krungsri
กรุงศรี

A member of MUFG
a global financial group



BANKING WITH PURPOSE

SUSTAINABILITY REPORT 2022

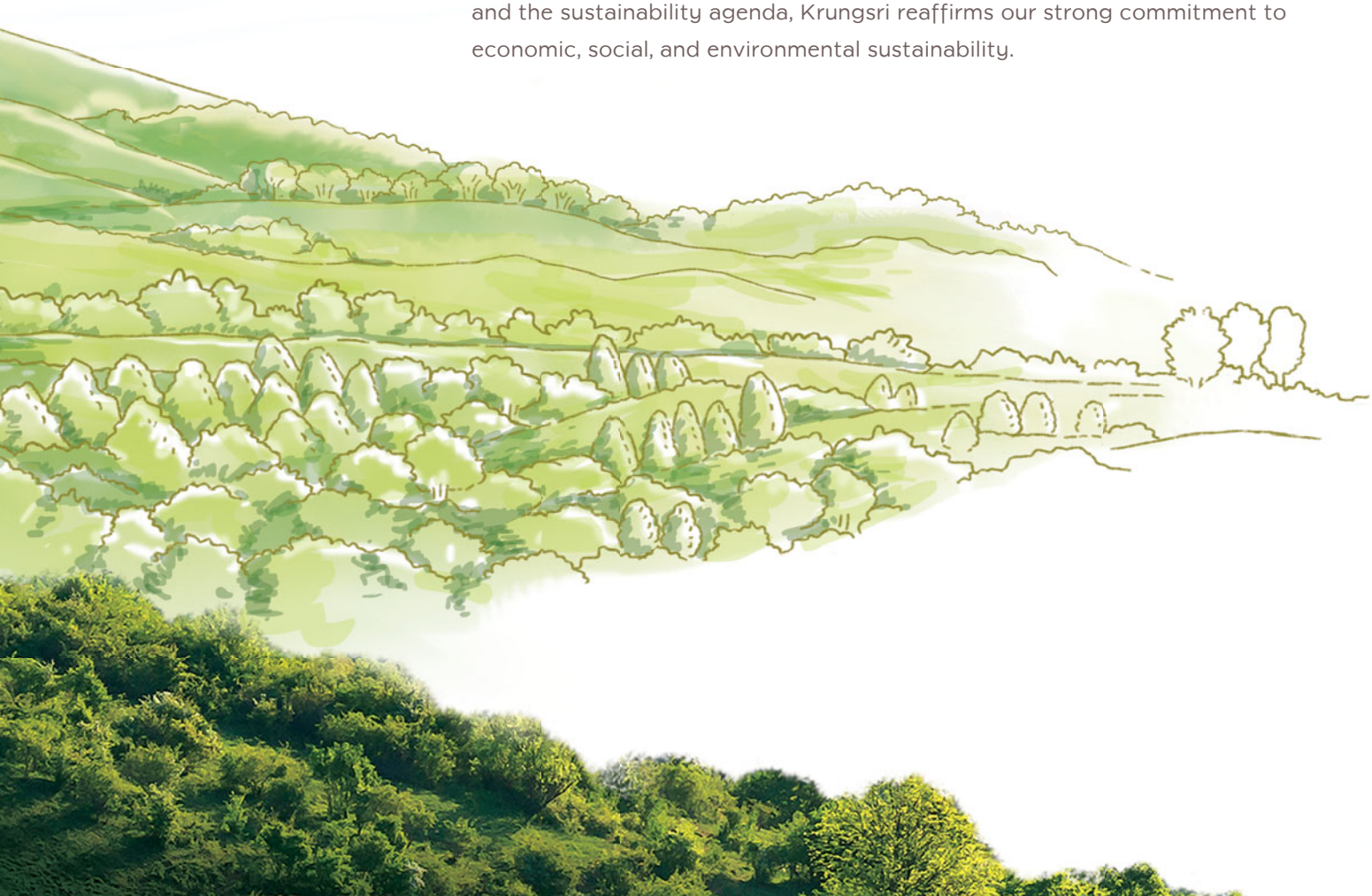


BANKING WITH PURPOSE

Krungsri's business undertakings revolve around the guiding principles of 'banking with purpose', truly integrating ESG considerations into our governance-driven strategic direction with the spirit of a responsible financial intermediary, as well as generating positive social and environmental impacts.

Our key milestone of Carbon Neutrality Vision Declaration underscores Krungsri's strategic thrust in driving the transition to a low-carbon economy through both internalization of ESG practices and support of customers in overcoming the challenges while effectively implementing sustainability efforts.

Adhering to the notion of double materiality that embraces both business and the sustainability agenda, Krungsri reaffirms our strong commitment to economic, social, and environmental sustainability.





TOWARD CARBON NEUTRALITY FOR SUSTAINABLE BALANCE

Krungsri positions ourselves at the forefront in supporting businesses during their brown-to-green transitions through green financing and investment for sustainable growth.





ACHIEVING A SUSTAINABLE SOCIETY THROUGH EQUALITY AND INCLUSION

Krungsri delivers financial solutions based on customer needs, observing the principles of financial equity and inclusion together with international best practices for responsible lending.





STEADFAST IN GOOD GOVERNANCE

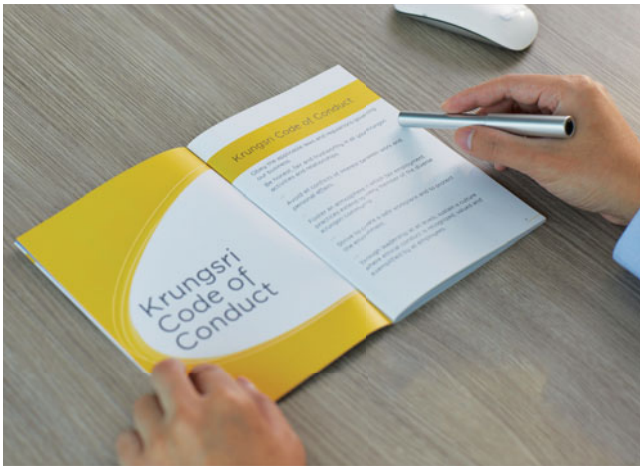
Krungsri operates business in strict compliance with rules and guidelines, and regulatory requirements, while ensuring a rigorous and in-depth approach to ESG risk management for business transparency and accountability.



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krungsri



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 changes 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



2022 saw the winding down of COVID-19 emergency measures and a move toward normalization globally, as the recovery of the Thai economy advanced with the help of both exports and private consumption together with a rebound in tourism buoyed by the country's reopening. In support of Thailand's economic growth and continued business recovery efforts, Krungsri delivered strong financial results and continued customer assistance in various forms to provide both liquidity and financing for their future growth, while achieving multiple aspirations in the second year of our current Medium-Term Business Plan (2021 - 2023).

Responding to the paradigm shift reflected in the transition of Thailand's financial sector toward sustainability, including the upcoming Thailand Taxonomy, the Thai banking industry launched a series of ESG initiatives in 2022. Among them was the Thai Bankers' Association's ESG Declaration, for which Krungsri played a leading role in its formulation as a strong commitment to advancing sustainable development toward a better and greener economy, reinforcing our vision to be 'the most sustainable commercial bank in Thailand'.

In alignment with global best practices and standards, the ESG Declaration guides banks to integrate ESG considerations into their business strategy formulation, risk management, and organizational culture norms, prioritizing climate change issues, financial inclusion, sustainable financial innovation, and human rights, as well as disclosure principles such as the Task Force on Climate-related Financial Disclosures (TCFD). Thus, the ESG Declaration not only clearly champions the elevated interoperability among commercial banks in addressing the global emergency of climate change, but with its disclosure guidelines, it also reflects the importance of 'double materiality' as embraced by Krungsri, as we can see that sustainability and the bottom line are not mutually exclusive, but rather mutually dependent.

Reaffirming our spirit of 'banking with purpose', Krungsri became an official signatory to the UN Principles for Responsible Banking (PRB), a milestone in our ESG finance leadership journey. Being the second Thai commercial bank to adopt these principles as one of our key enablers, Krungsri is well-equipped to address social and environmental imperatives while supporting the country's transition to a low-carbon economy, in accordance with the societal vision of the United Nations Sustainable Development Goals and the Paris Agreement.

With our spirit and the responsibility of a Domestic Systemically Important Bank (D-SIB), Krungsri continued to take deliberate action in responsible lending practices by integrating ESG considerations. Under Krungsri Carbon Neutrality Vision, we made progress in achieving decarbonization of own emissions by 2030 and financial services through 2050. At the end of 2022, our social and sustainable finance portfolio had already grown by 44 billion baht, against the target of 50 - 100 billion baht by 2030, while exposure to coal-fired power plants will be phased out before the end of decade. Krungsri also initiated the Krungsri ESG Awards to encourage and recognize companies with a total revenue of less than 1 billion baht, as well as social enterprises, in carrying out their ESG transitions; the award ceremony will be held within the first half of 2023.

Among key developments on the social front, Krungsri continued to assist customers impacted by the coronavirus pandemic with measures ranging from long-term debt restructuring programs, the asset warehousing program, and debt consolidation, to additional liquidity support. As of December 2022, loans outstanding under Krungsri's customer relief programs accounted for approximately 8 percent of total loans outstanding, or 150.97 billion baht, while additional credit lines of 16.41 billion baht were offered to 4,565 SME customers.

In 2022, to support the drive for equality and non-discrimination, we published our Policy for Human Rights, integrating human rights issues into our operations and related governing policies to ensure protection and respect for human rights as well as fair treatment of all employees and stakeholder groups. This policy sets forth key elements of a framework, namely human rights risk management, a comprehensive human rights due diligence process, remedial procedures, and communications to all employees for their acknowledgement and compliance, while encouraging all external stakeholders to observe the same principles.

On the environmental front, in 2022 Krungsri reasserted our leadership in sustainability by extending the coverage of our 14 subsidiaries in Thailand in carbon footprint calculation and measurement, becoming the first Thai commercial bank to establish a carbon footprint for organizations covering all office buildings, bank branches, and subsidiaries. This measure is essential in the formulation of a credible decarbonization roadmap for Krungsri Group, in support of Thailand's Nationally Determined Contribution (NDC) and the Paris Agreement goals.

Among other advancements in 2022, we enhanced our 'Krungsri Zero Waste' initiative to reduce waste and greenhouse gases generated from our own business operations through employee engagement in achieving net zero RDF (Refuse-Derived Fuel) waste –non-recyclable waste that can be used as fuel– at both our Head Office and Krungsri Ploenchit Office, while aiming to mobilize collective action with business partners in realizing net zero RDF waste within 2025 for Ploenchit Road.

On the collaboration and partnership front, Krungsri joined the Thailand Carbon Neutral Network (TCNN) and was recognized as a Climate Action Leading Organization (CALO) in 2022, while also taking the lead role in TCNN's Climate Finance sub-committee, to promote financing for climate actions. We also became a member of RE100 in cooperating with leading organizations from various industries to advance the Thai industry toward 100 percent renewable energy usage.

As we enter the final year of our current Medium-Term Business Plan (MTBP) in 2023, Krungsri will maintain our commitment to the guiding principles of banking with purpose as well as the accountability of a D-SIB in leveraging our unique qualifications and contributions to maximize our social significance and promote purpose-driven initiatives for the achievement of not only our own ESG goals, but also those of our customers and society. As Krungsri continues to meet our stakeholders' expectations regarding the bottom line, we will also convince them of 'the other materiality' in terms of non-financial social and environmental metrics that we must achieve for our shared, sustainable future.



Karun Kittisataporn
Chairman



Daisuke Ejima
Vice Chairman



Seiichiro Akita
President and
Chief Executive Officer

Operating Results and Key Developments

Topic	Long-term Target	2022 Target	2022 Performance
Economic and Governance Dimension			
Governance	• To earn the 'Excellent' level of corporate governance recognition from leading organizations	• To earn the 'Excellent' level of recognition from the Corporate Governance Report of Thai Listed Companies (CGR) project by the Thai Institute of Directors	• Earned the 'Excellent' level of recognition from the Corporate Governance Report of Thai Listed Companies (CGR) project by the Thai Institute of Directors
Anti-corruption	• To be certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC)		• Certified by CAC (Certified Period: Feb 7, 2020 - Feb 6, 2023)
Sustainable banking	• To operate business in alignment with sustainable banking principles based on international standards	• To be recognized as an official signatory of the UN Principles for Responsible Banking	• Recognized as an official signatory of the UN Principles for Responsible Banking
Strategic direction and business plans per the third Medium-Term Business Plan (2021-2023)	• ASEAN expansion		• Announced the planned acquisition of business with the intention to offer to purchase shares of Capital Nomura Securities Public Company Limited (CNS), amounting to 100 percent with a total consideration of up to approximately USD 155.3 million (approximately 5.5 billion baht); as well as Home Credit in Indonesia and the Philippines with a total consideration of approximately EUR 473.9 million (approximately 17.7 billion baht)
Social Dimension			
Responsible lending and ESG considerations	• To increase the social and sustainable finance portfolio to 50-100 billion baht within 2030		• As of December 31, 2022, the social and sustainable finance portfolio increased by 44.2 billion baht from the end of 2021.

Topic	Long-term Target	2022 Target	2022 Performance
Social Dimension			
Promoting women's wellness and gender equity	• To have female executives (of the Level 9 or higher) representing more than 40 percent of the total executives	• To have female executives (of the Level 9 or higher) representing more than 40 percent of the total executives	• Female executives (of the Level 9 or higher) represented 51.98 percent of the total executives
Employee engagement in Corporate Social Responsibility (CSR) activities	• To have at least 15 percent of Krungsri's full-time employees and contract workers participate in CSR activities as Krungsri Group volunteers	• To have at least 5,500 Krungsri Group volunteers (full-time employees and contract workers) participating in CSR activities	• Recorded 7,007 Krungsri Group volunteers • Recorded 17,176 Krungsri volunteer hours
Human resource development	• To have an average of 48 training hours per employee per year	• To have an average of 48 training hours per employee per year	• Recorded an average of 58.44 training hours per employee per year
Environmental Dimension			
Organizational waste management	• To decarbonize the Bank's own operations by 2030	• To become a zero-food waste organization • To achieve zero RDF* waste to landfills by 2022	• Achieved the goal of zero food waste to landfills by installing a food decomposer that transformed food waste into bio-soil at Head Office, and Krungsri Ploenchit Office, which can help reduce food waste to landfills by more than 5,810.76 kilograms per year, or 14,701 kilograms of carbon dioxide equivalents ($kgCO_2e$). The food waste decomposer could produce 1,174 kilograms in bio-soil for plants and soil quality enhancement. (As for Krungsri Ploenchit Office, the food waste decomposer started working in early 2023.) • Collected RDF waste from Head Office and Krungsri Ploenchit Office to be used as fuel for production in the cement industry, amounting to 5,384.65 kilograms, or 8,817.63 $kgCO_2e$

Remark:

* Refuse Derived Fuel (RDF) is non-recyclable waste that can be used as fuel and burned completely with zero waste to landfills, such as fuel for production in the cement industry, etc.

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 are 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 2022, Krungsri has 23 subsidiaries, joint ventures, and associate while our 616 branches[1/] are in well diversified locations throughout the country and in Lao PDR, with a total of 34,245 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 branch
[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 consisting of
- Thailand
- Lao People's Democratic Republic (1 branch and 1 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 number: 0-2296-2000
  - Facsimile number: 0-2683-1304
- Krungsri Call Center 1572
- Online channels: www.krungsri.com
  Krungsri Simple

Total workforce: 36,974 people
(Permanent and temporary employees of the Bank, subsidiaries, joint ventures, and associate)

Fee and service income: 24,237 million baht

Total operating income [3/]**:** 116,416 million baht

Shareholder Structure

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

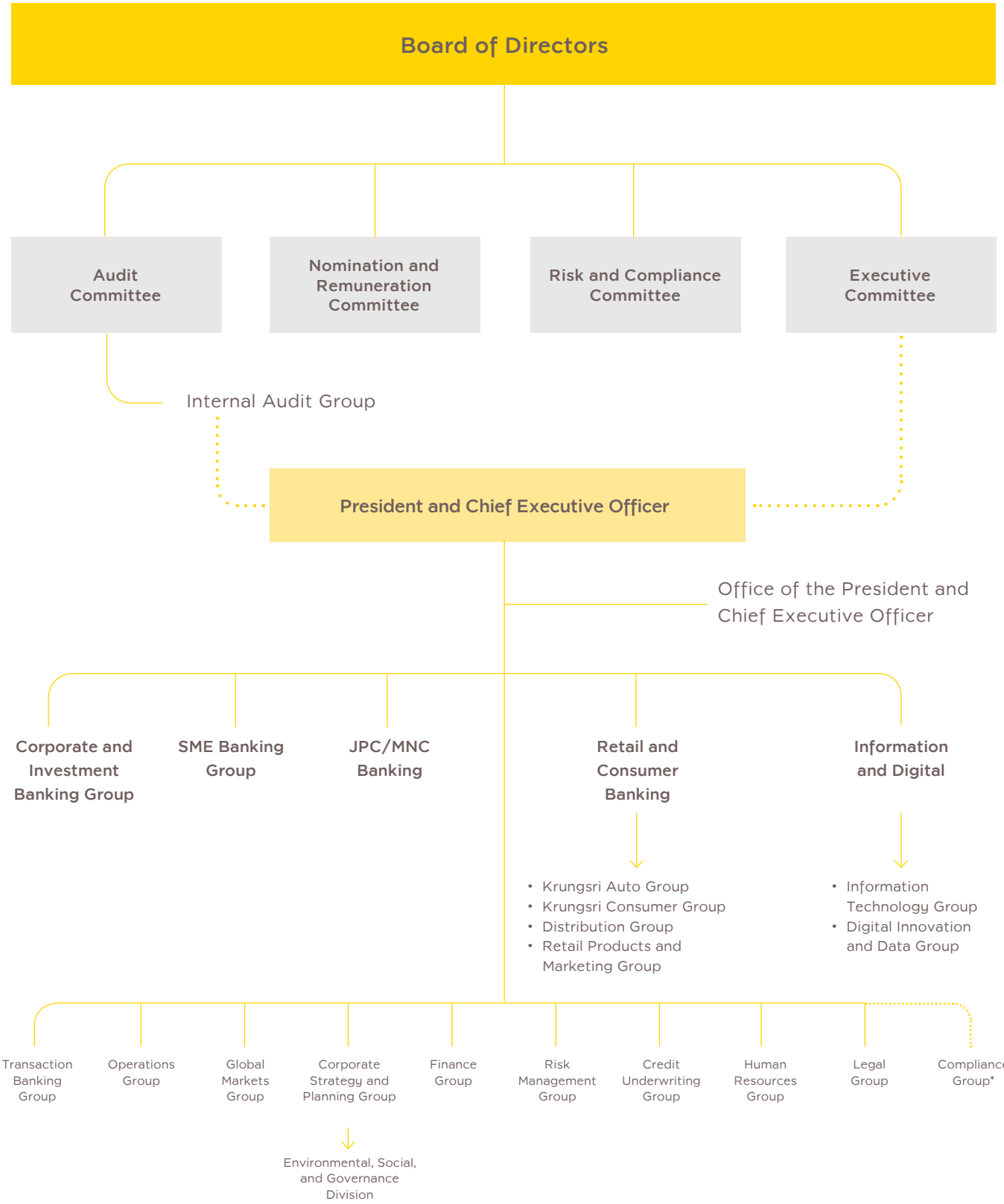
As of December 8, 2022 (Latest Record Date)
(7,355,761,773 issued and paid-up ordinary shares at a par value of 10 baht per share)

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.

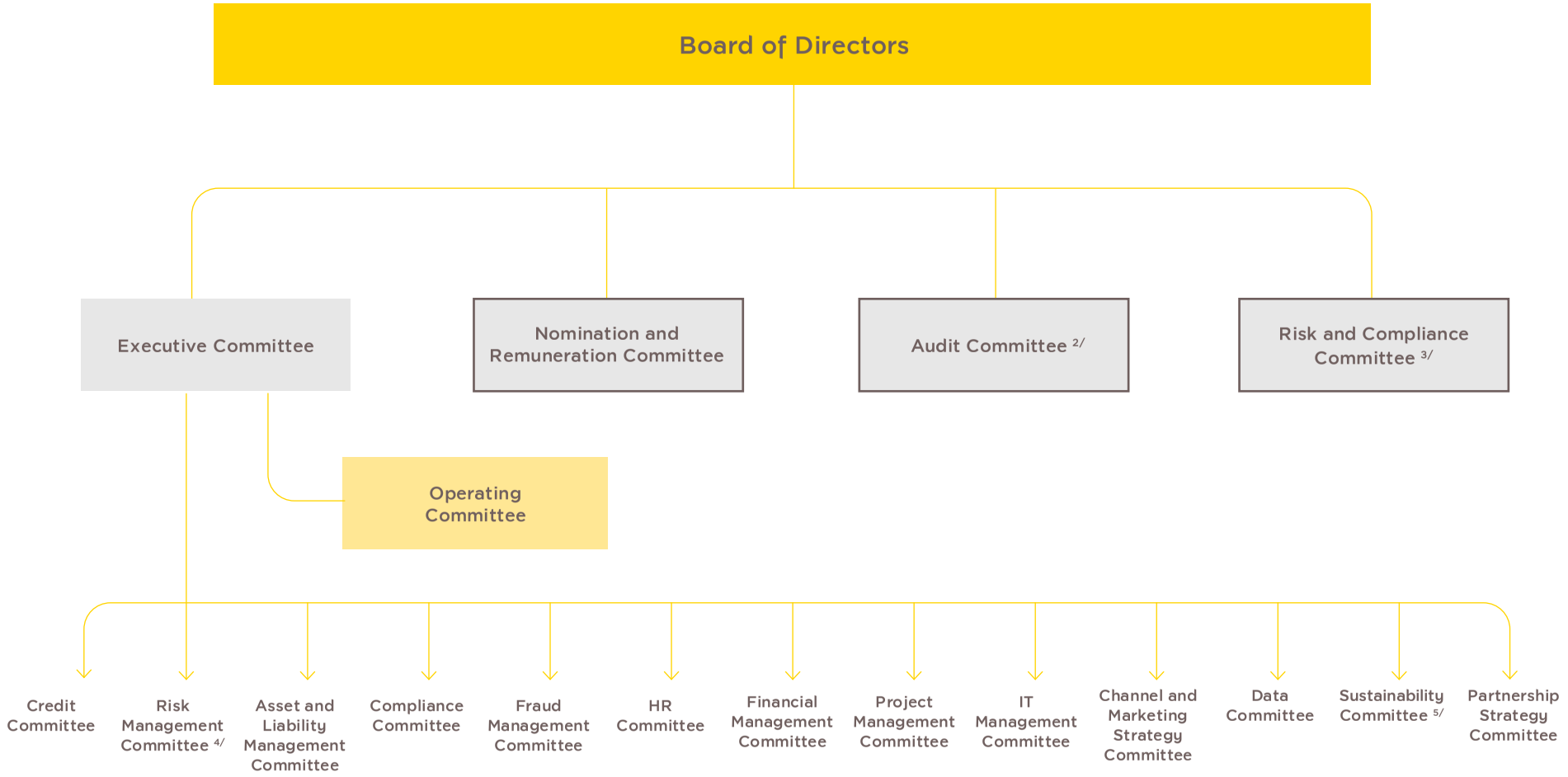
Organizational Structure

As of January 1, 2023



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

Committee Chart [1/]



☐ Committees chaired by an Independent Director and having no executives as members

Remarks:

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

[2/] Internal Audit Group shall report directly to Audit Committee

[3/] Compliance Group shall report directly to Risk and Compliance Committee

[4/] Risk Management Committee shall have dotted reporting line to Risk and Compliance Committee

[5/] The Sustainability Committee is established to oversee the overall strategic direction, policies, and 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 in the Bank's Financial Business Group. 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

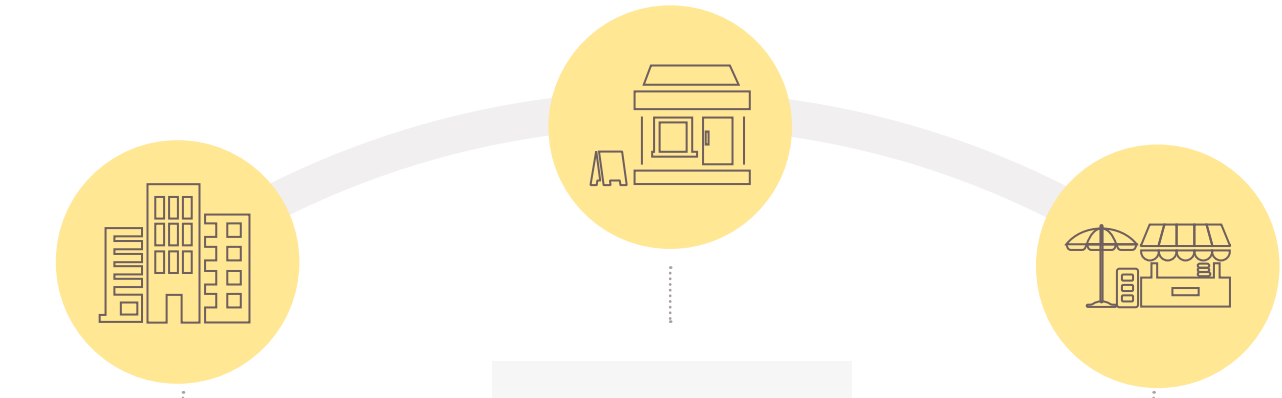
Loan products

- 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 Financial 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 corporates
- Japanese corporates
- Multinational corporates

Small and Medium Enterprise (SME) Segment

Retail Segment

Value Chain

Primary Activities

Funding sources	Operations	Marketing and sales	Access to financial innovations and products	Financial transactions	After-sales services
• Financial access	• Financial product development appropriate for target groups, in consideration of ESG dimensions • Credit underwriting based on ESG dimensions • Digital transformation to cut waste and emissions • Business continuity	• Market conduct • Accurate and complete disclosure of financial product data • Fair competition • Advertising and public relations that promote brand image	• Convenient, fast, and secure financial services • Inclusive and extensive centers/ offices/ branches • Financial inclusion and equity	• Cybersecurity • Personal data security • Financial crime prevention	• Customer relationship management • Complaint case management • Communication channels appropriate for target groups

Consider and connect with socio-economic and environmental impacts

Support Activities

Risk management	Procurement management	Human resources management	Digital innovation and technology management	Other infrastructures, e.g., accounting and finance system, business administration, legal tasks, compliance tasks, etc.

Subsidiaries, Joint Ventures, and Associate

Krungsri holds shares of 18 subsidiaries, four joint ventures, and an associate as defined in a relevant notification of the Office of the Securities and Exchange Commission. The information as of December 31, 2022 is as follows:

Company Name	Type of Business	Krungsri's shareholding (Percentage)
Subsidiaries		
Financial Business Group		
1. Hattha Bank Plc.[1/]	Commercial Bank in Cambodia	100.00
2. Krungsri Ayudhya AMC Limited	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's 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	86.86
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 institution that does not accept deposits 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 operations of Hattha Bank Plc. and subsidiaries under Krungsri's 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 Lotus's Money Services Limited and Lotus's stores	50.00
21. Lotus's General Insurance Broker Limited [8/]	Provides non-life insurance products to Lotus's stores	50.00
22. SB Finance, 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 of 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 26 August 2020.

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

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

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

[6/] Krungsri's subsidiary of which the Bank indirectly holds 50 percent of 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 of 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 of 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 of shares. Previous company name, SB Finance Company, Inc.

Strategies and Business Plans

Krungsri's mission is '**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**', which is in alignment with MUFG's vision of *'striving to create a pathway for sustainable growth through our focus on customers, community and responsible finance; seeking to contribute to society through our leadership, our operations and our services.'* To achieve such aspiration, Krungsri established the '**Medium-Term Business Plan**' **(MTBP)** which helps turn our mission into implementation with clear goals and three-year action plans, while analyzing and preparing management strategic directions amid changing economic conditions, society, environment, and customer behaviors.

As one of the Domestic Systemically Important Banks (D-SIBs), Krungsri is committed to the guiding principles of '**banking with purpose**' through the strong synergy with MUFG in integrating environmental, social, and governance (ESG) into our business, while expanding business networks to support corporate and retail customer expansion with diverse financial products and services. We also strive to provide advice and support to customers in their brown-to-green transitions, based on their willingness and requirements.

Third Medium-Term Business Plan (2021-2023)

Aspiration: 'To be the preferred Thai bank connecting customers' needs across ASEAN'



5
Strategic Directions

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



3
Key Enablers

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



Key challenges and opportunities

2022 marked the second year of the current Medium-Term Business Plan (MTBP) covering 2021-2023 which takes into account major achievements and challenges of the previous MTBPs (first and second), including the operational environment amid the subsiding COVID-19 pandemic which is trending better, evidenced by the lifting of restrictions and measures, as well as the reopening of the economy that boosted growth and investment. Key drivers would be recovering tourism, rising investment driven by the recovery in domestic economic activity, foreign direct investment inflows, and the government's stimulus economic measures. However, among headwinds are decelerating exports amid concerns over recessions in multiple countries, and limited spending worsened by interest rate hikes. As a result, some customer groups with high debt-to-income levels could be significantly impacted. Therefore, Krungsri has given advice to these customer groups and closely monitored them to mitigate credit and liquidity risks.

Amidst challenging economic conditions and strong competition, Krungsri has seen new revenue streams from investments, domestic and international, to ensure sustainable growth, as follows:

- Seeking green business opportunities and investments that ensure a positive impact on society, e.g., electric vehicles (EVs) and related businesses which are fast-growing S-curve industries that attract foreign direct investment (FDI) inflows to Thailand. This will not only help boost the country's economic growth, but also draw manufacturing resources, technological know-how, and Thai employee skill development. As the auto finance leader, Krungsri under the 'Krungsri Auto' brand aims to grow in tandem with the EV segment through our 'EV financing' product that promotes financial inclusion, while encouraging the broader use of EVs, in supporting the country's transition toward a low-carbon economy.
- Promoting sustainable finance through sustainability-linked loans, sustainability-linked bonds, green finance, etc., based on a strong growth potential and market opportunity in proposing such products to Krungsri's corporate customers
- Expanding abroad which includes supporting customers to expand their business in overseas markets, particularly the ASEAN region where economic recovery post-COVID-19 is relatively faster than other parts of the world

Krungsri Toward Sustainable Banking

Sustainable Banking

With the spirit and responsibility of a Domestic Systemically Important Bank (D-SIB), Krungsri strives to operate in accordance with good corporate governance based on the **sustainable banking** guidelines by incorporating ESG dimensions in the Bank's processes that go hand in hand with prudent and rigorous ESG risk management. At the same time, we explore opportunities ideal for the financial service provider business, taking into account the positive social and environmental impact which is consistent with the '**Responsible Lending**' guidelines in the best interests of all groups of stakeholders, while also enhancing our capabilities to address the Sustainable Development Goals (SDGs) of the United Nations both at the national and international levels.

Sustainability Vision:
'To be the most sustainable commercial bank in Thailand'

Integrating ESG Considerations into Processes

Economic and Governance Aspects

- Good Governance and Anti-Corruption
- Financial Crime Prevention
- Customer Experience and Market Conduct
- Data Governance and Personal Data Protection
- Cybersecurity
- Risk and Crisis Management
- Innovation and Digital Transformation
- Supply Chain Management

Social Aspect

- Responsible Lending and ESG Consideration
- Fair Labor Practices and Respect for Human Rights
- Financial Inclusion
- Occupational Health, Safety, and Working Environment
- Stakeholder Engagement
- Human Resources Development
- Promotion of Financial Literacy
- Community Participation and Social Engagement

Environmental Aspect

- Climate Change Management
- Environmental Management and Resource Efficiency

2022 marked another milestone in the Bank's journey to become a commercial bank with the spirit of banking with purpose. Krungsri leveraged operations by becoming a member of the United Nations Environment Programme Finance Initiative (UNEP FI) and becoming an official signatory of the UN Principles for Responsible Banking, a single framework for a sustainable banking industry developed through a partnership between banks worldwide and the UNEP FI.

Having signed the statement to adopt the Principles reflects Krungsri's determination to conduct business following the sustainable banking guidelines while also contributing to raising the operating standards of financial institutions in Thailand to the global level in alignment with the UN SDGs.

The Principles are the global framework for ensuring that banks' strategy and practice align with the vision society has set out to achieve the UN SDGs and the Paris Agreement. Joining almost 300 world-class banks in signing the Principles, Krungsri commits to being ambitious in our sustainability strategies, working to mainstream and embed sustainability into the heart of business and leveraging our competitive edge in social and sustainable finance facilities.

Under the Principles, Krungsri as a signatory must measure the environmental and social impact resulting from our business activities, set and achieve targets where they have the most significant impact, and regularly report our progress publicly. The Principles provide a framework for banks to systematically understand the risks and seize the opportunities arising from the transition to more sustainable economies. This aligns with Krungsri's belief that banks, indispensable to the economic system, have a shared responsibility to support the country's smooth transition to achieving the UN SDGs and a low-carbon economy.

Principles for Responsible Banking (PRB)
consists of





Krungsri is proud to become an official signatory to the UN Principles for Responsible Banking. The signing of these principles marks a key milestone in our ESG finance leadership journey, while reaffirming Krungsri's commitment to the 'banking with purpose' tenet as well as our spirit and the responsibility of a Domestic Systemically Important Bank (D-SIB).

Seiichiro Akita
President and Chief Executive Officer
Bank of Ayudhya Public Company Limited



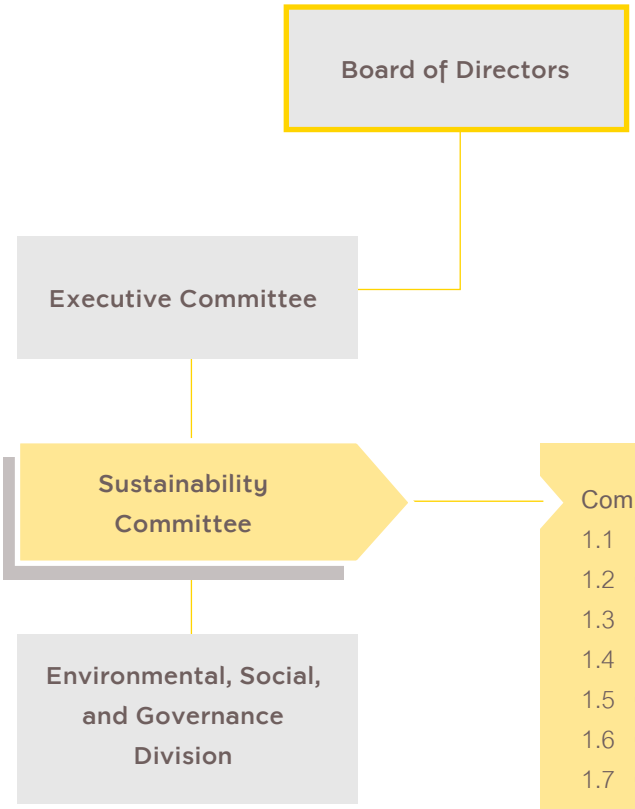
Another achievement in 2022 is Krungsri's reaffirmation of our steadfast commitment to sustainable banking by collectively launching the **ESG Declaration** with 14 member banks under the Thai Bankers' Association to drive change with transparency and flexibility. The ESG Declaration sets the banking industry's clear common direction under a 'comply or explain' principle by proactively addressing key ESG issues, e.g. climate change, diversity and human rights, financial inclusion, and reduced inequalities, while also advocating sustainability awareness among stakeholders and supporting Thailand's smooth transition to achieving the UN SDGs and the Paris Agreement.

Under the ESG Declaration, Krungsri and all other TBA member banks agreed on six shared action priorities as follows:

- **Governance:** Ensure good corporate governance and effective oversight at the board level, with clear accountability and responsibility at the management level regarding the ESG agenda
- **Strategy:** Integrate ESG into business strategies and define frameworks for sustainable finance
- **ESG Risk Management:** Incorporate ESG issues, including climate change, into risk management processes
- **Financial Products:** Utilize digital technology to increase financial accessibility; help customers achieve net zero emissions and sustainable growth
- **Communication:** Communicate and collaborate with all stakeholders in raising public awareness on ESG issues
- **Disclosure:** Develop monitoring and reporting systems in line with Thailand's regulatory frameworks and global sustainability disclosure standards

Sustainability Governance and Management

To achieve our sustainability development aspiration, Krungsri appointed the '**Sustainability Committee**' to oversee the strategies, directions, policies, and regulations for operations relating to ESG or sustainability as well as corporate social responsibility of the Bank and the companies in the Financial Business Group (Krungsri Group). The Sustainability Committee is responsible for determining the policies, directions, and scope of Krungsri Group's ESG operations and corporate social responsibility in accordance with the sustainable banking principles, the guidelines and expectations of regulators, including the UN SDGs to be proposed to the Executive Committee for approval. In addition to overseeing material ESG issues. This includes risks and opportunities in relation to climate change which might affect the Bank's business and stakeholders. The Sustainability Committee also ensures that the management and disclosure of information about Krungsri's sustainability matters, opportunities, progress, and performance comply with leading best practices. In this regard, the Sustainability Committee shall hold meetings no less than once per quarter and shall report directly to the Executive Committee.





Composition of the Sustainability Committee:

1.1 President and Chief Executive Officer (Chairman)
1.2 Chief Strategy Officer (Vice Chairman)
1.3 Head of JPC/MNC Banking (Member)
1.4 Head of Retail and Consumer Banking (Member)
1.5 Chief Information and Digital Officer (Member)
1.6 Chief Financial Officer (Member)
1.7 Chief Risk Officer (Member)
1.8 Chief Human Resources Officer (Member)
1.9 Chief Compliance Officer (Member)
1.10 Head of Global Markets Group (Member)
1.11 Head of Corporate and Investment Banking Group (Member)
1.12 Head of SME Banking Group (Member)
1.13 Head of Environmental, Social, and Governance Division (Secretary)

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 (SDGs 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
International Financial Reporting Standard 9 (IFRS 9)	International Accounting Standards Board	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
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
ISO 20022 Universal Financial Industry Message Scheme	International Organization for Standardization (ISO)	Adopted as an operational guideline

Guidelines, Standards, and Initiatives	Organizations	Implementation Status
ISO/ IEC 27001 - Information Security Management (BAHTNET and ICAS)	International Organization for Standardization (ISO) and International Electrotechnical Commission	Adopted as an operational guideline
ISO 14064-1: 2018 Greenhouse gases –Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals	International Organization for Standardization (ISO)	Adopted as an operational guideline for reporting the Carbon Footprint of Organization (CFO) and GHG reduction
ASEAN Corporate Governance Scorecard (ACGS)	ASEAN Capital Markets Forum (ACMF)	Adopted as an operational guideline for good corporate governance practices
Basel III Framework	The Basel Committee on Banking Supervision and Bank of Thailand	Adopted as an operational guideline
Directional Paper on Transitioning Towards Environmental Sustainability under the New Thai Financial Landscape	The Bank of Thailand (BOT)	Adopted as an operational guideline and framework
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
ESG Declaration	The Thai Bankers' Association (TBA)	Adopted as an operational guideline and framework
The Carbon Footprint for 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 SDGs No.17 Partnership for the Goals.

Organization	Collaboration Status
United Nations Environment Programme Finance Initiative (UNEP FI)	Member
The Association of International Bank (AIB)	Member
The Thai-Japanese Association (TJA)	Member
The Thai Institute of Directors Association (IOD)	Member
The Thai Bankers' Association (TBA) and its clubs	Advisor/ Member/ Club President/ Taskforce
Thai Private Sector Collective 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 (CMC)	Founding member
Thai Renewable Energy Association (RE100)	Member
Thailand Carbon Neutral Network (TCNN)	Member (Climate Action Leading Organization), as well as TCNN's Climate Finance Sub-committee member

Sustainability Awards and Achievements

The Asset ESG Corporate Awards 2022 (Platinum Award) from The Asset (3rd consecutive year)

ESG

ESG Influencer Award from Corporate Governance Asia (3rd consecutive year)

IR

Best Investor Relations Company Award (Thailand) from Corporate Governance Asia (9th consecutive year)

CSR

Asia's Best CSR Award from Corporate Governance Asia (5th consecutive year)

Best Bank for CSR Award from Asiamoney (3rd consecutive year)

Listed in Thailand Sustainability Investment (THSI) by the Stock Exchange of Thailand (SET) (7th consecutive year)

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



Sustainability Disclosure Award from Thaipat Institute

Corporate Governance Report of Thai Listed Companies (CGR) from Thai Institute of Directors **(Achieving the level of 'Excellent' recognition)**

Reporting Methodology

Krungsri has annually published Sustainability Reports making our 2022 report the ninth of the Bank' Sustainability Reports (the previous one was published on Krungsri's website on March 28, 2022, apart from its hard copies), intended to disclose information on Krungsri Group's sustainability performance in the economic, environmental, social, and governance dimensions.

Defining Report Content and Boundaries

Covering the period from January 1 to December 31, 2022, Krungsri's 2022 Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards (with reference to the GRI Standards). In addition, connection between the organization's operational directions and the United Nations Sustainable Development Goals (SDGs) was also portrayed in the report, in order to highlight our commitment in response to not only the international sustainable development goals, but also expectations of all stakeholders, including employees, customers, suppliers, shareholders, regulators, communities, society, etc.

Krungsri defines content and boundaries of the report based on context of our organization, internal and external factors related to business operations, material topics significant for the organization and stakeholders, as well as the content's essence and benefits, as per the eight standards of the GRI Sustainability Reporting Guidelines as follows:

- Accuracy
- Completeness
- Balance
- Sustainability Context
- Clarity
- Timeliness
- Comparability
- Verifiability

Materiality Identification Process



Step 1: Understand the organization's context and assess the significance of the impacts

The Sustainability Report Working Team, under the supervision of the Sustainability Committee, identified Krungsri Group's business operations, business relationships with suppliers, stakeholder engagement, and sustainability context of the entire value chain with engagement of diverse business units of the organization, and also identified sustainability topics significant for the organization and stakeholders as follows:

- **Significance of economic, environmental and social impacts** based on the relation between the material topics and the Bank's philosophy, visions, core values; or business directions, policies, operating guidelines; or degree of risk. In addition, characteristics of impact on profitability and business growth are considered, including the impacts on financial aspect, performance, strategies, reputation and image, as well as impacts which are regulatory requirements, regulations, or business practices, etc.

- **The influence on stakeholder assessment and decisions**, surveyed by Krungsri to identify material economic, social, and environment issues that are beneficial and may impact Krungsri's stakeholders, namely executives and staff members, customers, shareholders, suppliers, creditors, banking and listed company regulators, investors and analysts, other commercial banks or financial institutions, communities and society, etc., along with their views and recommendations, through engagement activities, such as meetings, discussions, seminars, interviews, materiality surveys

Step 2: Identify and prioritize material topics

The Sustainability Report Working Team, under the supervision of the Sustainability Committee, identified material topics relevant to Krungsri Group's context and sustainable development, and issues related to our status as a financial provider, as well as stakeholder expectations toward the Bank's operations, together with the material topics addressed and reported in the previous year for reconsideration. In addition, operational guidelines for, indices and assessment of sustainability established by national and international organizations were taken into account, including the Stock Exchange of Thailand's assessment for the Thailand Sustainability Investment (THSI) list, the monitoring and 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 (IOD), international sustainability indices, e.g., Dow Jones Sustainability Indices (DJSI), the Corporate Sustainability Assessment (CSA) of S&P Global, 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. Views and recommendations from stakeholders beneficial to the stakeholders, the organization, and society were also considered.

After analyzing and reviewing environmental, social, and governance issues related to and impacting our business and stakeholders, which are in alignment with Krungsri's sustainability practices, the working team prioritized these material topics and prepared materiality matrix.

Step 3: Validate material topics

Following identifying and prioritizing material topics, the Sustainability Committee--comprising the President and Chief Executive Officer and senior executives from various business units of the Bank--verified and approved material topics on an annual basis to ensure relevant issues are thoroughly considered. The verified material topics were proposed to the Executive Committee for acknowledgement and consideration. The final outcome was then used as the base information for communications to all business units, so that they can stipulate sustainability action management per their priorities and urgency as well as preparation of the Sustainability Report.

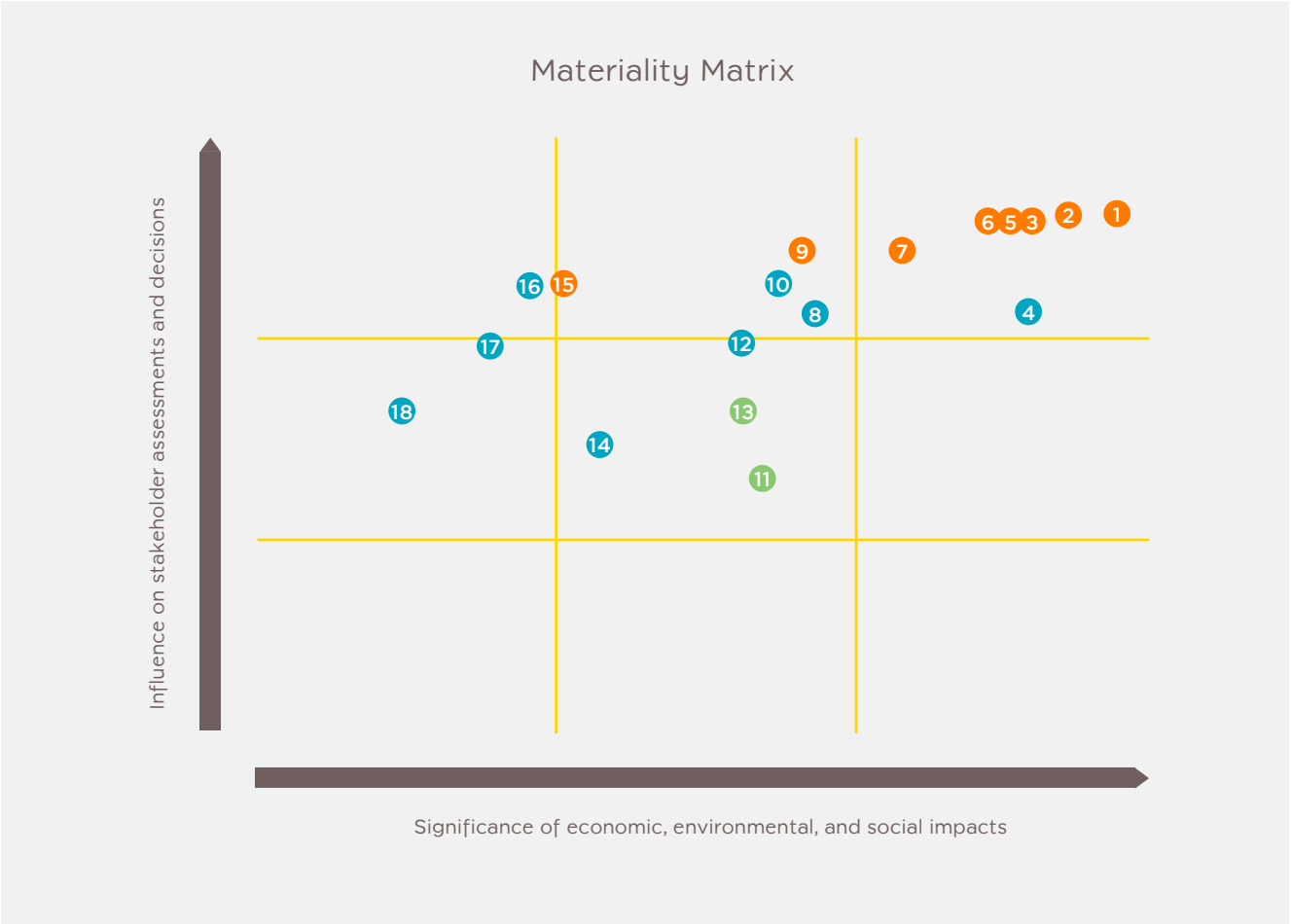
Step 4: Review material topics

Krungsri establishes the process for reviewing material topics after the dissemination of the Sustainability Report each year, by providing channels to get feedback and recommendations from all stakeholder groups, namely our website (krungsri.com), a questionnaire form (attached herewith), or other channels. Therefore, the feedback will be used to set the Bank's directions for sustainability practices and operations, as well as disclosure in the next Sustainability Report.

Key Amendments in the Sustainability Report

Considering, analyzing, and reviewing Krungsri's material topics, the Sustainability Report Working Team was of the view that most material topics of 2022 continue to be relevant to those of 2021. In addition, **financial crime prevention** was added as an urgent material topic, given that financial crimes have been trending upward particularly through new digital channels. This circumstance requires collaboration from all parties in preventing and suppressing offenders and financial crimes. In addition, this topic also aligns with expectations of relevant regulators and society.

In addition, the Sustainability Report Working Team has accepted stakeholders' views received during the stakeholder engagement activities which requested that issues of **financial inclusion** and **financial literacy** be separated for greater clarity and coverage. The change in the sequence of material topics derived from the material matrix also reflects Krungsri's current strategies, direction, and prioritization in integrating environmental, social, and governance considerations into business operations as follows:



Economic and Governance Aspects

1. Good Governance and Anti-Corruption
2. Financial Crime Prevention
3. Customer Experience and Market Conduct
5. Data Governance and Personal Data Protection
6. Cybersecurity
7. Risk and Crisis Management
9. Innovation and Digital Transformation
15. Supply Chain Management

Social Aspect

4. Responsible Lending and ESG Consideration
8. Fair Labor Practices and Respect for Human Rights
10. Financial Inclusion
12. Occupational Health, Safety, and Working Environment
14. Stakeholder Engagement
16. Human Resources Development
17. Promotion of Financial Literacy
18. Community Participation and Social Engagement

Environmental Aspect

11. Climate Change Management
13. Environmental Management and Resource Efficiency

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 Standards (with reference to the GRI Standards). See page 154-155, Topic 'External Assurance Report' for additional details.

Report Dissemination Channels and Contact Information

- Website krungsri.com
  - Topic 'Sustainable Development' > Sub-topic 'Sustainability Report'
  - Topic 'Investors' > Sub-topic 'Annual Report' > Tab 'Sustainability Report'

- Publications:
  - 400 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. 83009, 83778, 84026
e-mail: KrungsriESG@krungsri.com

Impacts of Materiality

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Economic and Governance Aspects				
Good Governance and Anti-Corruption	GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-16, 2-17, 2-18, 2-23, 2-24, 2-25, 2-26, 2-27 GRI 3-3	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Regulators, Creditors, Financial institutions, Communities and society	 Target: 16.5, 16.6
Financial Crime Prevention	GRI 2-24 GRI 3-3	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Regulators, Creditors, Financial institutions, Communities and society	 Target: 16.5, 16.6  Target: 17.14
Customer Experience and Market Conduct	GRI 2-23, 2-24, 2-25, 2-26, 2-27 GRI 3-3 GRI 417-1, 417-2, 417-3 GRI 418-1	Executives and staff of all business units	Customers, Regulators	 Target: 8.3  Target: 9.2, 9.3  Target: 10.2, 10.5  Target: 16.6
Data Governance and Personal Data Protection	GRI 2-24, 2-27 GRI 3-3 GRI 418-1	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Creditors	 Target: 16.6, 16.10, 16.a, 16.b
Cybersecurity	GRI 2-12, 2-24, 2-26, 2-27 GRI 3-3	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Regulators, Creditors, Financial institutions	 Target: 16.4, 16.a
Risk and Crisis Management	GRI 2-12, 2-16, 2-24, 2-25 GRI 3-3	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Creditors	 Target: 11.5  Target: 16.7
Innovation and Digital Transformation	GRI 3-3 GRI 203-1, 203-2	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Regulators, Creditors	 Target: 8.2  Target: 9.2, 9.4

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Supply Chain Management	GRI 2-6, 2-24 GRI 3-3 GRI 308-1 GRI 414-1	Executives and staff of all business units	Customers, Vendors/ Suppliers	 Target: 8.2  Target: 12.2
Social Aspect				
Responsible Lending and ESG Considerations	GRI 2-6, 2-23, 2-24 GRI 3-3 GRI 201-1 GRI 203-1, 203-2 GRI 417-1	Executives and staff of all business units	Customers, Shareholders, Investors/ Analysts, Regulators, Communities and society	 Target: 7.2, 7.a, 7.b  Target: 8.1, 8.2  Target: 9.2, 9.3, 9.4  Target: 10.2, 10.5  Target: 11.1, 11.3  Target: 13.1  Target: 14.6  Target: 16.6, 16.7  Target: 17.1, 17.16, 17.17
Fair Labor Practices and Respect for Human Rights	GRI 2-19, 2-20, 2-23, 2-24, 2-25, 2-26, 2-30 GRI 3-3 GRI 401-1, 401-2, 401-3 GRI 405-1 GRI 406-1	Executives and staff of all business units	Customers, Vendors/ Suppliers, Regulators	 Target: 3.8  Target: 4.4  Target: 5.1, 5.5  Target: 8.3, 8.5  Target: 10.2  Target: 16.7

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Financial Inclusion	GRI 2-6, 2-23, 2-24 GRI 3-3 GRI 201-1, GRI 203-1, 203-2 GRI 417-1	Executives and staff of all business units	Customers, Regulators, Communities and society	 Target: 1.4, 1.5  Target: 5.a  Target: 8.3, 8.10  Target: 9.1, 9.3, 9.a  Target: 10.2  Target: 17.1, 17.3, 17.16, 17.17
Occupational Health, Safety and Working Environment	GRI 2-8, 2-23, 2-24, 2-26 GRI 3-3 GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10	Executives and staff of all business units	Vendors/ Suppliers, Regulators, Communities and society	 Target: 3.8.1  Target: 6.1, 6.2
Stakeholder Engagement	GRI 2-25, 2-26, 2-29, 2-30 GRI 3-3 GRI 201-1	Executives and staff of all business units	Customers, Shareholders, Vendors/ Suppliers, Investors/ Analysts, Regulators, Creditors, Financial institutions, Communities and society	 Target: 16.6  Target: 17.7
Human Resources Development	GRI 2-17 GRI 3-3 GRI 404-1, 404-2	Executives and staff of all business units	Customers, Vendors/ Suppliers, Regulators	 Target: 4.3, 4.4, 4.7  Target: 12.8  Target: 13.3
Promotion of Financial Literacy	GRI 2-6 GRI 3-3 GRI 201-1 GRI 203-1, 203-2	Executives and staff of all business units	Customers, Regulators, Communities and society	 Target: 4.4, 4.5, 4.7  Target: 9.1  Target: 10.2

Materiality	GRI Standards	Scope of Internal Impacts	Scope of External Impacts	SDGs
Community Participation and Social Engagement	GRI 3-3	Executives and staff of all business units	Customers, Vendors/ Suppliers, Communities and society	 Target: 1.4,1.5  Target: 3.7, 3.8  Target: 4.1, 4.3, 4.4, 4.5, 4.7, 4.a, 4.b  Target: 6.1, 6.6  Target: 10.2  Target: 11.4  Target: 12.3, 12.4, 12.5  Target: 13.2, 13.3  Target: 14.2  Target: 15.2, 15.4, 15.a, 15.b  Target: 17.6, 17.17
Environmental Aspect				
Climate Change Management	GRI 2-23, 2-24 GRI 3-3 GRI 203-1 GRI 301-1 GRI 302-1, 302-4 GRI 305-1, 305-2, 305-3, 305-4	Executives and staff of all business units	Customers, Vendors/ Suppliers, Investors/ Analysts, Communities and society	 Target: 12.2  Target: 13.2, 13.3  Target: 17.16, 17.7
Environmental Management and Resource Efficiency	GRI 2-24, 2-26 GRI 3-3 GRI 301-1 GRI 302-1, 302-4 GRI 303-2 GRI 306-1, 306-2, 306-3	Executives and staff of all business units	Customers, Vendors/ Suppliers, Communities and society	 Target: 12.2, 12.3, 12.4, 12.5  Target: 13.2, 13.3  Target: 17.7

Economic and Governance Aspects



Good Governance and Anti-Corruption

The Bank and companies in the Financial Business Group (Krungsri Group) aspire to continuously strengthen good governance throughout our entire organization and supply chain, both at the policy and operational levels, and to instill in our staff the sense of duly complying with the Good Corporate Governance Principles. We also promote the organization culture of zero tolerance toward any form of corruption, direct or indirect.

Good governance, anti-bribery, and anti-corruption are key factors that drive business in an efficient, transparent, and auditable manner. All this helps bolster the confidence and trust of all stakeholders such as shareholders, investors, customers, employees, and add value and worth to the business in the long term, while also promoting the organization's good image, trustworthiness, and strong and sustainable growth.

Management Approaches

Krungsri Group emphasizes conducting business based on the Good Corporate Governance Principles and combating all forms of corruption with the following management approaches.

- Stipulate the 'Good Corporate Governance Principles' in writing. The content covers shareholders' rights and equitable treatment; information disclosure and transparency; composition and qualifications of the Board of Directors; roles and responsibilities of the Chairman and the Board including the subcommittees reporting to it; roles and responsibilities of the President and CEO 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. The Board approved these principles as guidelines for performing operations and meeting international business standards. In addition to serving as best practices to which all Krungsri directors, executives, and staff must strictly adhere, they are also guidelines for companies in the Financial Business Group to adopt or establish their own corporate governance principles suitable to the nature of each company's business.
- Stipulate that **Krungsri Group's operations are revised based on the Good Corporate Governance Principles every year or without delay upon any significant change** to ensure that Krungsri Group's Good Corporate Governance Principles are appropriate to the changed situation, environment, including organizational structure in the compliance environment of Krungsri Group, while also conforming with the expectations of Krungsri Group's stakeholders and complying with the good governance guidelines of regulators that supervise banks and listed companies such as the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission, the Bank of Thailand, and the Thai Institute of Directors Association. The principles also align with the Banking Industry Code of Conduct as well as international standards like the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard).
- Stipulate '**The Spirit & The Letter' (S&L)** as practices for all directors, executives, and staff in working with integrity. The S&L specifies in writing the matters for acknowledgement, compliance, caution, and punishment in case of violation in order to create continuous awareness of the practices. Krungsri Group stipulates that all employees must regularly affix signature as acknowledgement and consent to comply with The S&L every year.



The Spirit & The Letter (S&L)

Section 1 Regulatory excellence
- Regulatory 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 practices
- 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 member banks of the Thai Bankers' Association (TBA) to uphold the standards and code of ethics for Thai commercial banks, bolster customer confidence in the banking industry, and raise the banking standards so they are clearer and more practical for effective implementation. Business is run based on three main principles: 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.
- Appoint the 'Compliance Champions' of each group under the Bank, and appoint the 'Compliance Representatives' of companies in the Financial Business Group to liaise with the Compliance Group in communicating, promoting, and overseeing compliance with regulatory requirements and procedures, including the Bank's corporate compliance requirements which the employees of that particular group must acknowledge and comply with
- Communicate and disclose the 'Good Corporate Governance Principles' and 'The S&L' to all stakeholder groups through the Bank's website (krungsri.com) and other suitable channels such as e-mail and the Bank's intranet

Good Corporate Governance Principles

The Spirit & The Letter

- Establish the 'Fraud Management Committee' which has the duties to formulate and propose policies to the Executive Committee and review the adequacy of anti-corruption policies, guidelines, management systems, as well as the efficiency of such systems and compliance with such policies on a continuous basis. The aim is to improve the overall anti-corruption mechanisms of Krungsri Group to enhance prudence, strictness, and efficiency.
- 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 direct or indirect corruption. All entities under Krungsri Group must refer to this policy when formulating their policies, guidelines, and workflows unless theirs are stricter. The policy is revised every two years or upon any significant change and must be approved by the Board through the Risk and Compliance Committee and the Executive Committee.

- Stipulate the 'Anti-Bribery and Corruption Program' as the anti-bribery and anti-corruption guideline for reiterating the roles, duties, and responsibilities of all relevant business units to ensure compliance with the Bank's corporate governance principles, to which executives and staff at all levels must strictly adhere. The program also promotes good organization culture and shows our standpoint of zero tolerance toward any form of 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 the relevant practices. The aim is to promote compliance with good corporate governance and ethics, and to reduce bribery and corruption risks due to gifts and entertainment. The policy covers giving or receiving gifts and entertainment with counterparties or businesses related to the Bank such as customers, advisors, agents, government officials, foreign government officials, international organization officers, and any other person or entity dealing with the Bank. All companies under Krungsri Group must refer to this procedure as a guideline when formulating their workflows regarding giving or receiving gifts and entertainment unless theirs is stricter.
- Stipulate the 'No Gift Policy' to which employees shall adhere by not accepting gifts from the Bank's customers or suppliers. The policy is communicated to stakeholders and external parties through the Bank's various channels such as the Bank's website (krungsri.com), the 'Krungsri Simple' Facebook fanpage, ATM screens, and the 'Krungsri Simple' Line Official Account to show our intention to counter all forms of bribery and corruption under the principles of Thai Private Sector Collective Action Against Corruption (CAC) and good governance principles.
- Stipulate that employees at all levels must study six compulsory programs promoting good governance, ethics, and anti-corruption (e-learning programs) in the Krungsri Learning Companion (KLC) system as follows:

Compulsory Programs Promoting Good Governance, Ethics, and Anti-Corruption

(Average number of employee training hours* is **9.69 hours.**)



Good Corporate Governance (CG)



The Spirit & The Letter (S&L)



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



Gift and Entertainment (G&E)



COSO Internal Control Framework



Related Party Transaction (RPT)

Remark:

* The average number of training hours is calculated with the sum of the training hours of all programs in 2022 divided by the headcount.



- Be recertified as a member of **Thai Private Sector Collective Action Against Corruption (CAC)**, reflecting Krungsri Group's determination to prioritize countering all forms of bribery and corruption under our written policies and procedures which serve as guidelines for measurable corporate sustainability. All Krungsri Group directors, executives, and staff must sign a binding agreement to adhere to the Policy and Program for Anti-Bribery and Corruption with disciplinary punishments for violators.
- Communicate and promote the Bank's good corporate governance and ethics to ensure prudent operations and operational risk mitigation. Informative materials regarding such matters like the 'Compliance Message' e-mails are regularly communicated within the organization through the appropriate channels to ensure that employees at all levels are informed of good corporate governance and ethics.
- Lay down the fundamental principles for whistleblowing and protecting whistleblowers. Through Krungsri's easily accessible **whistleblowing channels**, any employee or person can report employees' violation of a law, policy, procedure, or code of conduct and rest assured that they will not suffer any repercussion afterward. 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 (if the whistleblower's identity is known) and reporting to relevant committees for acknowledgement.

Whistleblowing Process

Report a lead or file a complaint about a possible violation of a rule, policy, procedure, or code of conduct through the designated channels or business units

↓

Follow up and investigate the facts

↓

Determine the rectification and report it to the whistleblower as well as the relevant committee

Whistleblowing Channels

1. **Supervisor or second-line supervisor trusted by the whistleblower**
2. **Compliance Group**
   (Head of Corporate Compliance Department)
3. **Ombudsperson**
   - Tel.: 85588 for Head Office,
     0-2296-2000 ext. 85588 for branches
   - Address: P.O. Box 169, Yan Nawa, Bangkok 10120
   - Intranet: Krungsri Portal SharePoint > Compliance > Ombuds Corner > Ombudsperson
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 10210
   - e-mail: audit.committee@krungsri.com
7. **MUFG Channel** (for leads or complaints 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

The Bank stipulates that the Good Corporate Governance Principles must be revised every year or without delay upon any significant change. In 2022, the Board conducted the annual revision of the principles and their opinion is that the content should be adjusted in accordance with the current corporate governance guidelines of the relevant regulators including the Bank's own guidelines.

Corporate Governance Report of Thai Listed Companies (CGR) project by the Thai Institute of Directors

The Thai Institute of Directors with support from the Stock Exchange of Thailand conducted the 2022 evaluation of listed companies' compliance with corporate governance principles based on their documents disclosed to the public and Krungsri earned the 'Excellent' level of recognition.



Compliance Champion/ Representative Meetings

In 2022, training sessions about compliance with banking regulatory requirements were held for the Compliance Champions of all groups as well as the Compliance Representatives of companies in Krungsri's Financial Business Group as follows:

- First online meeting held on March 16, 2022 was attended by 200 people.
- Second online meeting held on June 23, 2022 was attended by 189 people.
- Third online meeting held on September 20, 2022 was attended by 95 people.
- Fourth online meeting held on December 15, 2022 was attended by 100 people.

2022 International Anti-Corruption Day event in Thailand under the theme of 'Zero Tolerance'

The event held on December 9, 2022 promoted and encouraged the public sector, the private sector, education institutions, and the civil society to take part in whistleblowing and probing fraud in order to stamp out the country's corruption. Krungsri invited employees including the Compliance Champions of all groups and the Compliance Representatives of companies in the Financial Business Group to watch the event via the Facebook fanpage of the Office of the National Anti-Corruption Commission to support and adhere to anti-bribery and anti-corruption policies under our commitment to operating business in an honest, transparent, and auditable manner.



Financial Crime Prevention

Financial crimes, regarded as a threat to economic stability, are on the rise in line with the advancement of low-cost communication technology and financial technology which are difficult to trace upon incidents. Aware of the importance and consequences of such problems, Krungsri has integrated the expertise from relevant internal functions and coordinated with external agencies like the Thai Bankers' Association (TBA) to stipulate measures to prevent and mitigate the impact of financial crimes that customers might encounter such as theft of their personal data to make online transactions, tricking customers into getting loans from various loan applications and the Line application, and Ponzi schemes. In addition to cooperating with government agencies pertaining to combating financial crimes, our efforts also include investigating facts and ways to track down fraudsters in order to prevent loss and resolve situations as soon as possible.

Management Approaches

- Establish policies, procedures, and manuals in conformity and compliance with the guidelines and approaches of regulators
- Establish the customer onboarding workflow consisting of customer identification and authentication including customer due diligence in order to screen the people who intend to make financial transactions such as account opening, funds transfer, and funds withdrawal with the Bank in compliance with the regulatory guidelines and approaches
- Detect suspicious transactions by using efficient technology to check customers' transactions regularly. For instance, detection of irregular account movements regarding the number of transactions or the transaction values not congruent with the income. Once the system detects such incongruities, the officer will conduct an in-depth data analysis to consider approving the reporting of the suspicious transactions to the Anti-Money Laundering Office (AMLO).
- Develop and improve service systems so they are up to date and accord with the regulatory requirements, both in terms of hardware and technology systems. For example, opening an account online requires complete and correct KYC/CDD and it must be verified that the applicant is not an imposter.
- Establish the system and the handling of customers whose names are on the transaction prohibition watch list and customers in the high-risk group. Such watch lists are regularly updated.
- Cooperate with the Bank of Thailand and the member banks of the Thai Bankers' Association (TBA) to swiftly establish measures and practices in alignment with current situations to alleviate customers' concerns about financial crimes involving their accounts, e.g., jointly determining the method to temporarily suspend an account upon an incident before the victim files a polices report, which would help freeze the account in time and keep asset damages to a minimum.
- Organize training and communication for executives and employees so they comprehend the risk of financial crimes including the common types of scams on a regular basis through meetings, seminars, and online training sessions, e.g., educating branch employees countrywide and the Compliance Champions of all divisions via MS Teams
- Inform and warn customers of financial fraud continuously through various channels such as branch employees, Krungsri Call Center 1572, announcements affixed at Krungsri branches, SMS, ATM screens, krungsri.com, and the 'Krungsri Simple' Facebook page and Line account





Customer Experience and Market Conduct

Krungsri and companies in the Financial Business Group (Krungsri Group) adhere to the core value of '**Customer Centricity**' as we are well aware that 'customers' are a primary stakeholder group who plays a vital role in promoting our success.

It is Krungsri's belief that treating customers fairly based on the principles for 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, while mitigating the reputational risk and risks of non-compliance.

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 that fit different customer segments. As a result, our financial product and service innovations can be tailored to perfectly suit the demands of each customer segment, 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.

Management Approaches

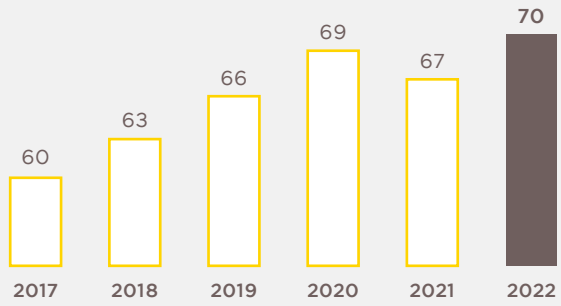
- Establish the **Krungsri core value of 'Customer Centricity'** as part of the organization's culture as well as the heart of our business operations in order to become customers' most preferred financial institution
- **Strictly comply with the market conduct guidelines of the Bank of Thailand (BOT)** to mitigate the risks of noncompliance with BOT regulations, suspension of services, fines or charges, and the reputational risk.
- Formulate the '**Policy for Market Conduct**' 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. The framework based on minimum standards stipulated by regulators, including the BOT, is as follows:
  - It is the duty of the Bank's Board of Directors, related committees, and senior executives to be responsible for driving and supervising market conduct in a concrete and effective way and making it part of the organizational culture.
  - The Bank's products must be appropriately developed in accordance with each target customer segment, which include product selection, distribution channels, staff's sales skills, applications, and control measures.
  - Remuneration and penalty measures must be established by taking into account service quality, which must be strictly complied with and appropriate for staff at all levels whose duties are related to customer service administration and provision, including supervising executives, in order to ensure market conduct.
  - Related sales processes must be appropriately stipulated in the way that would not lead to a breach of customer privacy. The information provided must be accurate, complete, sufficient and correct understanding for decision making without overclaiming, and distortion of facts. Therefore, customers would be able to make best decisions on buying products or using services based on such information. This includes complete and appropriate information and after sales services.
  - Training must be provided and communication must be conducted to staff at all levels about customer service to ensure that they realize about the importance of market conduct.
  - Customers' personal data must be treated confidential, while personal data security measures must be imposed to prevent data loss, and unauthorized data access, use, change, or disclosure.

- The settlement of complaints and indemnities must be paid in a clear, timely, independent, efficient and fair basis. Related actions must be taken in order to prevent the recurrence of the problem. The reporting to senior executives must be conducted regularly, while significant matters and overall complaints made, as well as progress or timeline of problem solving, must be reported to the Board of Directors so that related policies, and strategic plans can be reviewed. The reports must be prepared in accordance with forms and guidelines stipulated by the BOT.
- Operations must be controlled, supervised, and audited by taking into consideration the market conduct and prudence, while potential risks, irregularities, and conflicts of interest must be detected to efficiently prevent loss.
- Business operations must be undertaken under operating systems, risk management, as well as action and contingency plans in order to ensure business continuity and fairness.

- Stipulated the '**Procedure for Service Quality Assurance**' for use as a guideline in assessing performance of the Services Quality Assurance Section, Customer Care Department, regarding the evaluation of staff and officers providing customer service via phone or customer visits to ensure that operations are carried out on common standards without any breach of related laws. Service quality is assessed through conversation sound clips, or customer satisfaction surveys, of which results will be analyzed and used for setting strategic plans toward ultimate efficiency, as well as the performance of responsible staff or departments.
- Put in place an audit of sales and service operations of staff by establishing the '**Procedure for Sales Quality Checking' (Call Back)** 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.
- 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 (krungsri.com), e-mail, and fax. Therefore, 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 (Service Level Agreement: SLA) 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 (krungsri.com), e-mail, or other online media such as the Pantip Webboard (pantip.com) to ensure that customer services and assistance are provided on a timely basis
- Disclose reports of product and service quality, as well as statistics of IT disruption that impacted service provision, via significant channels, including Krungsri Mobile Application (KMA), Internet Banking, Automated Teller Machine (ATM)/ Cash Deposit Machine (CDM), the Bank's branches, and Krungsri's website (krungsri.com) on a quarterly basis
- Put in place the annual customer satisfaction survey process with a tool called '**Net Promoter Score' (NPS)** so that the feedback will be used for improving the Bank's products and services to perfectly satisfy customer 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. 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 Krungsri's branches (Net Promotor Score: NPS)



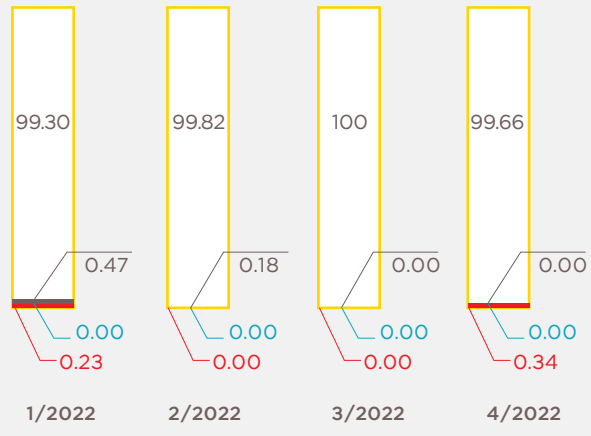
Krungsri conducts customer satisfaction surveys on the Bank's branch services nationwide on a yearly basis, of which feedback will be used for the Bank's branch service enhancement and improvements, such as branch staff services and manners, knowledge enhancement for staff responsible for financial products and services, staff training on related regulatory requirements, improving workflows for greater efficiency, etc. The Bank has established the 'Branch Service Quality Section' under the supervision of the Branch Communication and Service Quality Department responsible for branch service quality control, supervision, and enhancement, to ensure better response to customer demands and excellent customer services. As a result, customers have been impressed by the branch service and chosen to use more of the Bank's products and services, becoming bonded with the Krungsri brand which leads to the Bank's improved reputation over the long term. For 2022, Krungsri's target of the Net Promotor Score (NPS) was set at 64 percent, while the actual NPS was as high as 70 percent.

The following samples are results of customer satisfaction surveys on the Bank's branch services:

- The Digital Banking Champion activity provides branch staff representatives digital and banking knowledge, so that they can further communicate and equip other branch officers with advisory skills and relevant knowledge to accurately assist customers in using our digital banking service to help reduce customer complaints.
- The Coaching Call is an activity to communicate about related problems to branch staff, e.g., customer service etiquette issues, inaccurate advice, etc.to prevent the recurrence of customer complaints.
- Interesting and easy-to-understand communication media regarding digital banking, e.g., VDO clips or infographics, etc., are disseminated through 'Digital Banking the Series' and 'Did You Know? The Series' programs, of which content is related to customers' digital banking pain points, digital banking tips for staff to enable them to provide customer advice.
- The e-learning sessions are organized through Krungsri Learning Companion (KLC)'s 'Digital Banking for Branch' and 'Branch Service Excellence' programs providing knowledge related to digital banking trends and products and the Bank's branch service excellence.

Data about complaints by issue

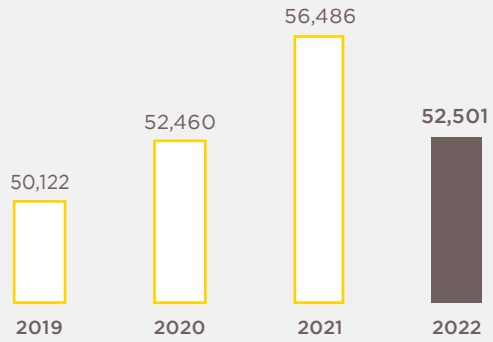
Proportion of customer complaints (Percentage)



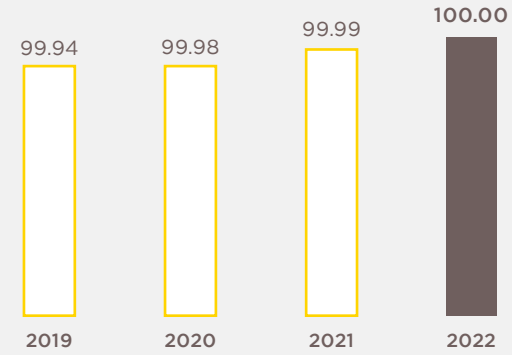
- Interest and fees
- Annoying sales behaviors
- Incomplete/ Inaccurate information/ Forced bundling of products
- Others

Data of complaints, compliments, and suggestions

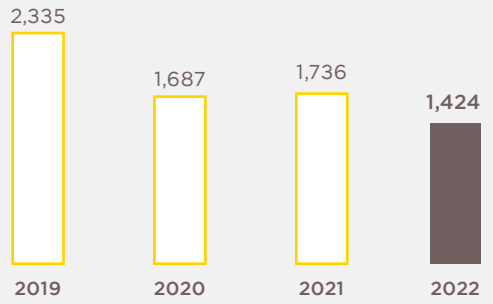
No. of complaints, compliments, and suggestions via CCRP system (items/year)



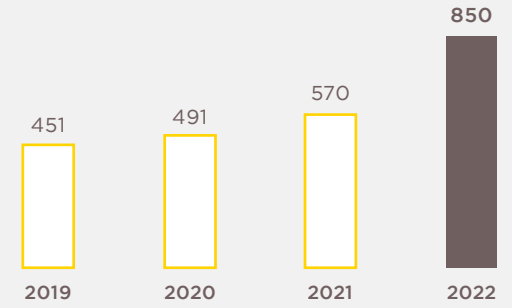
No. of complaints resolved within 15 days (percent)



No. of customer complaints (items/year)



No. of customer compliments (items/year)



Upon receiving customer complaints, compliments, and suggestions via diverse channels, the customer experience management team will collaborate with related business units accordingly, so that they can use customer feedback to further develop the Bank's financial products and services through related processes, in parallel with ultimate personal data protection.

Customer experience enhancement

Krungsri's core value of 'Customer Centricity' has been firmly adhered in accordance with the Bank's aspiration to 'Be the preferred Thai bank connecting customers' needs across ASEAN'. We, therefore, put great importance on creating impressive customer experience, knowing that this imperative approach will help drive Krungsri in achieving our aspiration.

In 2022, the Customer Experience Management Division established three key strategies of customer experience in alignment with Krungsri's Medium-Term Business Plan under the E^3 concept, comprising 'Exploit', 'Explore', and 'Enhance' as follows:

- **Exploit:** The Customer Experience Management Division in collaboration with diverse business units continued to develop relevant financial products and services, using the design thinking and product design

concepts in the process. After the value proposition to find out how our products and services would address customer needs or pain points is identified, the customer journey, user experience, and user interface will be designed to enable financial access in a convenient and simple manner, through top digital channels in particular.

- **Explore:** Krungsri established the 'Krungsri Innovation Center' to provide staff spaces to float new business ideas, apart from that about financial services. In this regard, the Human Centric Design is a key building block that helps drive the Krungsri Innovation Center in seeking customer value proposition. In 2022, multiple ideas were selected to participate in this program which will proceed further through the Bank's entire Medium-Term Business Plan in order to explore new business opportunities, while promoting innovation culture in the organization.
- **Enhance:** The customer experience enhancement project has been continued to maintain the Bank's existing customer base and encourage greater customer referrals, from which customer feedback in all dimensions will be gathered, e.g., products, services through diverse channels, and access to the Bank's services. The project management will be based on each customer segment's differences and needs, starting from the retail customer segment whose behavior changes are substantial due to digital disruption and impacts of the COVID-19 pandemic. The commercial segment is under the process of customer studies, with customer experiences being further enhanced.



Progress of Krungsri's measures to assist customers impacted by the coronavirus pandemic

Krungsri carried on with assisting customers impacted by the coronavirus pandemic in various forms of assistance solutions ranging from long-term debt restructuring programs, the asset warehousing program, and debt consolidation, to liquidity support.

As of December 31, 2022, the loans outstanding under Krungsri's customer relief programs accounted for approximately 8 percent of total loans outstanding, or 150,965 million baht, representing 133,554 retail customer accounts and 4,980 commercial customers. For SMEs, additional credit lines of 16,405 million baht were offered to 4,565 SME customers to support their liquidity requirement under the Bank of Thailand's soft loan and special rehabilitation loan programs and the Government Savings Bank's soft loan program.



Transformation Loan

Data Governance and Personal Data Protection

Personal data is considered sensitive information. The data being leaked, misused, or disclosed without the consent of a data subject, would cause damage and impact on the Bank and stakeholders. For example, customers will lose confidence and trust, the Bank may suffer financial damage due to fines and penalties for non-compliance with relevant laws and regulations, while our reputation and credibility could be tarnished.

Krungsri emphasizes implementing the highest level of personal data protection, retention, and safeguarding as well as complies with relevant laws, particularly the Personal Data Protection Act B.E. 2562 (2019), which has been fully enforced since June 1, 2022. Effective data governance and personal data protection will not only boost customers' confidence to continue using our services but also promote the Bank's good image, competitive advantage, and sustainable growth.

Management Approaches

- Establish the '**Data 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 the policies and the data management measures to the executives, employees, and relevant stakeholders as well as exercising control to ensure that they strictly comply with the Data Management Governance Policy
- Establish the '**Policy for Data Governance**' adopted as a guideline for managing significant data (including 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, 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 a clear data classification approach** to manage the data in the most efficient manner—especially the '**Key Data Elements' (KDEs)** deemed as 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 Biometric Technology Usage**' 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 data management under the concept of '**Three Lines of Defense**' to ensure that the Bank has 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 Committee and functions assigned by the Data Committee, the Risk Management Group, and the Compliance Group.



Third Line of Defense refers to the Internal Audit Group.

- Establish the 'Policy for Personal Data Protection' and 'Personal Data Protection Common Procedure and Procedure for Requesting the Consent for Collection, Usage or Disclosure of Data' according to the following objectives:
  - To develop frameworks and/or guidelines for relevant departments of the Bank and stipulate the governance measures regarding 'personal data' protection of data subject, retail customers, vendors/ suppliers being individuals, personnel of the customers and the Bank's vendors/ suppliers being juristic persons, employees, contact staff, and directors of the Bank as required by laws
  - To provide relevant functions with knowledge sources, references, and operating guidelines regarding the collection, usage, disclosure, submission, and transfer of personal data as well as storage and disposal of personal data when no longer needed as required by laws
- Prepare the 'Privacy Notice' 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 transparently and responsibly in compliance with the Personal Data Protection Act B.E. 2562 (2019). The Privacy Notice will be reviewed twice a year in line with the personal data processing activities according to changing business, economic and social conditions. This included the communication of the Privacy Notice through various channels of the Bank, both in hard-copy and soft-copy formats, such as financial products and services application forms, financial statements, branches, the Bank's website (krungsri.com), social media, and Krungsri Mobile Application (KMA).

Summary of Privacy Notice

Performance

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

Krungsri has formulated the policies and procedures since 2021 before the Personal Data Protection Act B.E. 2562 became officially enforced. The policies and procedures serve as guidelines for all activities related to personal data. In 2022, the internal procedures were updated to ensure comprehensiveness and clarity, such as stipulation of roles and responsibility for processing personal data (Record of Processing: ROP), update of regulations regarding consent requesting/ withdrawal for minors, notification of data breaching incidents, and addition of reporting channels for data breach incidents.

Communication with employees through e-mail: 'Compliance Message'

Krungsri has regularly communicated data governance and personal data protection to executives and all employees through 'Compliance Message' e-mails, aiming to raise awareness and promote understanding of the practices in line with the Personal Data Protection Act B.E. 2562 (2019). In 2022, compliance messages, covering seven topics, were communicated such as legitimate interest assessment (LIA), proper reporting of a personal data breach, data processor assessment, data classification guidelines, and management of sensitive data on 'National ID Card'.

Organization of training sessions on the Personal Data Protection Act B.E. 2562 (2019) (Compulsory)

The Bank organized a compulsory training session on the Personal Data Protection Act B.E. 2562 (2019) to enhance knowledge and understanding among executives and staff members through online training programs. In 2022, all executives and staff members completed the programs, accounting for 100 percent (including the employees under special conditions*).

Remark:

* Employees under special conditions refer to employees identified by their supervisory business units that they could not attend the compulsory program, such as those who suffer from a terminal illness, etc.

Record of processing

The Bank prepared a record of processing for internal business units associated with the collection, use, or disclosure of personal data to perform the data flow assessment (starting from the 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 appropriately processed. In this connection, the relevant business units are required to update and review the said record of data processing on an annual basis or upon changes in work processes related to personal data.

Management of customer's data breach incidents

The Bank established a mechanism for reporting a data breach incident and reporting channels as well as required that investigation and rectification be promptly undertaken once the incident occurs. Furthermore, thorough and comprehensive guidelines for data governance and personal data protection were stipulated to prevent the recurrence of such incidents.

In 2022, the Bank developed an application for reporting data breach incidents, enabling employees from various departments to report the incident in a timely manner. Furthermore, internal training programs were provided to the executives and employees, and the methods for correctly reporting the data breach incidents were communicated through 'Compliance Message' e-mails. In 2022, the Bank did not receive any complaint related to a significant data breach incident from regulatory authorities.



Cybersecurity

The dramatic advances in IT and digital technologies have enabled continual cyberthreats and attacks, such as stealing, destroying, or altering data, or even deceiving victims, which consequently create adverse impacts and damages at personal, organizational, national, and global levels.

With regard to this, Krungsri, as a responsible financial service provider, places great importance on safeguarding data privacy and cybersecurity. The Bank has properly implemented cyberattack management approaches, including the use of information technology and digital innovations in the work processes. This aims to increase the efficient prevention of financial data theft, data leakage, misuse of personal data, or the use of data without the data subject's consent, as well as to provide financial services to customers in a secure and efficient manner. Furthermore, the Bank strikes a good balance between maintaining cybersecurity and reasonable access rights, particularly remote access for employees.

Reinforcing cybersecurity and maintaining data confidentiality is a key mechanism to boost confidence and cultivate trust among stakeholders, including customers. The effort will bring about competitive edges, as well as mitigate risks and possible damages, such as financial damage, image and reputation risk, and risks related to violations of laws, regulations, and regulatory requirements.

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:
  - 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.

- 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.
- 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 namely, 1) confidentiality, 2) integrity, and 3) availability whereby the IT contingency plan is to be 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
- 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
- Establish 'Information Technology Security Measures' to cope with various situations in line with ISO/ IEC 27001 Information Security Management and the 'Enterprise Information Security Policy' of the Bank
- 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 to the Cyber Security Department when receiving phishing e-mail, e-mails with malware, computer virus, and other irregularities caused by cyberattacks

Performance

Reporting of cybersecurity incidents

In 2022, no incident of leakage, theft, or loss of customer sensitive data as a result of cyberthreats was reported.

Communication about basic cybersecurity knowledge

In 2022, communication about basic cybersecurity knowledge, including online social media access, internet use, password setup and use, and handling of phishing e-mail, was made to Krungsri executives and staff members. IT update e-mails containing information about these topics were also sent regularly at least once a month, with a total of 17 topics covered.



2022 IT Backup System Test

Krungsri has prepared and implemented an IT backup system test plan to build confidence for the Bank of Thailand, its customers, and counterparties in the event of an emergency with the Bank's main computer center. The plan aims to reduce the impact caused by business interruption and ensure that the Bank can swiftly bring the system back to resume normal operations, mitigating the risk of negative impact. In this regard, the Bank communicated IT security knowledge to all stakeholders before testing and a total of 12 tests were performed and completed as planned in October 2022.

2022 Vulnerability Management

The vulnerability of key IT systems must be assessed at least twice a year and upon significant IT changes. This is to identify IT vulnerabilities and take actions to timely solve problems and prevent possible issues. In 2022, the first IT vulnerability test of all key systems was scheduled to be performed from January to June 2022, and the second test was scheduled from July to November 2022.

2022 Penetration Test

A penetration test in the application systems and internet-facing network services was conducted by independent internal or external experts at least once a year and upon any significant changes. Additionally, the Bank arranged for a penetration test in accordance with the Intelligence-led (iPentest) method designed by the Bank of Thailand. In 2022, one penetration test was conducted from June to October 2022.

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

In 2022, Krungsri organized IT security training courses to provide knowledge to executives and staff members, so that they understand and are aware of cyberthreats, in accordance with the Bank's IT security regulations and policies. The following five training courses were provided through online channels:

1. Regulatory Technology
2. Information Security Awareness
3. Explore the World of Cybersecurity
4. Cybersecurity Considerations for the Board
5. Secure Coding for IT Developers

Enhance the level of proactive prevention of phishing e-mails

The Bank implemented intensive phishing e-mail preventive measures 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 take proactively preventive actions. In 2022, at least 2,670 phishing e-mails sent through the Outlook system were reported, the number of which increased significantly from an average of 135 items per month during the first half of the year to 310 items during the second half of the year, enabling the CSIRT team to swiftly prevent cyberattacks via e-mails.

Phishing Simulation Exercise

Krungsri performed phishing simulation exercises to enhance and raise employees' awareness for cybersecurity by sending phishing e-mails to them, in order to test whether employees have proper understanding and how well they can cope with such phishing e-mails, such as clicking on the link or filling out their personal information on the fake website. A total of four phishing simulation exercises were undertaken in 2022.



2022 Cyberthreat Response Training

The annual cyberthreat response training is required to be performed to test and prepare employees for cyber-attacks through various scenarios. Relevant personnel are expected to participate in the training to ensure they have an understanding of their roles and responsibilities in terms of cyberthreat management, which they can apply in their operations. In 2022, the annual cyberthreat response training was organized with a ransomware attack scenario on the Krungsri Mobile Application (KMA) and the UCHOOSE Application on November 15, 2022 as planned.

Risk and Crisis Management

Krungsri is fully aware that today's business operations could involve volatility and uncertainty from both internal and external factors, some of which are uncontrollable, such as the COVID-19 pandemic, domestic and global economies, erratic weather, changes to laws and regulatory requirements, emergencies, etc. Most of these factors have either positive or negative impacts on Krungsri's operations.

We, therefore, place great importance on prudent risk and crisis management, believing that ESG risk management is, in fact, proactive preparation to cope with future changes and helps systematically and efficiently manage potential emergencies in diverse forms. In addition, it helps mitigate risks arising from disruptions on business operations, particularly critical business functions (CBFs) which could cause damages 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.

Risk Management



Management Approaches

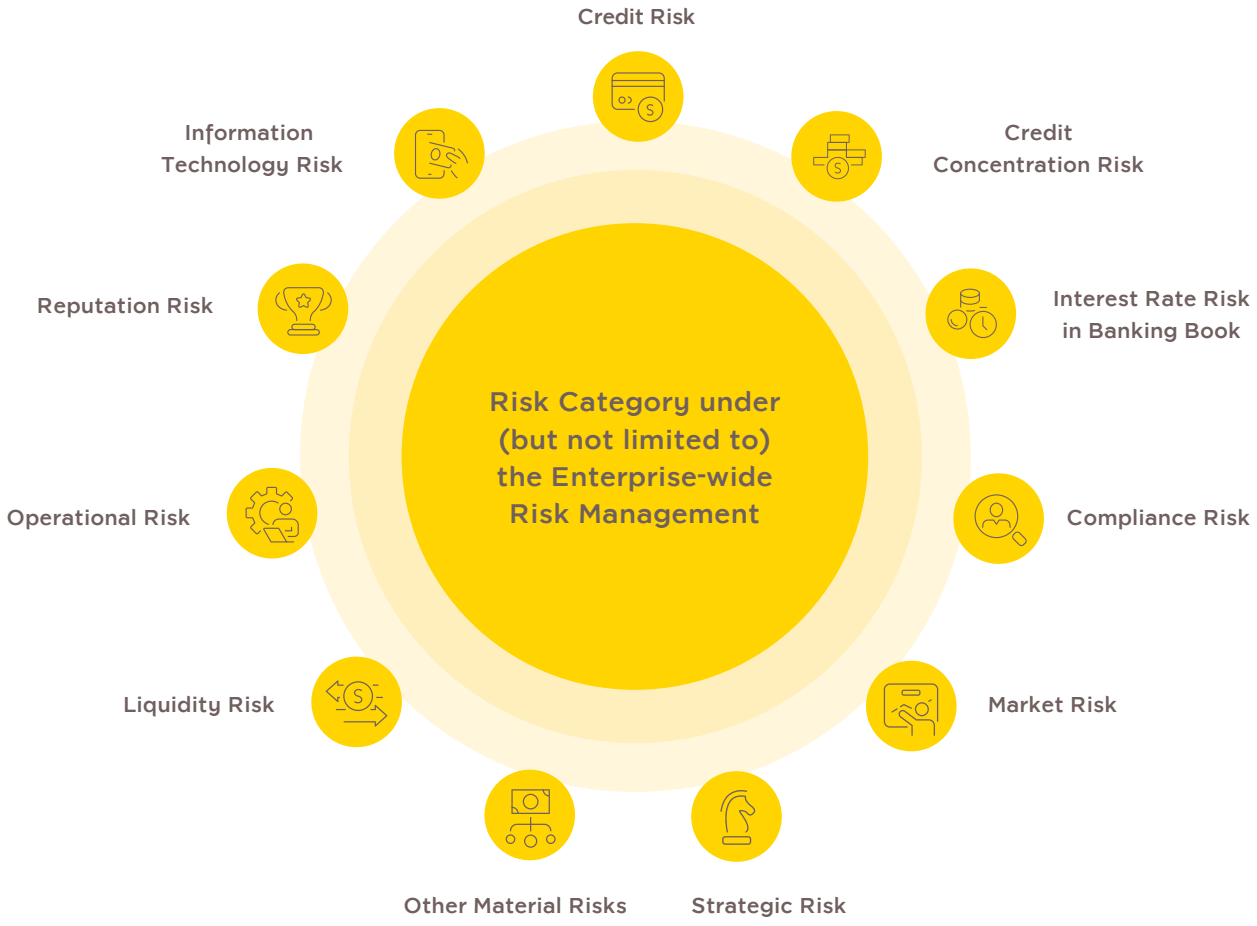
- Establish the '**Risk and Compliance Committee**' to stipulates and advises on risk management strategies, policies, frameworks, and overall business governance for the Board of Directors, and establishes duties and responsibilities, as well as the scope of work, of the Compliance Group and the Risk 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. Moreover, the committee shall review and examine the sufficiency and effectiveness of overall risk policies, strategies and management, including plans per the compliance annual report, risk appetites at least once a year or upon significant changes. Its duties also include regularly reporting risk status, risk management efficiency, and the status of compliance with the organizational 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. (Please see the 56-1 One Report for more details.)
- Establish the '**Risk Management Committee**' 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 (Krungsri Group) should be in line with the Bank of Thailand's risk-based approach for commercial banks.

  In addition, the committee also supervises risk management to ensure that Krungsri Group's business operations are in compliance with stipulated policies and procedures. Its duties also include determining

the Bank's risk appetite and devising 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. The committee has the duty to report operating results to the Executive Committee as well as the Risk and Compliance Committee. (Please see the 56-1 One Report for more details.)

- 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.



(Remark: Please see 56-1 One Report for more details about risk management and guidelines.)

- Establish appropriate '**Enterprise-wide Risk Management tools**' 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 Heat Map, the Risk 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.

- Set up risk management measures and controls with '**Three Lines of Defense**' 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 of Defense



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

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

Third Line of Defense:
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

1 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

2 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.

3 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.

4 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

- Identifying potential '**emerging risk**', Krungsri undertakes the procedure under the Enterprise-wide Risk Management Framework as follows:
  - 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. Through the Enterprise-wide Risk Management Framework, Krungsri took into account the risk arising from erratic weather, and in 2022 the Bank assessed and monitored the '**flood risk**' that might impact the Bank's main risk in comparison with incidents in the past. The flood risk will not only directly impact farm income and the agro-industry, but also indirectly impact businesses related to agriculture, e.g., agro-chemical products used in the agricultural industry and businesses relying on rural income. In addition, the Bank has established the Sustainable Committee and related committees to set up related credit frameworks as well as criteria for considering other risks as well.
  - 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 the Bank's risk appetites, with the following important risks identified for 2022:

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 • IT Risk • Compliance Risk
Other material risks	• Fraud 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.
- Provide executives and staff members 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.
- 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 '**Risk Liaison Officer' (RLO)** whose key role is to implement operational risk management policies and methods in their respective business units, including other duties related to operational risk management, e.g., reviewing RCSA tools on a yearly basis, and preparing KRI report on a monthly basis through the Operational Risk Management System (ORMS) to report to the Operational Risk Management Division. This monthly report makes up one of the RLO'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.

Duties of Risk Liaison Officer (RLO)

1. **RCSA & Control Testing**
   Review the Risk and Control Self-Assessment (RCSA) on a yearly basis, including the control testing
2. **Incident Report**
   Report material operational risk incidents if found
3. **BCP & Call Tree**
   Prepare the Business Impact Analysis (BIA), the Business Continuity Plan (BCP), and follow up on staff updating mobile phone numbers and installing the KarE application for the annual call tree test
4. **Business Partner Activity**
   Report business partners' new and scheduled business activities
5. **Key Risk Indicator (KRI) Report**
   Report monthly Key Risk Indicators

- Communicate content regarding operational risk management to executives and staff members within the organization via e-mail, e.g., third party risk management, reviewing the usage of business partners' services, etc.

Crisis Management

Management Approaches

- Stipulate the '**Policy for Operational Risk: Business Continuity Management**' as a guideline for mitigating impacts of business disruptions on operations, finance, legal issues, and reputation, 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 Framework' and 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.



Crisis Management Framework

Preparation of the crisis management plan

- Crisis Management Plan
- Crisis Communication Plan
- Premise 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.

- 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.

Performance

Risk and Control Self-Assessment (RCSA)

All business units (100 percent) carried out the RCSA annually and regularly and submitted their Key Risk Indicator (KRI) report every month.

Call Tree Testing

In 2022, digital technology was adopted to enhance the call tree testing via the KarE application, in accordance with hybrid work of executives and staff members, which made the call tree notification more efficient and speedier. Staff members of all business units were informed about this and asked to update their mobile phone numbers and install the KarE application. In this regard, the call tree testing was carried out via the KarE application once.

Business Continuity Management

In 2022, the important transactions and business continuity plans were continually reviewed to ensure that all major transactions can be conducted to serve customers smoothly.

Innovation and Digital Transformation

Krungsri recognizes that the development of digital technology and innovation not only becomes crucial for business operations in the banking and financial industry, but also influences customer lifestyle and behavior. The technological advancement also helps create economic value and a positive impact on society and the environment.

In light of this, Krungsri aspires to fully morph into a digital organization by supporting environmentally friendly digital operations. This aims at increasing work efficiency, creating new business opportunities, and promoting a competitive advantage, while also helping to minimize the use of wasteful resources and operating costs. At the same time, we are focused on encouraging our employees to embrace digital technology in order to create innovative financial products and services in line with customer needs. This effort is to enhance the quality of life and create a positive experience for customers.

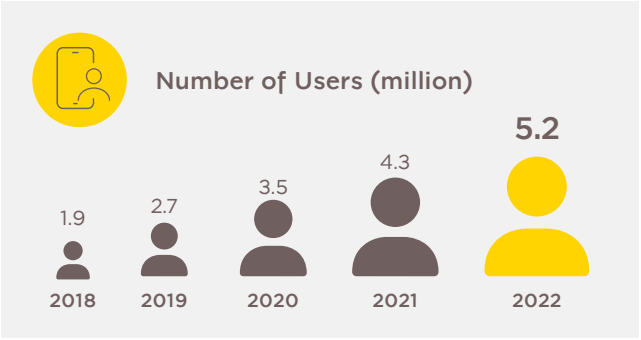
Management Approaches

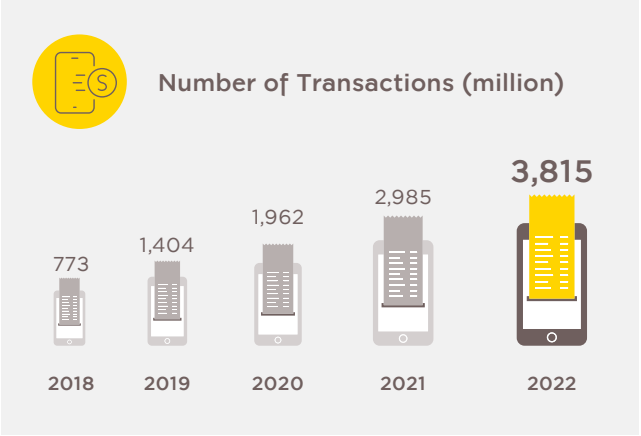
Krungsri supports the development of innovation and digitization based on management approaches as follows:

- 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 and Digital. The group 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 group 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. The Project Management Committee is responsible for directly reporting the operating results to the Executive Committee.

  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. The **'Krungsri Idea Lab'** is also established to encourage employees to come up with innovations and business ideas.

- 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, and success stories of the development of innovations in the organization through e-mail namely 'Around Krungsri CX'
- Invest in the development of and adopt innovations and digital technologies in our operational process and customer services to continually create a good experience for employees, customers, and relevant stakeholders e.g. artificial intelligence (AI), 'AI Manow' that is robotic technology or 'Robo Advisory' and 'Bella Chatbot' as banking virtual agents to answer customer's questions and provide unsophisticated information about various products via online channels and 'Robotic Process Automation' (RPA) to mitigate task redundancy and errors as well as help increase operational speed.





Performance

In 2022, 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 standout innovations and technologies of the Bank could be summarized as follows:

Krungsri Mobile Application (KMA)

Krungsri Mobile Application is a new standard of Thai digital banking that superbly reflects our complete understanding of our customers' requirements and needs under the concept 'Experience First'. The application enables customers of all ages 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, cardless ATM withdrawal, trading of debt instruments or equities, debenture subscription service, and online savings account opening service, etc.

Krungsri Mobile Application is also designed to meet the financial needs of customers of all ages. Beginning in late 2022, customers from the age of 12 can open a savings account through Krungsri Mobile Application, allowing convenient access to financial services anytime, anywhere. This aligns with the trend that an increasing number of customers are likely to conduct financial transactions through their smartphones. Krungsri Mobile Application also promotes a cashless society, reducing the use of resources like paper receipts, travel time, and minimizing the risk of handling cash in the era of the COVID-19 pandemic. Additionally, customers can easily verify transactions at their fingertips.

The success of the Krungsri Mobile Application has been amplified by recognition from top organizations, including the award for 'Best Digital Wealth Platform' at the Global Retail Banking Innovation Awards 2022 from Private Banker International, and 'Best Next-Generation Offering' at the Private Banker International Global Wealth Awards 2022 from Retail Banker International. With the bond subscription services offered by Krungsri Mobile Application, retail customers can easily and securely invest in reputable companies with ease and efficiency, satisfying their digital needs through a single app.

Another innovative feature of Krungsri Mobile Application is **the digital lending service 'Krungsri iFIN.'** To serve customers, the application offers a variety of digital identity verification options, such as interbank verification via the National Digital ID platform (NDID) or i-Confirm service at subsidiary branches, and counter service at over 14,000 7-Eleven stores nationwide. As for service accessibility, non-Krungsri customers can easily download and apply for the service through Krungsri Mobile Application, and will receive approval results within a day after submitting the application and supporting documents. In 2022, 'Krungsri iFIN' was recognized with awards from various institutions, including **'The Best Digital Banking Service in Thailand'** from The Asian Banker. Throughout 2022, over 200,000 customers applied for 'Krungsri iFIN' through Krungsri Mobile Application, with a total of 500 million baht provided to enhance their liquidity.





Social and Environmental Innovations

Krungsri Group understands that creating innovations for the benefit of stakeholders requires collaboration from all relevant sectors for a broad and positive impact on society and the environment. As a result, **'Krungsri Nimble'**, a key innovation center for the development of IT solutions within Krungsri Group, teamed up with **the National Institute for Emergency Medicine (NIEM)** to leverage digital technology for the institute's primary activities. The **'EMS (Emergency Medical System) Profile'** application was created for medical practitioners to improve emergency patient care through a network of over 80,000 medical practitioners nationwide, offering fast, comprehensive, and equal medical treatment.

The EMS Profile application aligns with NIEM's digital transformation strategy and Krungsri Nimble's commitment to promoting innovation and digital transformation throughout the supply chain, ultimately improving work standards and quality of people's life in society.



Additionally, in 2022, Krungsri Nimble emphasized its commitment to creating innovative solutions for society and the environment by developing and delivering the **'SATI' application on the Line platform to the SATI Foundation**. The application serves as a 24/7 online mentor offering education and health care support and advice to underprivileged children and youth under the SATI Foundation's supervision. This effort aims to address inequality in education and quality of life, aligning with both national and international sustainable development goals.



To reinforce its commitment to developing business innovation for society and the environment, Krungsri has partnered with Toyota Tsusho (Thailand) Co., Ltd. to support the development of the **'National Digital Trade Platform' (NDTP)** by connecting Thailand's trading platform with TradeWaltz, a Japanese digital trading platform. The testing of document exchange between two countries was completed in late September 2022, reducing delivery time, the amount of time for document preparation, making import and export businesses in Thailand more convenient, easier, and faster. Furthermore, it improves competitiveness, benefits entrepreneurs, and contributes to the growth of the Thai economy.

The National Digital Trade Platform (NDTP) is developed through collaboration with the Joint Standing Committee on Commerce, Industry, and Banking (JSCCIB) of Thailand—comprising of the Thai Chamber of Commerce, Thai Federation of Industries, and Thai Bankers' Association. The purpose of the platform is to streamline the coordination, submission, and receipt of trade documents. During the first phase, the platform will be tested for trade between partners in Thailand and Japan, and Thailand and Singapore.



'Krungsri Idea Lab' project

Krungsri launched the 'Krungsri Idea Lab' in 2020 with the slogan 'the first step to transforming good ideas into opportunities.' The initiative is an internally collaborative project of Krungsri's Data Strategy and Data Service Management Department, Customer Experience Management Division, and an external agency, FireOneOne Co., Ltd., serving as a consultant and coach.

The program aims to encourage employees to create innovative products and services by pitching business ideas. Participants must go through various processes for five months. The business ideas created by employees will be reviewed and screened by Krungsri Idea Lab working groups to assess their business feasibility in Krungsri Innovation Center or for implementation in relevant internal departments.

2022 marked the third year of the Krungsri Idea Lab project which has been well-received by employees. The business ideas from three teams, namely the U Save team, the Yellow Spot team, and the MADEEKUB team, were selected in the final round for further development.



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.

In view of this, Krungsri Group established the common standards of fair treatment of suppliers, including service providers, intermediaries, and agents for equality, fairness, and non-discrimination. 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 social and environmental issues into account.

Sustainable supply chain management not only reduces the risk of business interruption due to economic, social, and environmental impacts but also enhances cost management efficiency. In addition, the cooperation between Krungsri Group and suppliers in the development and creation of innovative financial products and services helps promote the flexibility of the domestic economy and finance system as well as transparency, thoroughness, and equality—eventually lead to sustainable supply chain management.

Management Approaches

- 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.

  In this regard, the Bank has communicated with all suppliers about the 'Supplier Code of Conduct' through our website (krungsri.com), including notifying them about the statements and The Spirit & The Letter, Environmental Disclosure Statement, and Human Rights Disclosure Statement, as well as social and environment responsibility through e-mail.
- 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 Group and vendors or suppliers so that the business activities can be carried out in an efficient and fair manner. Krungsri Group expects that the vendors or suppliers acknowledge and comply with the Policy as well.
- Establish the procedure regarding '**Know Your Customer and Customer Due Dilligence of the Third Party**' requiring every vendor or supplier to go through the KYC/CDD 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. In this regard, the Bank also complies with the Policy on Anti-Money Laundering and Combating the Financing of Terrorism (AML/ CFT), and the Procedure for Anti-Bribery and Corruption Program.
- Stipulate **a fair supplier selection process and provide equal opportunity for all of them**, including small enterprises, those of the underprivileged, minority groups, females, disabled veterans, etc., to compete in offering products and services in order to gain a share of the Bank's purchase volume and **take into account environmentally-responsible procurement** to enhance business operations in parity with related standards and reduce adverse social and environmental impacts

Supplier selection process



Step 1	Step 2	Step 3	Step 4	Step 5
Consider the appropriate bidding method to ensure transparency such as bidding through electronic systems (e-Auction)	Establish a task force comprising representatives from related business units, and experts or specialists to select service providers	Consider the verification results of suppliers' information before engaging in transactions with them, such as Know Your Customer (KYC), transactions that may have conflicts of interest, and other relevant factors of all suppliers	Evaluate suppliers by the functions using such service after the service is completely delivered by filing out the Supplier Performance Evaluation Form	Provide whistleblowing channels for suppliers

- Provide the **agreement in maintaining and protecting the Bank's own and confidential information** which shall be deemed as the Bank's property. In addition, the Bank must safeguard the information of suppliers in accordance with confidentiality agreement. Furthermore, the Bank communicates about the notice of personal data protection to active suppliers through e-mail and website (krungsri.com) for their acknowledgement and compliance, in line with the Personal Data Protection Act B.E. 2562 (PDPA).
- **Classify suppliers of the Bank** to ensure that Krungsri Group can continually deliver customer services by grouping suppliers as follows:
  - **Critical vendors** refer to vendors or suppliers that are highly crucial to Krungsri Group's operations. There may be one or a limited number of critical vendors or suppliers. Their inability to provide services to the Bank could result in significant harm to the Bank's business.
  - **Significant vendors** refer to vendors or suppliers that play a moderately important role in Krungsri Group's operations. The Bank can continue its operations as usual and can find alternative vendors if needed.
  - **General vendors** refer to common vendors or suppliers. In the event that they are unable to offer services to the Bank, it will not result in any harm to the Bank's business.
- Communicate to vendors or suppliers the **Anti-Bribery and Corruption Program, covering all forms of bribery and corruption, both directly and indirectly, and become members of the Thai Private Sector Collective Action Against Corruption (CAC Recertification)**, as well as invite vendors or suppliers to join such anti-corruption organization. The Bank also specified and communicated about **the Procedure for Gift and Entertainment (G&E)** to all active suppliers.
- Establish **appropriate credit terms** for vendors and suppliers, with an average of 45 days, depending on the agreements between the Bank and the vendors and suppliers. The average payment period to vendors and suppliers and third parties is approximately 20 days from the date of correct and complete invoice and document submissions. This demonstrates the Bank's emphasis on treating vendors and suppliers and service providers according to specified conditions, ensuring sustainable business operations of suppliers and other service providers.

Performance

E-Auction

In 2022, Krungsri selected 59 vendors and suppliers through e-auction, a 74 percent increase from 34 vendors and supplies selected during the pre-COVID-19 period of 2019. This shows the Bank's commitment to encouraging vendors and suppliers to continually submit bids through the electronic system, promoting equality and transparency in the presentation of their work to the Krungsri Group.

Evaluation of suppliers on the environmental, social, and governance (ESG) aspects

Krungsri evaluated both new and active vendors and suppliers totaling 570 cases, 39 of whom are new suppliers and 531 of whom are active suppliers. Based on the evaluation result, 100 percent of vendors and suppliers did not have any ESG issues.

Complaints about corruption and human rights violations

No complaints were reported regarding the giving or receiving of gifts or entertainment during various festive seasons by vendors and suppliers, nor were there any reports of human rights violations.

Communicate and invite vendors and suppliers to become a member of the Thai Private Sector Collective Action Against Corruption

Communicated and invited 100 percent of active and new vendors and suppliers to become members of the Thai Private Sector Collective Action Against Corruption through e-mail.

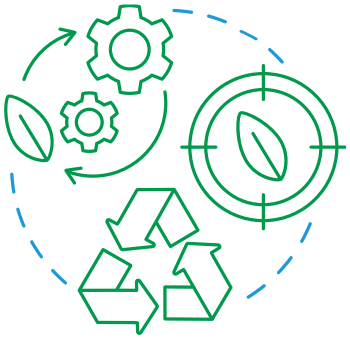
Supplier Classification

In 2022, Krungsri Group adjusted the method for supplier classification by considering the number of suppliers in the market and the impact of risk that could disrupt and damage the Bank's business as follows:

- Critical vendors: vendors and suppliers that directly impact the Bank's business
- Significant vendors: vendors and suppliers that indirectly impact the Bank's business
- General vendors: vendors and suppliers that have no impact on the Bank's business

Procurement of environmentally friendly products and services

In 2022, Krungsri purchased 100 percent ENERGY STAR-certified computers and 100 percent renewable tissue paper to support the procurement of environmentally friendly products and services. The Bank also provides training to vendors and suppliers to ensure they have knowledge and understanding and comply with environmental agreement conditions, which are assessed on a monthly basis. In 2022, the assessment results met the specified criteria (100 percent).



Social Aspect



Responsible Lending and ESG Considerations

With the spirit and responsibilities as a Domestic Systemically Important Bank (D-SIB), Krungsri continues to serve 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 or investment 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 considerations will not only help prevent financial, operational, reputational, and regulatory risks, but also support businesses and society toward sustainable development and growth.

Management Approaches

- Become an official signatory of the '**Principles for Responsible Banking**' **(PRB)** of the United Nations Environment Programme Financial Initiative (UNEP FI), reflecting Krungsri's unwavering determination in following sustainable banking guidelines
- Adhere to '**Sustainable Banking**' guidelines by focusing on best practices of '**Responsible Lending**', under which credit underwriting takes into account of ESG dimensions in parallel with the economic dimension

Responsible Lending



Equal treatment

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



Verification of customer information

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



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.



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.



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.



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.

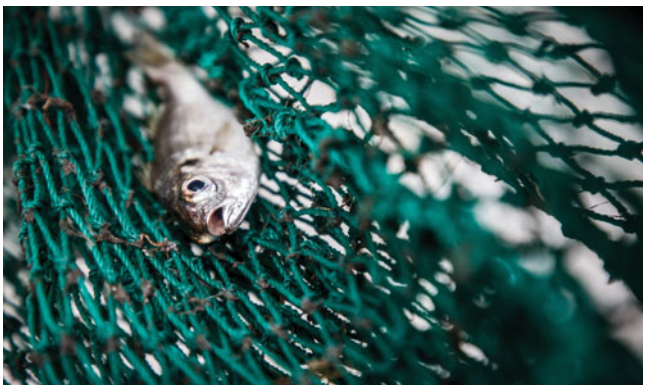
- Establish the 'Policy for Credit Risk Management' which serves as the criteria and guidelines for managing credit risks. It is communicated to the Bank's operating officers for acknowledgement and full compliance with emphasis on raising awareness of ESG risks among the parties related to the credit 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
- 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:

Nature of prohibited 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

Types of prohibited 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.

Nature of restricted 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

Types of restricted 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 that promote ESG efforts or the '**Positive List**' to take part in combating climate change toward a low-carbon economy, elevating the people's quality of life, in line with the United Nations Sustainable Development Goals (SDGs).

Positive List



Businesses of generating electricity utilizing alternative energy sources such as solar power (solar cell), wind power, and hydro power, etc.



Businesses related to electric vehicles



Businesses that promote green infrastructure development and innovation



Energy saving projects

- 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.

Performance

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 and green loans, mirror the Bank's commitment to ESG considerations and support for customers' green transitions, 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.

Krungsri's Social and Sustainable Finance (SSF) Disclosure

Krungsri has declared our Carbon Neutrality Vision committing to decarbonizing our own operations by 2030 and financial services by 2050, aligning with Thailand's COP26 pledge of carbon neutrality by 2050.

Target:
Krungsri commits to growing the Social and Sustainable Finance (SSF) portfolio by
50,000 - 100,000 million baht by 2030.

Our social and sustainable finance portfolio increased by
44,204 million baht from the end of 2021.

	Category [1/]	(Data as of December 31, 2022) Outstanding [2/] (Unit: million baht)	
		Dec 31, 21	Dec 31, 22
Environmental	Underwriting: Green Bond [3/]	7,450	14,044
	Green Loan	1,000	3,000
	Loan to Renewable Energy Business	9,210	9,150
	Other Loans	-	39
Social	Underwriting: Social Bond [3/]	7,040	7,040
	Loan from WSME Bond	21,033	19,866
	Social Loan	20,246	23,763
	Loan to Regional Development Projects	5,061	9,023

Category [1/]		(Data as of December 31, 2022) Outstanding [2/] (Unit: million baht)	
		Dec 31, 21	Dec 31, 22
Sustainability	Underwriting: Sustainability Bond [3/]	20,567	44,427
	Underwriting: Sustainability-Linked Bond [3/]	11,000	11,000
	Sustainability Loan	-	3,151
	Sustainability-Linked Loan	6,953	6,946
	Investment	830	3,145
Total		110,390	154,594

Remarks:

[1/] The term 'Social and Sustainable Finance' (SSF) refers to the provision of finance through following financial products and services (including loans, underwriting of bonds, and investment) in compliance with relevant external standards (i.e., the Green Loan Principles, Green Bond Principles, and Social Bond Principles) and in alignment with Mitsubishi UFJ Financial Group Inc. (MUFG)'s Carbon Neutrality Declaration. There are three types of area in financial products and services as follows:

- Environmental area consists of financial products and services contributing to the adaptation to and moderation of climate change, including renewable energy, energy efficiency improvement, and green buildings (i.e., arrangement of loans and project finance for renewable energy projects, other loans (Solar Roof Lending Program), underwriting and distribution of green bonds).
- Social area consists of 1) Financial products and services contributing to fundamental service businesses, including those involved in public infrastructure such as hospitals, water supply, and schools (i.e., arrangement of loans and project finance for public infrastructure, underwriting and distribution of social bonds), 2) Financial products and services contributing to the development of startups, job creation, and poverty alleviation (i.e., WMSE bond) and, 3) Financial products and services contributing to the energizing of local communities and regional revitalization (i.e., loan to the Eastern Economic Corridor (EEC) area which covers three eastern provinces of Thailand - Chonburi, Rayong, and Chachoengsao)
- Sustainability area consists of 1) Financial products and services contributing to both green and social projects based on the customer's sustainability objectives and performance (i.e., sustainability loan, sustainability-linked loan, underwriting and distribution of sustainability bond and sustainability-linked bond); 2) Investments in ESG bonds

[2/] Bank only (Loan portfolio)

[3/] Accumulated amount from year 2019.

Support for environmentally-friendly businesses

At the end of 2022, 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 9,150 million baht. In this regard, loans extended to businesses using renewable energy can help mitigate greenhouse gas emissions by 1,253,887.42 kilograms of carbon dioxide equivalent (calculated in comparison with general electricity use).

Type of renewable energy	Data at the end of 2022		
	Percentage of renewable energy loans	Maximum electricity generation capacity (megawatts)[1/]	Equivalent to reduced carbon dioxide ($kgCO_2e$)[2/]
Water power	57.59	1,219.00	729,693.40
Biogas power	2.21	8.10	4,848.66
Wind power	13.21	97.50	58,363.50
Waste power	3.53	9.90	5,926.14
Biomass power	12.03	46.20	27,655.32
Solar power	11.22	714.00	427,400.40
Total	100.00	2,094.70	1,253,887.42

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 July 2022). In this regard, one kilowatt hour of electricity grid mix has the emission factor of 0.5986 $kgCO_2e$.

Sustainability Bond

- 'Sustainability bond' issued by the Public Debt Management Office, Ministry of Finance, totaling 35 billion baht on September 19, 2022. The proceeds will be used for restructuring debts previously incurred for the purposes of resolving, remedying, and restoring the social impacts from COVID-19 and environmental conservation, as well as elevating the standard of living of the people of Thailand.
- 'Sustainability bond' issued by the Public Debt Management Office, Ministry of Finance, totaling 30 billion baht on December 6, 2022. The objective was to mobilize funds and support the investments in eligible social projects. The proceeds will be used for restructuring debts previously incurred for the purposes of resolving, remedying, and restoring the social impacts from COVID-19 and environmental conservation, as well as elevating the standard of living of the people of Thailand.

- ‘Green Bond’ issued by the Export-Import Bank of Thailand (EXIM Bank), totaling 5 billion baht on September 9, 2022. One of the dual tranches marked the first green bond using the Thai Overnight Repurchase Rate (THOR) issued by a special financial institution (SFI). The proceeds will be used to support the investment in clean energy projects.

Green Bond and Sustainability Bond

- ‘Green Bond’ issued by Toyota Leasing (Thailand) Co., Ltd., totaling 3.8 billion baht on February 28, 2022. One of the green debentures tranches issued by Toyota Leasing (Thailand) Co., Ltd. is worth 2 billion baht. The proceeds from the green debentures will be used to refinance debt related to and/or finance for hire purchase and leasing services for vehicles that meet the eligibility criteria, which includes new hire purchase and leasing transactions and/or outstanding hire purchase and leasing transactions that occur no more than two years before the debenture issuance date.
- ‘Green Bond’ issued by IRPC Public Company Limited, totaling 750 million baht on May 20, 2022. The proceeds from the green bond offering will be used to refinance in the floating solar project and to expand investment in additional green projects.
- ‘Green Bond’ issued by Global Power Synergy Public Company Limited (GPSC), totaling 12 billion baht on June 10, 2022. Proceeds from the issuance of debentures will be used for investment and/or refinance part or all of the new or existing projects to support renewable energy projects (solar and wind) in India and the Republic of China (Taiwan).
- ‘Green Bond’ issued by Sri Trang Gloves (Thailand) Public Company Limited, totaling 1.5 billion baht on September 28, 2022. The proceeds from bond issuance will be used to invest in or refinance part or all of the new or existing projects. The environmental projects of the company include: Renewable Energy, Pollution Prevention and Control, Energy Efficiency, Sustainable Water and Wastewater Management, and Clean Transportation.



- ‘Sustainability Bond’ issued by Bangkok Expressway and Metro Public Company Limited (BEM), totaling 4.5 billion baht on September 5, 2022. This issuance of sustainability loan is the second time for the Company after the company issued the first sustainability loan in April 2021. The proceeds will be used to repay existing debt and/or investment (refinance) in the MRT Blue Line project—considered as a transportation project that uses clean energy and is an accessible infrastructure for all.

Sustainability Loan and Green Loan

- ‘Sustainability Loan’ for Bangkok Expressway and Metro Public Company Limited (BEM), totaling 3 billion baht, using the Thai Overnight Repurchase Rate (THOR) as the sole lender. Krungsri was also appointed as a sustainability coordinator of this project.
- ‘Green Loan’ for Central Pattana Public Company Limited totaling 1 billion baht with Krungsri as the sole lender
- ‘Green Loan’ for Toyota Leasing (Thailand) Co., Ltd. totaling 2 billion baht with Krungsri as the sole lender

Fair Labor Practices and Respect for Human Rights

Krungsri and companies in the Financial Business Group (Krungsri Group) are fully cognizant of our key role as part of the business sector to uphold fair labor practices and respect for human rights. Also, as a financial service provider, we engage with multiple stakeholder groups, including employees, customers, suppliers or vendors, etc. Should there be any inappropriate conduct regarding this issue, it could cause reputation risks and impacts on Krungsri Group's operations, as well as breach of related regulations.

Krungsri Group, therefore, 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 accordance and compliance with international regulatory requirements and principles regarding labor and human rights. This covers issues of employment, fair compensation, appropriate labor welfare, respect for diversity whether that be gender, race, religion, and disability, the promotion of freedom of association and collective bargaining, and employee engagement. Upon any breach of human rights, remedies and guidelines for appropriate prevention and handling should be established. In addition, the same expectations and promotion should be set for stakeholders, e.g., suppliers or vendors, and customers, so that they would refrain from violating human and labor rights.

Fair labor practices and respect for human rights not only help promote employee well-being and bonding, but also enable Krungsri Group and stakeholders in the entire supply chain to further drive the organization toward sustainable growth.

Management Approaches

Human Rights, Employment, and Workplace Diversity

- Promulgate the '**Human Rights Disclosure Statement**' 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 the international sustainable issues and targets.
- The '**Human Rights Policy**' was established to serve as a basic framework for the respect of human rights that covers all stakeholder groups. Guidelines are as follows:
  - Ensure treatment of all stakeholder groups, including customers, suppliers or vendors, business partners, etc., in accordance with the human rights principles at the domestic and international levels based on equality and non-discrimination
  - Refrain from any actions that violate human rights through human rights risk management, well-rounded human rights due diligence, and remedies and reparation upon human rights violations
  - Support and encourage the protection of and respect for human rights through communication and dissemination of knowledge, and stipulate guidelines for monitoring and providing support to stakeholders in the business value chain
- Establish the '**Human Resources Committee**' **(HR Committee)** to give advice concerning the Human Resource Policy and any significant changes regarding human resource matters of Krungsri 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 Krungsri 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 Krungsri Group. 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 'Procedures for Recruitment and Hiring', so that the Bank's recruitment and hiring guidelines and steps are clear and common, as well as being compliance with related regulations and policies. This procedure covers the procurement of permanent employees, short-term employees, advisors, outsourced staff, and interns taking into account fair recruitment and hiring, 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 , Cambodia, and the Philippines
- Formulate a 'termination guideline', based on fairness and compliance with labor laws, where 'terminated' employees are notified by the Human Resources Group upon or before their payday for that month so that the effective date of termination falls on the payday of the following month. In addition, severance and special severance is paid to such employees in compliance with regulatory requirements, and the Bank's hiring rules, regulations, and requirements.

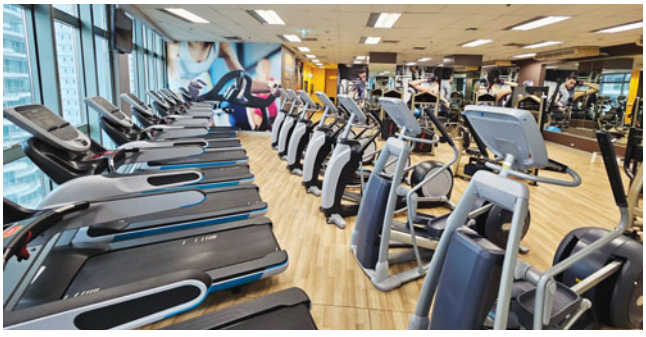
Compensation and Benefits

- 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 Resources 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 their well-being and good operating performance. The benefits 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 to cover adverse reactions after receiving COVID-19 vaccine for 2022
     - Annual check-up and additional health packages for employees who may be exposed to health risks arising from work, such as employees under the Collateral Valuation Department and 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, available once a week. The information of the employees will be treated as confidential 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.
     - Provide employees COVID-19 vaccinations of booster doses free of charge
     - Collaborate with hospitals in Bangkok and its vicinity to provide hospitels to support staff with COVID-19 in isolating to stay away from family members
  2) **Financial benefits** such as a home rental allowance; an extra allowance for employees at the branches in high living cost areas, an extra allowance for the officers at the branches that are open six or seven days a week for service, a child education allowance, a special allowance, 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, a mobile phone allowance, etc.
  3) **Employee loans** such as a housing loan, a family loan, a car or motorcycle loan, a disaster relief loan
  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, death, 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 death as a result of a work-related cause. This benefit is an addition to the Bank's health benefit packages.

7) **Funeral Assistance Association of the Bank of Ayudhaya 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 (Around HR), Intranet (Krungsri Portal SharePoint), Krungsri Employee Mobile Application (KarE), etc.
- 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
  - Facilities for wellness and occupational health, such as:
    - Krungsri canteens on the 8th and 9th floors 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 6.30-20.00 hr.
    - The Oasis corner on the 8th floor of Head Office
    - Krungsri D-Space on the 9th floor of Head Office
    - A lactation room where working mothers can safely express their breast milk
    - Small gardens and walking or running trails around the Krungsri Riverside Office, etc.





- 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 as follows:
  - Employee's performance per key performance indicators (KPIs) containing both financial and non-financial dimensions which include ESG integration
  - Employee's performance per Krungsri Core Values criteria covering six aspects, namely Customer Centricity, Integrity, Team Spirit, Passion for Excellence, Making Innovative Changes, and Global Awareness.
  - Individual Development Plan
  - Employee's performance per audit, compliance, and disciplinary issues

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

Indicators	Definition of indicators
Financial KPIs	
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, responsible lending and ESG considerations, and collective efforts to develop and participate in CSR activities.
Internal Process KPI	The indicator refers to the operating process that indicates the strategy and operational excellence, as well as ESG integration, such as initiative, strategy, process improvement, business process innovation.
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.



Promotion of Employee Engagement

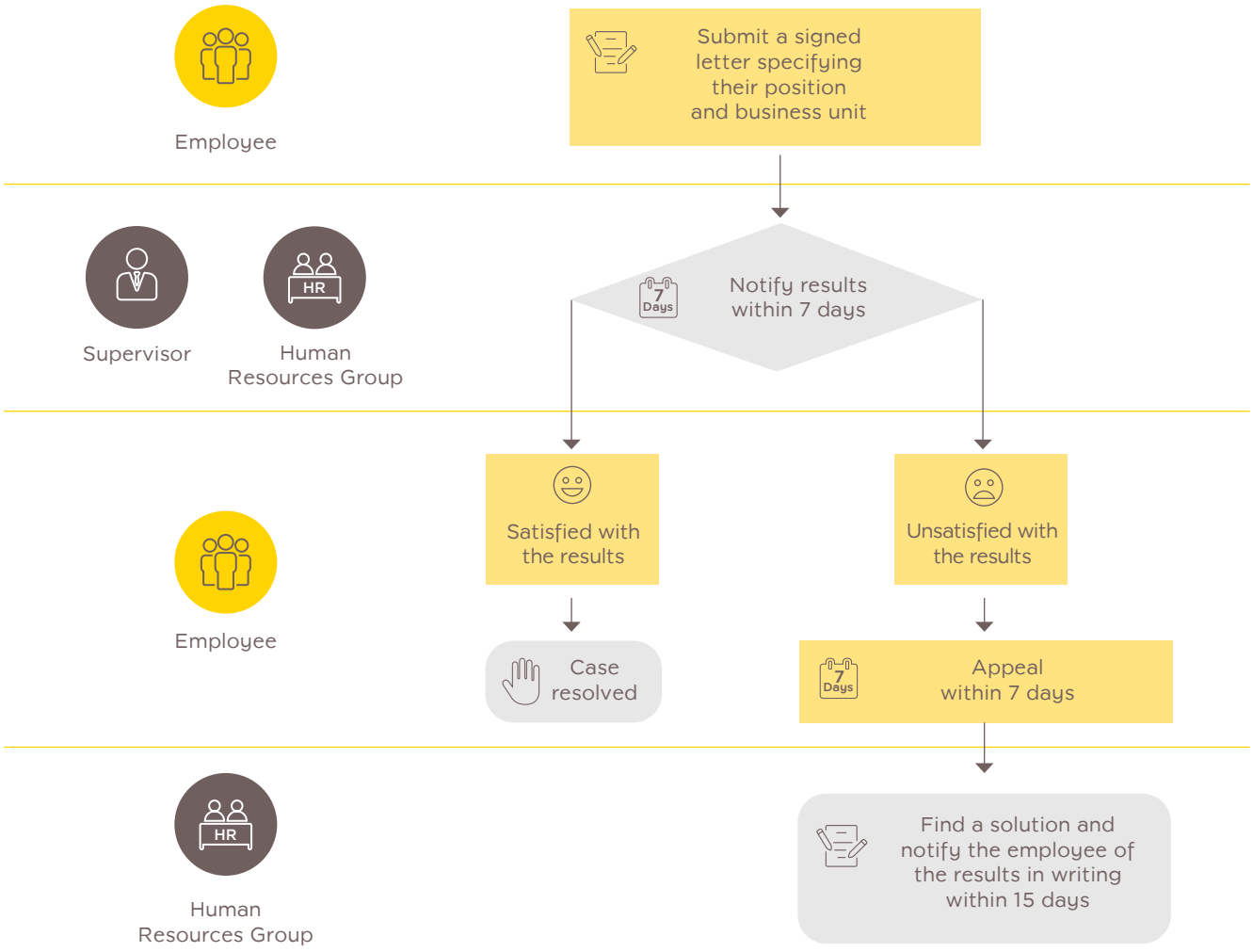
- Conduct **an employee opinion survey (Voice of Krungsri)** by an external party. Employees' feedback would be taken into consideration to develop the human resource operation as well as enhance efficiency and engagement of the employees. The frequency of the survey depends on appropriateness and consideration of related committees.
- 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, the Employee Purchase Program where the Bank joins hands with suppliers in providing inexpensive products 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.

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 HR Communication Department 12th Floor, Head Office, Tel. 02-296-2000, Ext. 85712
A center to provide 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

Diversity of Krungsri's Employees

Krungsri's permanent employees

13,760 persons

Employees at the Operational Level

	<30 years	30-50 years	>50 years	Total
	288 persons	1,868 persons	688 persons	2,844 persons
	757 persons	5,703 persons	1,072 persons	7,532 persons

Employees at the Executive Level

	<30 years	30-50 years	>50 years	Total
	1 persons	541 persons	428 persons	970 persons
	0 persons	824 persons	607 persons	1,431 persons

Senior Executives

	<30 years	30-50 years	>50 years	Total
	0 persons	215 persons	257 persons	472 persons
	0 persons	263 persons	248 persons	511 persons

Nationality

Thai **99.40%**

Others: **0.60%**

Meeting of the Nomination and Remuneration Committee

Krungsri aims to hold the Nomination and Remuneration Committee meeting at least once a month. In 2022, a total of 16 meetings were held.

Meeting of the Human Resources Committee

Krungsri aims to hold the Human Resources Committee meeting at least once a month. In 2022, a total of 22 meetings were held which exceeded the target.

Meeting of the Incentive Committee

Krungsri aims to hold the Incentive Committee meeting at least once a year. In 2022, a total of seven meetings were held which exceed the target.

Freedom of Association and Collective Bargaining

Krungsri places a great emphasis on freedom of association and collective bargaining, while promoting and offering an opportunity for 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). This encourages employees to exchange opinions with the Bank and creates 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, compensation and employee benefits as well as provide recommendations beneficial to the Bank's employees. In 2022, the Krungsri Labor Union Committee met once and had members representing 16 percent of total employees.*

Remark:
* Krungsri's permanent employees only

Provident Fund

Krungsri consistently communicated diverse provident fund matters to members via the 'Around HR' e-mail, including the notification of contribution ratio change via the e-Provident Fund system, the election of employee members of the provident fund committee, monthly market updates and outlook, etc. The Bank also organized the annual general meeting to report the provident fund's annual operating results to members. In 2022, employees who were members of the provident fund represented 93 percent of the total employees.

Group Health Insurance Plans

Krungsri aims to provide 100 percent of eligible employees group health insurance plans. In 2022, the Bank also provided the 'Flexible Group Health Insurance Plan' with seven sub-plans for employees of Plan 1 (Officer 1 - Officer 6) and

another seven sub-plans for those of Plan 2 (Officer 7-8) to enable them to choose the insurance plan that best suits their needs. Therefore, 100 percent of eligible employees were provided health insurance plans as per the target.

Influenza Vaccination Service

In 2022, Krungsri conducted a survey on 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. The four-strain influenza vaccine helps provide protection against four flu virus strains (Southern Hemisphere), namely an A/Victoria (H1N1) virus, an A/Darwin (H3N2) virus, a B (Austria) virus, and a B (Phuket) virus as recommended by the World Health Organization (WHO). The flu vaccination among staff and their family members was conducted from September 6 to October 31, 2022.

Annual Health Check-up

In 2022, Krungsri communicated and provided employees annual health check-up packages via e-mail 'Around HR', as well as provide vulnerable employees, who may expose to the risks arising from work, additional health examination packages to promote their health and wellness. The Bank aims that 100 percent of vulnerable employees have no health issues regarding the respiratory system, hearing levels, and the lead level in the blood circulation system. In this regard, annual health check-up packages were set based on the age range of employees, available from July 1 to December 31, 2022, as stipulated by the Bank's criteria. 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.

Insurance for COVID-19 Vaccine Adverse Reactions

In 2022, Krungsri provided 100 percent of employees insurance for COVID-19 vaccine adverse reactions as planned, with coverage from March 20, 2022 to March 19, 2023.

COVID-19 Vaccinations

In 2022, Krungsri continued to provide COVID-19 vaccinations as we did in the previous year, while encouraging employees to get at least a third dose of COVID-19 vaccine to mitigate the risk of infection and disease severity.

Krungsri Fitness Center

Due to the unwinding of COVID-19 situation, the Bank resumed opening Krungsri Fitness Center on May 9, 2022, with opening hours of 6.30-20.00 hr. Therefore, users in 2022 increased from the previous year, yet below the normal level, to 991 persons for 5,141 times, exceeding the set target of 5,000 times per year.

Krungsri Club

To promote health and wellness, as well as good employee relations, Krungsri established 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. In 2022, 904 employees applied for memberships of these clubs.

The Voice of Krungsri (VOK)

Krungsri has been well aware of and placed great importance on voice of the employee of all levels, therefore organizing the Voice of Krungsri project to take feedback in diverse aspects from employees to enhance human resources operational efficiency, while promoting employee engagement to support the Bank's operation toward achieving sustainable success. In this regard, Krungsri set the Voice of Krungsri plan in the first quarter of 2022 to take employee feedback on the hybrid work scheme.

Listening to Employee Voices

Krungsri aims to reach the target regarding listening to employee voices of no complaints related to human rights, discrimination, breach of the right to personal liberty of employees in 2022. The Bank received three complaints from employees regarding communication behaviors of direct managers, such as using inappropriate tones of voice to communicate with employees. The matters were examined, and the direct managers were firmly insisted to take greater care in their communication. In this regard, 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

It is important to promote comprehensive and equitable access to basic services, particularly financial services, for our customers, namely corporate, SME, and retail customers, including low-income earners, the disadvantaged, and the vulnerable group who have less access to financial services than other groups.

Therefore, Krungsri, as a Domestic Systemically Important Bank (DSIB), strives to comprehensively and equitably promote financial product and service innovations appropriate for each customer group, empowering them all to access funding sources for business operation, development of innovations and technologies, improvement of well-being, job creation, and other positive impacts through investments.

Promoting financial inclusion also reduces dependency on informal loans, a major cause of household debt which threatens economic stability, and opens up business opportunities for the Bank in tandem with promoting the sustainable growth of the country and ASEAN in conformity with the UN SDGs No.1: No Poverty; No.8: Decent Work and Economic Growth; No.9: Industry, Innovation, and Infrastructure; No.10: Reduced Inequalities; and No.17: Partnerships for the Goals.

Management Approaches

- Develop financial products and services that meet the needs of each customer segment based on the Krungsri core value of '**Customer Centricity**'
- Balance our lending portfolio prudently based on the '**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 in ASEAN such as the CLMV countries (Cambodia, Lao PDR, Myanmar, and Vietnam) and the ASEAN Economic Community (AEC), while helping boosting the business potential of Krungsri and customers to the global arena
- Develop inclusive and suitable financial access channels for each target segment though the implementation of digital innovations and technologies to enhance financial access anywhere, anytime

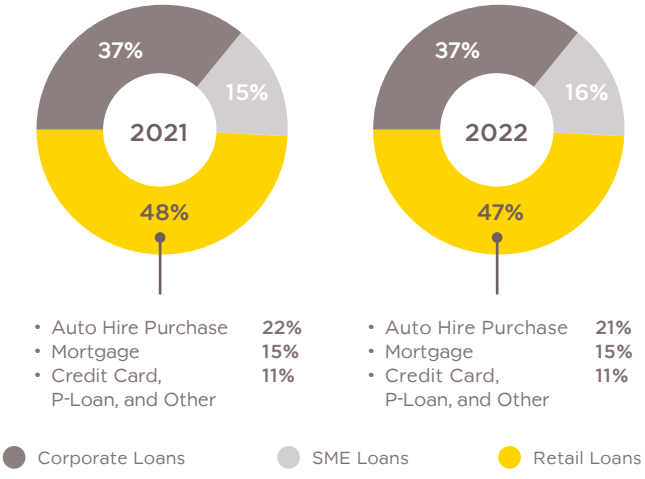
Performance

Balanced Portfolio Management

Krungsri maintained well-balanced portfolios by diversifying into corporate, SME, and retail loans. As at December 31, 2022, **the total outstanding loans stood at 1,949,409 million baht**, a year-over-year increase of 59,033 million baht or 3.1 percent in line with the gradual recovery of the economy and domestic demand. Details of the loans are as follows:

- **Corporate Loans: 720,724 million baht (37 percent)** comprising 451,252 million baht provided to Thai corporates and 269,472 million baht provided to JPC/MNC
- **SME Loans: 304,936 million baht (16 percent)**
- **Retail Loans: 923,749 million baht (47 percent)** comprising 414,856 million baht of auto hire purchase; 292,507 million baht of mortgage; and 216,386 million baht of credit cards, personal loans, and other loans

Lending Portfolio



Examples of Financial Products and Services covering all Target Groups

Basic Banking Account

Krungsri encourages Thai citizens aged 65 or over or state welfare cardholders to open a basic banking account for receiving state welfare free of charge and for accessing financial services more conveniently. Examples of benefits from opening this account are 1) No debit card issuing fee and annual fee; 2) No account maintenance fee; and 3) No minimum opening balance. To date, 784 basic banking accounts have been opened, consisting of 507 accounts of low-income earners under the state welfare card scheme and 277 accounts of those aged 65 or above (data as at December 31, 2022).

Savings Account for People with Physical Disabilities

The Bank promotes savings deposit account services for physically disabled people as follows: 1) Blind people, meaning people who are visually impaired; 2) People with physical or health impairments, meaning people with mobility limitations, i.e., seniors, disabled people, and pregnant women unable to visit branch counters.



'Kept by krungsri' Financial Management Platform

The Kept by krungsri application is a savings deposit service for Thai nationals who are 15 to 70 years old and not a blocked person. Customers can make financial transactions by themselves, e.g., open a savings deposit account, transfer or receive funds or make payments online, make payments with QR codes, set up alerts, and summarize account movements. Kept by krungsri does not charge any transaction fee or account maintenance fee for inactive accounts. To date, 365,000 accounts have been opened.

Microfinance and Nanofinance

We improve financial access for the low-income group as a reliable source of funds, readying them for expenses that are unexpected or exceed their debt-servicing capacity by providing financial services in the form of microfinance and nanofinance both domestically and internationally through our subsidiary and joint venture that provide these particular services.

Ngern Tid Lor Public Company Limited

- No. of customers: **1,128,404** customers
- Total loans: **81,265** million baht
- No. of branches: **1,628** branches

Hattha Bank Plc.

- No. of credit accounts: **217,595** accounts
- Total loans: USD **1,936** billion
- No. of branches: **177** branches

Transformation Loan

The financial rehabilitation measure is a cooperation project with the Bank of Thailand under the Soft Loan Emergency Decree to assist entrepreneurs hard-hit by the COVID-19 pandemic to adapt and compete in the business recovery phase. We focus on boosting competitiveness in line with the new normal landscape through three transformative activities: 1) Adopting digital technology to improve business efficiency by investing in automation or incorporating robots in manufacturing processes and services; 2) Creating future innovations by investing in technologies and innovations that enhance competitiveness and stability of business or developing new goods or services in alignment with current lifestyles, including investing in cutting-edge equipment or tools that help transform the business model to high-value service; and 3) Operating a green business, which consists of investing in energy efficiency systems or

shifting to renewable energy, designing environmentally friendly products and services including manufacturing processes and services, or investing in machinery to support the expansion of electric or clean energy vehicles. The Transformation Loan has a maximum term of seven years and a credit line of up to 150 million baht each with a special interest rate of 2 percent per annum for the first two years and maximum 7 percent per annum for the rest. All fees are waived while interest is waived for the first six months.

Banking Agent Service Points

Krungsri added the channel for providing financial services through banking agents to facilitate customers' financial transactions and cover more areas, especially areas remote from our branches. Our banking agent service points are Thailand Post, Boonterm Top-up Machine, Counter Service in 7-Eleven, Max Mart in PT Gas Station, Bank for Agriculture and Agricultural Cooperatives, Big C Supercenter, and TermsabuyPlus kiosk. As at the end of December 2022, Krungsri has 173,554 banking agent service points.

Financial Distribution Channels

To enable customers to access the Bank's products and services conveniently and speedily anywhere, anytime throughout Bangkok, its vicinity, other provinces, including overseas branches and offices, Krungsri adjusted its process of offering financial products and services through both online and offline '**financial service channels**'. This reinforces Krungsri's 'Make Life Simple' concept in response to customers' changing demands and behaviors by adopting technology that assists all customer groups with inclusive and equitable financial access. At the same time, Krungsri continues to place importance on our '**branch network**' by expanding or adjusting the branch model for greater modernity and customer convenience, while branch employees' capabilities and skills are boosted to take the role of financial advisors who can provide comprehensive advice.

Remark:
See more details in the topic of Channels of Financial Access, page 153

Krungsri Branch Types

1. **Smart Branch**
   A new branch type emphasizing the importance of space, staff, and speed while also focusing on automated services such as the 3-in-1 Machine (funds deposit and withdrawal, funds transfer, and passbook update), Cash Bill Payment Machine, and Smart Teller Machine, so customers can make transactions by themselves with branch staff ready to give comprehensive advice if needed

2. **Smart Kiosk**
   A new branch type for customers who prefer automated self-services with limited staff presence for advice on financial products

3. **Partnership Branch**
   A special branch type jointly run with other organizations like universities

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



Occupational Health, Safety, and Working Environment

Occupational health, safety, and working environment are among key factors that facilitate employee efficiency and achievements in accordance with the organization's goals. Krungsri Group strives to mitigate occupational accidents and injuries toward zero. The occupational health and safety measures are imposed in compliance with related laws, regulations and requirements, while a healthy working environment has been created. Regular and well-rounded evaluation and reviews of safety and occupational health risks are conducted to ensure prevention and mitigation of occupational accident, injury, and illness risks. The Bank's safety systems and measures have been enhanced to cover 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 Riverside 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 the 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, Resource, Occupational Health, 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 via e-mail 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 who carry 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 are 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
- Share knowledge to 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 (krungsri.com), Krungsri Call Center 1572, or directly inform the Safety, Occupational Health and Environment Committee via the e-mail: committee.Safety@krungsri.com, or the Line application 'Security Center BAY'
- Stipulate the 'guideline for managing risks related to operational health and workplace safety amid the COVID-19 pandemic' in alignment with the current situation. The National Communicable Disease Committee reclassified COVID-19 from a dangerous infectious disease to an infectious disease under watch, effective October 1, 2022. In this regard, Krungsri Group still imposed mask-wearing requirements while working at the Bank's office or branches. In case employees got infected with COVID-19, they were required to immediately report to their respective direct managers. In addition, Krungsri provided employees insurance coverage for adverse COVID-19 vaccine reactions.

Performance

It is Krungsri's commitment to achieving a zero-accident and injury-free workplace, enabled by efficient occupational health, safety, and working environment management. Employees as well as those working under the supervision of the Bank are encouraged to be aware of work safety, thereby continually reducing the severity of injuries and the number of accidents.

Occupational Health and Safety Data*	2019	2020	2021	2022
Occupational fatality (persons)	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/]	0.02	0.01	0.01	0.02
Lost Day Injury Rate (LDIR) [3/]	0.44	0.43	0.15	0.08

Remarks:

* This data pertains to full-time employees (FTE) only. Outsourced staff and contractors are excluded because their reporting standards are still being determined.

[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

Data of Occupational Health, Safety, and Working Environment

Topic	Target	2022 Performance
Occupational health, safety, and working environment complaints	Zero occupational health, safety, and working environment complaint	No complaints regarding occupational health, safety, and working environment were made.
The Meetings of the Safety, Occupational Health and Environment Committee	Hold a meeting at least once a month in compliance with the appointment directive and regulation of the Safety, Occupational Health and Environment Committee	12 meetings were held at the Head Office, Rama III Road, and another 12 meetings at Krungsri Ploenchit Office.
Health risk assessment among high-risk employees	Provide annual health check-ups for high-risk employees once a year	Employees of document collection functions, under the Domestic Cheque Operations Department, and the Collateral Valuation Department are among the employees who are at high risk of developing respiratory diseases and hearing disorders due to their exposure to toxic substances of paper pulp. Health check-up results of nine employees showed that all of them are normally healthy.
Insurance for adverse COVID-19 vaccine reactions	Promote well-being among executives and staff members	Provided executives and staff members insurance for adverse COVID-19 vaccine reactions for 2022
Air quality	Stipulate a ceiling exposure limit of carbon dioxide (CO_2) levels of 1,000 PPM* (Remark: * PPM refers to Parts Per Million units which is the number of toxic gas units per million units of air.)	The indoor air quality at the office buildings was measured and controlled on a real-time basis for 24 hours/day, using air quality monitoring instruments on all floors through the Building Automation System (BAS). The monitoring which covered the Head Office and Krungsri Ploenchit Office revealed that the indoor carbon dioxide (CO_2) levels were under 1,000 PPM*.

Topic	Target	2022 Performance
Noise levels	Maintain noise levels in the workplace within the ceiling limit stipulated by the Ministerial Regulation, Re: Standard for Administration and Management of Occupational, Safety, Health, and Environment in Relation to Heat, Light, and Noise, B.E. 2559 (2016)	Random measurements of noise levels at the Head Office and Krungsri Ploenchit Office revealed that noise levels in all these office buildings remained lower than the stipulated ceiling limit of 85 decibels.
Luminous intensity of lighting	The levels of luminous intensity of lighting are in compliance with the Notification of the Department of Labour Protection and Welfare, Re: Standard of Light Intensity, B.E. 2561 (2018)	Random measurements of luminous intensity of lighting at the Head Office and Krungsri Ploenchit Office revealed that the luminous intensity in these office buildings remained in compliance with the stipulated regulation.
Drinking water quality	The drinking water quality is in compliance with the Notification of the Department of Health on Criteria for Recommendation of Drinking Water Quality Surveillance, B.E. 2563 (2020).	The quarterly random examinations found that the drinking water quality of 100 percent of drinking water dispensers at the Head Office, Rama III Road, and Krungsri Ploenchit Office was in compliance with the stipulated regulation.
Training on occupational health, safety, and working environment for outsourced service providers*	Provide training for 100 percent of newly-hired outsourced service providers	The training sessions on occupational health, safety, and working environment were organized for all newly-hired outsourced service providers. The Bank notified 100 percent of outsourced service providers who worked at the Bank's office buildings of regulations for working at the office buildings.
Handgun shooting drills	Organize handgun shooting drills for branch security guards at least once a year	10 handgun shooting drills were organized for security guards of Siam Realty and Services Co., Ltd. Stationed at 234 Krungsri branches countrywide.

Remark:

* In 2022, the Bank and subsidiaries hired outsourcing service providers/ contractors that provided security, cleaning, building management, and IT services totaling 1,895 persons.

Topic	Target	2022 Performance
Robbery simulation drills at branches	Organize robbery simulation drills at branches at least once a year, with all branches alternating in organizing the drill	Robbery simulation drills were organized for officers at two branches, namely Wong Wien Sa Kaeo Lop Buri Branch on January 21, 2022, and Ko Tao Branch, Surat Thani, on March 21, 2022.
Fire evacuation drills	At least once a year, in compliance with the Ministerial Regulation: 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)	The planned fire evacuation drills were carried out as follows: • Ploenchit Tower on November 25, 2022 • Tonson Tower on November 24, 2022 • Bangna Towers on December 2, 2022 • Head Office on December 6, 2022 • Krungsri Ploenchit Office on December 7, 2022 All executives and staff members at the above-stated venues and dates participated in the activities.





Stakeholder Engagement

Placing high value of equality and inclusion 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, including entire supply chain activities. 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 thoroughly 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 dimensions, mutual dependency, codes of conduct, and responsibility toward stakeholders. Krungsri categorizes stakeholders into nine groups: executives and staff members, customers, shareholders, suppliers/ vendors, creditors, regulators of the banking business and listed companies, investors/ analysts, other commercial banks or financial institutions, and communities and society.

Stakeholder Mapping



- 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, including targets or performance indicators within the economic, social, environmental and governance dimensions
- 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
- Supporting and enhancing employee skills, knowledge and competencies

Engagement and Communication Channels

- New employee e-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 'Krungsri Portal Sharepoint', 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' and 'Around HR' e-mails, the 'Humans of Krungsri' Line account, 'KarE' Application, etc.
- Activities to promote organizational culture and core values, including CSR activities
- Engagement activities of the Bank, executives and staff members in diverse opportunities, e.g., New Year parties, the Songkran Festival, retirement parties, and team building or engagement activities, etc.
- 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 staff members

Approaches and 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
- Engagement activities between executives and staff members
- Set annual budget for CSR activities
- Listening to employee complaints via the Bank's complaint channels, e.g., HR Service, whistleblowing channels, etc

Customers
(Retail, SME, and Corporate)



Interests and Expectations

- Provision of appropriate products and services which match customer needs, and social and environmental finance
- Professional and speedy services
- Accurate and complete advice about diverse products and services
- Financial access
- Financial literacy
- Customers' rights and personal data protection
- Assistance measures for customers suffered from economic impacts

Engagement and Communication Channels

- Provision of officials to facilitate customer convenience and to maintain customer relationships, including customer visits as appropriate and needed
- 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, etc.
- 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 economic crisis via the Bank's branches, website, and social media channels.

Approaches and Responses

- Fair treatment of customers
- Maintaining customers' personal data protection with utmost care
- Maintaining cybersecurity
- Financial crime prevention
- 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', 'Krungsri Biz Online', 'Kept by krungsri' Application, QR Code payment via 'Krungsri Mung-Mee', the website (krungsri.com), etc.
- Introducing sustainable debt resolution measures for customers suffered from the economic impact
- Providing customer convenience for financial access through banking agents
- Providing financial literacy through the online channel of 'Krungsri The COACH'
- Provision of whistleblowing channels and a customer complaint resolution process (CCRP)

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)
- Dissemination of the 56-1 One Report and the Sustainability Report (once a year)
- Information dissemination through the website (krungsri.com)
- Information disclosure through the SET Portal Straight Through system of the Stock Exchange of Thailand

Approaches and 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/ Vendors

Interests and Expectations

- Fair and equitable treatment of suppliers or vendors
- Accurate and adequate information, and equal access to information
- Fair supplier 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 & The Letter, the Environmental, Human Rights Disclosure Statement, anti-corruption, etc.
- Meetings between the Bank and suppliers or vendors
- Disclosure of the Suppliers Codes of Conduct via the website (krungsri.com)
- Communication of the Thai Private Sector Collective Action Against Corruption via e-mails
- 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 and 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
- Holding meetings for presenting key highlights of information, view sharing, and taking advice

Approaches and 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
- Provision of whistleblowing channels

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
- Responsible lending and ESG considerations
- Financial crime prevention

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 and Responses

- Good corporate governance and a code of conduct
- Anti-fraud and corruption
- Anti-money laundering and countering terrorism financing
- Financial crime prevention
- Establishing the sustainable lending by taking into account ESG dimensions
- Prudent risk management
- Business continuity management
- Compliance with laws and regulations related to the banking business
- 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/ 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
- Reporting quarterly operating and financial results through the Stock Exchange of Thailand and the website (krungsri.com)
- Notifying news about the Bank's key developments via e-mail on a year-round basis

Approaches and Responses

- Establishment of an investor relations unit responsible for information disclosure and contacting investors and securities analysts
- Ensuring good corporate governance and codes of conduct
- Ensuring anti-fraud and corruption
- Ensuring prudent risk management
- Ensuring 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
- Provision of whistleblowing channels

Other commercial banks or 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 under TBA's working groups and/or clubs
- Year-round communications among member banks through the TBA's clubs
- Regular meetings and communication among member banks of the Association of International Banks (AIB)

Approaches and 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, etc.
- Provision of whistleblowing channels

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 Association (SE Thailand)
- Discussion and cooperation with local units to promote activities that help enhance communities' quality of life

Approaches and 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 in 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/] (ESG Division). CSR operations are carried out under 'Krungsri CSR 4 Pillars' namely 1) Creating Sustainability Value 2) Giving Back to the Community 3) Preserving the Environment, and 4) 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 (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 see the topic of Sustainability Governance Management on Page 31, or on the Krungsri website (www.krungsri.com/th/esg/sustainable-banking/committee)

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

Human Resources Development

Krungsri Group has been well aware and places 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 toward a low-carbon economy. Therefore, Krungsri Group is committed to preparing employees at all levels to adapt to the changing landscape of the financial sector and improve their productivities. The objectives are to encourage employees to grow and advance in their career amidst business challenges and rapid changes triggered by digital technology, while enhancing competitiveness and creating optimal value for the organization.

Encouraging employees to develop their potential and learn through various training channels, by providing equal opportunities for self-development, do not only enhance employees' skills and competence in response to customers' requirements, but also help the organization maintain and foster good relationship with employees, thereby reducing operational risk and business disruption as a result of workforce shortage. Therefore, human resource development is a challenge for the organization and is an important mechanism to navigate the organization to achieve success and sustainable growth.

Management Approaches

- Stipulate **'Krungsri Core Values'** covering six aspects namely 1) Customer Centricity, 2) Integrity, 3) Team Spirit, 4) Passion for Excellence, 5) Making Innovative Changes, and 6) Global Awareness to boost professionalism and promote good citizenship among employees where there are required to adhere and behave in accordance with these core values.
- 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'**, serving as frameworks and guidelines for human resources development

Four pillars toward People Excellence

- Adherence to and demonstration of Krungsri Core Values
- Leadership development
- Professionalism improvement
- Good corporate citizenship

Six 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-centric 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) **Apply technology to comprehensively and efficiently manage high-potential employees and their successors.** As for the development of successors, individual development plans are prepared for all Krungsri Group executives. Apart from the competency-based management, Krungsri also provides a career development plan to ensure that executives have the opportunity to accumulate critical experiences and prepare themselves before assuming important positions within the organization.
- **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 categorized into three modules where employees at all levels are required to attend the training courses and pass the specified criteria.

The Bank's compulsory learning courses

1. **Core Values, Organizational Culture, People,** comprising:
   - Krungsri Orientation
   - Krungsri Core Values

2. **Compliance & Good Corporate Citizenship,** comprising:
   - The Spirit &The Letter (S&L)
   - Anti-Money Laundering/ Combating the Financing of Terrorism (AML/ CFT)
   - Gift and Entertainment (G&E)
   - The Personal Data Protection Act B.E. 2562 (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
   - Growth Mindset, branch employees are required to select two additional courses according to their respective roles and responsibilities.

- 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 era of low-carbon economy and promoting sustainable banking. They are following five programs:
  1) A program designed to prepare senior management from junior and high levels, talents, and successors, namely, the TRANSCEND program and the TRANSITION program, a collaboration between Krungsri and Harvard Business Publishing, jointly developed with Sasin Graduate Institute of Business Administration of Chulalongkorn University, Individual Development Plan (IDP), Executive Coaching Program which is a short-term training program provided by MUFG to offer opportunities for Krungsri Group executives to develop their potentials in line with the value 'Global Awareness' and prepare themselves for career advancement. The training programs included the Global Leaders Forum (GLF), the MUFG New Executive Officers (EO) where external experts were invited to exchange ideas and give lectures. The Bank's Board of Directors have expressed interest in and attended courses such as 5 Key Technology Trends 2022 in Financial & Banking Services, Re-generating New Business Models, and Leading High Performance Teams (Silicon Valley Style), among others.
  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 2022, and Personalized Data Development.
  3) Krungsri School of Digital & Tech by providing opportunities for employees to develop their digital capabilities through online courses from world-class organizations and universities. This is to grow their outstanding skills and prepare employees for future growth
  4) 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.
  5) 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 so that they can thrive and compete in Thailand's new financial landscape, 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, such as, GMG Leadership Pathway, Operations Leadership Pathway, Performance Group Coaching into Action program for Corporate and Investment Banking Group (CIB) and SME Banking Group, and Information & Digital Learning Program.
- Learning courses that accommodate the business goal of regional expansion toward sustainable growth, namely a short term training program in Japan to provide opportunities for high potential employees to learn and exchange work experience and cultural diversity in Tokyo, Japan—allowing employees to work with the colleagues from different countries. This also includes the initiation and design of the ASEAN Economic Community (AEC) Development Program to provide opportunities for high-potential employees to learn and gain working experience in countries such as Lao PDR, Vietnam, Cambodia, the Philippines, etc.

6) **Krungsri Tech Internship Academy**, a four-month internship program offered to the fourth-year students from both domestic and international institutions, allowing them to learn and work with professional mentors to enhance their skills in various fields and prepare them before stepping into their future career

- **Develop and add learning channels through digital technology** to boost the efficiency of human resource management to keep pace with technological advancements and business challenges, including dynamic innovation changes—while creating comprehensive learning agility. This provides 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:

1) **Webinars and virtual training** through diverse digital platforms, such as Microsoft Teams and WebEx with speakers from leading domestic and international training institutions
2) **Blended learning courses**, comprising multiple forms of learning such as online courses, webinar training, on-the-job training or special projects, etc.
3) **Developing Krungsri Digital Learning and promoting external learning platforms** to give employees an opportunity to continue their learning and self-development, in line with the needs of developing learning agility and creating participation of the new generation so that they can learn conveniently anytime, anywhere. Krungsri's online learning program is divided into two channels namely:
   - Krungsri Learning Companion (KLC): The system is developed by the Human Resources Learning and Development Division and served as Krungsri Group's internal learning platforms, allowing employees to enroll and complete e-learning courses anywhere, anytime.
   - External learning platform, which can be divided into two sub-categories as follows:
     - External online platforms for Krungsri employees, in collaboration with external institutions, offer opportunities to employees to learn and complete the courses through such platforms within a specified timeframe. The courses developed by external institutions include Superskills KS x Brighter Bee, Growing Expertise by TBAC-KS, and Growing Expertise by MUFG Global e-Learning x Intuition, etc.
     - Public learning platforms, which are online learning programs offered to the general public by educational institutions, organizations, or external institutions. Employees can complete these online courses for free through specific websites, such as SET e-Learning, and DBD e-Learning, etc.

- **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 authorities.

- Develop and provide sustainable growth and banking programs through training and special lectures. The learning programs are designed to encourage employees to become good citizen and ensure that they perform operations in line with ethical standards, while being responsible for stakeholders, society, and environment. The courses included Personal Data Protection, IT security course, Anti-Money Laundering / Combating the Financing of Terrorism (AML/ CFT), Good Corporate Governance, and Environmental, Social, and Governance (ESG), ESG course: the Next Big Thing for the Financial Industry, courses related to occupational health, safety, and environment, an eco-business way of life course for sustainable growth, the role of Green Finance in driving businesses, and Green Bonds - An Introduction course, among others.
- Promote knowledge to employees under the concept of 'Wholeness of Being' which includes Health & Fitness, Mental & Emotional wellbeing, Wealth, Work Environment, Purpose & Spirituality. This is done through introducing specially developed programs that aim to help employees become physically and mentally ready for work, as well as promoting good health and well-being. The courses aim to help employees find happiness from within and promote knowledge about ergonomics that can enhance the efficiency and effectiveness of the organization's operations as a whole. Various courses are provided, such as Maintaining Physical and Mental Health in the era of COVID-19, Alternative Approaches to Good Health, Work-Life Integration Course: Being Happy Every Day at Work, Wealth Management in the New Normal era from a Customer's Perspective, Provident Fund: It's More Important Than You Think, Alternative Approaches to Good Health, Finance Fundamentals and Financial Health Checks.

Performance

HR EXCELLENCE AWARDS 2022 (Gold Award) in leadership development from Human Resources Online.net



Training expenses/person/year:

6,116.59 baht

Average training hours per employee:

58.44

Krungsri employees passed refresher compulsory programs [1/]

99.95%

(or 99.98 percent, including employees under special conditions [2/])

Remark:

[1/] Krungsri compulsory programs refer to training courses designed to support and promote social responsibility and good corporate citizenship, including business sustainability and they are mandatory for all employees.

[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, etc.

Details of 2022 compulsory courses

Course title	Objective	Number of course [1/]	Total number of training hours of employees in 2022
Krungsri e-Orientation	To ensure employees know and understand the organization's regulations, remuneration, welfare and other benefits, including relevant policies in various aspects	2	2,332
Krungsri Core Values	To develop basic skills and strengthen core and leadership competencies by encouraging employees to deliver tasks smoothly and successfully on a daily basis	2	5,502
The Spirit & The Letter (S&L)	To ensure all employees realize and understand The Spirit & The Letter (S&L)	2	8,418
Anti-Money Laundering/ Combating the Financing of Terrorism (AML/ CFT) [2/]	To provide knowledge, promote understanding, and ensure the employees realized the importance of Anti-Money Laundering/ Combating the Financing of Terrorism (AML/ CFT) so that they can effectively apply their knowledge and understanding in their daily tasks in accordance with the Bank's policies and operational regulations as well as the requirements, criteria, and laws	5	54,457
Gift and Entertainment (G&E)	To ensure all employees realize and are aware of the importance in complying with policies and procedures for giving or receiving gifts and entertainment	2	25,568
Personal Data Protection (Personal Data Protection Act)	To ensure the employees realize the importance of the personal data protection and encourage them to learn about the key contents in the Personal Data Protection Act B.E. 2562 as well as understand the impact of personal data breach	2	7,746
Good Corporate Governance (CG)	To ensure employees have knowledge and understanding the Bank's Good Corporate Governance principles and strictly adhere to the principles as a framework for conducting their duties, leading to the sustainable growth of the organization	2	10,422

Course title	Objective	Number of course [1/]	Total number of training hours of employees in 2022
COSO Internal Control Framework	To provide employees with knowledge and understanding of good internal control principles in line with the COSO framework	2	11,652
Related Party Transaction (RPT)	To ensure employees understand rules of regulatory agencies regarding Related Party Transaction (RPT) and RPT persons, realize the relevant RPT process and taxes, and ensure that they are aware of their duties and related work systems	2	22,490
Policy for Enterprise Information Security	To ensure employees understand the Bank's Policy for Enterprise Information Security and the PCI Security Standards	2	28,704
Operational Risk Management Awareness	To ensure employees understand the principles of operational risk management where they can apply them in their operations, emphasize the roles and responsibilities of the risk owner, highlight requirements related to risk reporting, as well as instill and promote the operational risk management awareness	2	27,942
Design Thinking	To ensure employees understand five concepts of design thinking and the importance of 'taking care of customers' in design thinking process. This also includes methods to notice and effectively build relationship with customers and understand the customers' needs or their pain points.	3	1,089
Digital & Innovation Management	To build a comprehensive understanding among employees about innovation and digital transformation, definitions, types of innovative application, and process to create innovations from an idea that can increase Krungsri's competitive advantage	3	1,556

Course title	Objective	Number of course [1/]	Total number of training hours of employees in 2022
Growth Mindset	To ensure that employees have a basic understanding of the definition, importance, and benefits of being open-minded in both work and life, as well as to gain a deeper understanding of the concept, which serves as a key to success. They will also learn about the process of creating individual growth plans. These plans will help them develop or change their mindset to become individuals who have confidence in their own potential, enjoy taking up challenges, are not afraid to make mistakes, appreciate effort, and have a willingness to learn. These are the qualities that define success in today's era.	1	25,564
Compulsory training programs for potential enhancement towards organizational reformation[3/]	To further develop employee skills to achieve the desired business results and increase overall organization's productivity	11	20,243

Remarks:
[1/] Training courses are available in both Thai and English.
[2/] Anti-Money Laundering/ Combating the Financing of Terrorism (AML/ CFT) consist of (1) 6-hour course for new employees (2) 3-hour course for employees who have previously completed the 6-hour course, and (3) 0.5-hour course for executives and above.
[3/] Compulsory training programs for potential enhancement towards organizational reformation consist of 11 courses for branch employees, divided by their positions and/or employees' level, and employees can choose to complete two courses.

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)

In 2022, the AML/ CTPF courses, 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), were stipulated as compulsory programs for employees totaling five courses, covering from Officer 1 to Senior Vice President. The objectives of the training programs are to control the risks that may arise from the internal job transfer and enable employees, who completed the courses, to continuously perform their duties in preparing the controlling reports, transactions, customer identification process, and customer due diligence. In this regard, Krungsri is approved by the Anti-Money Laundering Office (AMLO) to provide the training programs through Krungsri Learning Companion (KLC). 100 percent of the Bank's employees (including employees under special conditions[1/]) completed the training programs with an average of 54,457 training hours.

Remark:
[1/] 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, etc.

Succession Plan

Krungsri Group prepared a succession plan for positions that are important to Krungsri Group's business operations. If there is a vacant position, a successor will be assigned to perform duties continuously to prevent risk and impact on business operations. In this connection, the management of each business group and the Human Resources Learning and Development Division will review the established succession plans annually. In 2022, succession plans for 100 percent of key positions were created.

Individual development for senior management, including talents and successors

Krungsri Group prepared a succession plan for positions that are important to Krungsri Group's business operations. Also, we have fully and efficiently applied technology to manage high-potential employees and successors. As for successor's development, the individual development plan has been prepared for all executives across Krungsri Group. In addition to an individual development plan based on the competency based management, Krungsri provides a career development plan to offer opportunities for executives to accumulate critical experiences before taking up important positions in the organization.

In 2022, we conducted strengths-based assessment totaling 77 persons and prepared individual development plan for senior management, talents, and successors, totaling 778 persons, of which their developments can be tracked on a real-time basis. On top of that, we provided the Leadership Development Program, totaling eight courses for 442 employees and provided the Executive Coaching program for one successor. Furthermore, we designed and provided the Coaching for Xponential Organization program to 61 employees and there were three executives joined the program of senior management development and MUFG networking. In addition, two following modules were uploaded onto the Krungsri Talent Management System: (1) Performance and Goal Module which covers performance management and competency assessment and (2) Individual Development Plan Module which covers career growth and assesses employees' readiness for job relocation and growth plan for their next roles.

Market conduct and other related programs

Krungsri developed and reviewed various courses related to the market conduct 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.

In 2022, a total of 58 training programs related to the market conduct were provided to employees such as the Market Conduct for Non-Sales Branch Wealth Officer, Preparation 101: Bancassurance : Role Play, Market Conduct for Sellers, Enhancement of Selling Skills for Mutual Funds Sellers. A total of 74,700 employees completed the training programs, accounting for 16,171 training hours.

ESG practices toward 'sustainable development'

In 2022, Krungsri supported learning courses and special lectures by external organizations that promote sustainable development concerning three dimensions of environmental, social and governance (ESG). A total of 79 ESG courses were provided to employees such as risk assessment techniques and instilling safety awareness for sustainable safety—elevating Thailand to become a regional leader in sustainable finance, the role of Green Finance in driving businesses, and sustainable development and corporate social responsibility. A total of 97,664 employees completed the training programs, accounting for 430,685 training hours.

Training programs related to the Personal Data Protection Act B.E. 2562

Krungsri developed training programs to equip executives and employees with knowledge and understanding of the Personal Data Protection Act (PDPA) to ensure that they can correctly analyze the impact and perform operations in line with the Personal Data Protection Act B.E. 2562. In 2022, a total of eight training courses were organized through both online format and special lecture sessions, two of which were compulsory courses and six of which were general courses, such as Personal Data Protection (Personal Data Protection Act) as well as PDPA Personal Data Protection and Personal Data Protection Act B.E. 2562. A total of 18,489 employees completed the training programs, accounting for 37,071 training hours.

Well-being and safety, and workplace ergonomics

Krungsri offered programs that focus on staff well-being, safety, and workplace ergonomics. These programs aim to help employees work happily and efficiently by ensuring their physical and mental readiness. In 2022, a total of 43 training courses were provided to employees, such as Resilience: Overcoming Every Obstacle in Work, Happiness Mastery: Work-Life Integration—Be Happy in Every Working Day, and Empathy: When Working Requires Understanding. A total of 2,397 employees completed the training programs, accounting for 10,399 training hours.

Individual Development Plan (IDP)

Krungsri prepared and integrated the Individual Development Plan into the annual performance appraisal to promote and enhance employees' potential. In 2022, all employees at all levels prepared their Individual Development Plan, accounting for 100 percent.

Training programs to develop and enhance capabilities of the Bank's Board of Directors

In 2022, Krungsri launched 21 training programs designed to develop and enhance the capabilities of the Board of Directors. These programs included the BOT Digital Finance Conference 2022, Explore the Digital World with Mr. Fintech, the Personal Data Protection Act: They are Closer than You Think, the Cyber Resilience Leadership Workshop 2022, and the TLCA CFO Professional Development Program No. 6/2022, which focused on the CFO's role in organizational sustainability, accounting for 11 training hours per person.

Promotion of Financial Literacy

Promotion of financial literacy is another cause that Krungsri continues to champion, for we are cognizant of how knowledge about personal finance planning and management form the bedrock of the path to financial stability and good quality of life. In addition to preventing Thais from falling into heavy household debts –a serious structural problem hindering the country's socioeconomic development– financial literacy also sustainably strengthens communities and society.

Furthermore, financial literacy assists customers and people in general with planning and selecting financial products and services that best suit their liabilities. At the same time, the Bank gains business opportunities and cuts down financial risk as well as credit risk caused by bad debts.

Management Approaches

- Initiate projects or activities that promote financial literacy in various forms that befit each target group, e.g., students, customers, employees, and the public, in order to instill a savings habit and promote efficient personal finance planning and management
- Encourage executives and staff to take part in projects or activities that promote financial literacy, e.g., joining as volunteers in activity-based and game-based learning or as speakers
- Survey the target group's satisfaction with the said project or activities through various channels to use the results to improve and further develop these projects or activities to better meet the needs of the target group in their best interest.

Performance

Krungsri Financial Literacy: 'Simple to Learn' Project

The Krungsri Financial Literacy: 'Simple to Learn' Project, the Bank's CSR flagship project, has been organized since 2015 with the objective to promote basic financial knowledge and a savings habit among primary school students in grades four to six countrywide. During the COVID-19 pandemic in 2020-2021, Krungsri adjusted

the project activities from learning through activities and games to learning from an online animated series. We collaborated with **the Office of the Basic Education Commission (OBEC), the Equitable Education Fund (EEF),** and **the Bank of Thailand (BOT)** to develop an online animated series called '**Simple to Learn: Stay Safe During COVID-19**', featuring easy-to-digest and entertaining financial knowledge through Krungsri's key cartoon characters (Billy and Bella) in seven episodes. Episode 1 is a special episode about the COVID-19 preventive measures in schools to enhance students' awareness, and there are six more episodes with the objective to educate youths about savings and finance, namely Episode 2 Thinking before Buying; Episode 3 The Savings; Episode 4 Young Bookkeeper; Episode 5 Recycle; Episode 6 Let's Get to Know Commercial Banks and the Central Bank; and Episode 7 Following the Journey of Banknotes.



In 2022, Krungsri continuously distributed the animated series through the public relations channels of our partners, OBEC and EEF, to the audience –primary school students– in over 28,000 schools across Thailand, including through the Bank's social media channels. We surveyed the satisfaction of the teachers and students who watched the series, earning an average satisfaction score of 87.42 percent and 93.91 percent, respectively.

In addition to highlighting the Bank's commitment to promoting financial knowledge, the Krungsri Financial Literacy: 'Simple to Learn' Project also aligns with the UN SDGs (Goal 4: Quality Education; Goal 10: Reduced Inequalities; and Goal 17: Partnerships for the Goals).

Scan the QR code to watch all seven episodes of Krungsri's animated series

'Happy Money Project' Life Coach Series: The Money Coach's Guide

'Happy Money Project' Life Coach Series: The Money Coach's Guide is a collaborative project between Krungsri and the Stock Exchange of Thailand (SET) aiming to provide Krungsri employees with financial planning and management knowledge, including encouraging them to become financial mentors and further share their financial knowledge to our subsidiaries.



In 2022, we held a series of online training which comprised four sessions –1) Kick-off session; 2) Plan Your Money 3) The Money Coach's Guide; and 4) Group Mentoring. The details of all four sessions, run by speakers who were experts from the SET, are as follows:

- First session held on August 2, 2022 was attended by 45 Krungsri employees.
- Second session held on August 8-15, 2022 was attended by 19 Krungsri employees.
- Third session on September 5-16, 2022 was attended by 38 Krungsri employees.
- Fourth session has been extended to March 2023.

Krungsri The COACH 'Making Financial Matters Simple'

As a leading financial institution that is responsible and has the spirit of banking with purpose, Krungsri moves forward with its mission to enhance financial literacy while serving as a financial advisor to customers and the general public. We perceive that financial planning and saving habits are a major factor that helps drive and bolster the Thai economy's sustainable growth, especially in the past few years in which the business sector and the people faced economic hardships and liquidity problems owing to the pandemic.

With this in mind, early in 2022 Krungsri launched the 'Krungsri The COACH', a source of financial know-how in all dimensions based on the concept of 'Making Financial Matters Simple' by making financial management knowledge easy to understand and practical through digital platforms, both social media such as Facebook and YouTube, as well as the Bank's website (krungsri.com).

The highlight of Krungsri The COACH is that it combines the expertise from various business units under the Bank's Retail and Consumer Banking segment to broaden the financial know-how of customers and the general public including inspiring them to manage their finance in every aspect, ranging from fundamentals of finance, daily money management, debt management, loans, insurance, retirement planning, to investment. Matters of interest or daily occurrences are discussed and linked with financial matters such as 'Surviving price hikes and inflation' 'Are credit cards a necessity or a luxury?' 'Car prices: It's all downhill from here?' 'LGBTQIA+ life unlocked: Any kinds of partners are eligible for joint mortgage!'.



The programs and contents of Krungsri The COACH 'Making Financial Matters Simple' consist of:

- Krungsri The COACH 'Can't Figure It out? We'll Answer.' – This program is hosted by seasoned experts from Krungsri together with Khun Pitipat (Bam) Kootrakul, the moderator. The group discusses current topics of interest and provides useful financial management knowledge for daily life (new episode on every Friday).
- Double Espresso by Krungsri The COACH 'Every Shot of Investment' – This is a live streaming with comprehensive financial content focusing on identifying trends before the stock market opens, targeting investors who want to keep their finger on the pulse of the stock market. (The program runs every Monday to Friday, except public holidays, from 8.00 a.m. onward.)
- Krungsri The COACH x Krungsri Exclusive 'Delve Deeper into Investments' – This is a weekly live streaming hosted by the financial guru, Khun Win Phromphaet, Executive Vice President, Krungsri Head of High Net-Worth Division, who shares macroeconomic highlights as well as financial trends in the global markets that affect Thailand's investment (streamed every Tuesday from 7.30 p.m. onward.)
- Krungsri The COACH online content hub – An aggregation of content and easy-to-digest financial articles in one place on the website (krungsri.com)

Krungsri The COACH has been well received by the target audience. In 2022, 271 episodes were streamed via the YouTube channel with over nine million views, an increase of up to 30 percent of viewers, and more than 1.6 million views of the articles on the website (krungsri.com)

Scan the QR code to watch Krungsri The COACH

'Money Matters' Project by Krungsri Consumer

Krungsri Consumer has been equipping our employees and external stakeholders with financial know-how since 2017, for we recognize that effective financial management will bring good quality of life and stability for now and in the future, and the concept was proven crucial during the COVID-19 pandemic. The project's main objective is to provide comprehensive financial knowledge to employees, customers, students, and the general public through a variety of activities appropriate for each target group as follows:

- Employees: Krungsri Consumer established the 'Savings Club' to raise awareness among staff of the importance of financial security, motivating them to be financially disciplined and supplement their income in a way that does not interrupt their full-time job through diverse financial literacy activities. In 2022, the Savings Club focused on educating employees about financial management, discipline, and savings through online channels as follows:



  - Sent out Savings Club e-mails every Thursday to give employees simple and efficient tips on financial managemen
  - Held two sessions of live streaming with financial gurus invited to provide employees with financial knowledge made simple and fun. Employees were able to directly ask the gurus. Providing financial management knowledge amid the current economic conditions and preparing employees for contingencies aids them to become more active in planning their prudent spending and realize the importance of saving for an emergency fund. In 2022, 123 employees watched the Facebook live streaming, with 1,226 views per e-mail recorded for the club's content.

- Customers and the general public: Krungsri Consumer organized educational sessions for customers and the general public regarding personal finance management through online media and the Krungsri Consumer Facebook page under the topic 'Money Matters'. In 2022, Krungsri Consumer featured articles on smart modern financial management, while providing tips on practical financial discipline ideas. This online campaign reached more than six million views throughout the past year.



Moreover, Krungsri Consumer collaborated with Krungsri in creating educational content in the form of 'Krungsri The COACH' live streaming sessions and articles from Krungsri Consumer executives who share their interesting methods for financial management and spending plans, including practical recommendations for daily financial dilemma to get through the COVID-19 crisis and adverse economic impacts.

'Life Rolls Forward' Project by Ngern Tid Lor

Ngern Tid Lor aims to create shared value (CSV) by launching the 'Life Rolls Forward' project, through which basic financial knowledge is provided to low-income communities, merchants, industrial workers, as well as Ngern Tid Lor's own employees. In 2022, financial knowledge activities were carried out as follows:

- **'Life Rolls Forward' Project:** Ngern Tid Lor adjusted financial habits of the leader group of the Ban Sai Ngam community, Prachantakham district, Prachinburi, through training sessions on resolving debts and saving money. The development of their financial habits and discipline were followed up continuously. The project had 55 participants, divided into 26 Ngern Tid Lor volunteers and 13 Ban Sai Ngam locals.
- **Stop Gambling Foundation Network:** Training sessions on debt resolutions were organized for representatives from local agencies such as Subdistrict Administrative Organizations and community volunteers. There were five Ngern Tid Lor volunteers and 184 participants from nine provinces, i.e., Northern region group –Lampang, Phayao, and Nan; Northeastern region group –Ubon Ratchathani, Surin, Kalasin, and Loei; and Central and Southern regions group: Saraburi and Phatthalung.



- **Leading for Changes Teachers Program - Teach for Thailand Foundation:** Ngern Tid Lor hosted 'Financial Education Program: Salary People Issue' workshops for 12 Leading for Changes teachers in three provinces, namely Prachinburi, Chon Buri, and Bangkok, with two Ngern Tid Lor volunteers.



- **The Money Coach Project:** The Stock Exchange of Thailand supported Ngern Tid Lor with know-how in training financial mentors within the organization so they can assist and advise Ngern Tid Lor staff facing financial difficulties. In 2022, two classes comprising 34 Ngern Tid Lor employees completed the financial mentor program and already gave advice to 40 staff members.



- **Financial literacy project for hearing impaired staff:** A training session about saving money was organized in 2022 for 41 deaf staff members.

Basic Financial Literacy Workshop by Ngern Tid Lor

Realizing the importance of personal finance and investment management to support one's profession, Ngern Tid Lor initiated a financial literacy project to share knowledge with inmates who are set to be released under **the Kamlangjai Project under the Royal Initiative of HRH Princess Bajrakitiyabha** (kamlangjai means 'inspire') in order to prepare and give them opportunities, ensuring that they can make a living on their own afterward.

2022 was the fourth year in which Ngern Tid Lor organized this project to share financial knowledge with 254 people who made a mistake in life across seven prisons, as well as 39 prison officers so that they understand the content and can use it to organize financial literacy activities for inmates by themselves. In 2022, officers from Chanthaburi Prison leveraged on what they had learned and organized a training session for 98 inmates.

Community Participation and Social Engagement

Well aware that we are a part of society, Krungsri attaches importance to engaging in the support and improvement of communities and society for a better quality of life and overall well-being –a core mission that Krungsri has carried out continuously –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 Enterprise Thailand Association, Department of Fine Arts, foundations and foster homes, and local communities. We leverage the synergy from combining each organization's expertise to further enhance existing projects and activities for a broader scope of concrete and positive impacts, ever ready to step further in operating in a way that serves society while also promoting the country's sustainable development and growth.

Furthermore, Krungsri raises and promotes awareness of social and environmental responsibility among all parts of the organization –executives, employees, and other relevant parties –so that they strictly adhere to corporate social responsibility policies and practices and cultivate the spirit of volunteering to create value for communities and society continuously under the 'Simple to Share' concept through a range of projects and activities that cover economic, social, and environmental dimensions, with the goal of improving the quality of life for communities and society, thus fostering strong and sustainable growth.

Management Approaches

- Establish the 'Sustainability Committee' responsible for determining strategies, directions, policies, and regulations for operations relating to ESG, sustainability, and social accountability of the Bank and the companies in the Financial Business Group (Krungsri Group) 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 the corporate social responsibility (CSR) activities of Krungsri Group. Companies in the Financial Business Group 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, in order to carry out CSR activities in conformity with international guidelines or standards as well as 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 executives and employees, and promoting the long-term participation of stakeholders. Sustainability reports are also prepared in order to assess our performance and create awareness among stakeholders.	Emphasizing the creation of community engagement both in the Bank's operating area and in the country via CSR activities and projects	Focusing on the cultivation of environmental conservation habits and awareness via CSR activities and projects, including 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*

3.57 million baht

Donations*

15.01 million baht

7,007 Krungsri Group volunteers spent 17,176 volunteer hours participating in CSR activities.

*Bank of Ayudhya and subsidiaries only

Creating Sustainability Value

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

Krungsri is cognizant of the importance of integrating 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. Details are as follows:

- Introduced new hires to ESG fundamentals in the e-orientation session
- Held an online training session about 'Environmental, Social, and Governance (ESG) for Sustainable Growth' in two rounds on June 24 and October 20, 2022 which were attended by 184 employees
- Held a training session about 'Client Engagement under Current Global Environment' which was presented by an ESG finance expert from MUFG Bank Ltd. and attended by 85 Relationship Managers as well as employees from the relevant business units at Krungsri Ploenchit Office, Floor 22, on October 20, 2022

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

Aware of environmental and climate change issues, Krungsri organized staff training sessions to create the correct understanding of climate change and waste problems and also to instill an environmental preservation mindset by starting with internal collaboration, leading to clearly defined waste management operations. On September 5, 2022, Krungsri held a training session about 'Zero Waste: New Zero Waste Lifestyle' which was presented by experts from Chulalongkorn University and attended by 73 employees.



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

Krungsri raised the standards for making our offices environmentally-friendly in tandem with adjusting our employees' habits for energy and resource efficiency, and reduction of waste from the Bank's operating processes and activities, including underscoring environmentally-friendly activities to cut down the emission of greenhouse gases (GHG) –the primary cause of global warming. In January 2022, Krungsri held training sessions for 55 outsourced staff regarding 'Working in green office space and enterprise waste management' at Krungsri Ploenchit Office.

Giving Back to the Community



Krungsri Financial Literacy: 'Simple to Learn' Project

The Krungsri Financial Literacy: 'Simple to Learn' Project –the Bank's CSR flagship project –has been organized since 2015 with the objective to promote basic financial knowledge and a savings habit among primary school students in grades four to six countrywide. During the COVID-19 pandemic in 2020-2021, Krungsri adjusted the project from learning through activities and games to learning from an online animated series. We collaborated with **the Office of the Basic Education Commission (OBEC)**, **the Equitable Education Fund (EEF)**, and **the Bank of Thailand (BOT)** to develop an online animated series called **'Simple to Learn: Stay Safe During COVID-19'**, featuring easy-to-digest and entertaining financial knowledge through Krungsri's key cartoon characters (Billy and Bella) in seven episodes. Episode 1 is a special episode about the COVID-19 preventive measures in schools to enhance students' awareness, and there are six more episodes with the objective to educate youths about savings and finance, namely Episode 2 Thinking before Buying; Episode 3 The Savings; Episode 4 Young Bookkeeper; Episode 5 Recycle; Episode 6 Let's Get to Know Commercial Banks and the Central Bank; and Episode 7 Following the Journey of Banknotes.

In 2022, Krungsri continuously distributed the animated series through the public relations channels of our partners, OBEC and EEF, to the audience –primary school students– in over 28,000 schools across Thailand, including through the Bank's social media channels. We surveyed the satisfaction of the teachers and students who watched the series, earning an average satisfaction score of 93.91 percent and 87.42 percent, respectively. (Please see the topic of Promotion of Financial Literacy page 115, for more details.)



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

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. In 2022, although the COVID-19 pandemic showed signs of improvement, there was still a high demand for blood supplies to help patients. Hence, Krungsri adjusted the blood drive operation method accordingly, giving priority to donor safety. Details are as follows:

- Supported three blood drives at the National Blood Centre, Thai Red Cross Society, in March, June, and September 2022, where 1,513,600 cc of blood was donated.
- Held blood drives through 12 provincial branches, i.e., Thanon Mittraphap Khon Kaen Branch, Udon Thani Branch, Kalasin Branch, Ban Chang Branch, Si Saket Branch, Maha Sarakham Branch, Phuket Branch, Thanon Phatthanakan Khu Khwang, Chai Nat Branch, Thanon Phahon Yothin Saraburi Branch, Eastern Seaboard Industrial Estate Branch, and Kantharalak Branch, where 119,200 cc of blood was donated.
- Held two blood drives at the Head Office and Krungsri Ploenchit Office in December 2022, where 81,200 cc of blood was donated.







'Krungsri Breast Cancer Awareness' project

Krungsri started this project in 2010 with the support of the Breast Foundation under the Patronage of Her Royal Highness 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.

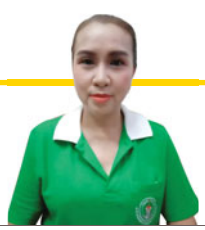
In 2022, after the pandemic started to ebb, Krungsri joined hands with the foundation in organizing activities to raise awareness of breast cancer and breast self-examination for the 13th year by having the foundation's experts educate and demonstrate the correct breast self-examination method to health volunteers at two public health service centers in Yan Nawa District, namely Public Health Service Center 55 Techa Samphan, and Public Health Service Center 7 Bun Mee Puru Ratch Rangsan, including village health volunteers, through the networks of Song Khanong Tambon Health Promoting Hospital, Bang Kachao Tambon Health Promoting Hospital, and Bang Yo Tambon Health Promoting Hospital in Samut Prakan, totaling 100 persons.

"As the representative of health volunteers in the Phra Pradaeng area, I'd like to thank Bank of Ayudhya and the Breast Foundation for placing importance on public health and inviting the health volunteer teams from the Bang Yo, Bang Kachao, and Song Khanong Tambon Health Promoting Hospitals to join this training session. With the content that we have learned, we can further discuss how to help as many women within the area to realize and understand breast self-examination, likely by communicating through our local channels such as the public address system or the monthly volunteer meeting. This training session provided knowledge that will be immensely useful for the public's health and longevity."



Mr. Saichon Sangdaengchart
Director of Bangyo Tambon Health Promoting Hospital

"After learning a lot about the risk of breast cancer as well as basic breast self-examination, the health volunteers of Center 7 Bun Mee Puru Ratch Rangsan will leverage on our knowledge and raise community awareness through delegated fieldwork and house visits. In addition to advising the locals, we will also disseminate it through our public address system."



Miss Napassawad Patho
Public Health Service Center 7 Bun Mee Puru Ratch Rangsan



'Ayutthaya Historical Site Conservation' project

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

In 2022, Krungsri planned to hold four activities but because of the pandemic, we managed to hold only three. Details are as follows:

- First activity held on September 3, 2022 at Wat Luang Chee Krut was participated by 45 Krungsri volunteers who spent 270 volunteer hours.
- Second activity held on October 8, 2022 at Wat Ubosot was participated by 37 Krungsri volunteers who spent 222 volunteer hours.
- Third activity held on November 26, 2022 at Wat Mahaeyong was participated by 50 volunteers who spent 300 volunteer hours.
- The participants' overall satisfaction score is 92.22 percent.

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

In 2016, Krungsri initiated the 'Pan Kan: Turn Your Used Items into Scholarships' project, which is now in its seventh 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.

In 2022, Krungsri accepted used items in good condition from Krungsri Group staff throughout the year so they can be sold at Pankan Society shops. The 327,670 baht of proceeds funded 47 scholarships (an average of 7,000 baht each) for students under the supervision of the Yuvabadhana Foundation.



Promotion of Thai handicrafts with the Sustainable Arts and Crafts Institute of Thailand (Public Organization)

Krungsri together with the Sustainable Arts and Crafts Institute of Thailand (Public Organization) or SACIT organized a Thai handicraft exhibition from August 8-10, 2022 in front of Krungsri Ploenchit Office on the auspicious occasion of Her Majesty Queen Sirikit The Queen Mother's 90th Birthday and National Mother's Day to continue The Queen Mother's royal wishes by supporting invaluable folk arts and crafts, helping promote occupations and preserve Thai wisdom. The exhibition was well received by Krungsri executives, employees, customers, including the general public who purchased invaluable Thai handicrafts such as Thai fabrics, wicker bags, home decorations, and souvenirs made by local artisans.

Preserving the Environment

Care the Wild 'Plant & Protect' project in collaboration with the SET

In 2020, Krungsri in collaboration with the Stock Exchange of Thailand (SET) participated in the Care the Wild 'Plant & Protect' project to express our commitment to resolving

environmental issues and tackling climate change. The project's mechanisms are to raise funds to grow and 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.



In 2022, Krungsri continued the Care the Wild 'Plant & Protect' project for the third year by expanding the planting area in the Ban Phu Tum Community Forest in Ban Lat District, Phetchaburi, by another 10 rai from the original 10 rai which had already been completed in 2021. Moreover, we provided the Ministry of Finance with 440,000 baht in sponsorship of the planting of 2,000 trees, and also provided as bio-soil derived from 1,000 kilograms of food waste to the Royal Forest Department. In addition, 45 Krungsri Group volunteers spent 270 volunteer hours assisting the planting and caring for trees. This planting activity helped reduce GHG emissions by 18,000 kgCO_2e.

'Care the Bear' project in collaboration with the SET

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.

Krungsri joined the project so that our entire organization can take part in resolving environmental issues and tackling climate change –the primary cause of global warming– through our activities. In 2022, we reduced GHG emissions by 1,364,100.11* kgCO_2e, comparable to planting 151,563.27 trees.

Remark:

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



'Krungsri Zero Waste' project

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 so that the least waste is sent to landfills. The Bank organized activities to encourage 'zero waste' habits among employees and promoted internal efforts, namely waste management training sessions, campaigns for waste sorting before proper disposal, and campaigns against single-use plastics to reduce pollution and environmental problems stemming from plastic waste.

In 2022, Krungsri organized many activities toward the 'zero waste' goal for the fifth consecutive year. Details of our performance is available in the topic of 'Environmental Management and Resource Efficiency' (page 137).

Krungsri
ZERO WASTE



Mangrove Reforestation Activity

Initiated in 2012, the Bank's mangrove reforestation activity aims to conserve and nurture the mangrove ecosystem and create food sources for marine animals 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.
In 2022, Krungsri organized more mangrove reforestation activities as follows:

- First activity: The mangrove reforestation held on September 24, 2022 in Ang Sila Subdistrict, Mueang District, Chon Buri, was participated by 59 Krungsri volunteers who spent 354 volunteer hours.
- Second activity: The building of 'crab condominiums' held on August 27, 2022 in Bang Pakong Subdistrict, Bang Pakong District, Chachoengsao, was participated by 34 Krungsri volunteers who spent 102 volunteer hours.
- The participants' overall satisfaction score is 79.67 percent.

Doi Tung Check Dam Construction Project



Krungsri has constructed Doi Tung check dams since 2009 to help retain the moisture and richness of forests so that they serve as wildfire barriers and natural water sources useful for the locals as well as the wildlife.

In 2022, 130 volunteers from the Bank and Krungsri Auto together with 'Krungsri Motorcycle', a dealer of motorcycles and big bikes countrywide, collaborated to build eight check dams at Ban Mae Poen in the Doi Tung Development Project (the operation area of the royal initiative) in Chiang Rai. Since 2009, Krungsri Group has constructed 270 check dams in the Doi Tung Development Project area to retain moisture in the area. In addition, the Bank and Krungsri Auto provided 1 million baht to the Mae Fah Luang Foundation to support its restoration and conservation of water resources for a sustainable ecosystem.



'Old desk calendars for the blind' activity

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.

In 2022, Krungsri collected 13,000 calendars from employees and delivered them to the said foundation.

Tree planting activity of Hattha Bank

Hattha Bank, a subsidiary of Krungsri in Cambodia, organized the tree planting activity to raise awareness among employees and the public of the importance of environment preservation and green space expansion, which would help absorb GHG –the primary cause of global warming. In 2022, 236 Hattha Bank volunteers planted 611 trees in Kampot, Banteay Meanchey, Takeo, and Tboung Khmum provinces.

Providing Financial Support

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

Bank of Ayudhya

- Granted 100,000 baht to the Japanese Association in Thailand as scholarships for youths to prepare workforce for the Thai-Japan industrial sector
- Granted 30,000 baht to Nakhon Ratchasima Rajabhat University as scholarships for students
- Granted 20,000 baht to the War Veterans Organization of Thailand Under Royal Patronage as high school scholarships for children of war veterans
- Granted 10,000 baht to Phetchabun Rajabhat University as scholarships for students

Subsidiaries

- Krungsri Asset Management Company Limited provided 30,000 baht to Wat Sing School in Phetchaburi to support the purchase of education supplies, water coolers, student uniforms, and to be granted as scholarships for students in need.
- Hattha Bank Plc. donated USD 5,028.22 of education supplies to students in the rural areas of Cambodia
- Hattha Bank Plc. provided USD 198.25 to support the purchase of floor tiles for primary schools in Siem Reap Province, Cambodia.

Natural disaster relielf and combating emerging infectious diseases

Bank of Ayudhya

- Donated 2,833 doses of Moderna vaccines to other entities, namely Ratchaburi Hospital in Ratchaburi, Plearnpattana School in Bangkok, and Triam Udom Suksa Nomklao School in Bangkok
- Donated 400 relief supply packs for flood victims totaling 208,964 baht to the Ban Pho Subdistrict Administrative Organization in Sena District, Ayutthaya; and the Warinchamrap Municipality in Warinchamrap District, Ubon Ratchathani
- Provided 1,000 sets of antigen self-test kits (ATK) totaling 53,500 baht to the National Institute for Emergency Medicine (NIEM) to support healthcare professionals in monitoring and curbing the spread of the Omicron variant of COVID-19, and also provided 50,557.50 baht to support the purchase of equipment for online meetings (Zoom application) in the mission to monitor the spread of COVID-19
- Provided 5,000 baht of support to Chulalongkorn University Savings Cooperative Limited to contribute to the Chaipattana Foundation (COVID-19 Aid Fund and other Pandemics)

Subsidiaries

- Krungsri Auto provided 1,500 'Car4Cash Smile Packs' totaling 1,073,923.50 baht to flood and fire victims in various areas.



- Krungsri Leasing Services Company Limited donated 56,497.17 baht of necessary protective equipment for COVID-19 to Mahosot Hospital, Lao PDR.

Other Public Benefits

Bank of Ayudhya

- Supported 2022 Kathin and off-season robe presentation ceremonies with cooperation from Krungsri Group executives and staff, vendors, customers, as well as parties interested in making merit to sustain Buddhism by raising funds to finance various hospitals' purchase of medical equipment and supplies for patient treatment. In 2022, donations received through the Bank's annual Kathin and off-season robe presentation ceremonies amounted to 13,116,097.24 baht as follows:





  - Jointly hosted Kathin ceremonies at four temples, namely Wat Ron Na in Nakhon Si Thammarat, Wat Pa Tumprathepnimit in Udon Thani, Wat Sahakorn Thamnimit in Phra Nakhon Si Ayutthaya, and Wat Tham Khao Chan Daeng in Nakhon Ratchasima.
  - Jointly hosted off-season robe presentation ceremonies at five hospitals, namely Rajavithi Hospital and Lerdsin Hospital in Bangkok, Don Tum Hospital and Luang Pho Poen Hospital in Nakhon Pathom, and Samut Sakhon Hospital in Samut Sakhon.
- Jointly supported royal Kathin robe presentation ceremonies with various agencies as follows:
  - Jointly provided 150,000 baht of financial support with Krungsri Asset Management Company Limited to organize the Kathin robe presentation ceremony for the Sarcoma Fund, Lerdsin Hospital.
  - Jointly provided 10,000 baht of financial support with the Social Security Office to organize the Kathin robe presentation ceremony at Royal Monastery Wat Nai Wang, Na Thawi District, Songkhla
  - Jointly provided 10,000 baht of financial support with Nakhon Ratchasima Rajabhat University to organize the Kathin robe ceremony at Wat Sutha Chinda in Nakhon Ratchasima
  - Provided 5,000 baht of financial support to Wat Chai Chumphon Chana Songkhram in Kanchanaburi to organize the Kathin robe presentation ceremony
  - Provided 5,000 baht of financial support to Wat Thep Nimit, the Boundary of Siam, in Chiang Rai to organize the Kathin robe presentation ceremony
  - Provided 5,000 baht of financial support to Wat Nang Ratchaworawihan in Bangkok to organize the Kathin robe presentation ceremony
  - Provided 2,000 baht of financial support to Wat Klang in Phitsanulok to organize the Kathin robe presentation ceremony
- Provided 4,554,162.80 baht to the Krungsri Foundation to support its public benefit activities



- Provided 500,000 baht of financial support to the Breast Foundation under the Patronage of Her Royal Highness the Princess Mother for the 'Krungsri Breast Cancer Awareness' project to support the purchase of medical equipment and breast-self examination
- Provided 100,000 baht of financial support to the Children Cardiac Foundation of Thailand to aid children with financial difficulties who have heart diseases
- Provided 100,000 baht to support the activities of the Childline Thailand Foundation
- Provided 100,000 baht to support the activities of the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen

- Provided 100,000 baht to support the academic medical activities of the Siriraj Medical Alumni Association under Royal Patronage
- Provided 100,000 baht to the Pol. Gen. Pow Sarasin Foundation to support its public benefit activities
- Provided 200,000 baht to support the charity bowling by the AEON Thailand Foundation
- Provided 57,539 baht of drinking water to the Prostheses Foundation of HRH the Princess Mother, War Veterans Organization of Thailand under Royal Patronage of HM the King, Chiang Mai University, Mahasarakham University, Rajamangala University of Technology Thanyaburi, Wat Rakhang Kositaram Woramahawihan, and Wat Benchamabophit Dusitwanaram
- Provided 50,000 baht of financial support to Siriraj Hospital on the occasion of Mahidol Memorial Day to provide medical aid to patients in need
- Provided 34,200 baht to support the activities of the Green World Foundation
- Provided 10,000 baht of financial support to Wat Sak Yai in Nonthaburi to build the monks' living quarters
- Provided 10,000 baht to the Tourists Business Federation of Songkhla to support its Vegetarian Festival
- Provided 10,000 baht of financial support to the Sports Association of Saraburi Province for the Saraburi Loyfaa Run
- Provided 5,000 baht to the Jeng-Ong Shrine and the Sam-Ong Hu Shrine to support their Vegetarian Festival
- Provided 5,000 baht of financial support to Naresuan University to organize the NU RUN Princess Cup 2022
- Provided 5,000 baht of financial support to the Sisters, Lovers of the Cross of Tharae for the Feast of the Exaltation of the Holy Cross
- Provided 2,200 baht of financial support to the Chao Pu-Ya Shrine in Nong Ko, Khon Kaen, on the occasion of its annual Chinese opera festival

Subsidiaries

- Krungsri Asset Management Company Limited donated a part of its income from KFTHAICG management fees at the amount of 637,457.17 baht to the Yuvabadhana Foundation for the Thai CG Funds project.
- Krungsri Asset Management Company Limited donated a part of its income from private fund management fees at the amount of 291,425.42 baht to support the activities of the Mae Fah Luang Foundation.
- Krungsri Asset Management Company Limited provided 30,000 baht of financial support and donated plastic water bottles to the Thailand Environment Institute Foundation to make reflective uniforms for Bangkok's street sweepers.
- Krungsri Asset Management Company Limited provided 20,000 baht to the TISCO Foundation to support its '40 Years of Giving' project.
- Krungsri Asset Management Company Limited provided 5,350 baht of financial support to the Thai Financial Planners Association to organize the TFPA Wealth Management Forum 2022 online seminar.
- Siam Realty and Services Company Limited provided 39,289.10 baht to plant more trees in the Khlong Tamru Mangrove Forest Education and Conservation Center in Chon Buri.
- Krungsri Leasing Services Company Limited provided 48,482.71 baht to install a pantry of sharing in front of our Vientiane Branch to donate dry food and drinks to those affected by the COVID-19 pandemic.
- Hattha Bank Plc. donated USD 5,240.85 of food to families in need throughout Cambodia.
- Hattha Bank Plc. provided USD 5,000 of financial support for the 'Cycling for Environment and Children's Health- Year 8' event of the Angkor Hospital for Children in Siem Reap Province, Cambodia.
- Hattha Bank Plc. contributed USD 2,000 to the Raksa Koma Foundation in the TrueMoney charity event in Phnom Penh City, Cambodia.
- Hattha Bank Plc. donated USD 302.79 of food to teachers in Pursat Province as well as foster homes in Svaay Rieng and Kampong Speu provinces, Cambodia.
- Hattha Bank Plc. provided USD 200 as budget for road reconstruction in Siem Reap Province, Cambodia.
- Hattha Bank Plc. Provided USD 192.72 of cement for the construction of chedi in Kampong Chhnang Province, Cambodia.
- Hattha Bank Plc. provided USD 145.34 as budget for road reconstruction in Kampong Speu Province, Cambodia.
- Hattha Bank Plc. provided USD 100 to support the purchase of solar lighting for the district office in Ratanak Kiri Province, Cambodia.
- Hattha Bank Plc. provided USD 11.87 to support the cleaning of areas in Preah Vihear, Kampong Cham, Mondul Kiri, Ratanak Kiri, and Takeo provinces, Cambodia.

Environmental Aspect



Climate Change Management

Climate change and environmental degradation have been crucial issues of the global community as they directly impact economic development, business operations, ecosystems, biodiversity, and every human life, while being listed as one of the UN's Sustainable Development Goals.

Krungsri, as a financial institution that operates its business responsibly while taking into consideration social and environmental aspects, has realized that its business operations and activities may directly or indirectly affect the environment and contribute to climate change. As a result, Krungsri is focused on engaging all parties, including the government and private sectors, and civil society to adapt to and mitigate the impacts caused by climate change. We have put in place management approaches to tackle climate problems in line with our operations by establishing measures and guidelines to minimize greenhouse gas emissions from our own operations and activities as much as possible, with a target of zero emissions. Furthermore, we support business sectors in Thailand in their transitions to a low-carbon society, aiming at alleviating the risks and impacts of climate change that will affect both the Bank and our customers' businesses in the future.

Management Approaches

- Declare Krungsri Carbon Neutrality Vision in conformity with the United Nations Sustainable Development Goal 13: Climate Action, Nationally Determined Contributions (NDC), and 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 the social and sustainable finance portfolio to 50-100 billion baht by 2030
    - Contributing to actively promote sustainable and green finance market development in Thailand
- Join force with other members of the Thai Bankers' Association (TBA) to launch 'ESG Declaration', serving as a framework and operating guideline for climate-related financial disclosures. The Bank will take actions according to the following essential guidelines:

1. **Strategy:**
   Integrate ESG into business strategies and define frameworks for sustainable finance in order to minimize negative impacts and support positive economic growth, together with sustainable social and environmental development
2. **ESG risk management:**
   Incorporate ESG and climate considerations into risk management processes, including scenario analysis and stress testing, to assess the impact on banks' operations, transactions, and portfolios
3. **Financial products:**
   Utilize digital technology to increase financial accessibility, plus green and sustainable financial innovations; help customers on their way to achieve net zero emissions and sustainable growth
4. **Communication:**
   Communicate and collaborate with all stakeholders in raising public awareness on ESG issues and contribute to the efforts to achieve sustainable development goals
5. **Disclosure:**
   Develop monitoring and reporting systems in line with Thailand's regulatory frameworks and global sustainability disclosure standards (i.e. Task Force on Climate-related Financial Disclosures: TCFD, GRI standards, etc.)

- Conduct a **Carbon Footprint for Organization (CFO)** to assess the amount of greenhouse gas emissions from Krungsri Group's business operations and identify significant sources of greenhouse gas emissions. This effort is to stipulate the practices to reduce the organization's greenhouse gas emissions—including preparation of various measures to achieve Krungsri Carbon Neutrality Vision. In this regard, the Bank assessed the carbon footprint for the organization according to the criteria stipulated by the Thailand Greenhouse Gas Management Organization (Public Organization) and the ISO 14064-1 standard. These are international standards and requirements for organizations in measuring and reporting the greenhouse gas emissions with an aim to uplift our certification standard of greenhouse gas emissions to the international level.
- **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 social and environmental projects** through loans or financial products based on the 'responsible lending' principles, in alignment with Krungsri's credit risk management policy complied by all business units (please see the topic of 'Responsible Lending and ESG Consideration' for more details). Krungsri also supported customers to achieve greenhouse gas reduction goals through investments and brown to green transitions.
- **Become a member of various organizations to support greenhouse gas emission mitigation** in line with Thailand's Nationally Determined Contribution (NDC), and the Paris Agreement, under United Nations Framework Convention on Climate Change (UNFCCC), in conformity with the United Nations Sustainable Development Goal 13: Climate Action. In this connection, Krungsri becomes members of various networks as follows:
  - **Thailand Carbon Neutral Network (TCNN)** by becoming a member of the Climate Action Leading Organization (CALO), reflecting Krungsri's leadership in managing and assuming responsibilities regarding greenhouse gas emissions through the commitment to reducing greenhouse gas emissions at the organization level to achieve the carbon neutrality aspiration. The strategic goals and clear operational plans were established to reduce greenhouse gas emissions as well as help customers in their transitions to green and low-carbon operations as well as investment. Krungsri also joined the **'Climate Finance Subcommittee'**, whose duty is to promote access to various funding sources and support members domestically and internationally, including the dissemination of knowledge, participation in activities, listening to opinions on practices related to climate finance, and providing recommendations on climate finance measures to the government sector.
  - **Thai Renewable Energy Association (RE100)** to cooperate with leading organizations from various industrial sectors to address climate change issues. This is to encourage Thailand's industrial sector to adopt 100 percent renewable energy and promote the transition to the New S-Curve by focusing on the use of clean energy
  - **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

Performance

Carbon Footprint for Organization

Krungsri conducted a carbon footprint for the organization evaluation by collecting data on greenhouse gas emissions and absorption from Krungsri's business operations and activities. In 2017, carbon footprint for organization was initiated at the Head Office and the scope of carbon footprint was expanded to cover Krungsri Ploenchit Office in 2020. Later, in 2021, the scope of carbon footprint data collection and calculation was further expanded to cover all Krungsri branches nationwide. Recently, in 2022, the scope of carbon footprint data collection and calculation has been expanded to cover all 14 subsidiaries (located in Thailand only). The expansion underpinned Krungsri's dedication and earnestness in comprehensively collecting data on greenhouse gas emissions that reflect all factual aspects. We will use the evaluation results to create a concrete roadmap to reduce greenhouse gas emissions in order to decarbonize our own operations by 2030.

List of 14 subsidiaries of which organizational carbon footprint was collected

- Krungsri Ayudhya AMC Ltd.
- Krungsri Nimble Company Limited
- Ayudhya Development Leasing Co., Ltd.
- Ayudhya Capital Auto Lease Plc.
- General Card Services Limited
- Ayudhya Capital Services Company Limited
- Krungsriayudhya Card Co., Ltd.
- Krungsri Finnovate Company Limited
- Krungsri Securities Public Company Limited.
- Krungsri Asset Management Co., Ltd.
- Siam Realty and Services Co., Ltd.
- Total Services Solutions Plc.
- Krungsri Life Assurance Broker Limited
- Krungsri General Insurance Broker Limited

GHG Emissions across Krungsri Group

GHG Emission Assessment	Unit $tonCO_2e$	Total GHG Emissions			
		2019 [1/]	2020 [2/]	2021 [3/]	2022 [4/]
Scope 1	$tonCO_2e$	2,802.00	2,769.00	8,905.00	8,421.00
Scope 2	$tonCO_2e$	12,342.00	14,543.00	37,675.00	37,866.00
Scope 1 and 2	$tonCO_2e$	15,144.00	17,312.00	46,580.00	46,287.00
Scope 1 and 2 emission intensity	$tonCO_2e$ / person	3.43	2.61	3.30	2.27
Scope 3	$tonCO_2e$	1,467.00	632.00	25,876.00	19,264.00
Full-time employees (FTE)	Persons	4,400.00	6,626.00	14,093.00	20,362.00

Remarks:

1/ In 2019, only the greenhouse gas emissions from the Head Office were disclosed.

2/ In 2020, only the greenhouse gas emissions from the Head Office and Krungsri Ploenchit Office were disclosed.

3/ In 2021, only the greenhouse gas emissions from the Head Office, Krungsri Ploenchit Office, and branches nationwide were disclosed. The information has been updated after being certified by the Thailand Greenhouse Gas Management Organization (Public Organization).

4/ In 2022, the greenhouse gas emissions from the Head Office, Krungsri Ploenchit Office, branches nationwide, and 14 subsidiaries (located in Thailand) were disclosed. The information has been sent to and is pending to be certified by the Thailand Greenhouse Gas Management Organization (Public Organization).

Krungsri Group's Greenhouse Gas Sources in 2022

Scope	Item	Head Office	Krungsri Ploenchit Office	Branches Nationwide	Subsidiaries
Scope 1	Direct GHG emissions from organizational activities and operations				
	Combustions of various types of fuel by measuring volume of gasoline or diesel consumption for executive and the Bank's cars and 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 or the Provincial Electricity Authority.	●	●	●	●
Scope 3	Other Indirect GHG emissions, including the use of related resources measured from:				
	Indirect GHG Emissions from purchased materials such as the volume of tap water used in the organization and consumption of A4 paper (70 and 80 grams)	●	●	●	●

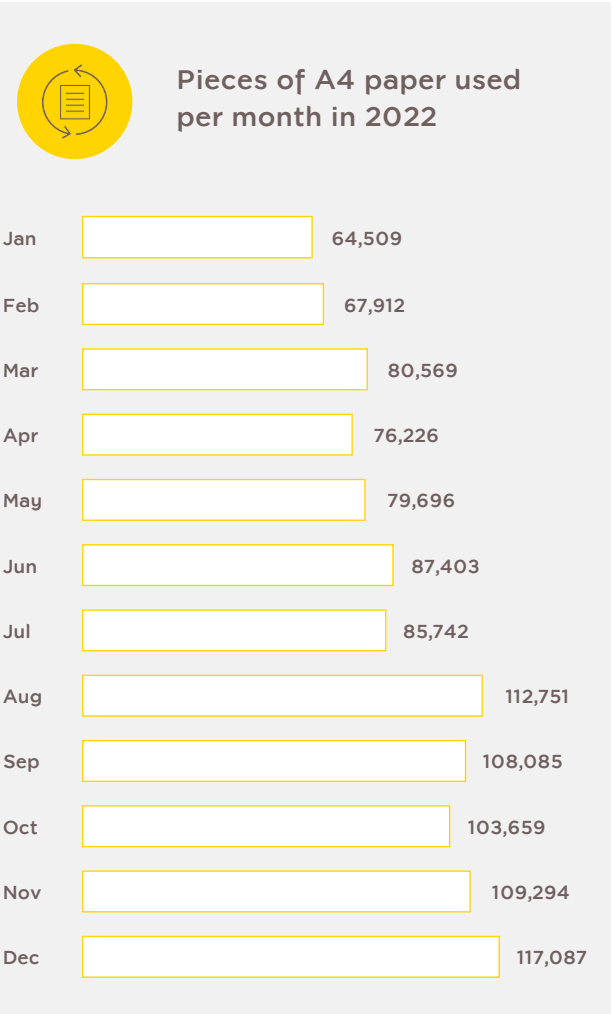
Scope	Item	Head Office	Krungsri Ploenchit Office	Branches Nationwide	Subsidiaries
Scope 3	Other Indirect GHG emissions, including the use of related resources measured from:				
	Other energy consumption in addition to indirect GHG emissions from energy usage, such as the purchase of fuel and electric power	●	●	●	●
	Indirect GHG emissions from transportation of raw materials by manufacturers, such as paper transportation	●	●	●	●
	Indirect GHG emissions from waste from activities in the organization, such as the amount of waste dumped to landfills	●	●	●	●
	Indirect GHG emissions from employees' commuting	●	●	●	●
	Indirect GHG emissions from properties rented from a third party, such as electricity consumption of standalone ATMs nationwide	●	●	●	●
	Indirect GHG emissions from transportation and distribution of goods, such as customers' commuting and document delivery	●	●	●	●

Krungsri calculated the amount of greenhouse gas emissions including Carbon Dioxide (CO_2), Methane (CH_4), Nitrous Oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), and Sulfurhexafluoride (SF_6) Nitrogen Trifluoride (NF_3) using the requirements for calculating and reporting the carbon footprint for the organization. Such calculation method is in line with the criteria of the Thailand Greenhouse Gas Management Organization (Public Organization), 8th edition, 6th revision (July, 2022) (The Greenhouse Gas Protocol, Revised Edition October 2016) based on the Global Warming Potential (GWP) Rate from the assessment report of the Intergovernmental Panel on Climate Change (IPCC), Version No.5 (AR5). ISO 14064-1: 2018 Carbon Footprint Management Standard for Organizations.

Reduction of paper in operations by the Operations Group

The Operations Group continuously carried out the project to reduce paper use in their operations, considered as a move to transform from the traditional paper-based procedures into digitalized operations. The objectives of the project are to enhance and streamline overall workflows to make them faster and more efficient for the concrete practice in reducing paper usage. In 2022, the employees presented a total of 19 projects aimed at reducing the use of paper in the work process. These projects included initiatives to reduce paper use from printing, the implementation of electronic platforms, and the development of applications and various tools. As a result, the Bank was able to reduce A4 paper usage by 1,092,933 sheets, which is equivalent to a reduction in greenhouse gas emissions of 27,498.19* kilograms of carbon dioxide equivalent ($kgCO_2e$).

Remark:
* The calculation is based on https://www.carethebear.com/member/activity



Video conference

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. Starting from 2020, the effort aims to encourage Krungsri Group's senior executives to realize and take part in mitigating GHG emissions from their transportation between Krungsri's Head Office and Krungsri Ploenchit Office, or between Thailand and Japan, etc.

In 2022, Krungsri held 50 video conferencing sessions for diverse committees and senior executives, attended by 1,024 executives, reducing road trips by 29,273.40 kilometers and greenhouse gas emissions by 31,631.63 kilograms of carbon dioxide equivalents ($kgCO_2e$).

Remarks:
The GHG emission calculation was made by referring to the data from the Department for Environment, Food and Rural Affairs (Defra) of the United Kingdom (data as of June 2022).

- The emission factor for a passenger-kilometer (pkm) of car travel is equal to 0.051 kilogram carbon dioxide equivalents ($kgCO_2e$).
- The emission factor for a passenger-kilometer (pkm) of air travel (Business Class) is equal to 0.062 kilogram carbon dioxide equivalents ($kgCO_2e$).

Installation of a solar rooftop system at Krungsri Learning Center

Krungsri realized and placed importance on stipulating approaches to reduce indirect GHG emissions (Scope 2) which accounts for the highest portion. As a result, we promoted an alternative energy source that is more environmentally friendly and installed a solar rooftop system at the Krungsri Learning Center since 2017, capable of delivering a power output of 20.5 KWp[1/] per hour. In 2022, the system helped save electricity costs by 34,592.18 kilowatt hour[2/] or 138,368.70 baht, reducing carbon dioxide emissions from electricity consumption by 17,292.63 kilogram carbon dioxide equivalents ($kgCO_2e$)[1/].

Remarks:
[1/] Greenhouse gas emissions are calculated based on the data from the Thailand Greenhouse Gas Management Organization (Public Organization) (Update: April 2022). One kilowatt hour (kwh) of electricity (grid mix) is equivalent to the emission factor of 0.4999 $kgCO_2e$.
[2/] The power output in kilowatt hour is measured at the solar panels.

Environmental Management and Resource Efficiency

Environmental issues affect all sectors throughout the value chain. Krungsri, as a responsible financial service provider, is cognizant of the worsening environmental problems, thus emphasizes environmental management and resource efficiency in tandem with campaigning for positive environmental impact even though the banking sector's operations may not directly impact the environment.

In this light, Krungsri established our explicit environmental management framework. We raise and promote awareness among our executives and staff at all levels, as well as related parties, of the importance of mitigation of ecological footprint, resource efficiency, and pursuit of ways to conserve resources and reduce waste from resource consumption and operations, for we are well aware that the banking business is among the industries that consume considerable resources, particularly electricity, paper, and fuel.

Optimal environmental management and resource utilization conforms with the United Nations Sustainable Development Goals (SDGs) (Goal 12: Responsible Consumption and Production; Goal 13: Climate Action; and Goal 17: Partnerships for the Goals) and also helps reduce expenses and financial risks from violating laws or environmental regulations as well as reputational risks from environment-related complaints.

Management Approaches

Krungsri's environmental management and resource efficiency approaches are as follows:

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

Water consumption

- Communicate and campaign for correct and efficient water consumption
- Determine the appropriate water consumption time, e.g., watering plants, cleaning areas in front of the building
- Use water-saving and environmentally friendly sanitary wares
- Stipulate measures on wastewater reuse, e.g., wastewater treatment according to standard procedures and wastewater reuse for some activities
- Log monthly water consumption

Energy consumption

- Communicate and campaign for energy saving
- Determine the appropriate energy consumption time, e.g., turning on and off lights, air conditioners, and other electrical appliances based on operational periods
- Promote utilization of renewable and environmentally friendly energy
- Use energy-saving and environmentally friendly electrical appliances and equipment
- Log monthly energy consumption

Fuel consumption

- Communicate and campaign for turning off the vehicle engine when parking for a long time
- Encourage employees to use bicycles, public transport, or carpooling to work
- Plan appropriate travel routes to save fuel, e.g., shuttle van routes
- Log monthly fuel consumption

Consumption of paper, printing ink, office supplies and equipment

- Communicate and raise awareness of consumption of paper, printing ink, office supplies and equipment
- Determine the use of paper, printing ink, office supplies and equipment that suits operations
- Promote the use of electronic media to reduce the consumption of paper, printing ink, office supplies and equipment
- Log monthly paper consumption

Waste management

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

Organization of meetings, exhibitions, and events

- Determine the meeting room size appropriate to the number of attendees
- Promote online meeting or training to reduce the use of paper, printing ink, office supplies and equipment in meetings or events
- If it is necessary to organize off-premises meetings or events, the venues should meet environmentally-friendly standards based on the green procurement guideline.

Wastewater management

- Stipulate appropriate and efficient wastewater management and treatment. The treated wastewater must reach the legal standards for reuse or release to public waterways.
- Stipulate regular examination and maintenance of the wastewater management system
- Stipulate regular checks for any wastewater leaks

Occupational health and safety in the workplace

- Form a fire prevention and suppression plan, remove materials or prevent operations that could cause fire, and organize annual fire safety and evacuation drills as required by law
- Form contingency plans
- Assess workplace safety in compliance with relevant standards
- Establish enterprise safety processes according to relevant legal standards and international regulations
- Establish processes for managing external personnel operating in all the Bank's areas
- Organize training sessions on safety, occupational health, and workplace environment for employees at all levels

Air quality in the workplace

- Stipulate a workplace air pollution control plan
- Communicate to or notify employees or related parties upon the rise of air pollution from events
- Campaign against and prevent air pollution caused by various events
- Establish the control guideline for pollution caused by construction or renovation within the building area

Lighting and noise level in the workplace

- Examine the luminous intensity of lighting to ensure compliance with legal standards
- Examine and improve lighting in the workplace to ensure its sufficiency and appropriateness in compliance with legal standards
- Establish noise control in the office building
- Communicate to or notify employees or related parties upon the rise of noise pollution caused by events

Green Space

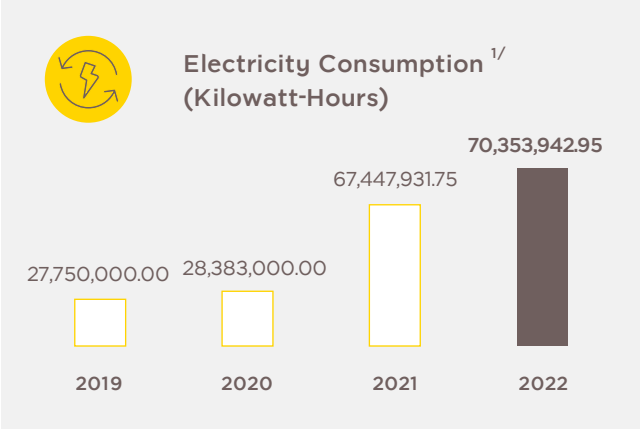
- Designate green spaces inside and outside the office building
- Appoint staff to take care of green spaces and determine definite periods for maintenance of green spaces inside and outside the office building

- Appoint the **'Working Committee on Environment'** to support responsible business operations that take into account environmental mandates and ultimate energy efficiency and resource management. It comprises 10 business unit representatives and its performance is directly reported to the Sustainability Committee.
- Appoint the **'Energy Management Committee'** which comprises nine business unit representatives in charge of energy management in alignment with the Bank's energy saving and management policy, including providing training and campaigning for appropriate energy conservation and management. Its membership is reviewed on an annual basis.
- Commit to environmental conservation, resource and energy efficiency, waste reduction, including mitigation of pollution emissions that would affect the environment, thus cutting the emission of greenhouse gasses (GHG) and minimizing the risks of climate change in order to achieve SDGs
- Devise and support alternative operating methods that employ digital technology and Robotic Process Automation (RPA) systems to save energy and resources, resulting in less environmental impact from our operating or service processes
- Communicate and provide information about energy and resource efficiency as well as environmental conservation to raise awareness among employees, communities, customers, government agencies, and related parties
- **Establish appropriate environmental complaint channels** via the Bank's complaint channels, e.g., the website (krungsri.com/th/esg/contactus), Krungsri Call Center 1572, or directly file complaints to the Working Committee on Environment, etc.

Performance

Fuel and Electricity Consumption

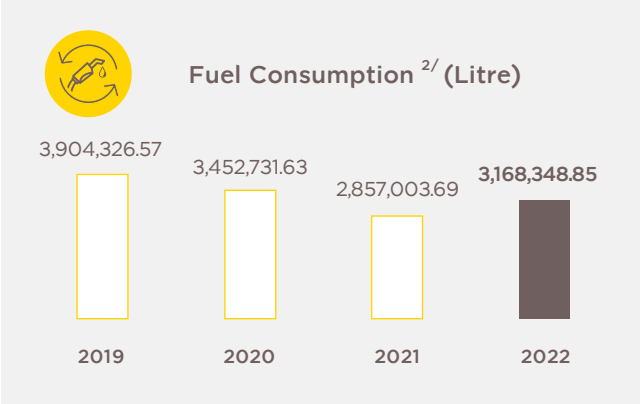
Krungsri promotes optimal utilization of energy and fuel, which is communicated to employees at all levels to raise awareness and adjust habits, resulting in energy conservation. In addition to saving energy and cutting the expenses of the Bank, this also helps reduce both direct and indirect GHG emissions.



Remark:

1/ Basis of calculation of electricity consumption:

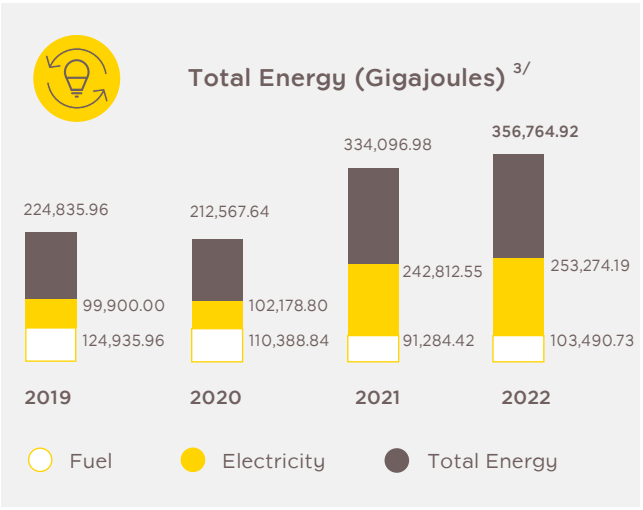
- 2019-2020: Electricity consumption of Head Office and Krungsri Ploenchit Office
- 2021: Electricity consumption of Head Office, Krungsri Ploenchit Office, and branches countrywide
- 2022: Electricity consumption of Head Office, Krungsri Ploenchit Office, branches countrywide, and 14 subsidiaries (only those located in Thailand)



Remark:

2/ Basis of calculation of fuel consumption:

- 2019-2020: Company vehicles and executive cars of Head Office and Krungsri Ploenchit Office
- 2021: Company vehicles and executive cars of Head Office, Krungsri Ploenchit Office, and branches countrywide
- 2022: Company vehicles and executive cars of Head Office, Krungsri Ploenchit Office, branches countrywide, and 14 subsidiaries (only those located in Thailand)



Remark:

3/ Total energy:

- 2019-2020: Total energy of Head Office and Krungsri Ploenchit Office
- 2021: Total energy of Head Office, Krungsri Ploenchit Office, and branches countrywide
- 2022: Total energy of Head Office, Krungsri Ploenchit Office, branches countrywide, and 14 subsidiaries (only those located in Thailand)

The unit conversion rates are based on data from the Department of Alternative Energy Development and Efficiency, Ministry of Energy, as follows:

- 1 liter of diesel is equivalent to 36.42 megajoules (MJ).
- 1 liter of gasoline is equivalent to 31.48 megajoules (MJ).
- 1 kilowatt-hours (kWh) equals 0.0036 gigajoule (GJ).

In 2022, the organization's total energy consumption equaled 356,889.45 gigajoules (GJ) while the organization's energy intensity equaled 17.53 GJ/FTE

Reduction of Electricity Consumption at the Head Office

Krungsri has continuously sought ways and measures to reduce electricity consumption at the Head Office in order to reduce GHG emissions as much as possible. In 2022, we reduced electricity consumption by 436,772.31 units per year, saving 1,699.042.58 baht and mitigating indirect GHG emissions (Scope 2) by 218,342.47 kilograms of carbon dioxide equivalent ($kgCO_2e$) through the following activities.



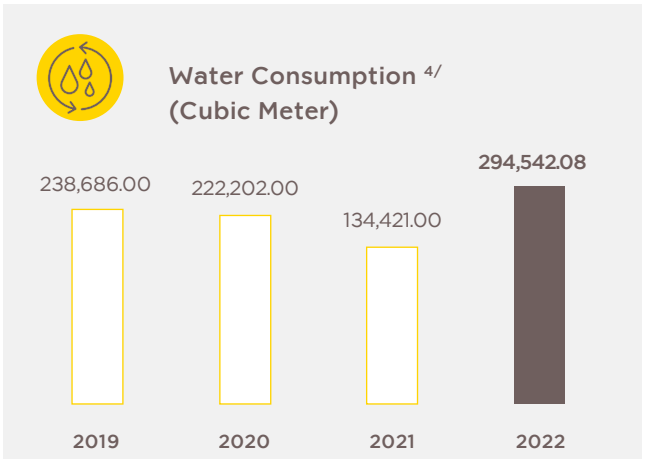
Activity	Volume of electricity reduced (unit)	Amount of electricity costs saved (baht)	Amount of GHG emissions (Scope 2) reduced ($kgCO_2e$)*
Reduce cycles of 30 air handling units (AHU) from 50 to 45 hertz by using a variable speed drive (VSD)	196,680.66	731,652.06	98,320.66
Reduce operating hours of the 750-ton water chiller	88,561.84	329,450.03	44,272.06
Select the high-efficiency water chiller as the main chiller	151,529.81	637,940.49	75,749.75
Total	436,772.31	1,699,042.58	218,342.47

Remark:
* GHG calculations are based on the emission factors from the Thai National LCI Database, TIISMTEC-NSTDA, AR5 (with TGO electricity 2016-2018).

Water Consumption

Krungsri promotes water efficiency management and planning with the least environmental impact, ranging from building design, selection of water-saving products, wastewater treatment and quality control which meets legal standards, to the wastewater reclamation process. Krungsri also prepares for and assesses water scarcity risk which might affect our business operation, focusing on water scarcity in Krungsri's building locations in Bangkok, namely the Head Office, Krungsri Ploechit Office, subsidiaries, as well as the Bank's branches throughout the country.





Remark:
4/ Basis of calculation of water consumption volume:
- 2019-2020: Water consumption of Head Office and Krungsri Ploenchit Office
- 2021: Water consumption of Head Office, Krungsri Ploenchit Office, and branches countrywide
- 2022: Water consumption of Head Office, Krungsri Ploenchit Office, branches countrywide, and 14 subsidiaries (only those located in Thailand)

Net Water Consumption

The water used at the Head Office and Krungsri Ploenchit Office is purchased from the external supplier, Metropolitan Waterworks Authority (MWA). The volume of water consumed by both buildings is measured based on the MWA's water meters. In addition, wastewater from both buildings is treated according to the standard water treatment process to ensure that the wastewater released from the Bank's areas will not cause any impact on the environment, community, or society.

Water Volume (megaliter)*	Head Office		Krungsri Ploenchit Office	
	2021	2022	2021	2022
Tap water purchased	90.13	84.01	44.29	44.68
Water released from our treatment system	70.03	68.53	35.43	32.78
Net water consumption	20.11	15.47	8.86	11.90

Remark:
* 1 megaliter (ML) equals 1,000 cubic meters.

Wastewater Treatment at the Head office

Cognizant of our accountability to society and the environment in our operating areas, Krungsri improves our wastewater quality to meet legal standards before releasing it. Our target is zero wastewater complaints from regulators or communities in the vicinity of our responsible areas.

Krungsri has treated wastewater from the Head Office and Krungsri Ploenchit Office in accordance with the Pollution Control Department's wastewater standards by using the activated sludge process, wherein treated wastewater is examined by external experts. The results of our wastewater treatment system are reported to the Yan Nawa District Office and the Pathum Wan District Office on a monthly basis. In 2022, the quality of wastewater from the Head Office and Krungsri Ploenchit Office satisfied the standards as per the ministerial regulation of the Ministry of Natural Resources and Environment. Moreover, there has been no wastewater complaints from communities nor regulators.

Wastewater Reclamation

Krungsri reuses the treated wastewater from the Head Office's cooling tower system and dripping water from the condensation coil system for efficient water consumption and mitigation of environmental impact. In 2022, about 320 cubic meters per month or 3,840 cubic meters per year of the treated wastewater from the Head Office was used to water plants, wash the ground floor parking area, and refill the fountains in front of the building, helping us save about 65,856 baht per year.

As for Krungsri Ploenchit Office, Krungsri uses water from rainwater tanks as well as the treated wastewater from the cooling tower system and dripping water from the condensation coil system to water plants around the building. Also, about 176 cubic meters per month or 2.112 cubic meters per year of the water is reused in the cooling tower system, helping us save 36,220.80 baht per year.

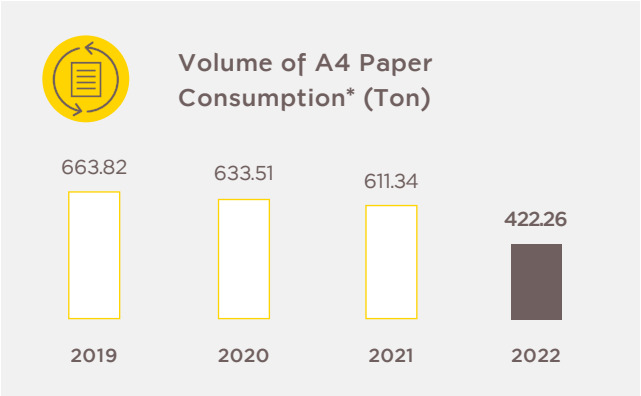
Water Saving at Krungsri Ploenchit Office

Krungsri Ploenchit Office's sanitation system, sanitary wares, and equipment were designed with water efficiency and environmentally friendliness in mind, so water consumption here is less than or equal to the reference amount, cutting water consumption by about 40 percent. Owing to Krungsri Ploenchit Office's water-saving efforts, we managed to save 17,873.20 units of water or 306,525 baht in water costs per year.

Paper Consumption

Encouraging digitalization in all employees' processes, Krungsri aims to reduce paper and consumables consumption and waste from operations through diverse projects and activities, e.g., the 'Think Before Print' concept of editing or revising documents files before printing them out, and the use of both sides of paper. In 2022, Krungsri adjusted our working model to hybrid working, meaning that employees can switch between working at the office and from home as deemed appropriate to the nature of their work at the discretion of their line manager. Consequently, more work

was migrated to electronic systems, helping Krungsri significantly cut paper consumption by up to 30.93 percent compared with 2021.



Remark:

* Basis of calculation of volume of A4 paper consumption (70 and 80 grams)
  - 2019-2020: Paper consumption of Head Office and Krungsri Ploenchit Office
  - 2021: Paper consumption of Head Office, Krungsri Ploenchit Office, and branches countrywide
  - 2022: Paper consumption of Head Office, Krungsri Ploenchit Office, branches countrywide, and 14 subsidiaries (only those located in Thailand)

Waste Management

Krungsri promotes enterprise-wide resource efficiency and waste management, which is conducive to workplace well-being. In addition to reducing environmental impact as well as GHG emissions, this also cuts down waste management costs and leads to positive changes and environmental impact in the long term.

Krungsri ZERO WASTE

'Krungsri Zero Waste' Project

In 2018, the 'Krungsri Zero Waste' initiative was introduced to address the SDGs, particularly Goal 12: Responsible Consumption and Production, and Goal 13: Climate Action. Krungsri launched several internal projects and activities to instill employee awareness of environmental problems and adjust waste sorting behaviors, starting by promoting resource efficiency, reduction of waste from the Bank's processes or activities, and proper waste sorting to cut down the amount waste sent to landfills –a major contributor to GHG and climate change– as follows:

- Discontinue the use of foam food containers in the Bank's canteens and encourage employees to carry their own reusable straw, cup or bottle, cloth bag, eating utensils, and food container to minimize single-use plastic
- Encourage employees to properly sort trash through the 'Krungsri Right Place, Right Bin' activity
- Promote the donation of reusable cloth bags or plastic bags still in good condition to reduce the use of new plastic bags
- Discourage employees from ordering more food than they can eat and install food waste decomposers to reduce food waste from the canteens to landfills
- Organize projects and activities in collaboration with the public sector and partnership networks to reduce waste and GHG emissions, e.g., the Green Office project initiated by the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment; and the project of proper e-waste disposal according to international standards in partnership with Advanced Info Service Public Company Limited and Synnex (Thailand) Public Company Limited



2022 marked the fifth year of the 'Krungsri Zero Waste' project with the following activities.

- Supported the 'Care the Whale' project by joining hands with the SET in promoting end-to-end waste minimization and waste sorting for proper disposal, including promoting the circular economy model. Krungsri aims to reduce non-recyclable waste such as plastic bags, snack packaging, plastic eating utensils, paper cups, plastic cups, plastic straws, milk cartons, and juice cartons by sending them to be used as refuse-derived fuel (RDF) in the cement manufacturing

process so that there is zero RDF to landfills. The Bank communicated and provided RDF waste bins so that employees can take concrete action in sorting waste. In 2022, 5,384.65 kilograms of RDF was collected from the Head Office and Krungsri Ploechit Office and sorted to be used in the cement manufacturing process, helping reduce GHG emissions by 8,817.63 $kgCO_2e$.



The whale monument under the 'Care the Whale' project reflects the waste crisis caused by waste problems. Placed at Krungsri Ploechit Office, it is made entirely of 987 kilograms of waste which if sent to landfills were to emit about 2,154 $kgCO_2e$ of GHG.



- Installed food waste decomposers to reduce waste to landfills as well as GHG. With our sight set on becoming a zero food waste organization, Krungsri installed a food waste decomposer in 2020 at the Head Office. It uses biotechnology to turn food waste into bio-soil in alignment with the circular economy concept. In 2022, food waste from the Head Office was reduced by 5,810.76 kilograms or 14,701* $kgCO_2e$ and the leftovers were turned into 1,174 kilograms of bio-soil. Then another food waste decomposer was installed at Krungsri Ploenchit Office. Installation was completed in December 2022 and the machine is scheduled to start running in early 2023. It is expected that the machine will help reduce the amount of food waste sent to landfills by 3,000 kilograms per year or 7,500* $kgCO_2e$, equivalent to planting 830 trees.

Remark:

* Calculation of GHG emissions is based on the emission factors and the carbon footprint for organization (July 2022) of the Thailand Greenhouse Gas Management Organization (TGO).





2022 Waste Data (Head Office and Krungsri Ploenchit Office only)

Type of Waste	2020 [1/]	2021	2022
General waste (kilograms)	-	199,831.01	154,808.09
Hazardous waste (kilograms)	-	659.18	3,951.98
Infectious waste (kilograms)	-	209.50	240.00
e-waste [2/] (pieces)	516.00	1,556.00	1,145.00
Recyclable materials (kilograms)	482,284.00	420,212.20	216,933.41

Remark:
[1/] In 2020, there was no disclosure of data about general, hazardous, and infectious wastes yet.
[2/] Reference is made to the performance report of the 'Thais Say No to e-waste' project by Advanced Info Service Public Company Limited.

2022 Recyclable Materials Data (Head Office and Krungsri Ploenchit Office only)

Type of Recyclable Materials	2020	2021	2022	
	Amount of Waste (kilograms)	Amount of Waste (kilograms)	Amount of Waste (kilograms)	GHG Emissions Reduced[1/] ($kgCO_2e$)
Cardboard boxes	18,872.50	10,964.00	10,420.00	30,530.60
General paper, books, magazines, journals	9,062.50	9,002.00	9,603.00	28,136.79
Plastic bottles, glass bottles	6,930.50	4,101.50	6,341.00	5,120.35
Polypropylene plastic boards	588.50	177.50	257.00	483.52
Papers used on both sides (Shred2Share Project by Iron Mountain) [2/]	446,830.00	390,230.00	177,597.00	520,359.21
Clear plastic bottles (PET) and opaque plastic bottles (HDPE) ('PET to be PPE' project) [3/]	-	737.20	1,520.00	4,385.80
Food waste [4/]	-	5,000.00	5,810.76	14,701.00
Refuse-derived fuel (RDF) [5/]	-	-	5,384.65	8,817.63
Total	482,284.00	420,212.20	216,933.41	612,534.90

Remarks:
[1/] Calculation of GHG emissions is based on the emission factors and the carbon footprint for organization (July 2022) of the Thailand Greenhouse Gas Management Organization (TGO).
[2/] The Shred2Share Project by Iron Mountain promotes the process of recycling used office documents in the Shred2Share Project: 'Keep Information Secure while Caring for the Environment' of Iron Mountain (Thailand) Company Limited. The participants in this project are Bank of Ayudhya Public Company Limited, Ayudhya Capital Auto Lease Public Company Limited, Ayudhya Capital Services Company Limited, Krungsri Asset Management Company Limited, and Krungsri Securities Public Company Limited.
[3/] In the 'PET to be PPE' project, clear plastic bottles (PET) and opaque plastic bottles (HDPE) are sorted and sent to Wat Chak Daeng, Samut Prakan, for upcycling into personal protective equipment (PPE) and monk robes.
[4/] The data shows food waste from the Head Office only. 2021 was the first year of collecting and disclosing such data.
[5/] The data shows RDF from the Head Office and Krungsri Ploenchit Office. 2022 was the first year that RDF was collected and sorted.

Numerical Data on Sustainability Performance

Economic Performance and Impacts

Items	Unit	2019	2020	2021	2022
Total operating income [1/]	Million baht	121,608	113,987	122,906	116,416
Operating cost [2/]	Million baht	21,649	20,633	20,020	21,385
Employee expenses [3/]	Million baht	27,648	25,296.70	26,717	27,143
Payment to providers of capital [4/]	Million baht	40,285	30,068	27,341	27,902
Tax payment to government [5/]	Million baht	6,957	6,516	8,010	7,466
Cash donation [6/]	Million baht	33.88	39.15	23.70	15.01
Economic value retained	Million baht	65,795	66,456	69,537	61,074
Total assets	Million baht	2,359,592	2,609,374	2,499,109	2,636,951
Total liabilities	Million baht	2,087,476	2,320,195	2,180,872	2,295,192
Shareholders' equity	Million baht	272,116	289,179	318,237	341,759
Workforce [7/]	persons	33,086	33,340	33,397	34,245
Number of branches [8/]	branches	692	671	642	616

Remarks:

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

[2/] Operating cost (excluding 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/] Including Head Office and one overseas branch

Employee Data

Type of Data	2019		2020		2021		2022	
	person (s)	% of the total employees	person (s)	% of the total employees	person (s)	% of the total employees	person (s)	% of the total employees
No. of the Bank's employees [1/]	15,280		14,711		14,093		13,760	
Gender								
Male	4,654	30.46	4,480	30.45	4,298	30.50	4,286	31.15
Female	10,626	69.54	10,231	69.55	9,795	69.50	9,474	68.85
Age Range								
<30 years old	2,296	15.03	1,711	11.63	1,285	9.12	1,046	7.60
30-50 years old	10,193	66.71	9,958	67.69	9,631	68.34	9,414	68.42
> 50 years old	2,791	18.27	3,042	20.68	3,177	22.54	3,300	23.98
Occupational Area								
Head Office	8,261	54.06	8,143	55.35	8,121	57.62	8,320	60.47
Office/branch in Bangkok and vicinity	3,249	21.26	3,034	20.62	2,775	19.69	2,499	18.16
Office/branch in the Provinces	3,757	24.59	3,529	23.99	3,197	22.69	2,941	21.37
Office/branch in Overseas	13	0.09	5	0.03	-	-	-	-
Education [2/]								
Below Bachelor's Degree	198	1.30	195	1.33	165	1.17	158	1.15
Bachelor's Degree	11,248	73.61	10,737	72.99	10,187	72.28	9,940	72.24
Master's Degree	3,815	24.97	3,761	25.57	3,721	26.40	3,646	26.50
Doctoral Degree	19	0.12	18	0.12	20	0.14	16	0.12
Employee Level	15,280		14,711		14,093		13,760	
Executive level 10 and above	94		97		94		93	
Male	55	0.36	59	0.40	57	0.40	58	0.42
Female	39	0.26	38	0.26	37	0.26	35	0.25
<30 years old	-	-	-	-	-	-	-	-
30-50 years old	34	0.22	28	0.19	30	0.21	21	0.15
> 50 years old	60	0.39	69	0.47	64	0.45	72	0.52
Management level 9-10	895		900		880		890	
Male	443	2.90	435	2.96	415	2.94	414	3.01
Female	452	2.96	465	3.16	465	3.30	476	3.46
<30 years old	2	0.01	3	0.02	-	-	-	-
30-50 years old	548	3.59	510	3.47	468	3.32	457	3.32
> 50 years old	345	2.26	387	2.63	412	2.92	433	3.15

Type of Data	2019		2020		2021		2022	
	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	2,295		2,349		2,379		2,401	
Male	919	6.01	951	6.46	966	6.85	970	7.05
Female	1,376	9.01	1,398	9.50	1,413	10.03	1,431	10.40
<30 years old	4	0.03	5	0.03	2	0.01	1	0.01
30-50 years old	1,407	9.21	1,397	9.50	1,377	9.77	1,365	9.92
> 50 years old	884	5.79	947	6.44	1,000	7.10	1,035	7.52
Officer level 4-6	6,626		6,599		6,454		6,434	
Male	2,110	13.81	2,028	13.79	1,937	13.74	1,956	14.22
Female	4,516	29.55	4,571	31.07	4,517	32.05	4,478	32.54
<30 years old	188	1.23	137	0.93	129	0.92	158	1.15
30-50 years old	4,992	32.67	4,879	33.17	4,686	33.25	4,596	33.40
> 50 years old	1,446	9.46	1,583	10.76	1,639	11.63	1,680	12.21
Officer level 1-3	5,370		4,766		4,286		3,942	
Male	1,127	7.38	1,007	6.85	923	6.55	888	6.45
Female	4,243	27.77	3,759	25.55	3,363	23.86	3,054	22.19
<30 years old	2,102	13.76	1,566	10.65	1,154	8.19	887	6.45
30-50 years old	3,212	21.02	3,144	21.37	12,701	90.12	2,975	21.62
> 50 years old	56	0.37	56	0.38	62	0.44	80	0.58

Remarks:
[1/] Only full-time employees of Bank of Ayudhya PCL, excluding the Board of Directors
[2/] The data was first disclosed in 2019.

Data of the Board of Directors

Data	2019		2020 [1/]		2021 [1/]		2022	
	person (s)	% of the total members of BOD	person (s)	% of the total members of BOD	person (s)	% of the total members of BOD	person (s)	% of the total members of BOD
The Board of Directors [2/]	11		12		12		12	
Gender								
Male	7	63.64	7	58.33	7	58.33	9	75.00
Female	4	36.36	5	41.67	5	41.67	3	25.00
Age Range								
<30 years old	-	-	-	-	-	-	-	-
30-50 years old	-	-	-	-	-	-	-	-
> 50 years old	11	100	12	100	12	100.0	12	100.00

Remarks:
[1/] The information has been updated in line with revised figures.
[2/] The Board of Directors consist of non-exective directors, executive directors, and independent directors.

Employment Data

2022'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.	4,286	9,474	13,760	69	331	400
Subsidiaries						
Hattha Bank Plc. [1/]	4,078	1,473	5,551			111
Krungsri Ayudhya AMC Ltd.	28	27	55			10
Krungsri Nimble Co., Ltd.	124	65	189			2
Ayudhya Development Leasing Co., Ltd.	20	36	56			1
Ayudhya Capital Auto Lease PCL.	793	1,216	2,009			21
General Card Services Limited	68	203	271			6
Ayudhya Capital Services Co., Ltd.	629	1,577	2,206			46
Krungsriayudhya Card Co., Ltd.	70	208	278			-
Krungsri Finnovate Co., Ltd.	-	-	-			-
Krungsri Securities PCL	118	139	257			34
Krungsri Asset Management Co., Ltd.	66	126	192			12
Krungsri Leasing Services Co., Ltd. [2/]	103	143	246			46
Krungsri Non-Deposit Taking Microfinance Institution Co., Ltd. [3/]	12	9	21			1
Supporting Business						
Siam Realty and Services Security Co., Ltd.	10	4	14			733
Total Services Solutions PCL.	248	810	1,058			18
Krungsri Life Assurance Broker Limited [4/]	-	4	4			-
Krungsri General Insurance Broker Limited [4/]	3	10	13			-
Hattha Services Co., Ltd. [5/]	-	1	1			-
Joint Ventures						
Lotus's Money Services Limited [6/]	107	749	856			15
Lotus's Life Assurance Broker Limited [7/]	2	3	5			-
Lotus's General Insurance Broker Limited [8/]	50	155	205			9
SB Finance, Inc. [9/]	165	243	408			198
Associate						
Ngern Tid Lor Public Company Limited	1,731	4,859	6,590			1,066

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. Previous company name, SB Finance Company, Inc.

* Outsourced staff of the Bank and the companies in th Financial Business Group who are hired from operations such as premises, security, and customer service.

Operational Change Statistics

Data	2019		2020		2021		2022	
	person (s)	% of the total employees	person (s)	% of the total employees	person (s)	% of the total employees	person (s)	% of the total employees
New Hires [1/]	1,871	12.24	490	3.34	691	4.90	1,309	9.51
Gender								
Male	566	3.70	180	1.23	276	1.96	492	3.58
Female	1,305	8.54	310	2.11	415	2.94	817	5.94
Age Range								
<30 years old	917	6.00	201	1.37	246	1.75	458	3.33
30-50 years old	945	6.18	287	1.95	434	3.08	823	5.98
> 50 years old	9	0.06	2	0.01	11	0.08	28	0.20
Operational Area								
Head Office	1,031	6.75	333	2.27	633	4.49	1,168	8.49
Office/branch in Bangkok and vicinity	434	2.84	62	0.42	48	0.34	62	0.45
Office/branch in the Provinces	405	2.65	95	0.65	10	0.07	79	0.57
Office/branch in Overseas	1	0.01	-	-	-	-	-	-
Terminated Employees [2/]	1,729	11.32	1,090	7.42	1,310	9.30	1,642	11.93
Gender								
Male	508	3.32	368	2.51	458	3.25	504	3.66
Female	1,221	7.99	722	4.92	852	6.05	1,138	8.27
Age Range								
<30 years old	539	3.53	260	1.77	225	1.60	279	2.03
30-50 years old	1,014	6.64	632	4.30	801	5.68	1,069	7.77
> 50 years old	176	1.15	198	1.35	284	2.02	294	2.14
Operational Area								
Head Office	710	4.65	498	3.39	666	4.73	973	7.07
Office/branch in Bangkok and vicinity	492	3.22	261	1.78	301	2.14	324	2.35
Office/branch in the Provinces	527	3.45	330	2.25	343	2.43	345	2.51
Office/branch in Overseas	-	-	1	0.01	-	-	-	-

Remarks:

[1/] Only full-time employees of Bank of Ayudhya PCL.

[2/] Data includes No. of employees in the voluntary attrition program, a transfer program within Krungsri Group, the early retirement program, involuntary attrition program as well as retirement program.

Parental Leave Statistics

Data	Number of Female Employees (Persons)			
	2019	2020	2021	2022
Number of employees entitled to parental leave	10,621	10,211	9,776	9,455
Number of employees taking parental leave	331	310	262	213
Number of employees returning to work after parental leave	329	308	257	211
Number of employees returning to work after parental leave and still retained 12 months after their return to work	348	324	299	251
Return-to-work Rate [1/] of employees taking parental leave	99.40	99.35	98.09	99.06
Retention Rate [2/] of employees taking parental leave	98.86	98.48	97.08	97.67

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	2019	2020	2021	2022
No. of disabled employees [1/]	151	154	148	141

Remarks:

[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.

* Persons with disabilities refer to individuals who have limitations in their ability to conduct daily activities or to participate in society due to impairments in their sight, hearing, movement, communications, feeling and emotion, behaviors, mental capacity and learning, or other forms of impairment, as well as limitations in other areas, and require special support.(Source: Persons with Disabilities Empowerment Act, B.E. 2550).

Employee Training and Development Report

	2019	2020	2021	2022
Average training hours (hours/person/year)	61.59	51.53	58.26	58.44
Gender				
Male	57.70	52.09	54.11	54.34
Female	63.30	50.25	60.09	60.31
Age Range				
Less than 30 years old	74.73	56.20	58.32	49.34
30-50 years old	60.75	51.51	58.69	58.58
50 years and above	52.60	48.59	56.95	61.33
Employee level				
Officer level 1-3	68.27	54.37	59.95	54.37
Officer level 4-6	56.67	49.12	58.48	60.25
Executive level 7-8	61.50	54.32	57.49	60.31
Executive level 9 and above	58.39	47.38	51.22	58.59
• Vice President-Senior Vice President	56.93	48.05	51.64	59.37
• Executive Vice President and above (including Senior Management)	73.22	41.00	47.20	50.86

Channels of Financial Access

Area / Channels of Services	2019		2020		2021		2022	
	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial	Bangkok and vicinity	Provincial
Krungsri Branches	293	397	286	384	278	363	266	349
	690		670		641		615	
ATMs	2,981	3,769	2,898	3,602	2,850	3,400	2,594	3,106
	6,750		6,500		6,250		5,700	
Krungsri Exclusive	31	12	32	12	33	12	32	12
	43		44		45		44	
The Krungsri Advisory [1/]	4	1	5	1	5	1	5	1
	5		6		6		6	
Krungsri Private Banking [2/]	-	-	-	-	-	-	1	0
	-		-		-		1	
Foreign Exchange Booths	23	60	21	51	14	36	15	29
	83		72		50		44	
Krungsri Business Centers	62		62		61		61	
Krungsri Auto Dealers	3,472	6,447	2,964	6,300	2,577	5,476	2,536	5,916
	9,919		9,264		8,053		8,452	
First Choice Dealers	22,770		21,946		22,094		21,715	
First Choice Branches	150		112		112		100	
Microfinance Branches (TIDLOR)	153	847	160	916	197	1,089	241	1,387
	1,000		1,076		1,286		1,628	
Overseas Commercial Bank [3/] (HTB)	177		177		177		177	

Remarks:

[1/] Krungsri The Advisory is exclusively for 'Krungsri Exclusive' and 'Krungsri Prime' customers.

[2/] Krungsri Private Banking is exclusively for 'Krungsri Private Banking' 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.

Assurance Statement

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Independent limited assurance report

To the Managements of Bank 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 2022 (the "Report") for the year ended 31 December 2022 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 2022 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.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The firm applies International Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or 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 2022:

- Reporting with reference to the GRI Standard, according to the disclosure referred in Krungsri's GRI content index

Criteria

The Subject Matters were assessed according to the following criteria:

- The Sustainability Reporting Standards of the Global Reporting Initiative ("GRI Standards")

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.

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.

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 guideline.

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.

We have not performed procedures on performance data review and the quantitative data disclosed within the report.

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

17 March 2023

GRI Content Index

Statement of use	Bank of Ayudhya Public Company Limited has reported the information cited in this GRI content index for the period from January 1, 2022 to December 31, 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	Relation to SDGs
GRI 2: General Disclosures 2021	2-1 Organizational details	18	
	2-2 Entities included in the organization's sustainability reporting	18, 24-25, 133, 149	
	2-3 Reporting period, frequency and contact point	36, 39, 149, 161	
	2-4 Restatements of information	24-25, 133, 148-149	
	2-5 External assurance	154-155	
	2-6 Activities, value chain and other business relationships	16, 18, 22-25, 73-75, 82-83, 92-94, 115-119	
	2-7 Employees	147-151	
	2-8 Workers who are not employees	98, 149	
	2-9 Governance structure and composition	20-21, 31, 148, AR [Topic: Members of the Board of Directors] and website [www.krungsri.com/en/about-krungsri/about-us/organization-chart/board-of-directors]	SDG 16
	2-10 Nomination and selection of the highest governance body	147-148, AR [Topic: Nomination and Remuneration Committee], and website [www.krungsri.com/en/about-krungsri/about-us/organization-chart/nomination-remuneration-committee]	SDG 5
	2-11 Chair of the highest governance body	20-21, AR [Topic: Management Structure, Roles and Responsibilities], and website [www.krungsri.com/en/about-krungsri/about-us/organization-chart/board-of-directors]	
	2-12 Role of the highest governance body in overseeing the management of impacts	21, AR [Roles and Responsibilites of the Chairman of the Board], and website [www.krungsri.com/Krungsri2020/media/KrungsriAboutUs/cg-reports/en/cgr2022-practice1-en.pdf and www.krungsri.com/Krungsri2020/media/KrungsriAboutUs/cg-reports/en/cgr2022-practice2-en.pdf]	
	2-13 Delegation of responsibility for managing impacts	21, 31, and website [www.krungsri.com/en/esg/sustainable-banking/esg-division and www.krungsri.com/en/esg/sustainable-banking/committee]	

GRI STANDARD	DISCLOSURE	LOCATION	Relation to SDGs
	2-14 Role of the highest governance body in sustainability reporting	21, 31, 37	
	2-15 Conflicts of interest	20-21, 45-49	
	2-16 Communication of critical concerns	45-48, 64, and website [www.krungsri.com/Krungsri2020/media/KrungsriAboutUs/cg-reports/en/cgr2022-practice7-en.pdf and www.krungsri.com/Krungsri2020/media/KrungsriAboutUs/cg-reports/en/cgr2022-practice8-en.pdf]	
	2-17 Collective knowledge of the highest governance body	115, AR [Topic: Directors' Development]	
	2-18 Evaluation of the performance of the highest governance body	21 and AR [Topic: Evaluation of the Board of Directors and the Committees reporting to the Board of Directors]	
	2-19 Remuneration policies	85-86 and AR [Topic: Remuneration of Directors and Executies]	
	2-20 Process to determine remuneration	84-88 and AR [Topic: Nomination and Remuneration Committee]	
	2-21 Annual total compensation ratio	[Omission: Confidentiality constraints]	
	2-22 Statement on sustainable development strategy	12-15	
	2-23 Policy commitments	10-15, 26-33, 38-39, 45-48, 51-52, 77-79, 84, 92, 95-96, 131-132, and website [www.krungsri.com/en/esg/sustainable-banking/toward-sustainable-banking and www.krungsri.com/en/esg/sustainable-banking/esg (Policy for Human Rights)]	SDG 7, 8, 9, 11, 13
	2-24 Embedding policy commitments	45-48, 50-52, 54-60, 62-63, 67, 73-74, 77-79, 84, 92, 95-96, 131-132, 137-139	SDG 7, 8, 9, 10, 12, 13
	2-25 Processes to remediate negative impacts	48, 51-54, 89, 100-105, and website [www.krungsri.com/en/esg/sustainable-banking/esg (Policy for Human Rights)]	
	2-26 Mechanisms for seeking advice and raising concerns	18, 48, 51-54, 60, 89, 96, 100-105, 139, 160-161	
	2-27 Compliance with laws and regulations	51-52, 58, 60	
	2-28 Membership associations	34	
	2-29 Approach to stakeholder engagement	100-105	
	2-30 Collective bargaining agreements	90	SDG 8

GRI STANDARD	DISCLOSURE	LOCATION	Relation to SDGs
GRI 3: Material Topics 2021	3-1 Process to determine material topics	36-39	
	3-2 List of material topics	38-39	
	3-3 Management of material topics	36-39	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	16, 18, 80-83, 92-93, 121, 146	SDG 1, 5, 8, 9, 10
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	16-17, 70-71, 80-83, 92-93, 115-119, 146	SDG 7, 8, 9, 11
	203-2 Significant indirect economic impacts	16-17, 70-71, 80-83, 92-93, 115-119, 146	SDG 1, 3, 7, 8, 9
GRI 301: Materials 2016	301-1 Materials used by weight or volume	136, 140-143	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	136, 140	SDG 12, 13
	302-3 Energy intensity	140	SDG 12, 13
	302-4 Reduction of energy consumption	140-141	SDG 12, 13
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	137, 141-142	SDG 6
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	133	SDG 12,13
	305-2 Energy indirect (Scope 2) GHG emissions	133	SDG 12,13
	305-3 Other indirect (Scope 3) GHG emissions	133	SDG 12,13
	305-4 GHG emissions intensity	133	SDG 13
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	142-145	SDG 12
	306-2 Management of significant waste-related impacts	143-145	SDG 12
	306-3 Waste generated	145	SDG 12
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	75	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	150-151	SDG 5, 8
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	84-91	SDG 3, 8
	401-3 Parental leave	151	SDG 3, 5, 8

GRI STANDARD	DISCLOSURE	LOCATION	Relation to SDGs
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	95-96	SDG 3, 6
	403-2 Hazard identification, risk assessment, and incident investigation	95-97	SDG 3, 6
	403-3 Occupational health services	96-99	SDG 3, 6
	403-4 Worker participation, consultation, and communication on occupational health and safety	96-99	SDG 16
	403-5 Worker training on occupational health and safety	96-99	SDG 3, 6
	403-6 Promotion of worker health	96-99	SDG 3, 6
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	96-99	SDG 3, 6
	403-9 Work-related injuries	96	SDG 3, 6
	403-10 Work-related ill health	96	SDG 3, 6
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	17, 110, 152	SDG 4
	404-2 Programs for upgrading employee skills and transition assistance programs	106-115	SDG 4
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	90, 147-148, AR [Topic: Number of Employees]	SDG 5, 10
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	89, 91	SDG 5
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	75	SDG 8, 10
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	22, 55, 80-83, 92	
	417-2 Incidents of non-compliance concerning product and service information and labeling	52-54	SDG 16
	417-3 Incidents of non-compliance concerning marketing communications	52-54	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	53-54, 58, 60	SDG 16

Remark: AR refers to Annual Report (56-1 One Report).

Questionnaire on Krungsri's Sustainability Report 2022

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/ Analyst ◯ Other financial institution ◯ Regulator ◯ Government agency
◯ General public ◯ NGO ◯ Other (please specify) .....

2. To which gender identity do you most identify?

◯ Male ◯ Female ◯ Prefer not to answer ◯ Other (please specify).....

3. Where did you receive / read Krungsri's Sustainability Report?

◯ Annual General Meeting (AGM) ◯ The Bank's website ◯ The 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. Which section in Krungsri's Sustainability Report interests you the most?

◯ Organization informatio ◯ Reporting information
◯ Economic and governance performance information ◯ Social performance information
◯ Environmental performance information ◯ Other (please specify).....

6. Satisfaction of Krungsri's Sustainability Report 2022

	High	Moderate	Need improvement
• Complete contents	◯	◯	◯
• Interesting contents	◯	◯	◯
• Easy to understand	◯	◯	◯
• Attractive and modern report design	◯	◯	◯
• Overall satisfaction of the report	◯	◯	◯

7. Are there any other issues that should be included in the Sustainability Report?

.....

8. Additional comments or other suggestions for further improvement of our Sustainability Report

.....

Thank you for your kind cooperation.
Your feedback will contribute to 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.

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