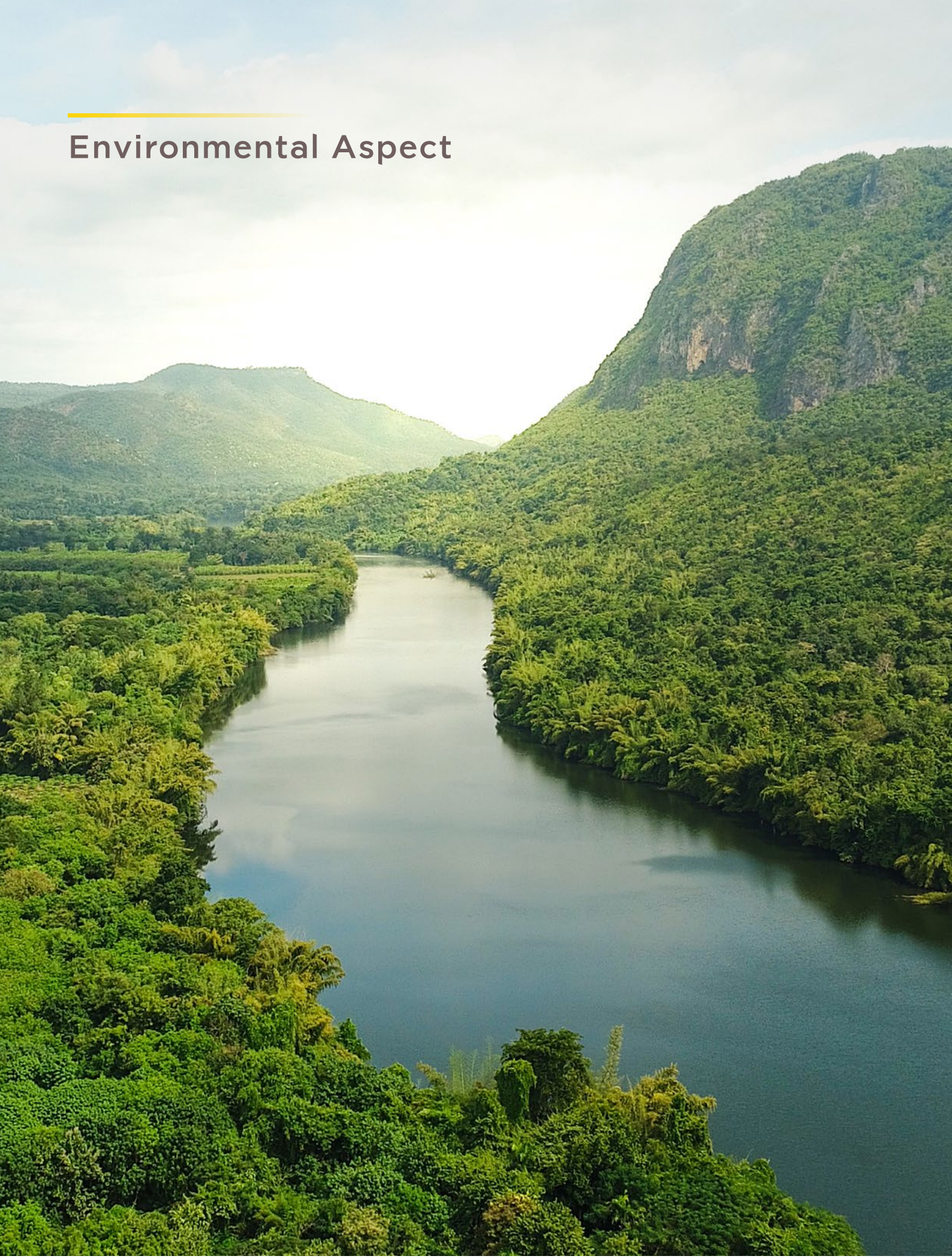
Target:

The Safety, Occupational Health and Environment Committee targeted to see zero complaint regarding workplace well-being, safety, and environment. In case of any employee complaint is made, the committee would discuss the complaints in the meeting to seek relevant solutions and settle the complaint on a timely basis.

Performance:

In 2021, no complaints regarding workplace well-being, safety, and environment were made.

Environmental Aspect



Environmental Management and Resource Efficiency

Krungsri, as a responsible financial service provider, places great emphasis on worsening environmental problem, while being determined in environmental management along with promoting the positive environmental impact, although the banking sector's operations may not have a direct impact on the environment.

In this light, Krungsri has established the explicit environmental management framework. Being well aware that the banking business is among the industries that consumed resources the most while operating, such as electricity, fuels, paper, we have raised awareness and campaigned among our management and employees at all levels, as well as related parties, to place importance on mitigating their environmental footprints, resource efficiency, and pursuing ways to reduce resource consumption and waste left from their operations.

Optimal environmental management and utilization of resources will help reduce expenses and potential risks arising from the violation of legal and/or environmental requirements, while enhancing environmental initiatives in the organization and the country with greater efficiency, and enable us to better adopt the United Nations Sustainable Development Goals (Goal 12: Responsible Consumption and Production; Goal 13: Climate Action; and Goal 17: partnerships for the Goals).

Management Approaches

Krungsri establishes environmental management approaches as follows:

- Formulate '**Environmental Disclosure Statement**' in addressing the following international environment issues:
  - Striving to protect the environment and responding to climate change is the responsibility of all human beings
  - Contributing to the realization of sustainable society by protecting the global environment in alignment with the SDGs
  - Complying with applicable international legislation and agreements and responding appropriately when our operations result in environmental risks or negative impacts
  - Striving to reduce environmental impacts of our operations, as well as actively working toward finding solutions to global environmental issues through our business activities
- Establish '**Policy for Environment, Resource, Occupational Health, and Safety**' to promote and support the environmental management and resource efficiency. The policy was adopted as a guideline to determine the environmental protection and resource conservation measures, and to comply with the relevant laws and regulations related to the environment. Krungsri's executives and staff members, as well as internal and external related parties, shall cooperate in complying with the following 11 measures:

1 Water consumption

- Communicate and campaign about correct and efficient water consumption
- Stipulate appropriate water consumption time, e.g., watering plants, cleaning space in front of the building, etc.
- Use water-saving and environmentally-friendly sanitary wares
- Stipulate measures on wastewater reuse, e.g., wastewater treatment per stipulated standards and wastewater reuse for some activities
- Log monthly water consumption

2 Energy consumption

- Communicate and campaign about energy saving
- Stipulate appropriate electricity consumption, e.g., turning on and off lights, air conditioners, and other electrical appliances based on operational periods
- Promote renewable and environmentally-friendly energy consumption
- Use energy-saving and environmentally-friendly electrical appliances and equipment
- Log monthly electricity consumption

3 Fuel consumption

- Communicate and campaign about turning off the car engine upon parking vehicles for a long period of time
- Encourage employees to use bicycles, public transport, or carpooling to work
- Plan appropriate travel routes to save fuels, e.g., shuttle van routes, etc.
- Log monthly fuel consumption

4 Consumption of paper, printing ink, office supplies and equipment

- Communicate and raise awareness regarding the consumption of paper, printing ink, office supplies and equipment
- Stipulate a guideline for the use of paper, printing ink, office supplies and equipment in accordance with operations
- Promote the use of electronic media to reduce the consumption of paper, printing ink, office supplies and equipment
- Log monthly paper consumption

5 Waste management

- Regularly provide knowledge and raise awareness regarding waste management in the organization, e.g., refraining from using disposable foam take-out or plastic containers, and promoting the 3Rs (Reduce-Reuse-Recycle) concept and reducing chemical substance use
- Provide waste bins with explicit labels of waste types and campaign for waste sorting as stipulated
- Provide sufficient space for waste storage pending collection
- Promote waste reuse
- Log monthly waste sorting

6 Organizing meetings, exhibitions, and events

- Stipulate the meeting room size based on the number of attendees
- Promote e-meeting or e-training to reduce the use of paper, printing ink, office supplies and equipment in meetings or events
- If it is necessary to organize on-site meetings or events, the venues should be those endorsed by environmentally-friendly standards based on the green procurement guideline

7 Wastewater management

- Stipulate appropriate and efficient wastewater management and treatment, while treated wastewater must have the minimum quality per stipulated laws that is appropriate for reuse or release to public waterways
- Stipulate regular examination and maintenance of the wastewater management system
- Stipulate regular checks of wastewater leaks

8 Occupational health and safety at workplace

- Provide fire prevention and suppression, remove materials or prevent operations that could cause fire, and organize annual fire safety and evacuation drills in compliance with related laws
- Provide emergency plans
- Assess workplace safety in compliance with related standards
- Provide safety procedures in compliance with related regulatory requirements
- Provide procedures for managing outsourcing service providers operating in the Bank's areas
- Organize training sessions on safety, occupational health, and workplace environment

9 Air quality in workplace

- Stipulate air pollution control plan in the workplace
- Communicate to provide knowledge or inform staff or related parties upon the rise of air pollution from events
- Campaign and prevent air pollution caused by diverse events
- Stipulate the control guideline for pollution caused by construction or renovation within the building area

10 Lighting and noise level in the workplace

- Examine luminous intensity of lighting to ensure results that comply with stipulated laws
- Examine and improve lighting at the workplace to ensure its sufficiency and appropriateness in compliance with related laws
- Stipulate noise control in the office building
- Communicate or notify employees or elated parties upon the rise of noise pollution caused by diverse events

11 Green areas

- Stipulate green areas inside and outside the office building
- Assign staff to take care of green areas and stipulate certain timelines for maintenance of green areas inside and outside the office building

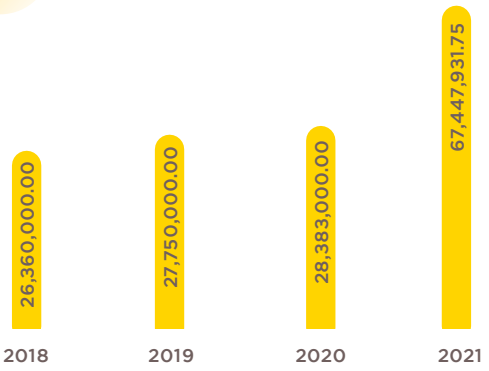
In this regard, the said policy covers the environmental management and resource efficiency of the Bank and companies in the Financial Business Group (subsidiaries) in which the Bank holds at least 50 percent of shares. The subsidiaries shall refer to and adopt the policy as a management guideline to formulate their own equivalent policy and the said policy must be reviewed every two years or upon any significant change.

- Appoint the '**Working Committee on Environment**' to support responsible business operations that take into account environmental mandates, and ultimate energy efficiency and resource management, comprising 10 business unit representatives, responsible for directly reporting to the Sustainability Committee
- Appoint the '**Energy Management Committee**' which comprises nine business unit representatives in charge of alignment with the Bank's energy saving and management policy, including providing training and campaigning for appropriate energy conservation and management, of which membership will be reviewed on an annual basis
- Determine energy, resource, and environment management to reduce waste and pollution that could impact the environment and to mitigate greenhouse gases and climate change, as well as advocating the Sustainable Development Goals
- Devise and support alternative operating methods that employ digital systems and Robotic Process Automation (RPA) systems to minimize the consumption of energy and resources, resulting in less environmental impact of our operating or service processes
- Communicate and provide information about energy and resource efficiency as well as environment conservation to raise awareness among employees, communities, customers, government agencies and related parties realize
- Assign all levels of executives and staff members to jointly take responsibility and take part in promoting and complying with the policies and measures regarding resource and environmental management, resource efficiency, and environment conservation
- **Provide appropriate environmental complaint channels** via the Bank's complaint channels, e.g., the website, www.krungsri.com/th/esg/contactus , Krungsri Call Center 1572, or directly file complaints to the Working Committee on Environment, etc.

Fuel and Electricity Consumption

Krungsri encourages practical and efficient ways of energy efficiency for ultimate benefit, while carrying out continual communication to concretely raise awareness of energy conservation among executive and staff at all levels which is hoped to reduce emissions as well as the Bank's expenses.

Electricity Consumption[1/] (Kilowatt-Hour)

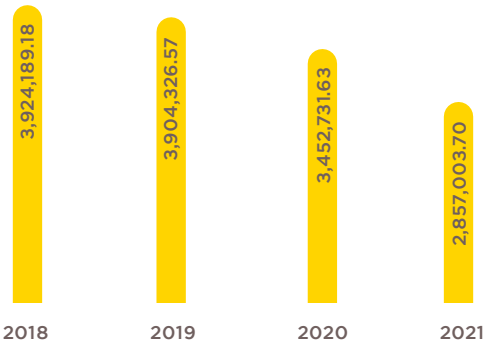


Remark:

[1/] Electricity consumption is calculated from;

- Electricity consumption in the Head Office refers to electricity consumption of Building A, B, and C, excluding that of Krungsri Learning Center.
- Electricity consumption in Krungsri Ploenchit Office from March to December 2018 as the building was open for business in March 2018
- 2021 was the first year that the Bank disclosed the data of electricity consumption of Krungsri branches.

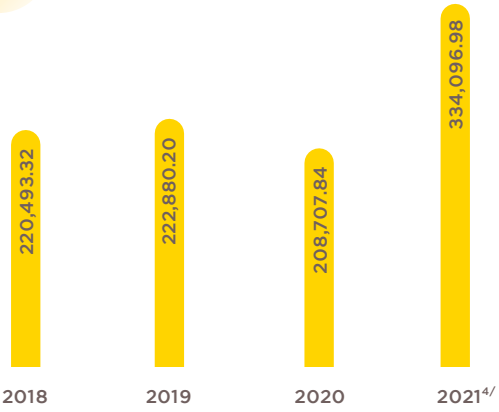
Fuel Consumption[2/] (Litre)



Remark:

[2/] Fuel consumption of company cars and executives' cars of the Head Office, Krungsri Ploenchit Office, and Krungsri branches

Energy Consumption (Gigajoule)[3/]



Remarks:

[3/] The unit conversion rate was based on the reference from the Department of Alternative Energy Development and Efficiency, Ministry of Energy.

- Diesel is equivalent to 36.42 MJ/ liter
- Gasoline is equivalent to 31.48 MJ/ liter.
- 1 kilowatt-hour equals 0.0036 GJ

[4/] 2021 was the first year that the Bank disclosed the data of the total energy consumption of Krungsri branches.
(2018-2020: the Bank disclosed the data of the total energy consumption of Head Office and Krungsri Ploenchit Office only)

Reduction of electricity consumption at the Head Office

Details:

Krungsri has sought ways to reduce electricity consumption at the Head Office for in order to reduce emissions as much as possible.

Performance:

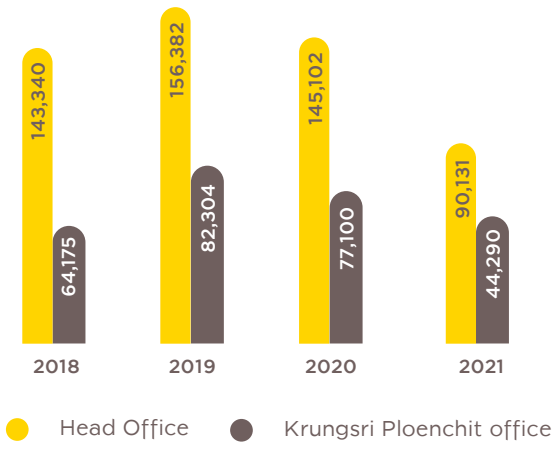
In 2021, electricity consumption could be reduced as follows:

- Changed the plate heat exchanger of the heat exchanger pump (HXP), thus reducing energy consumption for a heat exchanger pump, which could save 251,281.00 units of electricity or 942,302 baht in electricity costs (starting in January 2021)
- Changed 991 LED bulbs in replacing fluorescent lamps in the office building, which could save 4,681.78 units of electricity or 208,994.48 baht in electricity costs (starting in December 2021)
- Changed the whole chiller system, which could save 103,368 units of electricity or 384,528.96 baht in electricity costs (starting in March 2021)

Water Consumption

Krungsri promotes water efficiency and management, ranging from building designs, choosing water-saving materials, wastewater treatment and quality control in compliance with related standards, to the wastewater reclamation process, with an aim to leave the least environmental impact. Krungsri also conducts water consumption risk assessment focusing on water scarcity assessment in Krungsri's building locations in Bangkok, namely those of the Head Office and Krungsri Ploenchit Office

Water Consumption (Cubic Meter)



Net Water Consumption

Water consumed at the Head Office and Krungsri Ploenchit Office is bought from the external producer (Metropolitan Waterworks Authority: MWA). Amount of water consumption is measured based on the MWA's standard. In addition, wastewater from both buildings has been threated per the standard water treatment process to ensure that released wastewater will not cause environmental and social impacts.

Water data (megaliter)*	Head Office		Krungsri Ploenchit Office	
	2020	2021	2020	2021
Tap water bought	145.10	90.13	77.10	44.29
Water released from water treatment systems	113.54	70.03	58.36	35.43
Net water consumption	31.56	20.11	18.74	8.86

Remark:
* 1 megaliter (ML) equal to 1,000 cubic meters

Wastewater Treatment

Details:

Krungsri has treated wastewater from the Head Office and Krungsri Ploenchit Office in accordance with the Pollution Control Department's wastewater standard using the activated sludge process, of which treated wastewater was examined by external experts on a monthly basis. In addition, the Bank complied with the ministerial regulation by submitting the wastewater treatment report to the Yan Nawa District Office on a monthly basis. In addition, a target of zero wastewater complaint from the communities has been set.

Performance:

- Carried out wastewater treatment, control and examined treated wastewater, and reported to the supervisory body on a monthly basis
- In 2021, no complaints of wastewater from the Head Office and Krungsri Ploenchit Office were found as the wastewater quality remained compliant with the Ministry of Natural Resources and Environment.

Wastewater Reclamation

Details:

Krungsri reuses wastewater from the Head Office's cooling tower system and dripping water from the condensation coil system which has been treated. As for Krungsri Ploenchit Office, Krungsri also reuses water from rainwater tanks and dripping water from the condensation coil system which has been treated, with an aim to achieve water use efficiency and reduce environmental impacts.

Performance:

In 2021, treated wastewater was reduced as follows:

- Head Office: Treated wastewater was used for watering plants, cleaning parking lots on the ground floor, and filling in the artificial fountain in front of the building, which could save water by an average of 290 cubic meters per month or 3,480 cubic meters per year, or 59,647.20 baht in water costs.
- Krungsri Ploanchit Office: Threated wastewater was used for watering plants around the building, and reused in the cooling tower system, which could save water by an average of 105 cubic meters per month or 1,260 cubic meters per year, or 21,596.40 baht in water costs.

Water Saving at Krungsri Ploenchit Office

Details:

Krungsri Ploenchit Office's sanitation system, sanitary wares, and devices were designed for water efficiency and environmentally friendly landscape.

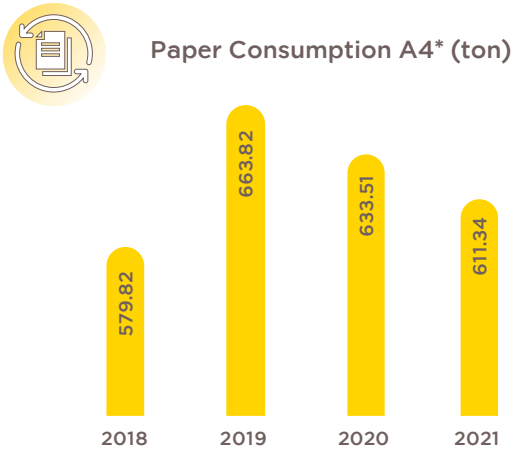
Performance:

The sanitary wares and faucets used in Krungsri Ploenchit Office helped save water less than or equal to the reference amount, saving water by 17,816.63 units or 40 percent of the normal amount used or 305,377 baht in water costs per year.

Paper Consumption

Promoting digitalization in all business units' operations, Krungsri aims to reduce paper and disposable material consumption and waste through diverse projects and/or activities as follows:

- Promote the 'Think Before Print' concept that encourages editing and/or revising documents on the computer screen before printing them, and also promote staff to use both sides of paper



Remark:

* paper consumption of A4 70-gram and 80-gram paper of the Head Office, Krungsri Ploenchit Office and Krungsri branches.

- Promote paper recycling in the workplaces through the Shred2Share project of the Iron Mountain

Shred2Share By Iron Mountain

Company	2020		2021	
	Paper sent to the recycling process (tons)*	CO_2 emissions reduced (kilograms)	Paper sent to the recycling process (tons)*	CO_2 emissions reduced (kilograms)
Bank of Ayudhya PCL	234.72	61,026.70	198.29	51,555.51
Ayudhya Capital Auto Lease Plc.	66.57	17,307.88	62.90	16,354.04
Ayudhya Capital Services Co., Ltd.	142.50	37,050.83	127.48	33,145.08
Krungsri Asset Management Co., Ltd.	2.60	675.16	0.99	258.51
Krungsri Securities Plc.	0.44	115.15	0.57	148.80
Total	446.83	116,175.70	390.23	101,461.94

Remark:
* 1 ton equal to 1,000 kilograms

Waste Management

Krungsri encourages all business units to adhere to resource efficiency, while focusing on reducing waste left from resource utilization during their operations or the Bank's business activities, a positive factor for the environment, which has translated into reduced waste management costs and been consistent with environmental solutions and climate actions.

Krungsri Zero Waste

Details:

In 2018, the **'Krungsri Zero Waste'** initiative was introduced to address the Sustainable Development Goals, particularly Goal 12: Responsible Consumption and Production, and Goal 13: Climate Action. Krungsri also launched several internal projects to reduce the amount of waste and promote resource efficiency as follows:

- Encouraging employees to properly sort trash to facilitate the recycling process through the 'Krungsri Right Place, Right Bin' activity
- Calling for employees to carry four items, i.e. reusable straw, cup, bag, and food container to minimize single-use plastic
- Promoting the donation of reusable cloth bags or plastic bags still in good condition to reduce the need for new plastic bags
- Installing food waste decomposer at the Head Office's canteens to reduce food waste to landfills
- Projects and activities organized in collaboration with the public sector and partnership networks to reduce waste to landfills to zero and mitigate emissions caused by waste, e.g., the Green Office project

Krungsri ZERO WASTE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

'Krungsri...The Green Office'

2021 was the first year that Krungsri participated in the Green Office project initiated by the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment. Krungsri, therefore, commenced the 'Krungsri...The Green Office' project, which is part of the 'Krungsri Zero Waste' project by focusing on achieving the environmentally friendly organization, along with adjusting staff behaviors and promoting their engagement in reducing energy and resource use, reducing waste from the Bank's operations and activities. In addition, environmentally-friendly projects have been promoted to reduce greenhouse gasses to net zero.

The Green Office project's criteria for assessment comprises six categories: 1) setting the policy and action plans with continual adjustments, 2) communication and raising awareness, 3) resource and energy use, 4) waste management, 5) environment and safety, and 6) procurement.

Performance:

After participating in the Green Office project, Krungsri was **the first commercial bank in Thailand to achieve the Excellent Level (G-Gold)** which is the highest level of award of the Green Office project. This reflects Krungsri's success in achieving an environmental-friendly organization, in accordance with the Sustainable Development Goals.



Waste Sorting

Details:

Krungsri encourage staff and related parties in efficiently sorting waste with hygienic practices, so that waste can be recycled into either the production process or the correct waste disposal process as stipulated by regulatory requirements.

Performance:

Amount of materials recycled (unit: kilogram)	Head Office	Krungsri Ploenchit Office
General wastes	121,720.01	78,111
Hazardous wastes*	659.18	-
Infectious waste*	209.50	-

Remark:

* The data of hazardous and infectious waste of Krungsri Ploenchit Office is under the collection process and will be disclosed in the report for 2022 onward.

Amount of materials recycled (unit: kilogram)	Head Office	Krungsri Ploenchit Office
Cardboard boxes	7,313	3,651
General paper, books, magazines, journals	7,004	1,998
Plastic bottles, glass bottles	3,267	834.50
Polypropylene plastic boards	54	123.50



In 2021, Krungsri delivered plastic bottles to Wat Chak Daeng, Samut Prakan, on a weekly basis, amounting to 737.20 kilograms (starting in October 2021), which will be used to produce monk robes for use during the COVID-19 pandemic.



The e-waste sorting project in collaboration with Advanced Info Service (AIS) and Synnex (Thailand)

Details:

Krungsri has taken part in correctly reducing and disposing e-waste per international standards through collaboration projects jointly organized with business partners with an aim of mitigating pollution caused by e-waste, including old mobile phones, mobile phone batteries, power banks, chargers, and supplementary devices. An e-waste drop box is provided at the Head Office and Krungsri Ploenchit Office.

In 2020, Krungsri joined hands with **Advanced Info Service (AIS)** under the '**Thais Say No to e-Waste**' project, and in 2021 extended the partnership to join hands with **Synnex (Thailand)** under the '**Trusted by Synnex e-Waste**'. Both projects not only helped expand e-waste drop-off points, but also promotes partnerships and good synergy with the business partners in creating positive social impacts while moving in line with the environmental pillar of sustainable development.

Performance:

In 2021, at least 1,556 pieces of e-waste were sorted, reducing 15,560 kilograms of carbon dioxide equivalents emission.

Remark:

* Refer to e-waste sorting reports of business partners

Installation of the food waste decomposer at the Head Office

Details:

Food waste is one of key causes of greenhouse gases and global warming. Adhering to the commitment to reducing waste to zero under the 'Krungsri Zero Waste' project, Krungsri therefore initiated the installation of a food waste decomposer at the Head Office in 2020. The machine uses biotechnology for aerobic conversion of food waste into high quality organic fertilizer for application in agriculture.

Performance:

- In 2021, the machine installed at the Head Office helped reduce more than 5,000 kilograms of food waste into 1,300 kilograms of organic fertilizer, reducing 12,700* kilograms of carbon dioxide equivalents emission comparable to planting 1,411 trees.
- Prepared to install a food waste decomposer at Krungsri Ploenchit Office which is expected to complete within the second quarter of 2022.

Remark:

* Refer to the report of Oklin (Thailand) Co., Ltd. The food waste amount reduced compared to the previous year as most staff members worked from home, thereby significantly reducing the number of canteen users.





Climate Change Management

Climate change and environmental degradation have been crucial issues of the global community as they directly impact developments of economies, businesses, ecosystems, biodiversity, and the life of all human, while being a problem addressed by the United Nations through its sustainable development goals.

Krungsri is well aware that our business operations and economic activities could impact the environment and climate change, directly or indirectly. We, as a responsible financial institution that takes into account social and environmental footprints, place our emphasis on partnerships with the public and private sectors, as well as the civil society, in coping with the climate issues by inclusively managing the climate change in alignment with the Bank's business operations. Measures and solutions to mitigate greenhouse gas emissions caused by the Bank's operations toward zero percent, thereby reducing potential risks posed by and impact of climate change on our operations and customers.

Management Approaches

- Declare Krungsri Carbon Neutrality Vision in conformity with the United Nations Sustainable Development Goal 13: Climate Action, and Thailand's National Determined Contributions (NDCs), as well as MUFG's Carbon Neutrality Declaration, with the following goals:
  - Decarbonizing the Bank's own operations by 2030
  - Decarbonizing the Bank's financial services by 2050
    - Phasing out our exposure to coal-fired power plants within 2030, enhancing the financial disclosure policies with an action plan to disclose our portfolio's financial emissions as well as reduction targets
    - Increasing social and sustainable finance portfolio to 50-100 billion baht by 2030
    - Contributing to actively promote sustainable and green finance market development in Thailand
- Conduct a Carbon Footprint for Organization (CFO) evaluation by starting to collect and calculate the amount of greenhouse gas emissions from our headquarters in 2017 and expand the scope of carbon footprint calculation to cover Krungsri Ploenchit Office in 2020. 2021 was the first year that the Bank collected and calculated carbon footprints from Krungsri branches nationwide.

In addition, Krungsri set the target to reduce greenhouse gas emissions with an emission intensity (scope 1 and 2) lower than 3.00 TonCO_2e per person per year.

- **Promote workflows and operations that help reduce emissions.** Examples include digitalization that reduces the use of resources and environmental footprints, the design of Krungsri Ploenchit Office that meet the Leadership in Energy and Environmental Design (LEED) standards of the US Green Building Council (USBC) with the Gold Level of certification granted, and a solar rooftop system installed at Krungsri Learning Center, VDO conference, etc.
- **Promote green businesses** through providing loans or financial products based on the '**responsible lending**' principle, in alignment with Krungsri's credit risk management policy complied by all business units (study more details in the topic of 'Responsible Lending and ESG Consideration'
- **Become a founding member of the Carbon Markets Club** to promote the carbon credit exchange system, the first of its kind in Thailand, in support of the country's transition toward a low-carbon society. The Carbon Markets Club will be one of the key mechanisms, on which Krungsri will leverage in achieving the organization's environmental goals of reducing carbon emissions as well as supporting stakeholders' commitments and transitions toward a climate ambition of net zero emissions.



Performance

Promote activities and operations that uphold carbon neutrality

Carbon Footprint for Organization

Greenhouse gas emissions[1/] of Krungsri's headquarters, Krungsri Ploenchit Office and Krungsri branches registered

42,212 TonCO_2e

Krungsri's scope 1 and 2 emission intensity of

2.91 TonCO_2e **per person per year (better than the target of 3.00 TonCO_2e per person per year)**

Headquarters [2/]

Greenhouse gas emissions of
11,977
TonCO_2e

Down
31.69%
(compared with the base year 2017)

Krungsri Ploenchit Office [3/]

Greenhouse gas emissions of
4,106
TonCO_2e

Down
10.15%
(compared with the base year 2020)

Krungsri branches
(using 2021 as the base year)

Greenhouse gas emissions of
26,129 TonCO_2e

Remarks:
[1/] Scope 1 and 2 only
[2/] The Head Office comprises Building A, B, C, and Krungsri Learning Center
[3/] Krungsri Ploenchit Office meets the Leadership in Energy and Environmental Design (LEED) standards with the Gold Level of certification

Krungsri conducted the carbon footprint for organization evaluation, calculating greenhouse gas emissions and removals at our Head Office and Krungsri Ploenchit Office in following three scopes* as follows:

Greenhouse Gas Sources

Scope	Item	Head Office	Krungsri Ploenchit Office	Krungsri Branches
Scope 1	Direct GHG emissions from organizational activities and operations			
	• Fuel combustion measured by:	●	●	●
	◦ Volume of gasoline or diesel consumption for executive and bank cars	●	●	●
	◦ Volume of gasoline or diesel consumption for employees' cars (mileage reimbursement)	●	●	●
	• Volume of diesel consumption for machines and equipment, such as fire pumps, generators, etc.	●	●	●
	• Leakage of refrigerants, measured from the volume of diverse refrigerants for air conditioners, electric water coolers, chiller, etc.	●	●	●
	• Leakage of fire extinguisher solutions measured from the volume of diverse fire extinguisher solutions used	●	●	●
	• Leakage of methane measured from methane emitted from the septic tank system and wastewater treatment tanks	●	●	●
Scope 2	Indirect GHG emissions from the generation of purchased energy consumed in the organization. In this regard, it refers to electricity purchased from the Metropolitan Electricity Authority only.	●	●	●
Scope 3	Other Indirect GHG emissions, including the use of related resources measured from:			
	• The volume of tap water used in the organization refers to the tap water purchased from the Metropolitan Waterworks Authority only.	●	●	●
	• Consumption of 70-gram and 80-gram A4 paper	●	●	●

Krungsri quantified GHG emissions covering carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). The methodology applied was the carbon footprint for organization assessment by the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO), the 4th revision (December 2018), Greenhouse Gas Protocol, October 2016 revised edition, referencing the Global Warming Potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4).

Remark:
* Thailand Greenhouse Gas Management Organization (Public Organization), 2020 and carbon footprint assessment parameter, Mahidol University

GHG Emission Assessment	Unit	Total GHG Emissions			
		2018[1/]	2019[1/]	2020[2/]	2021[3/]
Scope 1	$TonCO_2e$	2,776	2,802	2,769	8,189
Scope 2	$TonCO_2e$	11,982	12,342	14,543	34,023
Scope 1 and 2	$TonCO_2e$	14,758	15,144	17,312	42,212
Scope 1 and 2 emission intensity	$TonCO_2e$ per person	3.00	3.43	2.61	2.91
Scope 3	$TonCO_2e$	1,286	1,467	632	1,553
Full-time employees [3/]	person	4,915	4,400	6,626	14,461

Remarks:
[1/] 2018-2019: The Bank disclosed GHG emissions data from the Head Office only.
[2/] 2020: The Bank disclosed the GHG emissions data from the Head Office and Krungsri Ploenchit Office.
[3/] 2021: The Bank disclosed the GHG emissions data from the Head Office, Krungsri Ploenchit Office and Krungsri branches nationwide. 2021 data is under the process of filing for certification from the Thailand Greenhouse Gas Management Organization (Public Organization).

Becoming a founding member of the Carbon Markets Club in Thailand

Details:

Krungsri, in collaboration with 10 leading business partners in Thailand, placing importance on greenhouse gas emission reduction, jointly established the Carbon Markets Club, under the memorandum of understanding on promoting carbon credit and Renewable Energy Certificate (REC) trading, the first of its kind in Thailand. The promotion of carbon trading serves as one of the vital factors for the transition from fossil-based to green-based or clean energy. This framework of collaborative partnerships is set out to develop the current over-the-counter mode of trade to the digital platform which is convenient, cutting-edge, transparent, and traceable, while moving toward a net-zero society.

In this regard, other 10 founding member organizations are Bangchak Corporation Public Company Limited, Electricity Generating Authority of Thailand (EGAT), BCPG Public Company Limited, BBGI Public Company Limited, Charoen Pokphand Group Company Limited, Shell Company of Thailand, Kasikornbank Public Company Limited, Tetra Pak (Thailand) Company Limited, Bangkok Industrial Gas Company Limited, and BTS Group Holdings Public Company Limited.

CARBON Markets Club

Performance:

2021 saw Krungsri joining hands with the Carbon Markets Club (CMC) in knowledge sharing through a workshop held for JPC/MNC Banking customers to share an update on the latest developments and operations of CMC as well as the potential adoption of Renewable Energy Certificates (RECs) as strategic management tools to address climate change and achieve carbon neutrality goals for each organization. The event was attended by more than 25 corporate customers, under Krungsri's JPC/ MNC customer segment, representing a number of industries with a combined assets of more than 400 billion baht and sales of more than 700 billion baht. They are:

- Major automakers
- Major consumer goods manufacturers
- Industrial and heavy industrial machinery group
- Financial service providers
- Life insurance group

The event was well received by interested customers which strive for business undertakings focusing on mitigation of environmental impact together with core business operations. Krungsri continues to support customers in their transition toward a carbon neutral society.

Krungsri Group's Reduction Project

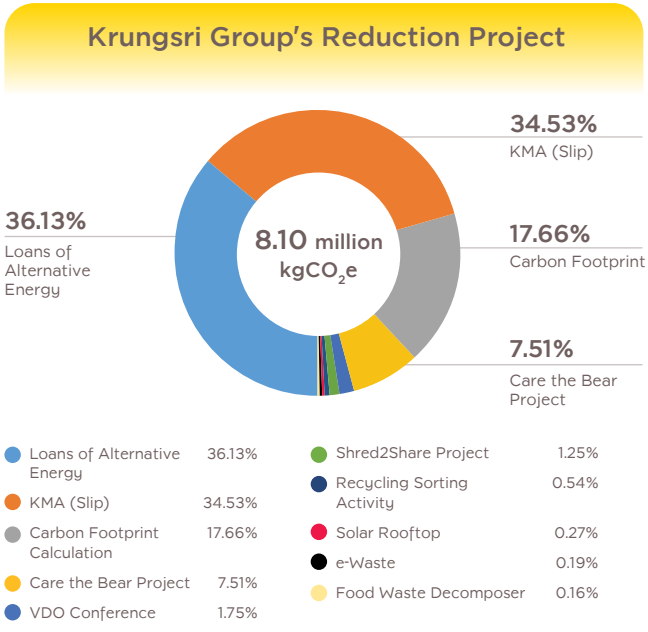
Details:

In 2020, Krungsri initiated the project to reduce greenhouse gas emissions from business operations and activities for the first time under the name 'Krungsri's 75th Anniversary: 7.5 Million kgCO_2e Reduction' which yielded the outcome of reducing GMG emissions by a total of 8.64 million kgCO_2e.

Based on such achievement, Krungsri extended the scope of the project with a more challenging target of reducing greenhouse gas emissions by 9.5 million kgCO_2e, representing a 10 percent increase, reflecting our commitment to promoting and campaigning for all parties to continually and seriously engage in reducing GHG emissions from every single business procedure, therefore taking part in coping with and addressing climate change domestically and internationally.

Performance:

Krungsri was able to reduce GHG emissions by 8.10 million kilograms of carbon dioxide equivalent through communicating and campaigning among staff for adjusted workflows and activities of the Bank and companies in the Financial Business Group, e.g., participating in the Green Office project of the Ministry of Natural Resources and Environment, the installation of food waste decomposer, Carbon Footprint for Organization (CFO) evaluation, participation in diverse projects of the public and private sectors, such as the Care the Bear and Care the Wild of the Stock Exchange of Thailand, etc. This will respond to not only the Bank's GHG emission reduction goal, but also the United Nations Sustainable Development Goals 13: Climate Action.



Reduction of paper in operations by the Operations Group

Details:

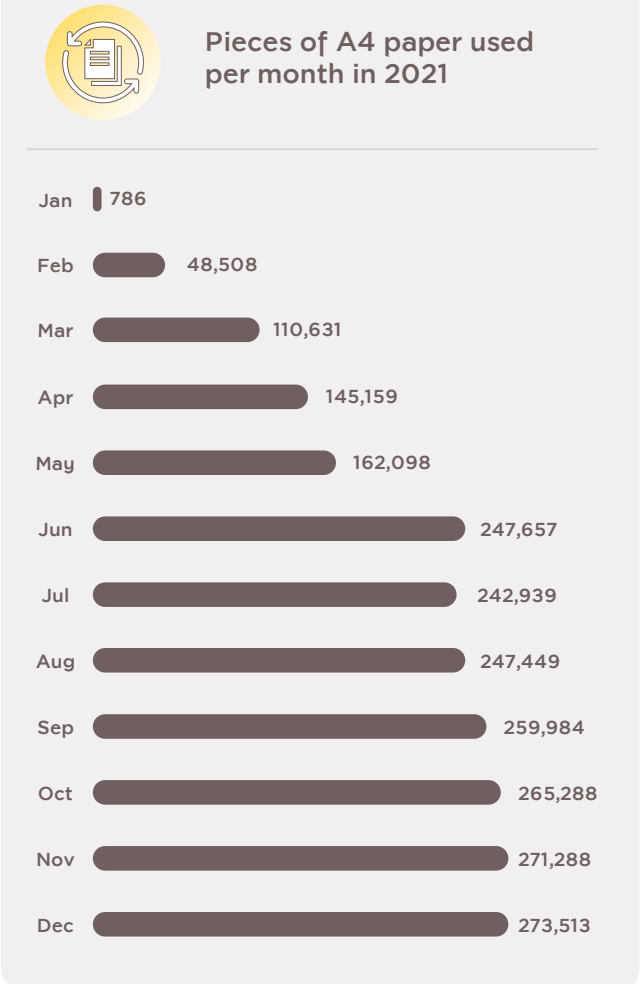
The Operations Group initiated to reduce paper in operations, a move to transform from the traditional paper-based procedures into digitalized operations, while enhancing and streamlining overall workflows to make them faster and more efficient. Paper use in operations has been significantly reduced, while delivering impressive customer services and experience.

Performance:

This project's achievements in 2021 include staff proposing 55 paper-saving projects which helped reduce A4 paper use by 2,275,893 pieces, equivalent to reducing GHG emissions by 57,261.47* kgCo_2e.

Remark:

* Referring to the calculation data from https://www.carethebear.com/member/activity



Video conference

Details:

Video conference is an initiative of the Bank's Executive Committee which approved that a meeting through video conferencing is equivalent to an in-person meeting at the same venue, taking effect for the meetings of the Executive Committee and other committees from 2020 onward. This is aimed to encourage our senior executives to take part in mitigating GHG emissions from such cases as their transportation between Krungsri's Head Office and Krungsri Ploenchit Office, or between Thailand and Japan, etc.

Performance:

In 2021, Krungsri held 51 video conferencing sessions for diverse committees and senior executives, attended by 1,270 executives, reducing road trips by **50,007.20 kilometers** and carbon emissions by **142,162.98 kgCO_2e**.

Remark:

The GHG emission calculation was made by referring to the data from the Thailand Greenhouse Gas Management Organization (Public Organization) as of January 2019).

- The emission factor for 1 kilometer of traveling by car is equal to 0.127 kgCO_2e
- The emission factor for a passenger-kilometer (pkm) of air travel (Business Class) is equal to 0.2419 kgCO_2e (referring to the data from the Thailand Greenhouse Gas Management Organization (Public Organization) as of January 2019)

Installation of a solar rooftop system at Krungsri Learning Center

Details:

Krungsri installed a solar rooftop system at the Krungsri Learning Center since 2017. The system delivers a power output of 20.5 kilowatt peak (kWp)[1/] to help reduce fossil-fuel electricity consumption, while promoting environmentally-friendly renewable energy sources.

Performance:

In 2021, the system helped save electricity costs by 36,275.60 kilowatt hour[1/] or 153,083.03 baht, reducing carbon dioxide emissions from electricity consumption by 21,714.57 kgCO_2e[2/].

Remarks:

[1/] The power output in kilowatt hour is measured at the solar panels.

[2/] Emission reduction was calculated based on the data from the Thailand Greenhouse Gas Management Organization (Public Organization), as of March 2021. One kilowatt hour of electricity (grid mix) is equal to the emission factor of 0.5986 kgCO_2e





Numerical Data on Sustainability Performance

Employee Data

Type of Data	2018		2019		2020		2021	
	person(s)	% of the total employees	person(s)	% of t he total employees	person(s)	% of the total employees	person(s)	% of the total employees
No. of the Bank's employees[1/]	15,134		15,280		14,711		14,093	
Gender								
Male	4,592	30.34%	4,654	30.46	4,480	30.45	4,298	30.50
Female	10,542	69.66%	10,626	69.54	10,231	69.55	9,795	69.50
Age Range								
<30 years old	2,492	16.47	2,296	15.03	1,711	11.63	1,285	9.12
30-50 years old	10,109	66.80	10,193	66.71	9,958	67.69	9,631	68.34
> 50 years old	2,533	16.74	2,791	18.27	3,042	20.68	3,177	22.54
Occupational Area								
Head Office	8,888	58.73%	8,261	54.06%	8,143	55.35%	8,121	57.62
Office/branch in Bangkok and vicinity	2,163	14.29%	3,249	21.26%	3,034	20.62%	2,775	19.69
Office/branch in Provincial	4,069	26.89%	3,757	24.59%	3,529	23.99%	3,197	22.69
Office/branch in Overseas	14	0.09%	13	0.09%	5	0.03%	-	-
Education[2/]								
Below Bachelor Degree	-	-	198	1.30	195	1.33	165	1.17
Bachelor Degree	-	-	11,248	73.61	10,737	72.99	10,187	72.28
Master Degree	-	-	3,815	24.97	3,761	25.57	3,721	26.40
Doctoral Degree	-	-	19	0.12	18	0.12	20	0.14
Employee Level	15,134		15,280		14,711		14,093	
Executive level 10 and above	95		94		97		94	
Male	59	0.39	55	0.36	59	0.40	57	0.40
Female	36	0.24	39	0.26	38	0.26	37	0.26
<30 years old	-	-	-	-	-	-	-	-
30-50 years old	44	0.29	34	0.22	28	0.19	30	0.21
> 50 years old	51	0.34	60	0.39	69	0.47	64	0.45
Management level 9-10	854		895		900		880	
Male	432	2.85	443	2.90	435	2.96	415	2.94
Female	422	2.79	452	2.96	465	3.16	465	3.30
<30 years old	2	0.01	2	0.01	3	0.02	-	-
30-50 years old	531	3.51	548	3.59	510	3.47	468	3.32
> 50 years old	321	2.12	345	2.26	387	2.63	412	2.92

Type of Data	2018		2019		2020		2021	
	person(s)	% of the total employees	person(s)	% of the total employees	person(s)	% of the total employees	person(s)	% of the total employees
Middle Management level 7-8	2,118		2,295		2,349		2,379	
Male	856	5.66	919	6.01	951	6.46	966	6.85
Female	1,262	8.34	1,376	9.01	1,398	9.50	1,413	10.03
<30 years old	7	0.05	4	0.03	5	0.03	2	0.01
30-50 years old	1,296	8.56	1,407	9.21	1,397	9.50	1,377	9.77
> 50 years old	815	5.39	884	5.79	947	6.44	1,000	7.10
Officer level 4-6	6,408		6,626		6,599		6,454	
Male	2,074	13.70	2,110	13.81	2,028	13.79	1,937	13.74
Female	4,334	28.64	4,516	29.55	4,571	31.07	4,517	32.05
<30 years old	167	1.10	188	1.23	137	0.93	129	0.92
30-50 years old	4,951	32.71	4,992	32.67	4,879	33.17	4,686	33.25
> 50 years old	1,290	8.52	1,446	9.46	1,583	10.76	1,639	11.63
Officer level 1-3	5,659		5,370		4,766		4,286	
Male	1,171	7.74	1,127	7.38	1,007	6.85	923	6.55
Female	4,488	29.66	4,243	27.77	3,759	25.55	3,363	23.86
<30 years old	2,316	15.30	2,102	13.76	1,566	10.65	1,154	8.19
30-50 years old	3,287	21.72	3,212	21.02	3,144	21.37	12,701	90.12
> 50 years old	56	0.37	56	0.37	56	0.38	62	0.44

Remarks:
1/ Only full-time employee of the Bank of Ayudhya PCL, excluding the Board of Directors
2/ The data was first disclosed in 2019

Board of Directors

Type of Data	2018		2019		2020		2021	
	persons	% of the total members of BOD	persons	% of the total members of BOD	persons	% of the total members of BOD	persons	% of the total members of BOD
The Board of Directors*	12		11		9		9	
Gender								
Male	8	66.67	7	63.64	5	55.56	5	55.56
Female	4	33.33	4	36.36	4	44.44	4	44.44
Age Range								
<30 years old	-	-	-	-	-	-	-	-
30-50 years old	2	16.67	-	-	-	-	-	-
> 50 years old	10	83.33	11	100.00	9	100.00	9	100.00

* The Board of Directors consist of non-exective directors, executive directors, and independent directors.

Employment Data

2021's Krungsri Group Headcount (persons)

Company/ Type of Contract	Full-time Employee (persons)			Temporary Employee (persons)		
	Male	Female	Total	Male	Female	Total
Bank of Ayudhya PCL.	4,298	9,795	14,093	80	332	412
Subsidiaries						
Hattha Bank Plc. [1/]	4,020	1,357	5,377			117
Krungsri Ayudhya AMC Ltd.	30	29	59			11
Krungsri Nimble Co., Ltd.	93	35	128			1
Ayudhya Development Leasing Co., Ltd.	27	40	67			7
Ayudhya Capital Auto Lease PCL.	738	1,188	1,926			20
General Card Services Limited	68	206	274			5
Ayudhya Capital Services Co., Ltd.	592	1,569	2,161			78
Krungsriayudhya Card Co., Ltd.	69	218	287			-
Krungsri Finnovate Co., Ltd.	-	-	-			-
Krungsri Securities PCL	65	124	189			10
Krungsri Asset Management Co., Ltd.	129	147	276			37
Krungsri Leasing Services Co., Ltd. [2/]	105	140	245			53
Krungsri Non-Deposit Taking Microfinance Institution Co., Ltd. [3/]	10	7	17			-
Supporting Business						
Siam Realty and Services Security Co., Ltd.	9	4	13			813
Total Services Solutions PCL.	857	267	1,124			16
Krungsri Life Assurance Broker Limited [4/]	-	5	5			-
Krungsri General Insurance Broker Limited [4/]	3	7	10			-
Hattha Services Co., Ltd. [5/]	-	1	-			-
Joint Ventures						
Lotus's Money Services Limited [6/]	115	747	862			12
Lotus's Life Assurance Broker Limited [7/]	2	3	5			-
Lotus's General Insurance Broker Limited [8/]	52	156	208			10
SB Finance Company, Inc. [9/]	99	127	226			38
Associate						
Ngern Tid Lor Public Company Limited	1,604	4,240	5,844			877

Remarks:

[1/] Krungsri's subsidiary of which the Bank directly holds 100 percent shares. Formerly Hattha kaksekaar Limited, Microfinance Deposit Taking Institution, obtained the approval from relevant regulators both in Thailand and Cambodia to expand its business to be a commercial bank on August 26, 2020.

[2/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Ayudhya Capital Auto Lease PCL by 75.00 percent and Ayudhya Capital Services Co., Ltd. by 25.00 percent

[3/] Krungsri's subsidiary of which the Bank indirectly holds 99.99 percent shares via Krungsri Leasing Services Co., Ltd.

[4/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Ayudhya Capital Services Co., Ltd.

[5/] Krungsri's subsidiary of which the Bank indirectly holds 49 percent shares via Hattha Bank Plc.

[6/] Krungsri's subsidiary of which the Bank indirectly holds 50 percent shares via Ayudhya Capital Services Co., Ltd. Previous company name, Tesco Lotus Money Services Limited

[7/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Lotus's Money Services Limited. Previous company name, Tesco Life Assurance Broker Limited

[8/] Krungsri's subsidiary of which the Bank indirectly holds 100 percent shares via Lotus's Money Services Limited. Previous company name, Tesco General Insurance Broker Limited

[9/] Krungsri's subsidiary of which the Bank directly holds 50 percent shares

Operational Change Statistics

Data	2018		2019		2020[3/]		2021	
	persons	% of the total employees	persons	% of the total employees	persons	% of the total employees	persons	% of the total employees
New Hires [1/]	1,987	13.13	1,871	12.24	490	3.34	691	4.90
Gender								
Male	547	3.61	566	3.70	180	1.23	276	1.96
Female	1,440	9.51	1,305	8.54	310	2.11	415	2.94
Age Range								
<30 years old	995	6.57	917	6.00	201	1.37	246	1.75
30-50 years old	980	6.48	945	6.18	287	1.95	434	3.08
> 50 years old	12	0.08	9	0.06	2	0.01	11	0.08
Operational Area								
Head Office	901	5.95	1,031	6.75	333	2.27	633	4.49
Office/ branch in Bangkok and vicinity	531	3.51	434	2.84	62	0.42	48	0.34
Office/ branch in Provincial	549	3.63	405	2.65	95	0.65	10	0.07
Office/ branch in Overseas	6	0.04	1	0.01	-	-	-	-
Terminated Employees [2/]	1,888	12.48	1,729	11.32	1,090	7.42	1,310	9.30
Gender								
Male	553	3.65	508	3.32	368	2.51	458	3.25
Female	1,335	8.82	1,221	7.99	722	4.92	852	6.05
Age Range								
<30 years old	619	4.09	539	3.53	260	1.77	225	1.60
30-50 years old	1,129	7.46	1,014	6.64	632	4.30	801	5.68
> 50 years old	140	0.93	176	1.15	198	1.35	284	2.02
Operational Area								
Head Office	779	5.15	710	4.65	498	3.39	666	4.73
Office/ branch in Bangkok and vicinity	533	3.52	492	3.22	261	1.78	301	2.14
Office/ branch in Provincial	570	3.77	527	3.45	330	2.25	343	2.43
Office/ branch in Overseas	6	0.04	-	-	1	0.01	-	-

Remarks:

[1/] Only full-time employees of the Bank of Ayudhya PCL.

[2/] Data includes No. of employee in voluntary attrition program, a transfer program within Krungsri Group, early retirement program, involuntary attrition as well as retirement program

[3/] The figure was updated as per information's amendment.

Parental Leave Statistics

Data	Number of Female Employees (Persons)			
	2018	2019	2020	2021
Number of employees entitled to parental leave	10,538	10,621	10,211	9,776
Number of employees taking parental leave	355	331	310	262
Number of employees returning to work after parental leave	352	329	308	257
Number of employees returning to work after parental leave and still retained 12 months after their return to work	305	348	324	299
Return-to-work Rate[1/] of employees taking parental leave	99.15	99.40	99.35	98.09
Retention Rate[2/] of employees taking parental leave	86.65	98.86	98.48	97.08

Remarks:
[1/] Return-to-work Rate = (Total number of employees returning to work after parental leave/ Total number of employees taking parental leave) x 100
[2/] Retention Rate = (Total number of employees retained 12 months after returning to work following a period of parental leave/ Total number of employees returning to work after parental leave) x 100

Employement Data of Disabled Employees

Krungsri	2018	2019	2020	2021
No. of disable employee [1/]	150	151	154	148

Remark:
[1/] The hiring was carried out in compliance with the Section 35 of the Empowerment of Persons with Disabilities Act, B.E. 2550, in collaboration with the Thai Bankers' Association (TBA) and the Thai Red Cross Society.

Employee Training and Development Report

	2018	2019	2020	2021
Average training hours (hours/person/year)	62.44	61.59	51.53	58.26
Gender				
Male	63.17	57.70	52.09	54.11
Female	60.77	63.30	50.25	60.09
Age Range				
Less than 30 years old	70.01	74.73	56.20	58.32
30-50 years old	61.33	60.75	51.51	58.69
50 years and above	59.02	52.60	48.59	56.95
Employee level				
Officer level 1-3	66.19	68.27	54.37	59.95
Officer level 4-6	58.14	56.67	49.12	58.48
Executive level 7-8	67.56	61.50	54.32	57.49
Executive level 9 and above	57.82	58.39	47.38	51.22
• Vice President-Senior Vice President	56.43	56.93	48.05	51.64
• Executive Vice President and above (included Senior Management)	71.63	73.22	41.00	47.20

Channels of Financial Access

Channels of services \ Area	2018		2019		2020		2021	
	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial
Krungsri branches	298	405	293	397	286	384	278	363
	703		690		670		641	
ATMs	2,966	3,736	2,981	3,769	2,898	3,602	2,850	3,400
	6,702 [1/]		6,750		6,500		6,250	
Krungsri Exclusive	30	12	31	12	32	12	33	12
	42		43		44		45	
The Krungsri Advisory [2/]	2	0	4	1	5	1	5	1
	2		5		6		6	
Foreign Exchange Booths	23	67	23	60	21	51	14	36
	90		83		72		50	
Krungsri Business Centers	62		62		62		61	
Krungsri Auto Dealers	3,345	6,211	3,472	6,447	2,964	6,300	2577	5476
	9,556		9,919		9,264		8,053	
First Choice and Dealers	22,738		22,770		21,946		22,094	
First Choice Branches	150		150		112		112	
Microfinance Branches (Ngern Tid Lor)	139	674	153	847	160	916	197	1089
	813		1,000		1,076		1,286	
Microfinance Branches (Hattha Bank [3/])	178		177		177		177	

Remarks:

[1/] Includes a Self Service Banking (SSB) and a Bill Payment Machine (BPM)

[2/] Krungsri The Advisory is exclusively for 'Krungsri Exclusive and Krungsri Prime' customers.

[3/] Krungsri's subsidiary in Cambodia which has successfully obtained regulatory approvals to operate as a commercial bank, under the name 'Hattha Bank Plc.' with effect from August 26, 2020 onwards.

KPMG Phoomchai Audit Ltd.
50th Floor, Empire Tower,
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000
Fax +66 2677 2222
Website kpmg.com/th

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด
ชั้น 50 เอ็มไพร์ทาวเวอร์
1 ถนน สาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000
แฟกซ์ +66 2677 2222
เว็บไซต์ kpmg.com/th

Independent limited assurance report

To the managements of Ayudhya Public Company Limited ("Krungsri")

Conclusion

Based on the procedures performed, as described below, nothing has come to our attention that causes us to believe that the selected subject matters ("Subject Matters") identified below and included in the Sustainability Report 2021 (the "Report") for the year ended 31 December 2021 and the reliability of Subject Matters, are not, in all material respects, prepared in compliance with the reporting criteria (the "Criteria").

Our Responsibilities

We have been engaged by Krungsri and are responsible for providing a limited assurance conclusion in respect of the Subject Matters for the year ended 31 December 2021 to be included in the Report as identified below.

Our assurance engagement is conducted in accordance with the International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements*. These standards require the assurance team to possess the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information, and that we plan and perform the engagement to obtain limited assurance on whether the Subject Matters are prepared, in all material respects, in compliance with the Criteria. We have complied with the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants to ensure their independence. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have not been engaged to provide an assurance conclusion on any other information disclosed within the Report.

Subject Matters

Subject Matters comprised of the following data expressed numerically or in descriptive text for the year ended 31 December 2021:

- Reporting in accordance with GRI Standards core option and GRI Financial Services

Criteria

The Subject Matters were assessed according to the following criteria:

- The Sustainability Reporting Standards of the Global Reporting Initiative ("GRI Standards");
- The Financial Services Sector Disclosures ("FSSD")

Directors' and management's responsibilities

The directors and management of Krungsri are responsible for the preparation and presentation of the Subject Matters, specifically ensuring that in all material respects the Subject Matters are prepared and presented in accordance with the Criteria. This responsibility also includes the internal controls relevant to the preparation of the Report that is free from material misstatement whether due to fraud or error.

Procedure performed

In forming our limited assurance conclusion over the Subject Matters, our procedures consisted of making enquiries and applying analytical and other evidence gathering procedures including:

- Interviews with senior management and relevant staff at corporate;
- Inquiries about the design and implementation of the systems and methods used to collect and process the information reported, including the aggregation of source data into the Subject Matters;
- Inquiries about managements practices and procedures related to identifying stakeholders and their expectations, determining material sustainability matters and implementing sustainability policies and guidelines;

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a private English company limited by guarantee. All rights reserved.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Krungsri, for any purpose or in any other context. Any party other than Krungsri who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Krungsri for our work, for this independent limited assurance report, or for the conclusions we have reached.

KPMG Phoomchai Audit Ltd.

KPMG Phoomchai Audit Ltd.

Bangkok

21 March 2022

Content Index

Disclosure	Description	Page number(s) and/or URL(s)	Omission	External Assurance	Relation to SDGs
GRI 101: Foundation 2016					
	Reporting Principles	28-33, 110-114			
	Using the GRI Standards for sustainability reporting	29			
	Making claims related to the use of the GRI Standards	152-155			
General Disclosures					
GRI 102: General Disclosures 2016					
Organizational Profile					
102-1	Name of the organization	17			
102-2	Activities, brands, products, and services	17, 21-23, 89-99			
102-3	Location of headquarters	17			
102-4	Location of operations	17			
102-5	Ownership and legal form	17-18			
102-6	Markets served	17, 21-23, 89-94			
102-7	Scale of the organization	17, 21, 65, 144-149			
102-8	Information on employees and other workers	144-148			SDG 8
102-9	Supply chain	73-75			
102-10	Significant changes to the organization and its supply chain	22-23, 26-27			
102-11	Precautionary Principle or approach	17, 35, 42, 77-81			
102-12	External initiatives	42-43			
102-13	Membership of associations	43			
Strategy					
102-14	Statement from senior decision-maker	12-15			
102-15	Key impacts, risks, and opportunities	12-15, 24-27, 35, 47-53, 77-81			
Ethics and Integrity					
102-16	Values, principles, standards, and norms of behavior	10-11, 35, 42, 58-61			SDG 16
102-17	Mechanisms for advice and concerns about ethics	58-61, 86			
Governance					
102-18	Governance structure	19-20, 114 and corporate website [https://www.krungsri.com/en/esg/sustainable-banking/committee]			SDG 16
102-19	Delegating authority	20, 114 and corporate website [https://www.krungsri.com/en/esg/sustainable-banking/committee]			
102-20	Executive-level responsibility for economic, environmental, and social topics	20 and corporate website [https://www.krungsri.com/en/esg/sustainable-banking/esg-division]			
102-22	Composition of the highest governance body and its committees	144-145 and corporate website [https://www.krungsri.com/en/about-krungsri/about-us/organization-chart/board-ofdirectors], and [https://www.krungsri. com/en/about-krungsri/about-us/ organization-chart/executivecommittee]			
102-30	Effectiveness of risk management processes	19-20			
102-31	Review of economic, environmental, and social topics	20			
102-32	Highest governance body's role in sustainability reporting	20, 29-30 and corporate website [https://www.krungsri.com/en/esg/sustainable-banking/committee]			
Stakeholder Engagement					
102-40	List of stakeholder groups	32-33, 110-114			
102-41	Collective bargaining agreements	86-87			SDG 8
102-42	Identifying and selecting stakeholders	110			
102-43	Approach to stakeholder engagement	110-114			
102-44	Key topics and concerns raised	60-61, 63-64, 86, 110-114, 156			

Disclosure	Description	Page number(s) and/or URL(s)	Omission	External Assurance	Relation to SDGs
Reporting Practice					
102-45	Entities included in the consolidated financial statements	22-23			
102-46	Defining report content and topic boundaries	28-30			
102-47	List of material topics	30-31			
102-48	Restatements of information	17, 22-23, 141, 146-147			
102-49	Changes in reporting	30-31			
102-50	Reporting period	29			
102-51	Date of most recent report	29			
102-52	Reporting cycle	29			
102-53	Contact point for questions regarding the report	31, 157			
102-54	Claims of reporting in accordance with the GRI Standards	29			
102-55	GRI content index	152-155			
102-56	External assurance	150-151			

Material Topics

Economic					
GRI 201: Economic Performance 2016					
103-1	Explanation of the material topic and its boundary	17, 22-23, 32-33, 89-90			
103-2	The management approach and its components	24-25, 35, 77-78, 89-93			
103-3	Evaluation of the management approach	26, 65, 79-81, 89-93			
201-1	Direct economic value generated and distributed	26, 65, 79-81, 89-93			SDG 1, 5, 8, 9, 10
GRI 203: Indirect Economic Impacts 2016					
103-1	Explanation of the material topic and its boundary	17, 32-33, 36, 89-90, 100-101			
103-2	The management approach and its components	24-25, 36-41, 94-99, 100-101			
103-3	Evaluation of the management approach	27, 94-99, 101-109, 149			
203-1	Infrastructure investments and services supported	26-27, 65, 79-81, 94-99			SDG 7, 8, 9, 11
203-2	Significant indirect economic impacts	26-27, 65, 69, 79-81, 94-99			SDG 1, 3, 7, 8, 9
GRI 205: Anti-corruption 2016					
103-1	Explanation of the material topic and its boundary	58			
103-2	The management approach and its components	58-61			
103-3	Evaluation of the management approach	61			
205-1	Operations assessed for risks related to corruption	58-61			SDG 16
205-2	Communication and training about anti-corruption policies and procedures	20, 58-61, 75, 119			SDG 16
Environmental					
GRI 301: Materials 2016					
103-1	Explanation of the material topic and its boundary	129			
103-2	The management approach and its components	129-131			
103-3	Evaluation of the management approach	132-137			
301-1	Materials used by weight or volume	134-137			

Disclosure	Description	Page number(s) and/or URL(s)	Omission	External Assurance	Relation to SDGs
GRI 302: Energy 2016					
103-1	Explanation of the material topic and its boundary	129			
103-2	The management approach and its components	129-131			
103-3	Evaluation of the management approach	132-137			
302-1	Energy consumption within the organization	132			SDG 12, 13
302-2	Energy consumption outside of the organization	132			
302-4	Reduction of energy consumption	132			SDG 12, 13
GRI 303: Water and Effluents 2018					
103-1	Explanation of the material topic and its boundary	129			
103-2	The management approach and its components	129-131			
103-3	Evaluation of the management approach	133-134			
303-1	Interactions with water as a shared resource	133			SDG 6
303-2	Management of water discharge-related impacts	134			SDG 6
Topic-specific disclosures					
303-5	Water consumption	133			SDG 6
GRI 305: Emissions 2016					
103-1	Explanation of the material topic and its boundary	138			
103-2	The management approach and its components	138-139			
103-3	Evaluation of the management approach	139-143			
305-1	Direct (Scope 1) GHG emissions	139-141			SDG 13
305-2	Energy indirect (Scope 2) GHG emissions	139-141			SDG 13
305-3	Other indirect (Scope 3) GHG emissions	139-141			SDG 13
305-4	GHG emissions intensity	139, 141			SDG 13
305-5	Reduction of GHG emissions	141-143			SDG 13
Social					
GRI 401: Employment 2016					
103-1	Explanation of the material topic and its boundary	82			
103-2	The management approach and its components	82-86			
103-3	Evaluation of the management approach	87-88			
401-1	New employee hires and employee turnover	147-148			SDG 5, 8
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	82-88			SDG 3, 8
401-3	Parental leave	148			SDG 3, 5, 8
GRI 403: Occupational Health and Safety 2018					
103-1	Explanation of the material topic and its boundary	123			
103-2	The management approach and its components	123-125			
103-3	Evaluation of the management approach	126-127			
403-1	Occupational health and safety management system	123-125			SDG 3, 6
403-2	Hazard identification, risk assessment, and incident investigation	123			SDG 3, 6
403-3	Occupational health services	123-125			SDG 3, 6
403-4	Worker participation, consultation, and communication on occupational health and safety	123-125			
403-5	Worker training on occupational health and safety	127			SDG 3, 6
403-6	Promotion of worker health	124-127			SDG 3, 6
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	124-127			SDG 3, 6
Topic-specific disclosures					
403-8	Workers covered by an occupational health and safety management system	123-125			SDG 3, 6
403-9	Work-related injuries	126			SDG 3, 6

Disclosure	Description	Page number(s) and/or URL(s)	Omission	External Assurance	Relation to SDGs
GRI 404: Training and Education 2016					
103-1	Explanation of the material topic and its boundary	115			
103-2	The management approach and its components	115-118			
103-3	Evaluation of the management approach	119-123			
404-1	Average hours of training per year per employee	27, 118, 148			SDG 4
404-2	Programs for upgrading employee skills and transition assistance programs	115-119, 121			SDG 4
GRI 405: Diversity and Equal Opportunity 2016					
103-1	Explanation of the material topic and its boundary	82			
103-2	The management approach and its components	82-86			
103-3	Evaluation of the management approach	87-88			
405-1	Diversity of governance bodies and employees	87, 144-147			SDG 5, 10
GRI 414: Supplier Social Assessment 2016					
103-1	Explanation of the material topic and its boundary	73			
103-2	The management approach and its components	73-74			
103-3	Evaluation of the management approach	74-75			
414-1	New suppliers that were screened using social criteria	75, 112			SDG 8, 10
GRI 418: Customer Privacy 2016					
103-1	Explanation of the material topic and its boundary	53, 65			
103-2	The management approach and its components	53-56, 62, 65-66			
103-3	Evaluation of the management approach	56-57, 63-64, 66-67			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	67			SDG 16
Specific standard disclosure for the financial service sector					
	Social: Product Responsibility (Product Portfolio)				
103-1	Explanation of the material topic and its boundary	21, 89			
103-2	The management approach and its components	77-79, 81, 89			
103-3	Evaluation of the management approach	79-81, 89-90			
FS 6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	81, 89-90, 92			SDG 7, 8, 9
FS 8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	81			SDG 8, 9, 11, 13, 16
	Social: Product Responsibility (Active Ownership)				
103-1	Explanation of the material topic and its boundary	77, 81			
103-2	The management approach and its components	77-79, 81			
103-3	Evaluation of the management approach	79-81			
FS 11	Percentage of assets subject to positive and negative environmental or social screening	79-81			SDG 13
	Social: Society (Local Communities)				
103-1	Explanation of the material topic and its boundary	89, 100			
103-2	The management approach and its components	89, 100			
103-3	Evaluation of the management approach	89-99, 101, 102-104			
FS 13	Access points in low-populated or economically disadvantaged area by type	92, 149			SDG 1, 4, 8, 9, 10, 17
FS 14	Initiatives to improve access to financial services for disadvantaged people	38, 92, 149			SDG 1, 4, 5, 8, 9, 10, 17
	Social: Financial Literacy				
103-1	Explanation of the material topic and its boundary	89			
103-2	The management approach and its components	89			
103-3	Evaluation of the management approach	94-99, 102-104			
(former FS 16)	Initiatives to enhance financial literacy by type of beneficiary	94-99, 102-104			SDG 4, 8, 9, 10

Questionnaire on Krungsri's Sustainability Report 2021

Please take a moment to fill in our questionnaire by scanning the QR Code
or returning this form to the Bank's address on the back cover or
via e-mail to KrungsriESG@krungsri.com

1. Which of the following best describes your relationship with Krungsri?

◯ Employee ◯ Customer ◯ Shareholder ◯ Vendor/ Supplier
◯ Investor ◯ Other financial institution ◯ Regulator ◯ Government agency
◯ General public ◯ NGO ◯ Other (please specify) .....

2. What is your gender?

◯ Male ◯ Female
◯ Prefer not to disclose ◯ Other (please specify).....

3. Where did you receive/ read Krungsri's Sustainability Report?

◯ Annual General Meeting (AGM) ◯ Bank's website ◯ Bank's employee ◯ Seminar
◯ Other (please specify).....

4. Objective of reading Krungsri's Sustainability Report

◯ To acknowledge and understand the Bank's sustainable business operations
◯ To get information useful for investment decision making
◯ For research and study ◯ Other (please specify).....

5. Do you think all material sustainability issues have been covered in Krungsri's Sustainability Report?

◯ Yes ◯ No

If no, please specify the issue(s) that you think should be added to our Sustainability Report.

.....

6. Satisfaction of Krungsri's Sustainability Report 2021

	High	Moderate	Need improvement
Complete contents	◯	◯	◯
Interesting contents	◯	◯	◯
Easy to understand	◯	◯	◯
Attractive and modern report design	◯	◯	◯
Overall satisfaction of the report	◯	◯	◯

7.Additional comments or other suggestions for further improving our Sustainability Report

.....

.....

Thank you for your kind cooperation.
Your feedback will contribute to the further improvement of Krungsri's Sustainability Report.



Bank of Ayudhya Public Company Limited protects the environment
by using Echo Green paper (100% recycled) and soy-based ink for printing
this eco-friendly Sustainability Report, thereby saving trees and reducing greenhouse gas emissions.

For more information, please contact:
Environmental, Social, and Governance Division
Bank of Ayudhya Public Company Limited
Tel. 0-2296-2000 Ext. 84026, 83935
E-mail: KrungsriESG@krungsri.com

Design : Graphic Station Company Limited

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

Call 1572 | www.krungsri.com | Krungsri Simple

QR Code
Sustainability Report 2021