



Form 56-1 One Report 2023

Thai Credit Bank Public Company Limited



EVERYONE MATTERS ทุกคนคือคนสำคัญ

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Financial Highlights

Consolidated Financial Statement

2023 2022

Key Financial Position (Million Baht)

Total Assets	163,444	43,189
Loans	140,181	17,457
Deposits	116,762	13,444
Equity	17,505	14,382

Statements of Profit or Loss (Million Baht)

Interest Income	15,895	12,685
Interest Expenses	2,564	1,632
Net Interest Income	13,331	11,053
Non-Interest Income	130	179
Total Operating Income	13,461	11,232
Total Other Operating Expenses	4,945	4,436
Expected Credit Loss	4,062	3,836
Income Tax	897	607
Profit for The Year	3,557	2,353

Financial Ratio

Return on Asset (ROA)	(%)	2.32	1.82
Return on Equity (ROE)	(%)	22.31	18.94
Earnings per Share	(Baht)	3.05	2.28*
Cost to Income Ratio	(%)	36.7	39.5
Capital Adequacy Ratio	(%)	16.3	15.2
Tier 1 Capital Ratio	(%)	13.8	14.1
Book Value	(Baht)	15.0	12.4*
Gross NPLs Ratio	(%)	4.2	3.9
Allowance for expected credit loss against non-performing loans ratio	(%)	161.4	177.4
Number of Branches**		528	523

Notes

*Adjusted EPS and Book Value, calculated based on the revised number of shares after Thai Credit changed the par value of its shares from THB 10.0 to THB 5.0 in 1Q23, hence the number of paid-up capital increased from 582,291,666 shares to 1,164,583,332 shares

**Including Lending Branch and Nano Kiosk

Message from the Chairman



The success of Thai Credit Bank in 2023, marked by exceptional performance and elevation to a full commercial bank status, is attributed to the collaborative efforts and efficiency of the Bank's employees, executives, customers, and shareholders. The Bank extends sincere gratitude to its customers, employees, directors, shareholders, business partners, and trading partners. Following the philosophy of "Everyone Matters, everyone is important," this collective commitment has fueled Thai Credit Bank's growth, progress, and successful transition to a full-fledged commercial bank.

Thai Credit Bank remains unwavering in its commitment to provide financial support to numerous small and business customers, offering distinct products designed to foster personal and familial growth and empowers individuals to build robust and successful careers, contributing significantly to social stability. The Bank continues to play a vital role in upholding the values of Environment, Social, and Governance (ESG) in its business operations in line with its dedication to sustainability principles.

Thai Credit Bank is poised for significant growth in the near future, embracing a crucial mission that emphasizes environmental, social, and corporate governance responsibilities, with a particular focus on social initiatives. The Bank's strength lies in the commitment to the philosophy of "**Everyone Matters**" despite challenges in the global economy and geopolitical shifts. The Bank is determined to navigate and overcome various difficulties and obstacles, ensuring definitive success in its business operations through collaborative efforts.

Chairman of Board of Directors

Message from Management



Mr. Winyou Chaiyawan
Chief Executive Officer

Throughout this challenging year marked by rising interest rates, persistent household debt, slow economic recovery, and regional and global slowdown, our environment has been rife with obstacles.

Our commitment to remaining focused on the mission despite challenging circumstances is commendable. Continuing to prioritize customer service, serving underserved communities, promoting inclusivity, and providing essential cash access to small and micro-business customers demonstrate a strong dedication to our core values and objectives.



Mr. Roy Agustinus Gunara
Managing Director

Certainly, congratulations on the completion of our annual report for the year 2023. This past year has been nothing short of extraordinary, and we are proud to share another remarkable record for Thai Credit Bank despite the market condition and the challenges. Let us share some highlights about our achievements last year:

- **Upgrade status to become commercial bank**

The Bank officially announced its transformation to a full-fledged commercial bank, accompanied by a company name change and a new logo. The Bank operated under the name "Thai Credit Bank Public Company Limited" from September 1, 2023, with the aim of supporting business growth potential and prepared to offer a more efficient

financial service experience to meet the diverse needs of its customer

• **Financial Excellence**

Our company has achieved an astounding feat! We remain the fastest growing in the industry, and we stand at the pinnacle on profitability. Our net profit soared 51.2% to hit all-time high of almost 3,556.8 million baht, with the new outstanding loan growth of over 22,000 million baht to more than 144,000 million baht, whilst ROE increased to 22.31%, and NIM remained at 8.2%, which is considered the highest in the industry. With an impressive performance in 2023, we are not only the lead in the country but probably rank among the best globally

• **Thai Credit unique social responsibility commitment through Financial Literacy Programme**

Our Tangto Know-how has been running for more than 6 years and the core to this programme is the dedication to deliver success to our customers through financial education. We have 58,000 participants with NPS score of more than 80% in this year. The programme extends beyond basic finance, but aiming to empower our customers to effectively manage their businesses, increase their revenues, and bolster their savings, not only business owners but also students and salaried individuals, ensuring positive impact in the lives of the underprivileged. The trainers and volunteers of this programme are our own employees, our dedications and commitment to help our customers is unmatched and we are all proud of them. Let us invite you all to see our team in action at <https://www.facebook.com/TangToknowhow>.

Allow me to also take a moment to highlight on THAI CREDIT news in the market. We take pride in the commitment to become a sustainable bank, providing support to small and micro business customers. The Bank's dedication to sustainability is honoured with the prestigious "Top Community Centric Companies in Asia" award from "The Asia Corporate Excellence & Sustainability Awards 2023 (ACES Awards 2023)", which recognises organisations that inspire and promote sustainability across various industries in Asia. Moreover, we also received "The Most Innovative SME Bank in Thailand" from the International Finance Awards 2023. These accolades are a source of pride for all of us, the staff, and stand as a testament to the unwavering dedication of our team.

Our aim is our customer's business success and therefore we hope to improve their quality of life. At Thai Credit, we create a culture and team spirit that is passionate to deliver what is best to our customers. And wow! This culture and all the hard work from our team has delivered an impressive results. We are grateful that we have such an amazing team and we are proud to serve the underserved, the small business owners who are the backbone of Thailand economy. Everyone Matters!

Thank you very much for your continued support and we wish you all a great year 2024.

Awards and Pride for the year 2023



November 24

Thai Credit Bank Public Company Limited has been honored with the esteemed "Top Community Centric Companies in Asia" award by The Asia Corporate Excellence & Sustainability Awards 2023 (ACES Awards 2023). This prestigious award serves as a testament to our unwavering commitment to supporting customers in underprivileged communities and operating sustainably across three critical dimensions: environmental, social, and governance (ESG).

Asia Corporate Excellence & Sustainability Awards (ACES Awards) is one of the most prestigious accolades that recognises inspiring leaders and sustainability advocates cross-industry and across Asia. Having been held continuously since 2014, ACES brings Asia's business aspirations and success stories to the world stage through knowledge sharing and recognition. Top Community Centric Companies in Asia Award category is presented to companies who have created value for communities through various outreach initiatives with their mission and values that cares for the community and demonstrate exemplary active citizenship in promoting overall well-being of society

Thai Credit Bank Public Company Limited

Section 1

Business Operation and Operating Results

1. Thai Credit's Structure and Business Operations**1.1 Policies and Business Overview**

Thai Credit is a commercial bank that focuses on providing both Nano and Micro Finance Loans and MSME Loans to underserved groups of customers in Thailand. Such groups of customers are an important driver of the country's economy.

Thai Credit aims to provide such group of customers with fair access to loans, and to support them in growing their businesses and achieving a better quality of life through various types of loan products. The Bank is also committed to operating its business according to the philosophy of "Everyone Matters", and believes that there are still many business operators who are unable to access loan products from large and medium-sized commercial banks, thus resorting to informal lending channels which may charge exorbitant interest rates.

Thai Credit believes that it possesses the experience that enables it to have an in-depth understanding of the targeted group of customers. In addition, Thai Credit offers a wide range of products and services that cater to the needs of customers with businesses of various sizes and types. With effective cost management and a robust risk management framework, Thai Credit believes that it is well positioned to expand its loan portfolios, pursue its business strategies and achieve a stable and sustainable earnings growth. Thai Credit recorded a robust loan growth of 18.8% for 2023 and a return on equity (ROE) of 22.3%.

Thai Credit was able to maintain a low cost-to-income ratio of 36.7% in 2023, due to its high staff productivity and lean cost structure that is underpinned by its low-cost branch network and efficient digital channels. Thai Credit's efficient cost structure enables the Bank to offer competitive rates to attract deposits, as demonstrated by its average deposit per branch which is in a high level among the selected key commercial banks.

Thai Credit has a prudent risk management framework and effective risk management strategies. Thai Credit's risk management team is efficiently structured into different divisions covering various processes and areas, and is further overseen by Board of Directors or sub-committees established by Thai Credit. Thai Credit's NPL ratio as of 31 December 2023 was at 4.2%.

Thai Credit focuses on digital transformation initiatives. In 2019, Thai Credit launched its digital service through the Micro Pay application that provides an electronic-wallet service among other functions which allow its customers to perform loan transactions conveniently. In 2022, Thai Credit also introduced its mobile banking application, "alpha by Thai Credit," that provides customers with an enhanced experience and convenient access to financial services through mobile devices. In addition, Thai Credit has introduced technology driven systems to support its risk management processes, allowing the Bank to manage its branches and employees efficiently.

In addition, on 17 August 2023, Thai Credit obtained the approval for the upgrade from a retail bank to a full commercial bank, and on 1 September 2023, Thai Credit commenced its operation under the name "Thai Credit Bank Public Company Limited". At the initial stage, Thai Credit will commence the provision of trade finance services

through the launch of basic products and at the next stage, Thai Credit will launch more complex products to support MSME customers.

1.1.1 Vision, mission, and values

Vision

Thai Credit is determined to support customers' business growth and improve their well-being through its unique microfinance services.

Mission

- 1) To provide the best financial services to small enterprises (microSMEs) nationwide.
- 2) To promote financial literacy and discipline among all customers.
- 3) To create an organisation where everyone is enthusiastic about, and proud of, what they are working on together.
- 4) To create value for shareholders by taking into consideration benefits for stakeholders.

Value

- 1) **Team Spirit:** teamwork and the belief that everything can be achieved with the power of team spirit.
- 2) **Credibility:** maintaining good governance, and success that is achieved through trust.
- 3) **Result Oriented:** success that begins from planning, setting goals, and working with a focus on achievement.
- 4) **Best Service:** excellent services that will continue to impress and attract customers to our services
- 5) **Leadership:** a supportive leader, with a goal to improve team performance for success.
- 6) **Integrity:** knowing our potential, holding on to morality, and doing the right thing at all times, in every situation.

DNA

- 1) Always Improving
- 2) One Direction
- 3) Customer Passion
- 4) Never Mislead

1.1.2 Competitive strengths

Thai Credit is a bank that focuses on providing both MSME Loans and Nano and Micro Finance Loans to the underserved communities in Thailand. While Thai Credit has been recently granted an upgrade from a retail bank to a full commercial bank, there is no change to its business focus.

Thai Credit entered into the MSME Loans market in 2013, and expanded into the Nano and Micro Finance Loans market in 2015. Throughout the years, Thai Credit has developed a deep understanding of its target customer segment and established a robust credit and risk management framework across the Bank's end to end process, which are designed specifically to manage customers with high credit risks. As such, Thai Credit believes that it is in a position to service the rising demand from the large underserved population in Thailand.

Thai Credit has a lean cost structure due to its low cost branch network and efficient digital channels. This is further supported by high staff productivity driven by Thai Credit's continuous digital transformation initiatives and investment into personnel training. To fund its banking operations, Thai Credit has access to deposit-based funding which is cost efficient and flexible compared to other forms of funding. Thai Credit believes this provides it with a competitive advantage against other non-bank lenders which are not licensed to collect deposits in Thailand and may be targeting similar customer segments. Coupled with a highly experienced management team and strong branding within its target customer segment, Thai Credit believes that it has a strong foundation and unique business model that cannot be easily replicated by other competitor banks.

Thai Credit's competitive strengths are as follows:

1. **Entrenched position in Thailand's high growth MSME Loans and Nano and Micro Finance Loans segments supported by a unique business model**

Thai Credit has entrenched positions in both the MSME Loans and Nano and Micro Finance Loans segments where the Bank had 24,694 and 255,424 loan accounts respectively as at 31 December 2023. During the period of ten years, Thai Credit expanded rapidly where the total outstanding gross loan achieved a CAGR of 21.8%. As of 31 December 2023, total outstanding gross loans increased by 18.8% compared to the outstanding gross loans as of 31 December 2022. Thai Credit's entrenched market positions have provided the Bank with extensive experience and in-depth understanding of the market for these types of customers. Notably, Thai Credit received the award for the "Fastest Growing Retail Bank in Thailand" for three consecutive years (2017 – 2019) from Global Banking & Finance Review, a financial and business magazine based in the United Kingdom.

Thai Credit believes that there are significant growth opportunities in both the MSME Loans and Nano and Micro Finance Loans segments as customers from these two segments are currently underserved by large commercial banks given their lower ticket size requirements and potentially higher credit risk. In Thailand, borrowers that require MSME Loans and Nano and Micro Finance

Loans are generally small businesses in which business transactions are cash-based. They may lack financial documentation (e.g. bank statements and financial accounts) and/or collateral. As their businesses may also experience unstable cash flow from time to time, this hinders their ability to access loans and credit facilities from the large commercial banks.

As a result, a large number of these customers resort to informal lending channels, in particular loan shark operators who charge exorbitant interest rates. The demand for informal loans is estimated to have increased significantly in 2023 following the economic recovery in Thailand as businesses required working capital to restart their operations. Based on a survey conducted by Thai Credit on approximately 2,500 customers in November 2022, approximately 48% of the respondents indicated that they had previously applied for informal lending.

In response to the prevalence of informal lending channels, the Thai government has enacted a number of measures to facilitate financial access for the underserved, including the establishment of TCG, a state-owned specialised financial institution governed by the Ministry of Finance.

In view of the prevalence of these informal lending channels in Thailand, Thai Credit believes this gives rise to a large, addressable and underserved market which it could tap into. Thai Credit has, over the years, developed a deep understanding of the business practice of its target customer group and has established a unique business model that is designed specifically to manage customers from the higher risk segment. This includes an effective risk management framework entailing detailed credit assessment via alternative approaches (i.e. without solely relying on financial records), stringent credit limit management, active asset quality monitoring, effective collection management as well as leveraging on portfolio guarantee schemes from TCG. During the height of the COVID-19 pandemic, Thai Credit continued to support its customers by providing the necessary financing to support their business operations. Thai Credit believes that the unique requirements of its target customer segments could serve as a barrier to entry for other potential competitors.

2. Efficient delivery channels via low cost branch network and digital channel

Thai Credit believes that its efficient delivery channel via the low cost branch network and digital channel is a contributing factor to its low cost-to-income ratio of 36.7% during the financial period ended 31 December 2023.

Branch network

As of 31 December 2023, Thai Credit had 528 branches nationwide, which consisted of 267 lending branches, 233 nano credit kiosks and 28 deposit branches. As lending branches and nano credit kiosks do not offer deposit products and focus solely on loan products, they require less floor space, infrastructure, equipment and manpower than a typical full-service bank branch operated

by other commercial banks in Thailand. Furthermore, a nano credit kiosk only operates three days a week as its main function is to improve market coverage efficiently. This allows Thai Credit to optimise its operating expenses such as employee expenses (e.g. by deploying them to undertake other responsibilities when the nano credit kiosks are closed) and premise expenses (e.g. utilities). All of Thai Credit's lending branches and nano credit kiosks are strategically located within or near the target customers (e.g. traditional markets) which typically have lower rental costs as compared to prime commercial areas or central business districts. Due to these factors, Thai Credit has a significantly lower cost per branch compared to other commercial banks.

In addition, the strategic location of Thai Credit's branch network allows it to be in close proximity with its target customers and has enabled it to market its products and services effectively via frequent in-person engagements with the customers. The in-person engagement would also fortify customer service experience and build greater trust between the customers and Thai Credit's staff.

On the other hand, Thai Credit's deposit branches, which offer current accounts, savings accounts and term deposits are strategically located in shopping malls or central business districts which are within the vicinity of its target customers (e.g. retail and wealth banking customers). Thai Credit's small number of deposit branches means it has a lean cost structure which enables it to offer competitive rates to attract deposits as and when required. Due to its competitive rates and high quality of service, Thai Credit successfully increased its total deposits from THB 64.5 billion in 2020 to THB 116.7 billion in 2023, or a CAGR of 21.9%. Deposit per branch increased from THB 3.1 billion¹ to THB 4.3 billion², or a CAGR of 12.1% during the same period.

Thai Credit believes its access to the large deposit pool in Thailand provides it with a competitive advantage, as deposit-based funding is more cost efficient and flexible than other forms of funding such as corporate bonds, debentures or bank loans commonly utilised by the non-bank lenders.

Digital channel

Thai Credit via its licensed subsidiary also launched its digital channel – Micro Pay Application in 2019 which provides electronic-wallet service that has access to Promptpay, a real-time fund transfer platform in Thailand, as well as other functions to perform loan transactions (e.g. drawdown and repayment) conveniently.

The Micro Pay Application also contributes to Thai Credit's operational efficiencies. In 2021, approximately 16.6% of the transaction volume normally carried out at lending branches (i.e., loan

²Deposits per branch are calculated by dividing the aggregate deposit amount at the end of the period by the average number of deposit branches in each period. The average number of deposit branches in a period is equal to the sum of the number of deposit branches at the beginning of that period and the number of deposit branches at the end of that period, divided by two. For the period ended 31 December 2019, 31 December 2020, 31 December 2021, 30 September 2022, and 31 December 2023, the number of Thai Credit's deposit branches were 21, 21, 25, 26, 26, and 28, respectively.

drawdown and repayment) were conducted through the Micro Pay Application, leading to an increase in Thai Credit's operating efficiency. In 2023, this had further increased to 41.8%, demonstrating the sustainability and growth of the Micro Pay Application.

In addition, as at 31 December 2023, the Micro Pay Application had attracted 465,892 users (who have completed the KYC process). During 2023, as at 31 December 2023, it had approximately 30.8% active users (of the total number of users who have completed the KYC process) and the electronic-wallet function had facilitated transactions of approximately THB 20.8 billion in 2023. Thai Credit has seen the Micro Pay Application gaining popularity amongst its customers as it offers a convenient platform to perform banking transactions. For example, Nano and Micro Finance Loans customers could conveniently perform a subsequent loan drawdown and/or repay their revolving loan facilities through the mobile application in real time, instead of performing them physically at the lending branch.

3. Robust loan growth underpinned by customer-centric product offerings, high quality of service and high staff productivity

Customer-centric product offerings

Thai Credit's total outstanding gross loans increased from THB 68.5 billion in 2020 to THB 144.1 billion in 2023, or a CAGR of 20.4%. Thai Credit believes its strong historical loan growth was supported by its customer-centric product offerings such as Klahai loans, Nano and Micro Finance Loans and Home for Cash loans that meet customers' needs and are further described below. Thai Credit uses proprietary data (e.g. customer and market insights) that it collects across the different channels, as well as numerous surveys conducted over the years, to meticulously develop simple, easy to understand and transparent products that could address the unique needs of its customers.

For the MSME Loans segment, Thai Credit launched the Klahai loan in 2019 that offered promotional 0% interest for three months with credit limit of up to THB 35 million and/or up to three times the value of collateral. Demand for Klahai loan has been extremely strong, and as a result the total outstanding Klahai loan increased from THB 10.1 billion in 2020 to THB 62.1 billion in 2022. In 2023, this had further increased to THB 79.1 billion.

Customers requiring Nano and Micro Finance Loans (e.g. small entrepreneurs or traders in the markets) typically only require basic loan services with simple processes for applications, drawdowns and repayments. Thai Credit offers Nano and Micro Finance Loans that do not require collateral, where some of these loans may be secured by guarantees from TCG. Thai Credit has recorded strong growth in this segment where the total outstanding Nano and Micro Finance Loans increased from THB 11.0 billion in 2020 to THB 22.3 billion in 2023, or a CAGR of 19.3%.

Within the Home Loans segment, Thai Credit offers the Home for Cash loan with a strong value proposition. The Home for Cash loan allows customers to consolidate multiple loans (e.g. personal loans and credit card loans which may have high interest rates) into one credit line with longer loan tenure, lower installment and interest rate, therefore reducing the financial burden of its customers. As a result, Thai Credit has seen strong demand for Home Loans, with the total outstanding Home Loans increasing from THB 11.0 billion in 2020 to THB 21.9 billion in 2023, or at a CAGR of 18.8%. Thai Credit believes Home Loan is an attractive segment, as its key product offering (i.e. Home for Cash) is fully collateralised, entails lower credit risks and that it has strong growth prospects due to innovative features (i.e. consolidation of multiple loans as described above) and competitive interest rates.

High Service Quality

Thai Credit believes its historical loan growth was also supported by its high quality of service as demonstrated by Thai Credit's net promoter score of 71% as at July 2023. Thai Credit believes this could be attributable to the continuous improvement in its operational process and its flexible yet robust credit application process that caters to the customers' risk profile. For Nano and Micro Finance Loans, Thai Credit provides payment collection service from the customers' place of business. The frequent in-person interaction with customers enables Thai Credit to develop deep community relationships and a strong understanding of customers' requirements. Similarly for the MSME Loans customers, Thai Credit's relationship managers conduct periodic follow-up discussions or engagements which can further deepen existing relationships.

High Staff Productivity

To support its staff, Thai Credit provides continuous training on product knowledge, communication skills and marketing technique. Thai Credit's staff are equipped with a comprehensive set of digital tools, which include among others, PCIS for the MSME Loans segment and Nano OK System for the Nano and Micro Finance Loans segment. These highly customised platforms were developed in-house by Thai Credit to efficiently manage branch performance and productivity. Functions available on these platforms include, amongst others, sales tracking, lead management, customer screening, loan application and approval management, asset quality monitoring, collection management, staff workflow and/or activity planning and sales target management. Detailed information such as customer track record and sales performance of relationship managers and credit advisors can be easily retrieved from the systems. Additionally, Thai Credit's sales force is led by a team of highly experienced regional and branch managers who have an average length of service of at least 20 years. Thai Credit believes these factors have strengthened the capability of its staff and improved sales force effectiveness.

4. Industry leading profitability and stellar growth with solid capital position to support future expansion

Thai Credit achieved return on equity (“ROE”) of 18.9% and 21.8% in 2022 and the last 12-month period ending 30 September 2023, respectively. According to IPSOS, Thai Credit has one of the highest ROE amongst the Selected Key Financial Service Providers in Thailand during the 3rd quarter of 2023, where the average annualised ROE of selected key commercial banks and non-bank lenders were 8.19%. Aside from the strong loan growth, Thai Credit believes its ROE and earnings growth were underpinned by various factors including a healthy net interest rate spread², healthy insurance brokerage income and a lean cost structure.

Thai Credit achieved a net interest rate spread of 8.2% in 2023. Thai Credit believes its healthy net interest rate spread achievement is attributable to its capability in deploying low-cost deposits to fund loan products which generate higher yields. While loans with higher yield generally entail higher credit risks, Thai Credit also believes that it has built a robust risk management framework that is designed specifically for such loan portfolio.

Thai Credit has a strong emphasis on maintaining a lean cost structure, where costs are mainly incurred to acquire new customers. Coupled with its low-cost distribution network and efficient process, Thai Credit’s cost to income ratio improved significantly from 49.9% in 2020 to 39.5% in 2022 and 36.7% in 2023.

In addition, for Thai Credit’s capital as of 31 December 2023, Thai Credit’s CAR ratio, Tier 1 ratio, and CET ratio are at 16.3%, 13.8% and 13.1%. All of them are above the Bank of Thailand’s regulation on minimum requirement of 11.0%, 8.5% and 7.0%, respectively. Following the IPO, Thai Credit’s capital position is expected to strengthen further. The bank also believes that this will allow Thai Credit to capitalise on the strong demand for its loan products. A stronger capital position would enable Thai Credit to meet both internal and external requirements on its capital adequacy.

5. Prudent credit risk management and provisioning supporting healthy asset quality

Thai Credit believes its healthy credit quality is attributable to its strong risk culture that has been firmly established across the end-to-end processes within the organisation. Thai Credit adopts an in-depth and multi-layer asset quality control and monitoring procedure and has a prudent credit underwriting process that is underpinned by a robust risk management framework. The risk management framework contains credit evaluation, credit limit management and collection management that are designed specifically for customers with potentially higher credit risk.

²Refers to interest rate differential calculated by deducting average financial costs from average return on earning financial assets for each accounting period

Thai Credit's total NPLs for its entire loan portfolio as at 31 December was THB 6.1 billion, representing NPL ratio of 4.2%. Thai Credit's NPL ratio is inclusive of NPLs that are presently guaranteed by TCG but have not been claimed for, pending necessary claim procedures. Such NPLs could be claimable against TCG subject to the total allowance available under each guarantee program that Thai Credit has participated in, as well as Thai Credit meeting the stipulated conditions and processes pursuant to the guarantee arrangement with TCG, therefore providing additional cushion for potential losses. As at 31 December 2023, aforementioned non-performing loans guaranteed by TCG and were eligible to claim for compensation from TCG subject to meeting the terms and conditions stipulated under each guarantee program were THB 3.6 billion, representing 58.9% of Thai Credit's total NPLs during the period. In general, the maximum amount of compensation that Thai Credit is entitled to receive from TCG ranges from 20% to 40% of the total amount of loans guaranteed by TCG under the various guarantee programs, and subject further to conditions of each guarantee program at such point in time.

Thai Credit's risk management framework is further supported by technology-driven systems such as SDE System and Tels-nano which have been developed and continuously improved upon by incorporating extensive customer data collected over the last 10 years. These systems enable Thai Credit to efficiently assess customer credit worthiness and review recommendations on credit limit generated by the system. These systems would also contribute to productivity gain by reducing reliance on assessment based on personal discretion and manual processing by employees, thus reducing turnaround time.

Other key factors underpinning Thai Credit's healthy asset quality include:

1. Thai Credit had 255,424 Nano and Micro Finance Loans accounts with an average loan size of THB 87,413.5 per loan account as of 31 December 2023, thus allowing it to significantly diversify its credit risks across a large customer base nationwide. In addition, many of Thai Credit's customers are merchants that provide daily necessities to the local communities and therefore their businesses may be relatively resilient and less susceptible to the volatile economic environment;
2. Thai Credit has a highly experienced credit and risk management team of 148 employees as at 31 December 2023 that includes the Head of Credit and Head of Risk Management where each of them have at least 25 years of experience in the industry;
3. Strong collection management by Thai Credit, where the Bank provides Nano and Micro Finance Loans customers with payment collection services from the customers' place of business; and

4. As at 31 December 2023, THB 96.2 billion or 66.8% of Thai Credit's total gross loans were secured by collateral. Such collaterals include collaterals that fully or partially covers the loans. As for the unsecured loans, 78.8% of such loans were guaranteed by the TCG.

As of 31 December 2023, Thai Credit had NPL coverage ratio of 161.4%. This demonstrates its prudent practice and it believes the current level would be sufficient to address the risk of any increase in NPLs in the foreseeable future.

6. Experienced management with strong commitment to provide inclusive and sustainable financial services to the underserved segment

Thai Credit's management team has extensive experience in the banking and finance industry with past experiences from leading global and domestic financial institutions such as SBC Warburg, J.P. Morgan, GE Money, Bank of Ayudhya, etc. As of 31 December 2023, Thai Credit's senior management team includes Chief Executive Officer and Chairman of Executive Committee Mr. Winyou Chaiyawan and Managing Director Mr. Roy Agustinus Gunara who each have over 20 years of banking and finance experience. Mr. Roy Agustinus Gunara will assume the role of Chief Executive Officer starting in March 2024 and Mr. Winyou Chaiyawan will remain in such position until such time in order to implement an orderly succession plan. However, Mr. Winyou will continue to remain a Director and the Chairman of Executive Committee.

Following the appointment of both Mr. Winyou Chaiyawan as Chief Executive Officer and Mr. Roy Agustinus Gunara as Managing Director in 2012, Thai Credit shifted its business focus to the MSME Loans segment which most other commercial banks in Thailand avoided due to concerns on credit risks. The new business strategy proved to be successful, as Thai Credit's financial performances turned around from a net loss after tax of THB 121.2 million in 2012 to profit after tax of THB 1.8 million in 2013.

Under the leadership of Mr. Winyou Chaiyawan and Mr. Roy Agustinus Gunara, Thai Credit expanded into the Nano and Micro Finance Loans segment in 2015 and its total gross loan book continued to expand rapidly. Total outstanding gross loans increased from THB 17.9³ billion in 2012 to THB 144.2 billion in 2023, or a CAGR of 19.0%. Financial performance similarly improved significantly where Thai Credit achieved a record high profit after tax of THB 3,556.8 million in 2023.

Thai Credit's management remains highly committed to its environmental, social, and corporate governance ("ESG") aspirations and believes the philosophy of "Everyone Matters" promotes financial inclusivity in Thailand. Thai Credit has continuously developed products and services that

³Includes only outstanding gross loan at Thai Credit (namely excluding outstanding loan at Thanaban Company Limited, which was previously a subsidiary of Thai Credit. However, Thai Credit divested the company's shares in 2014)

are transparent, equitable and sustainable. Thai Credit believes that it has established a strong branding and recognition as a community lender within its target customer market segments. Based on a recent survey on banking and financial services published by BrandAge magazine in February 2023, Thai Credit has been voted as the 8th most trusted brand among all banks in Thailand, ahead of some larger commercial banks in Thailand. Although being a small bank in comparison to other commercial banks, results of the survey demonstrates that Thai Credit is gaining popularity and trust in Thailand.

1.1.3 Future plans and strategies

Thai Credit plans to embark on the below future plans and strategies:

1. **Continue to improve business productivity and customer experience through digital initiatives**

Thai Credit considers digital transformation initiatives as its key strategy to enhance operational efficiency, sales force effectiveness and customer experience. This could in turn strengthen Thai Credit's competitive edge and enable it to accelerate its growth plan.

Initiatives undertaken by Thai Credit in the past include the development and adoption of highly customised digital platforms, namely the PCIS, Nano OK System, SDE System and Tels-nano System. Various business processes have been digitalised, including new loan applications which can now be submitted via tablet computers and electronic data capture ("EDC") devices carried by the relationship managers and credit advisors. The paperless submission enables Thai Credit to instantly inform customers on the pre-screening credit decision, thereby enhancing customer experience. In addition, the loan approval process now undergoes a paperless and automated workflow, thereby improving the processing time. Since its introduction in 2020, the average time taken for completion of loan processing for MSME Loans reduced from approximately 18 days in 2020 to 14 days in 2022. Thai Credit believes that digitalisation of its complex business processes is key to its success and aims to continue exploring similar initiatives in the future.

In 2020, Thai Credit had successfully developed a cloud-native digital platform which utilises microservices architecture that exposes its core banking and other essential financial service capabilities to serve specific functions. The microservices architecture offers the benefit of scalability and customisation in the future. Thai Credit's new mobile banking application, "alpha by Thai Credit," was developed on this digital platform. While the initial aim was to provide a digital channel to serve its depositors, Thai Credit plans to further enhance the "alpha by Thai Credit" application to serve MSME Loans customers in the future.

Thai Credit will continue to promote the adoption of Micro Pay Application amongst its Nano and Micro Finance Loans customers, including the usage of Quick Response ("QR") payment channel

to facilitate business transactions. Thai Credit believes that a high usage of Micro Pay Application by its customers may lead to higher electronic-wallet balance, facilitates loan repayment transactions via the Micro Pay Application and in turn results in higher productivity gain. Additionally, Thai Credit is currently exploring the viability of introducing a digital payment service in the Micro Pay Application that enables traders in markets to make periodic rental payments to the owners of the markets. Thai Credit believes that such initiatives will enable it to extend its reach to a wider pool of customers in a cost-efficient and effective manner.

2. **Expand Thai Credit's market share in the high growth MSME Loans, Nano and Micro Finance Loans and Home for Cash segment**

1) Strengthen Thai Credit's loan products

Thai Credit launched a new overdraft ("OD") facility for its MSME Loans customers in June 2022. The OD facility is offered as either a stand-alone product or as a sub-credit line to a main loan product. Thai Credit will continue to promote the OD facility to its existing customers that have healthy credit track record and require working capital facilities to improve short-term business liquidity.

Considering positive feedback from the Nano and Micro Finance Loans customers on the revolving credit ("**Revolving Credit**" or "**RC**") facility, Thai Credit believes that the OD facility has similar growth potential and the ability to increase customer retention. Both the RC and OD facilities have similar features as they provide flexible drawdown and repayment based on a customer's needs. Since the introduction of the RC facility in January 2020, more than 90% of Nano and Micro Finance Loans customers previously under instalment loans are now using the RC facility. The customers have provided strong positive feedback on this product as it could serve their needs for cash access conveniently with a significantly simpler process.

Thai Credit is also exploring the opportunity to offer revolving personal loan at competitive interest rates to its existing Home for Cash customers. This would be offered as a sub-credit facility and has features similar to the OD and RC facilities (i.e. flexible drawdown and repayment). The product is still currently in development and will be introduced to customers upon obtaining all relevant internal approvals.

2) Enhance Thai Credit's distribution channel and staff strength

Physical Outreach

Thai Credit plans to selectively open new deposit branches at strategic locations to broaden its geographical footprint in an effort to acquire more deposits and further expand

its Home for Cash loan (which is the primary loan product offered by a deposit branch). The new deposit branches are expected to be located in shopping malls or central business districts which Thai Credit believes are closer to its target customers such as wealthy individuals and salaried individuals. Each branch will be supported by relationship managers who will market these products. To further support the growth of Home for Cash loans, Thai Credit will continue to engage third party sales agents and telemarketers who would refer potential customers to the deposit branches.

To acquire new loan customers and strengthen its brand presence, Thai Credit plans to open new regional centres in the greater Bangkok area and upcountry regions in the future. The regional centres will offer a comprehensive range of products and services including MSME Loans, Nano and Micro Finance Loans, Home for Cash loan, current account, savings accounts and term deposits. Each regional centre is expected to be staffed by a team of 100 to 200 front and back office personnel.

Staff Productivity

To support its branch expansion and future growth initiatives, Thai Credit plans to continue enhancing staff productivity through digital transformation initiatives and continuous training programs. In addition, Thai Credit intends to increase its total headcount in the future to support the growth targets set by the management.

3) Higher credit limit to capture wider customer base

Thai Credit plans to offer higher credit limits to both its existing and new customers who have healthy credit track records. For MSME Loans customers, Thai Credit plans to increase its lending to customers who require loans with a credit limit above THB 10 million. As at 31 December 2023, 69.3% of Thai Credit's total number of contracts under MSME Loans had credit limit of up to THB 10 million. For existing Nano and Micro Finance Loans customers with strong credit records, Thai Credit aims to continue offering the Micro Plus loans which have higher credit limit of up to THB 500,000. Thai Credit expects that these strategies will enable it to capture new customers who may have larger funding requirements and to support existing customers which have grown over the years, as well as improving overall asset quality given that MSME Loans with higher credit limit may be secured by collaterals.

4) Reinforce Thai Credit's brand awareness:

Thai Credit believes that a strong brand awareness is important to capture new customers. Thai Credit aims to undertake digital advertising through online channels (e.g. Facebook, YouTube, Tik-Tok, etc.), and will continue to provide financial literacy training to existing

and potential customers. Thai Credit places high priority on its social responsibilities and has launched “Tang To Know-how” program to provide financial literacy training to small and micro business customers, particularly market vendors. This program has been growing in popularity, including amongst participants who are not existing customers of Thai Credit, and the Bank believes this has strengthened its brand awareness. Thai Credit plans to continue offering the program to both its customers and non-customers in the future.

3. Continue to focus on portfolio quality and debt collection management

Thai Credit will aim to continue to maintain its existing prudent risk management framework, including leveraging on the portfolio guarantee schemes of TCG. To optimise guarantee cost payable to TCG, Thai Credit plans to focus on guaranteeing high-risk portfolios while reducing the coverage for the low-risk portfolio. This would potentially improve cost effectiveness while ensuring overall portfolio asset quality remains healthy. Thai Credit also intends to enhance its credit evaluation team by hiring additional credit risk personnel to support its long-term strategy of expanding into the MSME Loans segment by providing loans with higher credit limit and gradually targeting the larger customers with stronger credit.

Thai Credit will also enhance its debt collection system in effort to improve the efficiency of its debt collection process, recovery rates and portfolio quality monitoring to support its future growth plan. For instance, Thai Credit plans to develop a scorecard system which could assist it in identifying customers with higher credit risks where a more proactive debt collection management process (i.e. closer monitoring and higher frequency of follow-up engagements) is required.

4. Pursue strategic partnerships to enhance product offering, customer experience and customer reach

Thai Credit is currently exploring opportunities to leverage on the open banking capabilities of its newly developed digital platform to establish strategic partnerships with other companies in Thailand. This could in turn lower its customer acquisition costs and widen its target customer reach. Thai Credit believes that there are numerous opportunities to collaborate with other companies on the development of digital products and services that could fulfil the needs of its target customer segment. Thai Credit is currently in the midst of developing banking connectivity with a consumer digital platform in Thailand and engaging in discussions with several other parties on potentially providing digital lending products and services to consumers.

Thai Credit also plans to work together with external partners to offer the Micro Pay Application as an alternative digital payment channel. These potential partners (e.g. suppliers and merchants) could provide complementary, non-competitive products and/or services within the Micro Pay Application, while users of the Micro Pay Application could place orders digitally and make

payments directly via the Micro Pay Application. Thai Credit believes such features could create a seamless experience for its customers and further increase the popularity of the application.

1.1.4 Key changes and evolution

Year	Description
1970	- Thai Credit was founded as Thai Keha Credit Foncier Company Limited to engage in the financial service business.
2005	- On 28 July 2005, Thai Credit registered its conversion into a public limited company, Thai Keha Credit Foncier Public Company Limited, with authorised share capital of THB 300 million, before raising it to THB 1,000 million.
2006	- On 22 December 2006, Thai Credit obtained a commercial banking business license to operate its retail commercial banking business.
2007	<ul style="list-style-type: none"> - On 18 January 2007, Thai Credit officially commenced its operation with an aim to encourage fair competition with other financial institutions. - Thai Credit changed its name from Thai Keha Credit Foncier Public Company Limited to The Thai Credit Retail Bank Public Company Limited. - Thai Credit obtained the life insurance brokerage license and non-life insurance brokerage license to offer insurance products to loan customers, depositors and general customers.
2008	- Thai Credit increased its registered capital from THB 1,000 million to THB 1,500 million.
2009	<ul style="list-style-type: none"> - To meet the demands of domestic retail customers, Thai Credit acquired the entire business of Thanaban Company Limited to expand its motorcycle hire-purchase business. - On 14 December 2009, Thai Credit obtained a securities business license from the Ministry of Finance to conduct type D securities business, enabling it to become a mutual fund selling agent.
2010	- Thai Credit increased its registered capital from THB 1,500 million to THB 2,000 million in April 2010, and to THB 3,000 million in October 2010.
2012	<ul style="list-style-type: none"> - Polaris Capital Investment Limited ("Polaris Capital"), a private equity firm under the Northstar Group that invests in businesses across Southeast Asia, purchased 50 million newly issued shares in Thai Credit, resulting in the shareholding of Polaris Capital in Thai Credit becoming 25.0%. - With an aim to becoming the "best retail commercial bank" in the future, Thai Credit changed the structure of its management team, whereby Mr. Winyou Chaiyawan became the Chief Executive Officer and Mr. Roy Agustinus Gunara ("Mr. Roy") became the Managing Director.
2013	- Thai Credit began to operate lending branches, which are branches that only provide loan services and are in a community area near the establishment of micro enterprises and SMEs. This branch

Year	Description
	model differs from that of the general bank branches to inclusively serve demand for formal loans among retail business clients.
2014	<ul style="list-style-type: none"> - Thai Credit sold all of its shares in Thanaban Company Limited in order to pursue its business plan with a focus on micro finance facilities. - Thai Credit increased its registered capital from THB 3,000 million to THB 3,125 million.
2015	<ul style="list-style-type: none"> - Thai Credit began its Nano and Micro Finance Loans services, making it the first commercial bank to give micro enterprises safe, secure, and fair access to formal loans with no collateral or guarantor required. - Thai Credit launched Home for Cash loan (as part of the Home Loans segment), which was developed from its home loans products and provides additional product features where customers can choose to use the loan to settle other type of loans to reduce the burden of interest expenses or to consolidate other debts into one credit line. - Thai Credit increased its registered capital from THB 3,125 million to THB 4,125 million.
2016	<ul style="list-style-type: none"> - The Tang To Know-how project was initiated to promote financial literacy and to inculcate knowledge in financial planning, savings, debt management, and financial risk management in times of crisis for the micro enterprises and SMEs as well as members of the general public that are salaried individuals. A good financial knowledge will help participants make better financial management decisions in the future and increase their ability to live a stable life and their self-esteem.
2017	<ul style="list-style-type: none"> - Thai Credit won the "Fastest Growing Retail Bank in Thailand" award from the Global Banking & Finance Review magazine, on account of its strong operating performance and the significant growth in its net profit for three consecutive years, from 2014 to 2016. - Thai Credit increased its registered capital from THB 4,125.0 million to THB 5,156.25 million.
2018	<ul style="list-style-type: none"> - Thai Micro Digital Solutions Company Limited ("TMDS"), a subsidiary in which Thai Credit holds 99.99% of the paid-up capital, was established to provide electronic financial transaction services through the application "Micro Pay". - Thai Credit won the "Fastest Growing Retail Bank in Thailand" award from the Global Banking & Finance Review magazine, for the second consecutive year.
2019	<ul style="list-style-type: none"> - Thai Credit issued and allotted 15.625 million warrants to Mr. Roy for the purchase of Thai Credit ordinary shares in replacement of the existing warrants of Thai Credit issued and allotted in 2014 and 2017, with the conversion ratio of one warrant per one ordinary share ("Warrant-M"), which expired on 31 March 2022. Later that year, Mr. Roy transferred all of these Warrant-M to his wife, Mrs. Mijitra Gunara ("Mrs. Mijitra").

Year	Description
	<ul style="list-style-type: none"> - OCA Investment Holdings I Pte, Ltd. ("OCA"), a company in the Olympus Capital Asia group, which is a private equity firm, purchased 125 million shares of Thai Credit from Polaris Capital, resulting in OCA holding 25% shareholding in Thai Credit. - TMDS obtained a license to operate designated payment service under supervision from the Bank of Thailand, and launched its "Micro Pay" application, which was developed to serve consumers' demands in the cashless society and improve the efficiency of its lending branches and cash management. - Thai Credit maintained its continuous growth from 2014 (excluding interest income of Tanabun Company Limited in which Thai Credit sold shares in such company in 2014) to 2018, with an average accumulated interest income growth of 25.0% per year, demonstrating how Thai Credit reinforced its potential as the best retail bank. Thai Credit also won the "Fastest Growing Retail Bank in Thailand" award from the Global Banking & Finance Review magazine from the United Kingdom, for the third consecutive year. - Thai Credit launched its 'Klahai SME Loans' for micro enterprises and SMEs, with and without collateral, for expanding business, providing working capital, or increasing liquidity. - Thai Credit expanded its loan services to retail customers by launching personal revolving loans to serve targeted group of customers with medium to high regular income.
2021	<ul style="list-style-type: none"> - Thai Credit issued perpetual bonds, with the total value of THB 1,000 million, to VNB Holding Company Limited ("VNB"), and perpetual bonds, with the total value of THB 150 million, to OCA. Under Bank of Thailand's regulations, these bonds are recognised as additional Tier 1 Capital, and would strengthen Thai Credit's capital. Thai Credit also issued and allotted 65.0 million warrants and 9.75 million warrants to VNB and OCA respectively, holders of these perpetual bonds, for the purchase of Thai Credit's ordinary shares, with the conversion ratio of one warrant per one ordinary share. These warrants expire on 27 May 2031. - Thai Credit increased its registered capital from THB 5,156.25 million to THB 5,903.75 million to accommodate the aforementioned warrants.
2022	<ul style="list-style-type: none"> - Thai Credit launched the "Standby" campaign to communicate its commitment to stand by all customers during the prolonged outbreak of COVID-19 pandemic and the slowdown of the economy. Thai Credit saw the potential strength of the micro enterprises and SMEs, and launched SME OD products to provide working capital or to increase liquidity of its MSME customers. - In March, Mrs. Mijitra exercised the option to convert all of the Warrant-M units, raising her shareholding in Thai Credit from 0.83% to 3.84% of the total paid-up shares of Thai Credit, which is THB 5,156.25 million after the conversion. - Thai Credit submitted the application to the Bank of Thailand for the upgrade of its license from a retail commercial bank to a commercial bank. On 2 September 2022, the Minister of Finance granted

Year	Description
	<p>the approval for the upgrade to a commercial bank. Thai Credit plans to expand its services to trade finance including providing loan services to business operators conducting trade finance.</p> <ul style="list-style-type: none"> - Thai Credit won the Best Design Excellence Award for a 200-220 sq. m. booth from the Bank of Thailand's governor, Dr. Sethaput Suthiwartnarueput, at the Money & Banking Awards 2021, with its creative design of the booth set up at the 21st Money Expo 2021, which conveyed the concept of "Sustainable Financial Life." - Thai Credit launched its mobile banking application, "alpha by Thai Credit," to provide customers with convenient access to financial services and an enhanced experience through mobile devices. - Thai Credit increased its registered capital from THB 5,903.75 million to THB 6,598.16 million to accommodate the issuance and offering of 66.67 million ordinary shares (par value of THB 10.0 per share) to all of Thai Credit's existing shareholders (in a rights offering), which were all paid up in December 2022, and to accommodate warrants for the purchase of 2.775 million shares (par value of THB 10.0 per share) that were issued to the senior management as part of the management stock option plan ("MSOP"). - Thai Credit established the Thai Credit Foundation to build upon its commitment in promoting and supporting financial literacy, with three main operating goals: (1) creating interesting, easy-to-understand, up-to-date content that promotes financial literacy; (2) enabling target group to easily access financial knowledge through in-class and online trainings; and (3) developing financial content and courses to strengthen finance, develop career and generate income.
2023	<ul style="list-style-type: none"> - The Extraordinary General Meeting of Shareholders No. 1/2023 held on 22 February 2023 resolved to approve Thai Credit's buy back and cancellation of the warrants in the amount of 74,750,000 units which were issued and allocated to VNB and OCA who subscribed to the perpetual bonds (which were recognised as additional Tier 1 Capital) at the buyback price of THB 5.75 per 1 warrant unit. Thai Credit completed the buyback of such warrants in March 2023. - Thai Credit reduced its registered capital from THB 6,598.17 million to THB 5,850.67 million by decreasing the number of registered shares which had not been sold by 74.75 million shares (par value of THB 10.0 per share). These were reserved for the exercise of warrants to purchase ordinary shares of Thai Credit issued and offered to VNB and OCA who subscribed to perpetual bonds (which were recognised as additional Tier 1 Capital). In this regard, the Bank of Thailand approved such capital reduction in March 2023. - Thai Credit changed the par value of its shares from THB 10.0 to THB 5.0. - Thai Credit increased its registered capital from THB 5,850.67 million to THB 6,174.20 million to facilitate the issuance and offering of ordinary shares to the public in the IPO. - Thai Credit expanded personal revolving loans to new target groups (in addition to the group of customers with fixed income) through entering into the right of claims purchase agreement and

Year	Description
	<p>relevant agreements with Ascend Nano Company Limited ("Ascend Nano") to purchase right of claims under loan agreements that Ascend Nano entered into with its debtors.</p> <ul style="list-style-type: none"> - Thai Credit entered into a financial agreement with International Financial Corporation (IFC) for a long-term loan to the amount of USD 105.0 million and drew down the entire amount of the facilities on 27 June 2023. <i>(Please see Part 2.2.5 Other Information, Section 5.5 Material Financial Agreements.)</i> - Thai Credit issued and sold subordinated debentures which were recognised as Tier 2 Capital in the amount of THB 1,700 million to VNB on 15 June 2023. - On 17 August 2023, Thai Credit obtained the commercial banking business license pursuant to the Financial Institution Business Act, B.E. 2551 (2008) from the Ministry of Finance to operate as a full commercial bank. On 1 September 2023, Thai Credit registered the change of company name and seal with the Ministry of Commerce, and commenced its operation under the name "Thai Credit Bank Public Company Limited" (formerly "The Thai Credit Retail Bank Public Company Limited"). - On 17 August 2023, Thai Credit obtained the authorised bank license pursuant to the Exchange Control Act, B.E. 2485 (1942) from the Ministry of Finance. - Thai Credit won Top Community Centric Companies in Asia from The Asia Corporate Excellent & Sustainability Awards 2023, giving to the company creating value for communities through projects and support the well-being of society as a whole. This reinforce the image of a bank relied upon by the community and being a bank for sustainability, a community leader company.

1.1.5 General information

Name of issuer	: Thai Credit Bank Public Company Limited
Location of principal office	: 123 Thai Life Insurance Building, Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400
Type of business	: Commercial bank
Corporate registration number	: 0107548000552
Telephone	: 0-2697-5454
Fax	: 0-2642-2122
Website	: https://www.thaicreditbank.com
Registered capital as of 31 December 2023	: THB 6,174,196,110.0
Paid-up capital as of 31 December 2023	: THB 5,822,916,660.0
Total number of paid-up shares as of 31 December 2023	: 1,164,583,332 shares

1.2 Nature of business operations

1.2.1 Revenue structure

The below table breaks down interest income, based on income sources, for the specified period.

Interest income	For the year ending 31 December					
	2021		2022		2023	
	Million (THB)	%	Million (THB)	%	Million (THB)	%
Interbank and money market items	39.6	0.4	71.5	0.6	340.5	2.1
Investment in debt instruments	15.0	0.2	27.5	0.2	62.6	0.4
Loans to customers	9,614.7	98.1	12,466.9	98.3	15,371.4	96.7
Hire-purchase	131.7	1.3	118.8	0.9	120.1	0.8
Total interest income	9,801.0	100.0	12,684.7	100.0	15,894.6	100.0

The below table breaks down fee and service income and other operating income, based on the types of income, for the specified period.

Fee and service income	For the year ending 31 December					
	2021		2022		2023	
	Million (THB)	%	Million (THB)	%	Million (THB)	%
Brokerage fees	378.3	86.9	455.0	86.2	411.8	81.6
Management fees	19.0	4.4	32.8	6.2	43.0	8.5
Acceptances, avals and guarantees	2.8	0.6	2.3	0.4	1.6	0.3
Other fees ⁽¹⁾	35.5	8.1	38.0	7.2	48.4	9.6
Total fee and service income	435.6	100.0	528.1	100.0	504.9	100.0
Other operating income ⁽²⁾	296.2		238.6		204.8	
Total	731.8		766.7		709.7	

Notes: (1) Other fees include stamp duty received from customers, and income arising from cheque issuance fees.

(2) Other operating income includes marketing support income from insurance companies and other incomes from debt collection, etc.

1.2.2 Nature of business operations divided based on product types

Thai Credit's products and services can be divided into three main types: loans, deposits, and bancassurance brokerage and mutual fund brokerage. In terms of loan business, Thai Credit's loan business is aimed at supporting the businesses of micro enterprises and SMEs, and promoting their business growth and financial stability in the long run. A variety of Thai Credit loan products are designed to serve customers' demands, and different credit limits are determined to suit target customers, including MSME Loans, Nano and Micro FinanceLoan, Home Loans, Personal Revolving Loans and other retail loans. Thai Credit also provides multiple types of deposit services, including current accounts for businesses, and savings accounts and term deposit accounts for retail and wealth banking customers. Deposits remain the key funding source for Thai Credit, as they provide Thai Credit with a lower cost of fund than funding from other sources. Thai Credit also sees opportunities to capitalise on its existing branches and network of its loan officers to act as a bancassurance sales representative for five companies for saving life insurance, pension life insurance, fire insurance, and credit life insurance. Thai Credit is also a dealer of mutual fund products for four asset management companies as of 31 December 2023.

1.2.2.1 Loan business

The below table breaks down loans granted by Thai Credit as of 31 December 2021, 2022, and 2023.

Loans to customers	As of 31 December					
	2021		2022		2023	
	Million (THB)	%	Million (THB)	%	Million (THB)	%
MSME Loans ⁽¹⁾	68,184.3	69.8	82,198.5	67.8	96,777.3	67.1
Nano and Micro Finance ⁽²⁾	14,265.7	14.6	19,181.9	15.8	22,327.5	15.5
Home Loans ⁽³⁾	14,489.1	14.8	18,522.4	15.3	21,913.9	15.2
Personal RevolvingLoans ⁽⁴⁾	439.1	0.4	1,092.7	0.9	2,877.1	2.0
Other retail loans ⁽⁵⁾	350.5	0.4	302.5	0.2	260.7	0.2
Total loans to customers⁽⁶⁾	97,728.7	100.0	121,298.0	100.0	144,156.5	100.0

- Notes:
- (1) MSME Loans include Micro SME loans, SMEs loans, Soft Loans, and other loans.
 - (2) Nano and Micro Finance includes Nano Finance, Micro Finance, and Micro Plus.
 - (3) Home Loans include Home for Cash and Mortgage Refinance Loans.
 - (4) Personal revolving loans includepersonal revolving loans.
 - (5) Other retail loans include mortgage reducing term assurance (MRTA) loans, multi-purpose loans, loans with gold as collateral and other retail loans that are not the key products.

(A) MSME Loans

Thai Credit focuses on the development of financial products and services that are offered in a transparent and fair manner and to meet the various demands of micro enterprise and SME

customers, which collectively are the largest group of businesses in Thailand based on the number of entrepreneurs. Micro enterprise and SME customers in Thailand are expected to continue growing and thus require funding for the expansion of their businesses and working capital or liquidity needs. Going forward, they are expected to continue to grow and require capital to expand their business, making them one of the key drivers to the robust and sustainable economy of Thailand.

MSME loans are intended to provide working capital and funding solutions to customers in order to improve the customers' business liquidity, support its business expansion, and refinance business loans from other financial institutions. Thai Credit has a deep understanding of its customers' requirements, which is achieved through its extensive experience serving micro enterprise and SME customers since 2012 and continuous analysis of customers' needs. Through this understanding, Thai Credit has developed various products and services. For example, Thai Credit launched the "Klahai Fighter" loan campaign which is aimed at customers with healthy operating results and good financial records, under which a range of loan amounts are offered to comprehensively serve different needs. Thai Credit has more than 10 different loan products to address the needs and limitations of different customers. These products include loans with and without collateral for individual and corporate customers.

MSME Loans mainly consists of (a) Micro SME loans, and (b) SMEs loans. During 2020, Thai Credit launched the Klahai SME Loans under the Bank of Thailand's Soft Loan program (loans with low interest or Soft Loan), the details of which are provided in the section "Business Support Programs" below.

A description of Thai Credit's core products within the MSME Loans segment are provided in the following table.

	(A.1) Micro SME loans (with collateral)	(A.2) Micro SME loans (without collateral)	(A.3) Other loans	(B) SME loans
Target customers	Micro enterprise (individual and corporate customers)		Medical professionals and dentists, gold shops, apartment operators, other micro enterprises and SMEs, and hire-purchase loan customers.	A variety of SME groups which include individuals, general businesses and corporate customers.
Main types of loans offered	Term loans and overdraft loans	Term loan	Term loans	Term loans, overdraft loans, clean bill discounts, promissory notes and bank guarantees
Loan amounts	Maximum amount of THB 35.0 million	Maximum amount of THB 2-10 million	THB 1 million and higher	THB 1 million and higher
Interest rates	Loan interest rate + interest difference as determined by Thai Credit			
Loan terms	Maximum term of 15 years	Maximum term of 10 years	Maximum term of 20 years	Maximum term of 20 years
With/Without collateral	With collateral	Without collateral	With and without collateral	With and without collateral
Types of collateral	Land, buildings, business establishments, residences, and/or deposits at Thai Credit	-	Land, buildings, business establishments, gold bullion or gold ornaments, cars, machines and equipment	Land, buildings, business establishments, residences, and deposits at Thai Credit
Loan-to-value (LTV) ratio	Depending on the loan product, may be up to three times the collateral value	- (up to three times the average sales per month)	No higher than the collateral value	Depending on the loan product, may be up to three times the collateral value and according to the criteria on granting loans, such as debtors' ability to repay debt (DSCR)
Distribution channels	Relationship managers and lending branches			
Examples of products	Klahai SME Loans, Klahai Tem Max SME Loans, and Micro SME Generic, Klahai SME Green Loan.	Klahai Tem Speed SME Loans	Klahai SME Loans for medical professionals and dentists, and corporate loans for apartment operators.	-

Thai Credit's MSME Loans are well-diversified across several business sectors, including trading businesses, manufacturing businesses, construction businesses, service businesses, and other types of businesses. The diversity of these businesses conforms to Thai Credit's credit risk management policy, which is intended to diversify credit risks by providing loans to customers in several businesses, and setting single lending limits for each customer group and industry, in accordance with the Bank of Thailand's regulations on single lending limits.

(B) Nanoand Micro Finance

Thai Credit realizes the importance and necessity of developing loan products and services that meet the needs of micro enterprises, especially merchants, in order to provide them with access to a formal financial institution which requires no collateral. To help micro enterprises, which constitute the economic foundation of the country, to get through the ongoing crises and revive their business operations, Thai Credit offers a wide range of loans, with a fast loan approval process, to ensure that these businesses receive the funding they need in a timely manner.

Nano and Micro Finance Loans consist of the following core products: (a) nano finance; (b) micro finance; and (c) micro plus as described in the following table.

	(A.1) Nano Finance / OTOP Nano Finance	(B) Micro Finance / OTOP Micro Finance	(C) Micro Plus
Target customers	Micro enterprises, especially merchants who own a shop in markets, or who have a physical establishment and OTOP operators.	Micro enterprises, especially merchants who own a shop in a market, or who have a concrete establishment and OTOP operators who have at least one year's experience.	Micro enterprises (natural persons) that have obtained or held commercial registration for at least two years.
Main types of loan products	Revolving loan under the Bank of Thailand's supervision	Revolving loan under the Bank of Thailand's supervision	Revolving loan
Loan amount	From THB 20,000 to THB 100,000	From THB 100,001 to THB 200,000	From THB 200,001 to THB 500,000
Interest rate	No higher than 33.0% per annum ⁽¹⁾	No higher than 28.0% per annum ⁽²⁾	No higher than 24.0% per annum
Loan term	The loan term and amount will be reviewed on an annual basis.		
With/without collateral	Without collateral		
Distribution channels	Credit advisors, and lending branches and nano credit kiosks		

- Note:
- (1) Nano finance is nano finance governed by the Bank of Thailand. Under these loan programs, any interest, penalty charges, service fees, or other fees altogether must not exceed 33.0% per annum, calculated at an effective rate.
 - (2) Micro Finance are micro finance governed by the Bank of Thailand. Under these loan programs, any interest, penalty charges, and service fees altogether must not exceed 28.0% per annum, calculated at an effective rate.

Nano and Micro Finance products are designed to mainly provide financial solutions to merchants with no collateral required. Thai Credit implements a strategy to build healthy relationships with customers through its offering of loan products. To determine the loan amount, the applicant's qualifications and financial profile will be taken into consideration. Some key qualifications to be considered are no history of a prohibited act recorded in Thai Credit's database or at the National Credit Bureau; the location, environment, and business hours of the business; and the applicant's presence and ownership of the business, which must be located within the specified radius of the relevant Thai Credit branch. The financial profile will be assessed based on the information provided by the applicant, and Thai Credit's examination of his or her presence and identity, and observation of the business performance and operating results. Most Nano and Micro Finance Loans are guaranteed by TCG, which helps mitigate losses arising from loan default, because TCG will compensate the outstanding principle amount excluding any outstanding interest. As of 31 December 2023, Nano and Micro Finance Loans guaranteed by TCG accounted for 84.9% of the total Nano and Micro Finance Loans.

Thai Credit reviews loan amounts granted under the Nano and Micro Finance segment on an annual basis, based on the borrowers' debt repayment history. During this process, Thai Credit also reviews the borrowers' qualifications and financial profile again. Borrowers with good history of repayment may request to increase their loan amounts, subject to the application criteria for each type of loans.

Thai Credit services the Nano and Micro Finance Loan customers by visiting their business establishments to collect the payment on a weekly basis. This will help the customers in managing the liquidity needs of their businesses. In 2020, Thai Credit began converting the Nano and Micro Finance term loans to revolving loan to encourage customers to make additional and continuous drawdown after the repayment of loans.

In 2020, Thai Credit launched the Micro Pay application, which is a mobile application that provides loan disbursement and repayment functions, as well as electronic wallet service. The application is designed to help reduce the amount of cash collected and carried by the credit advisors, while also keeping borrowers disciplined with their spending. The application contains a feature which records their daily income and spending. Thai Credit's Micro Pay application has been well received by its users. As of 31 December 2023, there were more than 0.47 million successful applicants, an increase from 0.19 million users and 0.32 million users as of 31 December 2021 and 2022, respectively. In 2023, more than 24.1 million transactions were facilitated by the Micro Pay application, which were made up of THB 10,470.0 million of cash inflow and outflow.

(C) Home Loans

Thai Credit's Home for Cash campaign began in 2015 with an aim to help reduce consumers' debt burden with this debt consolidation program as an increasing number of people have been saddled with multiple personal loans and other debts which come with high interest rates. Borrowers can use their land and houses or condominium units as collaterals for the Home for Cash Loans. The

consolidation of these debts, with property as collateral, provides an extended loan term, and reduces the amount of a monthly installment to better suit the borrower's repayment capacity. With an interest rate that is lower than the personal loan, Home for Cash loan helps improve the borrower's liquidity, while a single repayment schedule only with Thai Credit will keep the borrower financially disciplined. Thai Credit also has mortgage refinance programs to provide alternative loan product to individuals who have mortgages with other financial institutions. A Thai Credit mortgage refinance loan comes with an additional loan amount which can be utilised for other purposes. At present, Thai Credit does not provide Home Loans for the purchase of a new home.

Thai Credit's Home Loans consist of: (a) Home for Cash; and (b) mortgage refinance loans, as described in the table below.

	(A) Home for Cash	(B) Mortgage refinance loans
Target customers	General customers who are full-time employees, freelancers, and business owners who own assets and do not pledge such assets as collateral with other financial institutions.	General customers who are full-time employees, freelancers, and business owners who are repaying their mortgage loans to other financial institutions and who need an additional loan amount to clear all other personal loan debts.
Main types of loan products	Term loan	
Loan amount	Maximum loan amount of THB 10 million (The approval from the Credit Committee is required in case that the loan amount exceeds THB 10 million)	
Loan term	Maximum loan term of 30 years	
With/Without collateral	With collateral	
Types of collateral	Land, house, condominium unit, and commercial building	
LTV ratio	Up to 100.0% of the appraised collateral value. (Any application for a loan amount with loan-to-value ratio of higher than 70.0 - 90.0% of the appraised collateral value will be subject to the Bank of Thailand's criteria and/or must meet the terms and conditions provided by Thai Credit.)	
Distribution channels	Deposit branches and direct sales agents for Home Loans	
Examples of products	Home for Cash for debt consolidation and Home for Cash for self-employed borrowers	Refinance Home Loans and Refinance Plus Pro

To boost the growth of its Home for Cash loans, Thai Credit capitalises on its existing customer bases, internal referrals, and direct sales agents who refer new customers to Thai Credit, enabling Thai Credit to offer loan products that meet the customers' needs through its relationship managers.

Thai Credit also requires the borrower to provide collateral with a value that is commensurate with the borrower's financial and risk profile. Such collateral is in turn appraised based on Thai Credit's prudent valuation policies and practices. As of 31 December 2023, Thai Credit's collateral value to Home Loans and other retail loans stood at 65.8% of the total Home Loans and other loans to retail customers.

(D) Personal revolving loans

Thai Credit expanded its personal revolving loans service in 2020, targeting customers with regular income such as full-time employees, employees of state enterprises, and government officials, etc. As of 31 December 2023, Thai Credit granted personal revolving loans to the amount of THB 2,877.1 million, accounting for 2.0% of the total loans.

The personal revolving loans include revolving loans for immediate drawdown, credit card debt refinancing or other personal loan refinancing. With no collateral or guarantor required, the maximum loan amount offered is THB 2 million. If the borrower's monthly income is at least THB 30,000.0, the loan amount shall be up to 5 times the borrower's average monthly income. If the borrower's monthly income is less than THB 30,000.0, the loan amount shall not exceed 1.5 times of the average monthly income (and in accordance with other conditions as determined by Thai Credit). Such loan amount is in accordance with the Bank of Thailand's rules. Under this revolving loan program, customers have the flexibility in choosing the frequency and quantum of their loan repayment on a monthly basis in the desired form within the framework set by Thai Credit, whether by paying the full amount, or making a minimum payment, thereby allowing the customers to manage their financial planning effectively. The maximum interest rate applicable to this revolving loan program is 25% per annum, which is the highest interest and fee rate permitted by the Bank of Thailand.

In addition, Thai Credit entered into the right of claims purchase agreement with Ascend Nano where the right of claims purchased thereunder is the right of claims under loan agreements that Ascend Nano entered into with its debtors ("**right of claims under loan agreements**"). Thai Credit will purchase the right of claims under loan agreements that satisfy Thai Credit's selection criteria as specified in the agreement. Thai Credit's entry into this agreement is to support its strategy of expanding personal revolving loan products to new target groups (in addition to the group of customers with fixed income).

When Thai Credit successfully accepts the transfer of right of claims under loan agreements from Ascend Nano, Thai Credit will be entitled to the outstanding principal, interest, related fees under those loan agreements, for which debtors will proceed to make payment for loan through the TrueMoney Wallet Application and/or any other channels as agreed.

(E) Other retail loans

Thai Credit also has other loans available to retail customers such as loans with gold as collateral, hire-purchase loans for individual customers and other retail loans. As of 31 December 2023, other loans granted to retail customers amounted to THB 260.7 million, accounting for 0.2% of the total loans.

Distribution channels

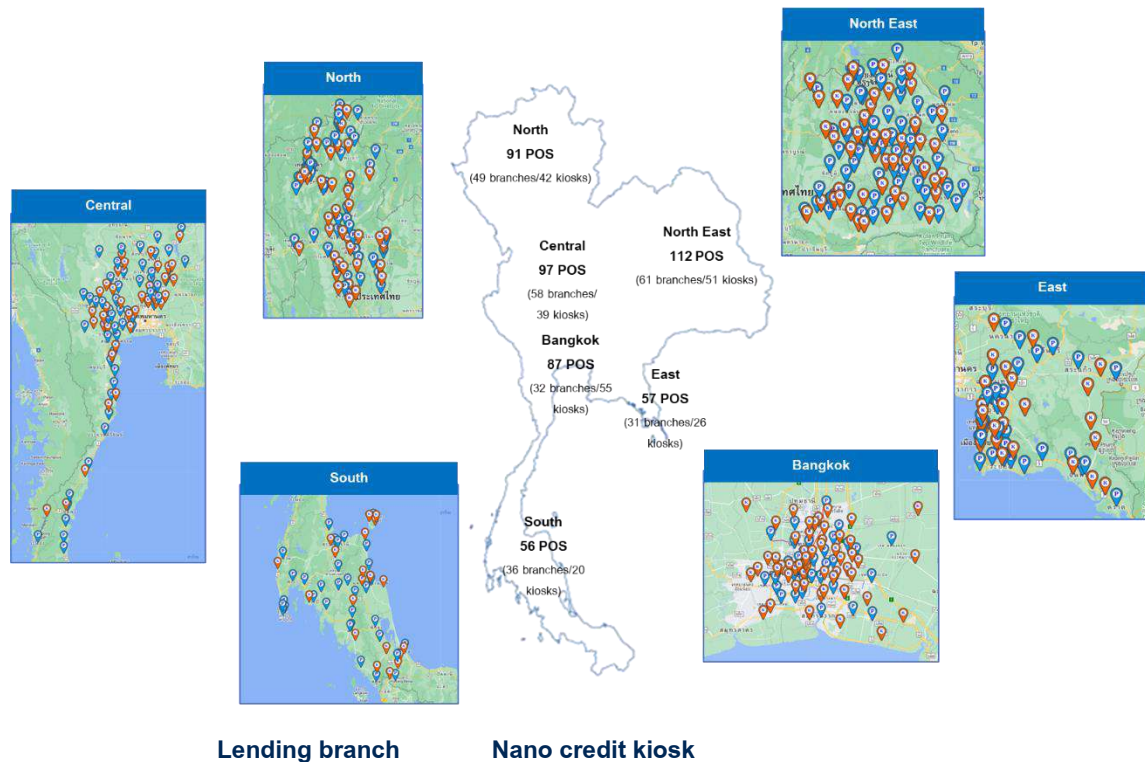
Thai Credit focuses on building relationships with, and providing quality financial services to customers, in order to help the customers achieve stable business growth. Thai Credit reaches out to customers through its relationship managers and credit advisors. These relationship managers and credit advisors are trained in basic skills and knowledge, and technical skills specifically needed for each department, to ensure that they can present accurate and complete financial information and product description to customers. Thai Credit has established an organisational structure that includes checks and balances where team managers, zone managers, and regional managers, who are in charge of communicating Thai Credit's policies and strategies, are also tasked with monitoring the overall performance results and credit quality to ensure Thai Credit's goals can be achieved.

In addition, MSME Loans have increased significantly at the CAGR of 12.4% from 2021 to 2023. This demonstrates the capability of Thai Credit and its relationship managers. Relationship managers are in charge of marketing Thai Credit's products and passing on loan applications to credit analysts for further assessment and approval. Thai Credit relies on digital platform such as the Optical Character Recognition system to read text in bank statement and Dip Chip system to read information in identification card etc. in order to improve the efficiency of its work processes, such as verification, data collection and analysis, communication with customers, and customer relationship management through a single platform. After the initial loan disbursement, Thai Credit's business personal assistants assist the relationship managers in servicing the customers. This allows Thai Credit's relationship managers to provide services to a larger number of customers.

Thai Credit has credit advisors to support its Nano and Micro Finance segment. These credit advisors market Thai Credit's products to customers; accept their loan applications and subsequently pass on the application to the relationship team managers, zone managers, and regional managers for approval, in accordance with their relevant authorities. Additionally, the credit advisors also accept loan repayments from customers. To improve staff productivity and reduce reliance on manual processing, the credit advisors use the Tels-nano system to help analyse loan quality and recommend appropriate loan amounts, while tablets and EDC system are used to receive payment and issue receipts to increase efficiency in terms of time and to reduce human error.

To reach out to customers and facilitate their access to a formal financial institution, Thai Credit's branches are established across local communities in 74 provinces over all regions in Thailand. Thai Credit provides loan services via two types of branches: lending branches, and nano credit kiosks. While lending branches

are major branches located in big cities, nano credit kiosks are their sub-branches situated in or near traditional markets. As of 31 December 2023, Thai Credit had 267 lending branches, and 233 nano credit kiosks. MSME Loans and Nano and Micro Finance solutions are provided at most lending branches, where loan agreements are made, under relevant regulations.



Home Loans and other loans to retail customers are aimed at individual customers and offered through the relationship managers for retail customers and wealth banking customers at Thai Credit's branches. In addition to deposit branches, Thai Credit engages direct sales agents to advise on and market its Home for Cash product to potential customers, which improves Thai Credit's reach to new customers.

1.2.2.2 Deposit business

The break-down of Thai Credit's deposit products, as of 31 December 2021, 2022, and 2023, are provided in the table below.

Deposits	As of 31 December					
	2021		2022		2023	
	Million (THB)	%	Million (THB)	%	Million (THB)	%
Current accounts	99.0	0.1	40.1	0.0	113.8	0.1
Savings accounts	31,429.6	35.5	37,383.8	33.0	37,456.8	31.2
Termdeposit accounts	56,986.2	64.4	76,020.2	67.0	80,191.0	68.7
Total deposits	88,514.8	100.0	113,444.1	100.0	116,761.6	100.0

Thai Credit understands the importance of why savings habits, which constitute the foundation of the country's stable and sustainable economic growth, should be promoted among Thai people. Thai Credit is therefore dedicated to raising financial literacy among Thai people. Thai Credit has developed a variety of deposit products, including current accounts, savings accounts, and term deposit accounts. Due to the variety of deposit products and competitive interest rates, rollover rate of Thai Credit's term deposit was healthy at 94.0% in 2023.

Deposits are an essential source of funds for Thai Credit, as they are flexible and cost efficient. Thai Credit's deposit products are detailed below.

(A) Current Account

A current account is a deposit account for business owners or business operators who seek to conveniently make withdrawals through their chequebooks and review their transactions through statements on a monthly basis.

	Current deposit account	Current Plus deposit account
Description	Current account that allows overdrafts (O/D)	Current account that pays interest
Deposit term	No deposit term applicable	
Interest rate	Interest paid at the rate determined by Thai Credit	Interest paid monthly at the rate determined by Thai Credit
Withdrawal	Chequebooks and ATMs of commercial banks nationwide, for individual holders of single accounts	

(B) Savings Account

This savings account is aimed at boosting the convenience of deposits and withdrawals for all groups of customers, including individual and corporate customers, and provide a basic service for them to begin or continue their savings or spending flexibly.

	Savings account	Savings Plus account	Biz Plus account	Biz Defined account
Description	Savings account that offers high liquidity	Savings account that pays a higher interest rate than the rates offered by other savings programs	Savings account for general corporate customers and non-profit entities that pays a high interest rate which is similar to the interest rate under a term deposit account	Savings account for corporate customers, funds, and insurance companies with an average savings of more than THB 50.0 million with Thai Credit for at least two consecutive years
Deposit term	No deposit term applicable			
Interest rate	Interest rate determined by Thai Credit			
	Paid monthly or half-yearly	Paid monthly		Paid half-yearly
Withdrawal	Thai Credit's branches and ATMs of commercial banks nationwide.		Thai Credit's branches	

(C) TermDeposit Account

In order to promote savings and long-term financial planning for its customers, Thai Credit offers higher interest rates for various term deposit products which specify clear and exact deposit terms and withdrawal timeframes.

	Fixed deposit account	Tanjai fixed deposit account	Tax-free fixed deposit account
Description	Fixed deposit account that pays interest at a fixed rate	Fixed deposit account that pays upfront interest at a high rate on the date of the deposit	Tax-free fixed deposit account that pays high interest and requires a fixed amount of deposit every month
Deposit term	6 to 36 months	12 months	24 months and 36 months
Interest	Paid upon the completion of the deposit term, or monthly	Paid on the date of deposit	Paid upon the completion of the deposit term
Withdrawal	Thai Credit's branches		

Distribution channels

As of 31 December 2023, Thai Credit had 28 deposit branches. Its deposit branches are located at shopping malls and incenral part of cities, mostly in the Bangkok Metropolitan Region, as it targets retail customers and wealth banking customers who look to place high value and long-term saving deposits, enabling Thai Credit's deposit branches to achieve high valueof deposits per branch without the need for many branches. In October 2022, Thai Credit launched a mobile application called "alpha by Thai Credit," which is expected to attract a larger number of depositors at a wider and faster pace.

1.2.2.3 Bancassurance brokerage and mutual fund brokerage businesses

Thai Credit understands the importance of business continuity for its customers. Bancassurance products could mitigate concerns over unexpected events or uncertainties that may have adverse effects on the business and/or burden the business owner's family with debt. Thai Credit selects and recommends bancassurance products that come with various insurance plans and protection terms in order to assist its customers in choosing the right insurance plan for their needs.

Thai Credit distributes insurance products from several insurance companies on a non-exclusive basis, in order to have a comprehensive product choice that could meet the needs of its loan customers and retail customers. As of 31 December 2023, Thai Credit acted as a broker for five insurance companies: Thai Life Insurance, Thai Paiboon Insurance, Thai Health Insurance, Generali Insurance, and Muang Thai Life Assurance. This includes savings life insurance, pension life insurance, health insurance, fire insurance, and credit life insurance. These bancassurance products are marketed by relationship managers and branch officers who hold non-life insurance and/or life insurance broker licenses.

To provide its customers opportunities to invest and enjoy higher returns or tax incentives, Thai Credit is determined to introduce investment units, or mutual funds. They can also be used as a channel to manage funds through organising investment portfolios for use after retirement, financial planning and/or diversify risks effectively. Therefore, Thai Credit acts as a dealer of investment units of four asset management companies, which are One Asset Management Company Limited, MFC Asset Management Public Company Limited, Krungsri Asset Management Company Limited, and Krunghthai Asset Management Public Company Limited, and offers their investment units at Thai Credit's deposit branches.

Thai Credit receives commissions and promotional service fees as its main compensation for its brokerage services in bancassurance products and distribution of mutual fund units. These payments are consistent with insurance premiums earned and the value of investment units sold by Thai Credit.

1.2.3 Provision of loan products

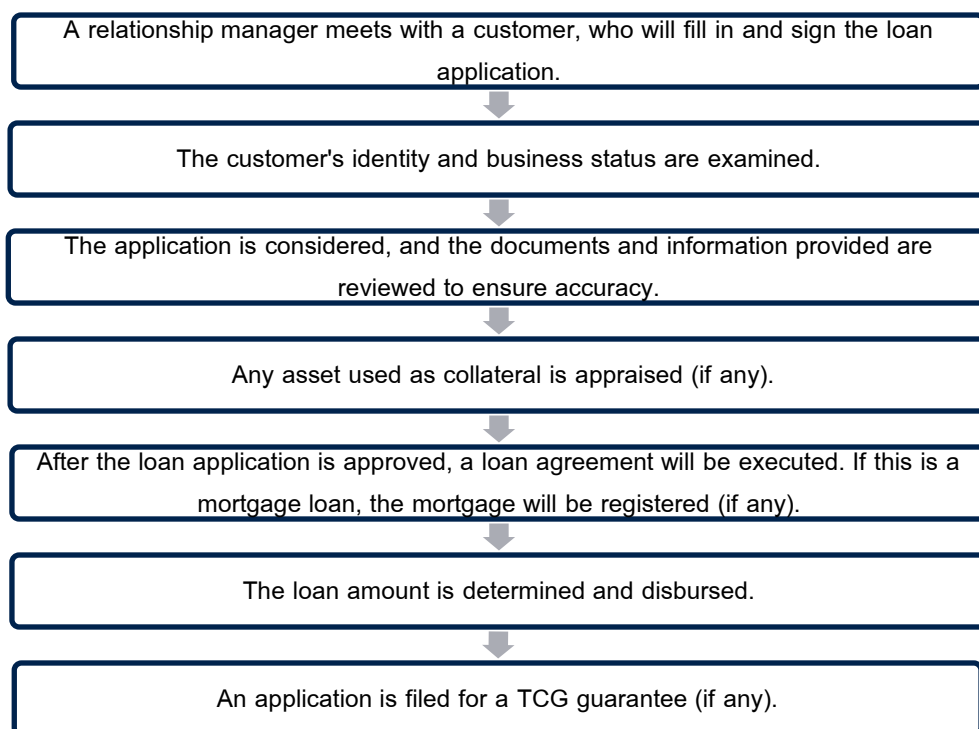
After a relationship manager or a credit advisor has introduced a loan product and the customer has subsequently submitted a loan application, with the supporting documents required by Thai Credit, the relationship manager or the credit advisor will visit the establishments of certain customers in accordance with Thai Credit's regulations to verify their identity and business. They will also review the customer's

qualifications and financial position, based on information obtained from Thai Credit's internal database and external sources including the National Credit Bureau and the Ministry of Commerce, as well as the internal criteria which have been set for these products. The application will then be presented to a person with the relevant authority for approval, and the asset used as collateral will be evaluated for further approval, with any relevant terms and conditions imposed. After the loan application has been approved, Thai Credit will execute a loan agreement and transfer the loan amount to the customer, and will then submit an application for TCG guarantee for further approval by TCG. In the past, the application approval process from the submission of a loan application by a customer to the date when the application for MSME Loans was approved took approximately 18 days. Presently, with the use of information technology to improve operating efficiency, the application process now takes approximately 14 days. In addition, the consideration period for Nano and Micro Finance Loans takes 1-2 weeks.

The borrower must make a payment, which includes part of the principal, interest, and fees, within the agreed timeframe. For convenience, Thai Credit allows the payment to be made via several channels, such as at its deposit branches and other payment channels all over Thailand for MSME Loans, and through the credit advisors for the Nano and Micro Finance Loans. Thai Credit will recover overdue payments in accordance with its debt collection standards, which can include phone calls, debt restructuring, legal proceedings or the seizure of collateral for auction. Relevant units will follow up and assess risks closely and prudently.

1.2.3.1 Approval of loan applications and disbursement of loan amounts to borrowers

The diagram below illustrates Thai Credit's loan application review and approval process for the disbursement of a general loan. The actual process may slightly vary depending on the types of loans and whether the applicants are existing or new customers.



When a relationship manager or a credit advisor has met with a customer and introduced a Thai Credit loan product that suits the customer's needs and profile, the relationship manager or the credit advisor must conduct the know-your-customer process to gather and verify information on the customer and this information will be used in the initial screening of his or her profile and presence. If the customer is interested in this loan product, the customer must fill in the application form and deliver it along with all required supporting documents. Then the relationship manager or credit advisor will visit the applicant's establishment to verify his or her identity and business status. For applicants of the Nano and Micro Finance Loans, most of whom are merchants, Thai Credit will examine their sources of income and spending patterns through real observation of their trade activities at the location of their businesses and through interviews with the applicants and people in their vicinity. The relationship manager and credit advisor must also examine the applicants' profile, with their consent, to be obtained from the National Credit Bureau's database and Thai Credit's own database.

If a building or structure is to be used as collateral, the borrower must ensure that it is insured against fire under an insurance policy purchased from Thai Credit or any third party. Some customers hold a credit life insurance, including mortgage reducing term assurance ("**MRTA**") as an optional and additional coverage to ease borrowers' concerns about unexpected events or uncertainties that may have adverse effects on their businesses or which may burden their families with debt.

The application and supporting documents, and the records of Thai Credit's visit to the applicant's business establishment, will be stored in Thai Credit's system. Thai Credit has developed the SDE System for general

loans (excluding SME loans and the Nano and Micro Finance Loans), and the Tels-nano System for the Nano and Micro Finance Loans. These systems are used to analyse the customer's data through internal processes and the loan reviewing system developed by Thai Credit.

Applications for general loans (excluding Nano and Micro Finance Loans) will be considered by the credit analysis unit, which will review the given information to ensure its accuracy and completeness, analyse the applicant's operating performance or financial projection, and interview the applicant, reference persons, and the applicant's business partners, to examine their relationship with the applicant and the applicant's identity. The findings will be used to determine the loan amount and reasonable terms and conditions that reflect the applicant's risk profile. If assets are used as collateral, Thai Credit will ensure that the ownership and characteristics of the collateral are examined and that the assets are evaluated by an independent appraiser and approved by the collateral committee or collateral sub-committee with the relevant authority, depending on the loan amount. The collateral value, risk profile of the applicant and Thai Credit's internal requirements will be considered when determining a loan amount that is appropriate to the risk and in compliance with the product program under Thai Credit's rules.

Applications for Nano and Micro Finance Loans will be considered and approved by the relationship team manager or zone manager with the relevant authority, depending on the loan amount, to ensure a fast approval process for these loan applications. This will enable borrowers to have quick and easy access to the Nano and Micro Finance Loan products.

Once the loan application has been approved, Thai Credit will enter into a loan agreement with the borrower. If any property is placed as collateral, the Bank will register for a mortgage. Thai Credit will then transfer the loan amount to the borrower either by a fund transfer into the borrower's bank account or PromptPay account, or by a fund transfer to the borrower's Micro Pay e-Wallet (for Nano and Micro Finance Loans only) so the borrower will not have to receive the loan disbursement via cash at the lending branch. The Micro Pay application has been widely accepted and has seen a substantial increase in its user base. In 2021, there were 78,583 active users on the application, which subsequently increased to 111,628 active users as of 31 December 2022 and 143,533 active users as of 31 December 2023.

After the loan amount has been transferred and where applicable, Thai Credit will consider applying for a loan guarantee from TCG as per Thai Credit's rules and will submit information to TCG for its review and approval. Upon approval by TCG, the loan guarantee will help to lessen losses arising due to the risk of default on the loan. For the TCG-guaranteed loans, there will be annual guarantee fees, front-end fees, management fees, and claim fees, which are prorated with regard to the guarantee amount.

1.2.3.2 Repayment by customers

Thai Credit will send short message service ("SMS") reminders to customers two days before the due date. Borrowers of general loans (excluding Nano and Micro Finance Loans) may make their payment at a Thai

Credit's deposit branch, by direct debit from their savings account with Thai Credit, or through bill payment at bank counters, Counter Service outlets, Thailand Post branches, or Lotus stores.

For the Nano and Micro Finance Loans, Thai Credit's credit advisors will visit their business establishments to collect payment on a weekly basis. Once the payment has been made, a receipt will be sent immediately via an SMS message for the borrower to keep as proof of payment. Subsequently, the credit advisors will deposit such money into Thai Credit's bank account in line with internal procedure. Payment can also be made via the Micro Pay application. In 2021, the total loan payment made on the Micro Pay application accounted for 16.6% of the total loan payment of the Nano and Micro Finance Loans, 30.8% in 2022, and subsequently rose to 47.0% in 2023.

1.2.3.3 Debt collection

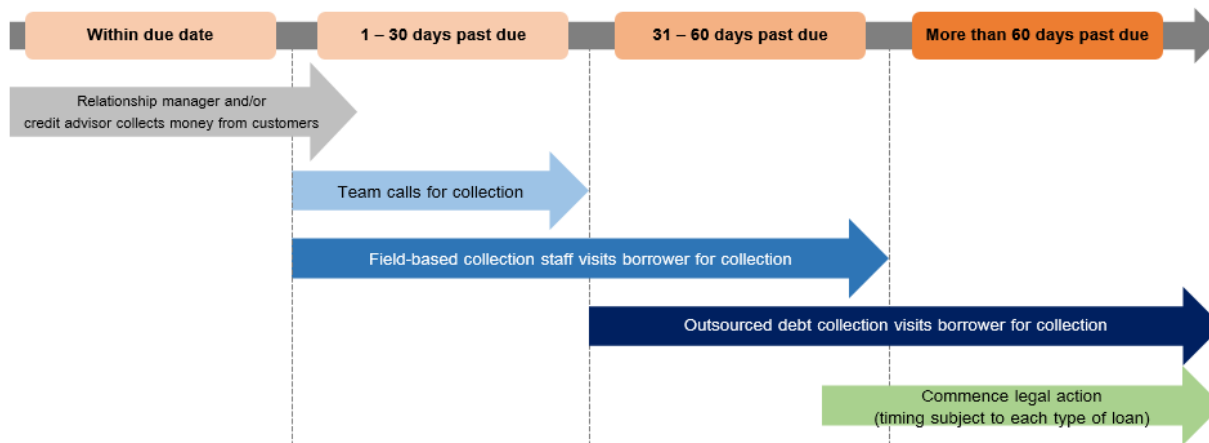
Thai Credit is committed to collect any debts using lawful procedures and good governance principles, by engaging both its own staff members and outsourced debt collectors. Thai Credit staff will be trained to ensure that they are aware of and can keep up with constantly changing situations, and that they are provided with specialised technical training. Thai Credit also has a criteria for the selection of its outsourced debt collectors which takes into consideration their credibility and experience. Thai Credit will also inspect the work carried out by the outsourced debt collectors from time to time to ensure that the service provider has a reasonable control mechanism that meets the requirements and standards of Thai Credit.

Thai Credit's relationship managers and business personal assistants will closely monitor borrowers' financial profiles and assess potential default risk. Thai Credit has developed a system that sends early warning signs that indicate the level of default risk, based on borrowers' repayment track record with Thai Credit and other lenders through the National Credit Bureau's database, as well as other financial information, economic conditions, and relevant indicators. This can help ensure that any default risks can be managed properly in a timely manner.

Timelines for debt collection may vary, depending on the types of loans. At the first stage, debtors will get periodic phone calls and letters of demand for payment from time to time. If they cannot be reached, or if they exhibit signs of a high risk of default, Thai Credit's field-based collection staff or the outsourced debt collector, as the case may be, will visit the borrowers to learn about their financial difficulties, and offer suitable solutions, such as debt restructuring and discounts on their payment penalty. For general loans, if the payment is overdue for more than 45 to 90 days (depending on the terms and conditions for each type of loan) or for more than 180 days for the Nano and Micro Finance Loans, and the debts cannot be collected, Thai Credit will commence legal action and, where applicable, will apply for compensation from TCG for the loan amount guaranteed. When customers default on debt repayment in accordance with the conditions

specified in the agreement, Thai Credit will seize the collateral for auction to raise proceeds to recover the outstanding balance. The remaining proceeds (if any) will be returned to the borrower.

Note: The timing above is only set out in brief for consideration. The actual timing depends on the type of loan.



1.2.3.4 Foreclosed properties

Thai Credit has a policy of buying foreclosed assets that were previously placed as collateral with Thai Credit and that are expected to have higher potential value than their current auction value. Once Thai Credit has bought an asset at an auction, the asset management unit will examine the asset, and the ownership of the asset will be transferred to Thai Credit. The asset will then be put up for sale via Thai Credit's distribution channels or Thai Credit's auction, or through an agent or broker. As of 31 December 2023, the net value of Thai Credit's foreclosed properties stood at THB 910.8 million, accounting for 0.6% of the total value of Thai Credit's assets, which consist properties under Asset Warehousing program in the amount of THB 770.3 million. The debtor may repurchase a property under Asset Warehousing program within 3-5 years at the transfer price and shall have the right to lease such property to operate its business in the ordinary course.

1.2.3.5 TCG loan guarantees and compensation

TCG guarantees are one of Thai Credit's risk management tools for default risk. As of 31 December 2023, the loan guarantee programs participated in by Thai Credit with the outstanding amount for TCG guarantee include the Portfolio Guarantee Scheme Phase 10 (PGS 10).

In the event that a customer defaults on debt payments and Thai Credit has filed a lawsuit against the debtor with a competent court or under TCG's regulations, Thai Credit will prepare the documents required by TCG for submitting a request for compensation. TCG will consider the request according to its internal procedures and regulations, including examining various factors such as the accuracy and completeness of the documents requesting compensation payment, supporting documents for Thai Credit's debt collection process, annual fees, front-end fees, and management fees, in order to determine if it should approve the

compensation. Normally the consideration process, which begins from the date of Thai Credit's application to TCG and continues until the date on which the compensation is paid, takes approximately 30 to 90 days.

TCG loan guarantee programs prescribe conditions for specific programs in order to apply for compensation such as requiring Thai Credit to restructure a borrower's debt that has become a non-performing loan (NPL) within a specified timeframe, requiring that the borrower does not default on debt payment before the specified timeframe, and/or requiring Thai Credit to follow up the results within a specified timeframe, etc. The details and procedures for claiming compensation from TCG will vary from project to project. In addition, each loan guarantee program will determine the maximum amount of compensation that Thai Credit will receive as a ratio of the value of the guarantee granted to Thai Credit as a participant in the guarantee program (i.e., Thai Credit can request compensation for each loan agreement up to the total value equivalent to the ratio for which TCG is responsible).

For the years ending on 31 December 2021, 2022, and 2023, Thai Credit received total compensation from TCG of THB 1,077.6 million, THB 1,852.9 million, and THB 2,494.0 million, respectively.

1.2.4 Supply of bancassurance products and mutual funds

As of 31 December 2023, Thai Credit acted as a broker for leading insurance companies in Thailand, namely Thai Life Insurance, Thai Paiboon Insurance, Thai Health Insurance, Generali Insurance, and Muang Thai Life Assurance. Thai Credit selects a variety of products to fulfil the needs of its loan customers, retail customers, and wealth banking customers. Once a customer expresses his or her interest in a bancassurance product, Thai Credit will pass that customer's information on to the insurer to continue with the underwriting process and the issuance of the insurance policy.

Thai Credit also acts as a dealer for four asset management companies, namely One Asset Management Company Limited, MFC Asset Management Public Company Limited, Krungsri Asset Management Company Limited, and Krungthai Asset Management Public Company Limited. Thai Credit distributes their investment units and mutual funds. Thai Credit's personnel will make selections and recommendations that are suitable for customers. If a customer is interested in a product, Thai Credit will pass the customer's information on to the asset management company for further processing.

1.2.5 Source of Funds

Deposits are placed by customers at Thai Credit's deposit branches, which are located in strategic areas, and constitute a main funding source for Thai Credit, giving Thai Credit a competitive edge. Funding through deposits comes with lower financial costs than borrowing through other types of debt instruments, except for Soft Loans. Thai Credit is determined to maintain a balance between financial costs, fund reserves and liquidity risk. This is achieved through interbank loans, borrowing from the money market, and the issuance

of debt instruments and loans to ensure that the source of funds is aligned with Thai Credit's lending strategy.

Funding sources	As of 31 December					
	2021		2022		2023	
	Million (THB)	%	Million (THB)	%	Million (THB)	%
Deposits	88,514.8	86.7	113,444.1	90.2	116,761.6	82.2
Interbank and money market items (liabilities)	12,737.8	12.5	11,398.5	9.1	22,757.4	16.0
Debt issued and borrowings ⁽¹⁾	869.9	0.8	889.9	0.7	2,611.7	1.8
Total	102,122.5	100.0	125,732.6	100.0	142,130.7	100.0

Note: (1) Thai Credit issued perpetual bonds which were recognized as additional Tier 1 Capital, with a face value of THB 1.15 billion and subordinated debentures which were recognized as Tier 2 Capital, with a face value of THB 1.7 billion.

As of 31 December 2021, 2022, and 2023, Thai Credit's loan-to-deposit ratio stood at 110.4%, 106.9%, and 123.5% respectively, and the liquidity coverage ratio ("LCR") stood at 326.8%, 317.0%, and 251.0% respectively.

1.2.6 Assets used in business operations

Thai Credit has its principal office in Bangkok. As of 31 December 2023, Thai Credit had 267 lending branches, 233 nano credit kiosks, and 28 deposit branches. The fixed assets used in the business operations of Thai Credit and its subsidiary consist of: (1) buildings and equipment, including buildings, improvements to the leased property, office supplies, computers and peripherals, and right-of-use assets; (2) foreclosed properties, including assets acquired through debt repayment; (3) intangible assets, including software and front-end fees for the Interbank Transaction Management and Exchange service; and (4) trademarks.

The details and description of the assets used in business operations are provided in Schedule 4 (Assets Used in Business Operations).

1.3 Thai Credit Shareholding Structure

1.3.1 The Group's shareholding structure

Thai Credit has one subsidiary, Thai Micro Digital Solutions Company Limited ("TMDS"). As of the date of this Prospectus, the shareholding structure of Thai Credit is detailed below.



TMDS was established on 4 April 2018 to be the developer and provider of the Micro Pay application. On 21 June 2019, TMDS obtained a license to undertake designated payment services business from the Bank of Thailand. TMDS' details are summarised below.

Office location	: 4, 1st Floor, RS Tower, 121/108 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400
Telephone	: 0-2697-5353
Website	: https://www.thaimicrodigital.com/
Registered capital and paid-up capital as of 31 December 2023	: THB 350,000,000
Total number of paid-up shares as of 31 December 2023	: 35,000,000 shares

1.3.2 Shareholders

A summary of Thai Credit's shareholding structure, as of the date of this Prospectus, is provided in the following table.

List of Shareholders ⁽¹⁾	Shareholding Structure	
	Number of shares (Shares)	Shareholding Percentage (%)
1. V.C. Property group companies and Chaiyawan family members	837,558,124	71.9
1.1. V.C. Property group companies	735,608,934	63.2
1.1.1. VNB Holding Company Limited	617,232,334	53.0
1.1.2. Thai Life Insurance Public Company Limited	118,250,000	10.2
1.1.3. Other minority shareholders	126,600	0.0
1.2. Mr. Winyou Chaiyawan	78,342,290	6.7
1.3. Mr. Veeravet Chaiyawan's group	23,606,900	2.0
1.3.1 Mr. Veeravet Chaiyawan	23,606,500	2.0
1.3.2 Well Glass Company Limited	200	0.0
1.3.3 Piam Anan Company Limited	200	0.0
2. OCA Investment Holdings I Pte. Ltd.	282,323,232	24.2
3. Mrs. Mijitra Gunara	44,701,176	3.8
4. Baan Thai Real Estate Company Limited	200	0.0
5. Fortuna Capital Company Limited	200	0.0
6. CNT Liquor Company Limited	200	0.0
7. Jerdsee Company Limited	200	0.0
Thai nationality Shareholder	882,260,100	75.8
Foreign nationality Shareholder	282,323,232	24.2
Total	1,164,583,332	100.00

1.4 Registered capital and paid-up capital

As of the date of this Prospectus, Thai Credit's registered capital is THB 6,174,196,110, divided into 1,234,839,222 ordinary shares, with a par value of THB 5.0 per share, and its paid-up capital is THB 5,822,916,660, divided into 1,164,583,332 ordinary shares, with par value of THB 5.0 per share.

Thai Credit's 2023 Annual General Meeting of Shareholders, which was held on 22 March 2023, passed the resolutions regarding the change of par value, increase of registered capital, issuance of new ordinary shares, and the allotment of new ordinary shares, as detailed below.

1. Approved the change of par value of Thai Credit's shares from the current par value of THB 10.0 to THB 5.0, resulting in the change of issued and paid-up shares of Thai Credit from 582,291,666 shares to 1,164,583,332 shares.
2. Approved the increase of registered capital of THB 323,529,450, from the registered capital of THB 5,850,666,660 to THB 6,174,196,110 by issuing 64,705,890 new ordinary shares, having a par value of THB 5.0 each, to reserve for the IPO.

1.5 Issuance of Other Securities

1.5.1 Convertible securities

As of the date of this Prospectus, Thai Credit has 2,775,000 ordinary share warrants, per the details summarised below.

Type of convertible securities	Warrants to purchase Thai Credit's newly issued ordinary shares issued to senior management of Thai Credit (Management Stock Option or "MSOP")
Number of warrants issued	2,775,000 units
Offering price	THB 0.00 per unit
Conversion ratio	One warrant per two ordinary shares
Exercise price	THB 11.625 per share
Date of exercise	From the IPO date onwards and on a quarterly basis after the IPO date as specified in the terms and conditions
Term of warrants	2 years from the date of issuance (from 8 December 2022 to 7 December 2024)

Other important details

- Limiting the transfer of warrants to the employees of Thai Credit, except for transfer by succession, as provided in the terms and conditions.
- The warrant holders will be prohibited from selling, disposing, and/or transferring the ordinary shares issued as a result of the exercise of the warrants for a period of six months from the IPO date.
- If a warrant holder ceases to be a member of the senior management of Thai Credit due to resignation, dismissal, or discharge in any situation, the warrant holder shall no longer be able to exercise the warrants and shall immediately return the warrants that are not exercised to Thai Credit. If the status of the warrant holder is terminated due to death, disappearance, disability, incompetency, or retirement, the legal heirs shall remain entitled to exercise the warrants.

1.5.2 Debt instruments

Debentures

As of 31 December 2023, Thai Credit has issued the following perpetual bonds:

- (1) 1,150,000 units of perpetual bonds which are deemed as additional Tier 1 capital, with a nominal amount of THB 1,000 each, and an aggregate total principal amount of THB 1,150.0 million, issued and sold to VNB and OCA which are major shareholders of Thai Credit in the amount of 1,000,000 units and 150,000 units respectively. These perpetual bonds are deemed to be additional Tier 1 Capital under the Bank of Thailand's regulations and issued for strengthening Thai Credit's capital.
- (2) 1,700,000 units of subordinated debentures which are deemed as Tier 2 capital, with a nominal amount of THB 1,000 each, and an aggregate total principal amount of THB 1,700.00 million, issued and sold to VNB which is a major shareholder of Thai Credit. These subordinated debentures are deemed to be Tier 2 Capital under the Bank of Thailand's regulation and issued for supporting future growth and Thai Credit's upgrade to be a full commercial bank of Thai Credit.

The details of the perpetual bonds are summarised in the following table.

No.	Instruments	Offering price	Date of issuance	Redemption Date	Interest rate per annum	Important terms and conditions
1.	Perpetual bonds to be deemed as additional Tier 1 Capital of Thai Credit No. 1/2021	THB 1.15 billion	27 May 2021	Upon dissolution	5.0%	<ul style="list-style-type: none"> - Thai Credit may redeem the bonds five years after their issuance date, subject to prior approval from the Bank of Thailand. - Thai Credit may repurchase the bonds at any time upon obtaining approval from the Bank of Thailand. - The bonds are unsecured, and there is no requirement on financial ratios.
2.	Subordinated debentures to be deemed as Tier 2 capital of Thai Credit No. 1/2023	THB 1.7 billion	15 June 2023	15 June 2033	6.0%	<ul style="list-style-type: none"> - Thai Credit may redeem the bonds five years after their issuance date, subject to prior approval from the Bank of Thailand. - Thai Credit may repurchase the bonds at any time upon obtaining approval from the Bank of Thailand.

No.	Instruments	Offering price	Date of issuance	Redemption Date	Interest rate per annum	Important terms and conditions
						- The bonds are unsecured, and there is no requirement on financial ratios.

Short-term bills of exchange

As of 31 December 2023, the total amount of Thai Credit short-term bills of exchange that have not been redeemed stood at THB 19,611.5 million, which were issued to secure loans from the Bank of Thailand under the Soft Loan program and loans from the Government Savings Bank under a relevant loan program.

1.6 Dividend policy

1. Thai Credit's Dividend Payment Policy

Thai Credit has a policy to pay dividends to shareholders in accordance with the notifications of the Bank of Thailand and as required by relevant laws. Thai Credit's Board of Directors will consider the dividend payment by taking into account the ability to pay dividends out of its net profits in accordance with the standalone financial statements after deduction of corporate income tax and all types of reserves as required by laws and as determined by Thai Credit in each respective year. Such dividend payments must not exceed the retained earnings under the separate financial statements. In the event that Thai Credit's financial statements have an accumulated loss, Thai Credit will not pay any dividends. Thai Credit's Board of Directors will consider the ability to pay dividends based on legal requirements and Thai Credit's articles of association by adhering to the principle of prudence and through taking into account various factors for the benefit of shareholders, including economic conditions, operating results, financial conditions, cashflow, investment and business expansion plans, reserves for debt repayments, compliance with conditions under various agreements, Thai Credit's working capital, and potential future risks as well as other necessities and suitability in the future that Thai Credit's Board of Directors deems suitable or appropriate.

Dividend payments shall not affect Thai Credit's normal operations in any material respects and shall be subject to applicable laws, rules, regulations or rulings. When Thai Credit's Board of Directors has resolved to approve the annual dividend payment of Thai Credit, the declaration of dividend payment must then be proposed to the shareholders' meeting for approval, unless it is an interim dividend payment in which case Thai Credit's Board of Directors has the authority to approve interim dividend payments from time to time when Thai Credit's Board of

Directors considers that Thai Credit has sufficient profit to do so. The payment of interim dividends must then be reported to the next shareholders' meeting for acknowledgement.

Thai Credit's Board of Directors Meeting No. 2/2023, held on 22 February 2023, approved in principle the dividend payment rate for year 2024 to 2027, which is expected to be between approximately 5% to 20% of net profits in each respective year as mentioned above. However, before approving the dividend payment, Thai Credit must comply with laws and consider the requirements specified in the dividend payment policy mentioned above.

In this regard, the dividend payment after the year 2027 will be in accordance with Thai Credit's dividend payment policy.

2. Dividend Payment Policy of Subsidiaries

The annual dividend payment policy of each subsidiary will be in accordance with the resolutions of the subsidiary's board of directors and will be proposed to a shareholders' meeting of each subsidiary for approval each year. Such dividend payment shall not exceed the retained earnings of each subsidiary's respective financial statements. In the event that a subsidiary's financial statements has an accumulated loss, the subsidiary will not pay dividends. The board of directors of the subsidiary may determine the dividend payments by taking into account the ability to pay dividends from the standalone financial statements of the subsidiary after deduction of corporate income tax and all types of reserves according to legal requirements and the articles of association of the subsidiary, by taking into consideration of the interests of the shareholders of the subsidiary and other factors, including economic conditions, operating results and financial conditions, cashflow, investment and business expansion plans, reserves for debt repayments and compliance with conditions under various agreements, or the subsidiary's working capital and other potential future risks as well as other necessities and suitability in the future as the subsidiary's board of directors deems appropriate.

The dividend payments shall not affect the subsidiary's normal operations in any material respects and shall be subject to applicable laws, rules, regulations or rulings, unless the subsidiary's articles of association provide otherwise. Dividend payments will be subject to the legal framework of the jurisdiction in which the subsidiary is located. When the subsidiary's board of directors has resolved to approve the annual dividend payment, the declaration of dividend payment must then be proposed to a shareholders' meeting of the subsidiary for approval; unless it is an interim dividend payment in which case the subsidiary's board of directors has the authority to approve interim dividend payments from time to time if the board of directors considers that the subsidiary has sufficient profit to do so. The payment of interim dividends must then be reported to the next shareholders' meeting for acknowledgement.

2. Risk Management

2.1 Risk management policy

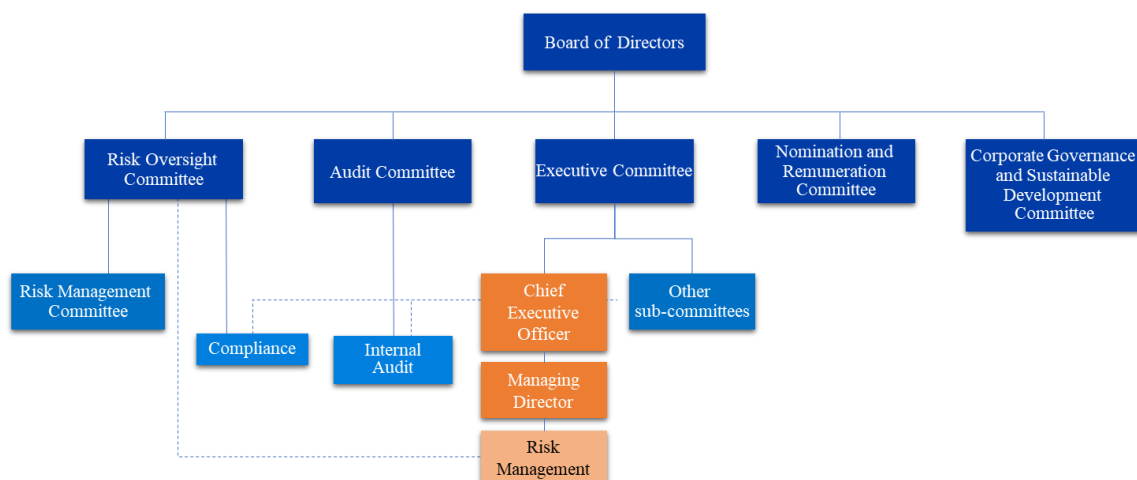
Risk management is key to Thai Credit's stable and sustainable growth. Thai Credit has a risk management plan which focuses on developing and strengthening risk management systems across several areas to ensure that all essential processes are covered. It has also implemented a risk management process in line with the Bank of Thailand's risk oversight guidelines. The risk management plan provides possible mitigation measures to challenges arising from loan quality, especially in a situation caused by an external factor beyond the control of Thai Credit, by implementing an effective risk management strategy and establishing the customised organisational structure for the risk management unit to ensure that all important areas and processes are appropriately governed by the Risk Oversight Committee and the Risk Management Committee. In addition, the Bank has a good governance framework, risk monitoring reporting mechanism, risk management tools, and a prudent risk management process.

Also, encouraged all its employees to inform themselves of operational procedures relating to risk management and about their duties and responsibilities, through the publication of a risk management policy, relevant trainings, and supervision in each business unit.

Thai Credit has established its organisational structure considering the balance of power and efficient operational processes. It has also adhered to the principles of good corporate governance, implemented a risk reporting system, and put in place suitable risk management tools and processes to manage risks effectively.

Risk management structure

Organisational structure is a key principle used in Thai Credit's risk management. Thai Credit has established its director structure, committee and sub-committee structures, and the second line of defense to ensure an efficient process while improving overall risk management. This will also support Thai Credit's goal of pursuing continuous business growth and generating stable returns in the long run. Thai Credit's organisation structure is shown in the diagram below.



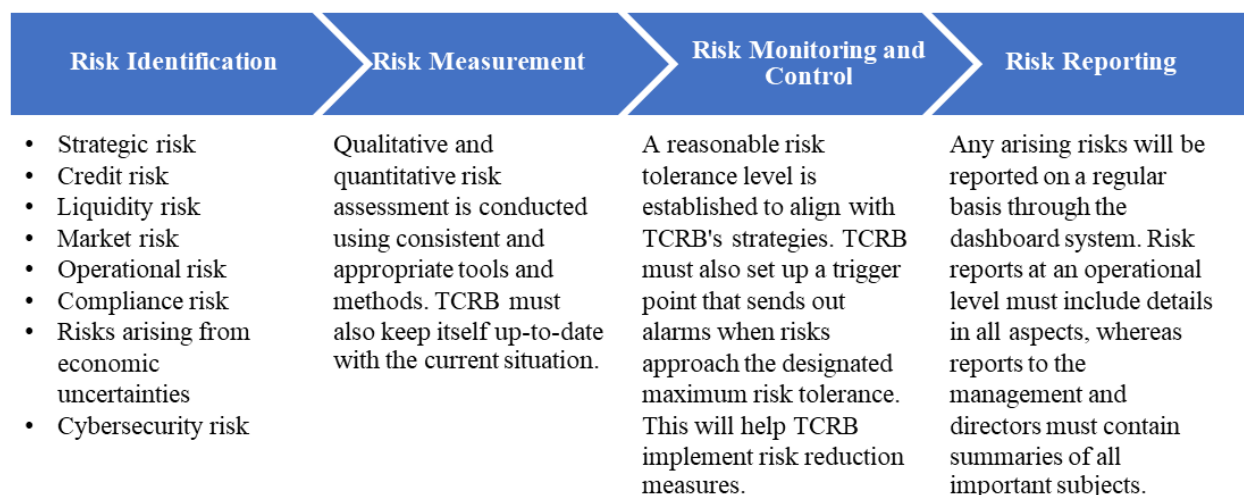
The Risk Oversight Committee takes direct charge of risk control and risk management, and will report risk issues to Thai Credit's Board of Directors. The Risk Oversight Committee determines the risk tolerance level and key risk indicators, and establishes risk response guidelines when a risk indicator falls in the warning level (Yellow Zone) or

caution level (Red Zone), to ensure that these responses are reasonable and consistent with external circumstances and Thai Credit's future plans. Thai Credit has also established sub-committees to monitor and review the sufficiency and efficiency of its operational systems and compliance. These sub-committees consist of: (a) the Risk Management Committee in charge of establishing a risk management policy framework, strategy and practices, in line with THAI CREDIT's business strategy, as well as the sub-committees under its supervision which will help with loan screening and supervision, collateral appraisal, debt restructuring, and the business continuity plan to ensure compliance with policies provided by the Risk Oversight Committee; and (b) the Assets and Liabilities Management Committee in charge of managing liquidity risk, risks arising from changes in interest rates, liquidity risks and ensuring the effective management of excess liquidity for maximum returns.

The risk management team is the core unit supervising risks and monitoring changes in the relevant risk level, which will then be analysed and reported to relevant committees on a monthly basis. These reports must cover several areas of risk analysis, such as the growth and concentration of loans, loan quality, analysis and breakdown of long-term NPLs based on the year in which the loans are granted (vintage analysis), the overview of the money market and interest rates, and Thai Credit's liquidity. The reports must be made accessible in the dashboard system for operational teams, which will then utilise the data in their decision making process and establish growth strategies that are within Thai Credit's risk appetite. The risk management team will present the summary of its risk management analysis to the Risk Management Committee and the Board of Directors monthly to ensure effective and prudent governance and risk management.

The internal audit unit, which is governed by the Audit Committee, is in charge of reviewing the sufficiency and efficiency of the risk management process, internal control systems, and operational processes, to ensure compliance with the standards and practices under the relevant rules and regulations.

Thai Credit's risk management framework as well as policies, rules, and operational procedures regarding risk management are set out in its risk management policy, approved by the resolutions of the Board of Directors Meeting No. 2/2023, held on 26 February 2023. A summary of Thai Credit's risk management process is shown in the diagram below.



2.2 Risk Factors

Strategic Risk

Strategic risk arises from the establishment or implementation of a policy plan and an operating plan that is improper or inconsistent with internal factors or external circumstances, which may affect Thai Credit's revenue, profitability, and capital.

Thai Credit has adopted a short and long-term strategic risk management framework to ensure stable and healthy loan growth. Thai Credit's management also requires Thai Credit's operating performance to be monitored on a regular basis in line with the strategic plan. The operating performance will be evaluated holistically, taking internal and external factors into account, to ensure that the strategic plan can be flexibly modified to correspond with operating results and current developments. Reports on Thai Credit's strategic risk management must also be presented to the management and relevant committees to ensure that operations are in accordance with the established plans.

Credit Risk

Credit risk arises when a customer or counterparty fails to fulfil contractual terms and conditions, including full or partial default by a debtor, and when the collateral value declines during a loan term. Improper credit risk management could lead to more NPLs, resulting in higher provisioning for expected credit loss. These higher costs of provisioning would affect Thai Credit's profitability.

Thai Credit is determined to maintain a balance between loan growth and risk levels, in line with its risk appetite, and has therefore established the following risk management principles.

- An organisational structure must be established, with checks and balances and risk-based authority.
- Lending criteria must be established under a product program, in which the profile of borrowers, interest rates, loan amounts, and collateral required must be provided. These criteria will be used as standard when presenting products to customers. To prepare a product program, Thai Credit will take into account the relevant risks and reasonable rates of return. Prior approval from the Risk Management Committee must be obtained before the product program is implemented.
- Loans must be thoroughly analysed, including indicating potential risks that may arise from transactions with customers and determining appropriate credit risk mitigation guidelines that are in line with the set measures, such as appropriate types of loans and loan amounts, as well as collateral requirements. Thai Credit also organises training for its relationship managers and credit advisors to ensure that they have sufficient knowledge to evaluate the quality of customers at the initial stage as they will have the closest relationship with customers.
- A collateral policy must be established under which Thai Credit will consider the types, liquidity and market demand for each asset and will have each asset's value appraised by an external appraiser in order to determine a reasonable LTV ratio. The asset will be examined before the associated loan application is approved. If a customer is considered high risk, Thai Credit may apply for a loan guarantee from TCG.

This collateral and loan guarantee will help alleviate any effects on Thai Credit which would result from defaults by customers.

- Thai Credit has a single-lending-limit concentration control mechanism, under which Thai Credit will control the loan amount offered to a customer or a group of customers and ensure that loans are granted to borrowers in multiple industries in order to diversify risks arising from excessive fluctuation by a particular industry. Thai Credit complies with the Bank of Thailand's rules by ensuring that the maximum proportion of lending to each SME customer does not exceed 10.0% of Thai Credit's capital, and that the maximum proportion of lending to each individual does not exceed 1.0% of Thai Credit's capital.

Thai Credit has tools and models to help the Bank assess and monitor loan risks. This is to help with analysing, approving, monitoring, and reporting of loan quality and reserve provision adequacy. Stress testing must also be conducted to test the potential effects on Thai Credit in simulations with different levels of severity.

Liquidity Risk

Liquidity risk is caused by an inability to pay obligations when they become due, resulting from failure to obtain sufficient funds in a timely manner or from excessive financial costs that come with the funds obtained. Thus, the liquidity risk may affect Thai Credit's revenue and capital.

In view of the applicable liquidity coverage regulations, Thai Credit will maintain a liquidity coverage ratio at an acceptable level. Thai Credit focuses on reasonable investment in liquid, quality assets, with appropriate risk diversification. Thai Credit has put in place early warning indicators for liquidity risks, which will provide signals in a timely manner to the management on the need to mitigate any risks which have arisen. Thai Credit also has backup plans for any emergency and for liquidity crises in general, and for any crises for which there is no early warning indication. Thai Credit also relies on liquid assets, such as deposits with the Bank of Thailand and commercial banks, bonds purchased and sold in the private repurchase market (Private Repo), lending and borrowing in the money market, and investment in debt instruments issued by government agencies and state enterprises in its liquidity management.

Market Risk

Market risk is mainly caused by inconsistency between benchmark interest rates for key assets (i.e. loans to customers) and key liabilities (i.e. deposits, and interbank and money market items), where this inconsistency may affect Thai Credit's revenue, profitability ratio, and cashflow. Changes in interest rates may also be caused by macro-level factors, such as the policy interest rate, macroeconomic trends, inflation, the Bank of Thailand's monetary policy, and monetary policies adopted by other central banks. Market risk can also be caused by changes in instrument prices that Thai Credit has invested in pursuant to its liquidity management, where prices depend on market demand and supply in the money market and capital market.

Thai Credit will ensure that the tenor of its loans and the tenor of its deposits are consistent, and will prepare repricing gap reports, which will be used to closely monitor interest trends and customers' behaviour. Thai Credit will also assess the net interest income sensitivity over the next 12 months, to ensure the efficiency of net interest income management. Thai Credit invests mainly in debt instruments issued by the government and state enterprises, and through deposits at the Bank of Thailand and commercial banks, which provide high liquidity. The Assets and Liabilities Management Committee and the Risk Management Committee will oversee market risk management.

Operation Risk

Operational risk means risk of damage caused by deficiencies or mistakes in internal operational processes, the workforce, work systems, or information technology, or by an external event or factor, which may have effects on Thai Credit's operating revenue and capital, and may lead to compliance risks, such as the risk of being sued or otherwise subject to lawsuits, or the risk of regulatory action, including fines, by government agencies.

Thai Credit has improved its work processes by employing work systems in its data governance, data risk management, and personal data management to ensure compliance with the PDPA. Advisors with direct knowledge and skills are engaged to help Thai Credit prepare these improvements. Along with other risk dashboards, Thai Credit prepares operational risk dashboards and presents them to the Risk Management Committee and the Executive Committee on a regular basis. Thai Credit also has operational risk management practices, which include the assessment of risks and the effectiveness of its self-control of risk, the establishment of risk indicators, and the preparation of risk reports, which are used as early warnings to allow Thai Credit to adapt and prevent these risks before they occur and affect Thai Credit.

Operational risk management includes the management of risks caused by external factors beyond the control of Thai Credit. Thai Credit also has a business continuity plan in place for operations at its principal office and branches. This business continuity plan will be reviewed on a regular basis to improve its efficiency and to prepare for an emergency that may occur in different forms and at higher levels of severity. More alternate operating sites will also be opened to make Thai Credit's management more agile and to boost confidence that, even in an emergency, Thai Credit will continue to provide its services as normally as possible to its customers or business partners or that its normal operations will resume in a timely manner. The business continuity plan is tested and reviewed on a regular basis to ensure its practicability and efficiency.

Compliance Risk

Thai Credit must comply with the laws and the regulations of competent regulators, including the Financial Institution Business Act, the Securities and Exchange Act, the Anti-Money Laundering Act, the PDPA, and other relevant notifications, and rules. Any non-compliance with laws, rules, regulations, standards, and practices applicable to Thai Credit may cause financial or reputational damage or result in interference by competent authorities.

Thai Credit has a compliance unit in charge of providing internal advice and consultancy on applicable laws and regulations, developing a compliance risk management mechanism under which relevant risks will be identified and assessed, and reviewing operations to ensure compliance. Reports on these identified risks, assessments, and reviews will be regularly prepared and presented to the management and the Risk Oversight Committee.

Cyber Risk

Cyber risk is a threat arisen from technological advancements which could be responded anywhere, anytime through complex and diverse electronic networks. This phenomenon is driven by the consumer's behavior demanding unlimited access to technology under various methods or technologies like mobile application, Omni-channel etc. More channels, however, increase cyber vulnerabilities and insecurities.

Thai Credit is continuously committed to the development on information technology security and cyber threats security in building a stable technology security infrastructure. The bank also establishes proactive information

technology security measures, develop skills, knowledge, and abilities of personnels is a critical part in protecting security of system and data to manage risks posed by ever-evolving cyber threats.

The cyber risk oversight plan would include Cyber Resilience Management Framework which was determined by the Bank of Thailand to be adapted with Thai Credit, including;

- 1) Governance for cyber risk oversight, law and regulation compliance supervision, and risk awareness establishment.
- 2) Risk Identification, in terms of hardware, software, and database, which will assess risk at all time even when it is expired (end of life or end of support). establishing risk management guidelines, reviewing, monitoring, and reporting risks appropriately to the risk level.
- 3) Protect and Detection, in term of architectural structures, tools, development process program audit, and change management by using new technology or tool to detect or detect irregular behavior and provide warnings.
- 4) Response and Recovery, Thai Credit has a plan for dealing with and responding to irregular cyber incidents, as well as rehearsal In order to be able to effectively manage the unexpected incident.
- 5) Risk management on using services, connecting to, or accessing data from third parties (Third Party Risk Management), the scope of the Cyber Resilience Framework has been expanded to cover areas connected with third parties or important working system in order to tightly protect intrusion from connected points.
- 6) IT risk awareness is established to all personnels and the bank is pushed to become an IT risk culture to increase efficiency in business operation, competitiveness, being secure and ready to deal with technological and cyber threats that may occur.

Investment risk on security holder

Investment risk that affects security holders arises from the uncertainty that security holders will not receive returns as expected from the investment. It may be caused by a variety of factors, such as risks arising from changes in overall market conditions, risks arising from the company's operating ability, liquidity risk, interest rate risk, as well as the risks from other situations beyond our control.

However, Thai Credit has organized a management structure consisting of knowledgeable and capable personnels, committed to innovative products and services, and continuously designed products that meet the needs of current customers and customers with no access to finance in the system, for stable growth and good returns to the securities holders and society continuously and sustainably.

2.3 Effects from, and responses to, the outbreak of COVID-19 pandemic

The World Health Organization declared that the spread of the COVID-19 was a public health emergency of international concern from January 2020 onwards. The pandemic has caused continuing impacts on the economy, society, and people's way of life in Thailand. As of the date of this document, the pandemic situation has eased, but the country's economic conditions remain fragile and uncertain. Thai Credit monitors closely the continuation of

government stimulus programs as well as higher costs due to the ongoing global energy price situation, which will impact the next stage of economic recovery. Despite high liquidity in the financial system, credit risk is still hindering the diversification of loans, particularly loans to SMEs and the household sector. However, some issues have been solved through the Bank of Thailand's Soft Loan program.

Thai Credit has modified its business strategy to ensure that it will overcome the challenges brought on by the current economic situation, including through working with the government's measures to assist borrowers. Thai credit will also capitalise on industry gaps to create business opportunities, as detailed below.

- **Bank of Thailand's measures to assist debtors;** In 2020, the Bank of Thailand implemented a number of loan and credit measures relevant to Thai Credit's lending activities, such as: (a) a principal moratorium (which ceased in 2021) for three to six months, as the case may be, for potential debtors whose debts have not yet become NPLs so as to help keep debtors' loans performing throughout the negotiation process; (b) the ceiling for interest rates for designated nano-finance being lowered from 36% to 33%; and (c) debt restructuring to help ease debtors' burden, based on individual debtors' repayment capacity. This debt restructuring includes changes in the types of loans, reduced instalments, principal deferral, and the ability to pay debts via transfer of property.

To manage future NPLs, Thai Credit continuously assists all groups of customers by putting in place a principal and interest moratorium, extending instalments, and consolidating loans with houses as collateral. Thai Credit closely monitors borrowers' capacity to repay. Although its assistance measures under the Bank of Thailand's program have ended Thai Credit continues to extend help to struggling borrowers on the management of their loans. Additionally, Thai Credit has diversified the types of loans, borrowers, and the industries that the borrowers are involved in, to ensure an overall balance between Thai Credit's risks and returns. In addition to managing its credit risk, Thai Credit prudently manages its cash liquidity to strengthen its financial position and also maintains an appropriate amount of management overlay to prepare for any contingencies that will have effects on the Thai economy.

Thai Credit has launched its "Klahai SME Loans" programme, a series of business loans that is designed to help micro enterprise and SME recover after the pandemic and expand their businesses for continued growth. While other commercial banks have tightened their lending, Thai Credit saw an opportunity to expand its MSME Loans business and successfully secured 6,645, 5,124, 5,487 and 5,143 new loan agreements in 2020, 2021, 2022, and 9M2023, respectively. As a result, the MSME Loans of Thai Credit achieved compound annual loan growth of 33.5% from 2020 to 2022, and 14.1% in 9M2023 compared to the end of 2022.

- **Provision of Soft Loan;** Soft Loans are provided to potential business operators affected by the COVID-19 pandemic to help improve their liquidity. The Bank of Thailand wanted these Soft Loans to be disbursed to business operators as widely and inclusively as possible, and therefore offered loans to financial institutions at a low interest rate. The financial institutions would then provide these Soft Loans to business operators at interest which is no higher than the specified rate. Thai Credit participated in the Soft Loan programs introduced by the Bank of Thailand and the Government Savings Bank.

- **Asset Warehousing;** To support business operators with potential but who require time to recover from the impact of the COVID-19 pandemic, the Bank of Thailand provided loans to Thai Credit in the form of Soft Loans to accept the transfer of property as collateral for repayment of outstanding debts. The debtor may repurchase the property within three to five years at the transfer price and shall have the right to lease such property to operate its business in the ordinary course. Thai Credit participated in such program. However, the Asset Warehousing program ceased in April 2023.
- **Changing customer behaviour and financial technology trends;** The restrictions imposed to control the COVID-19 pandemic have accelerated changes in customers' behaviour regarding their use of technology in their daily routines and in their financial transactions. Therefore, Thai Credit focuses on financial innovation and development of effective financial tools to facilitate transactions among micro enterprises and SMEs, and encourages them to use the Micro Pay e-Wallet application to reduce physical contact during the COVID-19 pandemic, which also contributes to the growth of a cashless society. Thai Credit also offered the "Micro Pay helps collect" system to manage stall rental and utility bills for market stall owners. Thai Credit introduced the "alpha by Thai Credit" mobile application, which aims to provide solutions to depositors who are now able to deposit and withdraw their money through the application without visiting a physical branch. Thai Credit is also developing a biometric identification function and an e-KYC feature, which will allow customers to register their user accounts on the application without visiting a physical branch.

2.4 Emerging Risks

Thai Credit has assessed and analyzed the risks on business operations that might occur in the next three to five years with an impact on business, operations, financial status, and environmental, social, and good corporate governance issues, as following details.

Possible Risks	Potential Impact on Bank	Impact Response Plan
1. Geopolitical Risk	Geopolitical conflicts such as the conflict in the middle east might affect the supply chain. This would result in inflationary pressure that might cause the direct affects on energy and food prices, or the slowdown of the world economy.	<p>Thai Credit had assessed the severity of the conflict and its consequences consistently, both on the bank's business operations and risks that may affect the business of the bank's customers. In addition, assistance measure is provided to businesses affected by the geopolitical conflicts occurred.</p> <p>Thai Credit also has a business continuity plan (BCP) to cover both the head office and the branches by arranging Operation Risk Dashboard. This is to help Thai Credit support various emergency situations that may occur in different forms and increasing level of violence, as well as to build confidence among the bank's customers or business partners continuously.</p>

2. Volatile Financial Markets Risk	Fluctuation in financial market could result in fluctuation in interest rate, i.e. high interest condition and tight financial condition.	Thai Credit places importance on monitoring financial market uncertainty closely and risk assessment and management to reduce potential impacts on the operations of the bank regularly. Thai Credit also has the policy focusing on investing in high quality and liquidity assets distributing risk appropriately.
3. Rising Household Debt Risk	High household debt would result in bad debt and the risk of non-performing debt (NPL) would tend to continue to increase.	Thai Credit is focused on maintaining a balance between credit growth and risk levels arising from the inability of customers or contractual parties to comply with terms and conditions at an acceptable level to the bank under risk management measures such as balanced organizational structure, comprehensive and appropriate analysis of credit and credit limits, loan collateral guarantee and appraisal policy, as well as the effective risk assessment and monitoring tools. In addition, Thai Credit has closely followed the policies issued by the Bank of Thailand (BOT) and newly issued measures for solving household debt problems in order to timely adjust strategy suiting different situations.
4. Global Economy Slowdown Risk	The global economy slowdown, especially China economy, might result the pressure on the export sector as well as fluctuation in Thai baht currency.	Thai Credit has regularly assessed the risks arising from global crises or important events in other countries as well as the impacts that may occur on the bank and the supply chain. The bank also prepare and set measures for appropriate risk management to make sure the loan growth is stable and of high quality. In addition, there is a regular overall performance evaluation under the consideration on both internal and external factors to make operation flexible, make strategic plan adjustable flexibly and consistently under both short-term and long-term plans.
5. Government Policy Risk	Changes in government policy, including government plans and budget allocations such as economic stimulus measures may result in a larger fiscal deficit and increase	Thai Credit has a compliance oversight unit, responsible for closely overseeing and supervising operations to be in accordance with laws, rules, regulations, standards and guidelines applicable to

	the public debts although it helps stimulate the gross domestic product (GDP).	the bank's transactions as well as developing a risk management system, identifying and assessing risks, and reviewing operations to ensure compliance under regulations. This will be reported directly and regularly to management and the Risk Committee.
6. Climate-related Risk	Climate change, including physical risk, such as natural disasters, might cause direct damage to the bank and supply chain. For the Transition Risk, such as Carbon Tax and consumer behavior change for more attention to the environment, may result in an increase in the bank's costs. and supply chain as well as continuity in business operations.	<p>Thai Credit is aware of the risks and the importance of the effects that may occur from the bank's business operations as well as environmental, social, and good corporate governance issues. Climate risks, opportunities, and impacts are regularly assessed.</p> <p>In addition, Thai Credit has improved the Environment & Social Management System (ESMS) to deal with risks and established credit policy supporting business with sustainability and environmental friendliness policy (Green Loan).</p>

1.3 Driving Sustainable Business Growth

3.1 Policies and goals regarding sustainability management

Thai Credit is a commercial bank that strives to adhere to its vision and missions, focusing on business operations based on sustainable growth. It seeks to deliver excellent financial services to customers to encourage business growth, to improve their quality of life, and to improve their financial lifestyles sustainably through its unique micro finance services. To emphasise the aforementioned vision, Thai Credit has developed the operational guidelines on sustainable lending, leveraging guidelines of International Finance Corporation (IFC), a global leader in sustainable lending. Currently, Thai Credit has enhanced its operational process to align with IFC standards and plans to fully implement the operational process by early 2024.

Additionally, Thai Credit has joined forces with the Thai Bankers' Association (TBA), the BOT, the Securities and Exchange Commission and Thailand Taxonomy's working group in a collaborative effort for initiating a reference tool for a sustainable economy which will establish a reference tool for economic activities according to environmental objectives.

Aware of the importance of social and environmental responsibility, of covering stakeholders in its value chain, and of the development of sustainable banking, Thai Credit arranges various activities to foster sustainability in three dimensions; namely the environment, society and employees, as well as governance. To drive long-term stable growth of the business and society it sets forth its mission, the essential details of which are as follows:

1. Commitment to responsible lending

Thai Credit is committed to responsible lending to ensure that loan services are provided responsibly to both internal and external stakeholders, including through employing the concept of "Tone of the top" through the support of the senior Executives.

2. Stakeholder engagement

Thai Credit focuses on stakeholder engagement in improving its operations in line with environmental, social, and governance (ESG) principles, and works to assess both the direct and indirect effects of its delivery of loan services.

3. Internal implementation mechanisms

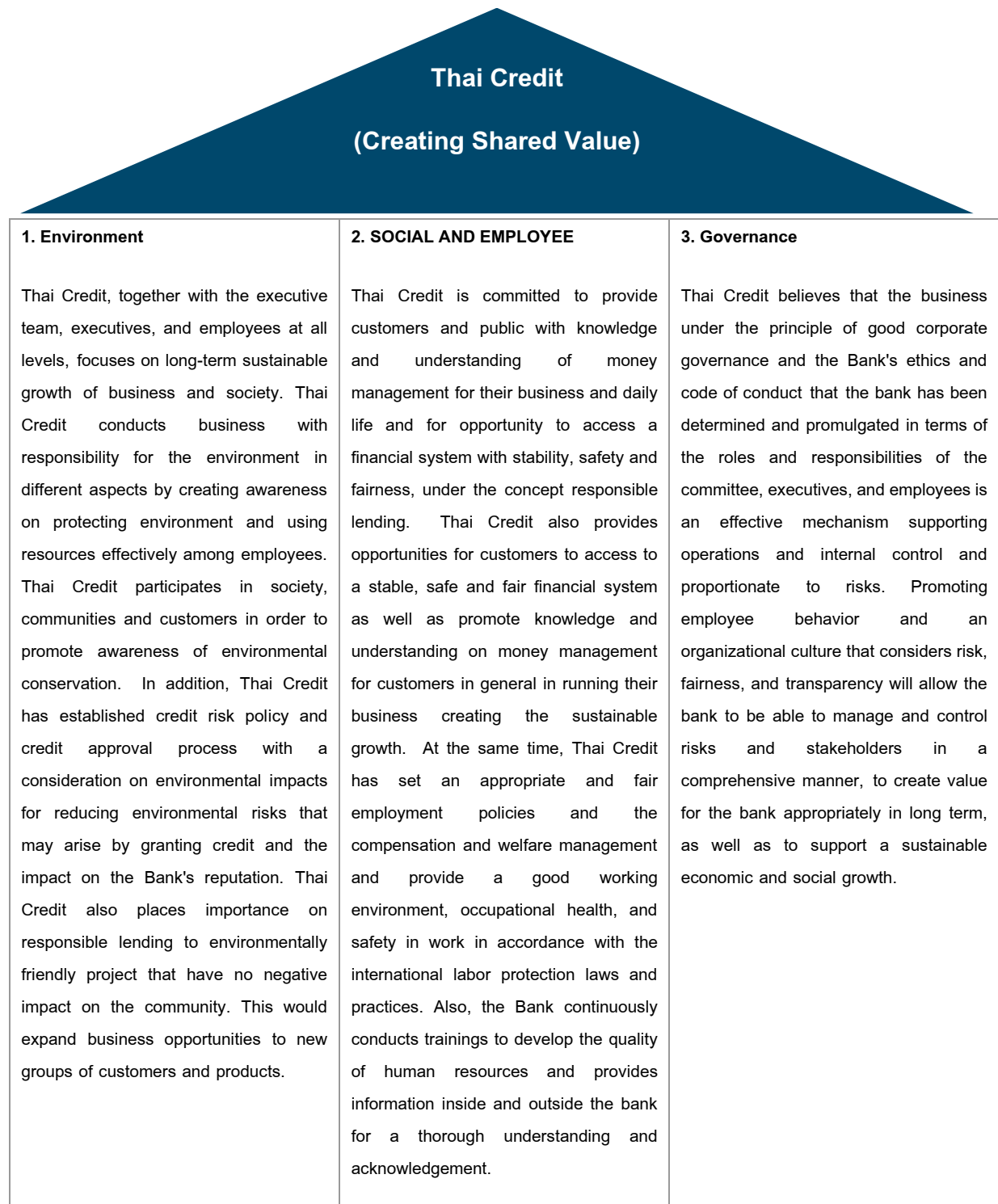
Thai Credit has put in place internal implementation mechanisms covering various operational processes, including establishing policies and procedures for granting loans and risk management and encouraging personnel with the potential and ability to implement those mechanisms inside the organisation.

4. Transparency

Thai Credit seeks to disclose information transparently, including its operational information in line with the principles of loan approval based on social responsibility, to reflect its commitments, and Thai Credit intends to establish additional mechanisms to inspect its operations.

Strategy Overview

Thai Credit also focuses on the Creating Shared Value (CSV) in order to improve and develop the quality of life of people in society along with creating a competitive advantage in the business to achieve sustainability for the society and the Bank itself in three dimensions as follows;





In addition, Thai Credit established the Corporate Governance and Sustainability Development Committee so as to promote its business operations on the basis of sustainable growth. The Corporate Governance and Sustainability Development Committee is responsible for determining policies and action plans regarding corporate governance and sustainability to ensure compliance with good practices and standards on corporate governance and sustainability both at national and international levels. Currently, Thai Credit adheres to principles in line with 8 of the 17 Sustainable Development Goals prescribed by the United Nations as follows.

1. Goal 1. Ending poverty in all of its forms everywhere.
2. Goal 4. Ensuring equitable and inclusive education which promotes lifelong learning for all.
3. Goal 5. Achieving gender equality and empowering all women and girls.
4. Goal 8. Promoting employment filled with productivity and sustainable economic growth.
5. Goal 9. Building industrialisation, infrastructure and innovation.
6. Goal 10. Reducing inequality.
7. Goal 13. Taking action to combat climate change.
8. Goal 16 Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels.



A summary of Thai Credit's principles that are aligned with these goals is set forth in the table below. A more detailed summary can be found in the sustainable development guidelines, based on the United Nations' Sustainable Development Goals given in the UN Global Compact.

	Thai Credit's operations that contribute to sustainable development
Goal 1. Ending poverty in all of its forms everywhere.	<ul style="list-style-type: none"> - Considering the approval of loans based on responsible lending principles, and allowing all groups of Thai people to access a stable, secure, and equitable financial system. - Enhancing knowledge and understanding of financial management, among its customers and the general public, to encourage sustainable business growth, including through the "Tang To Know-how" Project. - Encouraging employees to learn hard skills which are directly related to their work, as well as soft skills, which are social skills used when interacting with others and are considered essential skills to live and collaborate with others seamlessly.
Goal 4. Ensuring equitable and inclusive education which promotes lifelong learning for all.	
Goal 5. Achieving gender equality and empowering all women and girls.	<ul style="list-style-type: none"> - Recognizing the importance of respect for difference and equality within the organization and throughout the supply chain, especially the promotion of female labour, to be able to create opportunities for professional growth for internal personnel and support business operation for customers in the supply chain (Value Chain) equally without gender discrimination.
Goal 8. Promoting employment filled with productivity and sustainable economic growth.	<ul style="list-style-type: none"> - Taking care of employees through the establishment of operational policies and procedures with regard to human rights and responsibility for society and labour, a suitable and fair hiring policy and management of remuneration and welfare system, as well as comprehensive communication, both inside and outside the organisation.
Goal 9. Building industrialisation, infrastructure and innovation.	<ul style="list-style-type: none"> - Promoting inclusive and sustainable industrialisation to encourage economic development and improve people's well-being, with a focus on access to affordable pricing on an equal basis for everyone. - Introducing innovations in financial technology into digital banking so that customers can access to funding sources and financial services in the system thoroughly and equally with accessible financial technology and facilitating a good experience for customers.

	Thai Credit's operations that contribute to sustainable development
Goal 10. Reducing inequality.	<ul style="list-style-type: none"> - Preparing comprehensive service channels nationwide and offering a wide variety of financial planning products to address the needs of each customer group. - Enhancing knowledge and understanding of financial management among its customers and the general public to support their business operations with sustainable growth in mind, and offering loans to small and micro business customers for liquidity improvement and business expansion.
Goal 13. Taking action to combat climate change.	<ul style="list-style-type: none"> - Creating awareness of environmental preservation and efficient use of resources, and expanding the opportunity to access necessary health services. - Engaging with society, communities, and customers in encouraging environmental preservation and responsible lending principles. - Considering the approval of loans for businesses that are aware of environmental impacts and create no negative environmental impacts on communities.
Goal 16. Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels.	<ul style="list-style-type: none"> - Conducting business in adherence to the Good Corporate Governance Policy and Good Corporate Governance and Thai Credit's ethics and moral values taking into account fairness and transparency.

1.3.2 Management of effects on stakeholders in Thai Credit's value chain

1) Value chain



2) Primary activities

Thai Credit, through its Executive Committee, Executives, and employees at all levels, is committed to operating as a sustainable bank with the responsibility, under the principles of good corporate governance, to help its customers, business stakeholders, and the overall country develop sustainably. With a focus on sustainability management in all activities performed in the value chain of its business, Thai Credit intends to create corporate stability by developing products and services that meet the needs of all groups while maintaining efficient risk management. The value chain of Thai Credit's business will involve the following activities:

(1) Market research, Product development & innovation

Thai Credit designs and develops financial products consistently for long-term business growth to enable fair and equitable access to financial services to foster financially sustainable lifestyles among all groups of customers. Over the past few years, it has emphasised the development of financial products and services to address the demands of both the business sector and the general public. These products have included nano and micro finance loans for liquidity improvement and business expansion, "SME Loans Dare to Give" for micro SME customers, "Home for Cash" loans for full-time employees, self-employed workers, and business owners, as well as deposit products for individual customers' savings.

Regarding the impacts of the COVID-19 outbreak and natural disasters, Thai Credit has put in place measures to assist entrepreneurs in recovering their businesses and in driving stable growth. Thai Credit has also been aware of its vital role in building national economic stability.

(2) Sales, Marketing, Customer Acquisition & Credit analysis

Thai Credit has developed financial products to address the needs of different customer groups. It has also improved the speed of service, simplified the loan approval system, and maintained positive customer relationships, based on its understanding of different customers' needs. This has helped create trust in the quality of its services and satisfaction in its loan services and its financial and investment products. As the country's commercial retail bank and a financial institution that plays a vital role in raising funds and allocating resources in the economic system, Thai Credit recognises that it has a duty and a responsibility to create national stability. It therefore intends to develop and deliver financial services and investment products to encourage saving and long-term returns for individual customers and wealth, including deposit products, mutual funds, and insurance policies.

Encouraging applications for credit life assurance (MRTA) and fire insurance policies

Thai Credit recognises the importance of building confidence among customers so that they are prepared for unexpected events that can jeopardise their businesses or put their families in debt. It has therefore prepared and offered insurance policies with a wide variety of insurance coverages and terms of insurance to address the needs of micro SME customers. Such customers can choose the appropriate type of insurance to meet their needs.

It also offers fire insurance policies to ease customers' concerns with regard to unexpected events regarding their residences.

(3) Operations, Transactions & fulfilment

Thai Credit has service channels policy for the Bank to be able to manage the service channels and fair customer service, for a thorough and appropriate risk management and customer care. Thai Credit also defines roles, duties, and responsibilities of executives and employees, performing in providing service through different service channels specified for an effective, concise, and proper risk management process related to customer service channels and in consistent with the situation and technology providing in customer service.

Center/Office/Branch Providing Financial Services

Thai Credit conducts the business under the philosophy of “Everyone Matters”. Therefore, the Bank has focused on expanding its financial full-service and retail branches to cover all regions all over the country. Thai Credit currently has 28 full-service branches and 500 retail and Nano credit branches nationwide.

(4) Payment & collections

Thai Credit has the payment and collection policy for quickly solving debts in time when customers encounter problems. This allows the Bank to receive maximum repayment of debt and lower the Bank's debt classification and reserves. The policy is a guideline to prevent overdue payments causing damage to the Bank and it will build good relationships between the Bank and customers in resolving customer debt repayment problems and enabling customers to continue operating their businesses.

Ethical debt collection

Thai Credit has arranged an ethical debt collection, strictly following the BOT's guidelines. The debt collection's behavior of the Bank officers and collection agencies are closely monitored and controlled. The Bank also has measures to assist customers with financial problems in restructuring their debts at the best ability.

(5) Customer service & relationship management

Thai Credit focuses on maintaining positive relationships with its customers based on an understanding of the needs of every target customer group. It has therefore established a CRM team to respond to customer needs, including the establishment of a call centre to handle customer inquiries. It has also developed products and services to address customer needs, and takes customer suggestions from satisfaction surveys into account to enable further improvement of its services and operational processes so as to continuously create a positive customer experience.

Simultaneously, it has publicised information regarding its financial products through various channels, such as Facebook, online chat rooms, and websites, to enable inclusive access to its financial products. It has also developed teams to contact customers who are interested in its products, deliver

excellent customer experience via every of its service channels, and coordinate with and retain existing customers.

Provision of financial services and financial literacy

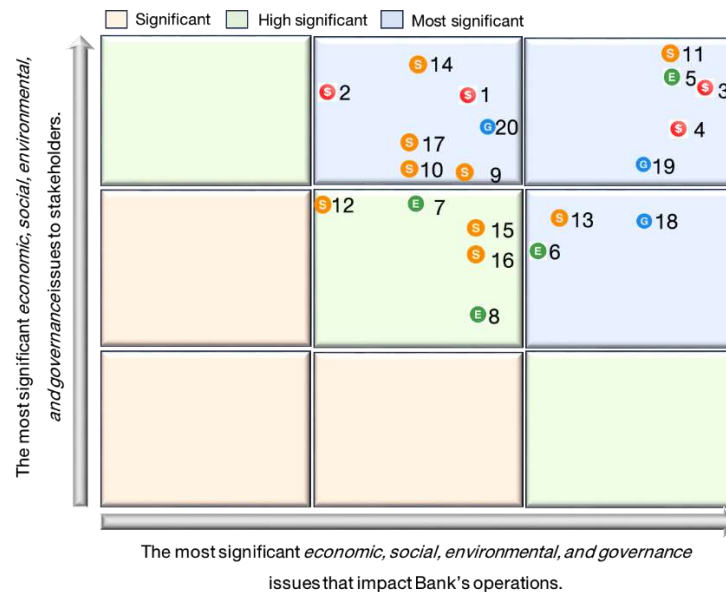
For lending services, there is an operational procedure for repayment transactions, which is the procedure to connect financial transactions from both internal and external payment service providers to Thai Credit's system. This facilitates tracking of customers' repayments. However, when customers are unable to repay the loans, the debt collection procedures will be commenced. Thai Credit has strictly implemented the ethical debt collection guidelines, prescribed by the Bank of Thailand, and closely supervised the debt collection performed by its debt collection staff. Furthermore, it has set out measures to assist customers who are experiencing financial difficulties as much as possible via debt restructuring.





Acceptance of complaints



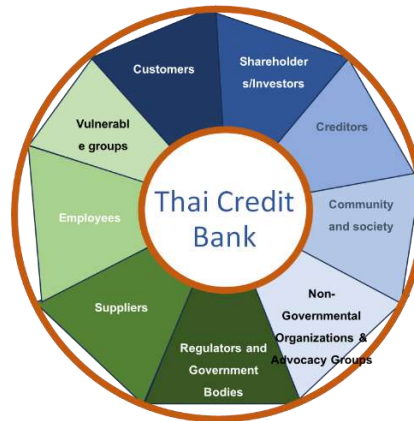
Thai Credit has emphasised operational guidelines based on accuracy, honesty, and transparency. It has established a complaint management team to handle customers' complaints, which customers can file through its online channels, branches, and call centre. Staff members are expected to handle complaints immediately, even if they are related to other agencies, to assist the customers and prevent potential dissatisfaction. After receiving the complaint, the staff member must inform the complainant of the process and period for handling complaints. To facilitate whistleblowing, Thai Credit has set out a whistleblowing policy and procedures, appointed responsible persons, and communicated the whistleblowing policy, procedures, and channels to all of its personnel. Customers and people outside the organisation are also allowed to whistle-blow by notifying via Thai Credit's website, email address, or postal address to its Executives. In addition, it has established a code of conduct and prescribed the roles and responsibilities of employees at all levels. This code of conduct covers auditing and compliance with applicable laws, rules, regulations, operational manuals and relevant operations. The disciplinary procedures and regulations on the punishment of employees who commit serious offenses are fairly and properly prescribed. Furthermore, it encourages everyone in the organisation to look out for misconduct.

3) Materiality Analysis



 Economic	 Environment	 Social	 Governance
1. Economic fluctuations 2. Household debt and customer's ability to repay loans 3. Sustainable growth of the business 4. Digital Technology	5. Environmental & Social Management System (ESMS) 6. Environmental factors and effects of climate change 7. Green financial products 8. Raise awareness of ESG	9. Customer experience and satisfaction 10. Increase opportunities for the general public to access the Bank's financial services 11. Provide financial knowledge to create understanding and financial discipline 12. Promote and develop society and community 13. Cyber security and data protection 14. Provide assistance for a customer in need 15. Take care and develop the potential of employees 16. Attract and retain high-potential employees 17. Human rights of customers, employees, business partners and society	18. Risk assessment and management 19. Corporate governance and organizational ethics 20. Responsible lending and marketing

4) Analysis of stakeholders in the business's value chain



Thai Credit is committed to managing and operating its business with honesty, transparency, and fairness in line with the principles of good corporate governance. It also adheres to its social and environmental responsibilities in accordance with applicable policies on market conduct and responsible lending, and to the philosophy of "Everyone Matters" when driving sustainable business growth. In order to develop unique and simple products transparently, it has set out policies, measures, and operational systems to prevent and manage conflicts of interest, and to monitor and inspect for compliance with these policies, measures, and operational systems. It also regularly reviews the appropriateness of relevant policies and guidelines for the benefit of all groups of stakeholders. The details are as follows.

Stakeholder groups	Channels used to communicate with stakeholders	Stakeholders' expectations	Responses to stakeholders' expectations
Direct stakeholders			
Shareholders	<ul style="list-style-type: none"> - Shareholders' meetings - Thai Credit's website: https://www.thaicreditbank.com Email: ir@thaicreditbank.com 	<ul style="list-style-type: none"> - Good business performance and sustainable business growth - Fair and equitable treatment of shareholders - Disclosure of correct and complete information - Transparent and verifiable business operations - Good corporate governance and effective risk management 	<ul style="list-style-type: none"> - Supervisory practices that ensure that shareholders are treated fairly and equally so as to protect their rights and to build trust with them. - Disclosing accurate and complete information every quarter, at annual shareholders' meetings, or in annual reports. - Managing and operating the business with integrity, under the principles of good corporate governance and the code of conduct. - Preparing channels for communication and complaint handling regarding corporate governance issues.

Stakeholder groups	Channels used to communicate with stakeholders	Stakeholders' expectations	Responses to stakeholders' expectations
Employees	<ul style="list-style-type: none"> - Information communicated by senior Executives in the form of announcements and records sent via Thai Credit's emails - Annual performance evaluations twice a year (including a mid-year evaluation in July and a year-end evaluation in December of every year) - Various types of demand surveys, such as employee engagement survey - Interviews with individuals and focus group - Thai Credit's activities 	<ul style="list-style-type: none"> - Equitable treatment of employees by not discriminating on the basis of gender and putting in place a harassment protection policy - Career stability and growth - Human resource capacity development by offering training courses in various areas which the employees may choose to attend - Employee engagement in improving the tasks they are responsible for and developing the organisation - Occupational health, environment, and safety assurance by having flexible work practices - Fair and proper determination of remuneration, benefits, and welfare - Welfare that is not below the minimum requirements prescribed by law or that exceeds the minimum requirements based on suitability - Receipt of information, announcements, and news relating to employees - Swifter and more convenient access to information, rights, and benefits, and the ability to manage work efficiently anywhere, anytime - Permission to express opinions, demands, and suggestions to Thai Credit for further development and improvement in various areas - Employee engagement in activities organised by Thai Credit and development of a sense of belonging in the organisation 	<ul style="list-style-type: none"> - Taking care of and treating employees in an equal, fair, and inclusive manner and not discriminating on the basis of gender, regardless of those employees being full-time employees or interns - Organising training courses to enhance the potential and skills, and to drive career growth, including allowing employees to develop other professional skills and a capacity to address business change - Prioritising employees' welfare, developing a pleasant work environment, setting safety standards, and emphasising occupational safety and health - Implementing a fair hiring process and fair employment conditions, including determining remuneration and carrying out performance evaluations fairly - Providing employees with welfare that is required by law, including social security, as well as those which are not required by law, such as health insurance and accident insurance - Notifying employees of information, announcements, and news via internal emails and other communication channels of Thai Credit - Organising activities that emphasise the participation of employees at all levels on important days or special occasions of Thai Credit

Stakeholder groups	Channels used to communicate with stakeholders	Stakeholders' expectations	Responses to stakeholders' expectations
			<ul style="list-style-type: none"> - Arranging activities that build pride in self-improvement and encourage employee engagement in improving the organisation
Customers	<ul style="list-style-type: none"> - Activities organised in cooperation with customers - Channels for reporting dissatisfaction with products and services via Thai Credit's call centre, website, email address, and postal address - Channels for whistleblowing to the Executives regarding fraud and corruption via Thai Credit's website, email address, and postal address to Thai Credit's Executives - Information on products and services provided to customers via Thai Credit's website 	<ul style="list-style-type: none"> - Fair treatment and emphasis on customers' benefits and not discriminating on the basis of gender - Receipt of product information that is entirely and adequately prepared - A wide variety of products and services that meet customers' needs - Convenient access to services - Impressive after-sale services - Protection of customers' confidentiality 	<ul style="list-style-type: none"> - Emphasising culture-building and the development of a variety of products and services suitable to customers' needs to generate added value for the organisation and to fulfil customers' needs - Paying attention to and being responsible to customers by prioritising their benefits - Providing customers with complete and comprehensive information, and ensuring the quality of services both before and after sales - Preparing various communication channels to respond to customers' needs quickly - Considering complaints and problems concerning products and services of Thai Credit as an opportunity to develop products and services, and to deal with problems to ensure fair treatment of customers - Responding to the needs of customers of all levels and at all ages to maximise customer satisfaction
Business partners	<ul style="list-style-type: none"> - Regular contact via telephone or electronic media - Meetings with business partners to discuss or share opinions 	<ul style="list-style-type: none"> - Fair and transparent procurement - Punctual payment for goods and services 	<ul style="list-style-type: none"> - Being determined to operate a business with ethical trade, transparency, and fairness to business partners involved in the procurement process

Stakeholder groups	Channels used to communicate with stakeholders	Stakeholders' expectations	Responses to stakeholders' expectations
	<ul style="list-style-type: none"> - Complaints or reports regarding fraud and corruption sent to the Executives, via Thai Credit's website, email address, and postal address to Thai Credit's Executives 	<ul style="list-style-type: none"> - Compliance with contracts, agreements, and conditions regarding procurement - Achievement of sustainable business growth alongside Thai Credit - Establishment of goals to ensure sustainable cooperation and business partnerships 	<ul style="list-style-type: none"> - Maintaining positive relationships with business partners, and complying with trade conditions - Fulfilling agreements on the distribution of insurance, as no policy on distribution of insurance was issued, except agreements regarding different types of insurance
Regulatory agencies	<ul style="list-style-type: none"> - Frequently liaising with regulatory agencies - Following up on and learning about regulatory agencies' policies - Meetings with regulatory agencies 	<ul style="list-style-type: none"> - Compliance with the rules, regulations, and laws of regulatory agencies - Development of operational processes which meet the requirements and intentions of regulatory agencies - Cooperation in various projects 	<ul style="list-style-type: none"> - Complying with good corporate governance and establishing an efficient risk management system - Strictly complying with the rules, regulations, and laws of relevant agencies - Following up on the issuance of applicable rules, regulations, and laws to ensure proper compliance - Encouraging the implementation of and expressing opinions on applicable rules, laws and regulations and participating in the activities arranged by relevant agencies

1.3.3 Environmental sustainability management

1.3.3.1 Environmental policies and practices

Thai Credit seeks to mitigate climate change and environmental impacts in a sustainable manner. It has implemented various projects to create environmental awareness among youth and employees. It has also listed the types of businesses that it is restricted from granting loans to, such as those with potential negative effects on the environment, society, and governance, and has put in place a policy to take these restrictions into account during the customer screening process.

1.3.3.2 Results of environmental operations

(1) Climate Change

The financial and banking sector acts as an intermediary in allocating funds to the economic system. Therefore, it plays an important role in driving sustainable business operations. Currently, Thai Credit in cooperation with the Thai Bankers Association, Bank of Thailand, and other financial sector agencies have initiated the concept of sustainable finance, seriously integrating into business strategies in every process. The Sustainable Finance Initiative for Thailand is specified to upgrade the banking industry, aiming to proactively solve environmental, social and governance problems, create awareness among stakeholders, and drive Thai economy towards sustainability.

Thai Credit has implemented key direction under the 3-year strategic plan and disclosed financial information in line with Thailand's regulatory framework and international sustainability disclosure standards through important indicators like the Climate & Sustainable KPIs and the Climate Mitigation KPIs.

The Bank is currently researching on greenhouse gas emission from different activities and expecting to be able to disclose information on greenhouse gas emissions. Thai Credit has the verifier on carbon footprint of the organization registered with the Thailand Greenhouse Gas Management Organization or TGO or a verifier from the Bank with a widely accepted work at the international level with quantitative and qualitative goals as well as the plan and measure to mitigate risks from climate change in the Annual Report from 2024 onward. (In 2023, the Bank has evaluated its Carbon footprint by the Bank itself. There is no evaluation from outside and this is expected to be operational in 2024.)

In addition, Thai Credit's sustainability development committee has assigned the Chief Executive Officer to work as the Climate Change Champion closely with the Thailand Taxonomy working team in order to use a central reference standard for classifying and categorizing Thailand's environmentally friendly economic activities to evaluate the Bank's status and group the customer's activities.

(2) Sustainable finance

Thai Credit aims to be in a part of helping to alleviate the impacts of climate change and the environment in a sustainable way by implementing the projects promoting awareness on the importance of the environment to the youth and the bank's employees. The Bank also has specification about the business that the bank will not support on lending to the business creating impact on the environment, society, and governance, as well as announces the policy to be a concrete part of the customer screening process.

Thai Credit has the ESMS (Environment and social management system) as a guideline in considering providing financial or investment services and in granting credit to

customers running a business without negative impact on the environment, society, communities, employees, and stakeholders. The Bank also supports sustainable development for the future by specifying the types of businesses that banks will not grant loans and not transact with, currently including 18 groups. The Bank's credit officers must check to ensure that those businesses are not included in the lending process and do not allow those businesses to be taken into consideration in granting loans. In addition, the credit officers of the Bank must inspect the customer under the ESDD (Environment and Social Due diligence) in order to make sure that there will not be negative impacts from the business on the environment, society, communities, and stakeholders from the Bank's credit granting.

(3) The "reBOX Post Office" project

Under the "reBOX Post Office" project, Thai Credit joined environmental conservation campaigns by donating paper boxes and envelopes which are no longer used to Thailand Post Co., Ltd. to produce medical masks. These masks were then packed into "merit boxes" and delivered to hospitals and border patrol police schools across the country. In 2023, Thai Credit collected more than 450 tons of used paper for recycling (the total target of Thailand Post Co. together with many network organizations)



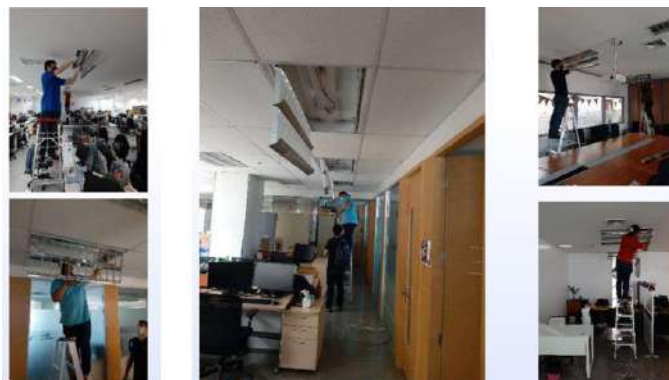
(4) Environmental projects

Thai Credit has initiated various projects to encourage its ongoing commitment to environmental matters, some examples of which include the following.

- **The eco-friendly monastic robe project** was implemented in cooperation with Chak Daeng Temple, by collecting plastic bottles which are no longer used to produce monastic robes for monks. Currently, Thai Credit has undertaken six donations, with a total of 1,244 kilograms of used plastic bottles.



- The light bulb replacement project was carried out by replacing existing light bulbs with energy-efficient ones inside Thai Credit's office. This project aims to reduce energy consumption by more than 14.17 kilowatts per year, which will account for a cost saving of THB 147,000 per year. Thai Credit aims to reduce the average energy consumption by 5% in 2024.



- The air conditioner replacement project was carried out by switching from R22 to R410 which helps to reduce gas emissions that are not environmentally friendly. Thai Credit has replaced four units of air conditioner, resulting in energy savings of 145.2 kilowatts per year.

#	Location	Description	No.	Unit	Period	Energy saved		Money saved	
1	RS TOWER FL. 25 Zone B (AHU25/3)	เครื่องปรับอากาศ Package Water Cooler 344300 BTU	1	unit	2566	9600	watt	167,140.00	THB/yr
2	RS TOWER FL. 30 Zone A (AHU30/1) NEW	เครื่องปรับอากาศ Package Water Cooler 450600 BTU	1	unit	2566	120000	watt	208,926.00	THB/yr
3	RS TOWER FL. 30 Zone A (AHU30/2) NEW	เครื่องปรับอากาศ Package Water Cooler 344300 BTU	1	unit	2566	9600	watt	167,140.00	THB/yr
4	RS TOWER FL. 10 Zone B (AHU10/6)	เครื่องปรับอากาศ Package Water Cooler 237100 BTU	1	unit	2566	6000	watt	104,463.00	THB/yr
			4	unit		145.2	KW	1,219,732.00	THB/yr

- Projects for society, campaign to reduce the use of plastic bags, donate cloth and paper bags to government hospitals for the patients to take the medicine home. In 2023, Thai Credit donated 1,900 paper and cloth bags.
- In 2023, Thai Credit's head office used 22,587 cubic meters of water. The Bank's target of water use in 2024 is aimed to reduce the average use of water by 5%.
- For waste management, Thai Credit has a campaign for employees to separate waste and reduce plastic use of plastic bottle by providing RO drinking water filters for employees to drink it on all floors in the head office so the employees will have good quality drinking water and reduce the purchase of plastic bottled water for consumption. The Bank will put more encouragement for the employees to drink water provided.
- To encourage employees to be aware and participate in reducing waste both at work and in daily life, Thai Credit has provided knowledge and set up many relevant activities as well as given cloth bags and portable drinking bottles for the employees to use instead of plastic bags and disposable drinking plastic package. In 2024, the Bank will continue this campaign by increasing the frequency and type of activities to cover a greater number of employees participating in.



- Thai Credit has begun to develop and implement an e-document system in the supporting units to increase efficiency in operations and to reduce printing, copying, and document storage. The results of the project will be reported later.

- Thai Credit has a goal for reducing the amount of Carbon dioxide directly and indirectly generated from the Bank's activities. The plan is to change the 100% combustion engine cars to be the hybrid cars and to reduce the printing or copying of paper documents at more than 5% in 2024.

1.3.4 Social sustainability management

1.3.4.1 Social policies and practices

To encourage the achievement of the United Nations' Sustainable Development Goals and to drive long-term business growth, Thai Credit has continuously undertaken various activities both internally and externally, including projects promoting responsibility for societies and employees. With the belief that "if society can survive, the organisation can survive as well", Thai Credit aims to create shared values between the organisation and society to improve people's quality of life equally. It has provided communities with the necessary resources and used its expertise to drive change towards sustainability and self-reliance, while generating benefits for communities and the country. In addition, it emphasises the improvement of quality of life and sharing of financial knowledge among communities and societies and drives change towards achieving Sustainable Development Goals through various activities. Thai Credit has operated a business which is committed to social responsibility over the past years, and has carried out activities which provide social and environmental benefits.

1.3.4.2 Results of social operations

1) Respect for human rights

Thai Credit establishes the human rights policy for the bank's employees to adhere to as a guideline for their work in respecting the human dignity of all stakeholders of the Bank as well as the equality, promotion of women's labor, support to disabilities (as required by law), covering the organization and supply chain. / The Bank has arranged Human Rights Due Diligence to increase understanding and opportunities of the Bank in improving the Bank's human rights practices.

The Bank provides financial support to external organizations for supporting and employing the disables so they will have opportunities to gain more income for themselves and their families. Last year, Thai Credit joined with the Thai Bankers Association in providing financial support to the Thai Red Cross Society for the employment of disabled people working with the Thai Red Cross Society. The Bank also cooperates with the Royal Thai Army for financial support to military personnel who have been discharged due to disability.

Thai Credit has defined the definition of vulnerable groups and placed importance on treating vulnerable people. Additional processes have been established in the service to ensure that such groups of people will receive the correct services that meet their needs and receive rights and fairness in service from the bank under the policy on market conduct and responsible lending.

The Bank has established a system for receiving environmental, social, and governance complaints from people outside the bank on the bank's website to complain about rights violations, equality, and unfair labor practices directly to the bank's executives.

Thai Credit is aware of the importance of preventing environmental and social impacts that may arise from operations or projects receiving financial support from the bank. The process is intended to enable the public to submit inquiries or concerns regarding the Bank's environmental and social policies, and/or projects given financial support from the Bank, and to allow Thai Credit to answer these inquiries in a timely manner. The process of receiving, reviewing, and responding to the communication from external stakeholders is managed by the change management department.

Individual, community, or other external stakeholders such as civil society organizations can send questions or concerns to the Thai Credit's ESMS by sending an email to the following email address or sending a letter to the following address:

1. By E-Mail

Email: ESMS@thaicreditbank.com

2. By post or verbal complaint

To: Chief Executive of Human Resources Management and Change Management Department

Thai Credit Bank Public Company Limited

121/78-79, 26th Floor RS Tower, 121/108 Ratchadaphisek Road,

Dindaeng Sub-district, Dindaeng District, Bangkok 10400

In 2023, there is no complaint given through this system.

2) Human resource management

Thai Credit is aware of the importance of human resources, which is the main factor in driving the Bank's business to achieve success according to its goals. Therefore, the Bank has focused on good and efficient management and development of human resources to support personnel to be able to continuously grow up in the line of work as well as to have commitment to the organization so that the Bank would be able to maintain personnel to work with the bank continuously under the labor protection laws and international practices on respect for the rights, honor, dignity and equality of all personnel. In this regard, the Human Resource Management and Development Policy has been prepared to serve as a framework for managing and developing the Bank's human resources in order to increase the efficiency of the Bank's operations towards the goals set forth.

Guidelines and operating result in treating employees fairly includes;

Equal and fair hiring/termination: although during the past three years there have been various impacts from the COVID-19 outbreak and the banking industry's introduction to automation and various AI systems, Thai Credit has no policy to reduce employees. On the other hand, in 2023, the bank recruits a large number of new employees to support the bank's rapid growth. In 2022, the total number of the Bank's employees is 3,625 and it increases to

3,990 at the end of 2023. During the year, some employees resigned, were laid off, and retired. However, they were taken care of by the Bank and processed with benefits and compensation in accordance with the law.

In paying compensation and benefits, Thai Credit annually compares compensation and benefits with those of the banking industry using data from outside consulting firms in order to make sure that the Bank's remuneration and benefits will be at an appropriate level and competitive in the market. In addition, Thai Credit has established a Nomination and Remuneration Committee consisting of qualified directors to oversee and provide appropriate policy for the Bank's operations.

The Bank has no difference in wages for female and male employees. In 2023, the compensation ratio for female/male employees is 1:1.

For the Provident Fund (PVD), the total number of employees participating in PVD is 2,981 (or 82 % of all employees (as of 31 December 2023).

For the personnel potential development (in line with the strategic direction of the organization) in educating employees covering ESG, Thai Credit has put this topic on the training. All new employees must be trained and acknowledged when they start working. In 2023, the Bank has introduced the ESMS policy in providing MSME and SME loans. Thai Credit provides training to a total of 581 employees in the SME, MSME and Credit sections.

Thai Credit has organized and strictly followed policies and measures for management of safety, occupational health, and the environment. The meeting of the Safety, Occupational Health and Environment Committee is set regularly on a monthly basis. In 2023 there is no employee injured or died from work.

Thai Credit holds elections for the Welfare Committee for a two-year term. The committee held a meeting to review benefits and issues to consider for employees. There is no proposal in 2023. The Bank's management has determined to provide financial assistance of THB 1,000 to employees with a salary less than THB 15,000 per month in 2023. A monthly allowance of THB 500 is also provided to employees with a salary less than THB 20,000.

In operating to support innovation in the organization, Thai Credit has assigned the Human Resources Management Division by the strategic executives of human resources management and change management to be responsible for carrying out activities to create the culture of the organization, which is the DNA, including One Direction, Customer Passion, Always Improving, and Never Mislead. Moreover, Thai Credit has the Empower Projects to enable all employees to participate in helping society according to the Bank's main idea: Everyone Matters.

In 2022 and 2023, the Bank conducted the employee satisfaction survey. Thai Credit found that from the total score of 10, the overall satisfactions are 82% and 83% respectively. Thai Credit will continue to keep the score higher.

The Bank has established a system receiving complaints from employees through Thai Credit's intranet system so that the employees can give complaints on rights violations, equality, and unfair labor practices directly to the executives.



In 2023, two issues were notified through the system. Both were the complaints on the supervisor's work and management. The Human Resources Management Division has investigated and sought information from the involved persons and held a meeting with the employees giving complaints with information that the Human Resources Management Division has obtained from the investigation. The Human Resources Management Strategy Executives also gives useful advice to the employees for a better understanding and it was satisfied with and settled successfully.

3) Products or services that create financial opportunities for people in society

In 2023, Thai credit launched a new product, the OTOP loan, which does not require collateral, with the aim of helping small entrepreneurs, especially OTOP entrepreneurs, to gain better access to funding sources in the system to increase product development opportunities, add value and expand trade channels, including promoting the potential of local wisdom for sustainable growth.

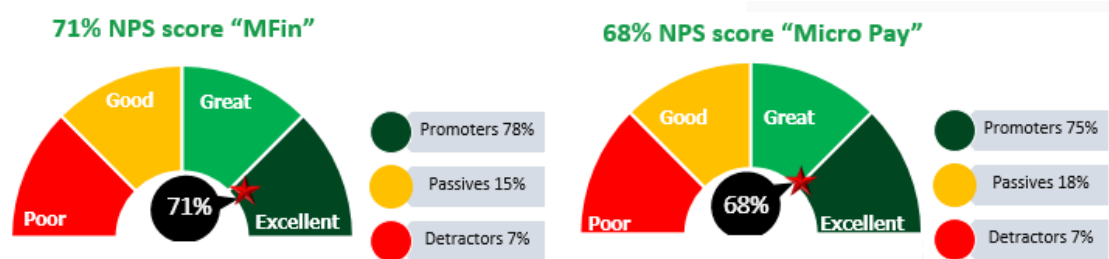
4) Improving customer satisfaction

Thai credit evaluates customer satisfaction every year to obtain an indicator of the company's products or services, including knowledge of future needs, in order to solve problems, design and develop products or services that meet customers' needs or expectations. Thai credit divides the assessment topics into 6 topics as follows:

1.	2.	3.	4.	5.	6.
Loan helps your business growth and increases your profit	Loan helps you reducing the debt burden and avoid you from informal loan	Loan helps you have a better quality of life	You have gained the financial literacy knowledge from our staff or had joined Tang To Know-how program	Micro Pay e-Wallet is convenient, easy to use, and beneficial to your business comparative with another e-wallets app	Micro Pay's royalty point and lucky draw program is attractive you to use e-wallet

In 2023, Nano and Micro Credit customer satisfaction scores for small businesses were 71 percent, an increase of 7 percent from the previous evaluation, and Micro Pay customer satisfaction was 68 percent,

an increase of 6 percent from the previous evaluation.



1) Cyber Security and Personal Data Protection

Thai Credit has established a policy for protecting personal data and cyber security policy to protect personal information and security of customers' use of technology.

In 2023, the Bank had no cases of cyber-attack or personal data leak.

2) Fair procurement

Thai Credit has policies and practices regarding procurement/fair selection of suppliers which have been used in the Bank's procurement over the past several years. To ensure transparency in procurement, the Bank has stipulated that every procurement worth THB 300,000 or more must be submitted for approval from the procurement committee and the high-priced procurement must be imported into e-auction, etc.

In 2023, Thai Credit initiated meetings and workshops with vendors for jointly developing innovations.

In 2023, Thai Credit plans to apply the ESDD (Environment and Social Due Diligence) with the vendor with the purchase of goods and services of THB 2 million or more.

3) Promoting access to financial opportunities

(1) Tang To Know-how Project

Thai Credit recognises the importance of providing financial literacy training to small and micro business customers, specifically market vendors who are considered an essential part of Thailand's economic development and are Thai Credit's main customer group. It therefore initiated the "Smart Micro Customer" project in 2017, with the vision to improve business efficiency and the quality of life of micro finance customers and their families. Furthermore, Thai Credit encourages the achievement of the United Nations' Sustainable Development Goals with regard to equal and inclusive education. Simultaneously, Thai Credit is determined to boost the potential of business operators by encouraging lifelong learning, specifically in terms of debt management, saving discipline, and preparation for a cashless society, and by sharing knowledge and developing entrepreneurial skills suitable to the business environment and lifestyles of small and micro business customers. The results show that training courses can help mitigate household debt problems and prevent an increase in bad debt, so as to create sustainability among small and micro business customers and national economic stability.

In 2021, Thai Credit improved the quality and standards of training courses to ensure maximum efficiency, through collaboration with the Faculty of Accountancy and the University of the Thai Chamber of Commerce, an educational institution with expertise and in-depth knowledge on entrepreneurial development. They jointly developed and certified the standard of training courses to pass on knowledge regarding business operations and finance to small and micro business customers, under the "Tang To Know-how" financial literacy project.

The training courses of the "Tang To Know-how" project focus on marketing and basic business management, digital banking, development of distribution channels and sales simulations, basic financial management, income and expense accounts, preparation for loan applications, efficient capital and profit management, and basic financial knowledge. This knowledge is considered a significant tool for small and micro business customers, specifically market vendors, to implement and to overcome crises.



With these courses, participants can realise their own potential and business opportunities and gain knowledge that can be applied to increase business potential, solve problems, and build sustainable business growth. These courses also benefit small entrepreneurs seeking to develop their businesses into micro SMEs in the future. Furthermore, groups of salarymen can learn about personal financial management to create stability and wealth and prepare for retirement. All participants will receive a certificate upon completion.

In 2023, the Bank received **TOP Community Centric Companies in Asia award from the Asia Corporate Excellence & Sustainability Awards 2023 (ACES Awards 2023)**. This award recognizes companies that contribute value to communities through various projects, promoting overall social well-being. It reaffirms Thai Credit's community-oriented image and commitment to sustainable banking. Additionally, the Bank has received – **the country-level runner-up award in the 6th ASEAN RDPE Leadership Awards**, under the private sector category, from the Ministry of Agriculture of Thailand. This recognition, contributed by Tang To Know-how project, highlights Thai Credit 's qualification that is in line with the criteria, as well as the concrete results from the projects and activities carried out for social benefits. This award acknowledges Thai Credit's ability to bring positive changes in community development and the

quality of life for the community members. It also highlights Thai Credit's commitment toward concerns regarding environment, community, and society, in line with good governance principles, and with transparency that can be verified, which a mechanism is leading to sustainability.



Milestones of the development of the "Smart Micro Customer" project into "Tang To Know-how" project

<p>2017</p> <p>The beginning of basic financial literacy training courses on financial discipline, basic accounting, and savings. A total of six training sessions were held in six provinces.</p>	<p>with a total of 443 participants throughout the year</p>
<p>2018</p> <p>The "Smart Micro Customer" project continued with the aim of enhancing knowledge regarding electronic financial transactions in line with changes in consumer behaviour and technological trends. Topics addressed included the adoption of QR code payments and ways to use PromptPay services. Thai Credit held 12 training sessions in 11 provinces nationwide.</p>	<p>with a total of 1,432 participants throughout the year</p>
<p>2019</p> <p>Thai Credit started organising training courses at its lending branches to facilitate small entrepreneurs' participation. A new topic on e-commerce was added. Thai Credit held 350 training sessions in 73 provinces nationwide.</p>	<p>with a total of 7,487 participants throughout the year</p>
<p>2020</p> <p>Thai Credit emphasised in-depth knowledge and understanding to prepare for a cashless society and commerce in the era of technological disruption. Topics included online payment via the Micro Pay e-Wallet application. Thai Credit held 1,068 training sessions in 73 provinces nationwide.</p>	<p>with a total of 31,010 participants</p>

	throughout the year
2021 Thai Credit transformed the "Smart Micro Customer" project into the "Tang To Know-how" project, in cooperation with the Faculty of Accountancy, University of the Thai Chamber of Commerce, to jointly develop and certify a standard for the training courses. Thai Credit was entrusted by the Community Development Department to organise training courses for the general public and community enterprise (CE) entrepreneurs nationwide. The two projects had 65,854 participants in total.	with a total of 25,482 participants throughout the year
2022 Thai Credit has continued to implement the "Tang To Know-how" project and has enhanced the intensity of in-depth literacy courses on financial knowledge, savings, business expansion, debt management, personal finance management that can be applied to business conduct and personal life, to create financial stability and strength, including training channels on social media platforms and a YouTube channel with 107,625 followers.	with a total of 52,701 participants throughout the year
2023 In the 7th year of Thai Credit's commitment to promote financial literacy and discipline for small entrepreneurs, people and youths through the "Tang To Know-how" project, there was more than 168,067 people having been participated in this project. In order to promote strength and sustainability, Thai Credit implemented the "Tang To Know-how" project to convey financial literacy, aiming to promote financial discipline to all target group under the concept of 'EMpower' (empowering the society) through both in-class and online training. Thai Credit also continues to develop financial literacy content and courses to strengthen finance, career development and income generation for participants to cover all dimensions which form the basis for improving everyone's quality of life with stability and sustainability.	With a total of 58,020 participants throughout the year

"Tang To Know-how" project has gained trust from both the public and private sectors



"Tang To Know-how" project conducts trainings under the concept of "Financial Edutainment," making financial matters enjoyable, easily understandable, and practical. In 2023, the project

expanded its targeted audience from small business owners, especially market vendors, to include permanent employees, temporary staff, freelancers, youths, students, government officials, military personnel, teachers, and community leaders. Trusted organizations such as Community Development Department, Ministry of Interior, Thai Women Empowerment Funds, Maejo University, Expressway Authority of Thailand, the Cavalli Casa Resort, Mahidol University, and Navamindradhiraj University were involved in organizing financial literacy training.

Thai Credit consistently conveys financial literacy, with participants from the "Tang To Know-how" project in all regions nationwide. All training sessions were provided free of charge, and participants did not incur any expenses. The courses were designed to cover the specific needs of each target group, ensuring effective learning and practical application in daily life, households, and businesses. The focus was on efficiently providing financial literacy to 4 main target groups, aiming to build financial resilience.

- **Small and micro business customers (market vendors)**

Tailored for market vendors, the program designed by the Bank focuses on imparting fundamental business management, marketing, and financial management for basic business operations. The program extends beyond basic business and finance knowledge to empower small and micro business customers, fostering their growth into sustainable SMEs. The Bank has transformed over 267 branches nationwide into financial learning hubs, facilitating easy access to financial knowledge.



In addition, Thai Credit has provided knowledge to SME entrepreneurs through other online channels such as the website of <https://sme.thaicreditbank.com/th/knownledges>, or YouTube channel "Thai Credit Bank SME Kla-hai" in order to support the Micro SME's entrepreneur to dare to move on, dare to fight, dare to reach their goals, believe and be confident even if they encounter any obstacles. Currently, there are more than 110,000 subscribers and the Bank receives the Silver Creator Award, reinforcing success in building the SME Community.



- **Monthly income earners or those with regular income**

The content of this program focuses on financial management, debt management and goal setting in finance, aiming to prepare individuals for a well-lived life until retirement. It aims to foster self-reliance, ensuring a good quality of life and happiness in the later years.



- **Students and university students**

The Bank recognizes that students and university students are a crucial group that needs to learn about finances from a young age to build a strong financial foundation for the future. Therefore, Thai Credit has developed a specialized program under the project "Tang To Know-how: the Tutor," focusing on providing financial knowledge, applying savings concepts in life, investing in financial assets, and generating returns on savings through investments in financial and capital markets. This initiative aims to enhance personal financial management skills for university students before entering the working age and has conducted financial literacy training at leading institutions such as Mahidol University, Siam University, Maejo University, and Navamindradhiraj University.

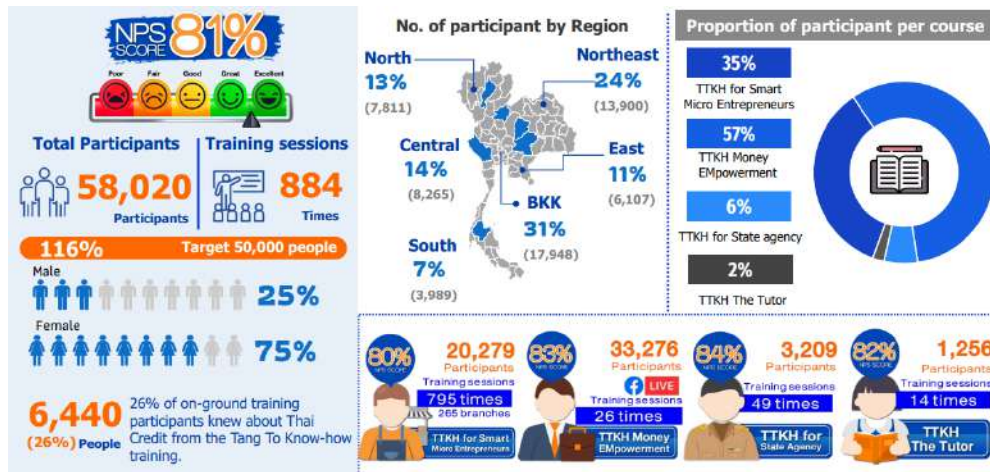


- **Government organizations, including individuals under government agencies**

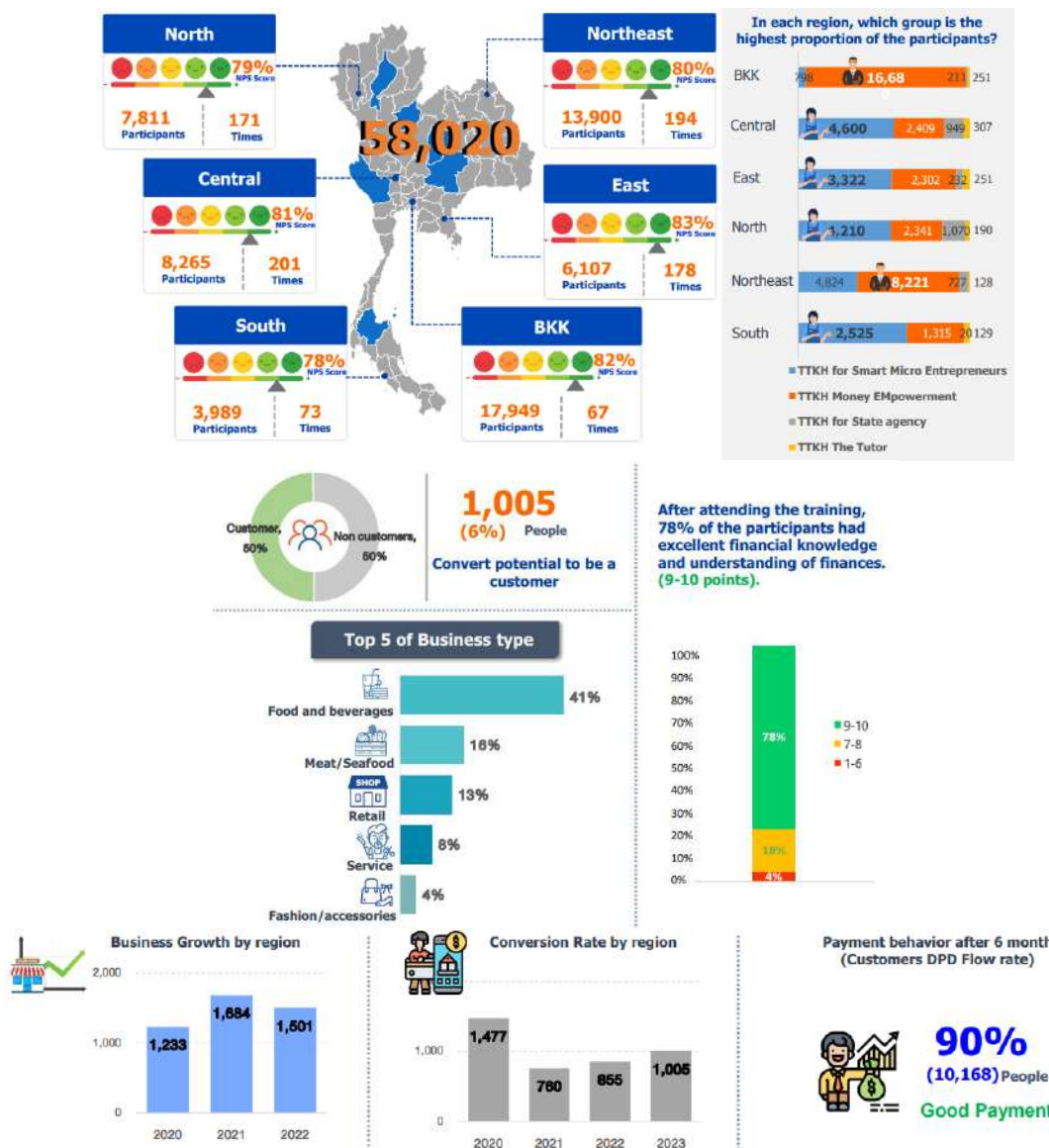
Since 2020, Thai Credit has gained trust from the Community Development Department, Ministry of Interior, to extend the "Tang To Know-how" project, conveying financial literacy to government officials, development officers in all provinces, members of Credit Cooperative, the Community Development Department, and general public. This includes members of the Saving for Production, Thai Women Empowerment Funds, and members of Khok Nong Na. The program focuses on financial management, debt management, and supplementary income generation to alleviate poverty, break the debt cycle. This program has also received trust from military and teacher officials to convey financial literacy in various provinces. The Bank has seized opportunities to collaborate and network with numerous state enterprises and private organizations that recognize the importance of enhancing financial skills, establishing a continuous cooperation.



Project performance in 2023



Satisfaction of the participants separated by region



In addition, Thai Credit has organised financial and business management training through programs that are fun and informative to enhance financial literacy through the “Tang To Know-how” Facebook page and Youtube, including Success Story: Decoding Wealth Code, Tang To O-Cha and Finance Live: Simple Financial Training Tang To Style and Tang To GROW UP. Thai Credit also reports micro business economic overviews that may affect small and micro business customers in each period.



- (2) “EMpower for Community” project to strengthen community power for better well-being sustainably

Thai Credit adheres to the philosophy of “Everyone Matters”, focusing on developing two pilot communities, namely Moo 8, Ban Nikhom and Moo 14, Ban Suk Sabai in Lam Hoei Subdistrict, Don Tum District, Nakhon Pathom Province to emphasize on empowering communities to be strong, improving the well-being of community members and to be self-reliant sustainably. Also, Thai Credit promotes thorough and equal access to funding sources and financial services, sharing of knowledge and cultivation of sound financial discipline through the "Tang To Know-how" project and creation of educational opportunities for students in the community as well as promotion of safe farming, leading to the sustainable well-being and safety of farmers and people. Thai Credit has provided agricultural tools (fertilizer spreaders) to empower the community in pursuing organic farming, promoting environmentally friendly agriculture. The community has established a community fertilizer management centre with over 40 members, producing quality fertilizers that have been inspected and approved by the Department of Agriculture. These community-produced fertilizers are environmentally beneficial and contribute to generating income for the community members.

In 2023, the results of the project in Phase 1 are:

- Students and communities undergone financial literacy training are from three schools, including Wat Lam-hoei School, Ban Rangmuk School, and Banmai School, and one community which is in Moo 14, Ban Sooksabai, Lam-hoei sub-district. In total, 164 people completed the training.
- Develop educational institution by building a bathroom for Banmai School and providing educational equipment including seven printers to be used at school.
- 42 People in Moo 14, Ban Sooksabai, Lam-hoei sub-district have had a training in making organic fertilizer.
- The community of Moo 14, Ban Sooksabai, Lam-hoei sub-district was able to set up “Community Center for Fertilizer Soil Management” with 28 members and the organic fertilizer quality had been certified to prepare for production and distribution in 2024.



(3) "Tang To 21 Days: Record, Reduce, Debt" project

The "Tang To 21 Days: Record, Reduce, Debt" project aims to enhance financial skills for participants by emphasizing consistent income and expenditure tracking. This enables intelligent financial management, better decision-making, and seals financial leaks, ultimately assisting in long-term debt resolution. The project fosters increased savings, builds financial stability within communities, and alleviates household debt issues in Thailand. This contributes to economic stability and security for the country.

In 2023, the results of the project are as follows:

- The number of participants in the campaign of "Tang To 21 days, record reduces debt" in the pilot community is 14 and all participants are able to achieve their goals by recording incomes and expenses for 21 days.
- The participants have save more money from their income-expense record and reduce unnecessary expenses so they have more money left for savings at the amount of THB 3,030 per person.



(4) OTOP Community Product Selection Project for career development and income generation for the community

Emphasizing the use of knowledge and local wisdom to add value to community products which are friendly to environment and promote local identity by giving local community groups the opportunity to present their own local products with a clear identity to be introduced as a souvenir of Thai Credit to jointly promote career development, job creation and income generation to people in the community in a concrete and sustainable manner.





(5) **Other projects supported by Thai Credit**

The "Blanket of Love for Kids" project

Thai Credit's employees donating clothes, blankets, and providing midday meals to underprivileged children (from newborn to 12 years old) at the Foundation for Slum Child Care.



"This Card is for You" project

Thai Credit's employees collaborate to design vocabulary cards for the "Foundation for Child Development (FCD)" and local schools in remote areas. These cards are used as teaching aids to stimulate children's interest in learning, emphasizing memory and listening skills from a young age.

	
<p>The New Restroom Construction project</p>	<p>The initiative to construct new restroom facilities for Ban Mai School aims to provide students with good hygiene, convenience, and aesthetically pleasing facilities. The Bank's employees voluntarily contribute their painting skills to decorate the walls of the restroom.</p> 
<p>The "Education Fund for Excellent Students in Need" project</p>	<p>Thai Credit selects 16 schools in remote areas that lack educational opportunities. The selected schools include Wat Bo Sok School, Wat Phai Thong School, Samakkhiwitthaya School, Ban Krathing Thong School, Ban Nong Pun School, Ban Na Rang Ka School, Ban Nong Waeng Ma Mao School, Wathuathanon School, Ban Tha Rua School, Ban Thung Tio School, Ban Mai School, Ban Rang Mook School, Border Patrol Academy, Ban Huai Malai School, Udomsith Suksa School, Sunthonravet Border Patrol Police School and other two foundations including Border Patrol Police School Foundation and Santisuk Foundation.</p> 

The "UTCC Accounting Competition 2023" scholarship fund project

Thai Credit scholarship fund aims to encourage students participating in the accounting competition organized by the Faculty of Accounting, University of the Thai Chamber of Commerce. This competition seeks to identify outstanding students at the vocational and higher vocational certificate levels with good academic performance, offering scholarship opportunities to promote learning experiences beyond the classroom and support further education at the university level.



1.3.5 ESG performance

Economic

GRI	Disclosures	Unit	2020	2021	2022	2023
201-1	Business Overview					
	Operating income	THB Million	6,582	8,742	11,232	13,461
	Loans to customers					
	Micro SME Loans	THB Million	46,131	68,184	82,198	96,777
	Nano and Micro Finance	THB Million	11,019	14,266	19,182	22,328
	Home Loans	THB Million	11,006	14,489	18,522	21,914
	Others	THB Million	406	790	1,395	3,138
	Other operating expenses (Excluding employee)	THB Million	1,015	1,107	1,396	1,661
	Employee expenses	THB Million	2,273	2,592	3,040	3,284
	Tax payment to government	THB Million	192	498	607	897
	Cash donation for supporting community and education	THB Million	N/A	N/A	N/A	1.1
	Social expenses and community investment	THB Million	N/A	N/A	6.9	8.0

Social

GRI	Disclosures	Unit	2022		2023	
			Male	Female	Male	Female
403-8	Occupational health and safety					
	Employee		1,635	1,990	1,767	2,223
	Covered by an occupational health and safety management system	Person	3,625		3,990	
		%	100		100	
	Covered by such as system that has been internally audited	Person	3,625		3,990	
		%	100		100	
	Covered by such a system that has been audited or certified by an external party	Person	N/A		N/A	
		%	N/A		N/A	
	Contractor					
	Covered by an occupational health and safety management system	Person	N/A		N/A	
		%	N/A		N/A	
	Covered by such as system that has been internally audited	Person	N/A		N/A	
		%	N/A		N/A	
	Covered by such a system that has been audited or certified by an external party	Person	N/A		N/A	
		%	N/A		N/A	
403-9	Fatalities as a result of work-related injury					
	Employees	Case	0	0	0	0
		Case/200,000 manhours	0		0	
		Case/200,000 manhours	0	0	0	0
	High-consequence work-related injuries					
	Employees	Case	0	0	0	0
		Case/200,000 manhours	0		0	
		Case/200,000 manhours	0	0	0	0
	Injury Rate: IR					
	Employees	Case	0	0	0	0
	Number of Hours Worked					
	Employees	Manhours	5,771,000		6,352,080	
		Manhours	2,602,920	3,168,080	2,813,064	3,539,016
	Loss Time Injury Frequency Rate: LTIR					
	Employees	Case	0	0	0	0
	Case/200,000 manhours	0	0	0	0	
Contractor	Case	0	0	0	0	
	Case/200,000 manhours	0	0	0	0	
Loss Day Injury Frequency Rate: LDIR						
Employees	Case	0	0	0	0	
	Case/200,000 manhours	0	0	0	0	
Contractor	Case	0	0	0	0	
	Case/200,000 manhours	0	0	0	0	
Occupational Disease Rate : ODR						
Employees	Case	0	0	0	0	
	Case/200,000 manhours	0	0	0	0	
Contractor	Case	0	0	0	0	
	Case/200,000 manhours	0	0	0	0	

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GRI	Disclosures	Unit	2021		2022		2023	
			Male	Female	Male	Female	Male	Female
102-7, 405-1	Number of Employee							
	Total employee	Person	3,608		3,625		3,990	
		Person	1,627	1,981	1,635	1,990	1,767	2,223
	Temporary employees	Person	0	0	0	0	0	0
	Part-time employees/Internships	Person	0	0	0	0	0	0
405-1	Total employee by nationality	Person	1	2	12	7	13	8
	Thai	Person	1,623	1,837	1,631	1,990	1,764	2,223
	Other nationality	Person	4	0	4	0	3	0
	Total employee by area							
	Bangkok	Person	868	1,102	887	1,240	990	1,418
405-1	Other provinces	Person	759	735	748	750	777	805
	Total employee by age group							
	<30 years	Person	326	405	322	417	357	462
		% of total emp	20.0%	22.0%	19.7%	21.0%	20.2%	20.8%
	30-50 years	Person	1,160	1,356	1,150	1,475	1,230	1,621
405-1		% of total emp	71.3%	73.8%	70.3%	74.1%	69.6%	72.9%
	>50 years	Person	141	76	163	98	180	140
		% of total emp	8.7%	4.1%	10.0%	4.9%	10.2%	6.3%
	Total employee by level							
	Board	Person	9		9		9	
405-1		Person	8	1	7	2	7	2
		%	88.9%	11.1%	77.8%	22.2%	77.8%	22.2%
	Assistant Managing Director & above	Person	11		10		10	
		Person	9	2	9	1	9	1
		%	91.8%	18.2%	90.0%	10.0%	90.0%	10.0%
405-1	Senior Vice President & above	Person	60		61		66	
		Person	32	28	32	29	34	32
		%	53.3%	46.7%	52.5%	47.5%	51.5%	48.5%
	Assitant Vice President & above	Person	251		250		279	
		Person	147	104	147	103	160	119
405-1		%	58.6%	41.4%	58.8%	41.2%	57.3%	42.7%
	Total Managerial Positions	Person	322		321		355	
		Person	188	134	188	133	203	152
		%	58.4%	41.6%	58.6%	41.4%	57.2%	42.8%
	Non-managerial Positions	Person	3,608		3,303		3,634	
405-1		Person	1,627	1,981	1,447	1,856	1,564	2,070
		%	55.1%	54.9%	43.8%	56.2%	43.0%	57.0%
	People with disability							
	People with disability	Person	14	18	14	20	14	22
		%	44	56	41	59	39	61
401-1	New employee							
	New employee	Person	472	651	520	785	597	794
	New employee by area							
	Bangkok	Person	311	429	319	526	371	581
		%	42.0%	58.0%	37.8%	62.2%	39.0%	61.0%
401-1	Other provinces	Person	161	222	201	259	226	213
		%	42.0%	58.0%	43.7%	56.3%	51.5%	48.5%
	New employee hire by age group							
	<30 years	Person	146	200	195	274	240	273
		% of total emp	42.2%	57.8%	41.6%	58.4%	40.2%	34.4%
401-1	30-50 years	Person	310	442	307	506	347	503
		% of total emp	41.2%	58.8%	37.8%	62.2%	58.1%	63.4%
	>50 years	Person	16	9	18	5	10	18
		% of total emp	64.0%	36.0%	78.3%	21.7%	1.7%	2.3%
401-1	Turnover							
	Total employee turnover rate	Person	903		1144		1,026	
		% of total emp	25.0%		31.6%		25.7%	
		Person	516	387	513	631	435	561
		% of total emp	57.1%	42.9%	44.8%	55.2%	24.6%	25.2%
401-1	Turnover rate by age group							
	<30 years	Person	100	132	125	163	138	129
		% of total emp	43.1%	56.9%	43.4%	56.6%	29.7%	23.0%
	30-50 years	Person	266	371	363	459	309	424
		% of total emp	41.8%	58.2%	44.2%	55.8%	66.5%	75.6%
401-1	>50 years	Person	21	13	25	9	18	8
		% of total emp	61.8%	38.2%	73.5%	26.5%	3.9%	1.4%
	Turnover rate by area							
	Bangkok	Person	208	321	274	410	248	381
		% of total emp	39.3%	60.7%	40.1%	59.9%	39.4%	60.6%
401-1	Other provinces	Person	179	195	239	221	217	180
		% of total emp	47.9%	52.1%	52.0%	48.0%	54.7%	45.3%
401-3	Parental leave							
	Number of employees entitled to parental leave	Person	0	44	0	43	0	57
	Number of employees taking parental leave	Person	0	44	0	43	0	57
	Number of employees returning to work after	Person	0	35	0	39	0	51
	Employee returning to work retention rate	%	0	80.0%	0	91.0%	0	89.5%

GRI	Disclosures	Unit	2021		2022		2023	
			Male	Female	Male	Female	Male	Female
404-1	Employee training							
	Average hours of training	Hour/person/y	5.98		7.07		8.11	
		Hour/person/y	5.95	6.01	7.31	6.93	8.43	7.91
	Employee training by level							
	Assistant Managing Director & above	Hour/person/y	7.10	6.50	5.35	5.18	6.53	7.15
	Senior Vice President & above	Hour/person/y	6.40	4.90	5.87	7.33	7.70	6.85
	Assitant Vice President & above	Hour/person/y	4.00	5.30	7.70	7.01	6.77	6.75
	Non-managerial Positions	Hour/person/y	5.90	6.10	7.31	6.92	8.54	7.97
	Training expenses							
	Average training expenses	Baht/person/ye	1,447	1,296	1,552	1,304	1,153	1,236
	Total training expenses	THB Million	1.27	1.73	2.63	2.07	2.14	3.54
	Training courses by topic							
	Total Internal (online/onsite)	Number	151		226		186	
		Number	147	150	226	203	180	183
	- Mandatory	Number	95		141		134	
		Number	91	94	130	141	130	131
	- Functional	Number	48		85		45	
		Number	48	47	72	85	42	45
	- General	Number	18		25		16	
		Number	18	15	25	25	16	16
	- Leadership	Number	1		2		1	
		Number	1	1	2	2	1	1
	Total External (online/onsite)	Number	76		70		94	
		Number	50	46	40	54	55	77
	- Mandatory	Number	21		20		6	
		Number	8	16	7	16	1	6
	- Functional	Number	45		48		29	
		Number	32	23	37	31	18	20
	- General	Number	11		2		61	
		Number	11	7	2	1	37	53
	- Leadership	Number	-		-		-	
		Number	-	-	-	-	-	-
	Employee engagement							
	Employee engagement score	%	N/A		82		83	
	Percentage of total employees	%	N/A		48		43	
	Employee compensation							
	Compensation of all employees	THB Million	2,383		2,681		3,113	
		THB Million	1,237	1,146	1,339	1,342	1,560	1,553
		%	51.9%	48.1%	49.9%	50.1%	50.1%	49.9%
	Compensation ratio for female/male employees	ratio	0.93		1.00		1.00	

GRI	Disclosures	Unit	2022	2023
203-2	Significant indirect economic impacts			
	enhanced skills and knowledge in a professional community or in a geographic location	Person	54,200	59,688
	Community Contribution	organization	31	32
205-2	Anti-Bribery and Corruption			
	Employees that anti-corruption policies and procedures have been communicated to	Person	N/A	3,990
		% of employee	N/A	100%
	Employee training on Anti-Bribery and Corruption	Person	N/A	3,619
		% of employee	N/A	91%
	Total number and percentage of employee training on Anti-Bribery and Corruption by employee category			
	Board	Person	N/A	1
		% of employee	N/A	100%
	Assistant Managing Director & above	Person	N/A	10
		% of employee	N/A	100%
	Senior Vice President & above	Person	N/A	63
		% of employee	N/A	95%
	Assitant Vice President & above	Person	N/A	253
		% of employee	N/A	91%
	Non-managerial Positions	Person	N/A	3,292
		% of employee	N/A	91%
	Total number and percentage of employee training on Anti-Bribery and Corruption by region			
	Bangkok	Person	N/A	2,078
		% of employee in Bangkok	N/A	86%
	Other provinces	Person	N/A	1,540
		% of employee in other provinces	N/A	97%

413-1	Local Community			
	Percentage of operations with implemented local community engagement, impact assessment, and/or development programs	%	N/A	N/A
	Community satisfaction survey	%	N/A	83
	Community satisfaction target at fiscal year	%	N/A	82
	Community satisfaction target at next fiscal year	%	N/A	85
418-1	Cybersecurity and Personal Data Protection			
	Percentage of technology infrastructures that have been certified with cybersecurity standards, such as ISO 27001 or other relevant standards	%	100%	100%
	Percentage of employees who have been trained in cybersecurity and personal data usage	%	91%	100%
	Community Contribution			
	Total time of all employees participating in the volunteer	Hours	2,829	7,214
	Number of full-time equivalent	Hours	789	1,471
	Financial Literacy			
	Number of participants (including customers) in online/offline financial and cybersecurity-related literacy	Person	52,701	58,020
	Number of participants in online literacy (including after the live campaign/training ends)	Person	34,230	32,962
	Number of participants in offline literacy	Person	18,471	25,058
	Proportion of gender receiving help or support	Men:Women	27:73	25:75
	Financial Inclusion			
	Number of Digital transactional use	Number		
	Number of electronic transactions	Number		
	Number of non-electronic transactions	Number		

Environment

GRI	Disclosures	Unit	2022	2023
	Energy			
302-1	Energy consumption within the organization	MWh	2,428	2,566
	Total non-renewable energy consumption	MWh	2,428	2,566
	Total renewable energy consumption	MWh	-	-
	Total renewable energy consumption/Total consumption	%	-	-
302-3	Total energy consumption intensity	MWh/FTE	0.7	0.6
	Total indirect energy saved from initiative to reduce indirect energy use	MWh	0.0	0.3
302-4	Electricity saving	MWh	0.0	0.3
	Greenhouse Gas Emission (GHG Emission)			
305-1	Direct GHG emissions (scope 1)	Tonnes CO2e	749	790
305-2	Indirect GHG emissions (scope 2)	Tonnes CO2e	4,308	4,136
	Gross location-based energy	Tonnes CO2e	4,308	4,136
	Gross market-based energy	Tonnes CO2e	N/A	N/A
	Total GHG emissions (scope 1 + 2)	Tonnes CO2e	5,056	4,926
	Use of other carbon offsets	Tonnes CO2e	N/A	N/A
305-3	Other Indirect GHG emissions (scope 3)	Tonnes CO2e	N/A	N/A
305-4	GHG emissions intensity	Tonnes CO2e/FTE	1.4	1.2

1.3.5 About this section**Reporting Boundary**

The information presented in this section is for fiscal year 2023, covering the banking group in Thailand. The guideline for the report is consistent with the latest edition of the GRI Standards and it is the report's framework. The report will be ready for publication in March 2023 for reflecting the commitment in driving change towards the sustainable development goals and being consistent with the concept of "Everyone Matters." The report will include the environmental and social performance, covering the 12-month period from January 2023 to December 2023. The information is collected from the Bank's operations, subsidiaries, and related companies with a shareholding proportion of more than 50 percent, consisting of 528 branches in Thailand.

1.4 Management Discussion and Analysis : MD&A**1.4.1 Key performance indicators and financial position**

Thai Credit is a commercial bank that emphasises on the delivery of loan services to small entrepreneurs and individual customers, with MSME Loans, Nano and Micro Finance Loans, and Home for Cash Loans for individuals as its key loan products. It was established in 1970 to carry out a financial service business, with the target to enable equal access to loan services via formal financial system, as well as to support customers to grow their businesses and improve their quality of life through a wide range of loan services, consistent with Thai Credit's philosophy: "Everyone Matters". With Thai Credit's deep understanding of its target customers, which is achieved through its extensive experience, Thai Credit is able to offer various products and services that correspond to the needs of customers of various sizes and are involved in different types of business. Thai Credit is also aware that a large number of target entrepreneurs are still unable to access loan services from medium and large-sized commercial banks, or have to bear exorbitant interest rates imposed by non-institutional (or informal) lenders. Thai Credit believes that its strong financial position will encourage loan portfolio expansion and business growth, and its efficient cost management and risk management procedures and system will help generate healthy profitability.

For the years ended 31 December 2022 and 2023, Thai Credit's net interest income was THB 11,052.3 million and THB 13,330.6 million, respectively. The growth was mainly due to an increase in interest income from loans to debtors due to the increased volume of loans in every group of main loan products of Thai Credit, especially in the loan product groups of MSME Loans, primarily due to the acceleration of loan portfolio expansion to support customers in their post-COVID-19 pandemic recovery and to improve their business liquidity, as well as the positive response from customers towards the 0% special interest rate promotion for a three-month period for the Klahai SMEs loan products, Nano and Micro Finance Loans, and Home for Cash Loans.

For the years ended 31 December 2022, and 2023, Thai Credit's operating income and other was THB 11,231.7 million and THB 13,461.0 million, total operating income increased from the same period last year, mainly due to the growth of net interest income as mentioned above. Meanwhile, fee and service income decreased, mostly from the insurance brokerage fee due to the exclusion of insurance selling on soft loan program, resulting in lower credit life insurance sale volume.

For the years ended 31 December 2022, and 2023, Thai Credit's net profit was THB 2,352.5 million and THB 3,556.8 million, respectively. The growth mainly from an increase in the net interest rate income and reduction of cost-to-income ratio which was mainly due to the improvement in work efficiency by employing several digital management tools, such as Document Scan Work Flow which allows a fully paperless work and loan approval process, as well as the reduction of cost-to-income ratio, MSME One App system, which maintains all necessary functions within one system kept in one location, therefore enabling a faster work process for RMs, and SDE system which helps in processing to reduce errors in the loan evaluation and approval processes. Meanwhile, Thai Credit has set an increase of expected credit losses in line with the increase in loans to debtors compared to the same period of the previous year.

Key performance indicators

Loans to customers

Table 1 Breakdown of loans to customers, based on the types of borrowers.

	As of 31 December					
	2021		2022		2023	
	(million baht)	Percent	(million baht)	Percent	(million baht)	Percent
MSME Loans ⁽¹⁾	68,184.3	69.8%	82,198.5	67.8%	96,777.3	67.1%
Nano and Micro Finance Loans ⁽²⁾	14,265.7	14.6%	19,181.9	15.8%	22,327.5	15.5%
Home for Cash Loans ⁽³⁾	14,489.1	14.8%	18,522.4	15.3%	21,913.9	15.2%
Personal revolving loans ⁽⁴⁾	439.1	0.4%	1,092.7	0.9%	2,877.1	2.0%
Other retail loans ⁽⁵⁾	350.5	0.4%	302.5	0.2%	260.7	0.2%
Total loans to customers ⁽⁶⁾	97,728.7	100.0%	121,298.0	100.0%	144,156.5	100.0%

Notes: (1) MSME Loans include Micro SME loans, SME loans, Soft Loans, and other loans.
(2) Nano and Micro Finance Loans include Nano Finance, Nano SS Finance, Micro Finance, and Micro Plus loans.
(3) Home for Cash Loans include Home for Cash, and Mortgage Refinance Loans.
(4) Personal revolving loans include personal revolving loans.
(5) Other retail loans include mortgage reducing term assurance (MRTA) loan, multi-purpose loans, loans with gold as collateral and other retail loans that are not the key products.
(6) Loans to customers refer to loans to customers before accumulated accrued interest receivables and undue interest receivables and before deducting expected ECL.

As of 31 December 2022 and 2023, Thai Credit's loans to customers stood at THB 121,298.0 million, and THB 144,156.5 million, respectively, on account of growth in all major loan product categories, including MSME Loans, Nano and Micro Finance Loans, and Home for Cash Loans.

(1) MSME Loans

Table 2 MSME Loans

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Micro SME Loans ⁽¹⁾	76,611.6	93.2%	76,611.6	93.2%	90,796.6	93.8%
SMEs loans ⁽²⁾	5,586.9	6.8%	5,586.9	6.8%	5,980.7	6.2%
Total MSME Loans	82,198.5	100.0%	82,198.5	100.0%	96,777.3	100.0%

Notes: (1) Micro SME Loans include loans for micro SME, MSME loans for medical professionals, loans for the purchase of a place of business, loans for gold shop business, SMEs loans with gold as collateral, hire-purchase loans, and Soft Loans.
(2) SMEs Loans include SMEs loans, hire-purchase loans, and Soft Loans.

Thai Credit's Micro SME loans increased 18.5%, from THB 76,611.6 million as of 31 December 2022, to THB 90,796.6 million as of 31 December 2023, primarily due to a successful result from implementing the strategy of expanding the customer base to support customers post-COVID-19 pandemic, improve their business liquidity, and support businesses to grow. Work procedures were improved to ensure greater efficiency, and digitalized to reduce

and the number of mistakes in the loan application and approval processes and make such processes less time-consuming. Also, positive response from customers towards the 0% special interest rate promotion for a three-month period for the Klahai SMEs loan products.

Thai Credit's SMEs loans slightly increased by 7.0%, from THB 5,586.9 million as of 31 December 2022, to THB 5,980.7 million as of 31 December 2023, primarily due to Thai Credit's strategy of prioritizing the growth on loans in which Thai Credit has expertise.

(2) Nano and Micro Finance Loans

Thai Credit's Nano and Micro Finance Loans increased by 16.4%, from THB 19,181.9 million as of 31 December 2022, to THB 22,327.5 million as of 31 December 2023, primarily due to Thai Credit's participation in the Portfolio Guarantee Scheme 10 established by the Thai Credit Guarantee Corporation ("TCG"), which also contributed to the positive growth in Thai Credit's new loans as Thai Credit can leverage benefits from such guarantee program in its risk management which is one of the factors that helps in the consideration and approval of Thai Credit's new loans, as well as due to the loan growth resulting from positive responses from customers on the loan disbursement through the Micro Pay e-Wallet application.

(3) Home for Cash Loans

Home for Cash Loans increased by 18.3%, from THB 18,522.4 million as of 31 December 2022, to THB 21,913.9 million as of 31 December 2023, primarily due to the adjustment to the loan-to-value ratio (LTV) back to the BOT's original policy which is at the rate of 90% - 100% for the first agreement, at the rate of 80% - 90% for the second agreement, and at the rate of 70% for the third agreement which was attributable to the declining growth on the Home for Cash Loans, compared to the growth in 2022. However, Thai Credit still received positive feedback from customers on the sale promotion offering a zero interest rate for the first three months of the Refinance Plus loan, and marketing promotions offering zero collateral appraisal fee.

(4) Personal revolving loans

Thai Credit's personal revolving loans increased by 163.3%, from THB 1,092.7 million as of 31 December 2022, to THB 2,877.1 million as of 31 December 2023, primarily due to the launch of a special collaboration project with Ascend Nano Company Limited and True Money Company Limited. Thai Credit expanded its personal revolving loans products to new target groups (apart from customers with fixed income) by entering into the Right of Claims Purchase Agreement and relevant agreements with Ascend Nano Co., Ltd. ("**Ascend Nano**") to purchase right of claims under loan agreements that Ascend Nano enters into with debtors. Additionally, for existing customers who are employees with regular income, Thai Credit introduced a sales promotion targeted at customers who are permanent employees of well-known companies, and received continually positive response from customers. This sales promotion included an 8.88% interest rate per annum for a maximum of 8 months.

(5) Other retail loans

As of 31 December 2022 and 2023, other retail loans stood at THB 302.5 million, and THB 260.7 million, respectively. In this regard, the decrease was mainly due to Thai Credit's strategy which was to not focus on the growth of other retail loans.

1.4.1.1 Deposits

Table 3 Breakdown of deposits, based on the types of deposits

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Current deposits	99.0	0.1%	40.1	0.0%	113.8	0.1%
Savings	31,429.6	35.5%	37,383.8	33.0%	36,456.8	31.2%
Term deposits	56,986.2	64.4%	76,020.2	67.0%	80,191.0	68.7%
Total deposits	88,514.8	100.0%	113,444.1	100.0%	116,761.6	100.0%
Up to one year	80,215.0	90.6%	107,314.9	94.6%	100,955.2	86.5%
More than one year	8,299.8	9.4%	6,129.2	5.4%	15,806.4	13.5%
Rollover Rate⁽¹⁾		96.4%		95.9%		94.0%
CASA ratio		35.6%		33.0%		31.3%
Loan-to-deposit ratio⁽²⁾		110.4%		106.9%		123.5%

Notes: (1) Rollover Rate is the rate at which depositors continue to deposit money with the Bank after the maturity date of their existing deposit products. This Rollover Rate is calculated by the deposits from the three main product groups consisting of (1) current deposits; (2) savings; and (3) term deposits.

(2) Loan-to-deposit ratio is calculated by dividing loans by deposits as at the end of each accounting period.

As of 31 December 2022 and 2023, Thai Credit's deposits stood at THB 113,444.1 million and THB 116,761.6 million, respectively. The growth was primarily due to the substantial growth in savings and term deposit products as savings could be used as collateral for MSME Loans, such as Klahai SMEs. Depositors of the Bank continue to deposit money with the Bank continuously. The Rollover Rate of depositors for all product groups for the years ended 31 December 2022 and 2023 stood at 95.9% and 94.0%, respectively.

(1) Current deposits

Current deposits increased by 183.8%, from THB 40.1 million as of 31 December 2022, to THB 113.8 million as of 31 December 2023, primarily due to the current deposit turnover of customers' regular deposits and withdrawals.

(2) Savings

Savings decreased by 2.5%, from THB 37,383.8 million as of 31 December 2022, to THB 36,456.8 million as of 31 December 2023. This slight decrease was due to the maintenance of deposit levels to reduce excess liquidity from the borrowings.

(3) Term deposits

Term deposits increased by 5.5%, from THB 76,020.2 million as of 31 December 2022, to 80,191.0 million as of 31 December 2023, primarily due to Thai Credit's sufficient liquidity, which rendered it unnecessary to increase deposits during this period. As a result, there was no marketing campaign to increase the volume of term deposits.

Current deposits and savings account (CASA) to total deposits ratio (CASA ratio) and loan-to-deposit ratio

Thai Credit's CASA ratio slightly decreased from 33.0% as of 31 December 2022 to 31.3% as of 31 December 2023, primarily due to the substantial growth in savings and term deposit products as savings could be used as collateral for MSME Loans, such as Klahai SMEs. Thai Credit's loan-to-deposit ratio remained high at 123.5% as of 31 December 2023, compared to 106.9% as of 31 December 2022.

1.4.1.2 Relationship between sources of funding and spending

Table 4 Earning financial assets and interest-bearing financial liabilities

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Earning financial assets						
Interbank and money market items	10,948.8	9.6%	19,184.5	13.4%	15,484.7	9.5%
Investments	5,695.8	5.0%	2,922.8	2.0%	2,993.7	1.8%
Loans to customers	97,728.7	85.4%	121,298.0	84.6%	144,156.6	88.7%
Total	114,373.3	100.0%	143,405.3	100.0%	162,635.0	100.0%
Interest-bearing financial liabilities						
Deposits	88,514.8	86.7%	113,444.1	90.2%	116,761.6	82.2%
Interbank and money market items	12,737.8	12.5%	11,398.5	9.1%	22,757.4	16.0%
Debt issued and borrowings	869.9	0.8%	889.9	0.7%	2,611.8	1.8%
Total	102,122.5	100.0%	125,732.5	100.0%	142,130.8	100.0%

Thai Credit's main source of funding increased from THB 125,732.5 million as of 31 December 2022 to THB 142,130.8 million as of 31 December 2023, mainly from an increased in interbank and money market items of 99.7% due to loan from IFC of THB 3,672.1 million and an increased in debt issued and borrowings of 193.5% due to issuance of subordinated bonds in the amount of THB 1,700 million.

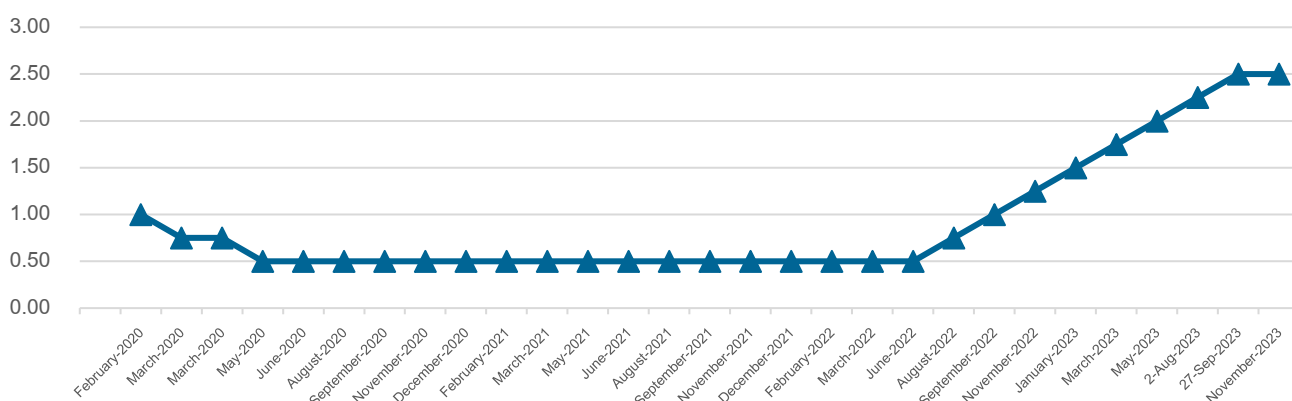
Thai Credit's main earning financial assets increased from THB 143,405.3 million as of 31 December 2022 to THB 162,635.0 million as of 31 December 2023, mainly from an increased in loans to customers of 18.8% as mentioned above while interbank and money market items decreased, align with the remaining liquidity of Thai Credit.

Table 5 Returns on earning financial assets, financial costs, and interest rate spread

	For the year ended 31 December		
	2021	2022	2023
	percent	percent	percent
Return on interbank and money market items ⁽¹⁾	0.61%	0.79%	2.08%
Return on investment ⁽²⁾	0.49%	0.63%	1.69%
Return on loans to customers ⁽³⁾	11.05%	10.93%	11.19%
Average return on earning financial assets⁽⁴⁾	10.02%	9.86%	10.03%
Costs of deposits ⁽⁵⁾	1.60%	1.55%	2.04%
Costs of interbank and money market items ⁽⁶⁾	0.10%	0.05%	0.41%
Costs of debt issued and borrowings ⁽⁷⁾	9.02%	8.81%	7.45%
Average financial costs⁽⁸⁾	1.55%	1.45%	1.88%
Net interest rate spread⁽⁹⁾	8.47%	8.41%	8.15%
Rate of contributions to the Deposit Protection Agency	0.01%	0.01%	0.01%
Rate of contributions to the Financial Institutions Development Fund	0.23%	0.23%	0.46%

- Notes:
- (1) Return on interbank and money market items is calculated by dividing interest income from interbank and money market item (assets) by the average monthly remaining balance of interbank and money market items (assets).
 - (2) Return on investment is calculated by dividing interest income from investments by the average monthly remaining balance of investment.
 - (3) Return on loans to customers is calculated by dividing interest income from loans to customers by the average monthly remaining balance of loans to customers.
 - (4) Average return on earning financial assets is calculated by dividing interest income from earning financial assets by the average monthly remaining balance of earning financial assets. Earning financial assets are the sum of loans to customers, net interbank and money market items (assets), and net investments. For the period ended 30 September 2023, the average return on earning financial assets is calculated by dividing interest income from earning financial assets from the last 12 months, by average monthly remaining balance of earning financial assets from the last 13 months.
 - (5) Costs of deposits are calculated by dividing interest expenses from deposits and contributions to the Deposit Protection Agency and the BOT by the average monthly remaining balance of deposits.
 - (6) Costs of interbank and money market items are calculated by dividing interest income from interbank and money market items by the average monthly remaining balance of interbank and money market items.
 - (7) Costs of debt issued and borrowings are calculated by dividing interest expenses from debt issued and borrowings by the average monthly remaining balance of debt issued and borrowings.
 - (8) Average financial costs are calculated by dividing interest expenses by the average monthly remaining balance of interest-bearing financial liabilities. Interest-bearing financial liabilities are the sum of deposits, interbank and money market items (liabilities), and debt instruments issued and borrowings. For the period ended 30 September 2023, the average financial costs are calculated by dividing interest expenses from the last 12 months by average monthly remaining balance of interest-bearing financial liabilities from the last 13 months.
 - (9) Net interest rate spread is calculated by deducting financial costs from the average returns on earning financial assets.

The graph below sets forth the BOT's policy interest rates from 2021 to 2023



Return on loans to customers

Thai Credit's average return on loans to customers increased from 10.93% for the year ended 31 December 2022, to 11.19% for the year ended 31 December 2023, as there were no significant changes in the average return on earning financial assets, although the BOT has announced interest rate increases throughout 2023, this is due to the bank's strategy to support additional customers through assistance and interest reduction program.

Average return on earning financial assets

Thai Credit's average return on earning financial assets slightly increased by from 9.86% for the year ended 31 December 2022 to 10.03% for the year ended 31 December 2023 which has no significant changes. Even though, there was an increase in the return on interbank and money market items and return on investment, the ratio of the return on interbank and money market items and return on investment to earning financial assets is low, resulting in no significant changes in the average return on earning financial assets.

Costs of deposits

Thai Credit's average costs of deposits increased by from 1.55% for the year ended 31 December 2022, to 2.04% for the year ended 31 December 2023, primarily due to the BOT's adjustment for an increase of the policy interest rate.

Average financial costs

Thai Credit's average financial costs increased from 1.45% for the period ended 31 December 2022, to 1.88% for the year ended 31 December 2023, primarily due to the BOT's adjustment of the policy interest rate, and the lapse of the measure to reduce deposit guarantee fees in 2022.

1.4.1.3 Loan classification and allowance for expected credit loss

Pursuant to the Thai Financial Reporting Standards No. 9 (TFRS9), Thai Credit classifies credit quality into three classes, based on changes occurring to the credit quality after the date of its initial recognition.

Table 6 Breakdown of loans and allowance for expected credit loss, based on loan classification.

Loans and allowance for expected credit loss, based on loan classification	As of 31 December					
	2021		2022		2023	
	(million baht)					
	Loans	Allowance for expected credit loss	Loans	Allowance for expected credit loss	Loans	Allowance for expected credit loss
Stage 1	89,709.1	3,095.5	110,861.0	3,718.9	128,753.6	3,173.7
Stage 2	8,100.0	887.8	9,501.1	1,497.3	14,262.7	2,383.7
Stage 3	3,312.5	1,625.5	5,491.4	3,180.4	7,037.5	4,315.8
Total	101,121.6	5,608.8	125,853.5	8,396.6	150,053.8	9,873.2

Notes: Loans refer to loans to borrowers, accrued interest receivables, and undue interest receivables

Table 7 Credit quality

Credit quality	As of 31 December		
	2021	2022	2023
Gross non-performing loans (Gross NPLs) (million baht)			
Breakdown of NPLs, based on the types of businesses			
MSME Loans	1,606.0	2,672.6	3,597.7
Nano and Micro Finance Loans	1,027.5	1,857.9	2,191.1
Home for Cash Loans	155.3	173.1	290.4
Personal revolving loans	3.7	17.4	29.1
Other retail loans	15.3	13.4	7.3
Gross NPLs	2,807.8	4,734.4	6,115.6
Non-performing loan to total loan ratio (Gross NPL ratio)			
Gross NPL ratio ⁽¹⁾	2.9%	3.9%	4.2%
Gross NPL ratio, based on the types of businesses			
MSME Loans	2.4%	3.3%	3.7%
Nano and Micro Finance Loans	7.2%	9.7%	9.8%
Home for Cash Loans	1.1%	0.9%	1.3%
Personal revolving loans	0.8%	1.6%	1.0%
Other retail loans	4.4%	4.4%	2.8%
Allowance for expected credit loss			
Expected credit loss (ECL) (million baht)	2,610.6	3,835.4	4,062.4
Allowance for expected credit loss (million baht)	5,608.8	8,396.6	9,873.2
Allowance for expected credit loss against non-performing loans ratio (percent) ⁽²⁾	199.8%	177.4%	161.4%
Allowance for expected credit loss against total gross loans ratio (percent) ⁽³⁾	5.7%	6.9%	6.8%

Notes: (1) Gross NPL ratio is calculated by dividing loans with credit impairment by total gross loans for each accounting period.

(2) Allowance for expected credit loss against non-performing loans ratio is calculated by dividing allowance for expected credit loss by non-performing loans before allowance for expected credit loss for each accounting period.

(3) Allowance for expected credit loss against total gross loans ratio is calculated by dividing the allowance for expected credit loss by loans to customers for each accounting period.

Gross NPLs before allowance for expected credit loss and gross NPL ratio before allowance for expected credit loss

Gross NPLs before allowance for expected credit loss increased by 29.2%, from THB 4,734.4 million as of 31 December 2022, to THB 6,115.6 million as of 31 December 2023, gross NPLs ratio increased from 3.9% as of 31 December 2022 to 4.2% as of 31 December 2023, mainly from an adjustment in the measures to assist debtors implemented by the BOT, resulting in debtors being more likely to become NPL debtors, as well as a volatile in in the overall macroeconomic situations that impacted customers' abilities to repay debts, including continuously high inflation, the impact of the Russian-Ukrainian war, and the slowdown of export sector.

Ratio of allowance for expected credit loss against gross NPLs (coverage ratio)

The coverage ratio increased from 177.4% as of 31 December 2022 to 161.4% as of 31 December 2023, primarily due to higher gross NPLs as mentioned above. However, Thai Credit still has measures to help debtors, such as reducing interest, lowering instalment and extending instalment period.

Loans restructured under BOT measures and Thai Credit's debt restructuring measures

Table 8 Loans restructured under BOT measures and Thai Credit's debt restructuring measures

	As of 31 December		
	2021	2022	2023
Total gross loans receiving assistance under BOT measures (Blue and Orange measures) (million baht) (Pre-Emptive)	18,992.6	16,349.9	18,791.6
Total gross loans under Thai Credit's debt restructuring measures (million baht) (TDR)	9,083.1	9,197.2	11,476.8
Total gross loans receiving assistance under BOT measures and under Thai Credit's debt restructuring measures (million baht)	28,075.7	25,547.1	30,268.4
Proportion of total gross loans receiving assistance under BOT measures and Thai Credit's debt restructuring measures	27.8%	20.3%	20.2%

The COVID-19 pandemic caused widespread effects on all business sectors and customers in Thailand. Since 2020, the BOT has issued a series of relief measures, including payment moratoriums, government guarantees, and loan repayment holidays, to help affected borrowers and industries that were exposed to short-term cash flow problems to resume their business. Thai Credit's relief measures include the followings:

- Repayment holiday, lower instalments, or extended instalment period (Blue and Orange measures), subject to the terms and conditions established by Thai Credit. As of 31 December 2023, Thai Credit assisted debtors under the BOT's measures (Blue and Orange measures) equaling to 68,903 persons

and Thai Credit assisted debtors under Thai Credit's debt restructuring measures equaling to 6,411 persons.

- Asset warehousing program, Soft Loan program, debt consolidation (for retail loans).

In addition, Thai Credit has chosen to implement the following relaxations in accordance with Notification of the Federation of Accounting Profession from the abovementioned impacts:

- Compliance with the Notification of the Federation of Accounting Profession No. 17/2563 regarding Guidelines on Temporary Relaxation Measures for Businesses that Assist Debtors Affected by Situations Affecting the Thai Economy, under which measures began in 2020 and ended in 2021, the material details of which are as below:
 - The debt restructuring for non-NPL debtors, which is considered the debt restructuring in a pre-emptive manner, can immediately classify the debtors into a class which has no significant increase in credit risk (performing or stage 1) upon the due selection process, by taking into consideration the debtors which are likely to make payments or the debtors which were classified into the same stage prior to the debt restructuring.
 - The debt restructuring for NPL debtors, which is considered the troubled debt restructuring (TDR), can classify the debtors into a class which has no significant increase in credit risk (performing or stage 1) if debts can be repaid for three consecutive months or three consecutive repayment periods, whichever is longer.
 - Thai Credit can use the new EIR as a rate for calculating the present value of restructured loans, such that no present value loss shall be recorded for such debtors, and Thai Credit can recognise interest income during the moratorium period as accrued interests with the new EIR.
- Compliance with Notification of the Federation of Accounting Profession No. 37/2564 regarding Accounting Guidelines on Assistance to Debtors Affected by the Coronavirus Disease 2019, under which measures began in 2022 and ended in 2023.
 - The debt restructuring for debtors by determining conditions to help reduce burden on debt repayment of debtors beyond merely extending the repayment period (Blue measure)
 - The debt restructuring for non-NPL debtors can immediately classify the debtors into a class which has no significant increase in credit risk (performing or stage 1) upon consideration that debtors can comply with the conditions.
 - The debt restructuring for NPL debtors can classify the debtors into a class which has no significant increase in credit risk (performing or stage 1) if debts can be repaid for three consecutive months or three consecutive repayment periods, whichever is longer.
 - Thai Credit can use the new EIR as a rate to calculate the present value of debt restructuring loans, such that no present value loss shall be recorded for debtors who received assistance according to the Blue measures.
 - The debt restructuring for debtors by merely extending the repayment period (Orange measure) to comply with relevant financial reporting standards.

Summary table of Thai Credit's assistance measures according to BOT's standard and accounting relaxation measures

	Assistance Measures	Measures	Accounting Relaxation Measures / relevant notifications
1	Payment moratoriums (expired)		Recognition of interest income: Interest income can be recognised during the payment moratoriums.
2	Debt restructuring for debtors by determining conditions to help reduce burden on debt repayment of debtors beyond merely extending the repayment period	Blue	<p>Compliance with Notification of the Federation of Accounting Profession No. 37/2564 regarding Accounting Guidelines on Assistance to Debtors Affected by the Coronavirus Disease 2019 as follows:</p> <ol style="list-style-type: none"> 1. Debt restructuring for performing debtors (non NPL) can immediately classify such debtors into a class which has no significant increase in credit risk (performing or stage 1) upon consideration that debtors can comply with the conditions. 2. Debt restructuring for non-performing debtors (NPL) can classify such debtors into a class which has no significant increase in credit risk (performing or stage 1) if debt can be repaid for three consecutive months or three consecutive repayment period, whichever is longer. 3. The use of new effective interest rate on the date in which the conditions change.
3	Debt restructuring for debtors by merely extending the repayment period	Orange	Compliance with relevant financial reporting standards.
4	Asset warehousing (completed)		Compliance with Notification of Bank of Thailand No. SorNorSor.4/2564 Re: Measure to Promote the Acceptance of the Transfer of Collateral Property for Debt Repayment under the Emergency Decree on the Provision of Assistance and Rehabilitation of Business Operators Impacted by the Spread of the COVID-19 Pandemic B.E. 2564
5	Soft Loan		Compliance with Notification of the Bank of Thailand No. SorGorSor1. 1/2564 Re: Measures to Support the Provision of Loans to Business Operators under the Emergency Decree on the Provision of Assistance and Rehabilitation of Business Operators Impacted by the COVID-19 Pandemic, B.E. 2564
6	Debt consolidation (for retail loans)		<p>Compliance with Notification of the Bank of Thailand No. ForNorSor.(1)Wor. 912/2563 Re: Guidelines on Debt Restructuring for Retail Debtors by Consolidation of Debts, as follows:</p> <p>The calculation of Risk Weighted Asset (RWA) requiring Thai Credit to use the RWA of 35% if the qualifications are in accordance with the notification of the BOT in connection with regulations on supervision on the Home for Cash Loans and other loans related to Home for Cash Loans, which will impact the calculation of the capital adequacy ratio (CAR).</p>

The preventive restructuring of loans for non-NPL debtors focuses on reducing the repayment burden rather than extending the repayment term alone. The restructuring of loans for NPL debtors focuses solely on extending the repayment term.

As of 31 December 2022 and 2023, restructured accounted for 20.3%, and 20.2% of the carrying amount of total loans, respectively.

In addition, Thai Credit also set up reserves for credit risk according to TFRS 9 standards because Thai Credit recognised that providing assistance to debtors might cause a delay in classifying debtors as NPL debtors. Therefore, reserves for credit risk which was calculated by Thai Credit's credit model might not reflect the actual quality of debtors. Thai Credit thus has set additional excess reserves by the management (Management Overlay) as follows:

As of 31 December 2023, Thai Credit's reserve stood at THB 9,873.2 million, of which THB 741.0 million were additional excess reserves by the management (Management Overlay).

After BOT's assistance measures and accounting relaxation will lapse at the end of 2023, Thai Credit will still have assistance measures for debtors consistently. Thai Credit's assistance may include projects similar to projects that BOT has implemented before, such as reduction of interest rate, reduction of instalment payments and extension of debt repayment period etc. which were the measures that have been carried out by Thai Credit to assist debtors prior to the COVID-19 outbreak situation. In addition, Thai Credit will not be affected by any accounting records in material respects because it is a normal accounting record according to TFRS 9 standards and for additional excess reserves by management (Management Overlay) post-assistance measures, the risk management unit will follow up, analyse and consider whether how much the Management Overlay needs to be increased or decreased in each month. In such case, it must be reported to the Managing Director (MD) and reported to the Risk Management Committee ("RMC") every 6 months.

Maintenance of statutory capital fund

Table 9 Maintenance of statutory capital fund

Statutory capital fund	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Common Equity Tier 1 capital (CET1)	8,595.2	81.2%	12,488.3	85.3%	15,431.4	80.3%
Additional Tier 1 capital (financial instruments)	1,150.0	10.9%	1,150.0	7.8%	861.1	4.5%
Total Tier 1 capital	9,745.2	92.1%	13,638.3	93.1%	16,292.5	84.8%
Tier 2 capital	836.9	7.9%	1,003.3	6.9%	2,919.3	15.2%
Total capital	10,582.1	100.0%	14,641.6	100.0%	19,211.8	100.0%
Risk weighted assets	79,425.9	-	96,496.2	-	118,002.6	-

Table 10 Capital adequacy ratio (CAR) against total risk-weighted assets

CAR against total risk-weighted assets	As of 31 December		
	2021	2022	2023
	percent	percent	percent
CET1 to total risk-weighted asset ratio	10.8%	12.9%	13.1%
Tier 1 capital to total risk-weighted asset ratio	12.3%	14.1%	13.8%
Total capital to total risk-weighted asset ratio	13.3%	15.2%	16.3%

As of 31 December 2023, Thai Credit's capital, as required under applicable law, pursuant to the principles of Basel III, stood at THB 19,211.8 million, consisting of THB 16,292.5 million of Tier 1 capital, driven by the accumulation of net profit; and THB 2,919.3 million of Tier 2 capital, an increased mainly from issuance of subordinated

bonds in the amount of THB 1,700 million in 2Q23 to support future growth and upgrade to a full-license commercial bank.

Furthermore, the total capital to total risk-weighted asset ratio was 16.3%. The Tier 1 capital to total risk-weighted asset ratio was 13.8%. The CET1 to total risk-weighted asset ratio was 13.1%. These ratios were higher than the minimum ratios required by the BOT (11.0%, 8.5%, and 7.0%, respectively).

Analysis of Thai Credit's results of operations

Table 11 Income statement

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Interest income	9,801.0	112.1%	12,684.7	112.9%	15,894.6	118.0%
Interest expenses	(1,307.4)	(14.9%)	(1,632.4)	(14.5%)	(2,564.0)	(19.0%)
Net interest income	8,493.6	97.2%	11,052.3	98.4%	13,330.6	99.0%
Fee and service income	435.6	5.0%	528.1	4.7%	504.9	3.8%
Fee and service expenses	(483.3)	(5.5%)	(587.4)	(5.2%)	(573.7)	(4.3%)
Net fee and service income (expense)	(47.7)	(0.5%)	(59.3)	(0.5%)	(68.8)	(0.5%)
Net loss from foreign exchange transactions	-	0.0%	-	0.0%	(5.7)	0.0%
Net (loss) gain on investments	0.1	0.0%	0.1	0.0%	0.1	0.0%
Other operating income	296.2	3.3%	238.6	2.1%	204.8	1.5%
Total operating income	8,742.2	100.0%	11,231.7	100.0%	13,461.0	100.0%
Other operating expenses						
Employee expenses	2,591.9	29.6%	3,040.4	27.1%	3,284.3	24.4%
Directors' remuneration	15.3	0.2%	16.5	0.1%	17.5	0.1%
Premises and equipment expenses	520.2	5.9%	602.9	5.4%	671.8	5.0%
Taxes	304.3	3.5%	411.4	3.7%	496.1	3.7%
Others	267.0	3.1%	365.2	3.3%	475.6	3.5%
Total other operating expenses	3,698.7	42.3%	4,436.4	39.6%	4,945.3	36.7%
Expected credit loss	2,610.6	29.9%	3,835.4	34.1%	4,062.4	30.2%
Profits before income tax expenses	2,432.9	27.8%	2,959.9	26.3%	4,453.3	33.1%
Income tax	497.9	5.7%	607.4	5.4%	896.5	6.7%
Profit for the year	1,935.0	22.1%	2,352.5	20.9%	3,556.8	26.4%

Table 12 Interest income, interest expenses, and net interest income

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Interest income						
Interbank and money market items	39.6	0.4%	71.5	0.6%	340.5	2.1%
Investments in debt instruments	15.0	0.2%	27.5	0.2%	62.6	0.4%
Loans to customers	9,614.7	98.1%	12,466.9	98.3%	15,371.4	96.7%
Hire-purchase	131.7	1.3%	118.8	0.9%	119.8	0.8%
Others	-	0.0%	-	0.0%	0.3	0.0%
Total interest income	9,801.0	100.0%	12,684.7	100.0%	15,894.6	100.0%

Interest expenses						
Deposits	1,063.3	81.3%	1,308.3	80.1%	1,802.9	70.3%
Interbank and money market items	7.6	0.6%	5.8	0.4%	82.4	3.2%
Debt issued and borrowings – subordinated debentures	45.5	3.5%	77.5	4.7%	135.2	5.3%
Contributions to the Deposit Protection Agency and the BOT	191.0	14.6%	240.8	14.8%	542.9	21.2%
Others	-	0.0%	-	0.0%	0.6	0.0%
Total interest expenses	1,307.4	100.0%	1,632.4	100.0%	2,564.0	100.0%
Net interest income	8,493.6		11,052.3		13,330.6	

Interest income

Thai Credit's interest income increased by 25.3% from THB 12,684.7 million for the year ended 31 December 2022 to THB 15,894.6 million for the year ended 31 December 2023, primarily due to the increase in interest income from loans to customers equivalent to THB 2,904.5 million, as a result of the growth in volume of all Thai Credit's key loan product groups, particularly the MSME Loans. Additionally, the increase in Thai Credit's reference interest rate also contributed to the increase in interest income.

Interest expenses

The BOT established Financial Institutions Development Fund ("FIDF") in 1985 with the objectives of enabling the enactment of financial assistance measures to restore and develop the financial institution system into one that has steadiness and stability, especially in critical situations which affect financial institution systems. Under the policy framework of the BOT and the government commercial banks have duties to contribute money to FIDF twice a year, by the last business day of July in the relevant year and by the last business day of January of the following year.

In normal situations, the financial institutions are required to contribute money to the BOT into the account for the repayment of loan principal to reimburse the damages incurred by the FIDF (FIDF Fee) at the rate of 0.46 percent of the deposit base. Due to the COVID-19 pandemic which impacted the Thai economy broadly, the BOT then announced the measures to help reduce the financial costs incurred to the businesses and households by temporarily reducing the rate of contribution to the FIDF Fee from 0.46 percent per annum to 0.23 percent per annum from 2020 to 2022. The contribution rate is adjusted to the normal rate of 0.46 percent per annum from 2023 onwards.

Thai Credit's interest expenses increased by 57.1%, from THB 1,632.4 million for the year ended 31 December 2022, to THB 2,564.0 million for the year ended 31 December 2023. This is primarily attributable to interest expenses on deposits which increased by THB 494.6 million during the period, in line with the increase in amount of deposits and the increase in deposit interest rates during the same period, as well as the increase in contributions to the Financial Institutions Development Fund from 0.23% to a normal rate of 0.46% according to BOT measures (Notification of BOT No. ForTorSor (04) Wor. 5/2563 Re: The Submission of BOT Notification Re: Setting of Contribution Rate, Criteria and Procedures for Remitting Contribution and Surcharge to the Account for Amortization of the Principle to Fiscalize to the Financial Institutions Development Fund's Losses (No.2)), which resulted in the increase of THB 302.1 million in contribution to the Deposit Protection Agency and the BOT during the same period.

Net interest income

As a result of the foregoing, Thai Credit's net interest income decreased by 20.6%, from THB 11,052.3 million for the year ended 31 December 2022, to THB 13,330.6 million for the year ended 31 December 2023.

Table 13 Non-interest income

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Fee and service income						
Acceptances, avals and guarantees	2.8	0.6%	2.3	0.4%	1.6	0.3%
Management fees	19.0	4.4%	32.8	6.2%	43.0	8.5%
Brokerage fees	378.3	86.8%	455.0	86.2%	411.8	81.6%
Others ⁽¹⁾	35.5	8.2%	38.0	7.2%	48.4	9.6%
Total fee and service income	435.6	100.0%	528.1	100.0%	504.9	100.0%
Fee and service expenses						
Fee and service expenses on ATM cards	21.7	4.5%	37.6	6.4%	60.4	10.5%
Loan guarantee commission expenses	342.0	70.8%	376.1	64.0%	351.7	61.3%
Legal fees	6.5	1.3%	10.5	1.8%	11.8	2.1%
Collection and recovery expenses	86.4	17.9%	127.2	21.7%	101.3	17.7%
Others ⁽²⁾	26.7	5.5%	36.0	6.1%	48.5	8.4%
Total fee and service expenses	483.3	100.0%	587.4	100.0%	573.7	100.0%
Net fee and service income (expenses)	(47.7)		(59.3)		(68.8)	
Other operating income	296.2	100.0%	238.6	100.0%	204.8	100.0%
Net gain (loss) from foreign exchange transactions	0.0		0.0		(5.7)	
Net gain (loss) on investments	0.1		0.1		0.1	
Total non-interest income	248.6		179.4		130.4	

Notes: (1) Other fees and service income includes stamp duty received from customers, and income arising from cheque issuance fees.

(2) Other fees and service expenses include expenses arising from the engagement of third parties for registration works, and for the survey and appraisal of collateral.

Fee and service income

Thai Credit's fee and service income decreased by 4.4%, from THB 528.1 million for the year ended 31 December 2022, to THB 504.9 million for the year ended 31 December 2023, primarily due to the decrease in insurance brokerage fees equivalent to THB 23.2 million because Thai Credit did not have a policy in place to sell insurance to loan customers under the Soft Loan program.

Fee and service expenses

Thai Credit's fee and service expenses decreased by 2.3% from THB 587.4 million for the year ended 31 December 2022 to THB 573.7 million for the year ended 31 December 2023, primarily due to the decrease in loan guarantee commissions in line with Thai Credit's policy, whereby Thai Credit sets the condition that the customers shall bear and pay the loan guarantee commissions associated with the MSME Loans, by themselves.

Other operating income

Thai Credit's other operating income decreased by 14.2% from THB 238.6 million for the year ended 31 December 2022 to THB 204.8 million for the year ended 31 December 2023, primarily due to the decrease in sales promotion income earned from insurance brokerage.

Table 14 Other operating expenses

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Employee expenses	2,591.9	70.1%	3,040.4	68.5%	3,284.3	66.4%
Directors' remuneration	15.3	0.4%	16.5	0.4%	17.5	0.4%
Premises and equipment expenses	520.2	14.1%	602.9	13.6%	671.8	13.6%
Taxes	304.3	8.2%	411.4	9.3%	496.1	10.0%
Others ⁽¹⁾	267.0	7.2%	365.2	8.2%	475.6	9.6%
Total	3,698.7	100.0%	4,436.4	100.0%	4,945.3	100.0%
Cost-to-income ratio⁽²⁾	42.3%		39.5%		36.7%	

Notes: (1) Other expenses include messenger costs, and marketing expenses.

(2) Cost-to-income ratio is calculated by dividing other operating expenses ratio by operating income.

Table 15 Operational efficiency

	For the year ended 31 December		
	2021	2022	2023
Number of lending branches	500	500	500
Number of deposit branches	25	26	28
Cost-to-income ratio (percent)	42.3%	39.5%	36.6%
Operating income per branch ⁽¹⁾ (million baht)	16.8	21.7	21.3
Loan amount per lending branch ⁽²⁾ (million baht)	202.2	251.7	300.1
Deposits per branch ⁽³⁾ (million baht)	3,848.5	4,448.8	4,324.5
Number of customers (accounts)	265,060	294,630	495,689

- Notes:
- (1) Operating income per branch is calculated by dividing operating income by the average number of branches each year. The average number of branches from a year equals the sum of the number of branches at the beginning of that year and the number of branches at the end of that year divided by two.
 - (2) Loan amount per lending branch is calculated by dividing loans to customers, accrued interest receivables, and ECL by the average number of lending branches each year. The average number of branches from a year equals the sum of the number of lending branches at the beginning of that year and the number of lending branches at the end of that year divided by two.
 - (3) Deposits per branch are calculated by dividing the aggregate deposit amount by the number of deposit branches each year. The average number of branches from a year equals the sum of the number of deposit branches at the beginning of that year and the number of deposit branches at the end of that year divided by two.

Other operating expenses

Other operating expenses increased by 11.5%, from THB 4,436.4 million for the year ended 31 December 2022, to THB 4,945.3 million for the year ended 31 December 2023, primarily due to the increase of THB 243.9 million in costs associated to the employees expenses following the addition of new branches and the increased number of relationship managers (RMs) to increase the ability to provide loan services and reach more customers, the increase

of THB 84.7 million in tax expense, align with the number of bank contract transactions increasing, including more online marketing, and the increase of THB 68.9 million in expenses relating to building equipment resulting from depreciation and the information technology system expense to continuously improve the work system to be more efficient.

The cost to income ratio, however, decreased from 39.5% for the year ended 31 December 2022, to 36.7% for the year ended 31 December 2023, primarily due to improved work efficiency from tools previously employed by Thai Credit such as digital management tools, MSME One App system and loan approval system (SDE System) in which those systems have been continuously developed to be more efficient. The operating income per branch, loans per branch and the deposit amount per branch continued to improve.

Table 16 Expected credit loss (ECL)

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Expected credit loss						
Investments in debt instruments measured at FVOCI	0.0	0.0%	0.0	0.0%	(20.1)	(0.5%)
Loans to customers, accrued interest receivables, and undue interest receivables ⁽¹⁾	2,605.0	99.8%	3,825.5	99.7%	4,079.5	100.5%
Other financial assets	3.9	0.1%	9.6	0.3%	22.4	0.5%
Undrawn loan commitments and financial guarantee contracts	1.7	0.1%	0.3	0.0%	(19.4)	(0.5%)
Total expected credit loss	2,610.6	100.0%	3,835.4	100.0%	4,062.4	100.0%
Expected Credit Loss to Average Loan (credit cost) ⁽²⁾	304		338		294	
(basis points)						

Notes: (1) Loans to customers, accrued interest receivables, and undue interest receivables include profit and loss from the sale and transfer of loans with credit impairment.

(2) Expected credit loss to average loan (credit cost) (expressed as basis points) is calculated by dividing expected credit loss by the sum of (i) average total loans to customers, (ii) average accrued interest receivables and (iii) average undue interest receivables at the beginning and the end of accounting period. For the period ended 30 September 2023, it is calculated by dividing expected credit loss for the last 12 months by total average assets as of 30 September 2022 and 2023.

Expected credit loss (ECL)

Thai Credit set its expected credit loss at THB 4,062.4 million, for the year ended 31 December 2023, representing an increase by 5.9%, from the THB 3,835.4 million expected credit loss set for the year ended 31 December 2022. This increase was primarily due to the higher expected credit loss regarding loans to customers, which was set at THB 4,079.5 million, aligned with loan growth.

The setting of reserve above caused the expected credit loss to average loan of Thai Credit to decrease to 294 basis points for the year ended 31 December 2023.

Tax expenses

Thai Credit's tax expenses increased by 47.6%, from THB 607.4 million for the year ended 31 December 2022 to THB 896.5 million for the year ended 31 December 2023, aligned with the increase in profit before income tax of Thai Credit.

Profit for the year/ period

Thai Credit's net profit was THB 3,556.8 million, increased by 51.2 percent from THB 2,352.5 million for the year period ended 31 December 2022, from the reasons that mentioned above. However, the Thai Credit's earnings per share recorded at THB 3.05 per share in 2023, increased from THB 2.28 per share in 2022⁽¹⁾.

⁽¹⁾2022 earnings per share calculated based on the revised number of shares after Thai Credit changed the par value of its shares from THB 10.0 to THB 5.0 in 1Q23, hence the number of number of paid-up capital increased from 582,291,666 shares to 1,164,583,332 shares

Analysis of financial position

Assets

Table 17 Assets

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Cash	464.4	0.4%	504.1	0.4%	513.4	0.3%
Net interbank and money market items	10,948.8	9.5%	19,184.5	13.4%	15,484.7	9.5%
Derivatives	-	-	-	-	-	-
Net investment	5,695.8	4.9%	2,922.8	2.1%	2,993.7	1.8%
Net loans to customers and accrued interest receivables	95,512.8	82.8%	117,456.9	82.0%	140,180.6	85.8%
Net properties for sale	341.9	0.3%	770.7	0.5%	910.8	0.6%
Net premises and equipment	1,221.6	1.0%	1,002.2	0.7%	1,340.8	0.8%
Net intangible asset	173.8	0.2%	185.4	0.1%	245.3	0.1%
Deferred tax assets	335.9	0.3%	412.5	0.3%	211.5	0.1%
Net other assets	638.4	0.6%	750.3	0.5%	1,563.5	1.0%
Total assets	115,333.4	100.0%	143,189.4	100.0%	163,444.3	100.0%

Cash

As of 31 December 2022, and 2023, Thai Credit's cash stood at THB 504.1 million, and THB 513.4 million, respectively, primarily due to the change in net cash flows from operating activities, investing activities, and funding activities. Please refer to more detailed information in the section entitled "Cash Flow."

Net interbank and money market items (assets)

Table 18 Net interbank and money market items (assets)

	As of 31 December					
	2020		2021		2022	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Domestic						
Bank of Thailand	3,847.8	35.1%	9,614.5	50.1%	2,864.4	18.5%
Commercial banks	4,700.8	43.0%	6,069.0	31.6%	9,445.6	61.0%
Specialised financial institutions	2,400.0	21.9%	3,000.0	15.7%	3,000.0	19.4%
Other financial institutions	-	-	500.0	2.6%	-	0.0%
Total	10,948.6	100.0%	19,183.5	100.0%	15,310.0	98.9%
Plus accrued interest receivables and undue interest receivables	0.2	0.0%	1.0	0.0%	3.6	0.0%
Total of Domestic	10,948.8	100.0%	19,184.5	100.0%	15,313.6	98.9%
Foreign						
US Dollars	-	-	-	-	171.1	1.1%
Total	-	-	-	-	171.1	1.1%
Plus accrued interest receivables and undue interest receivables	-	-	-	-	-	-
Total of Foreign	-	-	-	-	171.1	1.1%
Total	10,948.8	100.0%	19,184.5	100.0%	15,484.7	100.0%

Net interbank and money market items (assets) decreased from THB 19,184.5 million as of 31 December 2022, to THB 15,313.5 million as of 31 December 2023, primarily due to the decrease in deposits with the BOT in line with the Bank's liquidity adjustment plan.

Net investment

Table 19 Net investment

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Investments in debt instruments measured at FVOCI						
Government and state enterprise securities	5,693.4	99.9%	2,920.4	99.9%	2,971.6	99.3%
Private enterprises debt instruments	-	-	-	-	19.7	0.6%
Total	5,693.4	99.9%	2,920.4	99.9%	2,991.3	99.9%
Allowance for expected credit loss	(40.5)	(0.7%)	(40.5)	(1.4%)	(18.8)	(0.6%)

Investments in equity securities designated at FVOCI						
Domestic non-marketable equity securities	2.4	0.1%	2.4	0.1%	2.4	0.1%
Total	2.4	0.1%	2.4	0.1%	2.4	0.1%
Total net investment	5,695.8	100.0%	2,922.8	100.0%	2,993.7	100.0%

Thai Credit's net investment increased from THB 2,922.8 million as of 31 December 2022 to THB 2,993.7 million as of 31 December 2023, primarily due to liquidity management through adjustment of net interbank and money market items to net investment in conformity with the market trends for interest rate, which was expected to become more stable in the future after a recent rise, as well as reduction in the expected credit loss for Thai Credit's investment in private debt instrument of Thai Airways International Public Company Limited as Thai Credit is of the view that Thai Airways has entered into a rehabilitation plan and therefore has a better financial outlook.

Net loans to customers and accrued interest receivables

Table 20 Breakdown of net loans to customers and accrued interest receivables, based on the types of loans

	As of 31 December					
	2021		2022		2023 ⁽²⁾	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Overdrafts	285.1	0.3%	511.9	0.4%	2,484.1	1.8%
Loans	95,445.7	99.9%	118,991.9	101.3%	139,966.8	99.8%
Notes	357.3	0.4%	210.6	0.2%	117.6	0.1%
Hire-purchase receivables	1,640.6	1.7%	1,583.6	1.3%	1,588.0	1.1%
Total loans to customers	97,728.7	102.3%	121,298.0	103.2%	144,156.5	102.8%
Plus accrued interest receivables and undue interest receivables	3,392.9	3.6%	4,555.5	3.9%	5,897.3	4.2%
Total loans to customers, accrued interest receivables, and undue interest receivables	101,121.6	105.9%	125,853.5	107.1%	150,053.8	107.0%
Less allowance for expected credit loss	(5,608.8)	(5.9%)	(8,396.6)	(7.1%)	(9,873.2)	(7.0%)
Total net loans to customers and accrued interest receivables	95,512.8	100.0%	117,456.9	100.0%	140,180.6	100.0%

Notes: (1) During the year ending 30 September 2023, the net book value of loans with credit impairment sold and transferred by Thai Credit to third parties is THB 508.4 million.

Thai Credit's net loans to customers and accrued interest receivables increased from THB 117,456.9 million as of 31 December 2022 to THB 140,180.6 million as of 31 December 2023, primarily due to growth in all key loan product groups, including MSME Loans, Nano and Micro Finance Loans, and Home for Cash Loans, in line with Thai Credit's business plan.

Net properties for sale

Table 21 Net properties for sales

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Immovable assets	179.5	52.5%	157.0	20.4%	907.6	99.7%
Immovable assets (under the asset warehousing program)	162.4	47.5%	613.7	79.6%	-	-
Movable assets	-	-	-	-	4.6	0.5%
Total	341.9	100.0%	770.7	100.0%	912.3	100.2%
Less allowance for impairment losses	-	-	-	-	(1.5)	(0.2%)
Net properties for sale	341.9	100.0%	770.7	100.0%	910.8	100.0%

Net properties for sale refers to assets foreclosed, including assets used under the BOT's measure to support the acceptance of collateral transfer for debt repayments or under the asset warehousing program to support businesses with potential but require time to recover from the impact of the COVID-19 pandemic, under which the Bank of Thailand will provide loans to Thai Credit in the form of Soft Loans to accept the transfer of property as collateral for repayment of outstanding debts. Under this program, the debtor may repurchase a property within three to five years at the transfer price and shall have the right to lease such property to operate its business in the ordinary course. Most immovable assets are land and buildings. However, the asset warehousing program ceased in April 2023.

Thai Credit has a method for measuring the value of properties for sale of Thai Credit that is not different from the method of measuring the value of properties for sale under the Asset Warehousing program where an external appraiser will be the appraiser. However, the appraisal period will be different as there will be an appraisal every one year for properties for sale of Thai Credit which was received due to debt repayment, while assets under the BOT's measure to support the acceptance of collateral transfer for debt repayment will be allowed to be appraised every five years.

Thai Credit's net properties for sale increased from THB 770.7 million as of 31 December 2022 to THB 910.8 million as of 31 December 2023, primarily due to transfers by debtors of their assets to repay debts under the asset warehousing program, which continued from the previous year.

Net premises and equipment

Table 22 Net premises and equipment

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Premises	53.7	4.4%	51.0	5.1%	227.1	16.9%
Leasehold improvements	117.1	9.6%	109.9	11.0%	115.2	8.6%
Furniture and equipment	56.3	4.6%	45.5	4.5%	51.8	3.9%
Computers and accessories	66.0	5.4%	108.7	10.8%	132.6	9.9%
Right-of-use asset	919.8	75.3%	681.2	68.0%	801.1	59.7%
Others	8.7	0.7%	5.9	0.6%	13.0	1.0%
Total net premises and equipment	1,221.6	100.0%	1,002.2	100%	1,340.8	100.0%

Net premises and equipment increased from THB 1,002.2 million as of 31 December 2022, to THB 1,340.8 million as of 31 December 2023, primarily due to the acquisition of three office units at RS Tower in the amount of THB 181.8 million to support Thai Credit's information technology and the digital transformation project; the increase in right-of-use assets under lease agreements, driven by the renewal of lease agreements for the lease of office buildings and branches; and the acquisition of computers and equipment to enhance the operational efficiency of the Bank.

Net intangible assets

Table 23 Net intangible asset

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Computer software	104.9	60.3%	112.6	60.7%	118.8	48.4%
Up-front fees for the ITMX service ⁽¹⁾	32.6	18.8%	32.6	17.6%	32.6	13.3%
Computer software in development	36.3	20.9%	40.2	21.7%	93.9	38.3%
Total net intangible assets	173.8	100.0%	185.4	100.0%	245.3	100.0%

Note: (1) ITMX service is a service provided by a third party to the Bank regarding Prompt Pay system, ATM system, and Micro Pay e-Wallet system.

Net intangible assets increased from THB 185.4 million as of 31 December 2022, to THB 245.3 million as of 31 December 2023, primarily due to the increasing amount of computer software acquired during the development of the Container Platform system, which was intended to improve work efficiency and customer services, and the continued development of Thai Credit's mobile applications, as well as efforts to develop the Bank's website to support its transition to a company listed on the SET and to elevate the Bank's brand image.

Net deferred tax assets

Net deferred tax assets decreased from THB 412.5 million as of 31 December 2022, to THB 211.5 million as of 31 December 2023, primarily due to the reduction of excess reserves put in place by the management (management overlay).

Net other assets

Table 24 Net other assets

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Prepaid expenses – TCG	208.7	32.7%	184.8	24.6%	205.2	13.1%
Receivables eligible for government reimbursement	48.9	7.7%	101.3	13.5%	201.8	12.9%
Suspended debt	49.5	7.8%	93.3	12.4%	354.4	22.7%
Accrued fee income	52.8	8.3%	89.8	12.0%	86.4	5.5%
Advance to customers	56.3	8.8%	89.4	11.9%	194.0	12.4%
Credit support annex	-	-	-	-	113.8	7.3%
Net other receivables	77.7	12.2%	76.5	10.2%	208.1	13.3%
Deposits and guarantees	65.1	10.2%	65.1	8.7%	74.9	4.8%
Receivables – Counter Service	42.0	6.6%	24.2	3.2%	34.7	2.2%
Supplies	5.6	0.9%	5.4	0.7%	-	0.0%
Accrued interest receivables	8.4	1.2%	1.9	0.2%	-	0.0%
Others	23.4	3.6%	18.6	2.6%	90.2	5.8%
Total	638.4	100.0%	750.3	100.0%	1,563.5	100.0%

Net other assets increased from THB 750.3 million as of 31 December 2022, to THB 1,563.5 million as of 31 December 2023, primarily due to the increase in Suspended debt by THB 261.1 million, net other assets by THB 131.6 million, the increase in advances to customers by THB 104.6 million in the part of annual fee of TCG's guarantee program for certain customers where Thai Credit will charge the customers in the next month; and the increase in receivables eligible for government reimbursement under the Ministry of Finance's Soft Loan program, by THB 100.5 million.

Liabilities

Table 25 Liabilities

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Deposits	88,514.8	84.4%	113,444.1	88.1%	116,761.6	80.0%
Interbank and money market items	12,737.8	12.2%	11,398.5	8.8%	22,757.4	15.6%
Liabilities payable on demand	88.9	0.1%	72.6	0.1%	145.6	0.1%
Derivative liabilities	-	0.0%	-	0.0%	152.1	0.1%
Debt issued and borrowings	869.9	0.8%	889.9	0.7%	2,611.8	1.8%
Provisions	215.5	0.2%	255.0	0.2%	296.4	0.2%
Other liabilities	2,443.5	2.3%	2,747.8	2.1%	3,214.3	2.2%
Total liabilities	104,870.4	100.0%	128,807.9	100.0%	145,939.2	100.0%

Deposits

Thai Credit's deposits increased from THB 128,807.9 million as of 31 December 2022, to THB 145,939.2 million as of 31 December 2023, primarily due to interbank and money market items increased due to long-term loans from financial institutions or IFCs of THB 3,672.1 million and money received from the BOT to lend to customers under the soft loan program, including Debt issued and borrowings increased by 193.5% due to the issuance of subordinated bonds in the amount of THB 1,700 million as mentioned above.

Net interbank and money market items (liabilities)

Table 26 Net interbank and money market items (liabilities)

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Domestic						
Bank of Thailand	9,056.2	71.1%	10,855.8	95.2%	18,651.7	82.0%
Specialized financial institutions	2,977.7	23.4%	80.4	0.7%	26.2	0.1%
Others	703.9	5.5%	462.3	4.1%	524.9	2.3%
Total	12,737.8	100.0%	11,398.5	100.0%	19,202.8	84.4%
Foreign						
US Dollars	-	-	-	-	3,554.6	15.6%
Total of Foreign	-	-	-	-	3,554.6	15.6%
Total of Domestic and Foreign	12,737.8	100.0%	11,398.5	100.0%	22,757.4	100.0

Net interbank and money market items (liabilities) increased from THB 11,398.5 million as of 31 December 2022, to THB 22,757.4 million as of 31 December 2023, primarily due to the borrowing from IFC in the amount of 105 million United States Dollar as mentioned above to provide loans to Micro SME and the increase in funds obtained from the BOT for lending to customers under the Soft Loan program in the amount of THB 7,795.9 million.

Liabilities payable on demand

Liabilities payable on demand increased from THB 72.6 million as of 31 December 2022, to THB 145.6 million as of 31 December 2023, reflected changes in the amount and size of transactions Thai Credit entered into with customers and counterparties.

Debt issued and borrowings

Debt issued and borrowings increased from THB 889.9 million as of 31 December 2022, to THB 2,611.8 million as of 31 December 2023, primarily due to the issuance of Tier 2 Debentures in June 2023 to the amount of THB 1,700 million.

Table 27 Debt issued and borrowings

	As of 31 December		
	2023		
	Maturity year	Interest rate (percent)	Amount (million baht)
Subordinated debentures recognised as Tier 1 capital	2569 ⁽¹⁾	5%	911.8
Subordinated debentures recognised as Tier 2 capital	2576	6%	1,700.0
Total			2,611.8

	As of 31 December		
	2022		
	Maturity year	Interest rate (percent)	Amount (million baht)
Subordinated debentures recognised as Tier 1 capital	2569 ⁽¹⁾	5.00	889.9
Total			889.9

Notes: (1) The earliest year in which Thai Credit may elect to redeem the subordinated debentures.

Provisions

Table 28 Provisions

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Provision for post-employment benefits	179.7	83.4%	218.4	85.6%	261.1	88.1%
Provision for decommissioning cost of leasehold improvements	14.9	6.9%	15.4	6.1%	18.7	6.3%
Provision for performance guarantee contracts	-	-	-	-	14.8	5.0%
Allowance for expected credit loss of undrawn loan commitments and financial guarantee contracts	20.9	9.7%	21.2	8.3%	1.9	0.6%
Total	215.5	100.0%	255.0	100.0%	296.5	100.0%

Provisions increased from THB 255.0 million as of 31 December 2022, to THB 296.5 million as of 31 December 2023, primarily due to the increase in provision for post-employment benefits, which in line with the increase in the number of employees Thai Credit.

Other liabilities

Table 29 Other liabilities

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Lease liabilities	930.5	38.1%	688.5	25.1%	808.9	25.2%
Accrued interest expenses	254.3	10.4%	401.9	14.6%	416.5	13.0%
Other payables	132.6	5.4%	150.8	5.5%	344.5	10.7%
Accrued expenses	713.1	29.2%	948.5	34.5%	1,065.0	33.1%

Corporate income tax payable	311.8	12.8%	440.2	16.0%	350.3	10.9%
Others	101.2	4.1%	117.9	4.3%	229.1	7.1%
Total	2,443.5	100.0%	2,747.8	100.0%	3,214.3	100.0%

Other liabilities increased from THB 2,747.8 million as of 31 December 2022, to THB 3,214.3 million as of 31 December 2023, primarily due to the increase in accrued interest expenses for debentures, the borrowing from IFC and accrued interest expenses under derivatives contracts related to exchange rates and interest rates with CIMB Thai Bank Public Company Limited.

Equity

Table 30 Equity

	As of 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Authorised share capital	5,903.8		6,598.2		6,174.2	
Paid-up capital	5,000.0	47.8%	5,822.9	40.5%	5,822.9	33.3
Warrants	288.9	2.8%	288.9	2.0%	-	0.0%
Premium on share capital	-	-	768.2	5.3%	768.2	4.4%
Other reserves	36.0	0.3%	1.2	0.1%	(12.2)	(0.1%)
Retained earnings						
Appropriated						
Legal reserves	269.4	2.6%	389.8	2.7%	569.4	3.3%
Unappropriated	4,868.7	46.5%	7,110.5	49.4%	10,356.8	59.1%
Total	10,463.0	100.0%	14,381.5	100.0%	17,505.1	100.0%

As of 31 December 2023, Thai Credit's equity stood at THB 17,505.1 million, increased from THB 14,381.5 million as of 31 December 2022, primarily due to profits earned during the period less the repurchase and cancellation of warrants (to purchase Thai Credit's ordinary shares) issued by Thai Credit in the amount of 74.75 million units. The proceeds received by Thai Credit from the issuance of ordinary shares to existing shareholders in the previous year were deemed sufficient for business expansion. Additionally, the increase in equity was due to the recognition of profits from fair value measurement of derivative instruments.

Liquidity and sources of funding

Thai Credit's working capital is utilised to fund loans to customers and operating activities. The main sources of Thai Credit's liquidity are deposits, cashflows from operations, cash interests, proceeds from the issuance of debt instruments, and capital increases under the right offering scheme. Thai Credit's cash level is maintained at a sufficient level for its business operations and that excess liquidity is properly managed. The capital adequacy ratio is maintained in compliance at a level that complies with the applicable requirements stipulated by the BOT.

Table 31 Cash flows

	For the year ended 31 December		
	2021 (million baht)	2022 (million baht)	2023 (million baht)
Net cash inflow (outflow) from operating activities	1,260.4	(3,999.5)	(4,286.4)
Net cash inflow (outflow) from investing activities	(2,347.2)	2,634.1	(357.1)
Net cash inflow (outflow) from financing activities	1,030.2	1,405.1	4,652.8
Net cash and cash equivalents increase (decrease)	(56.6)	39.7	9.3%
Cash and cash equivalents at the beginning of the year/period	521.0	464.4	504.1
Cash and cash equivalents at the end of the year/period	464.4	504.1	513.4

Net cash inflow)outflow (from operating activities

For the year ended 31 December 2023, net cash used in Thai Credit's operating activities was THB 4,286.4 million, increased from THB 3,999.5 million for the year ended 31 December 2022, mainly from loan to customers of THB 25,467.7 million, increased THB 615.4 million from the previous year, consistent with the loan growth, offset by operating profits before changes in operating assets and liabilities of THB 6,882.8 million, including spending on activities in interbank and money market transactions increased THB 4,110.5 million⁽¹⁾ due to the Bank's management of excess liquidity.

(1) Net interbank and money market items include assets and liabilities.

Net cash inflow (outflow) from investing activities

For the year ended 31 December 2023, net cash used in Thai Credit's investing activities was THB 357.1 million, mainly from cash paid for purchasing buildings and equipment of THB 335.2 million.

Net cash inflow (outflow) from financing activities

For the year ended 31 December 2023, net cash from Thai Credit's financing activities was THB 4,652.8 million, increased from THB 1,405.0 million for the year ended 31 December 2022, which mainly consisted of the long term borrowing from IFC of THB 3,672.1 million as mentioned above and cash inflow from the issuance of subordinated debentures of THB 1,700 million to maintain a strong capital level and the stability.

Capital expenditure

To expand its operations, ensure that its equipment is well maintained, and improve its operational efficiency, Thai Credit incurs capital expenditure on a regular basis.

	For the year ended 31 December					
	2021		2022		2023	
	(million baht)	percent	(million baht)	percent	(million baht)	percent
Premises	-	0.0%	-	0.0%	181.8	22.5%
Leasehold improvements	25.2	7.9%	15.9	4.9%	36.6	4.5%
Office supplies	25.6	8.0%	16.8	5.1%	32	4.0%
Computer and peripherals	26.3	8.2%	75.3	23.0%	64.9	8.0%
Right-of-use asset	233.9	72.9%	209.0	63.7%	475.8	58.8%
Others	9.7	3.0%	10.8	3.3%	17.9	2.2%
Total capital expenditure	320.7	100.0%	327.8	100.0%	809.0	100.0%

Most of Thai Credit's planned capital expenditure involves investments in its establishment of office and new branches, in line with Thai Credit's aim to reach out to, and engage, more customers in order to increase the volume of loans and deposits. Thai Credit's capital expenditure also includes the purchase and installation of information technology equipment for Thai Credit's operations, as Thai Credit seeks to develop and transform itself into a strategic data-driven organisation.

Indebtedness

As of 31 December 2023, Thai Credit's interest-bearing debts included perpetual subordinated debentures, with a total face value of THB 1,150 million and that carry a fixed interest rate of 5.00% per annum payable twice a year, in May and November of each year. Thai Credit has the right to redeem these perpetual subordinated debentures from 2026 onwards as well as subordinated debentures offered in a private placement, with a total face value of THB 1,700 million and that carry a fixed interest rate of 6.00% per annum payable twice a year, in June and December of each year, with a duration of 10 years.

Contractual encumbrances and obligations

	As of 31 December 2023			
	Payable in the period			
	(million baht)			
	Total	Within one year	More than one year and up to five years	More than five years
Obligations arising from operating leases				
Obligations arising from operating leases	67.6	42.2	25.4	-
Obligations arising from capital expenditure				
Premises, other structures, and computer systems	124.8	114.5	10.3	-
Other obligations				
Consultancy and service fees regarding computer systems	31.8	23.9	7.9	-
Employment agreements and other service fees	112.4	56.3	56.1	-

	As of 31 December 2023			
	Payable in the period			
	(million baht)			
	Total	Within one year	More than one year and up to five years	More than five years
Total	336.6	236.9	99.7	-

	As of 31 December 2022			
	Payable in the period			
	(million baht)			
	Total	Within one year	More than one year and up to five years	More than five years
Obligations arising from operating leases				
Obligations arising from operating leases	86.2	46.2	40.0	-
Obligations arising from capital expenditure				
Premises, other structures, and computer systems	55.3	55.3	-	-
Other obligations				
Consultancy and service fees regarding computer systems	71.8	33.5	38.3	-
Employment agreements and other service fees	43.6	29.6	14.0	-
Total	256.9	164.6	92.3	-

1.4.2 Financial ratios

	As of / For the year/period ended		
	31 December		
	2021	2022	2023
<i>Presented in percent, unless otherwise specified</i>			
Liquidity ratios			
Liquid asset ratio ⁽¹⁾	16.9%	18.1%	13.6%
Liquidity ratio ⁽²⁾ (times).....	0.18	0.19	0.15
Average cash flow liquidity ratio ⁽³⁾ (times).....	0.02	(0.04)	(0.04)
Profitability ratios			
Net profit margin ⁽⁴⁾	22.1%	20.9%	26.4%
Return on average equity ⁽⁵⁾	20.7%	18.9%	22.3%
Return on average investments ⁽⁶⁾	0.4%	0.5%	2.0%
Average return on earning financial assets ⁽⁷⁾	10.02%	9.86%	10.03%
Average financial costs ⁽⁸⁾	1.55%	1.45%	1.87%
Net interest rate spread ⁽⁹⁾	8.47%	8.41%	8.15%
Net interest margin ⁽¹⁰⁾	8.76%	8.60%	8.41%

Efficiency ratios

Net interest income to average assets ratio ⁽¹¹⁾	8.7%	8.6%	8.7%
Non-interest income to average total assets ratio ⁽¹²⁾	0.3%	0.1%	0.1%
Return on average assets ⁽¹³⁾	1.98%	1.82%	2.32%
Average asset turnover ratio ⁽¹⁴⁾	8.9%	8.7%	8.8%

Financial ratios

Liabilities to average equity ratio ⁽¹⁵⁾ (times)	9.5	9.4	8.6
Loan to borrowing ratio ⁽¹⁶⁾	109.2%	106.0%	120.6%
Loan to deposit ratio ⁽¹⁷⁾	110.4%	106.9%	123.5%
Ratio of deposits to total liabilities ⁽¹⁸⁾	84.4%	88.1%	80.0%

* Thai Credit did not pay dividend in such period

Dividend payout ratio⁽¹⁹⁾

Asset quality ratios

NPL coverage ratio ⁽²⁰⁾	199.8%	177.4%	161.4%
Allowance for expected credit losses to gross loans ratio ⁽²¹⁾	5.7%	6.9%	6.8%
Bad debts written off to gross loans ratio ⁽²²⁾	0.5%	0.3%	1.0%
Gross NPLs ratio ⁽²³⁾	2.9%	3.9%	4.2%
Accrued interest receivables and undue interest receivables to gross loans ratio ⁽²⁴⁾	3.4%	3.6%	3.9%

Other ratios

Capital adequacy ratio (CAR) ⁽²⁵⁾	13.3%	15.2%	16.3%
Tier 1 capital to risk-weighted assets ratio ⁽²⁶⁾	12.3%	14.1%	13.8%
CET1 to risk-weighted assets ratio ⁽²⁷⁾	10.8%	12.9%	13.1%
Operating expenses to total operating income ratio ⁽²⁸⁾	42.3%	39.5%	36.6%
Expected credit losses to average loans ratio ⁽²⁹⁾ (bps)	304	338	294

Notes:

- (1) Liquid asset ratio is calculated by dividing the sum of cash, net interbank and money market items (assets), and net investments, by the sum of deposits and interbank and money market items (liabilities) at the end of each accounting period.
- (2) Liquidity ratio is calculated by dividing total current assets by total current liabilities at the end of each accounting period. Total current assets include cash, net interbank and money market items (assets), and net investments, while total current liabilities include deposits for a period not exceeding one year, and interbank and money market items (liabilities).
- (3) Average cash flow liquidity ratio is calculated by dividing cash flows received from operations by average current liabilities at the beginning and at the end of each accounting period. Total current liabilities include deposits for a period not exceeding one year, and interbank and money market items (liabilities).
- (4) Net profit margin is calculated by dividing net profit from the last 12 months by total operating income from the last 12 months, for each accounting period.
- (5) Return on average equity is calculated by dividing net profit for each accounting period by average total equity at the beginning and at the end of the accounting period. For the period ended 30 September 2023, the return on average equity is calculated by dividing the net profit from the last 12 months by average total shareholders' equity as of 30 September 2022 and 2023.
- (6) Return on average investments is calculated by dividing the sum of interest income from interbank and money market items, interest income from investments, and gains (losses) on investments, by the sum of net interbank and money market items (assets), and average net investments at the beginning and at the end of each accounting period. For the period ended 30 September 2023, the return on average investments is calculated by dividing the sum of interest income from interbank and money market items, interest income from investments, and gains (losses) on investments from the last 12 months, by the sum of net interbank and money market items (assets), and average net investments as of 30 September 2022 and 2023.

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- (7) Average return on earning financial assets is calculated by dividing interest income from earning financial assets by the average monthly remaining balance of earning financial assets. Earning financial assets are the sum of loans to customers, net interbank and money market items (assets), and net investments. For the period ended 30 September 2023, the average return on earning financial assets is calculated by dividing interest income from earning financial assets from the last 12 months, by average monthly remaining balance of earning financial assets from the last 13 months.
 - (8) Average financial costs are calculated by dividing interest expenses by average monthly remaining balance of interest-bearing financial liabilities. Interest-bearing financial liabilities are the sum of deposits, interbank and money market items (liabilities), and debt instruments issued and borrowings. For the period ended 30 September 2023, the average financial costs are calculated by dividing interest expenses from the last 12 months by average monthly remaining balance of interest-bearing financial liabilities from the last 13 months.
 - (9) Net interest rate spread is calculated by deducting average financial costs from the average return on earning financial assets for each accounting period.
 - (10) Net interest margin is calculated by dividing net interest income by the average earning financial assets, which comprise average interbank and money market items, investment, loans to customers at the beginning and the end of accounting period. For the period ended 30 September 2023, the net interest margin is calculated by dividing the net interest income from the last 12 months by the average earning financial assets as of 30 September 2022 and 2023.
 - (11) Net interest income to average assets ratio is calculated by dividing net interest income by the average total assets at the beginning and at the end of each accounting period. For the period ended 30 September 2023, the net interest income to average assets ratio is calculated by dividing the net interest income from the last 12 months by the average total assets as of 30 September 2022 and 2023.
 - (12) Non-interest income to average total assets ratio is calculated by dividing net non-interest income by the average total assets at the beginning and at the end of each accounting period. Non-interest income includes net fee and service income, net loss from foreign exchange transactions, net gain on investments and other operating income. For the period ended 30 September 2023, the ratio of non-interest income to average total assets is calculated by dividing net non-interest income from the last 12 months by average total assets as of 30 September 2022 and 2023.
 - (13) Return on average assets is calculated by dividing net profit by the average total assets at the beginning and at the end of each accounting period. For the period ended 30 September 2023, the return on average assets is calculated by dividing net profit from the last 12 months by average total assets as of 30 September 2022 and 2023.
 - (14) Average asset turnover ratio is calculated by dividing total income by the average total assets at the beginning and at the end of each accounting period. For the period ended 30 September 2023, the average asset turnover ratio is calculated by dividing total income from the last 12 months by average total assets as of 30 September 2022 and 2023.
 - (15) Liabilities to average equity ratio is calculated by dividing total liabilities by average equity at the beginning and at the end of each accounting period.
 - (16) Loan to borrowing ratio is calculated by dividing loans to customers by the sum of deposits, liabilities payable on demand, and debt instruments issued and borrowings at the end of each accounting period.
 - (17) Loan to deposit ratio is calculated by dividing loans to customers by deposits at the end of each accounting period.
 - (18) Ratio of deposits to total liabilities is calculated by dividing deposits by total liabilities at the end of each accounting period.
 - (19) Dividend payout ratio is calculated by dividing dividends by net profit at the end of each accounting period.
 - (20) NPL coverage ratio is calculated by dividing allowance for expected credit losses (ECL) by non-performing loans (NPLs) for each accounting period.
 - (21) Allowance for expected credit losses to gross loans ratio is calculated by dividing allowance for ECL by loans to customers for each accounting period.
 - (22) Bad debts written off to gross loans ratio is calculated by dividing bad debts written off with respect to loans to customers plus accrued interest receivables and undue interest receivables by loans to customers plus accrued interest receivables and undue interest receivables for each accounting period. For the period ended 30 September 2023, the bad debts written off to gross loans ratio is calculated by dividing bad debts written off with respect to loans to customers plus accrued interest receivables and undue interest receivables from the last 12 months by loans to customers plus accrued interest receivables and undue interest receivables as of 30 September 2022 and 2023.
 - (23) Gross NPLs ratio is calculated by dividing loans with credit impairment by total gross loans to customers for each accounting period.
 - (24) Accrued interest receivables and undue interest receivables to gross loans ratio is calculated by dividing accrued interest receivables and undue interest receivables by loans to customers plus accrued interest receivables and undue interest receivables for each accounting period.
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- (25) Capital adequacy ratio (CAR) is calculated by dividing the sum of Tier 1 capital and Tier 2 capital by risk-weighted assets for each accounting period.
- (26) Tier 1 capital to risk-weighted assets ratio is calculated by dividing the sum of Common Equity Tier 1 (CET1) capital and Tier 1 capital (financial instruments), by risk-weighted assets for each accounting period.
- (27) CET1 capital to risk-weighted assets ratio is calculated by dividing CET1 capital by risk-weighted assets for each accounting period.
- (28) Operating expenses to total operating income ratio is calculated by dividing the sum of employee-related expenses, remuneration for directors, expenses relating to buildings and equipment, taxes, and other expenses, by total operating income.
- (29) Expected credit losses to average loans ratio (bps) is calculated by dividing ECL by loans to customers plus accrued interest receivables and undue interest receivables at the beginning and at the end of each accounting period. For the period ended 30 September 2023, the expected credit losses to average loans ratio (bps) is calculated by dividing ECL from the last 12 months by average total assets as of 30 September 2022 and 2023.

The information below discusses certain material financial ratios:

Profitability ratios

Thai Credit's interest rate spread was 8.41% and 8.15% for the years ended 31 December 2022, and 2023, respectively. The decrease was primarily driven by the increase in average financial costs resulted from the BOT's adjustment of the policy interest rate, and the lapse of the measure for reduction of the contribution to the Financial Institutions Development Fund (FIDF) in 2022.

Operational efficiency ratio

Thai Credit's return on average assets ("**ROAA**") was 1.82% and 2.32% for the years ended 31 December 2022 and 2023, respectively. The increased primarily due to the increase in Thai Credit's net profit for the period.

1.4.2 Key Factors or events affecting Thai Credit's financial position or results of operations

Key Factors or events affecting Thai Credit's financial position or results of operations

1) Effects from the COVID-19 pandemic

The COVID-19 pandemic has significantly impacted the Thai economy and other economies. This is demonstrated by the gross domestic product (GDP) decreasing by 6.2% in 2020 and increasing only 1.5% in 2021. To contain the spread of COVID-19, the Thai government implemented preventive measures such as the temporary closures of businesses and markets, travel restrictions, border closures, and temporary lock-downs. These measures affected the travel and tourism industries, the service and retail sectors, the global supply chain system, and other business activities, causing unemployment to rise and a decline in the disposable income of most of the population. Business owners lacked financial liquidity and experience declining revenue and growing operating expenses. Some of them went bankrupt or ceased their operations.

The COVID-19 pandemic also affected the Bank's business operations, as it has decreased the Bank's customers' ability to repay their outstanding debt to Thai Credit. Therefore, the Bank set a higher ECL to accommodate debtors whose existing loans granted by Thai Credit may become NPLs, leading to an increase in lending costs) credit

cost .(However, the Thai government issued measures to stimulate the economy and domestic spending during the pandemic .The BOT also implemented a variety of financial assistance measures such as debt moratoriums for principal and interest payments, maintenance of status for debtors pending negotiations to avoid having their loans being categorised as NPLs, lowering interest rate limits, implementing the asset warehousing program and the provision of rehabilitation loans, and measures for sustainable debt relief .These BOT measures helped prevent customers' loans from becoming NPL loans.

Thai Credit provided assistance to debtors in accordance with the BOT's various financial assistance measures, resulting in debtors returning to normal levels of business potential and recovering their ability to repay their debt .As of 31 December 2023, the Bank provided assistance in accordance with the classification and provision guidelines related to debt restructuring for 20.2% of the gross book value of loans to customers, which decreased from 20.3% of the gross book value of loans to customers as of 31 December 2022.

2) *Macroeconomic condition in Thailand*

The business operations of the Bank are affected by macroeconomic conditions .The expansion of the Thai economy generally stimulates economic activity and encourages entrepreneurs to expand their businesses to capitalise on growing business prospects .Growth in businesses generally increases demand for loans and has an ongoing effect on the Bank's primary income, specifically loan interest income .In addition, economic conditions are one of the factors that affect the repayment capacity of debtors .Typically, a thriving economy is likely to result in the debtor's business operations performing well and debtors having the ability to repay principal and interest to the Bank in accordance with the agreed terms and due dates of their loans .Nonetheless, during a period of economic uncertainty, this may negatively impact business operations and the debtors' ability to repay their debt service obligations, as well as the Bank's ability to set up an additional allowance for expected credit loss to accommodate a potential increase in NPLs, resulting in a negative impact on the Bank's profitability and its NPLs ratio.

3) *Interest rate fluctuations*

Interest rate fluctuations are caused by changes in the policy interest rate, monetary policies established by the BOT and foreign central banks, macroeconomic factors, including inflation, on employment rate, and foreign exchange rates .Thai Credit's revenue and profit are sensitive to fluctuations in interest rates because its primary source of income is interest income from loans.

4) *Competition*

Thai Credit operates in the highly competitive industry, which includes large and medium commercial banks, non-bank lenders, and lenders not supervised by the BOT .The competitive environment is primarily influenced by the ability to design and launch lending products that meet customers' needs, offer diversified loan products, interest rates, fees, credit limits, the speed of loan approval, the availability of low-cost financing, convenience of access to the Bank's services, and the Bank's credibility .In addition, the financial services industry has developed new product models and channels for its products and services, such as

social banking and virtual banking, as a result of the market entrance of new fintech players in the micro finance segment .These factors have an effect on the competitive environment of the Bank, its operations, and its operational results.

5) Regulatory environment

Thai Credit is a financial institution under the supervision of the BOT and must comply with applicable laws and regulations, including governance requirements and guidelines in relation to a variety of operational activities of the Bank, such as loan products complying with applicable interest rate limits in accordance with specified criteria, risk management of lending transactions, capital maintenance, asset classification and capital reserve, transactions with major shareholders or related parties)related lending (and single lending limits .Moreover, operating as a commercial bank requires compliance with several relevant Thai laws and regulations, which contain limitations and duties)including obligations to apply for relevant approvals or waivers and to meet the conditions of licenses .(Regulations concerning the Bank's business activities and qualifications of personnel are also subject to stringent supervision and audit by regulatory and other relevant authorities, including the Ministry of Finance, the Office of Insurance Commission, and the Department of Business Development, Ministry of Commerce.

When there are announcements or changes in policies, laws, or regulations of the BOT, the main regulatory bodies, and other relevant authorities, the Bank has to comply with such changes and new requirements and/or incur additional expenses for compliance. Failure to comply with legal requirements may result in the Bank being subject to legal proceedings, penalties and fines, depending on the severity of the breaches of its legal obligations .Furthermore, any such announcements or changes in policies, laws, or regulations may impact the Bank's revenue and profitability.

5. General Information and Other Important Information**5.1. General information**

Company name : Thai Credit Bank Public Company Limited

Location of principal office : 123, 1st Floor Thai Life Insurance Building, Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400

Telephone : +66(0) 2697 5454

Fax : +66(0) 2642 2122

Website : www.thaicreditbank.com

References**Securities registrar**

Securities registrar : Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400

Telephone: +66(0) 2009 9000 Fax: +66(0) 2009 9991

SET Contact centre: +66(0) 2009 9999

Auditor

Auditor : Ms. Thitima Pongchaiyong (public accountant registration no. 10728), and/or

Mr. Chanchai Sakulkoedsin (public accountant registration no. 6827), and/or

Ms. Pantip Gulsantithamrong (public accountant registration no. 4208), and/or

Ms. Orrawan Choteviriyakul (public accountant registration no. 10566)

KPMG Phoomchai Audit Ltd.

50th Floor, Empire Tower, 1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok 10120

Telephone: +66(0) 2677 2000 Fax: +66(0) 2677 2222

Legal advisor

Legal advisor : Baker & McKenzie Ltd.

990 Rama IV Road, Silom Sub-district, Bang Rak District, Bangkok 10500

Telephone : +66(0) 2 636 2000

5.2. Factors Affecting Investment Decisions**Legal Disputes**

The Bank and its subsidiaries is not a litigant or a concerning party in the following particular cases;

1. Cases that may cause any negative impact to assets of the Bank and its subsidiaries (cases which have litigation sum greater than 5 percent of the Bank's or its subsidiaries' shareholder equity as the case may be as of the latest fiscal year-end)
2. Cases that may have a material adverse effect on business operation; but unable to estimate the exact amount
3. Cases that are not caused by the ordinary course of business.

Thai Credit Bank Public Company Limited

Section 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview of the policies and practices for corporate governance

Thai credit adheres to good corporate governance throughout its operations which conform with the regulations of the Bank of Thailand; the Office of the Securities and Exchange Commission; and the Stock Exchange of Thailand. Thai credit places importance on its business operations and the development of its existing corporate governance to improve itself for long-term sustainable business growth and promotes ethical, transparent, and accountable management, with no corruption. These principles are designed to build confidence among shareholders, investors, and all interested parties, whilst also creating benefits and Thai credit 's good performance, and contributing to Thai credit's overall competitiveness and sustainable growth. To this end, Thai credit has established good governance guidelines and good corporate governance, as detailed below.

1. The establishment of the objectives and main goals of the business, with an emphasis on sustainability: Thai credit 's Board of Directors places importance on the establishment of clear and appropriate objectives and main goals for its business operations, which form the foundation for designing a business model that creates value and benefits for the organisation; customers; partners; employees; shareholders; interested parties; and society generally.
2. Thai credit's Board of Directors is in charge of establishing or approving an effective risk oversight framework which provides for risk appetite and comprehensive risk management policy and process, as well as ensuring that Thai credit has a risk management system and process that can help identify overall risks, covering all material risks (Comprehensive Risk Management Policy and Process) and that Thai credit has a corporate culture that takes risks into account.
3. The effective remuneration structure is established for Thai credit to have a remuneration structure that reflects the objectives and risks of each department, taking into consideration Thai credit's long-term stability, the maintenance of quality personnel, and encouraging honest and efficient performance.
4. A whistleblowing policy and procedure is established for Thai credit to have the internal monitoring and reporting of any acts that may violate any laws; policies; regulations; internal processes; or the Business Code of Conduct. The whistleblowing policy and procedure will safeguard the fair treatment of involved parties and will broadly encourage the reporting and effective resolution of issues surrounding corruption or any acts that violate laws or organisation regulations.
5. An Internal Control Policy and Internal Audit Policy is established to ensure that any potential damage and errors will be monitored and acted upon in a timely manner.
6. Information regarding the governance of Thai credit is disclosed so that interested parties can obtain sufficient and appropriate material information to support their decision to invest or enter into transactions with Thai

credit. This will add a layer of surveillance to Thai credit 's operations and ensure that operations are transparent and fair.

7. To maintain both financial credibility and the credibility of information disclosed, financial reports and material information disclosed must be accurate; sufficient; timely; and in compliance with relevant rules and regulations, standards, and practices.
8. Engagement from, and communication with, shareholders are encouraged to ensure that shareholders are treated fairly, and that they can fully exercise the fundamental rights of shareholders.
9. The promotion of innovation and responsible business operations by encouraging operations that will add value to Thai credit based on ever-changing circumstances. These operations may include the design of a business model; a way of thinking and perspective on designing and developing products and services; analysis; improvement of manufacturing processes; services; work procedures; and cooperation with partners.

Please find information and details regarding Thai credit 's Good Corporate Governance Policy in Appendix

5

6.1.1 Policies and practices regarding the Board of Directors

6.1.1.1 Nomination and remuneration for Thai credit 's Directors and members of subcommittees

Thai credit 's Board of Directors will ensure that individuals with knowledge, skills, experiences, and qualifications required to drive the organisation to achieve its goals will be nominated as the Chief Executive Officer, persons with managerial power, and heads of key departments, who have the following duties and responsibilities.

Duties and responsibilities regarding nomination

1. Establishing policies, principles, and procedures for the nomination of Directors and persons with managerial power for consideration and approval by Thai credit 's Board of Directors and for submission of such policies to the Bank of Thailand upon request.
2. Selecting and nominating persons with appropriate qualifications for proposing to Thai credit 's Board of Directors' consideration and appointment of the following positions:
 - 2.1. Directors;
 - 2.2. members of subcommittees who will be directly authorised, and to whom duties and responsibilities will be directly assigned by Thai credit 's Board of Directors;
 - 2.3. persons with managerial power; and
 - 2.4. Thai credit's advisors.

3. Ensuring that Thai credit 's Board of Directors is of a suitable size, has suitable components for the organisation and is adjusted in line with the changing environment. The Remuneration Committee must ensure that there is a mechanism or tool in place to support processes for selecting and nominating persons to serve as Directors, to ensure that Thai credit 's Board of Directors consists of persons with behaviours, skills, and experiences in various areas that will be beneficial for long-term operations and suitable for Thai credit 's direction and strategies. For example, a skill matrix may be established to indicate knowledge and skills necessary for Thai credit 's Board of Directors in each area.
4. Ensuring that the policy and details of the process for nominating Directors and persons with managerial power are disclosed in Thai credit 's annual registration statement/annual report (Form 56-1 One Report).

Duties and responsibilities regarding remuneration

1. Establishing a remuneration policy and other benefit programs, including the amount of remuneration and other benefits that will be provided to Directors and persons with managerial power that reflect the objectives, duties and responsibilities, and relevant risks of the role. To do so, clear and transparent principles must be prepared and proposed to Thai credit's Board of Directors for consideration and approval, for submission of such policies to the Bank of Thailand upon request.
2. Ensuring that remuneration for Directors and persons with managerial power is suitable for their duties and responsibilities. Directors to whom more duties and responsibilities are assigned should be given remuneration that reflects their assigned duties and responsibilities.
3. Establishing guidelines on the evaluation of the performance of Directors and persons with managerial power for the consideration to adjust the annual remuneration, taking into consideration their duties, responsibilities and relevant risks. Thai credit also places importance on increasing the value of shareholders' equity in the long term during the evaluation process.
4. Disclosing the remuneration policy and amount of remuneration provided in various forms; and preparing remuneration reports, at least including the details of factors taken into the evaluation of overall operating results; goals and operations; opinions of the Remuneration Committee; and methods and tools used for remuneration payment in order to reflect any risks (If any) to Thai credit 's annual registration statement/annual report (Form 56-1 One Report).

The Nomination and Remuneration Committee has established guidelines on the nomination of Directors and Executives, and the determination of their remuneration, as shown in Appendix 5

6.1.1.2 Development of Directors

The Bank provides orientation or information to newly appointed directors to ensure that each Director has knowledge and understanding about their roles, and the nature of businesses; objectives; main goals; visions;

commitments; and laws relevant to Thai credit's business operations; and support for all Directors to enhance their skills and knowledge to aid the performance of their directorship duties on a regular basis. The details of the continuous training and development of knowledge of Thai credit's Board of Directors.

In addition, in order to develop the knowledge and ability to perform duties, the Bank has a policy to encourage directors to attend training or participate in courses related to the performance of their duties as directors or seminars that continuously increase, knowledge in performance, according to the plan and budget that has been set

Information on directors' training and knowledge development in 2023

Name of Directors	Training Course
1. Miss Ada Ingawanij	<ul style="list-style-type: none"> Thai Institute of Directors (IOD) Advance Audit Committee Program (AACP) Class of 47/2566 Cyber Resilience Leadership : Mission for Embracing the Future of AI & Cybersecurity, SEC
2. Mr. Supachai Sukhanindr	<ul style="list-style-type: none"> Block chain Technologies: Business Innovation and Application, MIT Sloan School of Management Crypto Currency: MIT Media Labs Certified Block chain & Finance Professional / Certified NFT Expert / Certified Metaverse Expert: Block chain Council Cyber Armor Capital Market Board Awareness:, SEC
3. Mr. Winyou Chaiyawan	<ul style="list-style-type: none"> Cyber Resilience Leadership: Mission for Embracing the Future of AI & Cybersecurity, SEC

6.1.1.3 Evaluation of the Board of Directors' performance of duties and Sub-Committee

The Board of Directors arranges for an evaluation of the performance of the Board of Directors and sub-committees at least once a year. The Corporate Secretary and the meeting secretary of each Sub-Committee will submit the evaluation form and compile the evaluation results to present to the Board of directors for using the evaluation results and recommendations to develop and improve on their performance to be more efficient in order to achieve the provided objectives.

For the year 2023, the Bank has organized an evaluation of the performance of the Board of Directors and sub-committees which is conducted in 2 ways: the overall performance assessment of the Board and Subcommittee and the performance assessment of an individual director. The details are as follows:

- The overall performance assessment of the Board of Directors and Subcommittees, covering composition and qualifications of directors, board of directors and sub-committees meetings, roles, duties and responsibilities of directors, relationships with Bank's management, self-development of directors and executive development, corporate sustainability management and environmental, social and governance responsibility.

- The performance assessment of an individual director evaluating their own performance, covering the duties and responsibilities and obligation, skills and participation on the board of directors and subcommittees

The both types of assessment There is a score level from 1 to 4 from should be improved or action taken in that matter is fair to very good or action taken in that matter is very good. From the summary of the results of the 2023 performance evaluation, it was found that the performance results The average performance of the Board of Directors and subcommittees, as well as individual directors, is in line with expected targets.

6.1.2 Policies and practices regarding shareholders and interested parties

6.1.2.1 Rights of shareholders

Thai credit's Board of Directors places importance on its shareholders and ensuring that its shareholders are treated equally, and can fully exercise their fundamental rights as shareholders, including: (1) the right to buy, sell, or transfer their shares; (2) the right to participate in Thai credit's profit sharing; (3) the right to receive sufficient, relevant information and news on Thai credit's website and/or the SET website, or via other channels; (4) the right to attend meetings to independently cast their votes at the shareholders meeting for appointment or removal of a Director; consideration of Directors' remuneration; appointment of an auditor; dividend distributions; capital increase and issuance of new shares, as well as the right to raise questions to Thai credit's Board of Directors about Thai credit's Board of Directors' reports, and other matters proposed to shareholders meetings for consideration and approval; and (5) the right to propose agenda items in advance, and to nominate a person to be elected as a Director of Thai credit. Thai credit's shareholders participate in all material matters of Thai credit. All of Thai credit's shareholders have the right to cast the number of votes equal to the number of shares they hold, at one vote per share. Thai credit's Board of Directors realises and values the rights of its shareholders and will refrain from any action that will infringe upon or deprive shareholders of their rights.

(Please find information about Thai credit 's encouragement of shareholder inclusion, and communication with shareholders, in article 8 of the full version of the Good Corporate Governance Policy, as provided in Appendix 5).

6.1.2.2 Maintenance of financial creditability and disclosure of information

To ensure conformity with good corporate governance principles, Thai credit's Board of Directors will monitor and supervise the management of financial credibility and disclosure of information as provided in Thai credit's policies, which can be summarised below.

1. Thai credit's Board of Directors is responsible for ensuring that the financial reporting system and disclosure of material information are accurate, sufficient, timely, and in compliance with relevant regulations, standards, and practices.
2. Thai credit's Board of Directors will monitor the entities in the financial business group to ensure their sufficient financial liquidity and debt payment capacity. If an entity faces, or is likely to face financial turmoil, the Board

of Directors will ensure that the entity has plans to rectify issues or another mechanism in place to solve the financial issue, while taking into consideration the rights of interested parties and reasonability.

3. Thai credit's Board of Directors has a policy to prepare a sustainable development report, as they consider appropriate, and take into consideration the appropriateness of the disclosure of legal compliance information; the Anti-Corruption Policy; and treatment of employees and interested parties, including fair treatment; respect for human rights; and social and environmental responsibility. This information may be disclosed in Thai credit's annual registration statement/annual report (Form 56-1 One Report), or prepared as a separate report, as Thai credit considers appropriate.
4. Thai credit's Board of Directors will ensure that the management has established an investor relations division in charge of the suitable, equal, and timely communication and publication of information and news that are beneficial for shareholders, investors, analysts, and interested parties; and an information disclosure policy to manage the disclosure of confidential information and information that will have an effect on the price of Thai credit's securities. This information disclosure policy will constitute practices for all personnel to ensure unified understanding.
5. Thai credit's Board of Directors encourages the use of technology in information dissemination. Apart from dissemination in accordance with the specified principles and via the SET channels, Thai credit's Board of Directors will ensure that its information will be disclosed in Thai and English via other channels, such as Thai credit's website, and the current information will be presented.

(Please find information about Thai credit's maintenance of financial credibility and disclosure of information in article 7 of the full version of the Good Corporate Governance Policy, as provided in Appendix 5)

6.1.2.3 Promotion of innovation and responsible business conduct

To ensure conformity with good corporate governance principles, Thai credit's Board of Directors will monitor and supervise the management of the promotion of innovation and responsible business conduct, as provided in Thai credit's policies, which can be summarised below.

1. Thai credit's Board of Directors places importance on, and supports, innovation that adds value to the business and benefits for all relevant interested parties; and that fulfil social and environment responsibilities by encouraging an operations that will add value to Thai credit based on ever-changing circumstances. These operations may include the design of a business model; a way of thinking and perspective on designing and developing products and services; analysis; improvement of manufacturing processes; services; work procedures; and cooperation with partners.
2. Thai credit's Board of Directors will monitor business operations of management, and ensure their social and environment responsibility, which will be reflected in its business plan to ensure that all Thai credit units comply with the objectives and strategic plans of the business, with the roles of interested parties taken into

consideration. A mechanism will be established to ensure ethical business operations, safeguarding social and environmental responsibility, and with no infringement upon the rights of any interested parties. This mechanism will constitute guidelines for all sectors in the organisation in order to achieve the objectives and main goals of the business sustainably, and sufficiently disclose relevant, reliable material and necessary information to interested parties in a timely manner.

3. Thai credit's Board of Directors will ensure the effective and efficient allocation and management of resources by management, taking into consideration effects and the development of resources throughout the value chain in order to achieve the objectives and main goals sustainably.
4. Thai credit's Board of Directors will establish the management framework and management of enterprise information technology that suits the needs of the business; and ensure that information technology will be used to enhance business opportunities and improve business performance and risk management, and to drive the business to achieve the objectives and main goals of the organisation.

(Please find information about Thai credit's promotion of innovation and responsible business conduct in article 9 of the full version of the Good Corporate Governance Policy, as provided in Appendix 5)

6.1.2.4 Prevention of the exploitation of inside information

Thai credit is committed to legal business operations, and adheres to good corporate governance principles, which place importance on the supervision on the use of Thai credit 's inside information. Particularly in Thai credit's operations, there may be a situation when a Director, Executive, or employee must consider and acknowledge any inside information that may have an effect on the price of, or a decision to invest in Thai credit's securities, and that information cannot yet be disclosed to the public. Therefore, the use of inside information is an important issue that needs appropriate management in order to prevent any illegal disclosure and misuse, which not only would result in the committal of an illegal act, but would also negatively affect Thai credit 's reputation. Therefore, Thai credit has established the Inside Information Exploitation Prevention Policy to ensure clear understanding, communication, and guidelines on the prevention of inside information exploitation for Thai credit 's personnel.

Furthermore, Thai credit has established the Inside Information Exploitation Prevention Policy in relation to measures prohibiting securities trading by establishing that directors and executives, including persons holding management positions in accounting or finance who are Thai credit's department managers or equivalent, employees in departments relating to inside information, including spouses or those cohabiting as husband and wife and children who are not yet of legal age of such persons who are aware of material inside information that affects change of price and value of securities must refrain from trading Thai credit's securities for 30 days before the publication of Thai credit's quarterly and annual financial statements or the publication of information about Thai credit 's financial condition and status and within 24 hours of Thai credit's disclosure of information in relation to the aforementioned financial statement (Blackout Period). Thai credit will inform Thai credit's Board of Directors

and executives, including persons holding management positions in accounting or finance who are Thai credit's department managers or equivalent and Thai credit's auditors to prohibit securities trading of Thai credit in written evidence for at least 30 days prior to disclosing information to the public and directors and executives, including persons holding management positions in accounting or finance who are Thai credit's department managers or equivalent who are aware of material inside information that affects change of price and value of securities must not trade securities until a 24-hour period has elapsed after the information has been disclosed to the public, including prohibiting the disclosure of such material information to other persons.

Moreover, directors, executives and employees of Thai credit have duties to comply with charters and code of conduct of Thai credit and guidelines for using inside information of Securities and Exchange Act, including other regulations strictly.

(Please find the full version of the Inside Information Exploitation Prevention Policy in Appendix 5)

6.1.2.5 Prevention of conflicts of interest

To ensure conformity with good corporate governance principles, Thai credit's Board of Directors will monitor and supervise the management of the prevention of conflicts of interest, as provided in Thai credit's policies. Thai credit's Directors, Executives, and employees must try to refrain from any acts that may result in a conflict of interest, and must comply with the following regulations and considerations, as summarised below.

1. They must disclose and provide information about their interest, and the interest of their related persons to Thai credit's secretary, who will then pass on this information to the chairman of Thai credit's Board of Directors; the chairman of the Audit Committee; and the chairman of the Risk Oversight Committee, within seven business days after the date of its receipt, to ensure that any potential relationship and transactions with Thai credit and its subsidiary that may result in a conflict of interest will be acknowledged before they are initiated. Thai credit will conduct a survey on a list of interested parties and interested transactions on Directors, Executives, and/or related persons, including employees involved at the end of every year, and reports the survey results to the Audit Committee and Thai credit's Board of Directors at least once a year.
2. They must avoid any transaction that is related to, or connected with, themselves and/or their related persons, and that may result in a conflict of interest with Thai credit or its subsidiary; refrain from any acts that will result in a conflict of the interest of Thai credit or its subsidiary, or any self-seeking act or an act for the concerns of their related persons; and must strictly comply with Thai credit's Code of Conduct.
3. Any of the following acts, which generate financial rewards for Thai credit's Directors, Executives, and/or related persons, other than rewards they normally receive, or which cause damages to Thai credit or its subsidiary will be assumed to be an acts that result in a material conflict against the interest of Thai credit or a subsidiary.

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- 3.1 Any transaction between Thai credit or its subsidiary and a Director, Executive, or a related person, that fails to comply with any provision on related party transaction or connected transactions under relevant laws, notifications and Thai credit's policy on connected transactions.
 - 3.2 The use of information of Thai credit or its subsidiary that the recipient knows of, except for information already disclosed to the public.
 - 3.3 The use of an asset or business opportunity of Thai credit or its subsidiary that violates any relevant laws or notifications.
 4. For a usual related parties transaction or connected transaction under general transaction containing a commercial agreement subject to general trade conditions where a reasonable person would enter into with a general party in the same situation, with trade bargaining power, without an influence of himself or herself as a Director, Executive, or a related person (as the case may be), and as approved in principle by Thai credit's Board of Directors, Thai credit must prepare a summarised report for the Audit Committee and Thai credit's Board of Directors to acknowledge and issue an opinion in every quarter in which the transaction is performed.
 5. For other transactions that are a connected transaction which are not normal transactions, the Audit Committee must consider and issue an opinion regarding the necessity to enter into transactions and suitability of the price of transactions and must comply with provisions relating to connected transactions under relevant laws, notification, and Thai credit's policy on connected transactions.
 6. They must ensure that Thai credit and its subsidiary have an internal control system, risk management system, and anti-corruption system that are proper, efficient, and sufficiently prudent to ensure that any action by Thai credit and its subsidiary will comply with Thai credit's policies, articles of association, including relevant laws and notifications.
 7. Thai credit's Board of Directors must ensure that Thai credit and its subsidiary comply with relevant laws and notifications and disclose information as required under relevant laws and notifications.
 8. A clear work system must be established to prove that the subsidiary has sufficient work systems regarding the continuous and reliable disclosure of material transactions under the specified regulations, and to allow Thai credit's Directors and Executives to obtain information of its subsidiary, so they can efficiently monitor and supervise the operations and financial position of the subsidiary; transactions between a subsidiary and Thai credit's Directors and Executives; and material transactions of Thai credit's subsidiary. Thai credit must also have a mechanism in place to examine these work systems of the subsidiary by allowing the Audit Committee and Thai credit's internal auditors to have direct access to their information, and report audited results of these work systems to Thai credit's Directors and Executives; Audit Committee members; and Risk Oversight Committee members to ensure that the subsidiary complies with the established work systems regularly.
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9. They must avoid any shareholding, or becoming a director, executive, or advisor in a similar business to any businesses of Thai credit or its subsidiary, or forming part of a business which is a trade competitor of Thai credit or its subsidiary. However, they may hold shares or be a director, executive, or advisor in another organisation if the shareholding or holding of such position will cause no conflicts against Thai credit's interest, which does not affect their performance of duties in Thai credit or its subsidiary, and will comply with relevant laws and notifications.

6.1.2.6 Anti-Corruption Policy

Thai credit employs an efficient process to ensure compliance with laws and regulations combatting corruption and bribery, including the US Foreign Corrupt Practices Act ("FCPA") (collectively referred to as "Anti-Corruption and Bribery Regulations"). The purpose of this policy is to prevent corruption in all types of transactions of Thai credit. This policy applies to all directors, executives, managers, and employees of Thai credit, its subsidiaries or Thai credit's branches worldwide (collectively referred to as "Thai credit"), regardless of their employment status (full-time, part-time, or temporary) (collectively referred to as "employees"). Employees have the responsibility of familiarizing themselves with and implementing the provisions of this policy in their roles. This policy extends to every agent and representative, including shareholders or any individuals acting on behalf of Thai credit. Thai credit's Anti-Corruption Policy was reviewed and approved at Thai credit's Board of Directors Meeting No. 10/2023 on 30 August 2023, as summarised below.

(1) Anti-Corruption Policy

Thai credit has no policy to provide any political assistance, in cash or in kind, to support politics directly or indirectly for any political party; officers of a political party; election candidates; or any politics-related organisation or person.

(2) Punishment

All Directors, Executives, and employees must strictly comply with the Anti-Corruption Policy. Any violation of, or non-compliance with this Anti-Corruption Policy constitutes a disciplinary violation of Thai credit's provisions and has committed an offence based on regulations, policies, rules, orders, notifications, laws, principles, or other relevant provisions which would potentially cause a civil or criminal offence. In addition to any civil or criminal offences specified by competent regulators, Thai credit may specify an additional disciplinary action at the severity level consistent with the severity of the violation of relevant policy. Thai credit's disciplinary actions may include warnings, additional training on the compliance with Anti-Corruption Policy, and termination of employment.

(Please find the full version of the Conflict of Interest Policy in Appendix 5)

6.1.2.7 Environment, Social & Employee, and Governance Policy for Sustainable Banking

Thai credit is determined to operate a sustainable banking business with responsibility, and to foster sustainability in three dimensions: the environment, social and employee, and governance (ESG), which are conveyed through Thai credit's operations, and all of its employees. With a focus on long-term sustainable business and social growth, Thai credit operates

its business with responsibility for the environment, social, and employee, under the principles of good corporate governance for a sustainable banking business.

Thai credit is of the opinion that an ESG policy should be established to support its sustainable banking business. The drive for sustainability will focus on the following three dimensions.

1.1 Environment

Thai credit, through its Executive Committee, executives, and employees at all levels, is determined to drive long-term sustainable growth of the business and social. It intends to operate a business that is environmentally responsible in various ways. For example, it creates awareness of environmental preservation and the efficient use of resources among employees, and has joined forces with societies, communities, and its customers in performing activities that help create awareness of environmental preservation. Furthermore, it has implemented a risk policy, a lending policy and a loan approval process for businesses with awareness of environmental impacts, so as to mitigate environmental risks that may arise from granting loans, and to prevent impacts on its reputation. In addition, it seeks to lend responsibly to finance eco-friendly projects that cause no adverse impact on communities, so as to expand its business opportunities to new customer groups and products.

1.2 Social and Employee

Thai credit is committed to promoting knowledge and understanding of financial management used in the business operations and everyday life activities among its customers and the general public, and to allowing all groups of people to access a secure, and equitable financial system through its implementation of responsible lending. Thai credit is committed to encouraging all employees to be aware of their role to promote and maintain Thai credit's reputation and honour, by maintaining the highest professional standards and behaving according to the scope of morality and ethics, including fair and customer protection, and the sufficient disclosure of information by applying market conduct rules to govern Thai credit's business operations. Top executives of relevant units and functions will communicate with their teams to ensure that they acknowledge and are aware of Thai credit's seriousness to providing fair services and reflect its commitment to providing fair services, including delegating unit managers to supervise and control the performance of all relevant employees in relation to the market conduct, to ensure that their performance meets the scope of work established by Thai credit.

1.3 Governance

Thai credit is determined to operate the business under the good corporate governance policy, ethics, code of conduct, prescribed and enforced by Thai credit, covering the roles and duties of the board of directors, senior executives, and employees at all levels which are mechanism to promote work operation and an internal control with efficiency and capable of dealing with risks promptly. The promotion of behavior and corporate culture taking into account risk, fairness, and transparency will enable Thai credit to manage risks and recognize stakeholders thoroughly, creating long-term value for the organization suitably, and drive sustainable socioeconomic growth. Thai

credit also applies international standard operating procedures such as the framework under the standard of Thailand Quality Award for further development of Thai credit

(Please find the full version of Environment, Social & Employee, and Governance Policy for Sustainable Banking in Appendix 5)

6.2 Business Code of Conduct

In Thai credit's operations, Thai credit adheres to the good corporate governance practices of the Bank of Thailand, and the good corporate governance principles of the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. Thai credit has therefore established its Code of Conduct to constitute a business operation framework for its Directors, Executives, employees, and all parties involved to acknowledge; and to perform their duties with adherence to honesty, morality, ethics, and Thai credit's reputation, and conduct oneself in a manner that is appropriate for professional business conduct; and take responsibility and have consideration for any effects on the overall economy, society, and environment. Thai credit's Code of Conduct includes the code of conduct towards Thai credit itself; the code of conduct towards customers and society; the code of conduct towards supervisors, subordinates, and colleagues; the code of conduct towards themselves; the code of conduct for Thai credit's Directors; and the code of conduct for Thai credit's Executives.

(Please find the full Business Code of Conduct in Appendix 5)

6.3 Material changes and development of policies, practices, and the corporate governance system

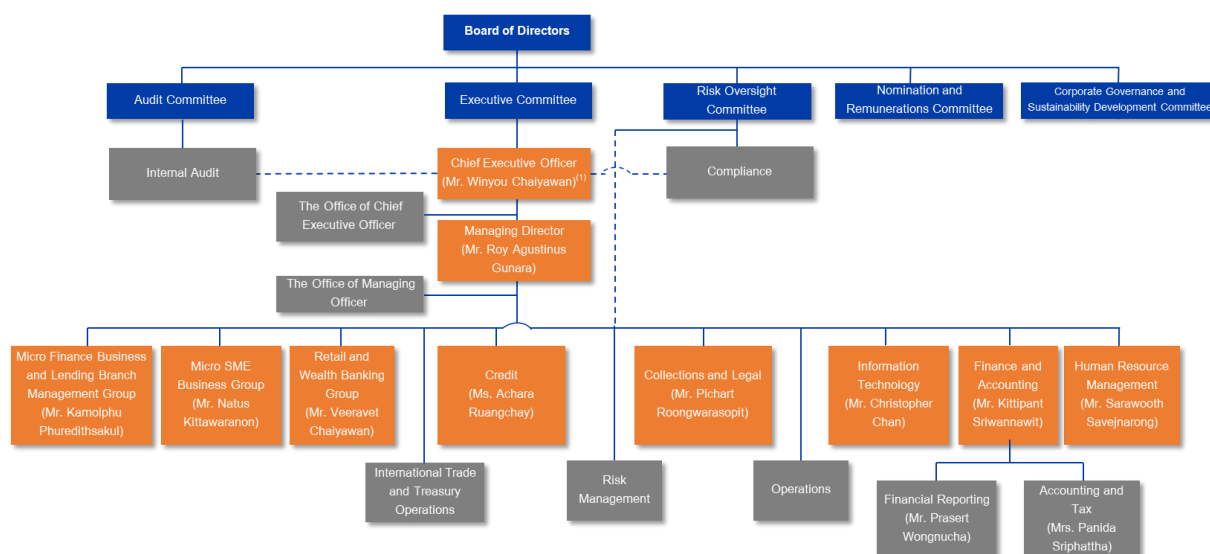
In 2023, the Bank reviewed corporate governance policy, practical guidelines and systems for enhanced efficiency, and an upgrade in corporate governance standards in line with Corporate Governance Code for Listed Companies of the Office of the Securities and Exchange Commission and best practices. Important actions were taken, as follows

- By resolution no. 2/2023 of February 22, 2023, the Board of Directors of the Bank approved the creation of the Corporate Governance and Sustainable Development Committee, including approving a charter to define the scope of the powers, duties and responsibilities of the Corporate Governance and Sustainable Development Committee.
- Improve anti-money laundering and combating the financing of terrorism (AML/CFT) policies to be consistent with relevant criteria. Include operations after becoming a commercial bank, e.g. deletion of the basic offense of tax evasion or tax fraud, as it was repealed after review by the Constitutional Court, reducing the number of basic offenses from 29 to 28, and increasing penalties and sanctions related to international money transfers and financial transactions in international trade, etc.
- Improve the anti-corruption policy to ensure compliance with relevant criteria, such as adding gifts, donations, or monetary support will require checking the names of individuals or that juristic person whether they are involved or not in order to avoid conflicts of interest.

7. Structure of Corporate Governance and Important Information regarding the Board of Directors, Sub-committees, Executives, Employees, and Others

7.1 Structure of corporate governance

As of 31 December 2023, the Bank's corporate governance structure consists of the Board of Directors and 5 sub-committees, which are: (1) the Audit Committee; (2) the Nomination and Remuneration Committee; (3) the Risk Oversight Committee; (4) the Executive Committee; and (5) the Corporate Governance and Sustainability Development Committee, as further detailed below.



Remark: ■ refers to Executives as defined in the Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 re: Determination of Definitions in Notifications Relating to the Issuance and Offer for Sale of Securities (and its amendments).

Mr. Winyou Chaiyawan ("**Mr. Winyou**") holds the position of Chief Executive Officer ("**CEO**") of the Bank and serves as an executive in the capacity of the Deputy Chief Executive Officer, Partnership Group of Thai Life Insurance Public Company Limited ("**TLI**"), both of which were found not to be in violation of labor laws. In his capacity as the CEO of the Bank, Mr. Winyou has managed and overseen the operations properly and effectively, and the Bank has shown significant growth and strong operation results and financial position over the past 10 years (since 2012 when Mr. Winyou assumed the position of CEO of the Bank). Additionally, Mr. Winyou has procured a professional management team, including Mr. Roy Agustinus Gunara ("**Mr. Roy**"), who currently holds the positions of director, member of the Risk Oversight Committee, and Managing Director ("**MD**") and is contributing to the Bank's strategic direction. As a result, on 17 August 2023, Thai credit obtained the approval for the upgrade from a retail bank to a full commercial bank, and on 1 September 2023, Thai credit commenced its operation under the name "Thai Credit Bank Public Company Limited". The results of business operations can be measured by the key performance indicators (KPIs) and the continuous growth in the Bank's results of operation. Based on the KPIs data, the Bank's results of operation, and the consideration of the Nomination and Remuneration Committee ("**NRC**"), which considered various factors including (1) length of service, (2) work experience, and (3) performance as measured by KPIs from 2019 to 2022, which includes credit growth, cost

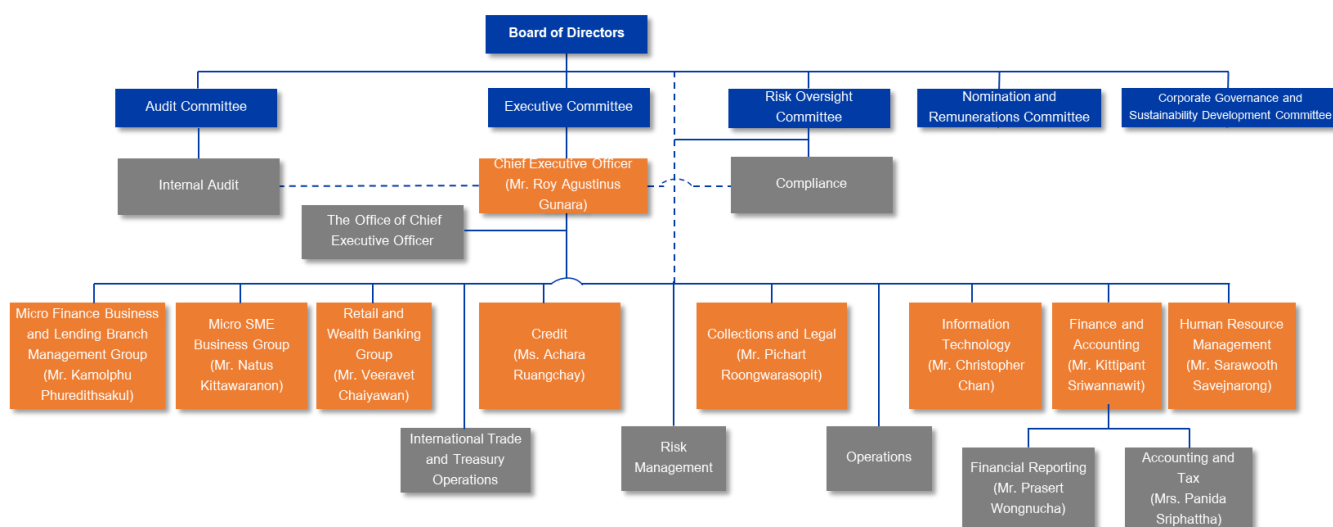
management, loan quality, provisioning, employment of digital technology in the business operation (Digital Transformation), and new business development, Mr. Winyou has been able to efficiently manage the Bank's operations. The NRC meeting No. 3/2023 and the Bank's Board of Directors meeting No. 4/2023, held on 22 March 2023, opined on the performance of duties of Khun Winyou as an executive of the Bank while performing duties in other organisations and resolved to opine that he was able to perform duties at the Bank appropriately, effectively and responsibly.

In addition, with respect to the potential conflicts of interest, such as motivation to support the sale of TLI's products, it was found that life and non-life insurance products are merely supplementary products of the Bank. Furthermore, the revenue from insurance sales accounts for a relatively low proportion, approximately six percent of total revenue in 2020 to 2022 and the second quarter of 2023. The Bank puts in place a mechanism for selecting insurance products through the consideration and approval by the Risk Management Committee ("RMC"), which considers various factors including (1) product details and responsiveness to customer needs, (2) the operational processes and complexity of the Bank's insurance sales team, and (3) the compensation received by the Bank. Moreover, after the management approves the entering into transactions, the transactions must be reported to the Audit Committee ("AC") every quarter for verification of the appropriateness of the transactions and ensuring compliance with the regulations related to the related party transactions. Details of transactions must also be disclosed in the Form 56-1 One report of the Bank. Furthermore, member of the management with conflict of interests in related party transactions are required to abstain from meetings on the agenda related to such matters and do not have voting rights in the meeting.

Mr. Winyou plans to resign from the Chief Executive Officer position, which he will be holding until March 2024, in order to transfer the position to Mr. Roy, who is currently holding the position of Managing Director. After Mr. Winyou's resignation, Mr. Roy will become the Chief Executive Officer of the Bank. Accordingly, the Bank will adjust its organisational structure by maintaining only the Chief Executive Officer position whilst removing the Managing Director position. Subsequently, Mr. Winyou will still hold the positions of Director, Chairman of the Executive Committee, member of the Risk Oversight Committee, and member of the Corporate Governance and Sustainability Development Committee. On 21 April 2023, the Bank's Board of Directors Meeting No. 5/2023 considered and approved the plan for the change in organisational structure after Mr. Winyou's departure, including a new organisational structure; a new delegation of authority; new charters of the Board of Directors, the Executive Committee, the Audit Committee, and the internal audit unit; and a new scope of authority, duties, and responsibilities for the Chief Executive Officer. The meeting also approved the repeal of the scope of authority, duties, and responsibilities of the Managing Director, and approved in principle the amendments to the relevant policies in accordance with the new organisational structure to be implemented following Mr. Winyou's resignation. These changes to the corporate governance structure will only come into effect upon Mr. Winyou's resignation from the Chief Executive Officer position. The new Chief Executive Officer will have approval authority equivalent to the current approval authority of the Chief Executive Officer and the Managing Director. Transactions with a value exceeding the approval authority of the new Chief Executive Officer, or transactions that the current Chief Executive Officer has joint approval authority with the Managing Director, will be proposed to the Executive

Committee and/or the relevant working group (as the case may be) for consideration and approval. This supervisory mechanism ensures that the Bank has checks and balances on the power of the Executives.

Following the resignation of Mr. Winyou from the Chief Executive Officer position in March 2024, the Bank's corporate governance structure will be as follows:



Remark: refers to Executives as defined in the Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 re: Determination of Definitions in Notifications Relating to the Issuance and Offer for Sale of Securities (and its amendments).

7.2 Information regarding the Board of Directors

7.2.1 Composition of the Board of Directors\

The Bank's Board of Directors consists of independent directors, Non-executive director and directors who are executives, not less than 5 people but not more than 11 people, and independent directors not less than 1/3 of the total number of directors

Furthermore, the Bank's Board of Directors is composed of people with expertise, experience, and a range of skills relevant to the scale, intricacy, character of the enterprise, hazards, including long-term sustainable business operations and strategy, as well as independent directors with knowledge or at least one director has knowledge or experience in information technology, and at least one person has experience reviewing the accuracy of financial accounts.

The Chairman and Chief Executive Officer of the Bank are two different people with clearly distinct roles in order for the duties of the committee to be performed with a proper balance of power, be verifiable, and adhere to the principles of good corporate governance.

As of 31 December 2023, the Board of Directors consists of 9 Directors, comprising 4 independent directors, 2 Executive Directors and 3 non-Executive Directors. Independent directors make up not less than one-third of the total number of Directors and the Directors have qualifications in accordance with applicable laws.

7.2.1.1 Information regarding the Board of Directors

As of 31 December 2023, the Board of Directors consists of the following 9 Directors.

Name	Position
1. Prof. Kitipong Uraepatanapong ⁽¹⁾	Independent director, Chairman of the Board of Directors, and Chairman of the Corporate Governance and Sustainability Development Committee
2. Mr. Chamnong Watanagase	Independent director, and Chairman of the Audit Committee
3. Ms. Ada Ingawanij ^{(2), (3)}	Independent director, and member of the Audit Committee, and member of the Corporate Governance and Sustainability Development Committee
4. Mr. Supachai Sukhanindr ^{(4), (5)}	Independent director, Chairman of the Nomination and Remuneration Committee, member of the Risk Oversight Committee, and member of the Audit Committee
5. Mr. Stephen Tirador Briones ⁽⁵⁾	Director, member of the Nomination and Remuneration Committee, and Chairman of the Risk Oversight Committee
6. Ms. Krisana Aramkulchai	Director
7. Mr. Gaurav Malik	Director, member of the Nomination and Remuneration Committee, and member of the Risk Oversight Committee
8. Mr. Winyou Chaiyawan ⁽⁷⁾	Director, member of the Risk Oversight Committee, member of the Corporate Governance and Sustainability Development Committee, and Chief Executive Officer
9. Mr. Roy Agustinus Gunara ⁽⁷⁾	Director, member of the Risk Oversight Committee, and Managing Director

Remarks:

- (1) Prof. Kitipong Uraepatanapong ("Prof. Kitipong") was appointed as the Bank's Chairman of the Board of Directors and as an independent director pursuant to the Board of Directors Meeting No. 6/2021, held on 30 June 2021, which passed a resolution to approve his qualifications as an independent director, under the agenda regarding the consideration for the election of one new Director.

Prof. Kitipong was formerly the chairman of the board of directors, director, and shareholder of Baker & McKenzie Ltd. ("BM"), a provider of professional legal consulting services. As it was deemed that Prof. Kitipong had control over BM and had received service fees of more than THB 2 million per year from the Bank, Prof. Kitipong retired from the aforesaid positions at BM on 30 June 2021. Currently, Prof. Kitipong acts as BM's advisor. As a result, the appointment of Prof. Kitipong as an independent director had to be considered by the Bank's Board of Directors, as prescribed under section 89/7 of the Securities and Exchange Act, to ensure that his relationship to the Bank, with regard to the provision of the professional services, will not affect the performance of his duties and the provision of independent opinions. The Bank was also required to disclose relevant information in the invitation letter for the shareholders meeting which was arranged to consider the agenda regarding the appointment of independent directors. The 2022 Annual General Meeting of Shareholders, held on 28 February 2022, considered the proposal of the Board of Directors Meeting No. 6/2021, held on 30 June 2021, which passed the resolution to

appoint Prof. Kitipong as the Bank's independent director. The meeting carefully considered his knowledge, ability, experience, and qualifications, as detailed above, in line with the principles of the performance of fiduciary duties with responsibility, due care, and loyalty, as prescribed under section 89/7 of the Securities and Exchange Act, and deemed that his relation to the Bank with regard to the provision of the professional services will not affect the performance of his duties and the provision of independent opinions in accordance with the relevant notifications of the Capital Market Supervisory Board, or his performance of his roles and duties as the Chairman of the Board of Directors. In addition, the Bank of Thailand considered the qualifications of Prof. Kitipong for holding the positions of the Bank's Chairman of the Board of Directors and independent director and approved his appointment, as detailed in the Bank of Thailand's letter dated 16 July 2021.

- (2) Was appointed by the Board of Directors Meeting No. 10/2022, on 27 October 2022.
- (3) Being an Audit Committee member who has knowledge and experience sufficient to review the credibility of the Bank's financial statements.
- (4) Mr. Supachai Sukhanindr ("**Mr. Supachai**") is an independent director of the Bank holding position from 2019. As the Bank has the duty to store all important documents as required by the BOT but due to its limitation of spaces, in 2005, the Bank has entered into a document storage service agreement with Sub Sri Thai Public Company Limited ("**SST**") to utilise their services in keeping important documents. SST is one of the major document storage service providers in Thailand in which Supachai holds shares in SST in the proportion of 10.5% of the voting shares of SST (based on information obtained from the Stock Exchange of Thailand's website as of 12 May 2023) and therefore considered as a significant shareholder pursuant to the definition in Clause 3 of Tor Jor. 39/2559 Notification. Per Tor Jor. 39/2559 Notification, an independent director of the Bank shall not be a significant shareholder of the person having a business relationship with the Bank in a way that obstructs his independent judgment. Such the business relationship shall include normal business transactions and transactions related to services which result in the Bank being subject to indebtedness payable to the other party in an amount starting from 3% of the net tangible assets of the Bank or from THB 20 million, whichever is lower.

Even though the indebtedness payable by the Bank to SST accounts for the amount less than 3% of the net tangible assets of the Bank and less than THB 20 million per annum, resulting in Mr. Supachai being qualified to be an independent director of the Bank according to Tor Jor. 39/2559 Notification, it was proposed to the Board of Directors Meeting No. 6/2023, held on 15 May 2023 for the acknowledgment of the facts regarding existing business relationship. The Board of Directors considered and provided opinions that Mr. Supachai has professional knowledge, experience and his performance of duties in the past that are beneficial to the Bank's business operation and was able to provide independent opinion in his capacity as an independent director. The Board of Directors considered that Mr. Supachai's holding of shares in SST does not affect the performance of his duties and does not obstruct his independent judgment in the capacity as independent director of the Bank in any way, whereby Mr. Supachai has the appropriateness and independence in holding the position of an independent director of the Bank for the continuing business relationship in the future. The Bank has already disclosed relevant information in the invitation letter for the Extraordinary General Meeting of Shareholders No. 3/2023 held on 1 June 2023.

- (5) Mr. Stephen Tirador Briones ("**Mr. Stephen**") has served as an independent director of the Bank since 1 October 2014 and as of 30 September 2023, he has been in the position for nine years in total. According to Clause 4.4.2 (3) of the Notification of the BOT No. FPG. 2/2023, independent directors can hold their positions in a particular financial institution for no more than nine consecutive years, including period during which they serve as independent directors of companies within that financial institution's business group. If an independent director who had held the position for nine years in any financial institution wishes to be re-appointed as an independent director, he/she must have been discharged from the position of director, manager, person with power of management, advisor, employee of such financial institution and companies within its financial business group at least two years before the submission of application for approval. Therefore, the Board of Directors meeting No. 11/2023, held on 27

September 2023, considered Mr. Stephen's contributions in his capacity as an independent director and opined that throughout his term, he utilized his knowledge and experience in fulfilling his duties as a Director and a member of sub-committees, as well as continually provided advice that was beneficial to the Bank's business operations in line with the Bank's strategy and business goals. The Board of Directors then approved the change in Mr. Stephen's directorial role from an independent director to a Director. Additionally, Mr. Stephen was designated to switch from the Chairman of the Nomination and Remuneration Committee to a member of the Nomination and Remuneration Committee. Furthermore, in order to fully satisfy the BOT's regulations on the composition and qualifications of the Board of Director and the sub-committees, Mr. Supachai was approved to assume the position as a member of the Audit Committee and switch from a member of the Nomination and Remuneration Committee to the Chairman of the Nomination and Remuneration Committee, effective from 1 October 2023 onwards.

- (6) Being Executive Directors.

Directors authorised to sign to bind the Bank

Two of the following three Directors can jointly sign with the Bank's seal affixed: (1) Mr. Winyou Chaiyawan; (2) Ms. Krisana Aramkulchai; and (3) Mr. Roy Agustinus Gunara.

7.2.2 Information regarding the roles and duties of the Board of Directors

7.2.2.1 Scope of authority, duties, and responsibilities of the Board of Directors

The Bank's Board of Directors is committed to fulfilling its duties in order to realise the Bank's important strategies and principles. This includes ensuring that the Bank has an effective and continuous mechanism to control, supervise, inspect and monitor the Bank's operations so that it can conduct its business in a fair and transparent manner and is accountable to all stakeholders in accordance with the principles of good corporate governance. The Committee's charter defines its tasks and responsibilities as follows

Overall supervision

1. Setting out Thai credit's operational policies and closely monitoring Thai credit's position and the results of its operations by overseeing relevant staff to regularly present important information regarding Thai credit's position and operations in all aspects to the Board of Directors meetings.
2. Determining Thai credit's overall strategic direction and goals and considering approval of Thai credit's vision, missions, and key policies and strategies by ensuring that Thai credit takes sustainable business operations into account.
3. Ensuring efficient and effective business management which is in line with applicable laws and Thai credit's policies, objectives, articles of association, resolutions of Board of Directors meetings, resolutions of shareholders meetings, and the delegation of authority; and monitoring the operations of Directors, senior Executives, and management to ensure compliance with laws and Thai credit's goals, key policies, and strategies.
4. Ensuring that those with management authority, senior Executives, and management have the ability to manage Thai credit's business and possess suitable qualifications and preparing a succession plan for senior Executives.

5. Considering, appointing and approving the charters of sub-committees, including the Audit Committee, Executive Committee, Risk Oversight Committee, and Nomination and Remuneration Committee, as well as any other sub-committees; approving changes in the composition of these sub-committees, including any changes that have a significant impact on the operations of existing sub-committees; and considering, appointing and removing members of sub-committees.
6. Determining the scope of delegation or the delegation of authority for Directors, sub-committees, and officers at different levels, including regarding internal control, loan approval processes, risk analysis, the creation of obligations, asset trading, and ensuring that transactions are conducted on an appropriate and careful basis to prevent damage to Thai credit, its stakeholders, and the public; and considering the approval of expenses for Thai credit's business operations.
7. Considering and approving Thai credit's business plans, financial reports, and dividend payments.

Compliance with applicable rules and regulations

1. Ensuring Thai credit's regulatory compliance, whereby the Managing Director supervises relevant business units to present any modifications and changes to applicable notifications and laws, including circular letters, to a Board of Directors meeting as soon as received from relevant supervisory authorities, and to regularly report all cases of violation of legal provisions or regulations to a Board of Directors meeting. If any violations have taken place the Directors must urgently find a solution to prevent any further such misconduct.
2. Supervising Thai credit and its subsidiary to maintain an accounting system, prepare financial reports, and audit financial statements in accordance with applicable rules and guidelines.
3. Overseeing Thai credit to analyse debtors' credit status and obligations and setting out guidelines for solving problems and for monitoring progress if any debtors encounter problems.
4. Following up on audit results, the BOT's orders, and reports of both external and internal auditors, and mandating relevant staff to strictly follow the orders or rectify failures.

Risk management

1. Setting out a risk governance framework so that Thai credit's business operates in line with the set direction and goals.
2. Formulating overall risk management policies and strategies, including policies for entering transactions or for launching new products and determining acceptable risk levels in accordance with Thai credit's risk profiles and business model. This will include taking the importance of Thai credit's system, capital adequacy, and liquidity position into account. These policies and strategies must be made in writing and communicated to relevant parties for their acknowledgment. Any changes in the policies and strategies must always be approved in advance by Thai credit's Board of Directors.
3. Arranging establishment of policies and processes regarding business operations in line with the approved overall risk management policy and strategies and acceptable risk levels.

4. Assigning and supervising senior Executives to determine risk limits in line with acceptable risk levels, regularly communicating these limits to relevant parties for their acknowledgment and understanding and managing risks in line with the specified acceptable risk levels and risk limits.
5. Assigning and supervising senior Executives to set out overall risk management policies, processes, and systems covering various types of risks in detail, as well as guidelines or procedures for identifying, evaluating, monitoring, controlling, and reporting risks. An efficient information system must also be established to facilitate management and reporting of Thai credit's significant risks, both existing and in the future, in line with Thai credit's strategies. At a minimum it must cover credit risks, marketing risks, operational risks, liquidity risks, and risks relating to reputation, strategies, and information technology, and must be in line with Thai credit's risk profiles by taking the importance of Thai credit's systems into account. The assessment of risks from market and macroeconomic conditions must also be included.
6. Approving an organisational structure that facilitates monitoring, supervision, control, and audit of operations in line with risk management policy, strategies, processes, and procedures. A chain of command or a chain of reporting must reflect a balance of power and a separation between risk-generating and risk management functions.
7. Encouraging the formation of risk-based corporate culture and the communication of risk management policy and strategies, including acceptable risk levels and risk limits, which may be outlined in a risk appetite statement ("**RAS**"), to create understanding and awareness of its importance among all employees.
8. Reviewing and auditing the sufficiency and efficacy of the overall risk management policy and strategies, and acceptable risk levels, at least once a year or when there are significant changes, such as changes in risk profiles, key strategies for business operations; the importance of Thai credit's systems; and market and macroeconomic conditions, to improve policies and strategies in accordance with the changing situation.
9. Monitoring risk status (including overall risks and different types of risks), the efficiency of risk management, the status of compliance with risk-based corporate culture, and significant risk factors and issues. Relevant sub-committees and senior Executives must submit reports to the Board of Directors regularly, and senior Executives must ensure that reporting is conducted in an accurate, complete, and timely manner, and can reflect Thai credit's risk profiles, capital adequacy, and liquidity.
10. Ensuring that Thai credit has stable and sufficient capital and liquidity for both current and future business operations in accordance with the BOT's requirements and rules.
11. Overseeing the management of information technology and the implementation of security measures for information technology systems.

Corporate governance

1. Supervising to ensure that Thai credit's corporate governance policy is clearly set out in writing in accordance with the principles of good corporate governance by taking all stakeholders into

account in an appropriate and fair manner without taking advantage of customers and the public in terms of loans, deposits, off-balance sheet items, or any other matters; and ensuring that Thai credit discloses important information regarding corporate governance in conformity with rules prescribed under applicable laws and regulations to encourage and demonstrate Thai credit's good corporate governance in accordance with the rules prescribed under applicable laws and regulations. The Board of Directors must also encourage communication to Directors and employees in all business units so that they are informed of and strictly adhere to the principles of good corporate governance, codes of conduct, business ethics, ethics and morality of Directors, Executives and employees anti-corruption policies, whistleblowing policies, policies on the use of internal information, and so forth.

2. Arranging the establishment of transparent procedures for nomination and election of Directors based on Thai credit's strategies for business operations, and the determination of suitable remuneration of Directors and members of sub-committees.
3. Considering the management structure and succession plan for senior Executives (including the Chief Executive Officer and the Managing Director), ensuring effective annual performance assessment of Thai credit's senior Executives, and establishing a prudent and transparent system for determining remuneration of senior Executives based on their responsibilities and performance to create both short-term and long-term incentives, comparable to the standard remuneration in the same industry. The Board of Directors may assign any relevant sub-committee to perform those tasks on its behalf.
4. Arranging the formulation of policy on the determination of appropriate remuneration and remuneration structure, the performance assessment of employees, and the monitoring of human resource management and development to ensure the appropriate number of employees, knowledge, skills, experience, and incentives.
5. Ensuring effective procedures and channels for receiving and handling complaints of whistleblowers or stakeholders in all sectors and for allowing all stakeholders to raise concerns or complaints.
6. Ensuring the availability of a process for submitting external auditors' reports and management opinions to the Board of Directors. Thai credit's management may need to explain delays to the Board of Directors if the report submission process is much delayed.
7. Ensuring a balance of power between the management and Major Shareholders and a balance of power in the Thai credit's Board of Directors at an appropriate level, by emphasising the proportion or number of independent directors in the Board of Directors and performing the duty of controlling the balance of power effectively.
8. Ensuring the availability of a process for submitting information to ensure that the Board of Directors receives sufficient information from the management to enable its complete performance of its duties, authorities and responsibilities.
9. Supervising Thai credit to manage the delivery of services to customers fairly in accordance with applicable notifications and regulations.

10. Arranging annual performance assessments of Thai credit's Board of Directors, including assessment of performance as a whole and self-assessment, and following up on the assessment results of the Board of Directors and sub-committees.

Internal control

1. Supervising Thai credit and its subsidiary to appropriately and efficiently carry out internal control and internal audit of the Bank's operations, to promptly reflect failures that may occur, and to maintain an organisational structure that facilitates independent and effective control, supervision, and inspection functions (the three lines of defence), so as to monitor operations in accordance with the set policies and procedures, the applicable laws, rules, and regulations, the BOT's orders, and Thai credit's internal rules or regulations. The Board of Directors must also arrange for the establishment of procedures for assessing the appropriateness of internal control and internal audit of both Thai credit and its subsidiary on a regular basis to mitigate the risks of corruption and abuse of power, and to prevent violation of laws. The Board of Directors must approve the appointment, rotation, and removal of the head of the risk management unit and the head of the internal audit unit, and report to the BOT's Financial Institute Business Supervision Department, the Financial Institutions Policy Group, within 15 days from the date of change. However, the Board of Directors may delegate those tasks to any appropriate sub-committee to perform them on its behalf.
2. Overseeing senior Executives and management to report Thai credit's important matters to the Board of Directors, and establishing a process for reporting information so that the Board of Directors receives timely information sufficient to enable its complete performance of its authority, duties, and responsibilities.

Consideration of material transactions and prevention of conflicts of interest

1. Controlling, preventing, monitoring, and managing potential conflicts of interest between Thai credit and its subsidiary and their stakeholders, management, Board of Directors, Executives, or shareholders; preventing any improper use of assets of Thai credit and its subsidiary; prohibiting engaging in inappropriate transactions with persons related to Thai credit or its subsidiary; and ensuring that Thai credit has established or approved a policy for the management of conflicts of interest.
2. Considering, approving, and giving opinions on transactions that have a significant impact on Thai credit's business, including the acquisition and disposition of assets of Thai credit and its subsidiary and transactions between Thai credit or its subsidiary and related persons as specified in the Securities and Exchange Act and applicable regulations prescribed by the Stock Exchange of Thailand ("SET") and the Capital Market Supervisory Board ("CMSB"). The Board of Directors is also committed to considering approval of the principles with respect to trade agreements that have general trading conditions concerning transactions between Thai credit or its subsidiary and Directors, Executives, or related persons, so as to set out a framework for the authorised

representatives and the management to carry out the transactions to the extent permitted by applicable laws and rules. The Board of Directors is authorised to consider and give opinions on entering any transactions to comply with applicable laws, notifications, rules, and regulations, provided that the transaction value does not fall under the condition that it must be considered and approved by a shareholders meeting.

3. Ensuring that Thai credit has formulated its policy on the provision of loans and investment to persons related to Thai credit.
4. Determining the authority and duties of the Chief Executive Officer and the Managing Director; approving Thai credit's regulations, orders, and announcements; and preparing powers of attorney to be submitted to relevant third parties.

Others

1. Dedicating sufficient time to perform duties and to attend Board of Directors meetings and shareholders meetings, except in the case of force majeure in which case the Directors who are unable to attend the meeting must notify the Chairman of the Board of Directors or the company secretary of their absence prior to the meeting. Each Director must attend at least 75% of the total meetings held each year during the term of office unless there is a reasonable cause and necessity to excuse their attendance.
2. Studying and being aware of the roles, duties, and responsibilities of Directors, as specified in the Public Limited Companies Act, the Financial Institution Business Act, and the Securities and Exchange Act, as well as other applicable laws, notifications, and circular letters which are in existence or which come into existence in the future.
3. Enhancing knowledge and competency in performing duties continuously and participating in training courses regarding the performance of a Director's duties or in seminar activities that help increase their knowledge.

(Please consider the information and details regarding the scope of authority, duties, and responsibilities of the Board of Directors in Appendix No. 5)

7.2.2.2 Scope of authority, duties, and responsibilities of the Chairman of the Board of Directors

The Corporate Governance Policy and Charter of the Bank's Board of Directors stipulate that the Chairman of the Board, independent directors or non-executive directors have duties and responsibilities summarized as follows.

1. Convene meetings of the Bank's Board of Directors and oversee the distribution of meeting notices. Include a range of materials to ensure that the Committee is informed in a timely and sufficient manner.
2. Strengthen the standards of good corporate governance of the Bank's Board of Directors.
3. Strengthen good relationships between executive directors and non-executive directors.
4. Ensure that communication between directors and shareholders is efficient.
5. Perform duties as specified by law specifically to be the duty of the Chairman of the Board.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Chairman of the Board of Directors, in Appendix No. 5)

7.3 Information regarding the sub-committees

The Board of Directors of the Bank has appointed directors possessing suitable experience, as subcommittees to assist in vetting and monitoring significant issues in every domain and providing perspectives to the Board of Directors. The meeting dates for each committee have been set in advance throughout the year and a charter has been prepared to specify them. The roles and responsibilities of each sub-committee must be clearly defined. The Bank has 5 sub-committees, which are: (1) the Audit Committee; (2) the Nomination and Remuneration Committee; (3) the Risk Oversight Committee; (4) the Executive Committee; and (5) the Corporate Governance and Sustainability Development Committee.

Each sub-committee is governed by a specific charter approved by the Board of Directors, prescribing the objectives, composition, qualifications, authority, duties and responsibilities, appointment and term of office, meeting, quorum, and voting, and revision of the charter as appropriate. Each sub-committee is obliged to report its performance to the Board of Directors.

7.3.1 Scope of authority, duties, and responsibilities of the sub-committees

7.3.1.1 Scope of authority, duties, and responsibilities of the Audit Committee

The Audit Committee is appointed by the Bank's Board of Directors. There are at least 3 members. At least 1 member of the Audit Committee must have sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of the financial statements, including having all the qualifications. According to the scope, authority, duties and responsibilities of the Audit Committee have been determined in accordance with the Charter of the Audit Committee. The Audit Committee is responsible for supporting the Bank's Board of Directors in providing independent and objective advice on the adequacy of management's arrangements with respect to the following aspects of the management of the organization:

- External auditors and financial reporting
 1. Consider select, propose appointment, including termination of an independent external auditors and propose of the auditor's remuneration.
 2. Hold meetings with the auditors to acknowledge the audit or review results of the quarterly and half year and annual financial statements including hold private meetings with auditors without management at least annually and consider together with the auditors on any issues or limitations from the review or audit of financial statement to consider rectification plan as well as evaluating annual performance of the auditor.
 3. Review the preparation of financial statements and related financial reports of the Bank to ensure that they have been prepared correctly and adequately and the relevant information has been adequately, completely and correctly disclosed according to the accounting principles, practices and relevant accounting standards as well as consider whether they are complete and consistent with the information known to committee members.

4. Consider the Group's policy regarding the use of non-assurance services of the external auditor and review the use of such services to ensure it does not affect the independence of the auditor.
 5. Review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements of the external auditors.
- Governance, Risk Management, Internal Controls and Internal Audit
 1. Review and provide advice on the governance process established and maintained within the Bank and the procedures in place to ensure that they are operating as intended.
 2. Review and evaluate appropriateness, efficiency and effectiveness of governance, risk management, internal controls and internal audit by reviewing the internal audit's reports and discussing the observations.
 3. Review and advice on risk management processes provided and supervised by management, monitor risk management results and consider risk reports from the Bank's management, as well as, discuss and coordinate with the Bank's management on key risk and internal controls and effective risk management, as well as, code of conduct and business ethics, order and recommendations by the Bank of Thailand and the policy of financial business group.
 4. Receive reports on all matters of significance arising from work performed by other providers of financial and internal control assurance to senior management and the Board of Director of the Bank.
 5. Review the Bank's compliance with laws governing securities and stock exchange, the Stock Exchange of Thailand regulations, and other laws relating to the financial institution's business.
 6. Review and track management's action plans to address the results of internal audit engagements and examination reports of the regulators.
 7. Advise about the recruitment, appointment, transfer, termination and independence as well as performance assessment of the Head of Internal Audit function.
 8. Review and approve the internal audit charter which is consistent with the mandatory guidance of the IIA's International Professional Practices Framework and the scope and nature of assurance and consulting services, as well as changes in the financial, risk management, and governance processes of the Bank and reflects developments in the professional practice of internal auditing.
 9. Consider and concur the annual budget, structure, manpower and resources of internal audit function and assess the requirement whether any additional resources are needed permanently or should be provided through outsourcing as well as report the performance of the internal audit function to the Board of Directors in order to advise or improve the deficiencies in the performance or administration of the internal audit department and related departments.
 10. Consider, review and approve the annual risk-based internal audit plan of the Bank, coordination process of the relevant audit plans and evaluate audit result at least annually, as well as, inquire on the planned audit scope to ensure the audit plan can help detecting any fraud or error in the internal control system.
 11. Assess the overall performance of Internal Audit function and other internal audit service provider, review the performance comparing with the internal audit plan and also review the internal audit reports and

communication or presentation to the management, as well as, ensure there is an external quality assurance review every five years.

12. Review and advise management on the results of any special investigations and inquire Head of Internal Audit function whether any internal audit engagements or non-audit engagements have been completed but not reported to the committee; if so, inquire whether any matters of significance arose from such work as well as inquire Head of Internal Audit function whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken.

- Related parties transactions or transactions that may have a conflict of interest

1. Consider related parties transactions or transactions that may have a conflict of interest and consider the acquisition or disposition of the assets of the Bank and its subsidiaries', as well as, disclosure of information about such transactions in accordance with the relevant laws and regulations.
2. Oversee the anti-bribery and corruption policy to ensure that the company complies with its legal and ethical obligations.

- Others

1. Prepare the Audit Committee report and disclose it in the annual report which contains information as specified in the Stock Exchange of Thailand's regulations regarding qualifications and scope of work of the Audit Committee.
2. Report to the Board of Directors in order to improve within the time that the Audit Committee deems appropriate in the event that the audit committee finds or suspects any of the following:

(1) Conflict of interest

(2) Fraudulent or suspicious transactions or transaction occurred from the lapses of internal control system

(3) Transactions or actions or violation of the law on financial institution business Securities Law and stock exchange Stock Exchange's Requirements, Bank of Thailand requirements or other laws relating to the business of financial institutions and securities and other laws If the Bank's board of directors or management fails to make corrections within the time specified by the Audit Committee. The Audit Committee is required to disclose such actions in the annual report and report to the Bank of Thailand.

3. The Audit Committee has authority to invite or order the management, head of business unit or employee of the Bank to provide opinion, attend the meeting or submit documentation, as necessary. The Audit Committee may seek external consultants or professional experts to provide advice and recommendations as the committee deems necessary and proper, at the costs of the Bank and according to the Bank's procedure.
4. Perform any other duties as assigned by the Board of Directors as agreed by the Audit Committee
5. Evaluate the committee's and individual members' performance on annual basis to review performance and apply the results of the assessment to develop and improve operations to be more efficient in order to achieve the objectives set out.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Audit Committee, in Appendix No. 5)

7.3.1.2 Scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is appointed by the Bank's Board of Directors. Have the number and composition as the Bank's Board of Directors deems appropriate, with at least 3 people. Each member of the Nomination and Remuneration Committee is required to be either a non-executive or an independent director in this regard. The Nomination and Remuneration Committee Charter specifies the scope of the committee's authority, functions, and obligations. The following is a summary of key information regarding this charter:

Nomination

1. Considering the composition and qualifications of Thai credit's Board of Directors, both as a whole and individually, in accordance with the size, type, and complexity of Thai credit's business, by taking education, knowledge, expertise, skills, experience, and specialised abilities relating to the business into account.
2. Considering the independence of each independent director to ensure that Thai credit's independent directors are fully qualified without any prohibited characteristics as specified under applicable laws, rules, and charters.
3. Considering the qualifications of senior Executives suitable for managing Thai credit's business to achieve the established vision, by taking education, experience, knowledge, and expertise into account, including relevant important factors concerning business environment such as economic and industrial conditions and trends, and the nature of business competition.
4. Selecting and nominating qualified candidates to the Board of Directors or shareholders meetings (as the case may be) for the following positions:
 - 4.1 Thai credit's Directors;
 - 4.2 Members of sub-committees whose authority, duties, and responsibilities are directly assigned by Thai credit's Board of Directors;
 - 4.3 Thai credit's staff members with management authority; and
 - 4.4 Thai credit's advisors.
5. Setting out policies, rules, and procedures for recruiting personnel (including but not limited to Directors and those with management authority) who possess appropriate qualifications in accordance with the specified structure and qualifications, and based on the principles of good corporate governance.
6. Ensuring that the number of members and composition of the Board of Directors and sub-committees are in accordance with applicable laws, rules, and charters, and Thai credit's organisational structure, and that they are adjusted to accommodate the changing environment. The Nomination and Remuneration Committee must also ensure the availability of mechanisms or tools supporting a process for selecting and nominating candidates to the positions of Director or a member of a sub-committee, so that Thai

credit's Board of Directors and sub-committees consist of members with the behaviour, knowledge, capability, and experience in various fields beneficial to long-term operations in line with Thai credit's direction and strategies.

7. Arranging Thai credit's formulation of a suitable succession plan and management continuity plan. These may be outlined in the form of reports on performance assessment or assessments of the impacts on Thai credit's business management, or in any other form as Thai credit deems appropriate.
8. Supervising Thai credit to disclose the nomination policy and the details of a process for nominating Directors and those with management authority in its annual report.
9. Engaging external consultants or independent specialists in relevant fields to provide advice and assistance to the Nomination and Remuneration Committee to achieve its objectives.
10. Assuming responsibility for the Board of Directors and being responsible for clarifying and answering questions regarding the remuneration of Thai credit's Directors at the shareholders meeting.
11. Encouraging Thai credit to allow minority shareholders to nominate candidates in the position of a Director.
12. Performing any other tasks relating to nomination as assigned by the Board of Directors.
13. In performing within the scope of its duties, the Nomination and Remuneration Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.

Remuneration

1. Formulating the policy on the determination of remuneration and other benefits based on objectives, duties and responsibilities, and relevant risks, in line with the clear and transparent rules and the principles of good corporate governance, for the Board of Directors or the shareholders meeting (as the case may be) to consider approval and submit it to the BOT (if requested). The Nomination and Remuneration Committee must also closely work with the Risk Oversight Committee to ensure that the remuneration policy can reflect Thai credit's significant risks.
2. Ensuring that Thai credit's Directors, members of sub-committees, and those with management authority, including heads of key business units, receive remuneration appropriate to their duties and responsibilities towards Thai credit. Any persons entrusted with additional duties and responsibilities should be compensated appropriately for their assignments. The Nomination and Remuneration Committee must also establish an appropriate remuneration policy and framework to be presented to Thai credit's Board of Directors or the shareholders meeting (as the case may be) for approval.
3. Setting out the guidelines for assessing the performance of Thai credit's Board of Directors, members of sub-committees, and those with management authority, including heads of key business units, considering annual remuneration adjustment by taking duties, responsibilities, and the incurred risks into account, and emphasising the long-term increase in the value of shareholders' equity.

4. Arranging annual performance assessment of Thai credit's Board of Directors and those with management authority to ensure that they remain capable of performing relevant roles and responsibilities as assigned, and giving opinions on the improvement of their performance as a whole.
5. Reviewing the management's recommendations regarding the remuneration policy and framework for Thai credit's Directors, members of sub-committees, and those with management authority, including heads of key business units, to further provide suggestions to the Board of Directors.
6. Disclosing the remuneration policy and remuneration in various forms, and reporting the determination of remuneration in Thai credit's annual report, at least containing the details about the factors used to consider overall performance assessment, goals and operations, and the opinions of the Nomination and Remuneration Committee including any procedures and tools for determining risk-based remuneration payment.
7. Performing any other tasks relating to remuneration as assigned by the Board of Directors.
8. In performing within the scope of duties, the Nomination and Remuneration Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring will be performed in line with Thai credit's regulations.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Nomination and Remuneration Committee, in Appendix No. 5)

7.3.1.3 Scope of authority, duties, and responsibilities of the Risk Oversight Committee

The Risk Oversight Committee is appointed by the Bank's Board of Directors and has the number and composition as the Bank's Board deems appropriate, with not less than three members, which will consist of half of the Bank's directors, senior executives or other persons, the total number of Risk Oversight Committee members must be independent directors or non-executive directors. At least 1 member of the Risk Oversight Committee must have knowledge, expertise and understanding of risks related to the financial business and have defined the scope, authority and duties and responsibilities of the Risk Oversight Committee according to the Charter. Important details summarized as follows:

1. Advising the Board of Directors on Thai credit's risk oversight framework.
2. Reviewing and auditing the sufficiency and efficacy of the overall risk management policy and strategies, and acceptable risk levels, at least once a year or when there are significant changes. The Risk Oversight Committee should discuss and exchange views with the Audit Committee to assess whether Thai credit's risk management policy and strategies cover all types of risks, including emerging risks, and whether they are implemented efficiently and effectively.
3. Coordinating with the Audit Committee in considering important information regarding risks and internal control to facilitate the Audit Committee's consideration and approval of an internal audit plan to create reasonable assurance that Thai credit has an internal control system appropriate to risk management, and that a risk management system is properly adopted and implemented.

4. Supervising senior Executives, including those of the risk management unit, to comply with the risk management policy and strategies and acceptable risk levels.
5. Ensuring that Thai credit's risk-based strategies regarding capital and liquidity management are set forth in accordance with the approved acceptable risk levels.
6. Reporting risk status, efficiency of risk management, the status of compliance with risk-based corporate culture, significant risk factors and issues, and detected deficiencies to Thai credit's Board of Directors to carry out improvements and rectifications in line with the risk management policy and strategies.
7. Assessing the performance of the senior Executives of the risk management unit.
8. Approving and reviewing the compliance unit's operational plans.
9. Determining the compliance unit's structure and manpower.
10. Considering and scrutinising the following compliance-related matters to be proposed to the Board of Directors for approval:
 - 10.1 Compliance policy;
 - 10.2 Compliance Unit Charter;
 - 10.3 Review of the policy and assessment of risk management efficiency with respect to regulatory compliance; and
 - 10.4 Filling a position, appointment, rotation, annual performance assessment, and determination of the remuneration of the compliance unit's Executives.
11. Preparing an annual compliance report.
12. Performing any other tasks assigned by the Board of Directors.
13. In performing within the scope of its duties, the Risk Oversight Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Risk Oversight Committee, in Appendix No. 5)

7.3.1.4 Scope of authority, duties, and responsibilities of the Executive Committee

The Board of Directors Meeting No. 2/2023, held on 22 February 2023, determined the scope of authority, duties, and responsibilities of the Executive Committee in line with the Executive Committee Charter. Important details can be summarised as follows:

1. Carrying out and managing Thai credit's business in line with the set objectives, regulations, policies, rules, requirements, orders, resolutions of Board of Directors meetings, and resolutions of shareholders meetings.
2. Considering, scrutinising, and setting out Thai credit's strategies for business operations, business plans, financial goals, annual budgets, management structure, human resource management policy, and management authority in various aspects to be proposed to the Board of Directors for approval, and considering and scrutinising the management's proposals and important new plans.
3. Overseeing Thai credit to carry out operations in accordance with its objectives, regulations, policies, rules, strategies, and business plans to achieve the set goals, and to strictly and inclusively comply with the risk oversight policy, strategies, and framework, including the risk management policy and strategies, the acceptable risk levels, the remuneration policy, and the good governance policy approved by the Board of Directors, and periodically reporting its progress to the Board of Directors.
4. Reviewing and supervising Thai credit's operations to comply with applicable laws and regulations and limiting its operating expenses within the budget approved by the Board of Directors.
5. Controlling Thai credit's risks to ensure they are at appropriate and acceptable levels and within the risk limits specified under the policy approved by the Board of Directors, and to limit damage that may arise from business operations to a level that will cause no significant impact on Thai credit's financial position. The Executive Committee is also committed to procuring personnel with knowledge, ability, and understanding of financial techniques and relevant businesses sufficient to perform risk management and internal control functions. In addition, it must be informed of internal audit reports with respect to the measures for preventing, detecting, and solving problems, and in the event that damage or potential damage arises.
6. Reviewing a risk management process and system, including the risk limits, regularly or whenever there is an important event that may affect Thai credit's stability.
7. Considering and reviewing the matters that must be considered and approved by the Board of Directors or by shareholders meetings before presenting them to the Board of Directors for approval.
8. Considering approval of transactions, including those in Thai credit's ordinary course of business, those concerning execution of agreements, investment in or trading of Thai credit's assets, human resource management, finance, and general administration, and transactions that support Thai credit's normal business, under general trading conditions, in the amount not exceeding the budget approved by the Board of Directors or in line with the principles that have been approved by the Board of Directors. However, those transactions are subject to the rules of the Securities and Exchange Commission ("**SEC**"), the CMSB, and the SET, regarding related party transactions, and the acquisition and disposition of assets, as well as any other applicable laws and the delegation of authority specified by the Board of Directors.

9. Considering approval of loan applications or the issuance of instruments for long-term fund raising for business operations, within the limit permitted under the delegation of authority prescribed by the Board of Directors.
10. Approving the procurement of office supplies, operating expenses, and considering, scrutinising, or approving the hiring of consultants, procurement, and investment expenses within the limit specified by Thai credit's Board of Directors.
11. Considering approval of Thai credit's operational procedures and guidelines.
12. Considering, determining, and approving the establishment, cancellation, or material changes to Thai credit's organisational structure, chain of command, chain of reporting, or management authority, covering the selection, hiring, rotation, training, and termination of employment of Thai credit's employees at an executive level. The Executive Committee must also assist the Board of Directors in ensuring that those with management authority are appropriately qualified and capable of managing Thai credit's business. It must also clearly determine the duties and responsibilities of each business unit under the chain of command to facilitate efficient and effective risk management and supervision, control, and audit of operations, and ensure that the controlling units can perform their duties professionally and independently, without being influenced by any business units. In addition, it is responsible for coordinating with the Nomination and Remuneration Committee to consider and monitor succession planning, manpower planning, and establishment of rules for remuneration payment and for performance assessment of Executives, and subsequently reporting to the Board of Directors.
13. Cultivating risk-based corporate culture and communicating risk management policy and strategies, acceptable risk levels, and risk limits to create awareness of their importance among Thai credit's employees, including duties and responsibilities and risks arising in an operational process. The Executive Committee is also responsible for supervising and ensuring strict compliance with the set policies, rules, regulations, and operational procedures.
14. Reporting the results of operations to the Board of Directors on a regular basis, including any other matters necessary and appropriate to be presented to the Board of Directors for acknowledgment. Any resolutions or important actions within its scope of duties will be reported at the next Board of Directors meeting.
15. Reporting risk status, risk management efficiency and guidelines, the status of compliance with risk-based corporate culture, and relevant significant risk factors, issues, and deficiencies to Thai credit's Board of Directors and relevant sub-committees on a regular basis or as soon as they are detected to determine timely solutions, and ensuring that reporting is conducted in an accurate, complete, and timely manner and can reflect Thai credit's risks, capital adequacy, and liquidity.
16. Reporting the status of audit by Thai credit's compliance unit, and important regulations and orders to the Board of Directors for acknowledgement.

17. Being entitled to authorise one or more persons to perform any action under its supervision or delegating any authority to any person within a period of time that is deemed appropriate. The Executive Committee may cancel, revoke, or change any authorised person or the authorisation as it deems appropriate.

The Executive Committee's delegation of authority, duties, and responsibilities must not constitute the delegation or sub-delegation that allows an authorised person to approve any transaction in which he or she or a related person (as defined under the notifications of the CMSB or the SET), has an interest, or may have any other conflicts of interest with Thai credit or its subsidiary. The approval of that transaction must be proposed to the Board of Directors meeting or the shareholders meeting (as the case may be) for consideration and approval, unless the transaction is conducted in the ordinary course of business or supports Thai credit's normal business under a trade agreement in the same way that a prudent person would act with a general counterparty in the same situation, with the bargaining power to negotiate terms without being influenced by the status of a Director, Executive, or related person and having the same conditions as an agreement executed for a transaction with a third party (at arm's length), in which case the trade agreement must be approved by Thai credit's Board of Directors or in accordance with the principles that have been approved by the Board of Directors.

18. Performing any other tasks assigned by the Board of Directors.
19. In performing within the scope of its duties, the Executive Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.

The Executive Committee will have the same authority, duties, and responsibilities as the management committee, which have been assigned and announced by the Board of Directors in accordance with the resolutions of a Board of Directors meeting or Thai credit's regulations, announcements, and orders, including those attached to the Announcement No. 076/2564 re: Sub-committees, and its amendments, including Thai credit's regulations, announcements, and orders issued prior to the said announcement.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Executive Committee, in Appendix No. 5)

Mr. Winyou plans to resign from the Chief Executive Officer position, and will hold the position until March 2024. On 21 April 2023, the Board of Directors Meeting No. 5/2023 considered and approved the plan for structural change following Mr. Winyou's departure. Please see further details regarding the plan for the change of corporate governance structure after Mr. Winyou's resignation in section 7.1 "Structure of corporate governance."

7.3.1.5 Scope of authority, duties, and responsibilities of the Corporate Governance and Sustainability Development Committee

The Corporate Governance and Sustainable Development Committee is appointed by the Bank's Board of Directors with the number and composition as the Board deems appropriate, with at least three members, which will consist of the Bank's directors, senior executives, or other persons and determine the scope of authority, duties, and responsibilities of the Corporate Governance and Sustainable Development Committee in accordance with the Charter. Important details summarized as follows:

1. Determining the Bank's scope, policies, and operational guidelines regarding the environment, society, employees, business ethics, good corporate governance, occupational safety, health, and work environment and regularly presenting on these topics to the Board of Directors, as well as emphasising sustainable creation of business value in line with the principles and standards of good corporate governance, at both local and international levels, as appropriate, to achieve its vision, main goals, and business strategies, by referencing the United Nations' sustainable development goals ("**SDGs**").
2. Considering and reviewing the Bank's scope, policies, and operational guidelines regarding the environment, society, employees, business ethics, good corporate governance, occupational safety, health, and work environment and ensuring these are appropriate to the Bank's business operations and in line with international operational guidelines and the SET's guidelines, and advising the Board of Directors to consider continuous improvements. When doing this, it will emphasise the environment in the supply chain of the Bank's business to encourage the Bank's sustainable growth.
3. Provide practical advice and suggestions to the Board of Directors regarding good corporate governance and sustainable development to encourage sustainability in three dimensions, namely the environment, society and employees and governance.
4. Monitoring the operations of the Bank's Board of Directors and Executives to ensure that they comply with the policy on the environment, society, employees, and governance for sustainable banking, business ethics, the policy on business operations under the principles of good corporate governance, and the policy on occupational safety, health, and work environment. To ensure that all business units carry out operations in accordance with the Bank's objectives, main goals, and strategic plans to drive its business towards sustainability, the Corporate Governance and Sustainability Development Committee may assign the Executives of the human resource management unit to collect data and prepare reports to present the results of operations to the Board of Directors, together with relevant business units.
5. Encouraging the dissemination of knowledge to the Bank's employees, including communication of the culture of good corporate governance and sustainable development, and encouraging their regular participation in social activities for sustainable development.
6. Considering and monitoring the disclosure of information regarding good corporate governance and sustainable development in the Bank's annual information disclosure form or annual report (Form 56-1 One Report).

7. Performing other duties as assigned by the Board of Directors.

(Please consider information and details regarding the scope of authority, duties, and responsibilities of the Corporate Governance and Sustainability Development Committee, in Appendix No. 5)

7.3.2 List of Thai credit's sub-committees

7.3.2.1. Audit Committee

As of 31 December 2023, the Bank's Audit Committee consists of the following 3 members.

Name	Position	Position in the Board of Directors
1. Mr. Chamnong Watanagase	Chairman	Independent director
2. Mr. Supachai Sukhanindr ⁽¹⁾	Member	Independent director
3. Ms. Ada Ingawanij	Member	Independent director

Remark:

- (1) Was appointed by the Board of Directors Meeting No. 11/2023 on 27 September 2023 effective from 1 October 2023.

Ms. Ada Ingawanij is the Audit Committee member who has sufficient knowledge and experience to review the credibility of the Bank's financial statements. The details regarding the qualifications and experience of all 3 members of the Audit Committee can be found in Appendix No. 1 (Details of Directors, Executives, Controlling Persons, Top Executives in the Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary).

Ms. Chorkaew Kaewmorakot acts as secretary of the Audit Committee, as appointed by the Audit Committee Meeting

7.3.2.2. Nomination and Remuneration Committee

As of 31 December 2023, the Bank's Nomination and Remuneration Committee comprises the following 3 members.

Name	Position	Position in the Board of Directors
1. Mr. Supachai Sukhanindr ⁽¹⁾	Chairman	Independent director
2. Mr. Stephen Tirador Briones ⁽¹⁾	Member	Non-executive Director
3. Mr. Gaurav Malik	Member	Director

Remark:

- (1) The change in positions as approved by the Board of Directors Meeting No. 11/2023 on 27 September 2023.

Mr. Sarawooth Savejnarong serves as secretary of the Nomination and Remuneration Committee, as appointed by the Nomination and Remuneration Committee Meeting

7.3.2.3. Risk Oversight Committee

As of 1 October 2023 the Bank's Risk Oversight Committee consists of the following 5 members.

Name	Position	Position in the Board of Directors
1. Mr. Supachai Sukhanindr	Member	Independent director
2. Mr. Gaurav Malik	Member	Director
3. Mr. Stephen Tirador Briones	Chairman	Non-executive Director
4. Mr. Winyou Chaiyawan	Member	Executive Director
5. Mr. Roy Agustinus Gunara	Member	Executive Director

Mrs. Suwimol Visavavigrant acts as secretary of the Risk Oversight Committee, as appointed by the Risk Oversight Committee Meeting.

7.3.2.4. Executive Committee

As of 31 December 2023, the Bank's Executive Committee consists of 2 Executive Directors and 9 Executive officers, as listed below:

Name	Position	Position in the Board of Directors
1. Mr. Winyou Chaiyawan	Chairman of the Executive Committee	Executive Director
2. Mr. Roy Agustinus Gunara	Vice Chairman of the Executive Committee	Executive Director
3. Mr. Kamolphu Phuredithsakul	Executive officer	-
4. Mr. Natus Kittawaranon	Executive officer	-
5. Mr. Kittipant Sriwannawit	Executive officer	-
6. Mr. Christopher Chan	Executive officer	-
7. Mr. Pichart Roongwarasopit	Executive officer	-
8. Mr. Veeravet Chaiyawan	Executive officer	-
9. Mr. Sarawooth Savejnarong	Executive officer	-
10. Mrs. Suwimol Visavavigrant	Executive officer	-
11. Ms. Packjira Vudhesethakrit	Executive officer	-

Mrs. Bongkot Sirivallop acts as secretary of the Executive Committee, as appointed by the Board of Directors Meeting

Mr. Winyou plans to resign from the Chief Executive Officer position, which he will hold until March 2024. On 21 April 2023, the Board of Directors Meeting No. 5/2023 considered and approved a plan for structural change after Mr. Winyou's departure.

7.3.2.5. Corporate Governance and Sustainability Development Committee

As of 31 December 2023, the Bank's Corporate Governance and Sustainability Development Committee comprises the following three members.

Name	Position	Position in the Board of Directors
1. Prof. Kitipong Uraepatanapong	Chairman	Chairman
2. Ms. Ada Ingawanij	Member	Independent director
3. Mr. Winyou Chaiyawan	Member	Executive Director

Ms. Khemruthai Asavanon serves as secretary of the Corporate Governance and Sustainability Development Committee, as appointed by the Board of Directors Meeting No. 2/2023 on 22 February 2023.

7.4 Information regarding the Chief Executive Officer and Managing Director

7.4.1 Scope of authority, duties, and responsibilities of the Chief Executive Officer

1. Setting out the Bank's vision and missions to be proposed to the Executive Committee and the Board of Directors for approval and which will serve as a framework and guidelines for the Managing Director to manage and supervise the operations relating to the Bank's general administration.
2. Cooperating with the Managing Director in setting forth strategies, business plans, key operational plans, budgets, goals, and policies for encouraging business operations for sustainable growth under the principles of good corporate governance, to seek approval of these from the Board of Directors and to supervise the overall management and business operations in accordance with these once approved.
3. Communicating with the management to ensure that the Bank's administration and management are carried out in line with the vision, missions, strategies, business plans, key operational plans, budgets, goals, and policies approved by the Board of Directors.
4. Supervising the Managing Director to regularly report the results of operations and progress to the Chief Executive Officer, the Executive Committee, and the Board of Directors, specifically in the areas of management and supervision of the operations relating to the Bank's general administration in line with the plans, budgets, goals, and policies approved by the Board of Directors.

5. Overseeing the Managing Director to ensure compliance with applicable laws and rules, and the Bank's policies, business plans, objectives, articles of association, delegation of authority, resolutions of the Board of Directors meetings, and resolutions of shareholders meetings, with accountability, caution, discretion, and integrity for the Bank's maximum interest, and to ensure the fulfilment of the rules prescribed by the SEC, the CMSB, and the SET regarding related-party transactions and the acquisition or disposition of assets; as well as assigning and supervising the Managing Director in his performance of duties involving the establishment of rules, regulations, guidelines, and requirements for any positions in the organisational structure that are beyond the scope of the authority and duties of the Board of Directors or sub-committees.
6. Supervising the Managing Director to assign relevant business units to develop and improve the efficiency of the Bank's operations on an ongoing basis.
7. Arranging feasibility studies to be conducted for new projects and managing special projects that have an impact on shareholders.
8. Supervising the management and Executives in creating, instilling, and reinforcing corporate values and culture regarding ethics and good corporate governance, and behaving as good role models.
9. Supervising the Managing Director to follow up on the results of operations of the Bank and its subsidiary by requiring the Managing Director to regularly report the results of operations and to oversee the preparation of financial reports and the disclosure of important information in accordance with applicable rules and guidelines.
10. Considering or assigning the Managing Director to consider the organisational structure, and duties and responsibilities of any working groups, business units, or departments, including changes in the organisational structure and in business units as appropriate.
11. Considering setting out the work rules and code of conduct to be followed by employees.
12. Joining monthly meetings with Executives from the internal audit unit and the compliance unit to acknowledge issues arising within the organisation and propose solutions to be implemented.
13. Representing the Bank to publicise the organisation, and to communicate with the Bank's stakeholders, including shareholders, as well as encouraging the Board of Directors to develop channels for communicating with the stakeholders inclusively, appropriately, and regularly.
14. Acting as the Bank's representative or authorised person to perform any actions involving external agencies and supervisory authorities, or any legally binding actions as assigned by a shareholders meeting, the Board of Directors, or the Executive Committee, or as specified in the written delegation of authority in line with the Bank's objectives and articles of association.
15. Sub-delegating any authority to, or assigning, one or more persons to perform any actions on their behalf, within the scope of authority specified in the Bank's power of attorney, in line with rules, regulations, resolutions of Board of Directors meetings, and resolutions of shareholders meetings.

The Chief Executive Officer's delegation of authority, duties, and responsibilities must not constitute delegation or sub-delegation that allows an authorised person to approve any transaction in which he or a related person, as defined under the notifications of the CMSB or the SET, has an interest, or causes any other conflicts of interest with the Bank or its subsidiary. The approval of any such transaction must be proposed to a Board of Directors meeting or a shareholders meeting for consideration and approval, unless the transaction is conducted in the ordinary course of business or supports the Bank's normal business under a trade agreement, acting as a prudent person would act with a general counterparty in the same situation, with bargaining power, to negotiate terms without being influenced by the status of a Director, Executive, or related person, and having the same conditions as the agreement executed for a transaction with a third party (at arm's length), in which case the trade agreement must be approved by the Bank's Board of Directors or be in accordance with the principles that have been approved by the Board of Directors.

16. Cooperating with the Managing Director in presenting and reporting the results of operations and performance at the Executive Committee meetings or the Board of Directors meetings regularly and providing their opinions on operational guidelines and recommendations as appropriate.
17. Reporting to the Executive Committee or the Board of Directors within an appropriate timeframe in the event of any action or important matter that may have a significant impact on the Bank's operations, or any non-compliance with the good corporate governance guidelines, code of conduct, or business ethics.
18. Ensuring the reporting of the results of operations to shareholders in an annual report and an annual registration statement.
19. Performing other duties as assigned by the Board of Directors, sub-committees, or the Executive Committee, including other duties as required under applicable laws and rules.

The Chief Executive Officer is not entitled to attend any meeting involving or to approve any transaction in which themselves or their related person (as defined under the notifications of the CMSB or the SET) may have an interest in any manner or may have any other conflicts of interest with the Bank, except approval for a transaction which is in line with the policies or rules approved by a shareholders meeting or the Board of Directors.

The Chief Executive Officer is under the supervision of, and is committed to reporting directly to, the Board of Directors and the Executive Committee, and must comply with the guidelines and policies set forth by the Board of Directors and the Executive Committee. In addition, the Bank will review the scope of authority, duties, and responsibilities of the Chief Executive Officer to ensure these are in accordance with its current situation and business as necessary and appropriate.

7.4.2. Scope of authority, duties, and responsibilities of the Managing Director

1. Managing and supervising the operations relating to the Bank's general administration in accordance with the vision, missions, strategies, business plans, key operational plans, budgets, goals, and policies approved by the Board of Directors to ensure that the Bank's administration and management are carried out in line with the specified plans.

2. Cooperating with the Chief Executive Officer in setting out and presenting strategies, business plans, key operational plans, budgets, goals, and policies for both short-term and long-term business operations for sustainable growth, under the principles of good corporate governance, and to seek the Board of Directors' approval of these; managing operations in line with the plans or budgets approved by the Board of Directors; and following up on the Bank's results of operations by requiring the results of operations to be reported regularly.
3. Managing the performance of duties of the management and Executives to be in accordance with business plans, budgets, goals, and policies as approved by the Board of Directors, and regularly reporting progress to the Chief Executive Officer, the Executive Committee, and the Board of Directors.
4. Supervising and managing the management and Executives to ensure performance of their duties in accordance with applicable laws and rules, the Bank's objectives, articles of association, delegation of authority, resolutions of Board of Director meetings, and resolutions of shareholder meetings, with accountability, caution, discretion and integrity for the Bank's best interest, and to ensure the fulfilment of the rules prescribed by the SEC, the CMSB, and the SET regarding related-party transactions and the acquisition or disposition of assets.
5. Acting in a managerial role to ensure continuous development and improvement of operational efficiency in all business units.
6. Issuing regulations, orders, manuals, announcements, and records, and setting out work rules or procedures (except for those set by the Board of Directors) and which are to be followed by employees to ensure the fulfilment of the Bank's policies and interests, and to maintain discipline in the Bank.
7. Supervising relevant business units to present any modifications and changes in applicable notifications, laws, and rules, including circular letters, to the Chief Executive Officer and to Board of Directors meetings, as soon as received from relevant supervisory authorities, and to regularly report all cases of violations of legal provisions or regulations to the Chief Executive Officer and the Board of Directors.
8. Reporting to the Chief Executive Officer and the Board of Directors within an appropriate timeframe in the event of any action or important matter that may have a significant impact on the Bank's operations or non-compliance with the good corporate governance guidelines, code of conduct, or business ethics.
9. Considering and setting out the Bank's organisational structure and the duties and responsibilities of any working groups, business units, or departments, including changes in the organisational structure and in business units as appropriate, and seeking the Chief Executive Officer's approval.
10. Determining and proposing the Bank's remuneration structure for employees at each level, and the adjustment of salaries, wages, bonuses, and welfare for employees in positions lower than that of Managing Director, and seeking approval of the Nomination and Remuneration Committee and the Board of Directors.

11. Managing the acceptance of personnel for probation, employment, appointment, rotation, removal, and termination of employment, as authorised under the Bank's written delegation of authority or manpower plan.
12. Being eligible to approve (or sub-delegating any person to approve) disbursements for procurement of any assets and services for the Bank's benefit, in line with the Bank's rules or delegation of authority.
13. Approving financial transactions involving the Bank's business, in accordance with the Bank's rules or delegation of authority.
14. Announcing the Bank's effective deposit and loan interest rates and fee rates, and other conditions, in accordance with the rules set forth by relevant sub-committees.
15. Approving the hiring of law firms, experts, and external consultants, in accordance with the Bank's rules or delegation of authority.
16. Approving the Bank's operating expenses, covering both budgeted and non-budgeted items, in line with the Bank's rules or delegation of authority.
17. Regularly reporting the results of operations and performance at the Executive Committee meetings and the Board of Directors meetings and providing opinions on operational guidelines and recommendations as appropriate.
18. Reducing the limit of transaction values to be approved by any authorised employees or persons as appropriate.
19. Being eligible to perform any actions with, or to present themselves as, the Bank's representative to external persons and supervisory authorities, or to perform any legally binding actions as assigned by the shareholders meetings, the Board or Directors, the Executive Committee, or the Chief Executive Officer, or as authorised under the written delegation of authority in line with the Bank's objectives and articles of association.
20. Sub-delegating any authority to or assigning one or more persons to perform any actions on their behalf, within the scope of authority specified in the Bank's power of attorney, in line with rules, regulations, resolutions of the Board of Directors, and resolutions of the shareholders.
21. Performing other duties as assigned by the Board of Directors, the Executive Committee, and the Chief Executive Officer, including other duties as required under applicable laws and rules.

The Managing Director is not entitled to attend any meeting involving or to approve any transaction in which themselves or their related person (as defined under the notifications of the CMSB or the SET) may have an interest in any manner or may have any other conflicts of interest with the Bank, except approval for a transaction which is in line with the policies or rules approved by the shareholders or the Board of Directors.

The Managing Director is under the supervision of, and is committed to reporting directly to, the Board of Directors, the Executive Committee, and the Chief Executive Officer, and must comply with the guidelines and policies set forth by the Board of Directors, the Executive Committee, and the Chief Executive Officer. In addition, the Bank will review the scope of authority, duties, and responsibilities of the Managing Director to ensure they are in accordance with its current situation and business as necessary and appropriate.

Mr. Winyou plans to resign from the Chief Executive Officer position, which he will hold until March 2024. On 21 April 2023, the Board of Directors Meeting No. 5/2023 considered and approved the plan for structural change after Mr. Winyou's departure. Please see further details regarding the plan for the change of the organisational structure after Mr. Winyou's resignation in section 7.1 "Structure of Corporate Governance."

7.5 Executives and personnel

7.5.1 Information regarding Executives

As of 31 december 2023 the Bank has 10 Executives, as defined in the Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551 re: Determination of Definitions in Notifications Relating to the Issuance and Offer for Sale of Securities (and its amendments), and as listed below:

Name	Position
1. Mr. Winyou Chaiyawan	Chief Executive Officer
2. Mr. Roy Agustinus Gunara	Managing Director
3. Mr. Kamolphu Phuredithsakul	Assistant Managing Director of the Micro Finance Business and Lending Branch Management Group
4. Mr. Natus Kittawaranon	Assistant Managing Director of the Micro SME Business Group
5. Mr. Veeravet Chaiyawan	Assistant Managing Director of the Retail and Wealth Banking Group
6. Mr. Kittipant Sriwannawit	Assistant Managing Director of the Finance and Accounting Business Unit
7. Ms. Achara Ruangchay	Assistant Managing Director of the Credit Business Unit
8. Mr. Christopher Chan	Assistant Managing Director of the Information Technology Business Unit
9. Mr. Sarawooth Savejnarong	Assistant Managing Director of the Human Resource Management Business Unit
10. Mr. Pichart Roongwarasopit	Assistant Managing Director of the Collections and Legal Business Unit

Mr. Winyou plans to resign from the Chief Executive Officer position, which he will hold until March 2024. On 21 April 2023 the Board of Directors Meeting No. 5/2023 considered and approved the plan for the structural change after Mr. Winyou's departure.

The information and details regarding the Bank's Executives can be found in Appendix No. 1 (Details of Directors, Executives, Controlling Persons, Top Executives in the Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary).

7.5.2. Policy and procedures for determining the Executives' remuneration

The Nomination and Remuneration Committee is responsible for assessing the performance of the Bank's Chief Executive Officer and Managing Director, and the Board of Directors will be annually informed of the results of this performance assessment. The remuneration of the Chief Executive Officer and the Managing Director will be determined in a prudent and transparent manner based on their responsibilities and performance in order to create both short-term and long-term motivation. The remuneration must also be comparable to the standard remuneration in the same industry.

In order to promote good corporate governance, the Nomination and Remuneration Committee Meeting No. 3/2023 and the Board of Directors Meeting No. 4/2023, held on 22 March 2023, considered and provided an opinion on the performance of Mr. Winyou's executive duties, given that Mr. Winyou, who is the Bank's current Chief Executive Officer, also holds an executive position in another listed company, Thai Life Insurance Public Company Limited. The Board of Directors meeting considered the facts, including the opinion of the Nomination and Remuneration Committee in terms of the ability to devote and dedicate time to perform his duties responsibly, appropriately, adequately and effectively as well as the reasonableness of his annual remuneration, which reflects his dedication to performing the duties adequately and efficiently, and consequently opined that Mr. Winyou is suitable to serve as the Bank's Chief Executive Officer and can perform his duties effectively while also dedicating sufficient time to perform them responsibly, adequately and efficiently.

In addition, the Managing Director is in charge of assessing the performance and remuneration of Executives in lower positions, under the framework and policies set forth by the Board of Directors. Their remuneration will be determined based on the Bank's results of operations, their implementation of policies assigned by the Board of Directors, and their performance of duties and responsibilities in line with the principles of pay for their position. Gender differences do not affect the determination of the remuneration of employees. The remuneration and benefits are provided based on performance efficiency and consistency, in line with the principles of pay for performance, in order to retain and motivate employees and ensure high performance, capacity, and devotion to the organisation. Bonuses are also part of the annual remuneration and are paid to employees based on their performance and the Bank's results of operations in each year.

Executives who are employees receiving regular salaries will not receive the remuneration for the Bank's Directors. Any Executives who are directors or executives of the Bank's subsidiary will not receive the remuneration for the directors or executives of the subsidiary.

7.5.3. Executives' remuneration

7.5.3.1. Monetary remuneration

For the fiscal year ended on 31 December 2023 the Bank paid 10 Executive remuneration, including salaries and bonuses, totalling THB 198.3 million.

7.5.3.2. Other forms of remuneration

For the fiscal year ended on 31 December 2023, the Bank paid its Executives remuneration in the forms of provident fund contributions, mobile phone service charges, and fuel costs for onsite visitations, life insurance premiums, health insurance premiums, accommodation costs, and so forth. Furthermore, the Chief Executive Officer and the Managing Director have received additional remuneration in the form of cars specifically prepared for those holding the positions of Chief Executive Officer and Managing Director.

7.5.4. Number of personnel

As of 31 December 2023, the Bank and its subsidiary have 4,036 employees in total, including 3,956 permanent employees and 89 temporary employees (excluding the top four Executives, as defined in the Notification of the Securities and Exchange Commission No. Kor Chor. 17/2551).

The following table details the total number of employees, divided by business units, for the specified period.

Business unit	Number of employees (persons)
	As of 31 December 2023
1. The Office of Chief Executive Officer and the Office of Managing Director	65
2. Micro Finance Business and Lending Branch Management Group	1,397
3. Risk Management	58
4. Operations	159
5. Credit	90
6. Collections and Legal	589
7. Micro SME Business Group	812
8. Finance and Accounting	36

Business unit	Number of employees (persons)
	As of 31 December 2023
9. Human Resource Management	79
10. Internal Audit	27
11. Compliance	17
12. Retail and Wealth Banking Group	331
13. Information Technology	318
14. International Trade and Treasury Operations	12
15. Thai Micro Digital Solutions Co., Ltd.	56
Total	4,046

Note: The Board of Directors No.11/2023 on 27 September 2023 approved the establishment of an International Trade and Treasury Operations unit, in order to align with upgrade to a full commercial bank, effective from 1 October 2023 onwards.

7.5.5. Significant changes in the number of personnel over the past three years

Over the past three years, the number of employees increased from 3,321 as of 31 December 2023, to 4,046, resulting from the Bank's business growth through its increase in total operating income from THB 6,582.0 million in 2020 to THB 11,231.7 million in 2022 and from THB 11,231.7 million in 2023, while the net value of loans provided to clients and accrued interest increased from THB 97,728.7 million as of 31 December 2020, to THB 144,156.5 million as of 31 December 2023.

7.5.6. Personnel's remuneration

The remuneration to the personnel (excluding Executives) of the Bank and its subsidiary for the fiscal year ended on 31 December 2022 and ended 31 December 2023, was THB 2,930.2 This included salaries, bonuses, provident fund contributions, and other forms of remuneration such as mobile phone service charges, fuel costs, and housing costs.

7.5.7. Provident fund

At present, the Bank and its subsidiary have a provident fund, under the management of Krungsri Asset Management Co., Ltd., under the name "Ayudhya Master Fund Registered Provident Fund," which is registered with the Office of the Securities and Exchange Commission (SEC). As of 31 December 2023, the Bank and its subsidiary have the following numbers of employees participating in the provident fund scheme.

	Company	Number of employees participating in the provident fund scheme (persons)	Number of employees	Ratio of employees participating in the provident fund scheme to total employees (%)
1	Thai Credit Bank Public Company Limited	2,938	3,990	73.63%
2	Thai Micro Digital Solutions Co., Ltd.	37	56	66.07%
	Total	2,975		73.53%

7.5.8. Significant labour disputes over the past three years

None.

7.6 Other important information

7.6.1 Persons assigned to be directly responsible for overseeing accounting operations

Mrs. Panida Sripatha, the Bank's Senior Vice President ("SVP") of accounting and taxation, was assigned to be directly responsible for overseeing accounting operations and supervising the Bank's accounting transactions to ensure efficiency and compliance with the Bank's regulations, requirements, and rules, as well as accounting standards.

The information and details regarding the person assigned to be directly responsible for overseeing the Bank's accounting operations can be found in Appendix No. 1 (Details of Directors, Executives, Controlling Persons, Top Executives in the Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary).

7.6.2 Company secretary

The Board of Directors Meeting No. 11/2010, held on 26 November 2010, passed a resolution to appoint Ms. Patthanajit Woraphisit as the corporate secretary in order to comply with section 89/15 of the Securities and Exchange Act, and to determine the scope of authority, duties, and responsibilities of the corporate secretary, The bank secretary must undergo training courses related to the performance of duties of the company secretary, Have knowledge and understanding of the principles of good corporate governance and good practices of good corporate governance or other qualifications that help the company's secretarial work be as detailed in Appendix No. 5 (Full Versions of the Corporate Governance Policy and Guidelines, and of the Code of Business Conduct, prepared by the Bank) The information and details regarding the person holding the position of company secretary can be found in Appendix No. 1 (Details of Directors, Executives, Controlling Persons, Top Executives in the

Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary).

7.6.3 Head of internal audit

The Board of Directors meeting passed a resolution to appoint Ms. Chorkaew Kaewmorakot, the Executive Vice President ("**EVP**") of the internal audit department and as the head of internal audit.

Ms. Chorkaew Kaewmorakot was considered to have sufficient knowledge to fulfil this role per the Bank's guidelines, principles of good corporate governance, risk assessment and internal control, both at the business level and at an entity level. The qualifications of the person holding the position of head of internal audit can be found in Appendix No. 3 (under the topic of Details of the Head of Internal Audit).

7.6.4 Head of compliance

The Board of Directors Meeting passed a resolution to appoint Ms. Natthita Loveera, the Executive Vice President of compliance department and the head of compliance.

Ms. Natthita Loveera was considered to have sufficient knowledge in terms of the performance of operations in the Bank so she was appointed to supervise the Bank's compliance business unit. The qualifications of the person holding the position of head of compliance can be found in Appendix No. 3 (under the topic of Details of the Head of Compliance).

7.6.5 Investor relations

The Bank established the investor relations department and assigned Ms. Ratinan Wongwatcharanon as the investor relations officer to serve as a centre for disclosing important information to shareholders and investors, including financial information.

The contact information of the investor relations department is:

Tel.: 02-697-5300 ต่อ 4197

Email lr@thaicreditbank.com

7.6.6 Auditor's remuneration

The Audit Committee reviews the qualifications of the auditors, taking into account their independence, suitability, performance and interests, and proposes the appointment of the Bank's auditors to the Board of Directors each year. Including the remuneration of the auditor to be proposed to the shareholders' meeting for approval. The list of auditors proposed for

appointment as bank auditors shall consist of auditors who have been approved by the Bank of Thailand and the Securities and Exchange Commission of Thailand in 2023. The remuneration of the Bank's Audit Office consists of:

7.6.6.1. Audit fees

For the fiscal year ending December 31, 2023, the Bank has appointed KPMG Phoomchai Audit Company Limited ("KPMG Audit") as the auditor of the Bank and its subsidiaries, with the names and auditor fees as follows:

1. Ms. Thitima Pongchaiyong (public accountant registration no. 10728), and/or
2. Mr. Chanchai Sakulkoedsin (public accountant registration no. 6827), and/or
3. Ms. Pantip Gulsantithamrong (public accountant registration no. 4208), and/or
4. Ms. Orrawan Choteviriyakul (public accountant registration no. 10566)

Whom are in the SEC's approved auditor list, under the supervision of KPMG Audit, to act as an auditor of the Bank and its Subsidiary, and resolved to approve the audit fees paid to KPMG Audit, totalling THB 6,200,000.¹

7.6.6.2. Non-audit fees

For the fiscal year ended on 31 December 2022, the Bank paid service fees (Non-Audit Fee) with KPMG Phumichai Business Consulting Company Limited ("KPMG Advisory"), which is a subsidiary. The same as KPMG totals THB 900,000² for services relating to reviewing and monitoring the Bank's operation related to corporate governance in accordance with the Personal Data Protection Act B.E. 2562 ("**Personal Data Protection Act**") to comply with the BOT's data governance policy (4th instalment service fee, with the last instalment being paid on September 30, 2023.)

The aforementioned auditor and the audit firm for which the auditors work was not considered as a person or company related to the Bank, which is in line with the accounting standards regarding the disclosure of information about related persons or companies.

¹ Such fees are exclusive of VAT and other expenses such as travel expenses and document-related operating expenses, which may be incurred as additional costs during the normal course of the audit.

² Such fees are exclusive of VAT

8. Reports on Material Corporate Governance Operating Results

8.1 Summary of the Board of Directors' performance in previous years

In 2023, the Board of Directors reviewed the vision, mission, aims and core values, taking into account various factors, including changes in the business environment, future trends. The competitive situation in the market is to be up-to-date in accordance with the business direction of Thai Credit Bank and to supervise, review and monitor the management of the management in accordance with the established policies, strategies and business plans with efficiency and effectiveness. Including compliance with the laws, rules and regulations of relevant agencies.

8.1.1 Nomination, development, and evaluation of the Board of Directors**Nomination of Directors and Executives**

The Board of Directors has assigned the Nomination and Remuneration Committee to select and seek candidates, who have knowledge, ability and diverse working experience that is suitable for the nature of business, risk exposures, beneficial to the Bank's long-term operations, plus in alignment with the Bank's business operations and sustainable development strategies, for the position of director and committee member.

The Bank has established a nomination process whereby the members of the Board of Directors are selected from qualified professionals or experts in various fields who have appropriate qualifications and do not have any characteristics prohibiting them from holding a position on the Board of Directors under the relevant laws. In addition, the composition of the Committee shall take into account the proportions, number and diversity of the members, including their skills, knowledge, abilities, independence, gender, age and ethnicity are taken into account on the basis of a table indicating the expertise of Board Skill Matrix as information for consideration. The expertise required for the Board of Directors includes banking and finance, corporate strategy, accounting, marketing and branding sustainability development, risk management, human resources, legal, international trade information and digital technology.

The Board of Directors consists of independent directors, non-executive Directors, and Executive Directors. The number of Directors is determined by a shareholders meeting but must not be fewer than five Directors and no more than 11 Directors and at least one-third of whom, but no fewer than three Directors, must be independent directors. and is a person with experience Knowledge or overall skills or various abilities suitable for the size, complexity, nature of the business and risks, including the long-term strategy and operations of the bank, with at least 1 independent director who has adequate knowledge and experience to review the reliability of financial statements and must have at least 1 director with knowledge or experience in information technology.

At least half of the total number of Directors must reside in the Kingdom of Thailand, and at least three-quarters of the total number of Directors must have Thai nationality, unless exempted under relevant BOT rules and regulations.

Board Skill Matrix as of 31 December 2024

Board members รายชื่อกรรมการ		Independent Director กรรมการอิสระ	Knowledge & Expertise ความรู้ความชำนาญ										
			Management การบริหาร	Banking & Financial Service การธนาคารและการเงิน	Strategic กลยุทธ์องค์กร	Accounting บัญชี	Marketing & Branding การตลาดและการสร้างแบรนด์	Sustainability Development and CG ความยั่งยืนและการกำกับดูแลกิจการ	Risk management การบริหารความเสี่ยง	Human Resource ทรัพยากรบุคคล	Law กฎหมาย	International Business การค้าระหว่างประเทศ	Information & Digital Technology เทคโนโลยีสารสนเทศและดิจิทัล
1	Prof. Kitipong Uraepatanapong	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	
2	Mr. Chamnong Watanagase	✓	✓		✓	✓							
3	Mr. Stephen Tirador Briones		✓	✓	✓				✓	✓		✓	
4	Miss Ada Ingawanij	✓	✓	✓	✓	✓	✓	✓	✓			✓	
5	Mr. Supachai Sukhanindr	✓	✓	✓	✓		✓		✓	✓		✓	✓
6	Miss Krisana Aramkulchai		✓	✓		✓			✓				
7	Mr. Gaurav Malik		✓	✓	✓				✓				✓
8	Mr. Winyou Chaiyawan		✓	✓	✓		✓	✓	✓				
9	Mr. Roy Agustinus Gunara		✓	✓	✓		✓		✓	✓			
Total		4	9	8	8	3	5	3	8	3	1	4	2

(Please find information and details regarding the scope of power, duties, and responsibilities of Thai credit's Board of Directors in Appendix 5)

Independent directors

Independent directors must have all qualifications required and must not have any prohibited characteristic under the Notification of the Capital Market Supervisory Board on the Application for Approval and Granting of Approval for Offering of Newly Issued Shares. In addition, independent directors must not be, nor have been, a non-independent director, manager, person with managerial power, advisor, employee of Thai credit, or an entity in Thai credit's financial businesses, unless they left this position or status for at least two years before the date of their application for BOT's approval; and they must not own a business relevant to Thai credit's business, take part in Thai credit's management, or have any relevant interest that may influence their independent decision making.

Top Executives

The Nomination and Remuneration Committee is in charge of the recruitment and preparation succession plan for positions of top Executives, including the Chief Executive Officer and Managing Director. Thai credit's Board of Directors will ensure that the performance of its top and senior Executives is efficiently evaluated on an annual basis, and the mechanism for the determination of remuneration is prudent, transparent and consistent with their responsibility and performance in order to provide short-term and long-term motivation as well as being comparable with standard remuneration in the same industry.

Thai credit plans to change its organisational structure by having only the position of Chief Executive Officer and eliminating the position of Managing Director after Mr. Winyou Chaiyawan's ("**Mr. Winyou**") resignation from the position of Chief Executive Officer in March 2024. After the resignation of Mr. Winyou, Mr. Roy Agustinus Gunara ("**Mr. Roy**") (currently the Managing Director) will assume the position of Chief Executive Officer.

Audit Committee

Members of the Audit Committee must be appointed by Thai credit's Board of Directors. The Audit Committee must consist of at least three persons, with at least one member having sufficient knowledge and experience to review the credibility of Thai credit's financial statements and all members of the Audit Committee must serve as Directors or independent directors of Thai credit.

(Please find information and details regarding the scope of power, duties, and responsibilities of Thai credit's Board of Directors in Appendix 5)

Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee must be appointed by Thai credit's Board of Directors. The Nomination and Remuneration Committee will consist of the number of members that the Board of Directors considers appropriate, but will consist of no fewer than three members who must be either independent directors or non-executive Directors.

(Please find information and details regarding the scope of power, duties, and responsibilities of the Nomination and Remuneration Committee in Appendix 5)

Executive Committee

Members of the Executive Committee must be appointed by Thai credit's Board of Directors. The Executive Committee will consist of the number of members that Thai credit's Board of Directors considers appropriate, but will consist of no fewer than three members who will be either Thai credit's Directors or Executives.

(Please find information and details regarding the scope of power, duties, and responsibilities of the Executive Committee in Appendix 5)

Risk Oversight Committee

Members of the Risk Oversight Committee must be appointed by Thai credit's Board of Directors. The Risk Oversight Committee consists of the number of members that Thai credit's Board of Directors considers appropriate, but will consist of no fewer than three members who will be Thai credit's Directors, senior Executives, or other individuals and half of these members must be either independent directors or non-executive Directors, with at least one member having knowledge, skills, and understanding of any risks relevant to Thai credit's business as a financial institution.

(Please find information and details regarding the scope of power, duties, and responsibilities of the Risk Oversight Committee in Appendix 5)

Corporate Governance and Sustainability Development Committee

Members of the Corporate Governance and Sustainability Development Committee must be appointed by Thai credit's Board of Directors. The Corporate Governance and Sustainability Development Committee will consist of the number of members that Thai credit's Board of Directors considers appropriate, but will consist of no fewer than three members who will be Thai credit's Directors, senior Executives, or other individuals and half of these must be either independent directors or non-executive Directors.

(Please find information and details regarding the scope of power, duties, and responsibilities of the Corporate Governance and Sustainability Development Committee in Appendix 5)

8.1.2 Meeting attendance and compensation for individual Directors

8.1.2.1. Meeting attendance

(1) Attendance of the Board of Directors meeting

Name	Number of BOD meetings attended/total BOD meetings held
	31 December 2023
1. Prof. Kitipong Uraepetapong	14/14
2. Mr. Chamnong Watanagase	14/14
3. Mr. Stephen Tirador Briones	14/14
4. Miss Ada Ingawanij	14/14
5. Mr. Supachai Sukhanindr	14/14
6. Miss Krisana Aramkulchai	14/14
7. Mr. Gaurav Malik	14/14
8. Mr. Winyou Chaiyawan	14/14
9. Mr. Roy Agustinus Gunara	14/14

(2) Attendance of Annual General Meeting and Extraordinary Shareholder meeting

Name	Number of shareholders meetings attended/Total shareholders meetings held	
	Annual General Meeting for 2023	Extraordinary General Meeting No. 1/2023
1. Prof. Kitipong Urapeepatanapong	1/1	1/1
2. Mr. Chamnong Watanagase	1/1	1/1
3. Mr. Stephen Tirador Briones	1/1	1/1
4. Miss Ada Ingawanij	1/1	0/1
5. Mr. Supachai Sukhanindr	1/1	1/1
6. Miss Krisana Aramkulchai	1/1	1/1
7. Mr. Gaurav Malik	1/1	1/1
8. Mr. Winyou Chaiyawan	1/1	1/1
9. Mr. Roy Agustinus Gunara	1/1	1/1

8.1.2.2 Cash compensation

Cash compensation consists of a retainer fee and an attendance fee. The Annual General Meeting for 2023, which was held on 22 February 2022, approved remuneration for Thai credit's Board of Directors and members of four subcommittees: (1) the Board of Directors; (2) the Audit Committee; (3) the Nomination and Remuneration Committee; and (4) the Risk Oversight Committee, as set out below:

Position	2023	
	Monthly retainer fee (THB/month)	Attendance fee ⁽¹⁾ (THB/meeting/person)
Thai credit's Board of Directors		
1.1 Chairman	100,000	70,000
1.2 Non-executive Directors	-	40,000
1.3 Executive Directors	-	-
Audit Committee		
2.1 Chairman	40,000	50,000
2.2 Members	-	30,000
Nomination and Remuneration Committee		
3.1 Chairman	-	50,000
3.2 Members	-	30,000
Risk Oversight Committee		

Position	2023	
	Monthly retainer fee (THB/month)	Attendance fee ⁽¹⁾ (THB/meeting/person)
4.1 Chairman	-	50,000
4.2 Non-executive members	-	30,000
4.3 Executive members	-	-
Corporate Governance and Sustainability Committee		
5.1 Chairman	-	50,000
5.2 Non-executive members	-	30,000
5.3 Executive members	-	-

Remarks:

- (1) These attendance fees were paid for attendance of Thai credit's Board of Directors meetings. No attendance fee was paid for any shareholders meetings summoned by independent directors.
- (2) Executives who are employees earning a monthly salary were not paid any additional compensation as Thai credit's Directors
- (3) Established the Corporate Governance and Sustainable Development Committee as a sub-committee on February 22, 2023.

The table below sets out the cash compensation for Directors, including any monthly retainer fee or attendance fee.

Compensation for the year ending 31 December 2023

Name	Thai credit's Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Oversight Committee		CG and SD Committee		Total
	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	
1. Prof. Kitipong Urapeepatanapong	1,200,000	980,000	-	-	-	-	-	-	-	150,000	2,330,000
2. Mr. Chamnong Watanagase	-	560,000	480,000	600,000	-	-	-	-	-	-	1,640,000
3. Mr. Stephen Tirador Briones	-	560,000	-	270,000	-	350,000	-	600,000	-	-	1,780,000
4. Miss Ada Ingawanij	-	560,000	-	360,000	-	-	-	-	-	90,000	1,010,000
5. Mr. Supachai Sukhanindr	-	560,000	-	90,000	-	210,000	-	360,000	-	-	1,220,000

Name	Thai credit's Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Oversight Committee		CG and SD Committee		Total
	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	Monthly retainer fee	Attendance fee	
6. Miss Krisana Aramkulchai	-	-	-	-	-	-	-	-	-	-	-
7. Mr. Gaurav Malik	-	560,000	-	-	-	210,000	-	360,000	-	-	1,130,000
8. Mr. Winyou Chaiyawan	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Roy Agustinus Gunara	-	-	-	-	-	-	-	-	-	-	-
Total	1,200,000	3,780,000	480,000	1,320,000	-	770,000	-	1,320,000	-	240,000	9,110,000

Remarks:

- (1) The compensation above is exclusive of any monthly retainer fee and any other benefits of Executive Directors.
- (2) The Executive Directors Mr. Winyou Chaiyawan and Mr. Roy Agustinus Gunara, and in addition Miss Krisana Aramkulchai, who is a Director with managerial power who works on a full-time basis and earns a monthly salary, received no attendance fees for attendance of Thai credit's Board of Directors meetings or any subcommittees of which each of these Directors is a member.
- (3) Mr. Stephen Tirador Briones ("Mr. Stephen") has served as an independent director of the Bank since 1 October 2014 and as of 30 September 2023, he has been in the position for nine years in total. According to Clause 4.4.2 (3) of the Notification of the BOT No. FPG. 2/2023, independent directors can hold their positions in a particular financial institution for no more than nine consecutive years, including period during which they serve as independent directors of companies within that financial institution's business group. If an independent director who had held the position for nine years in any financial institution wishes to be re-appointed as an independent director, he/she must have been discharged from the position of director, manager, person with power of management, advisor, employee of such financial institution and companies within its financial business group at least two years before the submission of application for approval. Therefore, the Board of Directors meeting No. 11/2023, held on 27 September 2023, considered Mr. Stephen's contributions in his capacity as an independent director and opined that throughout his term, he utilized his knowledge and experience in fulfilling his duties as a Director and a member of sub-committees, as well as continually provided advice that was beneficial to the Bank's business operations in line with the Bank's strategy and business goals. The Board of Directors then approved the change in Mr. Stephen's directorial role from an independent director to a Director. Additionally, Mr. Stephen was designated to switch from the Chairman of the Nomination and Remuneration Committee to a member of the Nomination and Remuneration Committee. Furthermore, in order to fully satisfy the BOT's regulations on the composition and qualifications of the Board of Director and the sub-committees, Mr. Supachai was approved to assume the position as a member of the Audit Committee and switch from a member of the Nomination and Remuneration Committee to the Chairman of the Nomination and Remuneration Committee, effective from 1 October 2023 onwards

- **Incentives and bonuses based on the results of Thai credit's operations**

Independent directors, Executive Directors, and Directors who receive monthly remuneration receive incentives and bonuses based on the results of Thai credit's operations. These incentives and bonuses are determined by the Nomination and Remuneration Committee and Thai credit's Board of Directors.

- **Other compensation**

For those Executive Directors and Directors who receive monthly remuneration this can include cash compensation such as salaries and bonuses and non-cash compensation such as office cars and telephone allowance.

8.1.3 Governance of subsidiaries and associates

Thai credit has a policy to invest in companies whose operations support Thai credit's business operations, which are consistent with Thai credit's goals, visions, and strategic plans for the growth of the Thai credit group, which will increase Thai credit's results of operations or profits, or to invest in synergies to increase Thai credit's competitiveness and drive Thai credit forward to achieve its goal to become a leading operator in its core businesses. Thai credit, its subsidiary and/or its associates may consider making additional investments in other businesses that have growth potential, or that may drive the expansion of, or bring benefits to, the existing business of the Thai credit group and which would generate healthy returns on investment. To make an investment decision for Thai credit, its subsidiary and/or its associates, Thai credit will analyse the feasibility of the investment, its potential, the proportion of the investment, the expected profits and any relevant risk factors arising from the investment. Procedures for this

investment analysis will be properly established and will be subject to approval and/or permission from Thai credit's Board of Directors meetings and/or Thai credit's shareholder meetings (as the case may be). Any investment made by Thai credit, its subsidiary and/or its associates must comply with any relevant provisions provided in any relevant notifications of the BOT, the Capital Market Supervisory Board, and the SET Board of Governors.

Procedures for the governance of subsidiaries' and associates' operations

- (1) Thai credit will appoint representatives to be directors and/or executives in each subsidiary and/or associate. The number of representatives so appointed will be at least pro rata to Thai credit's shareholding in the subsidiary or associate, if possible, unless Thai credit's Board of Directors are of the opinion that the directorship structure and management structure in that company, allows a smaller number of directors and/or executives than the number of directors or executives pro rata to Thai credit's shareholding in the company, will have no effect on Thai credit's power to establish policies and perform operations that are material, that it will have effects on the subsidiary's or associate's financial position and operating results, or that proper checks and balances are in place in the subsidiary or associate.

Thai credit's Board of Directors' meetings will consider and approve the appointment of Thai credit's representatives as directors and/or executives in each subsidiary or associate by taking into account their suitability for each company, unless that subsidiary or associate is of a sufficiently small size that no material effects will be caused to Thai credit's financial position and operating results. Thai credit's Board of Directors may consider assigning the Chief Executive Officer or Managing Director to appoint Thai credit's representatives to be directors and/or executives in the subsidiary or associate with an objective to ensure that representatives manage the operations of that subsidiary and/or associate in accordance with applicable laws and Thai credit's good corporate governance policy and other relevant policies, and that Thai credit will be able to acknowledge and monitor the operations of that subsidiary and/or associate to the extent permissible under applicable laws and relevant policies.

- (2) Thai credit will supervise its representatives in each subsidiary and/or associate to ensure that the performance of their duties complies with laws, objectives and Thai credit's articles of association, including resolutions of the Board of Directors and shareholders meetings; conforms with the good corporate governance policy and business code of conduct; and that they perform their duties with honesty, carefulness, responsibility, and morality, as well as following up and providing advice to ensure that the operations of the subsidiary and/or associate will achieve the set goal, and that any issues that may arise will be dealt with in a proper and timely manner.
- (3) Thai credit will take any necessary action possible to ensure that its subsidiary and/or associate discloses their financial position, operating results, potential conflict of interest transactions and material information to Thai credit, as well as any information which must be disclosed to regulators and government agencies.
- (4) Thai credit will closely monitor the operations and operating results of its subsidiary and/or associate and will offer its opinions or suggestions to Thai credit's Board of Directors and the Board of Directors

of the subsidiary and/or associate, to the extent possible. These opinions and suggestions will support the goal to improve their businesses and promote continuous development and growth.

- (5) Directors of subsidiary and/or associates who are Thai credit's representatives must consider, monitor and give necessary advice to the subsidiary and/or associate regarding the establishment of clear work systems to ensure the efficiency and effectiveness of their business operations.

Additional Procedures for the governance of subsidiaries' operations

- (1) If a transaction by a subsidiary can be considered as an acquisition or disposal of an asset or a related parties transaction under relevant notifications of the Capital Market Supervisory Board and the SET Board of Governors and approval needs to be obtained from Thai credit's Board of Directors or a shareholders meeting (as the case may be); and/or constitutes a transaction for which prior approval must be obtained from competent authorities under applicable laws, the subsidiary may enter into the transaction only when approval has been obtained from a Thai credit Board of Directors meeting, a shareholders meeting, and/or a competent authority (as the case may be).
- (2) If a transaction is performed by a subsidiary or an event otherwise takes place in relation to a subsidiary which requires Thai credit to disclose any information under any notification, rule or regulation to competent regulators, including an obligation under the Regulation of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company, its directors and/or executives who are Thai credit's representatives must report to Thai credit as soon as they are aware of the subsidiary's plan to enter into such transactions or such an event has occurred.
- (3) Thai credit has policies to ensure that its subsidiary has risk management systems and internal control systems that are suitable, sufficiently prudent and have a sufficient workforce to ensure that these systems are efficiently implemented to prevent any potential corruption to subsidiary. In addition, Thai credit and the internal control department of Thai credit will ensure that they have sufficient internal control systems in place to monitor and supervise the subsidiary's operations to protect their assets from illegal or unauthorised use by Directors or Executives and to prevent any transaction with a potentially Conflicting Person or a Connected Person, so that Thai credit's Directors and Executives can efficiently monitor and supervise the results of its subsidiary's operations, their financial position, related party transactions, and material transactions. In addition, Thai credit's internal auditors and Audit Committee, who have direct access to the internal data of its subsidiary, will report their audit results to Thai credit's Board of Directors to ensure that this subsidiary strictly complies with the work systems established.
- (4) Directors of subsidiary who are Thai credit's representatives must ensure that the annual budget of the subsidiary will be proposed for consideration and approval from a Thai credit Board of Directors meeting before the subsidiary summon their own board of directors' meetings to approve it, unless otherwise specified in the delegation of authority of the subsidiary that has been approved by a Thai credit Board of Directors meeting.

(Please find information and details regarding the full version of policies and practices for corporate governance and business code of conduct in Appendix 5)

8.1.4 Monitoring to ensure compliance with good corporate governance policies and practices

1. Compliance with good corporate governance policies and practices

Thai credit places importance on the rights of its shareholders; its continued responsibility for its shareholders and interested parties; equal treatment for all shareholders; taking the roles of interested parties into account; and disclosure and transparency. Thai credit's Board of Directors emphasises responsibilities for their duties and compliance with good corporate governance principles to increase confidence among shareholders, investors and all interested parties. Thai credit's Board of Directors therefore agree that a good corporate governance policy, which includes key principles from the structure, roles, duties, and responsibilities of Thai credit's Board of Directors and subcommittees to principles regarding transparent, clear and verifiable management of Executives, should be established to ensure that the operations of Thai credit are fair and within the best interests of its shareholders and all interested parties.

A policy for business operations under Thai credit's good corporate governance principles was approved by Thai credit's Board of Directors meeting No. 1/2023 on 26 January 2023. The policy provides guidelines in nine areas for Thai credit's Directors, Executives, and employees to understand and adhere to in their performance of duties, as detailed below:

- Establishment of the objectives and main goals of the business, with an aim towards sustainability.
- Establishment or approval of an efficient and effective risk governance framework.
- Effective remuneration structure.
- Whistleblowing policy and procedures.
- Internal control and internal audit.
- Disclosure of corporate governance to interested parties of Thai credit.
- Maintenance of financial creditability and disclosure of information.
- Supporting engagement from, and communication with shareholders.
- Promotion of innovation and responsible business conduct.

Thai credit will continue to monitor and ensure its compliance with these good corporate governance policies and practices.

(Please find information and details regarding the full version of policies and practices for corporate governance and business code of conduct in Appendix 5)

2. Prevention of conflicts of interest

Thai credit places importance on the transparent consideration of transactions and prioritises the potential benefits for Thai credit. It therefore focuses on the prevention of transactions that may cause conflicts of interest, connected transactions, or related party transactions. Thai credit's Board of Directors Meeting No. 1/2023 on 26 January 2023 resolved to approve the establishment of the Conflict of Interest Policy, with an aim to control and

prevent any conflicts of interest and to ensure that understanding and proper conduct by its Directors, Executives, and employees are in compliance with applicable laws and regulations. The Conflict of Interest Policy is summarised below.

Thai credit's Directors, Executives, and employees must try to refrain from any acts that may directly or indirectly cause a conflict of interest, and must disclose and provide information about any interest, and any interest of their interested persons, to Thai credit's Board of Directors to ensure that any relationship or transactions they will potentially have with Thai credit and its subsidiary that may cause a conflict of interest will be acknowledged before they are initiated. Thai credit also schedules a survey to create a list of interested parties and interested transactions which involve Directors, Executives, and/or Connected Persons, including the employees involved, at the end of every year and reports the survey results to the Audit Committee and the Board of Directors at least once a year.

(Please find information and details regarding the full version of policies and practices for corporate governance and business code of conduct in Appendix 5)

3. Exploitation of inside information

Thai credit's Board of Directors Meeting No. 1/2023 on 26 January 2023 resolved to approve the Inside Information Exploitation Prevention Policy, which has been established to prevent exploitation of inside information; ensure clear understanding, communication, and guidelines on the prevention of inside information exploitation for Thai credit's personnel; and ensure that Thai credit's personnel of all levels comply with its charters, the code of conduct of Thai credit, practices on the use of inside information under the Securities and Exchange Act, and other relevant rules and regulations to prevent disclosure of any confidential information and the illegal use of inside information.

(Please find information and details regarding the full version of policies and practices for corporate governance and business code of conduct in Appendix 5).

4. Anti-Corruption Policy

Thai credit is committed to combating all forms of corruption and encourages its Board of Directors, Executives, and employees to prevent bribery and combat corruption in any form. Thai credit understands the importance of the prevention of bribery and corruption and in order to help monitor and report any forms of bribery Thai credit has put in place the policies and practices for combating corruption detailed in Section 6.1.2 (Policies and Practices Regarding Shareholders and Interested Parties) and has communicated such policies to all Directors, Executives, and employees for their acknowledgement.

Thai credit has established a channel for the whistleblowing of any violations of laws or codes of conduct, or any act that implies corruption or any improper conduct. Any violation of, or non-compliance with, the Anti-Corruption Policy constitutes a disciplinary violation of Thai credit's policies and may cause the violator to be punished under applicable regulations, policies, rules, orders, notifications, laws, principles, or other relevant provisions, potentially also constituting a civil or criminal offense. In addition to any civil or criminal penalty issued by competent courts or regulators, Thai credit may take additional disciplinary action at a level consistent with the severity of the violation of the applicable

policies. Thai credit's disciplinary actions may include warnings, additional training on the Anti-Corruption Policy, and termination of employment.

In 2023, the Bank received 4 reports regarding behaviour indicating corruption and investigated the report without delay. From the results of the investigation, it was found that there were three only reports in which the employees were responsible for the corruption and the employees As a result, such employees' employment was terminated immediately.

5. Whistleblowing

Thai credit understands that it is important to prevent any corruption and misconduct that may arise from operations and communication with interested parties which may have influence on its decision making and business operations. When individuals discover any incident that is in violation of Thai credit policies or is non-compliant with applicable laws or practices for corporate governance, business codes of conduct, or other work regulations of Thai credit, including any act that implies corruption, individuals can report those issues via this channel or other suitable channels for complaints and whistleblowing as follows:

- By email to Employeeecare@thaicreditbank.com
- By post or in person to human resources top Executives:

Thai Credit Bank Public Company Limited

26th Floor, 121/78-79 RS Tower Building, Ratchadaphisek, Dindang, Bangkok 10400

All reported information and relevant documents will be kept confidential. Thai credit has put in place measures to protect whistleblowers and any individuals cooperating in an investigation that arises due to whistleblowing.

In 2023, one report was submitted to Thai credit by employees via a whistleblowing channel which is the report involved an employee reporting on a supervisor's conduct. On 3 April 2023, after receiving this report, the human resources department investigated the supervisor's conduct against the work regulations and code of conduct. The findings were reported to the top Executives of the department, and the supervisor was informed to improve work performance. The top Executives and the human resources department will conduct further reviews on this matter. *(Please find information and details regarding the full version of policies and practices for corporate governance and business code of conduct in Appendix 5)*

8.2 Audit Committee's performance report for the previous years

8.2.1 Number of meetings held and meeting attendance by individual members

The table below sets out the attendance of Audit Committee meetings.

Name	Number of meetings attended/total number of meetings held
	31 December 2023
1. Mr. Chamnong Watanagase	12/12
2. Mr. Stephen Tirador Briones ⁽¹⁾	9/9

Name	Number of meetings attended/total number of meetings held
	31 December 2023
3. Miss Ada Ingawanij	12/12
4. Mr. Supachai Sukhanindr ⁽²⁾	3/3

Remarks:

- (1) Mr. Stephen Tirador Briones ("Mr. Stephen") has served as an independent director of the Bank since 1 October 2014 and as of 30 September 2023, he has been in the position for nine years in total. According to Clause 4.4.2 (3) of the Notification of the BOT No. FPG. 2/2023, independent directors can hold their positions in a particular financial institution for no more than nine consecutive years, including period during which they serve as independent directors of companies within that financial institution's business group. If an independent director who had held the position for nine years in any financial institution wishes to be re-appointed as an independent director, he/she must have been discharged from the position of director, manager, person with power of management, advisor, employee of such financial institution and companies within its financial business group at least two years before the submission of application for approval. Therefore, the Board of Directors meeting No. 11/2023, held on 27 September 2023, considered Mr. Stephen's contributions in his capacity as an independent director and opined that throughout his term, he utilized his knowledge and experience in fulfilling his duties as a Director and a member of sub-committees, as well as continually provided advice that was beneficial to the Bank's business operations in line with the Bank's strategy and business goals. The Board of Directors then approved the change in Mr. Stephen's directorial role from an independent director to a Director. Additionally, Mr. Stephen was designated to switch from the Chairman of the Nomination and Remuneration Committee to a member of the Nomination and Remuneration Committee. Furthermore, in order to fully satisfy the BOT's regulations on the composition and qualifications of the Board of Director and the sub-committees, Mr. Supachai was approved to assume the position as a member of the Audit Committee and switch from a member of the Nomination and Remuneration Committee to the Chairman of the Nomination and Remuneration Committee, effective from 1 October 2023 onwards.
- (2) Appointed by Thai credit's Board of Directors Meeting No. 11/2023 on September 27,2023, effective from 1 October 2023.

8.2.2 Description of the Audit Committee's performance

The Audit Committee helps Thai credit's Board of Directors in the performance of their duties and responsibilities regarding financial monitoring and reporting processes; in the review of Thai credit's internal control system and audit process; and in ensuring that Thai credit conducts its businesses with good governance in compliance with applicable regulations and laws. Audit Committee meetings are held at least four times a year and the Audit Committee reports to Thai credit's Board of Directors.

(The full Audit Committee report is provided in Appendix 6)

8.3 Summary of the performance of other subcommittees

8.3.1 Number of meetings held and attendance of other subcommittees meetings

(1) Nomination and Remuneration Committee meetings

The table below sets out the attendance of the Nomination and Remuneration Committee meetings.

Name	Number of meetings attended/total number of meetings held
	1 January to 31 December 2023
1. Mr. Stephen Tirador Briones ⁽¹⁾	7/7
2. Mr. Supachai Sukhanindr ⁽¹⁾	7/7
3. Mr. Gaurav Malik	7/7

Remarks:

- (1) Mr. Stephen Tirador Briones ("Mr. Stephen") has served as an independent director of the Bank since 1 October 2014 and as of 30 September 2023, he has been in the position for nine years in total. According to Clause 4.4.2 (3) of the Notification of the BOT No. FPG. 2/2023, independent directors can hold their positions in a particular financial institution for no more than nine consecutive years, including period during which they serve as independent directors of companies within that financial institution's business group. If an independent director who had held the position for nine years in any financial institution wishes to be re-appointed as an independent director, he/she must have been discharged from the position of director, manager, person with power of management, advisor, employee of such financial institution and companies within its financial business group at least two years before the submission of application for approval. Therefore, the Board of Directors meeting No. 11/2023, held on 27 September 2023, considered Mr. Stephen's contributions in his capacity as an independent director and opined that throughout his term, he utilized his knowledge and experience in fulfilling his duties as a Director and a member of sub-committees, as well as continually provided advice that was beneficial to the Bank's business operations in line with the Bank's strategy and business goals. The Board of Directors then approved the change in Mr. Stephen's directorial role from an independent director to a Director. Additionally, Mr. Stephen was designated to switch from the Chairman of the Nomination and Remuneration Committee to a member of the Nomination and Remuneration Committee. Furthermore, in order to fully satisfy the BOT's regulations on the composition and qualifications of the Board of Director and the sub-committees, Mr. Supachai was approved to assume the position as a member of the Audit Committee and switch from a member of the Nomination and Remuneration Committee to the Chairman of the Nomination and Remuneration Committee, effective from 1 October 2023 onwards.

(2) Executive Committee meetings

The table below sets out the attendance of Executive Committee meetings.

Name	Number of meetings attended/total number of meetings held
	1 January to 31 December 2023
1. Mr. Winyou Chaiyawan	13/13
2. Mr. Roy Agustinus Gunara	13/13
3. Mr. Kamolphu Phuredithsakul	13/13
4. Mr. Natus Kittawaranon	12/13
5. Mr. Kittipant Sriwannawit	13/13
6. Mr. Christopher Chan	13/13
7. Mr. Pichart Roongwarasopit	12/13
8. Mr. Veeravet Chaiyawan	12/13
9. Mr. Sarawooth Savejnarong	12/13
10. Mrs. Suwimol Visavavigrant	13/13
11. Miss Puckjira Vudhesethakrit	12/13

(3) Risk Oversight Committee meetings

The table below sets out the attendance of Risk Oversight Committee meetings.

Name	Number of meetings attended/total number of meetings held
	1 January to 31 December 2023
1. Mr. Stephen Tirador Briones ⁽¹⁾	12/12
2. Mr. Supachai Sukhanindr ⁽¹⁾	12/12
3. Mr. Gaurav Malik	11/12
4. Mr. Winyou Chaiyawan	12/12
5. Mr. Roy Agustinus Gunara	12/12

Remarks:

- (1) Mr. Stephen Tirador Briones ("Mr. Stephen") has served as an independent director of the Bank since 1 October 2014 and as of 30 September 2023, he has been in the position for nine years in total. According to Clause 4.4.2 (3) of the Notification of the BOT No. FPG. 2/2023, independent directors can hold their positions in a particular financial institution for no more than nine consecutive years, including period during which they serve as independent directors of companies within that financial institution's business group. If an independent director who had held the position for nine years in any financial institution wishes to be re-appointed as

an independent director, he/she must have been discharged from the position of director, manager, person with power of management, advisor, employee of such financial institution and companies within its financial business group at least two years before the submission of application for approval. Therefore, the Board of Directors meeting No. 11/2023, held on 27 September 2023, considered Mr. Stephen's contributions in his capacity as an independent director and opined that throughout his term, he utilized his knowledge and experience in fulfilling his duties as a Director and a member of sub-committees, as well as continually provided advice that was beneficial to the Bank's business operations in line with the Bank's strategy and business goals. The Board of Directors then approved the change in Mr. Stephen's directorial role from an independent director to a Director. Additionally, Mr. Stephen was designated to switch from the Chairman of the Nomination and Remuneration Committee to a member of the Nomination and Remuneration Committee. Furthermore, in order to fully satisfy the BOT's regulations on the composition and qualifications of the Board of Director and the sub-committees, Mr. Supachai was approved to assume the position as a member of the Audit Committee and switch from a member of the Nomination and Remuneration Committee to the Chairman of the Nomination and Remuneration Committee, effective from 1 October 2023 onwards.

(4) **Corporate Governance and Sustainability Development Committee meetings**

The table below sets out the attendance of Corporate Governance and Sustainability Development Committee meetings.

Name	Number of meetings attended/total number of meetings held
	1 January to 31 December 2023
1. Prof .Kitipong Urapeepatanapong	3/3
2. Miss Ada Ingawanij	3/3
3. Mr. Winyou Chaiyawan	3/3

Remarks:

- (1) The Corporate Governance and Sustainability Development Committee was established in 2023.

8.3.2 Description of other subcommittee performance

(1) Nomination and Remuneration Committee

The Nomination and Remuneration Committee supports Thai credit's Board of Directors in the establishment of clear principles and procedures for nomination and in the payment of remuneration and other benefits to Directors, persons with managerial power, Thai credit's employees and entities within the financial business group. It ensures that such payments are clear, transparent and in compliance with the good corporate governance principles. In 2023, the Nomination and Remuneration Committee considered material matters including considering individuals to fill Thai credit's key positions, including evaluating independent directors, and Executives to help determine who would take the position as the head of internal audit, as well as approving the evaluation of Thai credit Executives' performance.

(2) Executive Committee

The Executive Committee is in charge of governing Thai credit's operations to ensure compliance with its objectives, articles of association, policies, rules, strategies, and business plans. The Executive Committee implements policies, strategies and the good risk oversight framework which includes policies that have been approved by Thai credit's Board of Directors, as well as reporting progress to Thai credit's Board of Directors periodically to ensure

consistency and conformity with Thai credit's policies, goals, and strategies, as established by Thai credit's Board of Directors. The Executive Committee aims for agility and to reduce workloads for the Board of Directors. In 2023, the Executive Committee considered material matters, including the approval of office space management, the approval of Thai credit's service channel management, the consideration and analysis of the preparation and annual review of Thai credit's policies, and the consideration and approval of life and health insurance programs for Thai credit employees.

(3) Risk Oversight Committee

The Risk Oversight Committee supports Thai credit's Board of Directors in the establishment of risk oversight frameworks in Thai credit's business areas with a focus on efficiency and compliance with Thai credit's risk management and handling policy, and to ensure that Thai credit's management properly covers relevant risks in more volatile and complicated financial circumstances, and that Thai credit's policies and strategies are efficiently and effectively complied with. In 2023, the Risk Oversight Committee considered material matters, including the approval of annual plans proposed by the compliance department, the consideration and approval of the preparation and review of Thai credit's policies regarding risk management, examination and monitoring of operations and readiness to comply with the provisions of the Personal Data Protection Act, as well as the consideration and approval of annual work plans and risk tolerance.

(4) Corporate Governance and Sustainability Development Committee

The Corporate Governance and Sustainability Development Committee is responsible for providing guidelines and recommendations to the Board of Directors on good corporate governance and sustainability development, including determining the scope, policies and guidelines for the environment, society, employees, good corporate governance, and the Thai credit's Business Code of Conduct as well as safety, occupational health, and working conditions. In 2023, the Corporate Governance and Sustainability Development Committee has considered important matters such as the appointment of a representative for environmental and climate change operations and a representative of Thai credit and a representative of the Corporate Governance and Sustainability Development Committee pursuant to the invitation of the Bank of Thailand and Thai Bankers' Association, including the appointment of a working group on ESG, etc.

8.4 Disclosure and Transparency

The Bank has a clear policy for disclosing bank information, which must be properly approved in order to disclose both financial and non-financial information of the bank to shareholders, investors, analysts, regulatory agencies, and the general public are accurate, complete, timely, equal, transparent, consistent, and in accordance with all applicable laws, regulatory requirements, and regulations. The bank has appointed the Chief Executive Officer, Managing Director, Assistant Managing Director, Assistant Managing Director of Finance and Accounting, head of the investor relations department and the person designated by the above person can consider and decide on the content of important information for consideration of disclosure.

In 2023, The Bank and the Chief Executive Officer received the notification from the Office of SEC that Thai credit had issued and offered warrants to purchase Bank's shares to directors, employees and major shareholders of

Thai credit during 2014 – 2021 ("Warrants"), some of which have been delayed or were not in compliance with the requirements under the Securities and Exchange Act B.E. 2535 in respect of registering the transfer restriction of Warrants, reporting on the sale results of Warrants and/or reporting on the results of sale of underlying shares from the exercise of Warrants. The bank and the Chief Executive Officer paid the fine as determined by the committee, totaling 2.8 million baht, in October. 2023, resulting in the case being settled pursuant to the last paragraph of Section 317 of the Securities and Exchange Act B.E. 2535, as amended.

The Bank informed Board of Directors on the facts regarding the issuance of such Warrants for acknowledgement at the Board of Directors Meeting No. 10/2023, held on 30 August 2023, and reported the non-compliance with relevant regulations and proposed preventive solutions to Board of Directors. The Bank will develop and improve the supervision on the procedures of issuance of financial instruments for personnel to adhere to. The unit which is responsible for the issuance of financial instruments must prepare a detailed work plan and discuss with the Compliance Unit which is the Second Line of Defense with responsibility to supervise compliance with laws, regulations, as well as to monitor changes to the laws and regulations applicable to the Bank's business operation, including to provide advices and suggestions in relation to compliance with laws and required approvals from government authorities.

9. Internal Control and Related Party Transactions

9.1 Internal Control

9.1.1 The internal control system

The Board of Directors realizes the importance of having a good internal control system that can help prevent and manage risks or damages that may occur to the Bank and its stakeholders. All departments of the Bank are required to adhere to good practices on internal control, which are in line with the concept of the Committee of Sponsoring Organizations of Treadway Commission (COSO) and are the main policy to establish an appropriate and adequate internal control system.

The Bank has continuously improved its internal control system to be more efficient. As the Bank recognizes that a good and appropriate internal control system can help protect all parts of the Bank's operations that will lead to good performance and sustainable Bank's progress, the Bank has established an organizational structure that includes a chain of command and the scope of authority and duties is clearly defined. The Three Lines Model governance principles are applied in accordance with international guidelines as a framework for supervising and defining the roles and duties of relevant workers throughout the organization. This includes business departments (first line), second line, and internal audit (third line), all of which work together through operational processes and internal controls defined at each level, which will help achieve objectives and facilitate governance and risk management. The Bank also requires executives and employees at all levels to have roles, duties and responsibilities in establishing adequate and appropriate internal controls in their operations. The Bank has prepared written policies and operating procedures and regularly evaluated the effectiveness of the internal control. Separated by internal control elements in accordance with international standards, COSO is as follows:

1. Control Environment

The Bank has the Board of Directors and sub-committees who have strong knowledge, expertise and experience in various areas necessary and beneficial to the Bank's business operations. The Bank separates governing committees from the Executive Committee, which the duties and responsibilities of the Board of Directors are written in the Good Corporate Governance Policy, including the Charter of the Board of Directors and sub-committees, which specify the guidelines on the composition, qualifications, roles, duties, responsibilities, meetings, term of office and remuneration of the Board of Directors. In addition, the Good Corporate Governance Policy stipulates that the Board of Directors may seek professional opinions from external advisors on business operations as necessary to make appropriate decisions.

The Board of Directors and executives have determined the duties and responsibilities of the Board of Directors, sub-committees, executives and staff to treat all stakeholders, including shareholders, employees, customers, or competitors with integrity, as stipulated in the Code of Conduct and Good Corporate Governance Policy for executives and employees to comply. The Bank has communicated the Code of Conduct to executives and employees through orientation and email prior to starting work and also publish Anti-Corruption Policy and Work Rules on the Bank's Portal

The Bank requires all employees to strictly supervise the operation of their unit in accordance with relevant regulations. In addition, Compliance unit and Internal Audit will monitor and control operations in accordance with the Bank's Code of Conduct which the review report is submitted to the Risk Oversight

Committee and the Audit Committee, respectively. The Bank has designated non-compliance with the Bank's rules and business practices as one of the risk assessment frameworks. The management and employees of each unit are responsible for assessing every year. The assessment results are reported to the Risk Management Committee. In addition, the Bank will be audited annually by the regulator and Internal Audit will report the results of the audit and progress of the rectifications of the audit issues to the relevant committees regularly.

The Bank has established an internal surveillance process and a process to report any activity that may be illegal, contrary to policies, regulations, internal procedures, code of conducts. The Bank also specifies clear whistleblowing channels and operating procedures, and requires the protection of informants and the confidentiality of information related to complaints so that action can be taken without interference. There is a process to investigate and consider penalties according to the level of offense committed. The whistleblowing channels include direct submit to the Chairman of the Audit Committee or an independent director, the Audit Committee, Chief Internal Audit Officer or Chief Human Resources Officer.

The Bank places importance on human resource management, so it has established policies and procedures to recruit, develop and retain personnel with appropriate knowledge and abilities. This includes establishing a performance appraisal process, providing appropriate incentives or rewards to high-performing personnel, and managing non-achieving personnel and communicating the processes assigned to management and employees on a regular basis. In addition to setting business goals, the Bank also places importance on compliance with laws and regulations as a key performance indicator.

2. Risk Assessment

The Bank attaches great importance to risk management, with the Risk Management Committee and Risk Management Department responsible for analyzing various types of risks and monitoring the Bank's risk at an acceptable level as determined by the Board of Directors.

The Board of Directors has established the risk management policy covering both external and internal factors to be comprehensive and in line with the strategy and direction of the business in order to carry out various tasks related to risk management, which has been approved by the Board of Directors, and communicated such policy to all executives and employees, oversee capital and liquidity management strategies to support risks to ensure that they are in line with acceptable risk levels, and supervise the Bank's senior executives to comply with risk management policies and strategies, including risk tolerances, as well as, review the adequacy and effectiveness of overall risk management policies and strategies, and review risk tolerances at least once a year or when there are significant changes. The Bank reports to the Board of Directors of the Bank on their risk status, risk management efficiency, and compliance status with risk culture, as well as significant factors and problems, and what needs to be improved to be in line with the Bank's risk management policies and strategies.

The Bank has prepared financial reports in accordance with generally accepted accounting principles. It has been audited by a certified public accountant approved by the Securities and Exchange Commission and the Bank of Thailand.

The Bank has identified risk and prepared policies, manuals, operational standards and risk management that may occur and affect the Bank. The Bank's risk management report is prepared and proposed to the Risk Management Committee, Risk Oversight Committee and the Board of Directors on a monthly basis.

At the corporate level, the Bank conducts a composite rating on an annual basis by assessing risks based on 5 factors consisting of capital adequacy, earning capacity, good governance, compliance and market conducts. It covers 7 risk categories which are strategic risk, credit risk, market risk, liquidity risk, operational risk (including legal risk), information technology risk and reputational risk. The assessments are reported to the Executive Committee and the Board of Executive Officers and also submitted to Board of Directors.

At the Bank's business process level, Risk Control Self-Assessment (RCSA) is conducted annually with the principle that all executives and staff in the Bank are responsible and involved in the risk assessment and control process inherent in their work to identify risks that significantly affect the Bank and assess the effectiveness of its control activities used by the Bank to control such risks and presented to the Risk Management Committee.

3. Control Activities

The Bank has designed control measures at both the corporate level and the Bank's business process level through policies and operational procedures that are considered to be appropriate to the nature of business operations, scope of operation, complexity of the nature of work. Internal control measures, both manual internal control and internal control using information technology (Automated control) are defined in writing, as well as check and balance as part of the operational process at the organizational level and various operational processes according to business processes which are appropriate to business operations and control environment and cover various processes appropriately.

The Bank also defines the scope, authority, and hierarchy of approval of executives at each level in the delegation of authority matrix. There is also a significant separation of responsibilities between approval, accounting and information records and duties for asset storage are clearly separated, especially for Front Office and Back Office, to be able to prevent fraud. In addition, the Bank has established a policy on transactions with related parties as a guideline for management and employees to adhere to. Details of related party transactions are disclosed in the notes to the financial statements and the annual report.

In addition, the Bank has established relevant IT policies and procedures to guide operations for employees who use information systems, information administrators, information system developers, as well as executives in various departments who have an authority to approve the use of information technology systems. The Bank also defines the IT security policy which includes data loss prevention.

4. Information and Communication

The Bank collects and considers relevant information, both internal and external, to support its decision making which reliability of the sources used is considered. The Bank has continuously developed information technology to support financial and operational information in order to monitor and evaluate the results in accordance with the internal control system and to be able to correct significant deficiencies in a timely manner, as well as to provide useful information system information with accuracy and completeness to the decisions of the Board of Directors and the Bank's management.

5. Monitoring

The Audit Committee is responsible for considering the adequacy of the Bank's internal control system by supervising the operations of the Internal Audit function and works closely with the Bank's auditors which focuses on the adequacy of the internal control system, compliance with government regulations and review important accounting policies, including disclosure of the Bank's information.

Compliance unit is responsible for reviewing and monitoring the performance of departments within the Bank to ensure compliance with important regulations. In addition, the Bank has established Credit Review unit under the Risk Management unit, which is independent of the credit approval process, to review the end-to-end credit processes, including the accuracy of the loan classification, reserves and assets written-off.

Internal Audit unit regularly coordinates with the management to ensure that the internal audit work is relevant and in line with the Bank's strategic and operational needs through all internal audit activities. Internal Audit unit has prepared an annual audit plan and a 3-year audit plan to cover significant tasks and activities and guide the internal audit works to achieve the objectives set. Internal Audit will prepare an audit report which analyzes the root cause of the issue and also provides appropriate recommendations that are able to prevent recurrence of issues. Internal Audit also monitors and reports the progress on the implementation of the plan to resolve observations from the audit reports of Internal Audit unit, the auditor, the Bank of Thailand's examiner to the Audit Committee and Executive Committee on a monthly basis and to the Risk Oversight Committee on a quarterly basis. In addition to assurance service provided by Internal Audit, Internal Audit unit also provides advisory services to executives and other departments within the Bank which, in providing advisory services, the Internal Audit unit maintains its independence and fairness in performing its duties.

Internal Audit unit places importance on the development of personnel to have knowledge and abilities in terms of business understanding, risks and internal control, professional standards of internal audit, as well as skills necessary for performing internal audit work. The internal audit personnel are required to attend both internal and external training courses regularly and there is also training within the Internal Audit unit provided to the internal audit personnel.

In addition, the Internal Audit unit uses Data Analytics to support operations to be more efficient and faster. In order to control the quality of internal audit work, Internal Audit unit has performed internal Quality Assurance Review annually, by the department independent from the internal auditors, and hires an independent expert to perform external Quality Assurance Review every five years to evaluate and review the quality of internal audit work as well as identify opportunity of improvement continuously.

9.1.2 Head of internal audit

The Audit Committee Meeting No. 13/2022, held on 15 December 2022, considered the qualifications, educational background, and experience of Ms. Chorkaew Kaewmorakot, and approved appointing her to act as the head of internal audit, whereby the Internal Audit Division is directly under the Audit Committee's supervision. The qualifications of the person holding the position of the head of internal audit can be found in Appendix 3

9.1.3 Appointment, rotation, removal, and promotion of the head of internal audit

The Audit Committee or the Board of Directors of the Bank is responsible for considering and approving the appointment, rotation, and removal of the head of internal audit.

9.2. Related party transactions

9.2.1. Details of Conflicting Persons and relationships with them, for the accounting year ending 31 December 2023

Conflicting Persons and nature of business operations	Relationship
1. V.C. Property Company Limited (" V.C. Property "), a holding company.	<ul style="list-style-type: none"> V.C. Property is an indirect shareholder of Thai credit, holding shares in Thai credit through VNB Holding Company Limited ("VNB"). Together with another related company of V.C. Property namely Thai Life Insurance Public Company Limited ("TLI"), and other minority shareholders of Thai credit¹, in aggregate, hold 63.2% of the shares in Thai credit. Thai credit's Directors and Executives, and their close relatives, in aggregate, hold 100% of the shares in V.C. Property, as listed below: <ol style="list-style-type: none"> Mr. Winyou Chaiyawan ("Mr. Winyou"), Thai credit's Director and Chief Executive Officer, holding 20.0% of the shares in V.C. Property; Mr. Veeravet Chaiyawan ("Mr. Veeravet"), Thai credit's Assistant Managing Director of Retail and Wealth Banking Group, holding 7.0% of the shares in V.C. Property; Mr. Vanich Chaiyawan ("Mr. Vanich Chaiyawan"), father of Mr. Winyou and Mr. Veeravet, holding 20.0% of the shares in V.C. Property; Mr. Chai Chaiyawan ("Mr. Chai"), elder brother of Mr. Winyou and Mr. Veeravet, holding 23.0% of the shares in V.C. Property; Mrs. Chatchada Malakul Na Ayudhaya ("Mrs. Chatchada"), elder sister of Mr. Winyou and Mr. Veeravet, holding 10.0% of the shares in V.C. Property; Miss Weena Chaiyawan ("Miss Weena"), elder sister of Mr. Winyou and Mr. Veeravet, holding 10.0% of the shares in V.C. Property; and Mrs. Varang Chaiyawan ("Mrs. Varang"), elder sister of Mr. Winyou and Mr. Veeravet, holding 10.0% of the shares in V.C. Property. Has one common Director: <ol style="list-style-type: none"> Mr. Winyou

¹ Related person and shareholders under the common control of V.C. Property Company Limited include: (a) Nakorn Pathom Land and House Company Limited ("**NAKORN PATHOM**"), holding 125,000 shares in TCB; and (b) Sura Sumpun Company Limited ("**SURA SUMPUN**"); Thachaisri Company Limited ("**THACHAISRI**"); GLX Bangkok Company Limited ("**GLX BANGKOK**"); Yartsamphan Company Limited ("**YARTSAMPHAN**"); Theparak Business Company Limited ("**THEPARAK**"); Pathum Thani Jutemill Company Limited ("**PAHTUM THANI JUTEMILL**"); Best Civil Company Limited ("**BEST CIVIL**"); and Sub Degree Company Limited ("**SUB DEGREE**"), each holding 200 shares in TCB, totalling 1,600 shares.

Conflicting Persons and nature of business operations	Relationship
	<ul style="list-style-type: none"> Has one Executive as a director: (1) Mr. Veeravet
<p>2. VNB Holding Company Limited ("VNB"), a holding company.</p>	<ul style="list-style-type: none"> VNB is a shareholder of Thai credit, with a direct shareholding of 53.0% in Thai credit. <ul style="list-style-type: none"> Mr. Winyou and Mr. Veeravet, and their close relatives, namely Mr. Chai, Mr. Vanich, Mrs. Chatchada, Miss Weena, and Mrs. Varang, are indirect shareholders in VNB, in aggregate, holding 100.0% of the shares (through V.C. Property whereby Mr. Winyou and Mr. Veeravet and their close relatives, in aggregate, hold 100.0% of the shares in VNB, and V.C. Property holds 100.0% of the shares in VNB). Mr. Winyou and Mr. Veeravet also hold 0.0% and 0.0% direct shareholding in VNB respectively. Has eight common Directors: <ul style="list-style-type: none"> (1) Mr. Winyou (2) Miss Krisana Aramkulchai ("Miss Krisana") (3) Mr. Roy Agustinus Gunara ("Mr. Roy") (4) Mr. Stephen Tirador Briones ("Mr. Stephen") (5) Mr. Chamnong Watanagase ("Mr. Chamnong") (6) Mr. Supachai Sukhanindr ("Mr. Supachai") (7) Prof. Kitipong Uraepatanapong ("Prof. Kitipong") (8) Miss Ada Ingawanij ("Miss Ada")
<p>3. OCA Investment Holdings I Pte. Ltd. ("OCA"), a juristic person incorporated under the laws of Singapore to carry on the sole business of investing in Thai credit. OCA is wholly owned by Olympus Bolt Holdings L.P. ("Olympus Bolt Fund").</p>	<ul style="list-style-type: none"> OCA is a Major Shareholder of Thai credit, with a direct shareholding of 24.2% of the shares in Thai credit. Has one common Director: <ul style="list-style-type: none"> (1) Mr. Gaurav Malik
<p>4. Thai Life Insurance Public Company Limited ("TLI"), a life insurance company.</p>	<ul style="list-style-type: none"> TLI is a shareholder of Thai credit, with a direct shareholding of 10.2% in Thai credit. Has common shareholders, V.C. Property, having 53.0% indirect shareholding in Thai credit and holding 50.8% of the shares in TLI, with Mr. Winyou and Mr. Veeravet and close relatives, namely Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang, having a 7.5% direct shareholding in TLI. Has one common Executive: <ul style="list-style-type: none"> (1) Mr. Winyou
<p>5. Thai Paiboon Insurance Public Company Limited ("TPB"), which</p>	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is also an indirect shareholder of Thai credit. Together with other related companies of V.C. Property, which are Chaikawan

Conflicting Persons and nature of business operations	Relationship
<p>operates four types of non-life insurance businesses: car insurance, fire insurance, marine cargo insurance, and miscellaneous insurance.</p>	<p>Company Limited ("CHAIYAWAN"), T.A.B. Brokers Company Limited ("TAB BROKER"), and Thai Ratchada Broker Company Limited ("TRB"), in aggregate, hold 66.4% (exclusive of shareholding by TLI) of the shares in TPB.</p> <ul style="list-style-type: none"> ● TLI, a shareholder of Thai credit, has 10.0% direct shareholding in TPB. ● Mr. Veeravet and close relatives, namely Mr. Chai, Mrs. Chatchada, Miss Weena Chaiyawan, Mrs. Nontana Chaiyawan (mother of Mr. Winyou and Mr. Veeravet), and Mrs. Varang Chaiyawan, have shareholding in TPB. Together with other related companies of these persons namely CNT Liquor Company Limited ("CNT LIQUOR"), Suanphueng Company Limited ("SUANPHUENG"), and Thai Niyom (69) Company Limited ("THAI NIYOM"), in aggregate, hold 23.0% of the shares in TPB.
<p>6. Thai Health Insurance Public Company Limited ("TH"), which carries on health insurance business.</p>	<ul style="list-style-type: none"> ● Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and owns a direct shareholding in TH. Together with another related company of V.C. Property, which is Phetch Trading Company Limited ("PT"), in aggregate, hold 54.0% of the shares in TH. ● Mr. Winyou, Mr. Veeravet and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, Mrs. Varang, and Mrs. Nontana, have shareholding in TH. Together with other related companies of these persons (exclusive of the shareholding by V.C. Property and its related companies) namely Chai Brothers Company Limited ("CHAI BROTHERS"), and THAI NIYOM, in aggregate, hold 46.0% of the shares in TH. ● Has one common Director: (1) Mr. Winyou
<p>7. V. One Asset Company Limited ("V.ONE"), which is engaged in the hotel business, and leases apartment and condominium units. It is also a distributor of Thai Asia Pacific Brewery Company Limited ("TAPB").</p>	<ul style="list-style-type: none"> ● Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and also holds shares in V.ONE. Together with other related companies of V.C. Property, which are Sura Sumpun Company Limited ("SURA SUMPUN"), PT, Ruamsongsaeng Company Limited ("RUAMSONGSAENG"), Thaikhum Company Limited ("THAIKHUM"), TC Insurance Broker Service Company Limited ("TCIB"), C. LAING Company Limited ("C. LAING"), and TPB, in aggregate, hold 96.6% of the shares in V.ONE. ● Mr. Winyou and Mr. Veeravet, and close relatives, namely Mr. Vanich, Miss Weena, Mrs. Chatchada, and Mrs. Varang, in aggregate, hold 3.4% of the shares in V.ONE. ● Has one Executive as a director: (1) Mr. Veeravet
<p>8. Yart Samphan Company Limited ("YARTSAMPHAN"), which is engaged in the business of trading and leasing out immovable property.</p>	<ul style="list-style-type: none"> ● Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in YARTSAMPHAN. Together with another related company of V.C. Property, which is Pluakdaeng Eastern Estate Company Limited ("PLUAKDAENG"), in aggregate, hold 96.2% of the shares in YARTSAMPHAN.

Conflicting Persons and nature of business operations	Relationship
	<ul style="list-style-type: none"> ● Close relatives of Thai credit's Directors and Executives, namely Mr. Vanich and Miss Weena, have shareholdings in YARTSAMPHAN. Together with another related company of these persons (exclusive of shareholding by V.C. Property) namely Jerdsee Company Limited ("JERDSEE"), in aggregate, hold 3.8% (exclusive of shareholding through V.C. Property) of the shares in YARTSAMPHAN. ● Have one common Director: (1) Mr. Winyou
9. Chaiyawan Company Limited ("CHAIYAWAN"), which is engaged in the business of leasing out immovable property.	<ul style="list-style-type: none"> ● THAIKHUM, a related company of V.C. Property, holds 99.7% of the shares in CHAIYAWAN. ● Mr. Winyou and close relatives, namely Mr. Vanich and Mr. Chai, in aggregate, hold 0.3% of shares in CHAIYAWAN (exclusive of shareholding by any related company of V.C. Property). ● Has one common Director: (1) Mr. Winyou ● Has one Executive as a director: (1) Mr. Veeravet
10. Fortuna Capital Company Limited ("FC"), which operates a lease business.	<ul style="list-style-type: none"> ● Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Varang, Miss. Weena, and Mrs. Chatchada, in aggregate, hold 100.0% of the shares in FC.
11. Mud & Hound Public Company Limited ("M&H"), a holding company.	<ul style="list-style-type: none"> ● Mr. Supachai and close relatives, namely Mrs. Intira Sukhanindr ("Mrs. Intira") and Mr. Suphasit Sukhanindr ("Mr. Suphasit"), hold shares in M&H. Together with another related company, which is Sub Sri Thai Public Company Limited ("SST"), in aggregate, hold 68.4% of the shares in M&H.

Conflicting Persons and nature of business operations	Relationship
12. Thachaisri Company Limited ("THACHAISRI"), which is engaged in the business of leasing out and trading immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in THACHAISRI. Together with other related companies of V.C. Property, which are THAIKHUM, Sakhorn Liquor Company Limited ("SAKHORN LIQUOR"), SURA SUMPUN, V.C. Liquor Company Limited ("VC LIQUOR"), Sukhothai Asset Company Limited ("SUKHOTHAI ASSET"), YARTSAMPAN and C. LAING, in aggregate, hold 88.0% of the shares in THACHAISRI. Mr. Veeravet and a close relative, Miss Weena, hold shares in THACHAISRI. Together with other related companies (exclusive of shareholding by V.C. Property and its related companies), which are FC, Well Glass Company Limited ("WELLGLASS"), and Thana Company Limited ("THA NA"), in aggregate, hold 12.0% of the shares in THACHAISRI.
13. Jerdsee Company Limited ("JERDSEE"), which is engaged in the business of trading immovable property.	<ul style="list-style-type: none"> A related company of V.C. Property, namely CNT LIQUOR, holds 0.2% of the shares in JERDSEE. Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Varang, Miss. Weena, and Mrs. Chatchada, in aggregate, hold 99.8% of the shares in JERDSEE.
14. Mahaphol Apartment Company Limited ("MA"), which is engaged in the business of leasing out immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in MA. Together with other related companies of V.C. Property, which are V. ONE and VC LIQUOR, in aggregate, hold 98.9% of the shares in MA. Mr. Veeravet and a close relative, Miss Weena, in aggregate, hold 1.1% of the shares in MA (exclusive of shareholding by V.C Property and its related companies).
15. V.73 Company Limited ("V.73"), which is engaged in the business of leasing out and trading immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 80.0% of the shares in V.73. Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang, in aggregate, hold 20.0% of the shares in V.73 (exclusive of shareholding through V.C. Property).
16. Toonchai Company Limited ("TOONCHAI"), which is engaged in the business of leasing out immovable property.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang, in aggregate, hold 100.0% direct shareholding in TOONCHAI. Have one Executive as a director: <ul style="list-style-type: none"> (1) Mr. Veeravet
17. CNT Liquor Company Limited (CNT LIQUOR), which is engaged in the business of trading immovable property and lending business.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Varang, Miss Weena, and Mrs. Chatchada, in aggregate, hold 100.0% shareholding in CNT LIQUOR.

Conflicting Persons and nature of business operations	Relationship
18. Piam Anan Company Limited ("PIAMANAN"), which operates the business of selling eucalyptus wood.	<ul style="list-style-type: none"> ● PT and RUAMSONGSAENG, a related company of V.C. Property, holds 10.1% of the shares in PIAMANAN. ● Mr. Veeravet and close relatives, namely Mrs. Chatchada and Miss Weena, hold shares in PIAMANAN. Together with another related company (exclusive of shareholding by any related company of V.C. Property), which is Well Glass Company Limited ("WELLGLASS"), in aggregate, hold 89.9% of the shares in PIAMANAN.
19. Pathum Thani Jutemill Company Limited ("PATHUM THANI JUTEMILL"), which is engaged in the business of leasing out immovable property.	<ul style="list-style-type: none"> ● Have a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in PATHUM THANI JUTEMILL. Together with other related companies of V.C. Property, which are GLX Bangkok Company Limited ("GLX BANGKOK"), VC LIQUOR, PT, SURA SUMPUN, Phasuk Company Limited ("PHASUK"), and C. LAING, in aggregate, hold 70.5% of the shares in PATHUM THANI JUTEMILL%. ● Mr. Winyou and close relatives, namely Mr. Chai and Miss Weena, hold shares in PATHUM THANI JUTEMILL. Together with another related company (exclusive of shareholding by V.C. Property and its related companies), which is WELLGLASS, in aggregate, hold 29.5% of the shares in PATHUM THANI JUTEMILL.
20. C. Laing Company Limited ("C. LAING"), which operates a lending business.	<ul style="list-style-type: none"> ● Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in C. LAING. Together with other related companies of V.C. Property, which are YARTSAMPHAN, SAKHORN LIQUOR, SURA SUMPUN, V.ONE, GLX BANGKOK, SUKHOTHAI ASSET, PLUAKDAENG, PHASUK, and THACHAISRI, in aggregate, hold 87.5% of the shares in C. LAING. ● Mr. Winyou and close relatives, namely Miss Weena, Mrs. Chatchada, Mrs Varang and Mr. Chai hold shares in C. LAING. Together with other related companies (exclusive of shareholding by V.C. Property and its related companies), which are JERDSEE and WELLGLASS, in aggregate, hold 12.5% of the shares in C. LAING.
21. Sakhorn Liquor Company Limited ("SAKHORN LIQUOR"), which operates a lending business.	<ul style="list-style-type: none"> ● Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in SAKHORN LIQUOR. Together with other related companies of V.C. Property, which are RUAMSONGSAENG, VC LIQUOR, PLUAKDAENG and SURA SUMPUN, in aggregate, hold 84.2% of the shares in SAKHORN LIQUOR. ● Close relatives of Thai credit's Directors and Executives, namely Mr. Vanich and Miss Weena, hold shares in SAKHORN LIQUOR. Together with another related companies (exclusive of shareholding by V.C. Property and its related companies), which is TOONCHAI, in aggregate, hold 15.8% of the shares in SAKHORN LIQUOR.

Conflicting Persons and nature of business operations	Relationship
22. C.12 Company Limited (" C.12 "), which is engaged in the business of leasing out and trading immovable property.	<ul style="list-style-type: none"> Mr. Winyou and Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang Chaiyawan hold a 100.0% direct shareholding in C.12.
23. Thaikhum Company Limited (" THAIKHUM "), which is engaged in the alcoholic drink wholesale business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in THAIKHUM. Together with other related companies of V.C. Property, which are SURA SUMPUN, YARTSAMPHAN, and PT, in aggregate, hold 95.9% of the shares in THAIKHUM. Mr. Veeravet holds 4.1% of the shares in THAKHUM.
24. Sukhothai Asset Company Limited (" SUKHOTHAI ASSET "), which is engaged in the business of trading immovable property.	<ul style="list-style-type: none"> Has two common shareholders: <ul style="list-style-type: none"> (1) V.C. Property, an indirect shareholder in Thai credit and also holds shares in SUKHOTHAI ASSET. Together with other related companies of V.C. Property, which are TAB BROKER, TRB and PLUAKDAENG, in aggregate, hold 84.8% of the shares in SUKHOTHAI ASSET. (2) TLI, a shareholder in Thai credit, also holds 10.0% of the shares in SUKHOTHAI ASSET. Mr. Veeravet holds 5.2% of the shares in SUKHOTHAI ASSET (exclusive of the shareholding through V.C. Property).
25. Bantjai Real Estate Company Limited (" BANTHAI "), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang, in aggregate, hold 100.0% direct shareholding in BANTHAI. Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 6.7% of the shares in TLB.
26. Thai Life Broker Company Limited (" TLB "), which is engaged in the life-insurance brokerage business.	<ul style="list-style-type: none"> Mr. Winyou and Mr. Veeravet, and close relatives, Mr. Vanich, in aggregate, hold 93.3% of the shares in TLB.
27. Chombueng Company Limited (" CHOMBUENG "), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in CHOMBUENG. Together with other related companies of V.C. Property, which are PT and CHAIYAWAN, in aggregate, hold 11.9% of the shares in CHOMBUENG. FC, a related company of Thai credit's Directors and Executives and their close relatives, hold 1.4% of the shares in CHOMBEUNG. Mr. Vichai Nivespathomwat ("Mr. Vichai"), a spouse of Thai credit's Director, Miss Krisana, is a director and holds 30.7% of the shares in CHOMBUENG.

Conflicting Persons and nature of business operations	Relationship
28. Suanphueng Company Limited ("SUANPHUENG"), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Varang, Miss Weena, and Mrs. Chatchada, in aggregate, hold 100.0% shareholding in SUANPHUENG.
29. T A P Trading Company Limited ("TAP"), which is engaged in the alcoholic drink wholesale business.	<ul style="list-style-type: none"> Have a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 53.7% of the shares in TAP.
30. Piamsuk Asset Company Limited ("PIAMSUK"), which is engaged in the business of trading immovable property and lending business.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Varang, Miss Weena, and Mrs. Chatchada, in aggregate, hold 100.0% shareholding in PIAMSUK.
31. Hotels and Resorts Company Limited ("H&R"), which is engaged in the hotel, resort, and condominium businesses.	<ul style="list-style-type: none"> Related companies of V.C. Property, which are C. LAING, V.ONE, TPB, WAN BROTHERS, and SUKHOTHAI ASSET, hold 94.6% of the shares in H&R. Mr. Winyou and close relative, namely Mr. Chai and Mrs. Warang, hold shares in H&R. Together with other related companies (exclusive of shareholding by any related company of V.C. Property), which are CNT LIQUOR and WELLGLASS, in aggregate hold 5.4% of shares in H&R. Has one Executive as a director: (1) Mr. Veeravet
32. Theparak Business Company Limited ("THEPARAK"), which is engaged in the business of leasing out; providing services; and developing houses and land.	<ul style="list-style-type: none"> Have a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in THEPARAK. Together with other related companies of V.C. Property, which are VC LIQUOR, PLUAKDAENG and PT, in aggregate, hold 56.7% of the shares in THEPARAK. Mr. Veeravet and close relatives, namely Mr. Vanich and Mrs. Chatchada, hold shares in THEPARAK. Together with another related company (exclusive of shareholding by V.C. Property and its related companies), which is JERDSEE, in aggregate, hold 43.3% of the shares in THEPARAK. Has one Executive as a director: (1) Mr. Veeravet
33. T.C. Insurance Broker Service Company Limited ("TCIB"), which is engaged in the life-insurance brokerage business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 100.0% of the shares in TCIB. Has one Executive as a director: (1) Mr. Veeravet
34. Well Glass Company Limited ("WELLGLASS"), which is engaged in	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 0.8% of the shares in WELLGLASS.

Conflicting Persons and nature of business operations	Relationship
businesses regarding warehouses and storage of goods.	<ul style="list-style-type: none"> Mr. Veeravet, close relatives of Thai credit's Directors and Executives, namely Miss Weena, holds 99.2% of the shares in WELLGLASS.
35. Sub Degree Company Limited (" SUB DEGREE "), which is engaged in the alcoholic drink wholesale business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in SUB DEGREE. Together with another related company of V.C. Property, which is YARTSAMPHAN, in aggregate, hold 70.0% of the shares in SUB DEGREE. Mr. Veeravet and close relatives, namely Miss Weena, in aggregate, hold 30.0% of the shares in SUB DEGREE.
36. T.L. Management Company Limited (" TL "), which provides accounting businesses.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 99.2% of the shares in TL. Close relatives of Thai credit's Directors and Executives, namely Mr. Chai, Miss Weena, Mrs. Varang, and Mrs. Chatchada, in aggregate, hold 0.8% of the shares in TL (exclusive of any shareholding through V.C. Property). Has one Executive as a director which is: <ul style="list-style-type: none"> (1) Mr. Veeravet
37. Chai Brothers Company Limited (" CHAI BROTHERS "), which is engaged in the alcoholic drink wholesale business.	<ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mr. Chai, Mrs. Chatchada, Miss Weena, and Mrs. Varang, in aggregate, hold 100.0% direct shareholding in CHAI BROTHERS.
38. Siengkok Company Limited (" SIENGKOK "), which is engaged in the lending business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 1.0% of the shares in SIENGKOK. A close relative of Thai credit's Directors and Executives, namely Mr. Vanich, has 98.0% direct shareholding in SIENGKOK.
39. Thai Ratchada Broker Company Limited (" TRB "), which is engaged in the non-life insurance brokerage business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds 92.0% of the shares in TRB. Close relatives of Thai credit's Directors and Executives, namely Mr. Chai, Mrs. Varang, and Mrs. Chatchada, in aggregate, hold 8.0% of the shares in TRB.
40. Thai Life 52 Company Limited (" TL52 "), which is engaged in the business of giving consultancy to agents and brokers.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in TL52. Together with other related companies of V.C. Property, which are THACHAISRI and TL, in aggregate, hold 96.0% of the shares in TL52. BANTHAI, a related company of Thai credit's Directors and Executives and their close relatives, hold 4.0% of the shares in TL52.
41. Thailife Appraisal Company Limited (" TLA "), a holding company	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in TLA. Together with other related companies of V.C. Property, which

Conflicting Persons and nature of business operations	Relationship
	are SURA SUMPUN, SAKHORN LIQUOR, SUB DEGREE, WAN BROTHERS, and TPB, in aggregate, hold 74.5% of the shares in TLA.
	<ul style="list-style-type: none"> A close relative of Thai credit's Directors and Executives, namely Miss Weena, holds shares in TLA. Together with another related company, (exclusive shareholding by V.C. Property and its related companies), which is FC, in aggregate, hold 25.5% of the shares in TLA.
42. Thai Life Group Company Limited ("TLG"), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> A related company of V.C. Property, which is V.ONE, holds 99.5% of the shares in TLG. Mr. Veeravet and close relatives, namely Mr. Vanich and Miss Weena, in aggregate, hold 0.5% of the shares in TLG. Have one Executive as a director: <ul style="list-style-type: none"> (1) Mr. Veeravet
43. Thai Asia Pacific Brewery Company Limited ("TAPB"), which is engaged in the business of manufacturing malt and malt liquor.	<ul style="list-style-type: none"> V.C. Property, which is an indirect shareholder of Thai credit, holds 53.7% of the shares in TAPB.
44. Suporn 2561 Company Limited, ("SUPORN 2561"), a holding company.	<ul style="list-style-type: none"> Close relatives of Thai credit's Directors and Executives, namely Mr. Vanich, Mr. Chai and Mrs. Chatchada, hold 60.0% of the shares in SUPORN 2561.
45. Orient Broker Company Limited ("OR"), which is engaged in the non-life insurance brokerage business.	<ul style="list-style-type: none"> V.C. Property, which is an indirect shareholder of Thai credit, holds shares in OR. Together with another related company, which is C. LAING, in aggregate, hold 12.1% of the shares in OR. Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Vanich, Mrs. Nontana, Mr. Chai, Miss Weena, Mrs. Varang, and Mrs. Chatchada, in aggregate, hold 80.7% of the shares in OR.
46. Pluakdaeng Eastern Estate Company Limited ("PLUAKDAENG"), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit, holds shares in PLUAKDAENG. Together with other related companies of V.C. Property, including C. LAING, PT, and V. ONE, in aggregate, hold 98.6% of the shares in PLUAKDAENG. TOONCHAI and JERDSEE, related companies of Thai credit's Directors and Executives, and of their close relatives, hold 1.4% of the shares in PLUAKDAENG. Has one Executive as a director which is: <ul style="list-style-type: none"> (1) Mr. Veeravet
47. Phetch Trading Company Limited ("PT"), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in PT. Together with other related companies of V.C. Property, which are THAIKHUM, SURA SUMPUN, TL.52, PLUAKDAENG, C. LAING, YARTSAMPAN,

Conflicting Persons and nature of business operations	Relationship
	<p>VC LIQUOR, THACHAISRI, TCIB, and SUKHOTHAI ASSET, in aggregate, hold 78.3% of the shares in PT.</p> <ul style="list-style-type: none"> Mr. Winyou, Mr. Veeravet, and close relatives, namely Mr. Chai, Miss Weena and Mrs. Varang, hold shares in PT. Together with another related company (exclusive of shareholding by V.C. Property and its related companies), namely TOONCHAI and BANTHAI, in aggregate, hold 21.7% of the shares in PT
48. Wan Brothers Company Limited (" WAN BROTHERS "), which is engaged in the business of trading and leasing out immovable property.	<ul style="list-style-type: none"> Related companies of V.C. Property, which are V.ONE, SURA SUMPUN, RUAMSONGSAENG, TCIB, and VC LIQUOR, hold 59.5% of the shares in WAN BROTHERS. Close relatives of Thai credit's Directors and Executives, namely Mr. Vanich and Miss Weena, hold 40.5% of the shares in WAN BROTHERS.
49. Sura Sumpun Company Limited (" SURA SUMPUN "), which is engaged in the business of trading and leasing out immovable property, and lending business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in SURA SUMPUN. Together with other related companies of V.C. Property, which are THAIKHUM, THACHAISRI, TCIB, C. LAING, VC LIQUOR, BEST CIVIL, SUKHOTHAI ASSET, THEPARAK, RUAMSONGSAENG, PATHUM THANI JUTEMILL, PLUAKDAENG, and YARTSAMPAN, in aggregate, hold 84.6% of the shares in SURA SUMPUN. Mr. Winyou, Mr. Veeravet, and close relatives, namely Mrs. Varang, Mr. Chai, and Mrs. Chatchada, hold shares in SURA SUMPUN. Together with other related companies (exclusive of shareholding by V.C. Property and its related companies), which are WELLGLASS, BANTHAI, THAI NIYOM, and JERDSEE, in aggregate, hold 15.4% of the shares in SURA SUMPUN.
50. Cheers Corporation Company Limited (" CHEERS "), a holding company.	<ul style="list-style-type: none"> Have two common shareholders: <ul style="list-style-type: none"> (1) Related companies of V.C. Property, which are RUAMSONGSAENG, PLUAKDAENG, and THEPARAK, hold 75.5% of the shares in CHEERS. (2) TLI, a shareholder of Thai credit, holds 10.0% of the shares in CHEERS. A close relative of Thai credit's Directors and Executives, namely Miss Weena, holds shares in CHEERS. Together with another related company (exclusive of shareholding by any related company of V.C. Property), which is CHAI BROTHERS, in aggregate, hold 14.5% of the shares in CHEERS.
51. GMO-Z COM Securities (Thailand) Limited (" ZCOM "), an online securities trading broker.	<ul style="list-style-type: none"> As of 31 December 2022, ZCOM is a Conflicting Person of Thai credit. However, as of 30 June 2023, ZCOM is not a Conflicting Person of Thai credit as Mr. Winyou Chaiyawan resigned from his position as a director of ZCOM. Therefore, from 25 March 2023 onwards, ZCOM will no longer be a Conflicting Person of Thai credit. Has one common Director: <ul style="list-style-type: none"> (1) Mr. Winyou <p>Mr. Winyou is the chairman, an independent director, and the chairman of the audit committee of ZCOM.</p>

Conflicting Persons and nature of business operations	Relationship
52. GLX Bangkok Company Limited ("GLX"), a holding company.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in GLX. Together with another related company of V.C. Property, which is PT, in aggregate, hold 84.0% of the shares in GLX.
53. BBGI Public Company Limited ("BBGI"), a holding company.	<ul style="list-style-type: none"> Mrs. Suttida Sukhanindr ("Mrs. Suttida"), a spouse of Thai credit's Director, Mr. Supachai, is an executive of BBGI.
54. T.A.B. Brokers Company Limited ("TAB BROKER"), which operates a non-life insurance brokerage business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in TAB BROKER. Together with another related company of V.C. Property, which is PT, in aggregate, hold 86.8% of the shares in TAB BROKER. Close relatives of Thai credit's Directors and Executives, namely Mr. Vanich, Mr. Chai and Mr. Vichai, hold shares in TAB BROKER and in aggregate, hold 0.6% of the shares in TAB BROKER.
55. V.C. Liquor Company Limited ("VC LIQUOR"), which is engaged in the business of trading and leasing out immovable property, and lending business.	<ul style="list-style-type: none"> Has a common shareholder, V.C. Property, which is an indirect shareholder of Thai credit and holds shares in VC LIQUOR. Together with other related companies of V.C. Property, which are SURA SUMPUN, V.ONE, YARTSAMPHAN, PLUAKDAENG, WAN BROTHERS, and TCIB, in aggregate, hold 58.4% of the shares in VC LIQUOR. Mr. Veeravet, and close relatives, namely Mr. Chai, Miss Weena, Mrs. Varang, and Mrs. Chatchada, hold shares in VC LIQUOR. Together with another related company (exclusive of shareholding by V.C. Property and its related companies), which is TOONCHAI, in aggregate, hold 40.8% of the shares in VC LIQUOR.
56. Five Whale Company Limited ("FIVE WHALE"), which is engaged in the business of organising trainings and academic seminars.	<ul style="list-style-type: none"> Mr. Supachai has a direct shareholding of 51.0% in FIVE WHALE. Has one common Director which is: Mr. Supachai
57. Sub Sri Thai Public Company Limited ("SST") which is engaged in the business of document/property storage services, leasing out and managing spaces to support product storage, etc.	<ul style="list-style-type: none"> Mr. Supachai has a direct shareholding of 10.5% in SST. The Director's close relatives, which are Mrs. Intira and Mr. Suphasit, in aggregate hold 27.4% of shares in SST.
58. Thai Credit Foundation which has a vision to enhance the society and economy for micro enterprises and the underprivileged for the betterment of people in the Thai society.	<ul style="list-style-type: none"> Has two common Director which are: <ol style="list-style-type: none"> Mr. Winyou; Mr. Roy. Has four Executives as Directors: <ol style="list-style-type: none"> Mr. Kittipant Sriwannawit ("Mr. Kittipant"); Mr. Veeravet; Mr. Natus Kittawaranon ("Mr. Natus"); Mr. Kamolphu Phuredithsakul ("Mr. Kamolphu").

Conflicting Persons and nature of business operations	Relationship
59. The Chaiyawan Family ¹²	<ul style="list-style-type: none"> Mr. Winyou, a Director, member of the Risk Oversight Committee, member of the Corporate Governance and Sustainability Development Committee, and Chief Executive Officer of Thai credit, Mr. Veeravet, an Executive of Thai credit, and/or family members, totalling eight persons (the "Chaiyawan Family"), consist of: <ul style="list-style-type: none"> (1) Mr. Winyou; (2) Mr. Veeravet; (3) Mr. Vanich; (4) Miss Weena; (5) Mrs. Varang; (6) Mrs. Nontana; (7) Mrs. Chatchada; (8) Miss Nachaya Taepaisitphongse.
60. Mr. Roy's Group	<ul style="list-style-type: none"> Mr. Roy (a Director, member of the Risk Oversight Committee and Managing Director of Thai credit), and/or his family member, totalling two persons ("Mr. Roy's Group"), as detailed below: <ul style="list-style-type: none"> (1) Mr. Roy; (2) Mrs. Mijitra Gunara.
61. Miss Krisana's Group	<ul style="list-style-type: none"> Miss Krisana (a Director of Thai credit), and/or her family members, totalling nine persons ("Miss Krisana's Group"), as detailed below: <ul style="list-style-type: none"> (1) Miss Krisana; (2) Miss Jintana Aramkulchai; (3) Mr. Phong Nivespathomwat; (4) Mr. Thanapol Nivespathomwat; (5) Mr. Vichai; (6) Mr. Dilok Permpoonthanala; (7) Miss Kanokporn Aramkulchai; (8) Miss Kamolpun Nivespathomwat; (9) Miss Nannaphat Lertjanyarak.
62. Prof. Kitipong	<ul style="list-style-type: none"> Prof. Kitipong is an independent director, chairman and chairman of the Corporate Governance and Sustainability Development Committee of Thai credit
63. Mr. Chamnong	<ul style="list-style-type: none"> Mr. Chamnong is an independent director and chairman of Thai credit's Audit Committee.

¹ The Chaiyawan Family is grouped, based on its family members only, rather than grouping pursuant to section 258 of the Securities and Exchange Act, B.E. 2535 (1992), as amended, or pursuant to the Notification of the Capital Market Supervisory Board re: Acting in concert as a result of the nature of a relationship or behavior and requirements under sections 246 and 247.

² The Chaiyawan Family includes Mr. Chat Chaiyawan who passed away on 2 May 2021.

Conflicting Persons and nature of business operations	Relationship
64. Miss Ada's Group	<ul style="list-style-type: none"> Miss Ada (an independent director, member of the Audit Committee and member of the Corporate Governance and Sustainability Development Committee of Thai credit), and/or her family member, totalling two persons ("Ms. Ada's Group"), as detailed below: <ul style="list-style-type: none"> (1) Miss Ada; (2) Mrs. Sudaphan Ingawanij.
65. Mr. Stephen	<ul style="list-style-type: none"> Mr. Stephen is an independent director, chairman of the Nomination and Remuneration Committee, chairman of the Risk Oversight Committee and member of the Audit Committee of Thai credit.
66. Mr. Supachai Group	<ul style="list-style-type: none"> Mr. Supachai (an independent director, member of the Nomination and Remuneration Committee and member of the Risk Oversight Committee) and/or his family members, totalling two persons ("Mr. Supachai's Group"), as detailed below: <ul style="list-style-type: none"> (1) Mr. Supachai; (2) Mrs. Suttida.
67. Mr. Kamolphu's Group	<ul style="list-style-type: none"> Mr. Kamolphu (an Executive of Thai credit), and/or his family member, totalling three persons ("Mr. Kamolphu's Group"), as detailed below: <ul style="list-style-type: none"> (1) Mr. Kamolphu; (2) Mrs. Pimyada Phuredithsakul; (3) Miss. Winda Chalermwanpen.
68. Mr. Kittipant's Group	<ul style="list-style-type: none"> Mr. Kittipant (an Executive of Thai credit), and/or his family members, totalling four persons ("Mr. Kittipant's Group"), as detailed below: <ul style="list-style-type: none"> (1) Mr. Kittipant; (2) Miss Rungrat Sriwannawit; (3) Miss Sirirat Sriwannawit; (4) Mr. Suthat Sriwannawit.
69. Mr. Sarawooth Savejnarong (" Mr. Sarawooth ")	<ul style="list-style-type: none"> Mr. Sarawooth is an Executive of Thai credit.
70. Mr. Natus	<ul style="list-style-type: none"> Mr. Natus is an Executive of Thai credit.
71. Miss Achara Ruangchay (" Miss Achara ")	<ul style="list-style-type: none"> Miss Achara is an Executive of Thai credit.
72. Mr. Pichart's Group	<ul style="list-style-type: none"> Mr. Pichart Roongwarasopit (an Executive of Thai credit), and/or his family members, totalling three persons ("Mr. Pichart's Group"), as detailed below: <ul style="list-style-type: none"> (1) Mr. Pichart Roongwarasopit; (2) Mrs. Sudarat Mahasrisaengpetch; (3) Miss Sukanya Saetia.

Conflicting Persons and nature of business operations	Relationship
<p>73. Mrs. Suwimol's Group</p> <p>74. Miss Puckjira Vudhesethakrit ("Miss Puckjira")</p>	<ul style="list-style-type: none"> ● Mrs. Suwimol Visavavigrant ("Mrs. Suwimol") (member of Thai credit's Executive Committee), and/or her family member, totalling four persons (Mrs. Suwimol's Group) as detailed below: <ul style="list-style-type: none"> (1) Mrs. Suwimol; (2) Mr. Chet Visavavigrant; (3) Master Chinnakit Visavavigrant. ● (4) Mrs. Sukanya Mingkwansuk ● Miss Puckjira is a member of Thai credit's Executive Committee.

Details of related party transactions for the year ending 31 December 2022 and ending 31 December 2023

1) Transactions that will continue to happen in the future

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
1. Operating Income				
1.1 Revenue from providing insurance broker services	Thai Life Insurance Public Company Limited ("TLI") Thai Paiboon Insurance Public Company Limited ("TPB") / Thai Health Insurance Company Limited ("TH") (Juristic person in which the Chaiwan Family is a shareholder)	1. TLI		
		• Revenue from providing insurance broker services	227.2	288.6
		• Accrued income	16.6	26.2
		2. TPB		
		• Revenue from providing insurance broker services	26.4	32.1
		• Accrued income	2.7	2.0
		3. TH		
		• Revenue from providing insurance broker services	261.4	267.8
		• Accrued income	69.7	49.6

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
1.2 (Shared Service) / Revenue from shared service	VNB Holding Company Limited ("VNB") (Major Shareholder of the Bank)	VNB <ul style="list-style-type: none"> Shared Service / Revenue from shared services 	0.7	0.5
1.3 Revenue from leasing building space	VNB	VNB <ul style="list-style-type: none"> Revenue from leasing out building spaces Accrued electricity expenses 	0.2 0.0	0.2 0.0
1.4 Revenue from employee welfare loan interest	Mr. Veeravet Chaiyawan and Mr. Roy Agustinus Gunara	Mr. Veeravet and Mr. Roy <ul style="list-style-type: none"> Loans Interest revenue 	15.5 0.1	4.7 0.5
1.5 Revenue from fees and service income	TLI and TH	1. TLI <ul style="list-style-type: none"> Fee and service income 	1.0	0.6
		2. TH <ul style="list-style-type: none"> Fee and service income 	0.0	0.0

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
2. Operating Expenses				
2.1 Expenses from land/building rental to set up the head office and branches and related service charges	Juristic person in which the Chaipaywan family, directors and/or close relatives of the Banks' directors are shareholders and/or hold director positions	1. VC Property		
		<ul style="list-style-type: none"> Expenses associated with the leases of commercial buildings Guarantees and deposits 	1.5 0.1	1.2 0.1
		2. TLI		
		<ul style="list-style-type: none"> Expenses associated with the leases of building spaces and commercial buildings, and building space maintenance service charges Guarantees and deposits Accrued expenses 	9.2 2.3 - None	9.9 2.3 0.0

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
		3. V.ONE <ul style="list-style-type: none"> Expenses associated with the leases of building spaces Guarantees and deposits 	31.1 7.9	31.8 8.1
		4. YARTSAMPHAN <ul style="list-style-type: none"> Expenses associated with the leases of building spaces Guarantees and deposits 	3.9 1.0	4.0 1.0
		5. FC <ul style="list-style-type: none"> Expenses associated with the leases of commercial buildings Guarantees and deposits 	0.7 0.2	0.7 0.2

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
		6. THACHAISRI <ul style="list-style-type: none"> Expenses associated with the leases of commercial buildings Guarantees and deposits 	0.2	0.2
		7. JERDSEE <ul style="list-style-type: none"> Expenses associated with the leases of building spaces Guarantees and deposits 	1.1	1.1
		8. MA <ul style="list-style-type: none"> Expenses associated with the leases of building spaces Guarantees and deposits 	1.4	1.4
			0.3	0.3

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
2.2 The Bank's insurance premium expenses	TPB	1. TPB <ul style="list-style-type: none"> Insurance premium expenses Advance premiums Insurance premium payables 	3.1 0.5 None	1.2 0.1 0.0
	TLI	1. TLI <ul style="list-style-type: none"> Insurance premium expenses Advance premiums Insurance premium payables 	3.4 - None - None	0.0 ¹ - None - None
2.3 Perpetual Bonds , and Interest Expenses	VNB and OCA (Shareholder of the Bank)	1. VNB <ul style="list-style-type: none"> Perpetual bonds Interest expenses Accrued interest payable 	773.9 67.3 4.8	792.8 68.9 4.8

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
		2. OCA <ul style="list-style-type: none"> Perpetual bonds Interest expenses Accrued interest payable 	116.1 10.1 0.7	118.9 10.3 0.7
2.4 Deposits and interest expenses	Directors, executives and juristic persons in which the Chaiyawan family, directors and/or close relatives of the Bank's directors are shareholders and/or hold director positions.	Related entities and related executives and employees <ul style="list-style-type: none"> Total deposits Interest expenses Accrued interest payable 	2,767.4 13.6 3.7	3,612.8 23.2 3.6
2.5 Management and employee training expenses	Five Whale Company Limited ("FIVE WHALE") Thai credit's Director, Mr. Supachai, is a shareholder and a director)	1. FIVE WHALE <ul style="list-style-type: none"> Expenses for executive seminars and training of Thai credit's employees 	0.7	None

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
2.6 Management services of important documents	Subsrithai Public Company Limited (“SST”) Thai credit’s Director, Mr. Supachai, is a shareholder)	1. SST <ul style="list-style-type: none"> Expenses in relation to documentation storage Accrued expenses in relation to documentation storage 	4.8 0.4	5.1 0.8
2.7 Subordinated Tier 2 debentures and interest expenses	VNB	1. VNB <ul style="list-style-type: none"> Perpetual Bond of 10 Years Interest Expense Interest Payable 	None None None	1,700 55.9 4.8
2.8 Donation to Thai Credit Foundation	Thai Credit Foundation Has two common directors which are (1) Mr. Winyou Chaiyawan and (2) Mr. Roy Agustinus Gunara and has 4 executives as directors which are (1) Mr. Kittipant Sriwannawit (2) Mr. Veeravet Chaiyawan (3) Mr. Natus Kittawaranon and (4) Mr. Kamolphu Phuredithsakul)	1. Thai Credit Foundation <ul style="list-style-type: none"> Thai Credit Foundation 	None	2.0

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
2.9 Donation to Childline Thailand Foundation	Childline Thailand Foundation (Mr. Chamnong Watanagase's spouse is the Chairman of the Board)	1. Childline Thailand Foundation <ul style="list-style-type: none">Childline Thailand Foundation	None	0.2
3. Other Transactions				
3.1 Prepayment for expenses for training courses on renewal of life insurance broker licenses	TLI	1. TLI <ul style="list-style-type: none">Prepayment for training courses to renew life-insurance brokerage licenses	0.2	0.0

2. Transactions that will no longer happen in the future

			(THB mm)	
Transaction Type	Conflicting Person	Transaction	Year 2022	Year 2023
4. Other Transactions				
4.1 Warrant Buyback transaction from TCRB's Major Shareholders	VNB และ OCA / VNB and OCA	1. VNB <ul style="list-style-type: none">Retained Earnings (Decrease)Warrants	None	(122.5)

			None	(251.3)
		2. OCA		
		<ul style="list-style-type: none"> Retained Earnings (Decrease) Warrants 	None	(18.4)
4.2 Expenses from land/building rental to set up the head office and branches and related service charges	Juristic person in which the Chaipayawan family, directors and/or close relatives of the Banks' directors are shareholders and/or hold director positions	1. M&H		
		<ul style="list-style-type: none"> Expenses associated with the leases of building spaces Guarantees and deposits 	0.1	0.0
			0.0	None

9.2.2. Related party transaction approval measures or procedures, and policy for future related party transactions

Related party transaction or connected transaction approval measures or procedures

"**Related party transaction**" means a transaction between Thai credit or its subsidiary and a Conflicting Person of Thai credit.

"**Connected transaction**" means a transaction between Thai credit or its subsidiary and a Connected Person of Thai credit.

Related party transactions or connected transactions can be categorised into five categories.

- (1) An ordinary business transaction means a transaction performed by Thai credit or its subsidiary as part of the ordinary course of Thai credit's business, subject to customary terms and conditions.
- (2) A transaction supporting ordinary course of business means a commercial transaction performed by Thai credit or its subsidiary to support the ordinary course of Thai credit's business, subject to customary terms and conditions.
- (3) The lease or lease out of an immovable property item for no more than three years means a short-term lease or lease out of an immovable property item under a lease agreement with the lease term of no more than three years, with no evidence of customary terms and conditions.
- (4) An asset or service transaction means a transaction of acquiring or disposing of an asset or right, or providing or receiving a service, such as a purchase of a machine, sale of a building, or sale of the land leasehold right.
- (5) The provision or receipt of financial support means provision or receipt of financial support to or from a Conflicting Person or Connected Person of a subsidiary or an associate. These transactions include lending or borrowing and guaranteeing or paying fees to a Conflicting Person or Connected Person who guarantees a borrowing.

To engage in a related party transaction or a connected transaction of Thai credit and its subsidiary, Thai credit must comply with the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"), and the regulations, notifications, orders, or requirements provided by the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, the Capital Market Supervisory Board, and the Stock Exchange of Thailand ("**SET**"); any requirements regarding the disclosure of related party transaction or connected transaction information, pursuant to the provisions under these regulations, notifications, orders, or requirements; financial reporting standards provided by the Federation of Accounting Professions Under the Royal Patronage of His Majesty the King (the "**Federation of Accounting Professions**"); and other relevant principles. Interested parties are prohibited from taking part in the approval process for the relevant transaction.

If under these legal provisions, the related party transaction or connected transaction requires approval from the Board of Directors and/or shareholders, Thai credit will arrange a meeting of the Audit Committee for consideration and opinion on the necessity and reasonability of the transaction. For ordinary business transactions or transactions supporting an ordinary course of business that constitute a commercial agreement subject to customary terms and conditions, and for other related party transactions and other connected transactions, the following principles will apply.

- (1) Related party transactions or connected transactions as part of, or to support, an ordinary course of business, that constitute commercial agreement, subject to customary terms and conditions

Thai credit's Board of Directors have approved in principle for the Executive Committee, Chief Executive Officer, Managing Director, and Management to approve any related party transaction or connected transaction conducted in the Bank's ordinary course of business or in support of the Bank's ordinary course of business that constitutes commercial agreement, subject to customary terms and conditions, between Thai credit and/or its subsidiary and a Director, Executive, Major Shareholder, Conflicting Person, or Connected Person, of Thai credit, when the transaction contains commercial terms in which any reasonably prudent person would enter into with the same situation, under a negotiation power without an influence of himself or herself as a Director, Executive, Major Shareholder, Conflicting Person, or Connected Person, of Thai credit, as the case may be. Furthermore, the approved party may enter into a transaction if such transaction causes no transfer of benefit; or if it can be proved that the pricing or conditions are reasonably or fairly set. Thai credit will prepare the summary of these transactions for the Audit Committee and the Board of Directors on a quarterly basis.

- (2) Other related party transactions or connected transactions

Other related party transactions or connected transactions require consideration and an opinion from the Audit Committee before they are proposed to Thai credit's Board of Directors and/or shareholders, as the case may be, for further consideration and approval. This is pursuant to the Securities and Exchange Act, and the regulations, notifications, orders, or requirements of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board and the SET; any requirements regarding the disclosure of related party transaction or connected transaction information, pursuant to the provisions under these regulations, notifications, orders, or requirements; financial reporting standards provided by the Federation of Accounting Professions and other relevant principles.

To consider any potential related party transaction or connected transaction, the Audit Committee may ask Thai credit to arrange for specialists, such as independent auditors or asset appraisers, to offer their opinions on the related party transaction or connected

transaction, to provide information to support the decision-making process of the Audit Committee, Thai credit's Board of Directors, and/or shareholders, as the case may be, and ensure that the transaction is necessary and reasonable with Thai credit's benefits taken into consideration as a priority. Thai credit will disclose its related party transactions or connected transactions in its annual registration statement (Form 56-1 One Report) and notes to the audited financial statements, pursuant to Thai credit's financial reporting standards and/or other reporting templates, as the case may be, in compliance with relevant laws and regulations.

Principles for, and for the approval of, future related party transactions or connected transactions

Thai credit has established principles and procedures for performing connected transactions, as detailed below.

1. When considering entering into a connected transaction, Thai credit will implement pricing practices and negotiate a fair and reasonable commercial agreement subject to the standard test of the reasonably prudent person, while aiming to maximise the benefits for Thai credit.
2. If the product or service has a clear standard price and there are multiple similar transactions regarding the product or service in the market, Thai credit will use its best efforts to research marketing prices and standards in the market for comparison with the connected transaction.
3. If the product or service has a unique characteristic, or is made to a specific order, which makes the pricing impossible to compare, Thai credit should prove that the profit margin and/or profits, including commercial terms that Thai credit receives from connected transactions, are not different from those that would be derived from transactions with other business partners, and that there is no difference in other conditions or terms.
4. When entering into a material connected transaction, Thai credit may use reports from an independent appraiser who is included in the SEC list of approved appraisers and appointed by Thai credit or its subsidiary, to compare prices, to ensure that the price offering is reasonable and aimed to obtain maximum benefits for Thai credit.
5. Any Director, Executive, or Connected Person may enter into a transaction with Thai credit or its subsidiary only after the transaction is approved by a resolutions of Thai credit's shareholders, except for a transaction that constitutes commercial agreement as a reasonable man would enter into with a general party in the same situation, independent of any influence of himself or herself as a Director, Executive, or Connected Person, as the case may be and constitutes a commercial agreement pursuant to transaction requirements under the Interested Party Transaction Policy, which has been approved by Thai credit's Board of Directors and acknowledged by the Audit Committee; or complies with the principles approved by Thai credit's Board of Directors; or in the case where the size or characteristics of the transaction require no shareholder approval under the principles of connected transactions.
6. If Thai credit enters into other connected transactions to which the connected transactions principles apply, Thai credit must strictly comply with these principles.

7. Thai credit must disclose information about its transactions that may potentially cause a conflict of interest or be characterised as connected transactions, in compliance with regulations provided by the SEC and the SET. This information must be disclosed in Thai credit's annual registration statement and annual report (Form 56-1 One Report), or any other reporting template, as the case may be. In addition, Thai credit must disclose information regarding its connected transactions to the SET, under the SET regulations; and information regarding transactions related to Thai credit under standard accounting principles. Connected transactions must be reviewed according to Thai credit's review plan. The internal audit department will subsequently report to the Audit Committee. Thai credit must have measures to control, examine, and review transactions at random intervals to ensure that they are actually performed and that they comply with the agreement, or established policy or conditions.

9.2.3. Future trend of related party transactions

Thai credit expects that in the future, ordinary business transactions or transactions supporting the ordinary course of business of Thai credit and its subsidiary, such as revenue from providing insurance broker services, revenue from providing shared service, revenue from leasing out building spaces, interest revenue from employee loans, fee and service income, expenses from leases of land, buildings and building spaces, and related service charges (excluding rental rates for lease of building space and related services with M&H), interest expenses from perpetual bonds, interest expenses from subordinated debentures with a term of 10 years (Tier 2 Bond), insurance premiums for Thai credit's business operations, insurance premiums for Thai credit's employees, expenses for executive seminars and training of Thai credit's employees, interest expenses, and expenses in providing transportation and documentation storage services. Thai credit will determine or accept the price and payment terms based on customary terms and conditions. In this regard, deposit interest expenses from Mr. Songsak's group will not be considered as future related party transactions, the buy-back of warrants to purchase ordinary shares of Thai credit from Major Shareholders, and transactions relating to lease of building space and related services with M&H, are the transactions that will not continue to happen in the future.

Thai Credit Bank Public Company Limited

Part3

Financial Statements for the Past 3 Years

(2021-2023)

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of financial position

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
Assets	2023	2022	2021		2023	2022	2021
	(in thousand Baht)						
Cash	513,458	504,097	464,430		513,458	504,097	464,430
Interbank and money market items, net	15,484,690	19,184,537	10,948,838		15,480,064	19,183,555	10,947,346
Investments, net	2,993,746	2,922,750	5,695,814		2,993,746	2,922,750	5,695,814
Investments in subsidiary, net	-	-	-		350,000	250,000	250,000
Loans to customers and accrued interest receivables, net	140,180,600	117,456,900	95,512,820		140,180,600	117,456,900	95,512,820
Properties for sale, net	910,811	770,741	341,926		910,811	770,741	341,926
Premises and equipment, net	1,340,750	1,002,205	1,221,568		1,335,825	996,828	1,219,186
Intangible assets, net	245,266	185,441	173,786		222,100	165,918	156,861
Deferred tax assets, net	211,505	412,508	335,869		211,230	412,362	335,714
Other assets, net	1,563,506	750,292	638,366		1,597,535	764,351	656,076
Total assets	163,444,332						

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of financial position

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
Liabilities and equity	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Liabilities							
Deposits	116,761,613	113,444,149	88,514,778		117,017,345	113,621,873	88,736,490
Interbank and money market items	22,757,398	11,398,479	12,737,750		22,757,398	11,398,479	12,737,750
Liabilities payable on demand	145,601	72,581	88,924		145,601	72,581	88,924
Derivative liabilities	152,106	-	-		152,106	-	-
Debt issued and borrowings	2,611,763	889,930	869,935		2,611,763	889,930	869,935
Provisions	296,460	254,994	215,550		295,445	254,396	214,861
Other liabilities	3,214,261	2,747,761	2,443,465		3,146,248	2,678,753	2,395,078
Total liabilities	145,939,202	128,807,894	104,870,402		146,125,906	128,916,012	105,043,038

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of financial position

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
Liabilities and equity	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Equity							
Share capital							
Authorised share capital							
1,234,839,222 ordinary shares of Baht 5 each	6,174,196				6,174,196		
659,816,666 ordinary shares of Baht 10 each		6,598,167				6,598,167	
590,375,000 ordinary shares of Baht 10 each			5,903,750				5,903,750
Issued and paid-up share capital							
1,164,583,332 ordinary shares of Baht 5 each	5,822,917	-	-		5,822,917	-	-
582,291,666 ordinary shares of Baht 10 each	-	5,822,917	-		-	5,822,917	-
500,000,000 ordinary shares of Baht 10 each	-	-	5,000,000		-	-	5,000,000
Warrants	-	288,938	288,938		-	288,938	288,938
Premium on share capital	768,239	768,239	-		768,239	768,239	-

Thai Credit Bank Public Company Limited and its Subsidiary

Statements of financial position

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
Liabilities and equity	2023	2022	2021		2023	2022	2021
	(in thousand Baht)						
Equity							
Other reserves	(12,191)	1,228	36,043		(12,191)	1,228	36,043
Retained earnings							
Appropriated							
Legal reserve	569,398	389,831	269,389		569,398	389,831	269,389
Unappropriated	10,356,767	7,110,424	4,868,645		10,521,100	7,240,337	4,942,765
Total equity	17,505,130	14,381,577	10,463,015		17,669,463	14,511,490	10,537,135
Total liabilities and equity	163,444,332	143,189,471	115,333,417		163,795,369	143,427,502	115,580,173

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of profit or loss and other comprehensive income

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Interest income	15,894,566	12,684,736	9,800,970		15,894,561	12,684,736	9,800,970
Interest expenses	(2,564,011)	(1,632,385)	(1,307,386)		(2,564,554)	(1,632,813)	(1,307,689)
Net interest income	13,330,555	11,052,351	8,493,584		13,330,007	11,051,923	8,493,281
Fees and service income	504,927	528,138	435,553		527,492	544,358	444,373
Fees and service expenses	(573,713)	(587,394)	(483,290)		(625,302)	(602,316)	(494,835)
Net fees and service expenses	(68,786)	(59,256)	(47,737)		(97,810)	(57,958)	(50,462)
Losses on foreign exchange transactions, net	(5,722)	-	10		(5,736)	-	10
Gains on investments, net	122	75	97		122	75	97
Other operating income	204,813	238,554	296,164		209,303	244,329	302,073
Total operating income	13,460,982	11,231,724	8,742,118		13,435,886	11,238,369	8,744,999
Other operating expenses							
Employee expenses	3,284,327	3,040,448	2,591,901		3,248,202	3,015,869	2,573,627

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of profit or loss and other comprehensive income

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Directors' remuneration	17,510	16,490	15,280		17,510	16,490	15,280
Premises and equipment expenses	671,754	602,859	520,197		666,548	598,404	518,144
Taxes and duties	496,059	411,409	304,272		495,814	411,371	304,263
Others	475,629	365,195	267,045		457,372	344,476	253,811
Total other operating expenses	4,945,279	4,436,401	3,698,695		4,885,446	4,386,610	3,665,125
Expected credit loss	4,062,400	3,835,409	2,610,553		4,062,400	3,835,409	2,610,553
Profit from operations before income tax	4,453,303	2,959,914	2,432,870		4,488,040	3,016,350	2,469,321
Income tax	896,523	607,393	497,853		896,690	607,514	497,966
Net profit	3,556,780	2,352,521	1,935,017		3,591,350	2,408,836	1,971,355

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of profit or loss and other comprehensive income

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Other comprehensive income							
<i>Items that will be reclassified subsequently to profit or loss</i>							
Losses on investments in debt instruments at fair value through other comprehensive income	(1,643)	(1,404)	(2,341)		(1,643)	(1,404)	(2,341)
Losses on cash flow hedges	(31,702)	-	-		(31,702)	-	-
Income tax relating to components of other comprehensive income will be reclassified subsequently to profit or loss	6,669	281	468		6,669	281	468
	(26,676)	(1,123)	(1,873)		(26,676)	(1,123)	(1,873)

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of profit or loss and other comprehensive income

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	(in thousand Baht)						
Items that will not be reclassified subsequently to profit or loss							
Gains (losses) on investments in equity instruments designated at fair value through other comprehensive income	23	63	(180)		23	63	(180)
Gains on remeasurements of defined benefit obligations	12,506	12,124	1,112		12,319	11,472	878
Income tax relating to components of other comprehensive income will not be reclassified subsequently to profit or loss	(2,506)	(2,437)	(186)		(2,469)	(2,307)	(140)
	10,023	9,750	746		9,873	9,228	558
Total other comprehensive income, net	(16,653)	8,627	(1,127)		(16,803)	8,105	(1,315)
Total comprehensive income	3,540,127	2,361,148	1,933,890		3,574,547	2,416,941	1,970,040

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of profit or loss and other comprehensive income

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Earnings per share							
Basic earnings per share <i>(in Baht)</i>	3.05	2.28	1.94		3.08	2.34	1.97
Diluted earnings per share <i>(in Baht)</i>	3.01	2.18	1.89		3.04	2.24	1.93

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
<i>Cash flows from operating activities</i>							
Profit from operations before income tax	4,453,303	2,959,914	2,432,870		4,488,040	3,016,350	2,469,321
<i>Adjustments to reconcile profit from operations before income tax to cash receipts (payments) from operating activities</i>							
Depreciation and amortisation	259,234	279,817	248,957		254,893	276,247	247,229
Expected credit losses	4,062,400	3,835,409	2,610,553		4,062,400	3,835,409	2,610,553
Provision for employee benefits	64,502	57,437	45,915		63,898	56,876	45,433
Provision for dismantling of leasehold improvement	3,254	519	1,507		3,254	519	1,507
Provision for performance guarantee contracts	14,776	-	-		14,776	-	-
Contract liabilities	211	(14)	86		-	-	-
Share-based payment expenses	13,238	1,164	-		13,238	1,164	-

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
<i>Cash flows from operating activities</i>							
Losses (gains) on disposal of properties for sale	3,923	(332)	(1,969)		3,923	(332)	(1,969)
Gains on disposal of premises and equipment	(799)	(52)	(223)		(799)	(52)	(223)
Losses on write-off of premises and equipment	36	-	1,899		36	-	1,899
Gains (losses) on write-off of right-of-use assets and lease liabilities	(7,964)	(3,069)	3,199		(7,964)	(3,069)	3,199
Gains on disposal of investments	(122)	(75)	(97)		(122)	(75)	(97)
Net amortisation of (discount) premium on investments	(53,400)	5,752	922		(53,400)	5,752	922
Losses on foreign currency translation	5,722	-	-		5,736	-	-
Net interest income	(13,330,555)	(11,052,351)	(8,493,584)		(13,330,007)	(11,051,923)	(8,493,281)
Interest received	14,487,338	11,738,943	8,316,279		14,487,338	11,738,943	8,316,279
Interest paid	(2,289,095)	(1,571,878)	(1,207,815)		(2,289,637)	(1,572,437)	(1,208,119)

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
<i>Cash flows from operating activities</i>							
Dividend income	(52)	(57)	(38)		(52)	(57)	(38)
Income tax paid	(803,186)	(559,306)	(477,113)		(803,186)	(559,306)	(477,113)
Profit from operations before changes in operating assets and liabilities	6,882,764	5,691,821	3,481,348		6,912,365	5,744,009	3,515,502
<i>Decrease (increase) in operating assets</i>							
Interbank and money market items	3,696,712	(8,234,928)	(3,427,430)		3,700,356	(8,235,438)	(3,425,938)
Loans to customers	(25,467,656)	(24,852,244)	29,825,500)		(25,467,656)	(24,852,244)	(29,825,500)
Properties for sale	(145,467)	(428,483)	(183,461)		(145,467)	(428,483)	(183,461)
Other assets	(723,358)	(112,900)	(112,832)		(819,190)	(120,317)	(100,728)

Thai Credit Bank Public Company Limited and its Subsidiary
Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Cash flows from operating activities							
<i>Increase (decrease) in operating liabilities</i>							
Deposits	3,444,437	25,094,049	24,031,510		3,522,445	25,050,061	24,109,119
Interbank and money market items	7,807,192	(1,339,271)	7,062,136		7,807,192	(1,339,271)	7,062,136
Liabilities payable on demand	73,020	(16,343)	25,636		73,020	(16,343)	25,636
Provision for employee benefits paid	(9,219)	(6,696)	(1,507)		(9,219)	(6,696)	(1,507)
Other liabilities	155,217	205,474	210,489		231,316	198,915	174,740
Net cash from operating activities	(4,286,358)	(3,999,521)	1,260,389		(4,194,838)	(4,005,807)	1,349,999

The Thai Credit Retail Bank Public Company Limited and its subsidiary

Statements of cash flows

	Consolidated			The Bank		
	Years ended			Years ended		
	31 December			31 December		
	2023	2022	2021	2023	2022	2021
	(in thousand Baht)					
Cash flows from investing activities						
Interest received	56,119	31,638	10,287	56,113	31,638	10,287
Dividend received	52	57	38	52	57	38
Acquisition of investments measured at fair value through other comprehensive income	(15,211,978)	(11,273,000)	(8,380,000)	(15,211,978)	(11,273,000)	(8,380,000)
Proceeds from disposal and redemption of investments measured at fair value through other comprehensive income	15,213,032	14,039,074	6,144,097	15,213,032	14,039,074	6,144,097
Acquisition of investments in subsidiary	-	-	-	(100,000)	-	(100,000)
Acquisition of premises and equipment	(335,160)	(122,444)	(80,171)	(333,892)	(121,955)	(77,961)
Proceeds from disposal of premises and equipment	938	63	470	936	61	470
Acquisition of intangible assets	(80,137)	(41,243)	(41,964)	(73,877)	(36,421)	(33,784)

The Thai Credit Retail Bank Public Company Limited and its subsidiary

Statements of cash flows

	Consolidated			The Bank		
	Years ended			Years ended		
	31 December			31 December		
	2023	2022	2021	2023	2022	2021
	(in thousand Baht)					
Net cash (used in) from investing activities	(357,134)	2,634,145	(2,347,243)	(449,614)	2,639,454	(2,436,853)
Cash flows from financing activities						
Payment of lease liabilities	(116,100)	(151,207)	(117,683)	(115,140)	(150,230)	(117,683)
Proceeds from issuing share capital	-	1,556,250	-	-	1,556,250	-
Proceeds from long-term borrowings from financial institution	3,672,130	-	-	-	-	-
Proceeds from subordinated debentures and warrants	1,700,000	-	1,150,000	1,700,000	-	1,150,000
Payment of interest on long-term borrowings and subordinated debentures	(173,365)	-	(2,101)	(173,365)	-	(2,101)
Payment for repurchase of warrants	(429,812)	-	-	(429,812)	-	-
Net cash from financing activities	4,652,853	1,405,043	1,030,216	4,653,813	1,406,020	1,030,216

The Thai Credit Retail Bank Public Company Limited and its subsidiary

Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	(in thousand Baht)						
Net increase in cash	9,361	39,667	(56,638)		9,361	39,667	(56,638)
Cash at 1 January	504,097	464,430	521,068		504,097	464,430	521,068
Cash at 31 December	513,458	504,097	464,430		513,458	504,097	464,430
Supplementary disclosures of cash flow information							
Non-cash transactions:							
Losses on investments in debt instruments at fair value through other comprehensive income	(1,643)	(1,404)	(2,341)		(1,643)	(1,404)	(2,341)
Losses on cash flow hedges	(31,702)	-	-		(31,702)	-	-
Gains (losses) on investments in equity instruments designated at fair value through other comprehensive income	23	63	(180)		23	63	(180)

Statements of cash flows

	Consolidated				The Bank		
	Years ended				Years ended		
	31 December				31 December		
	2023	2022	2021		2023	2022	2021
	<i>(in thousand Baht)</i>						
Increase in properties for sale due to debts settlement	170,927	457,902	191,709		170,927	457,902	191,709
(Decrease) Increase in payable for acquisition of equipment	(1,984)	(3,694)	6,706		(1,947)	(3,743)	6,710
(Decrease) Increase in payable for acquisition of intangible assets	43	(128)	(1,608)		-	-	-

Thai Credit Bank Public Company Limited

Appendix 1

Details of Directors, Executives, Controlling Persons, Top Executives in the Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary

Details of Directors, Executives, Controlling Persons, Top Executives in the Accounting and Finance Department, Persons with Direct Responsibility for Accountancy, and Company Secretary

Details of Directors and Executives (As of 31 December 2023)

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
1. Prof. Kitipong Uraepatanapong - Chairman (Independent director) and Chairman of the Corporate Governance and Sustainability Development Committee - Appointed as Thai credit's Director on 16 July 2021	68	- Honorary Doctorate of Laws, Jurisprudence Academic Category, Hat Yai University - Master of Laws, the University of British Columbia, Canada - Master of Laws, Chulalongkorn University - Bachelor of Laws, Chulalongkorn University <u>History of training from the Thai Institute of Directors (IOD)</u> - Role of the Chairman Program (RCP), Class 21/2009 - Director Certification Program (DCP), Year 2000	-None-	-None-	2021 - present	Chairman (Independent director) and Chairman of the Corporate Governance and Sustainability Development Committee	Thai Credit Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Director Leadership Certification Program (DLCP), Class 0/2021 - Director Leadership Certification Program (DLCP), Class 0/1978 - IT Governance and Cyber Resilience Program (ITG), Class 15/2020 <p><u>Other training history</u></p> <ul style="list-style-type: none"> - The Thai Barrister at Law, the Thai Bar Association - Diploma in Top Executive Program in Commerce and Trade (TEPCoT), Class 1, Commerce Academy - Diploma from the National Defence College, National Defence Studies Institute, the National Defence College 			2021 - present	Chairman (Independent director)	VNB Holding Company Limited / a holding company
					2022 - present	Independent director, Chairman of Sustainability Committee and member of The Nomination & Remuneration Committee	CJ More Company Limited / a holding company

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Diploma in Director Executive Program, Class 4, Capital Market Academy - Certificate in Corporate Governance Program, Director Executive Program, School of Management, Yale University - Certificate of Completion on Company Directors, Australian Institute of Directors - Certificate in Executive Program, J.L. Kellogg School of Management, Northwestern University 			2022 - present	Director	Committee supporting economic and investment stimulus measures by attracting high-potential foreigners to Thailand
					2022 - present	Independent director, member of audit and risk management committee	Thainamthip Corporation Limited / conducting business of retail non-alcoholic drinks
					2022 – 31 May 2023 1 June 2023 - present	Chairman	Thai Institute of Directors
					2021 - present	Independent director, and member of the Environment, Social and Governance (ESG) Committee	SCG Chemicals Public Company Limited / a holding company

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2020 - present	Chairman	Chotiwat Manufacturing Public Company Limited / carrying on the business of trading and manufacturing fresh food, ready-to-eat food, frozen food, canned food, seasonings, drinks, or other groceries
					2019 - present	Independent director, and member of the Risk Oversight Committee	Pruksa Holding Public Company Limited / a holding company
					2019 - present	Independent director, and Chairman of the Corporate Governance and Nomination Committee	SCG Packaging Public Company Limited / a holding company
					2019 - present	Qualified director of the Steering Committee	Office of National Higher Education Science Research and Innovation Policy Council / a state agency

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2017 - 2020 (First term)	Director	Thai Institute of Directors
					2020 - Present (Second term)		
					2017 - present	Chairman	Cheevamitr Social Enterprise Company Limited / conducting health-related activities
					2011 - present	Chairman of the Legal, Tax, and Compliance Committee	Board of Trade of Thailand
					1999 - present	Executive director (work consideration)	Siam Piwat Company Limited / a holding company
					2001 - present	Director	Siam Piwat Holding Company Limited / conducting activities of a holding company that does not invest mainly in financial businesses

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					1993 - present	Director	Business Strategic Holding Limited / carrying on the business of leasing and managing its own immovable property or leased property for residential purposes
					2019 - 2020	Chairman of the Sub-Committee of the Securities Investor Protection Fund (SIPF)	The Stock Exchange of Thailand

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2019 - 2020	Member of the sub-committee of the Derivatives Investor Protection Fund (DIPF)	The Stock Exchange of Thailand
					2019 - 2021	Director	The Stock Exchange of Thailand
					2018 - 2020	Chairman of the Disciplinary Sub-Committee	The Stock Exchange of Thailand
					2018 - 2021	Director	Rachakarn Asset Management Company Limited / conducting funding activities, in addition to lending
					2017 - 2021	Director	The Hub 99 Company Limited / carrying on the business of buying and selling its own immovable property for residential purposes
					2008 - 2021	Chairman	Baker & McKenzie Limited / providing legal advisory services
					2014 - 2015	Member	National Reform Council

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
2. Miss Ada Ingawanij - Independent director, member of the Audit Committee, and member of the Corporate Governance and Sustainability Development Committee - Appointed as Thai credit's Director on 15 November 2022	54	- Master of Science (MSc.) in International Banking and Finance Studies, University of Southampton, England - Bachelor of Economics and Accounting, University of Southampton, England <u>History of training from the Thai Institute of Directors (IOD)</u> - Director Certification Program (DCP), Class 206/2015 - Board Nomination & Compensation Program (BNCP), Class 12/2021	-None-	-None-	2022 - present	Independent director, member of the Audit Committee, and member of the Corporate Governance and Sustainability Development Committee	Thai Credit Bank Public Company Limited / a financial institution
					2022 - present	Independent director and member of the Audit Committee	VNB Holding Company Limited / a holding company
					2023 - present	Independent director and Chairman of the Audit Committee	Thonburi Healthcare Group Public Company Limited / a hospital

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Board Matters and Trends, Class 5/2018 - Director Leadership Certification Program Class 6/2022 - Advance Audit Committee Program (AACP) Class 47/2023 <u>Other training history</u> <ul style="list-style-type: none"> - Director Executive Program, Capital Market Academy, Class 22/2016 - Director Executive Program - Greater Mekong Subregion, Class 4, Capital Market Academy - Leadership ACT, Slingshot Group, Class of 2021 - Advanced Master of Management (AMM), National Institute of Development Administration, Class 7/2021 			2019 - present	Independent director, member of the Audit Committee, and member of the Nomination, Remuneration and Corporate Governance Committee	Sukhumvit Asset Management Company Limited / carrying on the business of asset management
					2020 – August 2566	Independent director, director of the Audit Committee, and director of the Nomination and Remuneration Committee	Thai Reinsurance Public Company Limited / carrying on the reinsurance business
					2019 - present	Director	Foundation for Public Policy and Good Governance / a foundation
					2009 - present	Advisory committee to Investment Committee	The Thai Red Cross Society / a charitable organisation

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Security management course for senior executives, Class 3/2022, National Defence Studies Institutes - Top Executive Programme in Commerce and Trade (TEPCOT), Class 15/2023, University of Thai Chamber of Commerce - Cyber Resilience Leadership : Mission for Embracing the Future of AI&Cybersecurity, SEC 			2019 - 2020	Senior advisor	International Finance Corporation / a financial institution
					2015 - 2018	Executive vice president	Thai Institute of Directors / an association
					2004 - 2013	Head Institutional Sales, Country Debt Head	The Royal Bank of Scotland / a financial institution
					1998 - 2004	Country Debt Head	ABN AMRO Bank N.V. / a financial institution
					2000 - 2004	Head of Institutional Marketing and Sales	The Hongkong & Shanghai Banking Corporation (HSBC) / a financial institution
					2002 - 2004	Director	The Thai Bond Dealing Centre / the Thai Bond Market Association
					1992 - 1997	Investment Officer	The Bank of Thailand / a financial institution
3. Mr. Chamnong Watanagase	70	- M.B.A., University of Central Missouri, USA	-None-	-None-	2017 - present	Independent director, and Chairman of the Audit Committee	Thai Credit Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
<ul style="list-style-type: none"> - Independent director, and Chairman of the Audit Committee - Appointed as Thai credit's Director on 17 March 2017 		<ul style="list-style-type: none"> - Bachelor of Laws, Thammasat University - Bachelor of Accounting, Chulalongkorn University <p><u>History of training from the Thai Institute of Directors (IOD)</u></p> <ul style="list-style-type: none"> - Director Certification Program (DCP), Class 5/2001 - Audit Committee Program (ACP), Class 1/2002 - Audit Committee Refreshers' Course, Class of 2005 - Board Nomination and Compensation Program (BNCP), Class 8/2019 - Director Certification Program Refresher Course, Class of 2006 			2018 - present	Independent director and Chairman of the Audit Committee	VNB Holding Company Limited / a holding company
					2014 – May 2023	Independent director, and member of the Audit Committee	Pranda Jewelry Public Company Limited / carrying on the business of manufacturing and selling jewelry
					2013 – May 2023	Independent director, and chairman of the Audit Committee	LDC Dental Public Company Limited / provider of medical services
					2011 - 2021	Vice president	Thai Investors Association/ an association
					1977 - 1982	Manager of the Academic Centre	KWI Life Insurance Public Company Limited (Previous Name: Interlife Assurance Company Limited) / conducting business of sale of life insurance products

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Chartered Director, Class of 2007 - Board that Makes a Difference (BMD), Class of 2017 <p><u>Other training history</u></p> <ul style="list-style-type: none"> - Advanced Certificate of Proficiency in English, National Institute of Development Administration - Doctor of Political Science (Mandatory Program), Class 1, Thammasat University - Certificate of Director Executive Program, Class 6, Capital Market Academy - Tactical Hostage Rescues, US Marshal Service, Department of Justice, (for USIA officers), Baton Rouge, Louisiana, USA, 1990 (one month) - Marketing & Sale Training Course Development, Tack 			1980 - 1982	Insurance professor at the Faculty of Management Sciences	Prince of Songkhla University
					1985 - 1991	USIA officer	United States Department of State, Washington
					2004 - 2013	Professor of a graduate program at the Faculty of Humanities, Ramkhamhaeng University	Ramkhamhaeng University
					2000 - 2009	Member of the Audit Committee	KWILife Insurance Public Company Limited (Previous Name: Interlife John Hancock Assurance Public Company Limited) / conducting business of sale of life insurance products
					1997	Advisor to the Academic Service Office	Mahidol University
					1997	Executive director	Science Park, the National Science and Technology Development Agency

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		Training International, London, UK, 1991 (five weeks)			2009 - 2014	Chairman of the Audit Committee	Thai CLA Public Company Limited (Previous Name: Thai Cardif Life Assurance Public Company Limited) / conducting business of sale of life insurance products
					2000 - 2014	Chairman of the Audit Committee	Indara Insurance Public Company Limited / conducting business of sale of non-life insurance products
					1999 - 2000	Founding manager	Business Advisory Centre for SMEs / Kenan Institute Asia Foundation, sponsored by USAID
					1994 - 1998	Managing director	Siam Commercial Link, Science Commercial Link, SCB Technology

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
4. Mr. Supachai Sukhanindr - Independent director, member of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and member of the Risk Oversight Committee - Appointed as Thai credit's Director on 18 July 2019	51	- Doctor of Philosophy in Computer Systems Management and Information Technology, Washington University, USA - Master of Finance, Mercer University, USA - Bachelor of Business Administration in Quantitative Business Analysis, Chulalongkorn University <u>History of training from the Thai Institute of Directors (IOD)</u> - Director Certification Program (DCP), Class 231/2016 - Advance Audit Committee Program (AACP), Class 42/2021 - Financial Statements for Directors (FSD), Class 33/2017	-None-	-None-	2019 - present	Independent director, member of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and member of the Risk Oversight Committee	Thai Credit Bank Public Company Limited / a financial institution
					2019 - present	Independent director, member of the Risk Oversight Committee, and member of the Audit Committee	VNB Holding Company Limited / a holding company
					2021 - present	Independent director, member of the Audit Committee, and member of the Nomination and Remuneration Committee	Pi Securities Public Company Limited / a securities company

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Diploma Examination (DE), Class 55/2017 - IT Governance and Cyber Resilience Program (ITG), Class of 13/2020 <p><u>Other training history</u></p> <ul style="list-style-type: none"> - Capital Market Academy Program, Class 19, Capital Market Academy - Director Executive Program in Energy Science, Class 10, Thailand Energy Academy - Senior Anti-Corruption Strategic Executive Programme, Class 10 - Top Executive Programme in Commerce and Trade 			2021 - present	Director, and member of the Nomination and Remuneration Committee and chairman of Risk Committee	One Origin Company Limited / carrying on the immovable property business, restaurant business, and hotel business
					2020 - present	director	Foundation for the Protection of Environment and Tourism / a foundation
					2020 - present	Independent director, and member of the Nomination Committee	nForce Secure Public Company Limited / supplier of cybersecurity solutions
					2018 - present	Director	Fivel Company Limited / carrying on the business of training and seminars
					2013 - present	Director	Greyhound Café UK / a restaurant

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		(TEPCOT), University of Thai Chamber of Commerce, Class 10 - Ultra Wealth, Ultra Wealth Management Company Limited, Class 1 - The Fundamentals of Digital Marketing Continuing Professional Education (CPE), Google Digital Garage Linked in LEARNING - The Belt and Road China Economic Overseas Training Course, University of International Business and Economics			2013 - present	Chairman of the Advisory Board	Sub Sri Thai Public Company Limited / carrying on the business of investing in the food business and in the warehouse business
					2013 - present	Advisor to Executive committee	Mud & Hound Public Company Limited / carrying on the restaurant business
					2006 - present	Chairman	Ruamsupakit Company Limited / carrying on the house leasing business and hotel business
					2015 - 2020	Director	The Ultrawealth Group Company Limited / carrying on the service business of organising academic training and seminars
					2020 - 2021	Independent Director and Member of nomination	Project Planning Service Public Company Limited / carrying on the immovable property business and construction business
					2015 - 2019	Advisor to the Sub-committee on Satellite Technology Study for Security	The Secretariat of the Senate

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2015 - 2019	Honorary advisor to the Committee of Mass Communication, Science, Technology and Information	The Secretariat of the Senate
					2015 - 2017	Director and editor	Economics Association, Chulalongkorn University
					2014 - 2019	Secretary for the Committee on Natural Resources and Environment	The Secretariat of the Senate
					2016	Working group on the Business Revolution and Innovation Network program	The Federation of Thai Industries
5. Miss Krisana Aramkulchai - Director	75	- Bachelor of Accounting, Bangkok University	-None-	-None-	2007 - present	Director	Thai Credit Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
- Appointed as Thai Keha Credit Foncier Public Company Limited's director: on 20 July 2001 (Renamed as "Thai Credit Bank Public Company Limited") on 18 January 2007		<u>History of training from the Thai Institute of Directors (IOD)</u> - Director Certification Program (DCP), Class 198/2014			2017 - present	Director	VNB Holding Company Limited / a holding company
6. Mr. Stephen Tirador Briones - Director, member of the Nomination and Remuneration Committee, and Chairman of the Risk Oversight Committee - Appointed as Thai credit's Director on 1 October 2014 - Date of change of director type from "Independent Director" to "Director": on October 1, 2023	57	- M.B.A. in Finance and International Business, Columbia Business School, USA - Bachelor of Arts (East Asian, Focus: Southeast Asia and Japan), Columbia College, USA <u>History of training from the Thai Institute of Directors (IOD)</u> - Director Accreditation Program (DAP), Class 108/2014	-None-	-None-	2014 - present	Director, member of the Nomination and Remuneration Committee, and Chairman of the Risk Oversight Committee	Thai Credit Bank Public Company Limited / a financial institution
					2018 - present	Director and Chairman of the Risk Oversight Committee	VNB Holding Company Limited / a holding company
					2021 - present	Authorised Director	Fenway Ventures Company Limited / giving advice and consultancy on management

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		- Director Certification Program (DCP), Class 326/2022			2004 - 2022	Managing director and country manager	ING Bank, N.V. / a financial institution
7. Mr. Gaurav Malik - Director, member of the Nomination and Remuneration Committee, and member of the Risk Oversight Committee - Appointed as Thai credit's Director on 19 August 2019	52	- Post Graduate Program in Management, Indian Institute of Management Bangalore, India - Master of Science in Mathematics and Computer Applications, Indian Institute of Technology Delhi, India <u>History of training from the Thai Institute of Directors (IOD)</u> - Director Accreditation Program (DAP), Class 193/2022	-None-	-None-	2019 - present	Director, member of the Nomination and Remuneration Committee, and member of the Risk Oversight Committee	Thai Credit Bank Public Company Limited / a financial institution
					2015-Present	Director	Olympus ACF Pte. Ltd. / a venture capital company
					2015 - present	Director	OCA Investment Holdings I Pte. Ltd. / a venture capital company
					2015 - present	Director	OCA V Holdings Pte. Ltd. / a venture capital company
					2015 - present	Director	AEP II Holdings Pte. Ltd. / a venture capital company
					2012 - present	Director	Koi Structured Credit Pte. Ltd. / a venture capital company
					2009 - present	Director	Olympus Capital Holdings Asia India Advisors Pvt. Ltd. / a venture capital company

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2002 - present	Managing director	Olympus Capital Asia Pte. Ltd. / a venture capital company
					2021 - present	Director	Constant Energy Vietnam Pte. Ltd. / a venture capital company
					2021 - present	Director	Constant Energy Singapore III Pte. Ltd. / a venture capital company
					2021 - present	Director	Constant Energy Singapore Holding Pte. Ltd. / a venture capital company
					2022 - present	Director	Constant Energy Singapore Pte. Ltd. / a venture capital company
					n.a. - 2021	Director	AEP Investment Holdings I Pte. Ltd. / a venture capital company
					2008 - 2020	Director	Quattro Global Services / Business Process Outsourcing
					2013 - 2020	Director	Olympus Capital Holdings Asia Pte. Ltd. / a venture capital company
					2001 - 2002	Vice President	ABN AMRO / a financial institution
					1998 - 2001	Officer	DLJ Merchant Banking Partners / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2019 - 2021	Director	Singapore American School / an educational institution
8. Mr. Winyou Chaiyawan <ul style="list-style-type: none"> Chief Executive Officer, Director, Chairman of the Executive Committee, member of the Risk Oversight Committee, Executive Director, and member of the Corporate Governance and Sustainability Development Committee Appointed as Thai Keha Credit Foncier Public Company Limited's director: on 21 July 2004 (Renamed as "Thai Credit Bank Public Company Limited" on 18 January 2007) Appointed as Thai credit's Executive on 9 August 2012 	51	<ul style="list-style-type: none"> M.B.A. from UCLA Anderson School of Management, USA Bachelor of Business Administration, Finance and Banking, Thammasat University <p><u>History of training from the Thai Institute of Directors (IOD)</u></p> <ul style="list-style-type: none"> Corporate Governance for Capital Market Intermediaries, Class of 2015 Director Accreditation Program (DAP), Class of 2016 <p><u>Other training history</u></p> <ul style="list-style-type: none"> Chartered Financial Analyst, CFA Institute 	Direct holding of 6.7%	Elder Brother of Mr. Veeravet Chaiyawan	2007 - present	Chief Executive Officer, Director, member of the Risk Oversight Committee, Chairman of the Executive Committee, and member of the Corporate Governance and Sustainability Development Committee	Thai Credit Bank Public Company Limited / a financial institution
					2017 - present	Director, member of the Risk Oversight Committee and managing director	VNB Holding Company Limited / a holding company
					2018 - present	Chairman	Thai Micro Digital Solutions Company Limited / providing electronic payment services and electronic fund management services

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
		<ul style="list-style-type: none"> - Director Executive Program, Class of 2012, Capital Market Academy - Leadership Development Program (LDP), Class of 2015, Thai Listed Company Association (TLCA) - Ultra Wealth, Ultra Wealth Management Company Limited, 2016 - Cyber Resilience, Class of 2017, the Bank of Thailand - Cyber Resilience Leadership, Class of 2019, the Bank of Thailand - Cyber Resilience Leadership: Mission for Embracing the Future of AI & Cybersecurity สำนักงาน ก.ล.ต. 			2022 - present	Chairman	Thai Credit Foundation / foundation
					2020 - present	Executive director	Union Land Company Limited / carrying on the business of leasing out assets
					2020 - present	Director	Thai Health Insurance Public Company Limited / carrying on the health insurance business
					2019 - present	Executive director	Phasuk Company Limited / carrying on the business of trading and leasing out immovable property
					2011 - 2015	Chief Bancassurance Officer	Thai Life Insurance Public Company Limited / a life insurance company
					2016 - January 2022	Senior Executive Vice President	
					February 2022 - present	Deputy Chief Executive Officer, Partnership Group	

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2011 - present	Executive director	Chaiyawan Company Limited / carrying on the securities investment business
					2010 - present	Executive director	Yart Samphan Company Limited / carrying on the business of trading and leasing out immovable property
					2009 - present	Executive director	V.C. Property Company Limited / a holding company
					2021 - 24 March 2023	Director	GMO-Z COM Securities (Thailand) Limited / a securities company
					2021 - 26 December 2022	Director	Bay Computing Company Limited / providing security services for technological systems
					2015 - 2020	Independent director	SBI Thai Online Securities Company Limited / carrying on the business of a securities broker
					2002 - 2016	Executive director	Thai Cardif Life Assurance Public Company Limited / carrying on the life insurance business

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2014 - 2015	Director	Thai Asia Pacific Brewery Company Limited / carrying on the business of manufacturing and selling beer
					2010 - 2015	Director	Thaikhum Company Limited / carrying on the business of buying and selling its own immovable property for residential purposes.
					2012 - 2014	Director	Fitch Ratings Thailand Limited / a credit rating agency
					2009 - 2014	Director	Tanabun Company Limited / providing (hire-purchase) services
					2002 - 2007	Director	Siam Entertainment and Gaming Company Limited (Currently renamed as Cheers Corporation Company Limited) / carrying on service businesses
					2003 - 2006	Director	Elite Plus Company Limited / carrying on service businesses
					2000 - 2002	Investment banker	J.P. Morgan Securities (Thailand) Company Limited / a securities company

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
9. Mr. Roy Agustinus Gunara - Director, member of the Risk Oversight Committee, Executive Director, and Managing Director - Appointed as Thai credit's Director on 25 May 2012 - Appointed as Thai credit's Executive on 9 August 2012	54	- M.B.A. in Finance, University of Illinois, USA - Bachelor of Science in Electrical Engineering, Drexel University, USA <u>History of training from the Thai Institute of Directors (IOD)</u> - Director Certification Program (DCP), Class 112/2009 - Director Accreditation Program (DAP), Class 117/2015	Spouse, Mrs. Mijitra Gunara directly holds shares for 3.8%	-None-	2012 - present	Director, member of the Risk Oversight Committee, Executive Director and Managing Director	Thai Credit Bank Public Company Limited / a financial institution
					2018 - present	Director and member of the Risk Oversight Committee	VNB Holding Company Limited / a holding company
					2018 - present	Director	Thai Micro Digital Solutions Company Limited / providing electronic payment services, and electronic fund management services
					2022 - present	Vice Chairman	Thai Credit Foundation / foundation
10. Mr. Kamolphu Phuredithsakul - Assistant Managing Director of Micro Finance Business	56	- M.B.A. in International Trading, Sul Ross State University, USA	-None-	-None-	2013 - present	Assistant Managing Director of Micro Finance Business and Lending Branch Management Group	Thai Credit Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
and Lending Branch Management Group - Appointed as Thai credit's Executive on 26 April 2013		- Bachelor of Business Administration in Marketing, Bangkok University <u>Other training history</u> - Professional Certificate Sales Management, Class of 1985, Bangkok Business College - Executive Development Program (EDP), Thai Listed Companies Association, Class of 2017			2020 - present	Director and Managing director	Thai Micro Digital Solutions Company Limited / providing electronic payment services, and electronic fund management services
					2022 - present	Director	Thai Credit Foundation / Foundation
					2002 - 2013	Senior vice president	Ayudhya Capital Services Company Limited / a securities company
11. Mr. Natus Kittawaranon - Assistant Managing Director of Micro SME Business Group - Appointed as Thai credit's Executive on 29 June 2016	44	- Master of Economics in Business Economics, Kasetsart University - Bachelor of Economics program, Maejo University <u>Other training history</u> TCLA Executive Development Program (EDP), Class of 2019	-None-	-None-	2015 - present	Assistant Managing Director of Micro SME Business Group	Thai Credit Bank Public Company Limited / a financial institution
					2022 - present	Director	Thai Credit Foundation / Foundation
					2008 - 2015	Executive Officer/ Sales management and personnel development for SMEs unit	TMB Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
12. Mr. Veeravet Chaiyawan - Assistant Managing Director of Retail and Wealth Banking Group - Appointed as Thai credit's Executive on 9 July 2018	42	- M.B.A. in marketing, Simon Graduate School of Business, University of Rochester, USA - Bachelor of Commerce and Accountancy in Marketing, Thammasat University <u>Other training history</u> TCLA Executive Develop Program (EDP), Class of 2017	Direct holding of 2.0%	younger brother of Mr. Winyou Chaiyawan	2009 - present	Assistant Managing Director of Retail and Wealth Banking Group	Thai Credit Bank Public Company Limited / a financial institution
					2009 - present	Director	V.C. Property Company Limited / a holding company
					2022 - present	Director	Thai Credit Foundation / Foundation
					2010 - present	Director	Pluakdaeng Eastern Estate Company Limited / carrying on immovable property businesses
					2020 - present	Director	Thai Life Group Company Limited / carrying on immovable property businesses
					2017 - present	Director	Chaiyawan Company Limited / carrying on the securities investment business
					2017 - present	Director and managing director	T.C. Insurance Broker Service Company Limited / carrying on businesses as a life and non-life insurance broker, and other businesses to support these businesses

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2015 - present	Director	Toonchai Company Limited / carrying on the business of investing in securities
					2014 - present	Director	Thai Niyom (69) Company Limited / carrying on the business of investing in securities
					2013 - present	Director	Hotel & Resorts Company Limited / carrying on hotel and apartment businesses
					2013 - present	Director	V. One Asset Company Limited / carrying on hotel and apartment businesses
					2011 - present	Director	T.L. Management Company Limited / providing accounting services
					2010 - present	Director	Theparak Business Company Limited / carrying on immovable property businesses
13. Mr. Kittipant Sriwannawit - Assistant Managing Director of Finance and Accounting	54	- Master of Laws in Economic Law, Chulalongkorn University	-None-	-None-	2008 - present	Assistant Managing Director of Finance and Accounting	Thai Credit Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
- Appointed as Thai credit's Executive on 19 April 2012		<ul style="list-style-type: none"> - M.B.A. in Finance, Kasetsart University - Bachelor of Accounting, Thammasat University <u>Other training history</u> <ul style="list-style-type: none"> - TCLA Executive Development Program (EDP), Class of 2018 - e-Learning CFO's Orientation Course (Thai Version), October 2022 - Executive Development Program (EDP Class of 2018) - Specialist Bar in Taxation: the Best Practice - Advanced Relationship Management in Banking - SET50 Index Option Corporate Secretary Development Program - CFO's Refresher Course, SET 			2018 - present	Director	Thai Micro Digital Solutions Company Limited / providing electronic payment services, and electronic fund management services
					2022 - present	Director and Treasurer	Thai Credit Foundation / Foundation

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
14. Miss Achara Ruangchay <ul style="list-style-type: none"> - Assistant Managing Director of Credit - Appointed as Thai credit's Executive on 29 June 2016 	51	<ul style="list-style-type: none"> - Bachelor of Economics in Finance and Banking, University of the Thai Chamber of Commerce 	-None-	-None-	2016 - present	Assistant Managing Director of Credit	Thai Credit Bank Public Company Limited / a financial institution
15. Mr. Tsz Ying Christopher Chan <ul style="list-style-type: none"> - Assistant Managing Director of Information Technology - Appointed as Thai credit's Executive on 23 May 2016 	62	<ul style="list-style-type: none"> - Bachelor of Mathematics, University of Windsor, Canada - Bachelor of Computer Science, University of Windsor, Canada 	-None-	-None-	2016 - present	Assistant Managing Director of Information Technology	Thai Credit Bank Public Company Limited / a financial institution
					2018 - present	Director	Thai Micro Digital Solutions Company Limited / providing electronic payment services, and electronic fund management services
16. Mr. Sarawooth Savejnarong <ul style="list-style-type: none"> - Assistant Managing Director of Human Resource Management - Appointed as Thai credit's Executive on 6 November 2014 	58	<ul style="list-style-type: none"> - Master of Business Administration, Bangkok University - Master of Industrial Microbiology, Chulalongkorn University - Bachelor of Industrial Microbiology, Chulalongkorn University 	-None-	-None-	2014 - present	Assistant Managing Director of Human Resource Management	Thai Credit Bank Public Company Limited / a financial institution
					2013 - 2014	Assistant managing director	CIMB Thai Bank Public Company Limited / a financial institution
					2010 - 2013	Senior vice president	Thanachart Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2007 - 2010	Senior vice president	Bank of Ayudhya Public Company Limited / a financial institution
					2005 - 2007	Senior vice president	AIG Finance (Thailand) Public Company Limited / a finance company
17. Mr. Pichart Roongwarasopit - Assistant Managing Director of Collections and Legal - Appointed as Thai credit's Executive on 14 March 2019	53	- M.B.A. in International Business, Temple University, USA - Bachelor of Marketing, Assumption University	-None-	-None-	2018 - present	Assistant Managing Director of Collections and Legal	Thai Credit Bank Public Company Limited / a financial institution
					2014 - 2015	President	SCB Plus Company Limited / a debt collection agency
18. Mrs. Suwimol Visavavigrant - Executive Vice President, Risk Management - Appointed as an executive officer on 15 June 2020	48	- Master of Engineering, Chulalongkorn University - Bachelor of Accountancy, Chulalongkorn University	-None-	-None-	2020 - present	Executive Vice President, Risk Management	Thai Credit Bank Public Company Limited / a financial institution
					2018 - 2020	Senior vice president	Bank of Ayudhya Public Company Limited / a financial institution
					2017 - 2018	Senior Vice President	Krungthai Bank Public Company Limited / a financial institution

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation/ company/type of business
					2007 - 2017	Senior Vice President	Bank of Ayudhya Public Company Limited / a financial institution
19. Miss Puckjira Vudhesethakrit - Executive Vice President, Operations - Appointed as an executive officer on 23 March 2020	49	- Master of Business Administration, Assumption University - Bachelor of Business Administration, Assumption University	-None-	-None-	2016 - present	Executive Vice President, Operations	Thai Credit Bank Public Company Limited / a financial institution

1 Details of controlling persons, top Executives in the accounting and finance function, and persons in charge of accountancy (As of 30 June 2023)

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation /company / Type of business
1. Mr. Kittipant Sriwannawit - Assistant Managing Director of Finance and Accounting - Appointed as Thai credit's Executive on 19 April 2012	54	- Master of Laws in Economic Law, Chulalongkorn University - M.B.A. in Finance, Kasetsart University - Bachelor of Accounting, Thammasat University <u>Other training history</u> - TCLA Executive Development Program (EDP), Class of 2018 - e-Learning CFO's Orientation Course (Thai Version), October 2022 - IFRS9 Financial Reporting Standards - Specialist Bar in Taxation: the Best Practice - Advanced Relationship Management in Banking	-None-	-None-	2008 - present	Assistant Managing Director of Finance and Accounting	Thai Credit Bank Public Company Limited / a financial institution
					2018 - present	Director	Thai Micro Digital Solutions Company Limited / providing electronic payment services, and electronic fund management services

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation /company / Type of business
		<ul style="list-style-type: none"> - SET50 Index Option Corporate Secretary Development Program - CFO's Refresher Course, SET 			2022 - present	Director and Treasurer	Thai Credit Foundation / Foundation

First - last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation /company / Type of business
2. Mrs. Panida Sriphattha - Senior Vice President, Accounting and Taxation - Appointed on 1 July 2016	55	- Master of Public and Private Management, National Institute of Development Administration - Bachelor of Accountancy, Dhurakij Pundit University <u>Other training history</u> - Certificate of Banking and Financial Institution Management Level Development from the Thai Bankers' Association	-None-	-None-	2006 - present	Senior Vice President, Accounting and Taxation	Thai Credit Bank Public Company Limited / a financial institution

2 Details of Thai credit secretaries

First and last names/position	Age (years)	Educational qualifications/ Training history	Shareholding in Thai credit (%)	Family relationship between Directors and Executives	Relevant professional experience		
					Period	Position	Name of organisation or company / Type of business
1. Miss Pattanajit Varaphitsith - Director, Secretariat Department, The Office of Managing Director - Appointed on 26 November 2010	56	- Master of Political Science (Public Administration), Thammasat University - Bachelor of Social Work Program, Thammasat University <u>Other training history</u> - Supervisor Development Executive, Development Program Ramkhamhaeng University - Entrepreneur Thinking for Leadership - Company Secretary Program (CSP), Class 72/2016, Thai Institute of Directors (IOD)	-None-	-None-	2008 - Present	Director, Secretariat Department, The Office of Managing Director	Thai Credit Bank Public Company Limited / a financial institution
					2002 - 2008	Deputy Director of Policy and Regulation Department	Small and Medium Enterprise Development Bank of Thailand
					1990 - 2002	Senior Researcher, Marketing Research and Planning Office	TMB Bank Public Company Limited / a financial institution

3 Positions of Directors and Executives in Thai credit and its subsidiaries, and connected companies (Information as of 31 December 2023).

Company	List of Directors/Executives ⁽¹⁾⁽²⁾																		
	Prof. Kitipong Uraepatanapong	Miss Ada Ingawanij	Mr. Chamnong Watanagase	Mr. Supachai Sukhanindr	Miss Krisana Aramkulchai	Mr. Stephen Tirador Briones	Mr. Gaurav Malik	Mr. Winyou Chaiyawan	Mr. Roy Agustinus Gunara	Mr. Kamolphu Phuredithsakul	Mr. Natus Kittawaranon	Mr. Veeravet Chaiyawan	Mr. Kittipant Sriwannawit	Miss Achara Ruangchay	Mr. Tsz Ying Christopher Chan	Mr. Sarawooth Savejnarong	Mr. Pichart Roongwarasopit	Mrs. Suwimol Visavavigrant	Miss Puckjira Vudhesethakrit
1) Thai Credit Bank Public Company Limited	Y, /ID, ESGx	/ID	/ID, Ax	/ID, Nx	/	/, RO x	/	/, Z	/, 0, E	0, E	0, E	0, E	0, E	0	0, E	0, E	0, E	0, E	0, E
Subsidiaries																			
2) Thai Micro Digital Solutions Company Limited								Y	/	/, 0			/		/				
Connected companies⁽³⁾																			
3) VNB Holding Company Limited	Y, /ID	/ID	/ID, Ax	/ID	/	/ID, RO x		/, 0	/										
4) V.C. Property Company Limited								/				/							
5) OCA Investment Holdings I Pte. Ltd.							/												
6) Thai Life Insurance Public Company Limited								0											
7) Thai Credit Foundation								Y	/	/	/	/	/						
8) CJ More Company Limited	/ID, ESGx																		

Company	List of Directors/Executives ⁽¹⁾⁽²⁾																		
	Prof. Kitipong Uraepatanapong	Miss Ada Ingawanij	Mr. Chamnong Watanagase	Mr. Supachai Sukhanindr	Miss Krisana Aramkulchai	Mr. Stephen Tirador Briones	Mr. Gaurav Malik	Mr. Winyou Chaiyawan	Mr. Roy Agustinus Gunara	Mr. Kamolphu Phuredithsakul	Mr. Natus Kittawaranon	Mr. Veeravet Chaiyawan	Mr. Kittipant Sriwannawit	Miss Achara Ruangchay	Mr. Tsz Ying Christopher Chan	Mr. Sarawooth Savejnarong	Mr. Pichart Roongwarasopit	Mrs. Suwimol Visavavigrant	Miss Puckjira Vudhesethakrit
9) Committee supporting economic and investment stimulus measures by attracting high-potential foreigners to Thailand	/																		
10) Thainamthip Corporation Limited	/ID																		
11) Thai Institute of Directors (IOD)	Y																		
12) Chotiwat Manufacturing Public Company Limited	Y																		
13) Siam Piwat Holding Company Limited	/																		
14) Siam Piwat Company Limited	/,E																		
15) Cheevamitr Social Enterprise Company Limited	Y																		
16) SCG Packaging Public Company Limited	/ID																		
17) SCG Chemicals Public Company Limited	/ID																		
18) Pruksa Holding Public Company Limited	/ID																		
19) Business Strategic Holding Limited	/																		
20) Office of National Higher Education Science Research and Innovation Policy Council	/																		
21) Thai Institute of Directors	/																		
22) Board of Trade of Thailand	/																		

Company	List of Directors/Executives ⁽¹⁾⁽²⁾																		
	Prof. Kitipong Uraepatanapong	Miss Ada Ingawanij	Mr. Chamnong Watanagase	Mr. Supachai Sukhanindr	Miss Krisana Aramkulchai	Mr. Stephen Tirador Briones	Mr. Gaurav Malik	Mr. Winyou Chaiyawan	Mr. Roy Agustinus Gunara	Mr. Kamolphu Phuredithsakul	Mr. Natus Kittawaranon	Mr. Veeravet Chaiyawan	Mr. Kittipant Sriwannawit	Miss Achara Ruangchay	Mr. Tsz Ying Christopher Chan	Mr. Sarawooth Savejnarong	Mr. Pichart Roongwarasopit	Mrs. Suwimol Visavavigrant	Miss Puckjira Vudhesethakrit
23) Thonburi Healthcare Group Public Company Limited		/ID, Ax																	
24) Sukhumvit Asset Management Company Limited																			
25) Thai Reinsurance Public Company Limited		/ID																	
26) Foundation for Public Policy and Good Governance		/																	
27) The Thai Red Cross Society		C																	
28) Greyhound Café UK				/															
29) Fivel Company Limited				/															
30) Ruamsupakit Company Limited				Y															
31) nForce Secure Public Company Limited				/ID															
32) Foundation for the Protection of Environment and Tourism				/															
33) One Origin Company Limited				/															
34) Pi Securities Public Company Limited				/ID															
35) Sub Sri Thai Public Company Limited				C															
36) Mud & Hound Public Company Limited				C															
37) Fenway Ventures Company Limited						/													
38) Constant Energy Singapore Holding Pte. Ltd.							/												

Company	List of Directors/Executives ⁽¹⁾⁽²⁾																		
	Prof. Kitipong Uraepatanapong	Miss Ada Ingawanij	Mr. Chamnong Watanagase	Mr. Supachai Sukhanindr	Miss Krisana Aramkulchai	Mr. Stephen Tirador Briones	Mr. Gaurav Malik	Mr. Winyou Chaiyawan	Mr. Roy Agustinus Gunara	Mr. Kamolphu Phuredithsakul	Mr. Natus Kittawaranon	Mr. Veeravet Chaiyawan	Mr. Kittipant Sriwannawit	Miss Achara Ruangchay	Mr. Tsz Ying Christopher Chan	Mr. Sarawooth Savejnarong	Mr. Pichart Roongwarasopit	Mrs. Suwimol Visavavigrant	Miss Puckjira Vudhesethakrit
39) Constant Energy Singapore III Pte. Ltd.							/												
40) Constant Energy Vietnam Pte. Ltd.							/												
41) Olympus Capital Holdings Asia India Advisor Pvt. Ltd.							/												
42) Koi Structured Credit Pte. Ltd.							/												
43) Olympus Capital Asia Pte. Ltd.							0												
44) AEP II Holdings Pte. Ltd.							/												
45) OCA V Holdings Pte. Ltd.							/												
46) Olympus ACF Pte. Ltd.							/												
47) Constant Energy Singapore Pte Ltd							/												
48) Chaiyawan Company Limited								/, 0				/							
49) Thai Health Insurance Public Company Limited								/											
50) Phasuk Company Limited								/, 0											
51) Union Land Company Limited								/, 0											
52) Yart Samphan Company Limited								/, 0											
53) Toonchai Company Limited												/							
54) Pluakdaeng Eastern Estate Company Limited												/							
55) V. One Asset Company Limited												/							
56) Hotel & Resorts Company Limited												/							

Company	List of Directors/Executives ⁽¹⁾⁽²⁾																		
	Prof. Kitipong Urapeepatanapong	Miss Ada Ingawanij	Mr. Chamnong Watanagase	Mr. Supachai Sukhanindr	Miss Krisana Aramkulchai	Mr. Stephen Tirador Briones	Mr. Gaurav Malik	Mr. Winyou Chaiyawan	Mr. Roy Agustinus Gunara	Mr. Kamolphu Phuredithsakul	Mr. Natus Kittawaranon	Mr. Veeravet Chaiyawan	Mr. Kittipant Sriwannawit	Miss Achara Ruangchay	Mr. Tsz Ying Christopher Chan	Mr. Sarawooth Savejnarong	Mr. Pichart Roongwarasopit	Mrs. Suwimol Visavavigrant	Miss Puckjira Vudhesethakrit
57) Thai Niyom (69) Company Limited												/							
58) Theparak Business Company Limited												/							
59) T.L. Management Company Limited												/							
60) T.C. Insurance Broker Service Company Limited												/, 0							
61) Thai Life Group Company Limited												/							

Remarks:

Y	= Chairman	/	= Director	/ID	= Independent director
Ax	= Chairman of the Audit Committee	ROx	= Chairman of the Risk Oversight Committee	ESGx	= Chairman of the Corporate Governance and Sustainability Development Committee
Z	= Chairman of the Executive Committee and Chief Executive Officer	Nx	= Chairman of the Nomination and Remuneration Committee	0	= Executive
E	= Member of the Executive Committee/ Executive Director	C	= Advisor to Executive Committee		

-
- (1) "Executive", as specified by the Capital Market Supervisory Board in Section 89/1, means a manager or the next four executives succeeding the manager and every person holding an equivalent position to the fourth executive, including persons holding the position of departmental manager or equivalent or higher in accounting or finance.
 - (2) "Connected companies" means an entity related to a person who may have conflict of interest, as defined under Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended).

Thai Credit Bank Public Company Limited

Appendix 2

Details of the head of internal audit and the head of compliance

3. Details of the head of internal audit and the head of compliance

3.1. Details of the head of internal audit

First and last names/position	Age (years)	Educational qualifications/ Training history	Shareholding percentage in Thai credit (%)	Family relationship between Directors and Executives	Professional experience		
					Period	Position	Name of company/type of business
Miss Chorkaew Kaewmorakot - Executive Vice President of Internal Audit - Appointed as head of internal audit on 1 December 2022	41	- Master of Business Administration, Thammasat University - Bachelor of Accountancy, Thammasat University	-None-	-None-	Dec 2022 - Present	Executive Vice President of Internal Audit	Thai Credit Bank Public Company Limited/ a financial institution
					2014 - Nov 2022	Credit Audit Executive	CIMB Thai Bank Public Company Limited/ a financial institution

3.2. Details of the head of compliance

First and last names/position	Age (years)	Educational qualifications/ Training history	Shareholding percentage in Thai credit (%)	Family relationship between Directors and Executives	Professional experience		
					Period	Position	Name of company/type of business
Miss Natthita Loveera - Executive Vice President of Compliance	50	- Master of Business Administration, The George Washington University, Washington, D.C., USA - Bachelor of Accountancy, Chulalongkorn University	-None-	-None-	2020 - Present	Executive Vice President of Compliance	Thai Credit Bank Public Company Limited/ a financial institution
					2014 - 2020	Director	Bank of America, National Association, Bangkok / a financial institution
					2007 - 2013	Director	Credit Agricole Corporate and Investment Bank, Bangkok / a financial institution

Thai Credit Bank Public Company Limited

Appendix 3

Details of Directors of Subsidiary

Details of Directors of Subsidiary

The Bank has one subsidiary company which is Thai Micro Digital Solutions Company Limited ("TMDS"). The list of directors of Thai Micro Digital Solutions Company Limited as of 30 June 2023 is shown in the following table.

List of directors	TMDS
1. Mr. Winyou Chaiyawan	✓
2. Mr. Roy Agustinus Gunara	✓
3. Mr. Kittipant Sriwannawit	✓
4. Mr. Tsz Ying Christopher Chan	✓
5. Mr. Kamolphu Phuredithsakul	✓

Remark ✓ means directors

Thai Credit Bank Public Company Limited

Appendix 4**Business Assets**

Business Assets

1. Core fixed assets used in business operations

As of 31 December 2023, Thai credit's head office was situated in Bangkok, and had a total of 528 branches, including full-service branches, lending branches, and nano credit kiosks. Core fixed assets used in Thai credit's business operations, as set out in Thai credit's consolidated financial statements, are detailed below.

Asset	Net book value as of 31 December 2023 (THB million)	Type of entitlement	Encumbrance
1. Premises and equipment	1,340.8	Ownership/lease	None
2. Intangible assets	245.3	Ownership	None
3. Other assets ⁽¹⁾	1,563.5	Ownership	None
Total	3,149.6		

Remarks: (1) Other assets include prepaid expenses, receivables awaiting government compensation under government transactions, suspense debtors, and other assets.

1.1 Premises and equipment

As of 31 December 2023, The Bank's premises and equipment, as set out in the consolidated financial statements, are detailed below.

Asset	Net book value as of 31 December 2023 (THB million)	Type of possession	Encumbrance
1. Premises	227.1	Ownership	None
2. Leasehold improvements	115.2	Ownership	None
3. Furniture and equipment	51.8	Ownership	None
4. Computers and accessories	132.6	Ownership	None
5. Right-of-use assets	801.1	Lease	None
6. Others	13.0	Ownership	None
Total	1,340.8		

1.2 Intangible assets

As of 31 December 2023, The Bank's intangible assets, as set out in the consolidated financial statements, consisted of computer software, initial service fees for ITMX, and computer software during setup, with a net book value of THB 245.3 million.

1.3 Other assets


As of 31 December 2023, other assets of The Bank, as set out in the consolidated financial statements, consisted of prepaid expenses, receivables awaiting government compensation under government transactions, suspended debtors, and other assets, with a net book value of THB 1,563.5 million.

1.4 Trademarks

The Bank's important trademarks as of 31 December 2023 are set out below.

Trademark	Date of registration	Date of expiration	Registration / application number
	9 December 2021	8 December 2031	221124093/ 210144938
	8 February 2019	7 February 2029	201114591/ 190105906
	8 February 2019	7 February 2029	201114592/ 190105907
	8 February 2019	7 February 2029	201114593/ 190105908
	8 February 2019	7 February 2029	201114594/ 190105909

Trademark	Date of registration	Date of expiration	Registration / application number
	8 February 2019	7 February 2029	201114595/ 190105910
	8 February 2019	7 February 2029	201114596/ 190105911
	8 February 2019	7 February 2029	201114597/ 190105912
	8 February 2019	7 February 2029	201114598/ 190105913
	8 February 2019	7 February 2029	201114599/ 190105914
	8 February 2019	7 February 2029	201114600/ 190105915
	8 February 2019	7 February 2029	201114601/ 190105916
	8 February 2019	7 February 2029	201114602/ 190105917

Trademark	Date of registration	Date of expiration	Registration / application number
	8 March 2022	7 March 2032	231107280 /220108573

2. Leases

On 1 January 2020, Thai credit first applied the TFRS 16 standard to agreements that had previously been identified as lease agreements under Thai Accounting Standards No. 17: Leases (TAS 17), with the Modified Retrospective Approach. On the commencement date of a lease agreement, Thai credit would assess whether the agreement was a lease agreement, or contained a lease agreement. Thai credit, as the lessee, would realise the right-of-use assets and lease liabilities as of the effective date of a lease agreement, and as the lessor, would consider and classify its lease agreements as of the commencement date of each agreement.

As of 31 December 2023, Thai credit, as the lessee, leased buildings and building spaces and used services associated with the lease of these assets, in transactions between Thai credit and related parties, for the establishment of its head office, secondary operation centres, kiosks, and lending branches, for Thai credit's operations. In addition, Thai credit, as the lessor, entered into lease agreements to lease out its unused spaces in transactions between Thai credit and related parties. These related parties leased these spaces for use as their offices and for their business operations. These leases had a term of three years, with monthly rent payment terms.

In addition, as of 31 December 2023, Thai credit had one long-term lease agreement (lease agreement with a term of more than three years) with an external party (National Housing Authority), for the purpose of Thai credit's business operations.

Asset	Lease term	Date of expiration	Encumbrance
1. Huai Khwang branch	19 years and 4 days	31 August 2026	None

3. Insurance

Thai credit purchases insurance policies through insurance brokers, who supply and select insurance policies that meet the conditions and insurance coverage specified by Thai credit. These insurance policies consist of policies with an external party or a related party, which is Thai Paiboon Insurance Public Company Limited ("TPB"), as the insurer; and policies with a related party and a third-party insurance company as the joint insurers. Regarding Thai credit's insurances, Thai credit carefully considers insurance policies, to ensure coverage of core risks associated with Thai credit's business operations, including property insurance, money insurance, public liability insurance, directors' and officers' liability insurance, and crime insurance. As of 31 December 2023, Thai credit has not made any material claim, nor has it had any issues regarding claims for uninsured coverage in the past three years.

Thai Credit Bank Public Company Limited

Appendix 5

Policies and Corporate Governance Practices and Business Code of Conduct

Policies and Corporate Governance Practices and Business Code of Conduct

1. Business Code of Conduct

On 22 February 2023, the Thai credit's Board of Directors meeting No. 2/2023 resolved to approve the Business Code of Conduct with the following details:

1. Objectives

Thai credit operates its business to comply with the Bank of Thailand's corporate governance guidelines and the good corporate governance principles of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand. Thai credit has established this Business Code of Conduct as a framework for business operations for directors, executives, employees, and all related parties. The code requires their acknowledgement and fulfilment of their duties with a conscience that upholds honesty, integrity, and the preservation of the Thai credit's reputation, while conducting business professionally and responsibly, considering the overall economic, social, and environmental impact. The details of the Business Code of Conduct are discussed below.

2. Conduct towards Thai credit

Thai credit is committed to establishing and preserving the trust and confidence of its customers, shareholders, and the general public in conducting business in accordance with regulations, laws, and responsibilities. This encompasses honesty, integrity, morality, ethics, and adherence to the highest ethical standards, which ultimately lead to successful business operations and maximum benefits for Thai credit, while fulfilling social and national responsibilities.

Thai credit is dedicated to ensuring that every Thai credit employee understands their responsibility in strengthening and upholding Thai credit's reputation and prestige by adhering to the highest professional standards and abiding by the ethical framework that Thai credit establishes. A Thai credit employee is expected to:

- 2.1 protect and maintain the reputation and prestige of Thai credit;
- 2.2 maintain a positive attitude towards and take pride in Thai credit, while refraining from doing anything that could cause damage to Thai credit;
- 2.3 respect and strictly comply with the rules, regulations, orders, and discipline of Thai credit;
- 2.4 perform their duties with honesty, morality, ethics, patience, diligence, and a commitment to self-development, striving to be well-rounded individuals and staying abreast of continuously evolving circumstances;
- 2.5 perform their duties with the knowledge, ability and professionalism befitting their roles to the fullest extent; demonstrate competence, efficiency and prudence, while meeting the appropriate standards for their job positions with great care and a strong sense of accountability;
- 2.6 use Thai credit's assets for maximum benefit of Thai credit, avoiding wastefulness and ensuring that they are not depreciated or lost at an accelerated rate; and refrain from using Thai credit's assets for personal gain;
- 2.7 refrain from engaging in detrimental practices that could be harmful to Thai credit, such as drug abuse and all forms of gambling;

-
- 2.8 protect, store, and manage customer information, including Thai credit's own data, as required by law to be kept confidential and not disclosed; and collect, handle, as well as use customer's personal data appropriately;
 - 2.9 refrain from disclosing confidential information, news, and proprietary technology or specific data of Thai credit to external individuals or unrelated parties, which may have an adverse impact and cause damage to Thai credit;
 - 2.10 maintain strict confidentiality of customers' information and ensure it is not disclosed to external individuals or unrelated parties, or is used for personal benefit;
 - 2.11 refrain from seeking personal benefits from their job positions and from using inside or confidential information to seek undue benefits for themselves or others;
 - 2.12 refrain from giving promises, commitments, or expectations to customers in any matter in which they do not have the authority to act;
 - 2.13 refrain from demanding or receiving assets or any other benefits from customers or individuals engaged in business with Thai credit, or individuals who have a vested interest, in exchange for the wrongful performance or omission of their duties, which may result in harm to Thai credit;
 - 2.14 report any misconduct or illegal practices that may affect Thai credit to the relevant departments of Thai credit for preventive and corrective measures;
 - 2.15 maintain punctuality and allocate their time effectively to carry out tasks for the maximum benefit of Thai credit;
 - 2.16 refrain from engaging in or participating in any business activities or investments that are competitive or create a conflict of interest with Thai credit. This includes being employed as a full-time or temporary staff member in another organisation that operates in a similar manner to Thai credit, being a competitor, or having conflicting interests with Thai credit;
 - 2.17 maintain and foster a sense of harmony and unity among employees, promoting effective teamwork and problem-solving in the Thai credit's operations;
 - 2.18 refrain from using their positions in Thai credit for political purposes or to support any political party; and adhere to Thai credit's Good Corporate Governance Policy;
 - 2.19 take responsibility and perform work to strictly comply with the law, regulations, and guidelines of government agencies, including Anti-Corruption Policy; and adhere to the Anti-Money Laundering and Counter-Terrorism Financing Policy;
 - 2.20 refrain from participating in the decision-making process of transactions in which the employee has interest or involvement to ensure that the decisions are made solely for the full benefit of Thai credit.

3. Conduct towards customers and society

Transacting with related stakeholders, as counterparties, business partners, business allies, external service providers, service recipients, or customers using Thai credit's financial services, as follows:

- 3.1 must have a positive attitude and demonstrate good demeanour in providing service to customers;
- 3.2 must provide services and interact with customers courteously, promptly, and accurately, with a commitment to honesty and integrity, aiming to ensure customers' satisfaction;
- 3.3 must efficiently manage operations to ensure excellent service for customers and stakeholders;
- 3.4 must not verbally harm competitors or do anything that results in monopolistic practices, reduced competition, or market restrictions;
- 3.5 must maintain strict confidentiality of customers' information and ensure it is not disclosed to external individuals or unrelated parties, or is used for personal benefit except with the customer's consent or for compliance with relevant laws;
- 3.6 must provide suitable products and services that meet the needs and capabilities of customers. Additionally, an employee must disclose information regarding products and services, including relevant terms and associated risks. This encompasses providing customers with accurate, clear, and timely service rates and interest rates to ensure that customers understand and have sufficient information for decision-making. Moreover, advertising, and promotional materials must be transparent and clear to avoid any potential misunderstanding;
- 3.7 must conduct oneself in a trustworthy manner, showing care and taking responsibility by presenting beneficial and cost-effective products and services to customers. This allows customers to freely select the services they want, without encountering unnecessary obstacles in their decision to switch to other banks;
- 3.8 must ensure that when Thai credit receives/gives gifts, entertainments, and other benefits to strengthen business relationships, Thai credit observes caution, discretion, reasonableness, and a value appropriate to the occasion, customs, and traditions;
- 3.9 must ensure that when receiving or giving gifts from or to customers, the value does not exceed THB 3,000.00 each customer and that the transactions are reported quarterly to the Thai credit's Board of Directors;
- 3.10 must not bribe, reward, offer, or demand any form of undue influence or inappropriate benefits, whether directly or indirectly, including gifts, property, or any form of entertainment with customers, government agencies, private sectors, or third parties. These actions are prohibited as they aim to influence impartial decision-making, impact the performance of duties, or obtain undue benefits or incorrect advantages for customers;
- 3.11 must comply with the regulations and instructions when spending on hospitality services and other expenses;
- 3.12 must be responsible for the environment and society, which is one of Thai credit's policies to contribute to society. Thai credit has assisted in and supported various ongoing social activities, including both government and private sector projects;
- 3.13 must be open to receiving feedback or suggestions from others; and be patient, tolerant, and prepared to provide accurate information based on one's position or status;

- 3.14 must ensure that any communications, statements, or information related to Thai credit, its business, and its customers are accurate and appropriate. Only individuals specifically authorised to provide information on behalf of Thai credit may communicate using public media or any other communication channels.

4. Code of conduct towards supervisors, subordinates, and colleagues

- 4.1 An employee must adhere to virtue, ethics, and morality, while also promoting adherence to moral principles, ethics, and ethics. An employee must also serve as a good role model.
- 4.2 An employee must convey policies and practices, as well as listen to other employees' opinions and suggestions.
- 4.3 An employee must train other employees to be responsible and establish a management system that complies with legal and regulatory requirements of Thai credit.
- 4.4 An employee must supervise the operation of the agency to strictly comply with the relevant regulations.
- 4.5 An employee must maintain a positive attitude towards colleagues and demonstrate respect by listening to and obeying supervisors.
- 4.6 An employee must carry out the duties assigned by supervisors at Thai credit to the fullest extent of their abilities, with prudence, efficiency, and responsibility.
- 4.7 An employee must conduct themselves towards supervisors and colleagues with a respectful and courteous attitude. They must show compassion and sincerity, fostering unity among the team and assist in ways that are appropriate and beneficial for the common good.
- 4.8 An employee must collaborate and help each other in their work.
- 4.9 An employee must show care, concern, and compassion towards their subordinates.
- 4.10 An employee must educate, advise, and share work experiences with colleagues and subordinates.
- 4.11 An employee must acknowledge and commend colleagues for their excellent work performance and must not claim credit for the work of others.
- 4.12 An employee must not criticise their colleagues' personal stories or information. Also, an employee must not make derogatory remarks about supervisors and colleagues.
- 4.13 An employee must actively participate and cooperate, providing appropriate assistance based on their position and suitable opportunities in activities that Thai credit organises.

5. Code of conduct towards themselves

- 5.1 An employee must live a life commensurate with their status. They must not act as an extravagant person and must not spend excessively beyond normal means.
- 5.2 An employee must pursue knowledge and experience to enhance their moral character and improve their effectiveness and efficiency in performing their work.
- 5.3 An employee must uphold the moral system and must not seek positions of merit or any other benefits improperly from the supervisor or any other person.

- 5.4 An employee must refrain from engaging in any form of misconduct that may tarnish their own reputation and the reputation of Thai credit. This includes abstaining from all types of gambling activities and not participating in activities such as lending capital without playing, sharing, auctioning, rotating share scheme, or any other similar practices.
- 5.5 An employee must not act as a broker or create questions and answers during the selection process for hiring or promotion.
- 5.6 An employee must not engage in any profession or occupation that adversely affects their performance of duties or the reputation of themselves and Thai credit.

6. Code of conduct for Directors

A Director is expected to adhere to guidelines for their conduct based on the Thai credit's Business Code of Conduct. They should always bear in mind that fulfilling their duties goes beyond mere obligations and responsibilities towards Thai credit and its shareholders. If they also have responsibilities towards customers and other stakeholders, they must consider the collective interests of all these groups as well. Therefore, they must uphold themselves in this manner and must be accountable for their conduct. Details are discussed below.

6.1 Honesty, fairness, morality, prudence, and care

- 6.1.1 A Director must operate Thai credit's business with honesty, integrity, morality, prudence, and care, and must prioritise the interests of Thai credit as the guiding principle in decision-making.
- 6.1.2 A Director must perform their duties in accordance with the rules, regulations, objectives, and articles of association of Thai credit, as well as resolutions of Thai credit's Board of Directors and general meeting of shareholders.
- 6.1.3 A Director must carry out their responsibilities in Thai credit's business, transparently and independently of management and group of interested persons, and must not have any personal interests involved in business decision-making.
- 6.1.4 A Director must fulfil their duties to the best of their abilities and must not hold positions in other businesses that operate in the same or similar competitive nature as Thai credit. If a Director holds a position as a director or executive in another company, such tenure must be acknowledged by Thai credit's Board of Directors' meeting without any objections from Thai credit's directors within 6 months from the date of taking positions in other companies. Furthermore, the Director must notify the general meeting of shareholders of the tenure before their appointment as a Director.
- 6.1.5 A Director must safeguard the interests of shareholders and treat stakeholders with fairness.

6.2 Confidentiality

- 6.2.1 A Director must not disclose Thai credit's inside information, including confidential information of customers, employees, and Thai credit's operations, whether intentionally or unintentionally, to external parties, without the consent of Thai credit and the owner of the information and it is a disclosure in the performance of directors' duties.

6.2.2 A Director must not use information obtained from their directorship for personal or any other benefits, without serving the interests of Thai credit.

6.3 Disclosure of interests

A Director must disclose benefits derived from their own business or other businesses, including any matters that may present conflicts of interest.

6.4 Legal compliance

A Director must comply with the law, rules, and regulations relevant to business operations.

6.5 Receiving money, gifts, and other benefits

A Director must not use their position and duties as directors to seek personal benefits from Thai credit's business operators, including those who are engaging in business with Thai credit.

7. Code of conduct for Thai credit's executives

7.1 An executive must not disclose Thai credit's inside information, including confidential information of customers, employees, and Thai credit's operations, whether intentionally or unintentionally, to external parties, without the consent of Thai credit and the owner of the information. The disclosure must be in the performance of executive's lawful duties.

7.2 An executive must conduct themselves within the framework of good morals and traditions, refraining from any derogatory behaviour, and making decisions with sincerity for the best interests of Thai credit, customers, shareholders, and employees.

7.3 An executive must exercise caution in managing their responsibilities. They must demonstrate honesty, integrity, prudence, care, and possess a broad vision. They must serve as role models to enhance efficiency and promote ethical effectiveness in order to achieve Thai credit's objectives and goals.

7.4 An executive must treat employees with courtesy, govern subordinates with fairness, and refrain from using power unlawfully.

7.5 An executive must demonstrate adherence to ethics and moral values by acting as role models for other employees. They should foster a working atmosphere that promotes compliance with ethics and moral values and remain dedicated to preventing and addressing any breaches of ethics and moral principles.

7.6 An executive must support the development of employees' potential for progress and enhance their work efficiency. They should provide suitable employee benefits, demonstrate sincerity, respect employee rights, and value their opinions.

This policy repeals and replaces the 2017 employee code of conduct.

2. Policies and Practices for Corporate Governance and Business Code of Conduct

On 22 February 2023, the Thai credit's Board of Directors meeting No. 2/2023 resolved to approve the Policies and Practices for Corporate Governance and Business Code of Conduct with the following details:

1. Objectives

Thai Credit Bank Public Company Limited ("**Thai credit**") operates in accordance with good corporate governance practices as stipulated by the Bank of Thailand and the Office of the Securities and Exchange Commission (the "**Office of the SEC**"), as well as the Stock Exchange of Thailand ("**SET**"). Thai credit acknowledges the importance of operating business and enhancing the existing level of corporate governance to ensure long-term and sustainable business growth. Thai credit is committed to fostering a moral management approach that emphasizes transparency, accountability, and the absence of corruption. These principles not only instill confidence in shareholders, investors, and stakeholders, but also contribute to Thai credit's overall performance and competitiveness, facilitating its sustainable growth.

Thai credit recognises the importance of continuously upholding the rights and responsibilities towards its shareholders and stakeholders. It ensures equitable treatment of shareholders and considers the roles of stakeholders, information disclosure and transparency. Furthermore, Thai credit's Board of Directors emphasizes its responsibilities and adherence to good corporate governance principles, aiming to enhance confidence among shareholders, investors, and all stakeholders. To achieve this, the Thai credit's Board of Directors considers it necessary to prepare a Good Corporate Governance Policy. It encompasses key principles, including the structure, roles, duties, and responsibilities of Thai credit's Board of Directors and its sub-committees, as well as transparent, clear, and accountable management practices. These measures are implemented to ensure that all operations of Thai credit are conducted fairly and ethically, prioritising the best interests of all shareholders and stakeholders.

2. Policy scope

Thai credit's Executive Committee, therefore, considers it appropriate to establish policies and guidelines on corporate governance and good corporate governance of Thai credit, with emphasis on the following matters:

- 2.1 elevating the roles, duties, and responsibilities of the Board of Directors and executives;
- 2.2 promoting effective and independent performance of duties of directors and executives; fostering a risk-conscious, fair and transparent corporate culture; as well as establishing a risk governance framework and implementing a corporate governance policy that fosters a risk-conscious corporate culture (risk culture);
- 2.3 ensuring that the management controls risks within approved levels (Risk Appetite and Risk Limit);
- 2.4 adopting mechanism to control risks within approved levels (Risk Appetite and Risk Limit); balancing and ensuring effective control, supervision, and monitoring (Three Lines of Defense);
- 2.5 implementing and maintaining an Internal Whistleblowing Policy and Procedure and a Remuneration Policy that reflects the risk-conscious corporate culture and disclosing corporate governance information to enhance market mechanisms for better governance oversight.

3. Relevant announcements, rules, or laws

- 3.1 The Bank of Thailand Notification No. FPG. 10/2561 Re: Corporate Governance of Financial Institutions dated 22 May 2018.
- 3.2 The Bank of Thailand Notification No. FPG. 17/2561 Re: Corporate Governance of Financial Institutions (No.2) dated 3 August 2018.
- 3.3 Corporate Governance Code for Listed Companies 2017 prepared by the Office of the SEC.

4. Definitions

"Business Group"	means	1) a group of companies that comprise the parent company, a subsidiary, or an associate.
		2) a group of companies under the same control of the same person.
"Financial Business Group"	means	financial business group under the Bank of Thailand notification on regulatory requirements for structure and scope of financial business group.
"Director"	means	an individual who holds the position of director within Thai credit's Board of Directors.
"Executive Director"	means	1) a Director who assumes managerial responsibilities in positions such as Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, or any other equivalent position designated by different names.
		2) a Director who is responsible for carrying out or participating in any management activities, similar to executives, and including a director who is a member of the Executive Committee.
		3) a Director who is authorised to enter into binding agreements on behalf of Thai credit, except for binding signatures in accordance with transactions approved on a case-by-case basis by the Board of Directors, and by jointly signing with other Directors.
"Non-Executive Director"	means	a Director who is not an executive director.
"Independent Director"	means	a non-executive Director who is qualified under 5.1.3 of this policy.
"Authorised Manager"	means	1) Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, Executive Director or any other equivalent position designated by different names.

- 2) an individual with whom Thai credit has entered into a contract, granting authority to manage the whole or part of its operations.

"Thai credit's Adviser" means an individual who serves as an adviser to Thai credit or who may act in a capacity similar to that of the Chief Executive Officer, Managing Director, Deputy Managing Director, or Assistant Managing Director, but is referred to as an adviser only. This also includes an individual who possesses these characteristics but are identified by different titles. However, it excludes an individual who is contracted to work for Thai credit and whose roles require specialised technical knowledge or expertise in specific areas, such as accounting consultancy, legal consultancy, information technology consultancy, tax consultancy, language consultancy, corporate communications consultancy, insurance consultancy, advanced quantitative modelling consultancy (if any), and so on.

"Executive" means a Director, Chief Executive Officer, President, and the first four senior executives ranked below the President, who hold positions equivalent to all fourth-level executive positions, including the highest-level management positions in the accounting or finance department at the level of Divisional Director or equivalent. This is in accordance with the Capital Market Supervisory Board notification.

"Senior Executive" means Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, and Thai credit's adviser who perform duties similar to those of the Managing Director, Deputy Managing Director, or Assistant Managing Director, and are only referred to as advisers or hold equivalent positions under different names.

5. Roles, duties, and responsibilities

5.1 Appointment and qualifications of Directors, Chief Executive Officer, Managing Director, authorised manager, or Thai credit's adviser

5.1.1 Thai credit adheres to the Bank of Thailand's notification on the approval of appointment or notification of changes, concerning Director, the Chief Executive Officer, Managing Director, authorised manager, or Thai credit's adviser and will obtain prior approval from the Bank of Thailand.

5.1.2 A Director, Chief Executive Officer, Managing Director, authorised manager, or Thai credit's adviser must possess suitable qualifications and capabilities (Fit and Proper) and must not possess prohibited characteristics as stipulated in the Bank of Thailand's notification on the approval of appointment of directors, managers, authorised managers, or Thai credit's advisers.

5.1.3 Independent directors' qualifications

5.1.3.1 Apart from the qualifications under 5.1.2., a Director, who is to be an independent director, must possess required under the notification of the Capital Market Supervisory Board regarding the application for permission and authorisation to offer newly issued shares. Specifically, they must not have any business or involvement in the management, have no interests related to Thai credit, or possess any other characteristics that would hinder their ability to independently provide opinions, make decisions, or pass resolutions regarding Thai credit's operations.

5.1.3.2 An individual who is to serve as an independent director must not have been or currently be a non-independent director or the Chief Executive Officer, Managing Director, authorised manager, Thai credit's adviser or employee and companies within Thai credit's financial business group, unless they have ceased to hold the position or status for not less than 2 years before the date of application for approval.

5.1.3.3 An independent director may hold office continuously for up to 9 years, including the period of serving as an independent director in companies within Thai credit's financial business group.

If an independent director has completed 9 years in office as an independent director and wishes to hold office of Thai credit's independent director once again, they must retire from the position of Director, Chief Executive Officer, Managing Director, authorised manager, Thai credit's adviser or employee of Thai credit or of companies within Thai credit's financial business group for at least 2 years before the date of application for approval.

An independent director who has not completed a full 9-year term, but has not retired from the position of independent director of Thai credit and its financial business group for less than 2 years, is eligible to resume their position as an independent director. During this period, they must not have held the position of Director, Chief Executive Officer, Managing Director, or authorised manager, nor acted as Thai credit's adviser or employee of Thai credit or of companies within its financial business group. The continuous period of service must be counted from each term as an independent director.

5.1.4 Roles of Directors, Chief Executive officer, Managing Director, authorised manager, and Thai credit's adviser in other organisations

In order for the Directors, Chief Executive Officer, Managing Director, authorised manager, and Thai credit's adviser to effectively manage Thai credit, they may also have roles in other organisations on the following conditions:

5.1.4.1 A Director, Chief Executive Officer, Managing Director, authorised manager, and Thai credit's adviser may serve as the Chairman of the Board of Directors or as a director holding executive positions in one or more other companies, within up to 3 business groups, excluding positions within Thai credit. For a company that is not part of the business group, each company will be treated as a separate business group. A company acquired by Thai credit through debt restructuring will be included in the same group within Thai credit's financial business group. (The Bank of Thailand may direct otherwise in the future.)

5.1.4.2 A Director, Chief Executive Officer, Managing Director, authorised manager, and Thai credit's adviser may serve as directors in up to 5 listed companies on both domestic and international stock markets, excluding publicly listed companies acquired by Thai credit through debt restructuring. If the bank in which the Director, Chief Executive Officer, Managing Director, authorised manager, or Thai credit's adviser serves is a listed company, that bank must also be treated as one listed company. (The Bank of Thailand may direct otherwise in the future.)

5.1.4.3 Thai credit senior executive must adhere to the Thai credit's and employees' Business Code of Conduct as well as the Thai credit's work regulations. They are prohibited from performing full-time duties at any other organisation without official permission from Thai credit subject to the Bank of Thailand's decision that serving in another organisation will not affect the performance efficiency of their duties at Thai credit.

5.2 Duties, responsibilities, and Board of Directors composition of Thai credit

5.2.1 Duties and responsibilities of Thai credit's Board of Directors

The Board of Directors of Thai credit has the duty and responsibility to establish significant strategies and policies, oversee the Thai credit's effective mechanisms for control, supervision, auditing, and continuous monitoring of its operations. This ensures that Thai credit conducts its business fairly, transparently, and with accountability to stakeholders under the principles of good corporate governance, while creating value for Thai credit in the long run. The details are discussed below.

5.2.1.1 Formulating key strategies and policies by:

- a) establishing Thai credit's comprehensive strategic direction and objectives, including assessing and endorsing significant policies and strategies in Thai credit's operations, as well as overseeing Thai credit's operations with a focus on ensuring sustainable business performance;
- b) establishing or approving the risk oversight framework to support Thai credit's business operations in line with the specified directions and goals under the rapidly changing environment and the increasing use of technology in business operations. The Board of Directors of Thai credit prioritises managing risks associated with Thai credit, such as credit risk, market risks, operational risks, liquidity risks, reputational risks, strategic risks, and information technology risks. This also encompasses risks arising from new product launches and significant changes to work systems, such as mergers and acquisitions and major system enhancements. Additionally, focus is on using adequate risk management tools, maintaining the link between risk management and Thai credit's capital adequacy and liquidity. Furthermore, the Board of Directors will oversee the implementation of an efficient risk management system and process within Thai credit to support its various business activities. This includes nurturing a risk culture and establishing a policy on appropriate remuneration to motivate and retain high-quality personnel who uphold their duties with integrity. Additionally, there will be an

effective remuneration structure aligned with the risk-conscious corporate culture. The responsibilities of the Board of Directors of Thai credit in relation to the risk oversight framework are outlined in 6.2, and the details of the effective remuneration structure can be found in 6.3;

- c) establishing or approving a comprehensive and written Good Corporate Governance Policy that clearly defines Thai credit's commitment to fair and equitable treatment of all stakeholders. This policy embodies integrity in business practices and ensures the well-being of customers and the general public, encompassing areas such as lending, deposits, off-balance sheet transactions, and other relevant matters, including:
- 1) ensuring that Thai credit establishes or approves the Conflict of Interest Policy to prevent actions taken for personal or affiliated interests, conflicts of interest, and the disregard of significant risks, particularly in transactions involving individuals related to Thai credit, which require special care;
 - 2) ensuring that Thai credit has regulations on business ethics, including the ethical conduct of Directors, authorised managers, and employees, to serve as internal guidelines within the organisation;
 - 3) ensuring that Thai credit manages customer services fairly to comply with the Bank of Thailand's Notification on Market Conducts, which encompasses the end-to-end processes related to customer services;
 - 4) ensuring that Thai credit has an effective Whistleblowing Policy and Procedure in place to monitor and report potential illegal activities, violations of internal processes, and breaches of business ethics. Details of the Whistleblowing Policy and Procedure within the organisation are specified in 6.4.

5.2.1.2 Ensuring that Thai credit has effective mechanisms for control, supervision, and audit by:

- a) supervising the directors and executives to fulfil their duties with responsibility, vigilance, honesty, and integrity towards the organisation, for the Thai credit's best interest. This includes compliance with applicable laws, objectives, articles of association, resolutions of the Board of Directors' meetings, resolutions of the shareholders' meetings, as well as the Thai credit's policies or guidelines; implementing adequate systems or mechanisms to ensure that Thai credit's operations adhere to these guidelines. This includes establishing approval processes for significant operations such as investments, transactions with Connected Person, acquisition or disposal of assets, and dividend payments to comply with relevant laws and regulations;
- b) establishing and maintaining an appropriate balance of power within Thai credit's Board of Directors, placing significant importance on the proportion or number of

independent directors serving on the Board of Directors and their effective performance of oversight duties. This includes organising regular meetings specifically designed for non-executive directors to foster effective collaboration;

- c) considering and appointing the roles and responsibilities of various sub-committees in accordance with the suitability and necessity of Thai credit to assist and support the functions of the Thai credit's Board of Directors. This includes reviewing and approving changes in composition, particularly those that significantly impact the operations of the appointed sub-committees. The specific details regarding the duties, responsibilities, and composition of each sub-committee are outlined in 5.3;
- d) supervising the nomination and selection process of Directors for Thai credit's Board of Directors and various sub-committees to ensure transparency and clarity. This is done to obtain Directors and sub-committees who possess the qualifications and attributes specified in this policy, relevant charters, and regulatory guidelines. The Nomination and Remuneration Committee will assess the criteria and procedures for selecting qualified Directors and expertise and provide recommendations to the Thai credit's Board of Directors before presenting them for consideration at the general meeting of shareholders;
- e) ensuring that Thai credit has effective internal control that covers various activities in its operations and enables timely identification of errors. Additionally, Thai credit must put in place an organisational structure that facilitates control, supervision, and audit functions (Three Lines of Defense). This structure must be independent and effective in monitoring the implementation of policies and procedures, as well as ensuring compliance with laws, regulations, and directives from the Bank of Thailand and internal rules or regulations of Thai credit. Effective internal control should cover various issues outlined in 6.5;
- f) ensuring that Thai credit discloses important corporate governance information to the general meeting of shareholders and the public, aiming to support and demonstrate the Thai credit's commitment to good practice of corporate governance. The details of corporate governance disclosure are outlined in 6.6;
- g) overseeing the annual performance assessment of the Board of Directors and individual directors, using both (1) self-evaluation and (2) cross-evaluation or third-party evaluation methods; as well as ensuring that directors receive necessary support and development to continuously enhance the skills required for their roles;

5.2.1.3 continuously monitoring and oversee Thai credit's operations by:

- a) supervising Thai credit's senior executives in implementing key policy goals and strategies throughout the organisation, including defining processes and work systems, to ensure that Thai credit achieves its goals outlined in the policies and strategies

approved or determined by Thai credit's Board of Directors. The duties and responsibilities of senior executives are outlined in 5.4;

- b) ensuring that Thai credit's senior executives provide Thai credit's Board of Directors with updates on important matters; establishing a reporting process to ensure timely and sufficient information for the Board of Directors to fulfil their authority, duty and responsibility, including the prompt submission of the management letter from the external auditor and any comments from the Thai credit's senior executive, if applicable to Thai credit's Board of Directors without delay. The Board of Directors should receive these documents within a maximum of 4 months after the closing date of the accounting period. If the delay is significant, Thai credit's Board of Directors must seek clarification on such matters from the Thai credit's senior executives;
 - c) ensuring that Thai credit prepares comprehensive reports of Thai credit's Board of Directors' meetings, including individual important opinions for each significant agenda item, and submitting copies of the meeting minutes. This applies to both the Board of Directors' meetings and meetings of the Thai credit's Executive Committees, or any meetings held by Thai credit's Board of Directors to determine Thai credit's policies or for Thai credit's management. Thai credit should provide these reports to the Bank of Thailand within 7 days from the date the Board of Directors approves the minutes of the meeting, but no later than 45 days from the date of the meeting, unless there are justifiable reasons and a necessity to consult with the Financial Institutions Ombudsman case-by-case;
 - d) ensuring that Thai credit's senior executives have the ability to effectively manage its operations, including the appointment of qualified and suitable management personnel, as well as establishing a succession plan for senior executives to ensure continuous business operations at Thai credit;
- 5.2.1.4 establishing a suitable framework and mechanism to oversee the operations of subsidiary and associate, ensuring accurate and consistent understanding between Thai credit and these entities;
- 5.2.1.5 evaluating annual performance of Thai credit's Board of Directors, sub-committees, both collectively and individually, covering key areas such as structure and qualifications, meetings, roles, duties, and responsibilities, as well as other aspects including the relationship with management, personal development, etc. This evaluation will serve as a framework to assess performance, identify areas for improvement, and address issues and challenges encountered during the previous year. The evaluation results will be used to enhance the future execution of duties by Thai credit's Board of Directors, sub-committees, and individual directors;
- 5.2.1.6 guiding and overseeing to ensure that each director possesses the necessary knowledge and understanding of their roles and responsibilities, the nature of Thai credit's business, objectives,

main goals, vision, mission and the relevant laws governing its operations; supporting the continuous skill-building and knowledge development of all directors for the effective performance of their duties; and disclosing information regarding the Thai credit's training programmes and knowledge enhancement initiatives in the Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report);

- 5.2.1.7 ensuring the smooth functioning of Thai credit's Board of Directors' operations, including facilitating access to essential information, and appointing a secretary who possesses the necessary knowledge and relevant experience to support the Thai credit's Board of Directors' activities effectively;
- 5.2.1.8 understanding and acknowledging the responsibilities as a leader in overseeing the organisation's effective management, which encompasses defining objectives and goals, formulating strategies, operational policies, and allocating critical resources to achieve the objectives and goals. Additionally, it involves monitoring, evaluating, and supervising performance reporting;
- 5.2.1.9 ensuring that the roles and responsibilities of Thai credit's Board of Directors and sub-committees are disclosed, including the number of meetings held and the attendance of each director in the previous year, as well as the performance of all sub-committees, in the Annual Registration Statement/Annual Report (Form 56-1 One Report);
- 5.2.1.10 disclosing in the Annual Registration Statement/Annual Report (Form 56-1 One Report) and on Thai credit's website the policy regarding the composition of Thai credit's diverse Board of Directors and providing information about the directors, including their age, educational background, experience, shareholding percentage, start date of appointment, and tenure as directors and/or executives in other listed companies;
- 5.2.1.11 appointing the Thai credit's secretary to fulfil the duties under the law and in accordance with the Scope of Authority, Duties, and Responsibilities of the Company Secretary, as well as other duties assigned by Thai credit's Board of Directors;
- 5.2.1.12 appointing one or more directors from Thai credit's Board of Directors and/or executives and/or management of Thai credit as members of the sub-committees to fulfil specific duties. The members of each sub-committee serve for 3 years, aligning with the Board of Directors' tenure (if they also hold a director position), and must carry out assigned responsibilities as directed by Thai credit's Board of Directors. The composition, qualifications, appointment, tenure and retirement, meeting, and scope of duties and responsibilities are outlined in the charter of each respective sub-committee;
- 5.2.1.13 continuously monitoring and enhancing the management and development of personnel to ensure they possess suitable knowledge, skills, experience, and motivation;
- 5.2.1.14 understanding the structure and relationships of shareholders that may impact the business management and the authority to oversee the business management. This is to ensure that

Thai credit's Board of Directors' duties are not impeded and that information that may influence the control and management is appropriately disclosed.

5.2.2 Duties and responsibilities of Thai credit's Board of Directors

To ensure the effective and transparent performance of the Directors' responsibilities in monitoring and overseeing Thai credit's operations, the Directors must have knowledge and understanding of their qualifications, duties, and responsibilities, and comply with the following requirements.

5.2.2.1 Members of the Board of Directors must perform duties with responsibility, exercising due care and diligence (duty of care) and to act honestly and loyally (duty of loyalty), without seeking personal benefits, avoiding conflicts of interest and discrimination, and maintaining vigilance to safeguard the overall interests of Thai credit. This includes not favouring any particular group of shareholders, and ensuring no interference in decisions that could increase Thai credit's risk. Any potential conflicts of interest must be presumed to lack integrity unless there is a reasonable and justifiable explanation.

To prevent conflicts of interest, if a Director has a personal interest, whether direct or indirect, in any agenda item, they must notify the Board of Directors and refrain from participating or being involved in the decision-making or voting process for that agenda item.

5.2.2.2 Members of the Board of Directors must have adequate information before making decisions or voting in order to make informed and reasonable business decisions at a level expected of finance and banking professionals.

5.2.2.3 Members of the Board of Directors must make rational decisions or resolutions with reasons supporting them at a level expected of financial and banking professionals. Directors will have a range of decisions that could be considered reasonable and logical. However, decisions or resolutions that fall completely outside the scope of financial and banking professionals must not be considered as rational decisions or resolutions.

5.2.2.4 Members of the Board of Directors must allocate sufficient time and ability to fully perform their duties and responsibilities. Each Director must actively participate in inquiries and provide useful opinions during meetings to the best of their abilities. They must attend at least 75% of the Board of Directors' meetings held annually during their tenure unless there are reasonable and necessary grounds for absence.

5.2.2.5 The Chairman of the Thai credit's Board of Directors has a role to play in promoting a culture of open and inclusive discourse during meetings and fostering positive relationships between Executive Directors and Non-Executive Directors.

5.2.2.6 Members of the Board of Directors must develop themselves based on the annual performance evaluation results.

5.2.2.7 Members of the Board of Directors must strictly comply with the laws concerning public limited companies and other relevant legislation, including the company's objectives, articles of

association, resolutions of the Board of Directors' meetings, resolutions of the general meeting of shareholders, as well as directives of the Bank of Thailand's bank inspector.

- 5.2.2.8 Members of the Board of Directors must report information regarding directorship, management positions, serving as a controlling person in a limited company or other public limited company, as well as serving as managing partner in an ordinary partnership or partner with unlimited liability in a limited partnership, to comply with the criteria and procedures established by the Board of Directors of Thai credit.

5.2.3 Board of Directors composition

To ensure a balanced exercise of power between the management authority and/or Major Shareholders and to effectively oversee the Thai credit's operations to respond to the volatile, uncertain, complex, and ambiguous financial environment, Thai credit's Board of Directors composition is as follows.

- 5.2.3.1 The general meeting of shareholders determines the number of directors of Thai credit, with each Director having a 3-year term in office. Retiring Directors may be re-elected by the general meeting of shareholders.
- 5.2.3.2 A Director must possess the required qualifications and must not have any characteristics that are prohibited by law.
- 5.2.3.3 At least one-third of the total number of Thai credit's Board of Directors must be independent directors, but in any case this number of independent directors must not be less than three. The independent directors must have the qualifications and must not possess any characteristics that are prohibited by laws, notifications, regulations, and/or rules set by the Capital Market Supervisory Board and the Stock Exchange of Thailand.
- 5.2.3.4 The Chairman of Thai credit's Board of Directors must be an independent director or a non-executive director, except with approval on a case-by-case basis by the Bank of Thailand. The Bank of Thailand may consider imposing conditions for approval to establish a mechanism that promotes appropriate balance within the Board of Directors of Thai credit.

To comply with the principles of good corporate governance, if the Chairman of the Board of Directors lacks these qualifications, but was approved by the Bank of Thailand, the Board of Directors of Thai credit may consider promoting a balance of power between the Board of Directors and the management team. The following additional actions may be considered.

- (1) More than half the total number of the Board of Directors will be independent directors. or
 - (2) One independent director is appointed to participate in considering and determining the agenda of the Board of Directors' meeting.
- 5.2.3.5 The Board of Directors comprises members with diverse knowledge, abilities, experience, or overall skills, suitable for the size, complexity, nature of the business, and risks of Thai credit,

including its long-term strategy and operations. Moreover, the Board of Directors must have at least one director who possesses knowledge or experience in the field of information technology.

5.3 Duties, responsibilities, and composition of sub-committees

To ensure that the Board of Directors of Thai credit fulfils their duties and responsibilities, as well as oversees and supervises Thai credit's operations in line with the policies and strategies under the principles of good corporate governance, the Board of Directors of Thai credit must establish the Audit Committee and the Risk Oversight Committee. They must also consider appointing the Nomination Committee and Remuneration Committee, as well as other sub-committees to support the Board of Directors of Thai credit in carrying out their necessary and appropriate duties, considering the size, complexity, and nature of the Thai credit's business and risks, including its long-term strategy and operations. The Board of Directors of Thai credit may designate the same set of members for the Nomination and Remuneration Committee. Each sub-committee's responsibilities and composition are outlined below.

5.3.1 Audit Committee

5.3.1.1 Duties and responsibilities

- a) To ensure that Thai credit's financial reporting is accurate and sufficient;
- b) To review and assess Thai credit's internal control and internal audit systems to ensure their appropriateness and effectiveness;
- c) To review Thai credit's compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand, or laws related to the Thai credit's business;
- d) To consider, select, nominate, and propose the appointment and remuneration of the Thai credit's auditors;
- e) To consider the disclosure of Thai credit's information, particularly in cases of connected transactions or transactions that may give rise to conflicts of interest, to ensure accuracy and completeness;
- f) To prepare the Audit Committee's Corporate Governance Report and include it in the Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report);
- g) To determine in writing based on the Thai credit's Board of Directors' approval clear responsibilities of the Audit Committee, as well as any changes in its composition and significant changes impacting the Audit Committee's performance and disclose them to shareholders in Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report);
- h) To report to Thai credit's Board of Directors for internal improvement within a timeframe determined as appropriate by the Audit Committee if the Audit Committee identifies or suspects any of the following transactions or actions:
 - 1) conflict of interest transactions;

- 2) fraud or irregularities or significant defects in the internal control system;
 - 3) violation of banking business law, the securities and exchange law, the Stock Exchange of Thailand's regulations, the Bank of Thailand's regulations, or other laws related to Thai credit's business and securities and other laws. If Thai credit's Board of Directors or management fails to correct the violation within the timeframe specified by the Audit Committee, the Audit Committee will disclose the violations in Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report) and report them to the Bank of Thailand;
- i) To evaluate the efficiency and effectiveness of the Head of Internal Audit;
 - j) To carry out any other tasks as assigned by Thai credit's Board of Directors with the approval of the Audit Committee.

The Audit Committee will review its roles and responsibilities and determines the tenure of the members serving on the Audit Committee. Moreover, the Audit Committee may seek professional opinions from external consultants at Thai credit's expense.

5.3.1.2 Composition

To ensure effective and independent performance, the Audit Committee composition must comply with the following requirements.

- a) The Audit Committee comprises at least 3 Directors, all of whom must be independent directors and possess no characteristics prohibited by relevant laws. They must also have the qualifications and fulfil the duties in accordance with the criteria set by the Office of the SEC and the Stock Exchange of Thailand. This enables them to carry out their responsibilities efficiently and independently and perform duties assigned by Thai credit's Board of Directors, including reviewing financial reports, internal control systems, legal compliance, the independence of the internal audit department, auditor selection, disclosure of Thai credit's information, and preparation of the Audit Committee's report, among others, as specified in the Audit Committee Charter.
- b) The Chairman of the Audit Committee must not concurrently hold the position of Chairman in the Board of Directors, Risk Oversight Committee, Nomination Committee, and/or Remuneration Committee.

5.3.2 Risk Oversight Committee

5.3.2.1 Duties and responsibilities

- a) To advise the Board of Directors on Thai credit's risk governance framework;

- b) To ensure that senior executives, including the head of the risk management unit, adhere to risk management policies and strategies, including acceptable risk levels;
- c) To oversee the Thai credit's fund management and liquidity strategies to accommodate different risks, ensuring alignment with the approved risk tolerance levels;
- d) To ensure the adequacy and effectiveness of the Thai credit's overall risk management policy and strategy, including risk tolerance, a periodic review and assessment will be conducted at least once a year or in cases of significant changes. As part of this review, the Risk Oversight Committee will discuss and exchange views with the Audit Committee, evaluating the comprehensiveness of the Thai credit's risk management policies and strategies, which encompass all types of risks, including emerging risks. Additionally, the committee will verify the efficient and effective implementation of these policies and strategies;
- e) To report to Thai credit's Board of Directors on the risk position, effectiveness of risk management, and corporate culture that emphasizes risk management, as well as identifying significant factors, problems, and areas requiring improvement for compliance with Thai credit's risk management policies and strategies;
- f) To opine on or participate in evaluating the efficiency and effectiveness of the highest-ranking executive's performance within the Risk Management Unit.

5.3.2.2 Composition

- a) The Risk Oversight Committee comprises at least 3 committee members.
- b) The Chairman of the Risk Oversight Committee is selected from either an independent director or a non-executive director.
- c) All members are selected from the Board of Directors, senior executives, or Thai credit's advisers, at least half the number of which must be independent directors, non-executive directors, or Thai credit's advisers who perform duties similar to directors.
- d) At least one member must possess knowledge, expertise, and understanding of risks related to Thai credit's business.

5.3.3 Nomination and Remuneration Committee

5.3.3.1 Duties and responsibilities

Duties and responsibilities relating to nomination

- a) To establish policies, criteria, and procedures for the recruitment of directors and authorised managers, in order to propose them to Thai credit's Board of Directors for approval and submission to the Bank of Thailand upon request;

- b) To identify and propose suitable individuals for consideration by the Thai credit's Board of Directors for appointment to various positions as follows:
 - 1) Director;
 - 2) member of sub-committees directly authorised by Thai credit's Board of Directors to have power, duties and responsibilities;
 - 3) authorised manager;
 - 4) Thai credit's adviser;
- c) To ensure that Thai credit's Board of Directors has an appropriate size and composition that aligns with the organisation and adapts to the changing environment. The Nomination Committee oversees the development of mechanisms or tools to support the selection process and nominate individuals who possess the desired characteristics, knowledge, expertise, and experience necessary for the Thai credit's effective operation in the long term. This includes considering the creation of a Skill Matrix that identifies the specific knowledge and expertise required in various areas;
- d) To oversee the disclosure of the policies and details of the selection process for directors and authorised managers in the Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report).

Duties and responsibilities relating to remuneration

- a) To establish the policy for determining remuneration and other benefits, including the amount of remuneration and other benefits, for directors and authorised managers, commensurate with their objectives, duties and responsibilities, and related risks. Clear and transparent criteria must be defined to propose to Thai credit's Board of Directors for approval and submit this policy to the Bank of Thailand upon request;
- b) To ensure that directors and authorised managers receive remuneration commensurate with their duties and responsibilities. Directors assigned additional duties and responsibilities should receive remuneration appropriate to the specific duties and responsibilities assigned to them;
- c) To establish guidelines for evaluating the performance of directors and authorised manager and for considering an adjustment to annual remuneration, considering their duties, responsibilities, and related risks; as well as to prioritise the long-term increase in shareholders' equity value for consideration and evaluation purposes;
- d) To disclose the remuneration policy and various forms of remuneration, as well as prepare a remuneration report. The report must at least include details of the factors used in assessing overall performance, the Thai credit's objectives and operations, the Remuneration Committee's opinions, and methods and tools for remuneration that

reflect risks (if any). This information must be included in the Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report).

The Nomination and Remuneration Committee will meet at least twice each year and may seek professional advice from external consultants at Thai credit's expense. Additionally, the Nomination and Remuneration Committee will closely engage with the Risk Oversight Committee to ensure that the remuneration policy effectively reflects Thai credit's significant risks.

5.3.3.2 Composition

5.3.1 The Nomination and Remuneration Committee comprises at least 3 committee members.

5.3.2 The Chairman of the Nomination and Remuneration Committee is selected from an independent director.

5.3.3 All members are from independent directors or non-executive directors.

5.3.4 Corporate Governance and Sustainability Development Committee

5.3.4.1 Duties and responsibilities

- a) To define the environmental, social, employee, and corporate governance boundaries, policies, and practices, and to establish the Thai credit's Business Code of Conduct and good corporate governance, as well as safety, occupational health, and working environment, for regular presentation to Thai credit's Board of Directors, emphasizing the creation of sustainable business value in accordance with appropriate local and international principles and standards of good corporate governance to achieve the vision, core goals, and business strategy, according to the United Nations' Sustainable Development Goals (SDGs);
- b) To evaluate and review the Thai credit's policies, practices, and boundaries regarding the environment, society, employees, good corporate governance, and the Thai credit's Business Code of Conduct; as well as to ensure good corporate governance, safety, occupational health, and working conditions align with international standards and the SET; to advise Thai credit's Board of Directors for continuous improvement, with a focus on environmental sustainability throughout the value chain to foster the Thai credit's sustainable growth;
- c) To propose and advise the Thai credit's Board of Directors on good corporate governance and sustainable development, aiming to foster sustainability in three dimensions: environment, society and employees, and corporate governance;
- d) To ensure that Thai credit's Board of Directors and executives comply with its policies on environmental, social, employee, and corporate governance matters, and to promote sustainable banking practices, the Thai credit's Business Code of Conduct, the Thai credit's principles of good corporate governance and policies regarding

safety, occupational health, and working environment. The aim is to ensure that all divisions within Thai credit operate in alignment with the Thai credit's objectives, primary goals, and strategic plans, leading the Thai credit's business towards long-term sustainability. The Human Resources Management Division executive is assigned to gather relevant data and prepare a report to present the performance outcomes, in collaboration with relevant departments or units, to the Thai credit's Board of Directors;

- e) To consistently promote knowledge and communication, fostering a culture of good corporate governance and sustainable development, and active participation in social initiatives for sustainable progress, benefiting all Thai credit employees;
- f) To review and monitor the disclosure of information on the effective corporate governance and sustainable development in Thai credit's Annual Registration Statement/Annual Report (Form 56-1 One Report);
- g) To carry out any other tasks assigned by the Thai credit's Board of Directors.

5.3.4.2 Composition

- a) The Corporate Governance and Sustainability Development Committee comprises at least 3 members.
- b) The Chairman of the Corporate Governance and Sustainability Development Committee is selected from either an independent director or a non-executive director.
- c) All members are appointed from directors, senior executives, or other persons.

5.4 Duties and responsibilities of senior executives

Under the Bank of Thailand's guidelines on the corporate governance of financial institutions, the Thai credit's senior executives have duties and responsibilities to ensure its operations achieve the targets in the policies approved or determined by Thai credit's Board of Directors. These duties and responsibilities are:

- 5.4.1 To implement Thai credit's policies and operational strategies, risk governance framework (including risk management policies and strategies, as well as acceptable risk levels), remuneration policy and the Good Corporate Governance Policy approved by Thai credit's Board of Directors, ensuring strict and comprehensive compliance;
- 5.4.2 To establish processes and systems and implement them to ensure that Thai credit achieves its goals in the approved policies and strategies by the Board of Directors. These processes and systems encompass effective overall risk management and various types of risks that are significant and aligned with the Thai credit's strategies. This includes defining guidelines and procedures for identifying, assessing, controlling, monitoring, and reporting all significant risks faced by Thai credit. Additionally, risk limits are set to align with acceptable risk levels;

- 5.4.3 To instill an organisational risk-awareness culture and effectively communicate risk management policies, strategies, risk tolerances, and risk thresholds to all employees within the organisation with the aim to ensure they understand the importance, responsibilities, and risks associated with their work processes; and to implement stringent regulations, rules, and operational procedures to exercise control and ensure adherence to the established policies;
- 5.4.4 To manage the risks of Thai credit at an appropriate and acceptable level, ensuring they do not exceed the approved risk ceiling established by Thai credit's Board of Directors. This is to limit potential significant damages that may arise from business operations and preserve the Thai credit's position;
- 5.4.5 To report on the risk profile, efficiency, and risk management guidelines, as well as the status of adherence to the organisational culture that considers risk, significant factors, issues, and necessary remedial actions are promptly reported to the Thai credit's Board of Directors and relevant sub-committees for timely consideration and determination of corrective measures; ensure that the reports are accurate, comprehensive, timely, and reflect the nature of risks, including the adequacy of funds and the Thai credit's liquidity position;
- 5.4.6 To establish an appropriate chain of command or reporting structure and clearly define the roles and responsibilities of each unit within that structure to facilitate effective risk management, supervision, control, and auditing; and ensure that the controlling unit can independently and professionally carry out its duties without being unduly influenced by the business unit;
- 5.4.7 To periodically review the risk management processes and systems, including risk thresholds, and to review them whenever significant events occur that may have a significant impact on Thai credit's stability. These events may include economic crises both domestically and internationally, the introduction of new financial products, and changes to regulatory guidelines or requirements;
- 5.4.8 To ensure an adequate number of personnel with sufficient knowledge, skills, and understanding of financial techniques and relevant businesses to effectively fulfil their responsibilities in risk management and internal control functions;
- 5.4.9 To support the Thai credit's Board of Directors in ensuring that the authorised managers possess the necessary qualifications and abilities to effectively manage the Thai credit's operations.

6. Corporate governance and good governance guidelines

6.1 Determination of objectives and main goals of the business for sustainability

- 6.1.1 The Thai credit's Board of Directors recognises the utmost significance of establishing clear and appropriate objectives and main goals for the organisation's business operations. These objectives and goals serve as fundamental concepts for defining a business model that generates value and benefits for the organisation, its customers, business partners, employees, shareholders, stakeholders, and society as a whole. Furthermore, the Board of Directors aims to foster effective communication and cultivate a corporate culture where the organisation's objectives and main goals are reflected in decision-

making and the actions of all personnel at every level. This culture aligns with the principles of good corporate governance, enabling the organisation to achieve sustainable growth in harmony with society.

- 6.1.2 Thai credit's objectives, goals, strategies, and business plans, both annual and long-term, must align with its objectives and primary goals. These should be supported by an analysis of the environment, factors, and various risks that may impact all stakeholders, while considering the potential effects on achieving Thai credit's objectives and main goals. This analysis should use innovations and technologies appropriately and securely, aiming to enhance competitiveness and meet the needs of stakeholders. These efforts should be built on the principle of social and environmental responsibility. Moreover, maintaining vigilance towards the risks associated with setting goals that may result in unlawful or unethical conduct is essential. Effective supervision plays a vital role in facilitating the communication of objectives and goals throughout the organisation via strategies and plans.

6.2 Risk governance framework

Thai credit's Board of Directors must establish or approve a robust and effective risk governance framework. This encompasses risk appetite, risk management policies, and strategies, ensuring that Thai credit puts in place a comprehensive risk management policy and process. Furthermore, fostering a risk-conscious corporate culture within the organisation is important. The duties and responsibilities of Thai credit's Board of Directors in relation to a sound risk governance framework are outlined below.

- 6.2.1 The Board of Directors must establish or approve comprehensive risk management policies and strategies. These policies should align with the Thai credit's risk profile, business model, and consider the Thai credit's systemic significance, capital strength, and liquidity position. These policies and strategies must be documented and effectively communicated to relevant stakeholders. Any changes to these policies and strategies must always receive prior approval from Thai credit's Board of Directors.
- 6.2.2 The Board of Directors must ensure that Thai credit has comprehensive risk-taking policies and processes, including internal pricing procedures (if applicable), that align with the overall risk management policies and strategies and approved risk tolerances. Additionally, the Board of Directors must oversee that Thai credit maintains a cautious and prudent transaction policy that is suitable for the economic conditions, as well as policies to manage non-performing loans or problematic investments and adequate provisions for non-performing debts to cover potential losses.
- 6.2.3 The Board of Directors must delegate and oversee senior executives to establish risk limits in line with acceptable risk levels, as well as ensure regular communication to relevant individuals for acknowledgment and comprehension. Furthermore, the Board of Directors must ensure effective risk control measures are implemented to maintain risks within acceptable levels and specified thresholds.
- 6.2.4 The Board of Directors must delegate and oversee senior executives to develop detailed policies, processes, and risk management systems encompassing the overall risk landscape and various risk types. These should include guidelines or practices for risk identification, assessment, monitoring, control, and reporting. Furthermore, an efficient data system capable of supporting the management and reporting of all significant risks of Thai credit, present and future, consistent with the Thai credit's strategy,

must be established. This should at least cover credit, market, operational, liquidity, reputation, strategic, compliance, and information technology risks, while considering the Thai credit's risk profile and recognising its systemic significance. Risks originating from market and macroeconomic conditions must also be evaluated.

If Thai credit uses a model for risk measurement, Thai credit's Board of Directors will assign senior executives to oversee the Thai credit's adherence to the minimum standards set by the Bank of Thailand. They must also regularly and independently evaluate and assess the reliability of the models. Furthermore, Thai credit's Board of Directors must be aware of and comprehend the limitations and uncertainties associated with the model's outcomes and the risks stemming from its use.

- 6.2.5 The Board of Directors must approve an organisational structure that facilitates monitoring, supervision, control, and auditing of operations to align with risk management policies, strategies, processes, and practices. Reporting lines or reporting channels must be designed to ensure a balanced distribution of power and independence between risk-generating units and the risk management function.
- 6.2.6 The Board of Directors must ensure the cultivation of a risk-conscious corporate culture by overseeing the communication of risk management policies and strategies, including risk tolerances and risk ceilings, which may be in the form of requirements for acceptable risk levels. The Risk Appetite Statement (RAS) is intended to promote understanding and awareness among all employees within the organisation regarding the significance and their responsibilities related to risk, fostering increased vigilance and attentiveness in their operational practices.
- 6.2.7 The Board of Directors must review and assess the adequacy and effectiveness of the overall risk management policy, strategy, and risk tolerance. This review should take place at least once a year or promptly whenever there are significant changes, such as changes in risk characteristics, business strategies, or systemic significance of Thai credit, market and macroeconomic conditions to enhance and tailor the policies and strategies to align with the evolving circumstances.
- 6.2.8 The Board of Directors must monitor the status of risks, including both overall and various types of risks, as well as the effectiveness of risk management and compliance with a risk-conscious corporate culture. The Board of Directors must stay informed about significant factors and issues by regularly receiving reports from relevant sub-committees and senior executives. These senior executives are responsible for ensuring that the reports are accurate, complete, timely, and reflect the nature of risks, including the adequacy of capital and liquidity of Thai credit.
- 6.2.9 The Board of Directors must ensure that Thai credit has stable and adequate capital and liquidity to support its present and future business operations. This is achieved by:
 - 6.2.9.1 monitoring the Thai credit's capital position and liquidity regularly. To this end, the Board of Directors must actively ensure that both the Board of Directors and senior executives receive adequate and timely information. They must also understand the Thai credit's risk levels, including the implications and limitations of this information, through regular reviews of the Thai credit's risk management data;

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- 6.2.9.2 overseeing the processes and tools used to monitor the adequacy of capital and liquidity, enabling Thai credit to maintain a stable and adequate level of liquidity to support its current and future business operations. These processes should be consistent with internationally recognised practices, such as the Internal Capital Adequacy Assessment Process (ICAAP) under Pillar 2 of Basel, which includes stress testing capital and assessing Thai credit's ability to withstand changes. Additionally, capital planning must be implemented to support Thai credit's business expansion, both in the present and the future, in line with its business strategy. The Board of Directors must establish policies related to the development of a recovery plan to comply with the relevant Bank of Thailand's guidelines;
- 6.2.9.3 calling a general meeting of shareholders within 4 months following the end of the 6-month accounting period or within the timeframe prescribed under section 67 paragraph 4 of the Financial Institutions Business Act B.E. 2551, whichever comes first if Thai credit experiences losses resulting in a reduction of shareholders' equity to less than 50% of the paid-up capital at the end of the six-month period. Another general meeting of shareholders is to be called when the shareholders' equity falls below 25% of the paid-up capital. The purpose of this meeting is to inform the shareholders about Thai credit's actual status and operating results;
- 6.2.10 The Board of Directors must implement a clear and effective Anti-Corruption Policy, ensuring communication at all levels of the organisation and with external individuals to enable practical implementation. Additionally, the Board of Directors must implement projects or guidelines to combat corruption, including supporting initiatives that encourage and embed compliance with relevant laws and regulations among all employees.
- 6.3 Remuneration structure
- An effective remuneration structure is implemented based on the following principles to ensure that Thai credit has a remuneration structure that aligns with the objectives and risks of each unit, while considering its long-term stability and retaining qualified personnel who perform their duties with integrity and efficiency.
- 6.3.1 To ensure that Thai credit has a remuneration structure that reflects the objectives and risks of each unit, including material risk-takers and control functions such as the risk management function, compliance function, and internal audit function, the structure should consider the long-term stability of Thai credit and the retention of qualified personnel who carry out their duties with integrity and efficiency. It should not be excessively tied to short-term goals or profits, nor should it create excessive incentives for speculative transactions that could undermine Thai credit's stability. Thai credit may consider implementing tools and methods that support the remuneration structure, considering the duties of each unit, long-term risks, and potential future damages. This could include the deferred variable pay, the reduction of bonuses (malus), and the payment of bonuses based on Thai credit's share value (if applicable), among other measures. Thai credit will determine suitable approaches and processes in accordance with its ongoing operations.

6.3.2 The efficiency and effectiveness of the compensation structure are periodically monitored and evaluated to consider potential revisions or additional measures that ensure Thai credit's operations are supported by the remuneration structure within a framework of robust risk governance.

6.3.3 The general meeting of shareholders may approve Directors' remuneration. Therefore, the Nomination and Remuneration Committee and Thai credit's Board of Directors will carefully consider Directors' remuneration when proposing it at the general meeting of shareholders. This is to ensure that the structure and remuneration rates align with the scope of roles and responsibilities, experiences, duties, Thai credit's strategy and goals, as well as the expected benefits from each director, to provide motivation for Thai credit's Board of Directors to lead the organisation in achieving both short-term and long-term objectives.

6.4 Whistleblowing Policy and Procedure

Thai credit has established a policy and procedure for internal whistleblowing to ensure that Thai credit has an internal surveillance process that facilitates the reporting of any potentially unlawful, policy-violating, breach of regulation, internal procedure and Business Code of Conduct, thereby promoting fairness and enabling the comprehensive reporting and resolution of corruption, illegal actions, or internal rule violations. The policy covers at least the following matters.

6.4.1 This policy is designed to provide clear procedures and channels for reporting whistleblowing or complaints. It includes measures to protect whistleblowers or complainants from bullying, intimidation, or negative consequences resulting from reporting information or destroying evidence.

6.4.2 The policy includes details of individual responsible for receiving whistleblowing reports or complaints and the clear channels for receiving these reports or complaints are taken into consideration. Confidentiality is maintained to ensure the protection of whistleblowers or complainants and to facilitate the process without interference. This may include reporting the whistleblowing reports or complaints directly to the Chairman of the Audit Committee or independent directors, the Chief Executive Officer of Internal Audit, or the Chief Human Resources Officer.

6.4.3 The effective process for handling whistleblowing reports or complaints must encompass at least the following components: gathering factual information, data processing, data screening, composition of the panel, consideration period, measures for disciplining wrongdoers, measures for mitigating damages to affected individuals, and reporting the results of the consideration and disciplinary actions to the Audit Committee or Thai credit's Board of Directors.

6.4.4 All personnel in the organisation are informed about the policy, process, and whistleblowing channels.

6.5 Internal Control and Internal Audit Policy

To effectively and timely monitor and control potential damages and errors, Thai credit has implemented efficient internal controls to at least encompass the following details:

6.5.1 Clear delegation of duties

6.5.1.1 The powers, duties, and responsibilities delegated by Thai credit's Board of Directors are documented, clearly specifying the scope of the assigned duties and any limitations on the exercise of delegated powers. Thai credit's Board of Directors acknowledges that ultimate responsibility remains with Thai credit's Board of Directors even when authority is delegated to sub-committees or senior executives.

6.5.1.2 A suitable monitoring system is in place to ensure that Thai credit's activities are conducted by individuals who have the assigned roles and responsibilities. Any actions beyond the scope of their significant roles and responsibilities must be immediately reported to Thai credit's Board of Directors.

6.5.2 Check and balance

6.5.2.1 The validation process ensures thoroughness and accuracy at each crucial step and operational process to mitigate errors and risks. It ensures that no single individual bears the sole responsibility throughout the process, emphasizing a clear segregation of duties. This is particularly important between the front office and the back office.

6.5.2.2 An effective Three Lines of Defense approach is implemented by structuring Thai credit with independent units responsible for control, supervision, and auditing to effectively perform their duties. The roles and responsibilities of each unit are clearly defined. The Business Unit or First Line of Defense, the Second Line of Defense consisting of Risk Management, Compliance, Credit Review, and the Third Line of Defense represented by Internal Audit, work together to ensure appropriate checks and balances. Thai credit adheres to the Bank of Thailand's guidelines on internal audit and compliance with the Thai credit's rules.

Units responsible for control, such as the risk management department, compliance department, and the internal audit department, can effectively and independently perform their duties. The internal audit department reports directly to the Audit Committee and Thai credit's Board of Directors. The risk management and compliance department reports to the supervisory-level committees, such as the Risk Oversight Committee or other committees composed of Thai credit directors, and ultimately to the Board of Directors. Additionally, they report to the Chief Executive Officer or Managing Director.

In addition, Thai credit's Board of Directors must approve the appointment, transfer, removal, and dismissal of the highest executives of the risk management department and the internal audit department, and notify the Financial Institutions Business Supervision Department and the Financial Institutions Policy Group of the Bank of Thailand. This notification must be made within 15 days from the date of the change. The Board of Directors may either act directly or delegate the responsibility to appropriate sub-committees to perform these tasks on its behalf.

6.5.2.3 Regular evaluation of the adequacy of audit and control mechanisms must be in place, as well as the segregation of duties and responsibilities among different departments or individuals.

- 6.5.3 Business units, control units, and operational units must have adequate resources and personnel with sufficient knowledge, skills, and experience suitable for their respective roles to support efficient and effective performance. This includes the highest-ranking executives of the control units, such as the top executives of the risk management department, the compliance department, and the internal audit department, who should hold positions or status within the organisation that are sufficiently high to effectively carry out their auditing and balancing duties.
- 6.5.4 A non-compliance reporting system is in place to enable the Board of Directors and senior executives to monitor and address any non-compliance with laws, regulations, or internal policies of Thai credit that may have a significant impact or harm its business.
- 6.5.5 The Board of Directors supervises the accounting and record keeping for all activities of Thai credit. It ensures the proper preparation and maintenance of accounts and related documents, as well as the implementation of an accounting and financial reporting system to accurately depict the Thai credit's financial status and actual operating results. The accounting and record keeping information must be disclosed to the shareholders, depositors, and the general public, enabling them to be informed and verify the information. Additionally, Thai credit's Board of Directors must have the necessary knowledge, understanding, and responsibility to oversee the accurate preparation of accounts.

The accounting and financial reporting system is capable of providing accurate, timely, and sufficiently detailed information regarding the financial status, operational performance, and risks of Thai credit. These reports must be prepared regularly and can be generated upon request to support effective management, monitoring, control of Thai credit's operations, and for reporting to regulatory bodies. Furthermore, Thai credit maintains adequate accounts, information, and related documents that allow for examination, and specific time periods for account storage have been established. Thai credit adheres to relevant laws, regulations, and storage formats to ensure that this information can serve as legal evidence and be accessed as required.

- 6.5.6 Thai credit has implemented adequate and appropriate control systems safeguard its assets, protecting its premises. This includes restricting access to critical areas such as computer rooms, ensuring that only authorised personnel are granted entry. This measure mitigates the risk of unauthorised transactions and fraudulent activities. Access to significant assets, such as cash and securities, is controlled through the practice of dual control, requiring at least two officers to be involved in performing tasks. Additionally, access records are maintained to facilitate appropriate audits. Furthermore, Thai credit has equipped its premises with suitable security devices, such as fire-resistant safes, and has implemented systems to protect office access and other security measures.
- 6.5.7 Thai credit's Board of Directors oversees and manages potential conflicts of interest between Thai credit and its management, Thai credit's Board of Directors, or shareholders. This includes safeguarding against the improper use of assets, information, and opportunities of Thai credit, as well as inappropriate transactions with Thai credit's Connected Persons. Thai credit has also established written guidelines in its relevant policies to outline these practices.

6.6 Corporate governance disclosure

Corporate governance disclosure ensures that Thai credit's stakeholders receive sufficient and appropriate information for making investment decisions or transacting with Thai credit, making its operations transparent and fair. Thai credit has established a policy to disclose the following information on corporate governance.

6.6.1 Disclosure to the general meeting of shareholders

At an annual general meeting of shareholders, in addition to the matters typically notified to the meeting, Thai credit requires disclosure or presentation of the following matters to the shareholders.

6.6.1.1 Information on benefits and remunerations to Thai credit directors from Thai credit must be disclosed as follows:

- a) For non-employee directors, Thai credit will inform the shareholders of the benefits and remunerations paid to each director.
- b) For employee directors, Thai credit will use two separate disclosure methods:
 - 1) Benefits and remuneration received as a director will be notified or disclosed individually.
 - 2) Benefits and remuneration received as an employee will be notified or disclosed in total sum as Thai credit may consider appropriate.

6.6.1.2 Benefits and remuneration received by the Chief Executive Officer, the Managing Director, authorised managers, or other non-director executives will be notified or disclosed as a total amount as may be appropriate.

6.6.1.3 The Notification or Disclosure of directorship in other companies is required for Directors, Chief Executive Officer, Managing Director, authorised manager, and Thai credit's advisers who carry out responsibilities similar to directors, Chief Executive Officer, Managing Director, or authorised manager.

6.6.2 Public disclosure

Thai credit requires the disclosure of the following information to the public through the Annual Registration Statement/Annual Report (Form 56-1 One Report) or through the disclosure of information on Thai credit's website. The website information will be updated at least once a year to ensure it remains current.

6.6.2.1 The Thai credit organisation chart to illustrate the names and positions of management individuals, including the Top Management Executive of the risk management department, Head of Compliance, and Head of Internal Audit.

6.6.2.2 List of Thai credit's top 10 Major Shareholders or shareholders holding the highest number of shares, including the number of shares and their respective shareholding proportions.

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- 6.6.2.3 The number of meetings held each year by Thai credit's Board of Directors and the sub-committees designated by the Bank of Thailand, including the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and the number of meetings attended by each Director.
 - 6.6.2.4 The names of Thai credit's Board of Directors and sub-committee designated by the Bank of Thailand including the Audit Committee, the Risk Oversight Committee, the Nomination and Remuneration Committee, with details of director types (Executive Director or Non-Executive Director, or independent director), as well as scope of powers and duties of Thai credit's Board of Directors and sub-committees.
 - 6.6.2.5 Corporate governance report of the Audit Committee
 - 6.6.2.6 Responsibilities of the Audit Committee, including any changes in its composition, as well as significant changes affecting the functioning of the Audit Committee.
 - 6.6.2.7 Policy and procedure for the nomination of Directors and authorised managers at Thai credit
 - 6.6.2.8 Dividend payment policy
 - 6.6.2.9 Remuneration policy encompassing factors used to evaluate overall performance, objectives, and operations, along with the Remuneration Committee's opinion and methods or tools for remuneration distribution to reflect risks (if applicable), by disclosing specific remuneration policies for the Board of Directors, authorised managers, and units or individuals that pose significant risks.
 - 6.6.2.10 Fines imposed by the Bank of Thailand, the Office of the Securities and Exchange Commission, and the Office of Insurance Commission to be disclosed, both in terms of the total amount and the fines imposed under specific provisions of the relevant laws. To disclose information on fines resulting from unfair services, Thai credit will comply with the Bank of Thailand's notification regarding market conduct.
- 6.7 Ensuring financial credibility and disclosure
- 6.7.1 Thai credit's Board of Directors is responsible for overseeing the correctness, adequacy, timeliness, and compliance of the financial reporting system and disclosure of significant information with relevant rules, standards, and practices.
 - 6.7.2 Thai credit's Board of Directors will monitor and ensure that companies within the financial business group have adequate liquidity and debt-servicing capabilities.
 - 6.7.3 If a situation arises where the business faces financial difficulties or is likely to encounter such challenges, Thai credit's Board of Directors will ensure that Thai credit has a plan to address the issue or alternative mechanisms to resolve the financial problem, while considering the rights of stakeholders and acting reasonably.

- 6.7.4 Thai credit's Board of Directors has a policy to develop a sustainable development report as is appropriate and to consider the appropriateness of information disclosure to comply with the law. This includes the Anti-Corruption Policy, treatment of employees and stakeholders, ensuring fair treatment and respect for human rights, as well as social and environmental responsibility. This information may be disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report) of Thai credit or prepared as a separate document as Thai credit considers appropriate.
- 6.7.5 Thai credit's Board of Directors will oversee the management to establish an investor relations department responsible for communicating and disseminating information that is beneficial to shareholders, investors, analysts, and relevant parties appropriately, equitably, and timely. Additionally, Thai credit will provide a disclosure policy to manage the disclosure of confidential information and sensitive information that may impact the price of Thai credit securities, along with providing guidelines to ensure organisational understanding among staff members.
- 6.7.6 Thai credit's Board of Directors promotes the use of information technology for information dissemination. In addition to adhering to the specified criteria and using the Stock Exchange of Thailand's channels for information disclosure, Thai credit's Board of Directors will facilitate the disclosure of information in both Thai and English through alternative channels, such as the Thai credit's website, while ensuring the presentation of current information.
- 6.8 Promoting participation of and communication with shareholders
- Thai credit's Board of Directors values the Thai credit's shareholders and ensures that they are treated equally. Shareholders may fully exercise their fundamental rights as shareholders. These rights include: (1) the right to buy or transfer shares, (2) the right to share in Thai credit's profits, (3) the right to receive adequate and relevant information through Thai credit's website and/or the SET's website, or through any other appropriate means, (4) the right to attend general meetings and independently exercise voting rights to appoint or remove Directors, consider Director remuneration, appoint auditors, approve dividend payment, capital increase and issuance of new shares. Shareholders may also ask questions to Thai credit's Board of Directors regarding Thai credit's Board of Directors' reports and any other matters presented at the meeting for consideration and approval. Shareholders may propose agenda items in advance, nominate candidates for director positions, and participate in decision-making on important matters. All shareholders are entitled to one vote for each share that they hold.
- In addition, Thai credit's Board of Directors must also recognise and prioritise the rights of shareholders. Thai credit's Board of Directors must not do anything that infringes on or violates the rights of shareholders. Thai credit's Board of Directors promotes and establishes policies on shareholders' rights as follows.
- 6.8.1 Thai credit's Board of Directors will oversee and ensure that shareholders can participate in decision-making on important matters. This includes the following.
- 6.8.1.1 Safeguarding and upholding the fundamental rights of shareholders, such as the right to buy or transfer shares, the right to share in profits, the right to receive adequate business information, the right to participate in a general meeting of shareholders to appoint or remove directors, and appoint auditors, to approve the allocation of dividends, the establishment or amendment of

articles of association or memorandum of association, and capital reduction or increase, as well as the approval of special transactions.

- 6.8.1.2 Encouraging and promoting shareholder participation and exercise of their rights in various matters at the annual general meeting of Shareholders such as the right to propose meeting agenda items in advance, the right to nominate candidates for directorship in advance, the right to submit questions before the meeting, the right to express opinions and ask questions during the meeting, and the right to use other conveniences provided to minority shareholders in nominating individuals for directorship. This includes the submission of resumes and consent letters in accordance with Thai credit's guidelines, regulations, and prescribed procedures.
- 6.8.1.3 The Board of Directors must disclose information concerning the date, time, venue, and agenda of the general meeting of shareholders, along with all relevant information on matters to be decided at the meeting, accompanied by explanations and reasons. The information must be timely and adequately disclosed to shareholders before each general meeting of shareholders. Thai credit has a policy of providing shareholders with the opportunity to review information before the meeting date through Thai credit's website. The information provided the website is equivalent to the documents sent to shareholders.
- 6.8.1.4 The Board of Directors must ensure that the notice of the general meeting of shareholders, along with the relevant documents, are sent and published on Thai credit's website at least 28 days before the scheduled meeting date. The Board of Directors must also prepare an invitation letter for the meeting in both Thai and English.
- 6.8.1.5 The Board of Directors encourages shareholders to use proxy forms, which allow them to express their voting preferences, including voting in favour, voting against, or abstaining. The Board of Directors has prepared proxy Form A, Form B, and Form C (custodian only proxy forms) for shareholders. This also facilitates shareholders who are unable to attend the meeting in person but still wish to exercise their voting rights through the proxy method. independent directors will attend the meeting and vote on behalf of shareholders to facilitate them. Shareholders may choose any one independent director to be their proxy.
- 6.8.1.6 The Board of Directors must not do anything that violates or restricts the rights or deprives shareholders of their right to access Thai credit's disclosed information as required by various regulations, and attending a general meeting. This includes not presenting documents with significant additional information abruptly, not adding or changing important information without prior notice to shareholders.
- 6.8.1.7 The Board of Directors will facilitate shareholders in exercising their various rights, such as by providing current and important information through Thai credit's website.
- 6.8.2 Thai credit's Board of Directors will ensure that the proceedings of the general meeting are conducted with professionalism, transparency, and efficiency, enabling shareholders to exercise their rights. This includes the followings.

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- 6.8.2.1 The Board of Directors will facilitate shareholders to fully exercise their right to participate and vote at the general meeting and will refrain from any action that limits shareholders' opportunity to attend the meeting. If shareholders are unable to attend the meeting in person, Thai credit allows them to appoint proxies, including independent directors or any other person, to attend the meeting on their behalf.
- 6.8.2.2 The Board of Directors will inform shareholders of the rules and procedures for attending the general meeting, both in the invitation letter and on the day of the meeting. The meeting facilitator will inform the shareholders of the voting rules and procedures at the meeting, and this notification will be documented in the minutes of each general meeting.
- 6.8.2.3 The Board of Directors will conduct the meeting appropriately and provide shareholders with an opportunity to raise relevant questions regarding the agenda and express their opinions. The Chairman of the Board of Directors or the designated person will respond to the questions raised during the meeting for each agenda item and ensure that inquiries about the agenda are recorded. Shareholders' opinions, as well as important remarks from the Board of Directors and/or executives, on significant matters will be included in the minutes of each general meeting.
- 6.8.2.4 The Board of Directors will conduct the meeting to follow the agenda items specified in the invitation letter, and the executives who are shareholders of Thai credit will not propose any additional agenda items that are unnecessary for the meeting, particularly those requiring sufficient time for shareholders to study before making decisions.
- 6.8.2.5 The Board of Directors encourages the use of technology, such as barcodes and ballots or others, in general meetings, such as shareholder registration, vote counting, and display. This will ensure that the meeting is conducted efficiently, accurately, transparently, and verifiably. The voting results, including votes in favour, against, and abstentions on each agenda item, will be disclosed in the minutes of the general meeting.
- 6.8.2.6 The Board of Directors will appoint an independent individual to act as a witness during the vote counting process or to directly count or verify the votes at the meeting. This individual can be, for example, the Thai credit's auditor or legal adviser. The results of the vote counting, or verification will be disclosed to the meeting and recorded in the minutes of the meeting.
- 6.8.2.7 The Board of Directors prioritises the annual general meeting and upholds the rights of shareholders. The Board of Directors encourages all Directors to attend the general meeting.
- 6.8.3 Thai credit's Board of Directors will ensure the accuracy and completeness of the disclosure of resolutions adopted at the general meeting and the preparation of the meeting minutes. Shareholders' records will be maintained properly and thoroughly. This includes the followings.
- 6.8.3.1 After each general meeting, the Board of Directors will ensure that the meeting's contents will be compiled. This includes the agenda details, the list of attending and absent Directors, the meeting resolutions, voting outcomes, as well as the questions and opinions raised by

shareholders. These will be documented in the "minutes of the general meeting of shareholders," which will be published on Thai credit's website and submitted to the SET and/or relevant authorities within 14 days from the meeting date, as required by the Office of the SEC and the SET. Furthermore, the resolutions and voting results for each agenda item will be disclosed to the public through the SET's system within the legally prescribed timeframe.

6.8.3.2 The Board of Directors will ensure that shareholders have regular access to current news and information through Thai credit's website.

6.9 Fostering innovation and responsible business practices

6.9.1 Thai credit's Board of Directors recognises the importance of fostering innovation that generates value for the business while delivering benefits to all relevant stakeholders and demonstrating responsibility towards society and the environment. This encompasses adding values to Thai credit's operations based on ever changing environment, including shaping business models, adopting innovative perspectives in product and service design and development, analysing and improving production processes, services, and operations, as well as collaborating with business partners.

6.9.2 Thai credit's Board of Directors will oversee and ensure that the management operates business with social and environmental responsibility, which will be reflected in the organisation's action plan. This will guarantee that all departments within the organisation align their activities with the organisation's objectives, main goals, and strategic plans, while considering the roles of stakeholders. Moreover, the Board of Directors will establish mechanisms to ensure ethical business practices, social responsibility, and environmental stewardship, without infringing on the rights of stakeholders. These efforts aim to guide all sectors of the organisation towards sustainable achievement of its objectives and main goals, while providing stakeholders with sufficient, reliable, and timely disclosure of important and necessary information.

6.9.3 Thai credit's Board of Directors will monitor and ensure that the management allocates and manages resources efficiently and effectively, while considering the impacts and development of resources throughout the value chain, in order to achieve sustainable objectives and main goals.

6.9.4 Thai credit's Board of Directors will establish a framework for overseeing and managing information technology at the organisational level that aligns with its needs. It will also ensure the information technology is used effectively to enhance business opportunities and facilitate operational development and risk management, enabling it to achieve its objectives and primary goals.

7. Policy review and revision

Thai credit will periodically review its business policies under the principle of good corporate governance, at least once a year. The change management department is responsible for proposing revised policies to the Corporate Governance and Sustainability Development Committee for approval, and subsequently presenting them to Thai credit's Board of Directors for further approval.

This policy repeals and replaces Notification No. 108/2565 regarding the Business Operation Policy under the Principles of Good Corporate Governance.

3. Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates

The Thai credit's Board of Directors meeting No. 2/2023 held on 22 February 2023 resolved to approve the Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates. The details are outlined below.

Thai Credit Bank Public Company Limited ("**Thai credit**") has established Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates. The objective is to outline measures and mechanisms, both direct and indirect, to enable Thai credit to monitor and supervise the management of its subsidiary and/or associate. This includes monitoring compliance with the prescribed measures and mechanisms in accordance with Thai credit's policies, as well as relevant laws, notifications, regulations, and rules of Thai credit, the Office of the SEC, the SET, and other relevant regulatory bodies. The aim is to safeguard the investment interests of Thai credit in its subsidiary and associate.

1. Definitions

"Subsidiary"	means	<p>a company that has one of the following characteristics:</p> <ul style="list-style-type: none"> a) a company over which Thai credit has Control; b) a company over which the company under (a) has Control; c) any tier of companies under the Control of company under (b).
"Associate"	means	<p>a company in which Thai credit or its subsidiary has the authority to participate in decision-making regarding the financial policies and operations, but does not have control over such policies, and company that is not treated as a subsidiary or joint venture.</p> <p>Unless proven otherwise, Thai credit or its subsidiary is presumed to have the authority to participate in decision-making if Thai credit or its subsidiary holds, either directly or indirectly, between 20% and 50% percent of total voting rights of the company.</p>
"Control"	means	<p>any of the following relationships:</p> <ul style="list-style-type: none"> a) the ownership of shares carrying voting rights in a company that exceeds 50% of the total number of voting rights of the company; b) the control over the majority of voting rights at the company's general meeting, either directly or indirectly, or due to any other cause; or

- c) the control over the appointment or removal of at least half of all directors, either directly or indirectly.

2. Investment policy in subsidiary and associate

Thai credit has implemented an investment policy targeting companies that support its business operations and are aligned with its objectives, vision, and strategic plans for sustainable growth. This policy aims to enhance Thai credit's financial performance and profitability, and to invest in synergistic businesses that augment Thai credit's competitive capabilities. The goal is for Thai credit to establish itself as a leading operator in its core business. Thai credit, along with its subsidiary and/or associate, may evaluate potential investments in other businesses that demonstrate growth potential, business expansion opportunities, or synergies with the group's operations, aiming to achieve favourable investment returns. In evaluating investments by Thai credit, its subsidiary, and/or associate, Thai credit will analyse the feasibility and assess the potential of the investment, including investment ratios, anticipated profits, and investment risk factors. This will be done through appropriate investment analysis procedures, subject to approval and/or endorsement by Thai credit's Board of Directors and/or the general meeting (as applicable). Thai credit's, subsidiary's and/or associate's investment must comply with the criteria specified in the Bank of Thailand's notifications, the Notification of the Capital Market Supervisory Board, and the Notification of the SET that are relevant to the investment.

3. Operational governance policy

3.1 Governance practices to supervise operations of Subsidiary and Associate

- (1) Thai credit will appoint individuals as its representatives to serve as directors and/or executives in each subsidiary and/or associate, in proportion to Thai credit's shareholding in those companies, to the extent permissible. Unless Thai credit's Board of Directors determines that the composition of the board and management team, with individuals serving as directors and/or executives, is not proportionate to Thai credit's shareholding in the companies, it will not impede Thai credit's authority to establish policies and undertake actions on matters of significance or that impact the financial position and operational performance of the respective company, or where there is an appropriate balance of power within the company.

Thai credit's Board of Directors' meeting will consider and approve the appointment of individuals to represent Thai credit as directors and/or executives in each subsidiary and associate. The suitability of each company will be considered, except for small subsidiary or associate that have no significant impact on Thai credit's financial position and operating results. Thai credit's Board of Directors may assign the Chief Executive Officer or Managing Director to consider and appoint a representative of Thai credit as a director and/or executive in these companies. The objective is for these individuals to oversee the operations of subsidiary and/or associate to comply with the law, Good Corporate Governance Policy, and other relevant policies. This will enable Thai credit to be informed about and monitor the activities of its subsidiary and/or associate to the extent permitted by law and under the relevant policies.

- (2) Thai credit will oversee individuals representing it in each subsidiary and/or associate to ensure compliance with laws, objectives, articles of association, resolutions of the Board of Directors, and

resolutions of the general meeting of shareholders, as well as the Good Corporate Governance Policy, the Business Code of Conduct, emphasizing honesty, integrity, vigilance, responsibility, and ethical behaviour. Thai credit will also monitor and provide guidance to ensure that the operations of subsidiary and/or associate align with the defined goals and effectively address any obstacles or issues that may arise in a timely and appropriately.

- (3) Thai credit will undertake necessary measures to ensure that its subsidiary and/or associate disclose information regarding their financial position and operational performance. This includes transactions that may involve conflicts of interest and material information that is relevant to Thai credit. Complete disclosure of all relevant information to the respective regulatory and governmental authorities will also be ensured.
- (4) Thai credit will closely monitor the performance and operations of its subsidiary and/or associated companies. They will also provide feedback and recommendations to Thai credit's Board of Directors and the respective boards of directors of these subsidiary and/or associate (to the extent feasible). This input will be considered in order to enhance and foster the continuous development and growth of the businesses of its subsidiary and/or associate.
- (5) Directors of subsidiary and/or associate who represent Thai credit must consider and monitor, as well as provide necessary guidance to the subsidiary and/or associate, to establish a clear and efficient working system that is effective in operating businesses.

3.2 Additional governance practices to supervise subsidiary operations

- (1) If a subsidiary engages in a transaction that falls within the scope of being an acquisition or disposal of assets or connected transactions, as defined in the notifications of the Capital Market Supervisory Board and the SET, Thai credit must obtain approval for the transaction from Thai credit's Board of Directors' meeting and/or the general meeting of shareholders (as applicable) and/or any relevant authorities as required by law before proceeding with the transaction. The subsidiary may proceed with the transaction only after receiving approval from Thai credit's Board of Directors' meeting and/or the general meeting of shareholders and/or the relevant agencies (as applicable).
- (2) The directors and/or executives representing Thai credit must immediately notify Thai credit of a subsidiary's plans to enter into a transaction or an event that is to occur, which requires Thai credit to disclose information to comply with the notifications, regulations, and articles of association, regulations of the relevant regulatory authority, as well as the obligations under the regulations of the SET, including rules, conditions and procedures governing the disclosure of information and other acts of a listed companies.
- (3) Thai credit implements a policy to ensure that its subsidiary maintain an effective risk management system and internal control system that are suitable and comprehensive. The subsidiary must provide adequate staffing to efficiently operate the systems, preventing the risk of misconduct within the subsidiary. Thai credit also establishes an internal control system to oversee and supervise the subsidiary's operations, safeguarding the subsidiary's assets from unauthorised or improper use by

directors or executives. This includes transactions involving individuals with potential conflicts of interest and Connected Persons. Thai credit's internal audit department monitors activities to enable the Board of Directors and executives to effectively monitor the subsidiary's performance, financial status, related party transactions, and material transactions. Additionally, Thai credit designates an internal auditor and member of Audit Committee to directly access the internal information of Thai credit's subsidiary and report audit findings to Thai credit's Board of Directors. This ensures strict compliance with established operational systems by the subsidiary.

- (4) Directors of the subsidiary, acting as Thai credit representatives, must propose the annual budget of the subsidiary to Thai credit's Board of Directors' meeting for approval before the subsidiary could convene its own board of directors' meeting to approve the annual budget, unless the subsidiary's approved Delegation of Authority specifies otherwise, as authorised by Thai credit's Board of Directors' meeting.

4. Review of Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates

Thai credit reviews its Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates at least once a year, including when there are any changes relating to practice, rules, regulation and business operation. Thai credit's Board of Directors considers and approves the updated Policies on Investment in, and Governance of, Operations of Subsidiaries and Associates, after the review and necessary amendments, for future enforcement.

4. Conflict of Interest Policy

The Thai credit's Board of Directors meeting No. 2/2023, held on 22 February 2023, resolved to approve the Conflict of Interest Policy. The details are discussed below.

1. Objectives

Thai Credit Bank Public Company Limited ("**Thai credit**") is dedicated to conducting its business with integrity, transparency, fairness, and accountability. It recognises the importance of carefully considering transactions that may give rise to conflicts of interest to prevent any conflicts that may occur between parties involved. Therefore, Thai credit has established a Conflict of Interest Policy to control and prevent conflicts of interest, ensuring that the Board of Directors, executives, and employees of Thai credit understand and adhere to the relevant laws and regulations and act in the best interests of Thai credit and its shareholders.

2. Definitions

"**Conflict of Interest**" means any activity that may have personal or related individuals' interests, whether through familial relationships or otherwise, influencing decision-making or obstructing Thai credit's best interests. This can arise from interactions with Thai credit's commercial associate, such as business partners, customers, or competitors, or through the use of opportunities, assets, or information obtained from positions of authority, duties, or responsibilities to seek personal benefits or benefits for others. These actions may result in harm to Thai credit, whether directly or indirectly.

Terms that are not defined under this policy have the meaning under the Public Limited Companies Act, B.E. 2535 (1992) (as amended), the Securities and Exchange Act, B.E. 2535 (1992) (as amended), the Financial Institution Business Act, B.E. 2551 (2008) (as amended) ("**FIBA**"), as well as requirements, notifications, and orders of the

Office of the Securities and Exchange Commission (the “**Office of the SEC**”), the Capital Market Supervisory Board, and the Stock Exchange of Thailand (the “**SET**”), and the Bank of Thailand (the “**BOT**”) (collectively the “**relevant laws and notifications**”).

3. Policy compliance guidelines

Directors, executives, and employees must try to refrain from doing anything that may result in a conflict of interest, and must comply with the following regulations and considerations.

- 3.1 They must disclose and provide information about their interest, and the interest of their related persons to Thai credit's secretary, who will then pass on this information to the chairman of Thai credit's Board of Directors, the chairman of the Audit Committee, and the chairman of the Risk Oversight Committee, within seven business days after the date of its receipt. This is to ensure that any potential relationship and transactions with Thai credit and its subsidiary that may result in a conflict of interest will be acknowledged before they are initiated. Thai credit will review a list of interested parties and interested transactions on Directors, Executives, and/or related persons, including employees involved at the end of every year, and report the review results to the Audit Committee and Thai credit's Board of Directors at least once a year.
- 3.2 They must avoid any related party transaction or connected transaction with themselves and/or their related persons, in such a manner that may result in a conflict of interest with Thai credit or its subsidiary. They must not do anything that would undermine the interests of Thai credit or its subsidiary, or seek personal benefits and/or benefits for related parties. They must adhere strictly to the ethical standards of Thai credit.
- 3.3 Directors, executives, and employees, including sub-committee members who have an interest in any agenda of a meeting, must disclose their conflict of interest to the meeting and refrain from attending the meeting. They must not participate in expressing opinions or approving agenda items related to matters in which they have a personal interest or a direct or indirect conflict of interest. This is to ensure that the decision-making process of the Board of Directors and/or its sub-committees is impartial and in the best interest of Thai credit and its shareholders. Additionally, minutes of the meeting must be accurately recorded in writing.
- 3.4 The following actions resulting in Directors, executives, employees of Thai credit, and/or related persons receiving financial or other benefits beyond what is considered normal or causing harm to Thai credit or its subsidiary are presumed to significantly conflict with the interests of Thai credit and its subsidiary.
 - 3.4.1 Any transaction between Thai credit or its subsidiary and a Director, Executive, or a related person, that fails to comply with any provision on related party transaction or connected transactions under relevant laws, notifications and Thai credit's connected transactions policy.
 - 3.4.2 Use of information of Thai credit or its subsidiary that the recipient knows of, except for information already disclosed to the public.
 - 3.4.3 Use of an asset or business opportunity of Thai credit or its subsidiary that violates any relevant laws or notifications.
- 3.5 Thai credit must prepare a quarterly summary report for the Audit Committee and the Board of Directors to acknowledge and opine when conducting ordinary related party transactions or connected transactions involving

commercial agreements with general terms and conditions, where a reasonable person would enter into such transactions with a general party under similar circumstances, without being influenced by their role as a Director, executive, or related person (as applicable), and as approved in principle by Thai credit's Board of Directors.

- 3.6 The Audit Committee must first evaluate and opine on the necessity and appropriateness of engaging in transactions and pricing for connected transactions that are not in the ordinary course of business. Then the transactions must comply with relevant criteria of connected transaction under the relevant laws and notifications and Thai credit's connected transactions policy.
- 3.7 Thai credit and its subsidiary must have an internal control system, risk management system, and anti-corruption system that are proper, efficient, and sufficiently prudent to ensure that any action by Thai credit and its subsidiary will comply with Thai credit's policies, articles of association, including relevant laws and notifications.
- 3.8 Thai credit's Board of Directors must ensure that Thai credit and its subsidiary comply with relevant laws and notifications and disclose information as required under relevant laws and notifications.
- 3.9 Thai credit must provide a clear work system to demonstrate the subsidiary's sufficient work systems that allows continuous and reliable disclosure of material transactions under the specified regulations. This is to provide Thai credit's Directors and Executives with access to the subsidiary's information and to allow them to efficiently monitor and supervise the operations and financial position of the subsidiary, transactions between a subsidiary and Thai credit's Directors and Executives, and material transactions of Thai credit's subsidiary. Thai credit must also have a mechanism in place to examine this work system of the subsidiary by allowing the Audit Committee and Thai credit's internal auditors to have direct access to their information, and report audited results of these work systems to Thai credit's Directors and Executives, Audit Committee members, and Risk Oversight Committee members to ensure that the subsidiary complies with the established work system regularly.
- 3.10 They must refrain from holding shares or assuming positions as directors, executives, or advisers in businesses that are similar to any of Thai credit's or its subsidiary's operations, or being involved in a business that competes with Thai credit or its subsidiary. However, they may hold shares or assume positions in other organisations as long as it does not create conflicts of interest with Thai credit's interests, does not impact their performance of duties in Thai credit or its subsidiary, and complies with relevant laws and notifications.

4. Policy review and revision

To ensure that the policy is properly implemented in line with the prevailing circumstances and the banking transaction environment, Thai credit mandates a periodic review of the Conflict of Interest Policy, at least once a year or whenever significant changes impact this policy. Thai credit may occasionally adjust or modify the policy, aiming to enforce it appropriately and effectively as Thai credit may consider appropriate.

5. Anti-Corruption Policy

The Thai credit's Board of Directors meeting No. 10/2023, held on 30 August 2023, resolved to approve the Anti-Corruption Policy. The details are discussed below.

1. Objectives

Thai Credit Bank Public Company Limited ("**Thai credit**") employs an efficient process to ensure compliance to laws and regulations combatting corruption and bribery, including the US Foreign Corrupt Practices Act ("FCPA") (collectively referred to as "Anti-Corruption and Bribery Regulations"). The purpose of this policy is to prevent corruption in all types of transactions of Thai credit. This policy applies to all directors, executives, managers, and employees of Thai credit, its subsidiaries or Thai credit's branches worldwide (collectively referred to as "Thai credit"), regardless of their employment status (full-time, part-time, or temporary) (collectively referred to as "employees"). Employees have the responsibility of familiarizing themselves with and implementing the provisions of this policy in their roles. This policy extends to every agent and representative, including shareholders or any individuals acting on behalf of Thai credit.

2. Business principles

Thai credit's Board of Directors has established and encouraged all levels of Thai credit employees to be accountable for their duties with honesty and transparency, and not to violate the following principles.

2.1 Thai credit adheres to principles aimed at combating all forms of corruption, whether through direct or indirect means.

2.2 Thai credit will adhere to anti-bribery regulations and conduct its business in accordance with principles of anti-corruption, emphasizing strict adherence to ethical and moral principles. This will be achieved through the development of written documents, including policies, guidelines, and manuals, as well as the implementation of effective risk management, internal and external communication, appropriate monitoring and control, and thorough audits across all its departments.

2.2.1 Different anti-bribery regulations apply to different practices of bribery for employees or agents in different work units.

2.2.1.1 Regulations concerning bribery of public officials generally prohibit the payment, offer, or promise of personal benefits (regardless of their significance) to a "public official" (as defined below) with the intention of influencing their official duties or enticing them to perform actions beyond their prescribed responsibilities. Additionally, these regulations provide specific guidelines for personal communication with government agencies, state enterprises, and public officials. Bribery of public officials constitutes a grave offence and may be subject to criminal penalties in various jurisdictions.

2.2.1.2 Business bribery regulations typically prohibit the payment, offer, or promise of personal benefits (regardless of their significance) to employees or representatives of business organisations, with the intention of influencing their duties or enticing them to provide benefits beyond those prescribed by their employer. In some countries, business bribery may lead to complaints from the recipient's employer against the giver or the giver's employer. Furthermore,

business bribery constitutes a criminal offence in many jurisdictions. While Thailand currently lacks specific legislation regarding bribery in non-state businesses, Thai credit must adhere to the Thai Bankers' Association's anti-corruption guidelines.

2.2.1.3 Furthermore, several countries have developed regulations to combat transnational corruption. For instance, the Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention and the United Nations Convention against Corruption establish protocols that aim to prevent individuals or organisations within their respective countries from engaging in bribery with foreign public officials. Additionally, individuals within their own countries are prohibited from participating in facilitating bribery and corruption in other countries. In certain countries, such as the United States and the United Kingdom, specific laws such as the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act 2010, respectively, are in place. The UK Bribery Act applies to UK citizens and individuals or entities with close ties to the UK. The FCPA directly regulates the conduct of U.S. citizens, permanent residents, and entities within the country, including American corporations. This means that employees who are U.S. citizens or have permanent resident status in the country are directly liable for violations of the FCPA's provisions. Moreover, the FCPA's extensive coverage also applies to non-U.S. companies that have or intend to establish any relationship or affiliation with the United States. This coverage is particularly relevant when such companies fall under the FCPA's jurisdiction as an issuer with investments made by U.S. investors. As a result, Thai credit and its employees must comply with the provisions of the FCPA, even if their actions occur outside the United States.

2.2.2 FCPA

2.2.2.1 The FCPA has extensive coverage. When Thai credit receives investment from investors from the United States and is developing the organisation into a global organisation, the FCPA will bind and regulate its behaviour as well as its employees and shareholders acting in its name or on its behalf.

2.2.2.2 The FCPA considers the following actions illegal: proposing, paying, promising, or approving the payment, gifts or things of value to public officials to (1) pressure the performance or decision of public officials in the performance of their duties, (2) induce public officials to act or refrain from any action that violates their legal duties, (3) obtain an undue advantage, or (4) induce public officials to leverage their powers in foreign governments or agencies to influence any action or decision by such government or agency in order to assist Thai credit in obtaining or retaining business or engaging in business with any individual.

Therefore, whether directly or indirectly, employees must refrain from offering, promising, acting, authorising, approving, or providing anything of value to a public official through a third party (for example, if the action appears to be an attempt to influence the decision-making process). Before offering or delivering anything of value (including gifts and entertainments) to individuals associated with government-regulated agencies or countries, employees must carefully review these policies. Furthermore, the FCPA prohibits any form of indirect bribery through third parties

to any foreign government official. Specifically, providing payments to third parties with the knowledge that some or all of the funds will be offered directly or indirectly to government officials is considered illegal. Moreover, intentional negligence or evasion (such as disregarding or failing to monitor warning signs) does not serve as a valid legal defence or excuse.

2.2.2.3 When Thai credit receives investments from investors from the United States, it must comply with FCPA regulations regarding bookkeeping and internal control. The FCPA requires the proper maintenance of books and records to ensure accuracy in case of transactions involving bribery (including sales promotion, due diligence, training, and accounting audits). Instead of limiting it to just payments to public officials, the FCPA prohibits fraudulent payments, gifting, outsourcing, or contracting by and from public corporations, including bribery of government officials, individuals, and limited companies. The FCPA mandates the implementation of internal control systems to reject any improper payments.

2.3 General principles on prohibiting improper payments

2.3.1 The objective of this policy is to align with the highest ethical standards and relevant regulations about business bribery, including the bribery of public officials and anti-bribery measures.

2.3.2 During Thai credit's business operations or transactions, Thai credit employees must not directly or indirectly offer, approve, or promise to any person through a third party, including any offers, commitments, gifts, or payments (such as cashback) or anything of value (including tangible property and intangible interests), for the following purposes:

- a) facilitating Thai credit or others in obtaining or retaining business;
- b) safeguarding Thai credit's business advantages;
- c) achieving improper objectives;
- d) inducing the recipient to abuse their authority;
- e) inducing the recipient to violate their legal obligations or duties;
- f) exerting an undue influence that impacts the recipient's performance of their duties.

2.3.3 The Anti-Bribery Policy broadly interprets and encompasses the following actions. Any activity aimed at obtaining, sustaining, or developing relationships with current or potential customers, or assisting Thai credit to enhance competitiveness and foster a conducive regulatory environment will be treated as an action aimed at obtaining or maintaining business. This includes business development and exchange, such as selling products and services to government entities (including state-owned enterprises) or engaging with relevant government agencies on taxation, customs, social security, licensing, auditing, certification, or other regulatory matters. It also covers general business-related expenses. If these actions aim to exert pressure on recipients (whether public officials or employees of partner companies) in their decision-making or official capacity, they will be considered violations of the Anti-Bribery Policy.

- 2.3.4 Thai credit employees should refrain from engaging in any actions that resemble offering promises, giving gifts, or making payments that are inappropriate.

The following actions serve as additional examples of violations of anti-corruption and bribery regulations:

- a) to reward officers as a means of motivation in carrying out their duties;
- b) to reward public officials as a mean in pressuring them;
- c) to use rewards to exert influence over public officials;
- d) to engage in deception, fraud, embezzlement, or misappropriation of entrusted property, or authorising others to do so;
- e) to receive property or financial benefits for oneself or others through corruption, abuse of power in one's position, or any other unlawful act;
- f) to possess assets or resources that are disproportionate to one's source of income.

Encouraging or attempting to support an offence may lead to prosecution for violating anti-bribery regulations.

- 2.3.5 If no improper payment occurs and only an offer or promise of improper payment is made, it may still constitute a violation of the Anti-Bribery Policy, even if the recipient does not offer anything in return.

- 2.3.6 Thai credit employees must not use personal funds or resources to give inappropriate gifts or make improper payments related to Thai credit's business and operations. These actions may result in disciplinary measures (including potential immediate termination) and may constitute legal offences. Employees must not accept or offer bribes, kickbacks, or any other improper advantages. Also, employees must not engage in gambling activities with individuals who have business relationships with Thai credit. Additionally, employees must not accept loans from individuals or entities with business relationships with Thai credit or seek assistance from them in obtaining loans. However, this does not restrict general borrowing from Thai credit or other authorised financial institutions.

3. Definitions

- 3.1 **Corruption** refers to proposing or approving gifts, payments, transfers, or commitments to provide money, valuable items, or benefits for use or for the benefit of any government official to influence their duties, gain business advantages, or for inappropriate purposes. This includes seeking unlawful benefits for oneself or others in any form, directly or indirectly, such as aiding in politics, making charitable donations, providing financial support, giving gifts, certifications, and other expenses. It encompasses actions involving the misuse of power, whether through proposing, making commitments, accepting, requesting, demanding, giving, or receiving goods or benefits that should not be obtained. This also covers activities such as hiring employees, inducing actions that violate laws, destroy trust, or engage in any corrupt practices that harm the fairness and cause damage to Bank, the economy, society, and the confidence of shareholders, investors, and stakeholders.
- 3.2 **Political contributions** refer to providing financial assistance or other forms of support, such as goods, services, advertising, or promoting and supporting political parties. This also includes buying tickets for fundraising events or donating money to organizations closely related to political parties to support political activities.
- 3.3 **Charitable contributions** refer to donating money or benefits without expecting anything in return to non-profit entities like charitable organizations, foundations, or funds.
- 3.4 **Sponsorships** refer to providing money, assets, or other benefits to external individuals for business, branding, or the Bank's reputation.
- 3.5 **Gifts, certifications, and other expenses** refer to various payments for anything with financial value, covering items used in place of cash and those exchangeable for goods or services. This encompasses rewards, considerations, or indirect gifts to individuals close to the Bank executives or employees, falling under the scope of this definition.

4. Roles, duties, and responsibilities

- 4.1 **Thai credit's Board of Directors** must review and approve the Anti-Corruption Policy as its guiding framework. Their duties include ensuring Thai credit implements an efficient anti-corruption support system and assigning responsibilities to other relevant sub-committees, including the Risk Oversight Committee, Risk Management Committee and Executive Committee, to aid in overseeing its operations and management to comply with the prescribed policy.
- 4.2 **The Risk Oversight Committee** must review and screen the content of the Anti-Corruption Policy, and present it to Thai credit's Board of Directors for approval. The committee also oversees and ensures Thai credit complies with the Anti-Corruption Policy, laws, regulations, guidelines, and effective governance of operations. This includes reviewing Thai credit's internal control and internal audit systems to ensure their efficiency and effectiveness. If the Risk Oversight Committee identifies or suspects any transactions or actions that involve corruption, irregularities, or significant deficiencies in the internal control system, they may investigate and examine individuals and matters within their jurisdiction and responsibilities.
- 4.3 **The Risk Management Committee** is responsible for establishing risk management policies across various aspects of the Bank, covering risks that may lead to corruption. This includes assessing, monitoring outcomes, and overseeing the quantity of risk to maintain an appropriate level of risk.

4.4 Compliance units

4.4.1 Compliance department

This department is responsible for assessing, reviewing, and presenting the Anti-Corruption Policy to the Risk Oversight Committee for screening before proposing it to the Board of Directors for approval. The department coordinates and oversees the implementation of the Anti-Corruption Policy across various departments within Thai credit, ensuring adherence to the policy. The department also provides advisory services on relevant criteria and guidelines for anti-corruption measures to management and employees. Additionally, the department organises appropriate training sessions to enhance the knowledge and awareness of relevant departments in combating corruption.

4.4.2 Audit department

The audit department is responsible for auditing Thai credit's internal control system, including financial operations, accounting processes, data management, and other relevant processes related to Thai credit's anti-corruption practices. The objective is to ensure the effectiveness of the internal control system in preventing and detecting corruption. If any corruption practice, irregularities, or significant deficiencies in the internal control system are discovered or suspected, the audit department will collaborate with management and relevant departments to identify suitable corrective actions. The findings will then be reported to senior executives and the Audit Committee for further necessary steps.

4.4.3 Risk management department

The risk management department is responsible for regularly developing, reviewing, and proposing policies, guidelines, and risk management procedures, including risks associated with potential corruption or during significant changes. The department also designs and develops tools for Thai credit's departments to assess their own operational risks, including risks related to potential corruption. The department reviews, analyses, and prepares risk reports to be presented to the Risk Management Committee and senior executives, enabling effective risk monitoring and control. The gathered information is used to consider and implement appropriate and timely measures.

- 4.5 Thai credit employees must strictly adhere to Thai credit's anti-bribery regulations and Anti-Corruption Policy, including relevant notifications, regulations, and guidelines. They must promptly report any observed acts of corruption that fall within Thai credit's purview to their department head or the Complaint Centre, without neglecting or disregarding them. Employees should consider their duty to combat corruption as a fundamental ethical obligation in carrying out their responsibilities, aiming to uphold the Thai credit's reputation. If employees have concerns about work practices that may give rise to corruption, they should seek guidance from their department head or the compliance department. Employees must report any violations or potential breaches of the anti-bribery regulations, Anti-Corruption Policy, other applicable laws, or codes of conduct that are applicable to Thai credit.

5. Scope and Guidelines

Thai credit strictly prohibits all levels of executives and employees from engaging in or accepting acts of corruption for personal benefit, including benefiting themselves, their families, friends, and acquaintances. Thai credit establishes scopes and provides guidelines on various matters that serve as channels for corruption. These include the following:

5.1 Political contributions

Thai credit does not have a policy to provide any form of political contributions, including financial support, directly or indirectly, to political parties. This applies to officials of political parties, candidates, organisations, or individuals associated with politics.

5.2 Charitable donation and sponsorship

5.2.1 Thai credit's charitable donations must be conducted with transparency, adhering to moral and legal principles, and avoiding any actions that may harm society as a whole. Donations must be directed solely towards charitable activities, with the objective of supporting those activities, and must be accompanied by appropriate supporting documents.

5.2.2 Sponsorship involves providing monetary support or items under a written agreement for legitimate business, branding, or reputational purposes of Thai credit, with reasonable consideration provided by the host. However, this support must not include any promises, offers, or actions intended to give Thai credit an unfair competitive advantage or serve unlawful purposes. Moreover, Thai credit must not support activities organised by individuals or entities whose objectives are inconsistent with its business principles or may harm its reputation.

5.2.3 Requests for approval of charitable donations and sponsorships must be submitted to the Chief Executive Officer, Managing Director, or their designated representative. This should be done following Thai credit's prescribed approval process. If the donation is intended for illegal solicitation or for improper business gain, such as using or purchasing Thai credit's products or services to gain an unfair advantage, it will be considered inappropriate. Quarterly reports on these matters must be presented to the Board of Directors.

5.3 Credit support or business partners

Thai credit has a strict policy of not supporting loans or engaging in business with entities or individuals involved in illegal or unethical activities, corruption, or any business related to government auctions where there is reasonable

belief of collusion to ensure a specific bidder wins. Furthermore, employees must not falsify document about Thai credit's business operations with customers, business partners, and business allies, and exercise diligence in verifying the authenticity of documents.

5.4 Gift value, entertainment expenses, and other expenses

5.4.1 Gifting or entertaining counterparties to a business contract

5.4.1.1 Receiving and providing gifts, business entertainments, or other benefits to counterparties, customers, and patrons of Thai credit should be conducted in accordance with relevant festivals or traditions, ensuring legality and appropriateness. This practice aims to strengthen relationships with Thai credit's customers and individuals involved in its business operations, while adhering to anti-bribery regulations and this policy. Gifts and entertainments must be provided or received with caution and diligence to ensure that they are reasonable, have appropriate value, do not exhibit characteristics that may lead to corruption, and do not create an appearance of improper payments.

5.4.1.2 To accept from or offer customers, contractual parties, or persons associated Thai credit gifts, business entertainment or other benefits, employees must adhere to the Thai credit's Code of Conduct and guidelines on accepting and giving gifts, entertainments, other properties or benefits, charitable donations, and sponsorships. These guidelines outline the appropriate practices for accepting/giving gifts, entertainments, as well as property or other benefits, charitable donations, and sponsorships (See Attachment 1). If you are unsure about the appropriateness of accepting or giving gifts, entertainment, or acts of kindness from external individuals, you should consult your supervisor or the compliance department for guidance.

Entertainment expenses and other expenses must strictly comply with the relevant regulations and guidelines.

5.4.1.3 General principles of gifting and entertainment

Employees must not offer (or promise or approve to offer) gifts or entertainments to others (directly or indirectly through third parties) that are related to Thai credit's business, transactions, or operations, unless—

- a) the value of the gift or entertainment is low;
- b) the offering of gifts or entertainments complies with relevant laws or regulations;
- c) the offering of gifts or entertainments complies with Thai credit's business practices and customs;
- d) the offering of gifts or entertainments is consistent with the regulations of the recipient's organisation;
- e) the offering of gifts or entertainments complies with Thai credit's policies and procedures, and is accurately documented as required by regulations;
- f) entertainments are offered during legitimate business conversations;
- g) offering gifts or entertainments does not inappropriately influence the recipient's consideration or decision-making while carrying out their duty; and
- h) offering gifts or entertainments does not create an inappropriate perception of undue influence on the recipient's consideration and decision-making while carrying out their duty.

5.4.1.4 An act of offering gifts or entertainment is inappropriate if the general public perceives that offering gifts or entertainments in that situation is excessively lavish or expensive, or that it could unduly influence the recipient's business decisions, or create a sense of obligation to reciprocate the kindness.

5.4.1.5 The cultural environment and the perspectives of the general public in the recipient's country of residence are significant factors in decision-making. However, considering the views of the general public in the United States or other countries where Thai credit conducts its business is also crucial. These perspectives may be referenced in assessing the appropriateness of certain benefits, considering the Foreign Corrupt Practices Act (FCPA) and other relevant international anti-bribery laws.

5.4.1.6 Generally, if Thai credit's name or logo is clearly displayed on the gift (e.g., on a glass) and/or used as a symbol to represent the relationship between Thai credit and the recipient's organisation (e.g., a sign or souvenir made of glass), these gifts will be highly likely considered appropriate. Conversely, gifts that do not bear the Thai credit's name or logo and are intended for personal entertainment or consumption (such as alcoholic beverages or golf course membership cards) are highly likely to be considered inappropriate.

5.4.1.7 As a general practice, entertainments intended for commercial activities or conversations are likely to be considered appropriate. However, any entertainment that may harm Thai credit's reputation is inappropriate, such as entertainment at an adult entertainment venue. Furthermore, employees must exercise caution when paying for meals or entertaining friends or relatives of Thai credit's counterparties, especially for expenses unrelated to Thai credit's business.

5.4.1.8 Providing gifts or entertainments to the same recipient multiple times, even if they are suitable, can give rise to concerns. Therefore, employees must ensure that promotional activities or business entertainments have clear and specific business objectives, and the frequency of providing the items aligns with the business objectives.

5.4.1.9 The difference between gifts and entertainments

Entertainments and gifts require distinct standards and evaluation methods.

- a) "Entertainment" means various activities such as dining with guests or customers, attending sporting events, participating in cultural or recreational activities, and other forms of entertainment involving Thai credit employees. When Thai credit employees and business contacts engage in these activities together, appropriate business entertainment can create opportunities for exchanging ideas and fostering relationships.
- b) "Gifts" means tangible and intangible items. For example, personal items, travel and accommodation, tickets to sporting or cultural events that guests or customers can attend without the presence of Thai credit employee, use of transport, sponsorship, or other things of value. These gifts, if appropriate, can enhance Thai credit's relationship and goodwill with its counterparties. If a business contact receives a ticket to a sporting or cultural event without the presence of a Thai credit employee, the cost of such a ticket will be treated as a gift.

During various conferences, workshops, and other sales promotion activities, Thai credit may provide transportation, accommodation, or meals to participants. For the purpose of these policies, these travel privileges are considered entertainment.

5.4.1.10 Prohibition on cash offers or cash equivalents

- a) Offering cash or cash equivalents (such as gift vouchers or debit cards with monetary value) or high-value items easily convertible to cash, such as gold, is generally prohibited. Additionally, reserving cash benefits or providing allowances is also prohibited.
- b) In certain circumstances, cash offer may be possible at weddings, funerals, or cultural and traditional events. However, the offer requires written approval from the compliance department.

5.4.2 Giving gifts or entertainments to relevant officials

The meaning of the term "relevant official"

The regulations on bribery of officials and the FCPA provide an extensive definition for the terms "official" or "agent" of a government agency or state enterprise, and establish specific conditions for engaging with these officials and agencies. Within the scope of these anti-bribery regulations, these individuals are referred to as "relevant officials."

For these reasons, Thai credit has implemented a specialised system and procedure for communicating with the relevant officials.

5.4.2.1 A relevant official includes:

- a) any employee or agent of the government (regardless of position or whether they are located domestically or abroad), or a state-owned or operated enterprise, or any entity controlled by the state (even if the entity's operations are commercial and conducted by these employees);
- b) employees or representatives of international public organisations (such as the United Nations, the World Bank, or the World Health Organisation);
- c) candidates for political institutions;
- d) a person acting on behalf of the official described in three clauses above (regardless of whether they receive compensation or their status); and
- e) members of political parties or electoral candidates.

5.4.2.2 The scope of the term "relevant official" is broader than the scope of the terms "government employee" and "official" as defined by the laws of various countries. This includes individuals who, even without official positions or direct employment by state agencies, can be considered relevant officials. For example, engineers or professors working on engineering design at state-controlled institutions, environmental protection organisations or research institutes, or officers of organisations structured as quasi-governmental or commercial entities, as well as those working for government-controlled organisations or state-owned enterprises, may be regarded as relevant officials.

5.4.2.3 Furthermore, benefits provided to the relatives, friends, and business associate of relevant officials may impact the behaviour of those officials. Processes and mechanisms specifically developed for engaging with relevant officials must be applied to these individuals as well.

5.4.2.4 Due to the potential challenge in identifying whether an individual is a relevant official, employees may need to seek legal advice. If employees are uncertain about the status of individuals who have a business relationship with Thai credit and whether they qualify as relevant officials, they are encouraged to consult the compliance department.

5.4.3 Minimum standards before approval

5.4.3.1 To enable the compliance department to effectively monitor compliance with the Anti-Corruption Policy, any gifts or entertainments that exceed the following amounts require approval from the compliance department.

5.4.3.2 **For acknowledgment:** Gifts or entertainments provided to other officials or recipients may require approval based on alternative approval standards.

5.4.3.3 Regardless of when a gift or entertainment is offered and the value of the gift or entertainment, the general principles outlined in this policy regarding gift giving or entertainments must be consistently applied. Even if the value of the gift or entertainment is below the specified threshold and exempt from prior approval, violating these general principles may result in actions that are illegal under anti-bribery laws and Thai credit's policies. This includes even a nominal amount as low as THB 1 if it is given as a bribe to the relevant official.

5.4.3.4 Officials

- a) Employees must not offer any gift to any official without the prior written approval from the compliance department.
- b) Employees must not offer any entertainment to any official without the written approval from the compliance department.

5.4.3.5 Other recipients

- a) Employees must not offer gifts exceeding THB 3,000 (or USD 250 equivalent in any case) each item, or exceeding a total value of THB 3,000 (or USD 250 equivalent in any case) within a 12-month period, to any other recipients, without prior written approval from the compliance department.
- b) Employees must not offer any entertainments with costs or values exceeding THB 2,000 (or USD 250 equivalent in any case) to each recipient or in total exceeding THB 7,000 (or USD 250 equivalent in any case), within a 12-month period of offering total entertainments to recipient, to other recipients without prior written approval from the compliance department. If these entertainments are not planned in advance and approval from the compliance department is not feasible, they must be immediately reported to the compliance department.

5.4.3.6 Employees must submit gifts and entertainment offer form (See Attachment 4 for details) to the compliance department to obtain prior written approval for the gifts and entertainments to be offered. Any gifts or entertainments that may be considered as contravening or inducing a contravention of relevant anti-bribery laws or general principles regarding gift offers and entertainments outlined in this policy must be denied approval.

5.4.4 Transparency assurance measures

Before offering or sending out gifts or invitations to an event, the compliance department must orally or in writing notify the recipient's agency of the gift or invitation in order to confirm transparency.

5.4.5 Data recording and documents

5.4.5.1 All expenses related to gifts, cash gifts, or entertainments provided to relevant officials, or third parties must be recorded clearly, comprehensively, and accurately in Thai credit's account book.

These records must include at least the date of the gift or entertainment, along with detailed information such as its value, recipient's name, position, and employer. Employees must submit the original receipt or invoice for the gift or entertainment, clearly indicating the gift amount and entertainment cost. If the gift is given to multiple individuals, the record should include the names, titles, and employers of all recipients, along with the total number of recipients. Additionally, a brief description of the related activities should be provided. The accounting department may request employees to provide the specified information when they are seeking approval for withdrawal or reimbursement.

5.4.5.2 The accounting department must not process any payment authorisation or reimbursement request without the required approval. If the finance department receives these requests before incurring the expenses, the accounting department must instruct the employee applicant to follow the necessary procedures. If the accounting department receives the request after the expenses have been incurred, it must promptly notify the compliance department and refrain from doing anything until further instruction from the compliance department.

5.4.5.3 The compliance and accounting departments must actively monitor gift and entertainment expenses for any indications of violations of the Anti-Corruption Policy.

5.4.5.4 The compliance department must maintain a database, monitor the total value of gifts, entertainments, and other interests provided to individuals or entities, and regularly update this database.

5.4.6 Facilitation payments

Occasionally, relevant officials may request payment, gifts, or other thing of value to facilitate the smooth execution of their daily duties unrelated to government decisions (e.g., requests for public utilities or electricity services, or processing other documents). The FCPA has limited the exception to "facilitation payments" made for the performance of non-state decision-related daily duties. However, these facilitation payments do not comply with anti-bribery laws in many countries, including Thailand. Thai credit policies strictly prohibit employees from offering or making facilitation payments. If employees receive requests or proposals to make such payments, they must not make the payment and must promptly report the matter to the compliance department.

5.5 Intermediaries

5.5.1 General principles governing the employment of intermediaries

5.5.1.1 Engaging a broker or any other intermediary to undertake any illegal, immoral, or inappropriate actions for or on behalf of Thai credit is inconsistent with its policy.

5.5.1.2 Thai credit may be liable the actions of brokers, agents, or other intermediaries acting on its behalf in violation of anti-bribery laws in many countries if brokers, agents, or other intermediaries are involved in the wrongdoing. If Thai credit's personnel (1) become aware of the wrongdoing, or (2) become aware of the potential for wrongdoing but neglect or fail to investigate signs of intermediary misconduct, Thai credit can be held criminally liable for the misconduct of the intermediary. Additionally, accountable employees may face civil and criminal penalties for broker misconduct.

5.5.1.3 Contracts with an intermediary must be in writing.

5.5.1.4 Compensation paid to an intermediary based on the success of work must—

- a) be commercially reasonable (such as consistent with fees for similar services in the industry or country);
- b) be consistent with the scope of work performed by the intermediary;
- c) comply with the terms of the written contract with the intermediary; and
- d) comply with the payment terms and conditions specified in the written agreement with the intermediary.

5.5.1.5 Employees must not accept proposals to modify the following provisions of the contract, regardless of the method:

- a) a request is made to increase or decrease the agreed amount in an invoice (if the request is inconsistent with Thai credit's articles of association or procedures, or relevant laws); or
- b) multiple copies of the invoices are submitted. (if an employee suspects that these invoices may be used in any act that is inconsistent with Thai credit's articles of association or procedures, or relevant laws).

5.5.1.6 If an employee believes or suspects that an intermediary may be involved in immoral or illegal acts (whether or not related to Thai credit's business), the employee must immediately notify the compliance department.

5.5.2 Intermediary engagement regulations

When Thai credit engages a special intermediary to deal with a state organisation or state enterprise for business purposes, it must carefully monitor the risks of the offences discussed above. Therefore, a specialised process is necessary to select, engage, and inspect these special intermediaries.

5.5.2.1 Definition of a 'special intermediary'

"Special Intermediary" means an individual who may have contact with relevant officials on Thai credit's behalf. This term includes all third parties that Thai credit engages to:

- a) assist Thai credit in obtaining or retaining business from government agencies, state enterprises, whether directly or indirectly owned or controlled by the state, or potential future customers;
- b) assist Thai credit in preserving licences or other documents and certifications used in business operations; or
- c) represent Thai credit in any transactions with relevant officials or government agencies (including state-owned or state-controlled enterprises).

5.5.2.2 Examples of various categories of third parties subject to this policy.

- a) Joint venture parties
- b) Distributor or sales agent (whether the person is an independent distributor or sales representative)
- c) Marketing or sales consultant
- d) Conference agents
- e) Tax agents
- f) Customs clearance agents (or other agents responsible for customs clearance)

As it may be challenging to determine whether a intermediary with specialised expertise is a special intermediary, seeking legal advice may be necessary. If an employee is uncertain about whether the intermediary is a special intermediary, they should consult the compliance department.

5.5.2.3 Contract with a special intermediary

All written contracts with a special intermediary must include anti-bribery provisions and receive approval from the compliance department. An example of these provisions can be found in Attachment 5. The original signed contract must be securely stored, and one copy must be submitted to the compliance department.

5.5.2.4 Due Diligence on Special Intermediaries

Employees must reasonably check background, assess reputations, and evaluate the business competencies of a special intermediary before engaging their services. Employees must not engage a special intermediary without prior approval from the compliance department.

Before engaging a special intermediary, a due diligence on special intermediary is required to:

- a) assess the risk of offence conducted by the special intermediary;

- b) decide if the special intermediary is to be engaged; and
- c) determine the applicable terms of the contract and establish measures for monitoring the special intermediary.

The appropriate scope and extent of the term "reasonably" in the assessment will depend on the specific circumstances. In general, the scope of reasonableness should align with the risk of offering inappropriate payments or gifts to influence relevant officials through special intermediaries during the provision of Thai credit services. Additionally, during the assessment and collection of relevant documents, employees should seek guidance from the compliance department.

5.6 Acquisitions and Mergers

If Thai credit intends to acquire or merge with any legal entity, the review scope should encompass an assessment of the target's compliance with anti-bribery regulations.

5.7 Book accuracy and public record and data

- 5.7.1 Employees must honestly and accurately report all business transactions and expenses (regardless of the amount), particularly those involving government or state enterprises. For any transactions involving public officials, employees must obtain approval from their department head and Thai credit's compliance department before making payments (or receiving approval for payments) to or from a public official. Employees are accountable for the accuracy of the documents and reports they prepare. The accuracy of this information is crucial for Thai credit to fulfil its legal and regulatory obligations.
- 5.7.2 Thai credit must manage its books, records, and accounts to comply with applicable rules or standards and ensure they accurately reflect the nature of the recorded transactions. Thai credit's financial statements must align with generally accepted accounting principles and Thai credit's accounting policies. Thai credit must not create undisclosed accounts or funds or fail to record information related to these accounts or funds. Thai credit's account books and records must not contain false or misleading information. Furthermore, employees must not use any expenses or assets of Thai credit without supporting documentation. Each employee must document the purpose of capital or asset use and prepare all necessary approval-related documents for the transaction.
- 5.7.3 Thai credit will reimburse expenses only when supported by relevant invoices or receipts issued by a third party, except for necessary miscellaneous expenses. In general business, cash transactions should be avoided.
- 5.7.4 If the information recorded by the employee is inaccurate or misleading, or if the employee fails to disclose the information, the employee may be subject to civil or criminal penalties related to the offence committed.

5.8 General audit

Thai credit will do self-audit, which may include, but are not limited to:

- 5.8.1 regular internal audits to ensure the books and records are accurate and complete;
- 5.8.2 review and verification of the terms and amount of commission payment to brokers or sales agents by Thai credit;
- 5.8.3 assurance that any commission proposed by Thai credit is commensurate with the nature and scope of the work performed, when compared to commissions for similar services in the country;
- 5.8.4 requirement for the broker to provide precise documentation of all reimbursable expenses and charges, including receipts, or invoices;
- 5.8.5 investigation into significant money transfers or payments made to brokers;
- 5.8.6 regular payroll system review;
- 5.8.7 verification that the broker, distributor, sales agent, or other intermediary is fulfilling their obligations under the contract and confirm that no payment has been made to the officer; and
- 5.8.8 monitoring of the contractual performance of brokers, distributors, sales agents, or other intermediaries to ensure that the original contract does not contain changes that could lead to illegal activity.

Furthermore, Thai credit will regularly and independently audit to ensure that its account books and records comply with anti-bribery regulations and other applicable rules or regulations. Employees must fully cooperate with the independent auditors and ensure that they have access to review employee records at any time.

5.9 Personal activities

Employees must exercise good judgement when interacting with counterparties, including manufacturers, customers of Thai credit, or employees and agents of regulatory authorities. Although employees believe that the interactions are personal and unrelated to Thai credit's business, the other party or a third party may perceive that they interactions are relevant to Thai credit's affairs. Employees must avoid doing anything that could potentially create conflicts of interest between themselves and Thai credit. Employees must not use their position or authority within Thai credit for personal benefit, the benefit of their relatives, or the benefit of their friends if a conflict of interest arises between the employee and Thai credit, whether it is a mere possibility or an actual conflict of interest. Employees must report these conflicts of interest to Thai credit's compliance department using a "Conflict of Interest Report" with relevant details specified in Attachment 7. The following are common situations that may give rise to a conflict of interest.

- 5.9.1 An employee assesses an individual who may become contractors of Thai credit. The employee has close relationship or potential conflicts of interest with the individual.
- 5.9.2 An employees responsible for hiring or promoting individuals is relatives or close friends with the individuals who are eligible for employment or promotion.
- 5.9.3 A Director has a stake in the bidders that Thai credit is evaluating.

- 5.9.4 An employee is employed by or has an interest in any of Thai credit's subsidiary that are under the supervision or control of the employee in their position as Thai credit's employee.

If an employee has any questions regarding the appropriateness of engaging in any business interaction or contact, they should seek guidance from the compliance department.

5.10 Procurement

Thai credit and its employees must use best effort in engaging a third party (such as intermediaries, consultants, or counterparties) who will adhere to the anti-bribery policy and this policy. Thai credit has implemented procurement regulations, ensuring that the selection of vendors, contractors, or consultants is based on the principle that Thai credit must obtain the maximum benefit. This selection process is transparent, honest, unbiased, and verifiable. An employee must not accept any benefits from the individuals who participate in the selection process. If any information arises regarding dishonest demand for or receipt of payments of benefits, the details should be disclosed to the parties involved and the issue should be resolved fairly and promptly. Thai credit will notify sellers, counterparties, or advisers involved in its purchasing/outsourcing activities about its Anti-Corruption Policy. This notification will include a clear statement of Thai credit's commitment and intent to combat corruption in contracts or procurement/outsourcing agreements between Thai credit and the counterparties. The statement will also certify that all parties must adhere to Thailand's anti-corruption laws and comply with Thai credit's Anti-Corruption Policy. The notification will be provided in a format required by Thai credit, ensuring its appropriateness.

6. Human resource management

- 6.1 Thai credit has implemented a human resource management process that reflects its commitment to anti-corruption. This includes establishing an organisational structure that enhances transparency and efficiency, ensuring clear separation of responsibilities and a well-defined chain of command in each unit. Thai credit also focuses on appropriate power balance, recruitment and selection of personnel, promotion, training, evaluation of employee performance, and remuneration. Thai credit has also established appropriate procedures to discipline employees who fail to comply with the Anti-Corruption Policy. Thai credit also encourages effective internal communication to ensure that its directors, executives, and employees are aware of, understand, and adhere to the Anti-Corruption Policy. Executives are encouraged to engage in effective communication and understanding with employees regarding business operations and to supervise operations within their responsibilities to ensure compliance with Thai credit policies.
- 6.2 Thai credit has a policy of not demoting, penalising, or imposing negative consequences on employees who refuse to engage in corruption, even if such actions result in Thai credit losing business opportunities.

7. Communication and complaint channel

7.1 Communication

Thai credit has published the Anti-Corruption Policy, which forms an integral part of the fundamental principles of the Business Code Conduct, to ensure that employees are informed of and adhere to it as a guiding framework in conjunction with the Thai credit's employee regulations and policies.

Thai credit communicates its Anti-Corruption Policy, which encompasses guidelines for various matters such as charitable donations, financial support, gift expenses, procurement, complaint channels, and risk assessment through multiple channels. These include messages from the Chief Executive Officer or President to employees, orientation courses, yearly refresher training for directors, executives, and employees. The aim is to enhance the effectiveness of communicating the Anti-Corruption Policy. Thai credit also communicates its Anti-Corruption Policy to business representatives and disseminates it to the public, relevant business counterparties, and other stakeholders through various channels such as electronic mail, its website, annual reports, and other publications.

7.2 Complaint channels

Thai credit has established complaint or whistleblowing channels for stakeholders, including shareholders, customers, employees, and contractual parties, to ensure that all stakeholder groups are treated fairly in accordance with their rights and agreements with Thai credit. Thai credit has defined practices for receiving and addressing complaints.

Employees and stakeholders have multiple communication channels available to contact Thai credit. These include electronic mail through designated channels and information disclosed on Thai credit's website, as well as through the Complaint Centre, telephone, Thai credit offices/branches, faxes, mailing services, and direct meetings with Thai credit executives. Additionally, Thai credit employees may directly contact the Chief Executive Officer, Managing Director and the executives of the compliance department to report clues or complaints regarding illegal acts, ethics violations, or behaviours that may imply corruption or misconduct by individuals within the organisation. Managers/supervisors who receive a report of any employee violations must inform the compliance department of the report. Thai credit has mechanisms in place to safeguard whistleblowers and attaches importance to the confidential collection of complainant information. Complaint information and supporting documentation are treated as confidential and will only be disclosed to authorised and relevant individuals. Furthermore, complainants may file confidential and anonymous complaints. This is to instill confidence in them. Thai credit will initiate the complaint handling process and adhere to its established procedures for investigating facts and determining disciplinary actions that Thai credit stipulates. Employees can also report clues, complaints, or suggestions through the Thai credit Portal (Whistleblowing) and the Employee Care platform. Thai credit has established a complaint channel on the Coffee Corner page.

8. Internal control and risk assessment

8.1 Internal control

Thai credit implements internal controls that encompass financial, accounting, and data recording aspects, as well as other internal processes related to anti-corruption practices. The human resources management team at Thai credit is responsible for coordinating with relevant units to develop work procedures aligned with this policy. Furthermore, Thai credit's internal audit department evaluates performance of internal controls, while the compliance department team monitors adherence to Thai credit's regulations.

8.2 Risk assessment

Thai credit has an operational risk management unit responsible for coordinating with various departments to facilitate Risk Control Self-Assessment (RCSA). This assessment aims to identify risks that may lead to corruption

and assign them to relevant departments within the organisation. These departments must report corruption-related issues to the operational risk management department. The department will then review the risk management practices and prepare a report for submission to the Risk Oversight Committee and the Board of Directors.

9. Penalties

All directors, executives, and employees must strictly adhere to this policy. Any violation or non-compliance with this Anti-Corruption Policy is considered a breach of discipline and is subject to disciplinary measures in accordance with relevant regulations, policies, rules, orders, notifications, and laws. Thai credit may impose additional disciplinary penalties, in addition to civil and criminal penalties as prescribed by the enforcing authorities. The severity of disciplinary action will depend on the gravity of the policy violation. Disciplinary measures may include warnings, additional training on Anti-Corruption Policy compliance, or termination of employment.

10. Policy compliance

To ensure compliance with the policy, Thai credit will establish guidelines, manuals, regulations, orders, announcements, and records in accordance with its requirements.

11. Policy review

To ensure policy compliance is appropriate and responsive to the current situation and environmental conditions, Thai credit reviews its Anti-Corruption Policy every 3 years or when significant changes occur that have a material impact on the policy. Thai credit may adjust or amend the Anti-Corruption Policy as necessary to align with the expectations of law enforcement agencies and to stay in line with the evolving work environment. The compliance department is responsible for continuously enhancing and adapting the Anti-Corruption Policy to meet the changing needs.

12. Certificate of compliance

Once each employee has read and comprehended the content of this policy, they must sign the annual certificate of compliance with the Anti-Corruption Policy (as detailed in Attachment 6). The Risk Oversight Committee will establish the duration for the annual document submission.

13. Attachments

- Attachment 1: guidelines on accepting and giving gifts, entertainments, other properties or benefits, charitable donations, and sponsorships.
- Attachment 2: approval form for charitable donations and/or sponsorships
- Attachment 3: gifts and entertainment acceptance form
- Attachment 4: gifts and entertainment offer form
- Attachment 5: special intermediary contract terms
- Attachment 6: annual certificate of compliance with the Anti-Corruption Policy
- Attachment 7: conflict of interests report

14. Relevant announcements, rules, or laws

- Organic Act on Anti-Corruption, B.E. 2561 (2018)

- Notification of The Thai Credit Retail Bank Public Company Limited No. 057/2558 on the revision of Thai credit's expense reimbursement criteria.
- Notification of The Thai Credit Retail Bank Public Company Limited No. 140/2559 on revision to expense approval authority.

6. Whistleblowing Policy

The Thai credit's Board of Directors meeting No. 2/2023 held on 22 February 2023 resolved to approve the Whistleblowing Policy. The details are outlined below.

1. Introduction

Thai Credit Bank Public Company Limited ("**Thai credit**") recognises the importance of preventing fraud and misconduct that may arise from its operations and interactions with stakeholders, potentially impacting its business decisions and operations. Consequently, Thai credit has established this Whistleblowing Policy to provide clear guidelines on effective handling of complaints regarding fraud and misconduct. This policy encompasses the mechanisms for complaint reception and the subsequent procedures for whistleblowing related to illegal activities, violations of Thai credit's rules and regulations, its Business Code of Conduct, or any behaviours implying corruption by its personnel. Additionally, measures are in place to protect and provide fairness to whistleblowers regarding fraud or non-compliance with the law, Thai credit's rules, regulations, Business Code of Conduct, Anti-Corruption Policy, and Good Corporate Governance Policy.

2. Objectives

- 2.1 To establish a framework for receiving and handling complaints from complainants in accordance with relevant operational procedures.
- 2.2 To enable employees to promptly report any indications of misconduct or suspicious behaviour that may arise from violation of laws, regulations, Thai credit's work regulations, and Business Code of Conduct, including the Anti-Corruption Policy and the Good Corporate Governance Policy.
- 2.3 To ensure that the operations concerning the receipt of complaints, whistleblowing related to fraud or non-compliance with laws, rules, regulations, and Thai credit's Business Code of Conduct, including the Anti-Corruption Policy and the Good Corporate Governance Policy, are accurate, appropriate, transparent, and efficient, consistent with the principles of good corporate governance and aimed at preventing risks of potential harm to Thai credit.
- 2.4 To emphasize the importance of the whistleblowing process by employees and to protect whistleblowers by maintaining the confidentiality of their information and complaint details, which must not be disclosed to third parties.
- 2.5 To prevent risks and potential harm to stakeholders resulting from violations of laws, rules, regulations, Thai credit's work regulations, and Thai credit's Business Code of Conduct, including corruption, misconduct, or improper behaviour by Thai credit personnel.

3. Definitions

"Wrongdoing"	means	an act or omission to act by Thai credit personnel that contravenes or fails to comply with laws, rules, Thai credit's working regulations and Business Code of Conduct, including the Anti-Corruption Policy, and the Good Corporate Governance Policy.
"Whistleblowing"	means	providing reliable information to Thai credit regarding suspected wrongdoing.
"Whistleblower"	means	Thai credit personnel, stakeholders, or individuals who witness wrongdoing.
"Complaint reviewer"	means	Chief Human Resources Officer
"Fact Investigation Committee"	means	a committee comprising the Chief Human Resources Officer, the Human Resources Management Strategy Division, the Policy/Regulation Division, and the Human Resources Operations Division, responsible for labour law compliance and practices.
"Secretary to Fact Investigation Committee"	means	personnel in the Policy/Regulation Division and personnel in the Human Resources Operations Division who are responsible for labour law compliance and practices.
"Personnel"	means	Thai credit's Directors, executives, and employees.

4. Scope of complaints and whistleblowing

- 4.1 A complaint may be filed against the Thai credit personnel or any individual acting on its behalf under this policy for wrongdoing. However, Thai credit cannot accept complaints in the following circumstances:
- 4.1.1 The matters already resolved by the general meeting of shareholders, Thai credit's Board of Directors, the Executive Committee, the Chief Executive Officer, or the Managing Director within their respective powers and jurisdiction.
 - 4.1.2 The matters already resolved by the Audit Committee.
 - 4.1.3 Matters that are subject to ongoing litigation, adjudicated by the court, or have already been resolved by a final order.
 - 4.1.4 Complaints from individuals who are not Thai credit personnel and do not disclose their true identity and address.
 - 4.1.5 Complaints that lack identification of witnesses or sufficient clues, evidence, or clear acts of fraud or misconduct to proceed with further investigation.
 - 4.1.6 Matters received or adjudicated by the Thai credit's human resources department or other competent agencies, resulting in a fair and final decision, with no new material evidence of significance.

5. Whistleblowing channels

If an individual becomes aware of incidents where Thai credit personnels violate or fail to comply with laws, principles of corporate governance, Business Code of Conduct, policies, and work regulations, including acts that may imply corruption, they are encouraged to report the matters through this or other appropriate channels for complaints and whistleblowing.

5.1 By e-mail

Email : Employeeecare@thaicreditbank.com

5.2 By mail or orally.

Complaints should be addressed to Chief Human Resources Officer

Thai Credit Bank Public Company Limited

121/78-79 RS Tower, 26th Floor Ratchadapisek Road, Din Daeng Sub-District, Din Daeng District, Bangkok 10400

6. Complaint handling procedures

6.1 The Fact Investigation Committee investigates and gathers, processes, and scrutinises facts, relevant parties, and reaffirms claims and evidence received with the highest executive of the respondent's affiliated unit, and handles complaints as follows.

6.1.1 If the complaint involves malpractice, the Fact Investigation Committee must forward it to the fraud management department for investigation and further proceedings.

6.1.2 If the complaint involves personnel discipline, the Fact Investigation Committee must forward it to the human resources department for disciplinary actions under Thai credit's regulations.

6.1.3 If the complaint involves internal management issues, the Fact Investigation Committee must coordinate with the top executives of the affiliated departments to promptly develop an action plan to address the issue in the complaints within 5 business days. The action plan must then be submitted to the Fact Investigation Committee for further consideration.

6.1.4 If the complaint involves other matters than those listed under 6.1.1, 6.1.2, and 6.1.3, the Chief Human Resources Officer, who serves as the recipient of the complaint, must review the content and forward it to the relevant unit or the affected party.

If the evidence is sufficient to substantiate the complaint, the complaint reviewer may instruct the Fact Investigation Committee to propose suitable remedies or initiate disciplinary actions that it considers to be appropriate.

6.2 All whistleblowing information and related documents must be kept confidential. The Fact Investigation Committee must retain the information and documents for at least 3 years.

6.3 If the complaint does not fall within the required scope or is not sufficiently suspicious to warrant a corruption investigation and an inquiry is unnecessary, the Secretary to the Fact Investigation Committee must prepare a document to inform the complainant of the outcome and provide reasons for not investigating the complaint.

7. Progress report and summary of complaint consideration

- 7.1 During the complaint review, the Secretary to the Fact Investigation Committee must—
- 7.1.1 prepare a progress report and present it to the highest-ranking executive of the respondent's work group through the Chief Human Resources Officer.
 - 7.1.2 prepare and provide the progress report to the complaint if the complainant discloses their name;
 - 7.1.3 prepare and provide the progress report to the complaint reviewer and the Fact Investigation Committee for their information if the complainant does not disclose their name.
- 7.2 When the complaint investigation completes, the Secretary to the Fact Investigation Committee must—
- 7.2.1 prepare a report summarising the facts and outlining guidelines for corrective actions, as well as the outcomes of disciplinary measures to be presented to the Chief Executive Officer or Managing Director through the Chief Human Resources Officer;
 - 7.2.2 prepare a report summarising the facts and outlining guidelines for corrective actions, as well as the outcomes of disciplinary measures, or complaint investigations to be presented to the highest-ranking executive of the respondent's work group through the Chief Human Resources Officer;
 - 7.2.3 prepare a report summarising the facts and outlining guidelines for corrective actions, as well as the outcomes of disciplinary measures, or complaint investigations to be presented to the complainant if they disclose their name;
 - 7.2.4 prepare a report summarising the facts and outlining guidelines for corrective actions, as well as the outcomes of disciplinary measures, or complaint investigations to be kept in the complaint handling archive if the complainant does not disclose their name.

8. Protection measures for complainants and those who cooperate in investigating the fact investigation

- 8.1 A complainant and an individual involved in the investigation may withhold their identities if they believe that disclosure may jeopardise their safety or cause any form of harm. However, they must provide sufficient details of the facts or evidence that clearly indicate a reasonable basis to suspect fraudulent or unlawful activities, violation of articles of association, practices, or the Business Code of Conduct. Disclosure of identity enables the organisation to effectively report progress, provide a clear account of the facts, or expedite the process of mitigating damages.
- 8.2 will not demote, punish, or take any adverse action against the complainant or any personnel who refuse to engage in corruption.
- 8.3 Thai credit will not disclose information that can identify the complainant or the complaint, as well as individuals who have cooperated in the investigation.
- 8.4 The complaint recipient must treat the relevant information as confidential and disclose it only to the extent necessary, considering the safety and well-being of the whistleblower or complainant, as well as individuals who cooperate in the fact investigation, the sources of information, or any related persons.

8.5 If the complainant and the person cooperating in the investigation believe that they may be unsafe or may suffer damages, they may request Thai credit to establish suitable protection measures. Alternatively, Thai credit may impose protection measures without a request if it considers that the matter will likely cause harm, damage, or insecurity.

8.6 Thai credit will provide appropriate and fair procedures to mitigate the damages suffered by affected individuals.

8.7 If the complainant and individuals cooperating in the investigation report their concerns or raise questions in good faith, Thai credit will not use it as a basis to take any adverse employment actions against them. This includes job transfer, demotion, suspension, or the reduction of benefits they are entitled to receive.

8.8 An individual must not retaliate against the complainant and anyone cooperating in the investigation.

Retaliation against the complainant and individual cooperating in the investigation who report concerns or suspicions in good faith is a violation of ethical standards and may result in disciplinary action in accordance with Thai credit's articles of association.

9. Penalties

9.1 If the respondent has indeed committed a wrongdoing, they will be subject to disciplinary action as stipulated in the Thai credit's regulations. Furthermore, if the wrongdoing violates the law, they may also face legal penalties, whether civil or criminal, or under applicable laws.

9.2 Thai credit's personnel who treat others unfairly using inappropriate methods or causing harm, motivated by complaints, information, or allegations of wrongdoing, commit disciplinary offences that warrant punishment. The action may also result in legal consequences as prescribed by applicable laws if it violates the law.

10. Communication

10.1 Thai credit will communicate with and disseminate to its personnel this policy, as well as information about whistleblowing channels and avenues for complaints using various means such as orientation sessions for directors and new employees, training or seminars, internal communications within the workplace, and electronic systems. These efforts aim to ensure that its personnel genuinely understand and faithfully adhere to this policy.

10.2 Thai credit will communicate with and disseminate to the general public, its subsidiary, as well as stakeholders this policy and information on channels for whistleblowing or complaints using various means such as its website, annual report, annual registration statement, and sustainable development report.

11. Policy review and revision

To ensure that the policy is properly implemented in line with the prevailing circumstances and the banking transaction environment, Thai credit mandates a periodic review of the Whistleblowing Policy, at least once a year or whenever significant changes impact this policy. Thai credit may occasionally adjust or modify the policy, aiming to enforce it appropriately and effectively as Thai credit may consider appropriate. This policy replaces and repeals the whistleblowing procedures (volume 1).

7. Inside Information Exploitation Prevention Policy

The Thai credit's Board of Directors meeting No. 2/2023, held on 22 February 2023, resolved to approve the Inside Information Exploitation Prevention Policy. The details are discussed below.

1. **Objectives** Thai Credit Bank Public Company Limited ("**Thai credit**") is dedicated to conducting its business in accordance with the law and adhering to the principles of Good Corporate Governance, which emphasize the supervision of inside information usage. Specifically, in the course of Thai credit's operations, directors, executives, or employees may access inside information that could affect the prices of securities or investment decisions related to Thai credit's securities. This information cannot be disclosed to the general public yet. Effective management of inside information is imperative to prevent unauthorised disclosure and potential misuse, which may result in legal consequences and damage to the reputation of Thai credit. Therefore, handling inside information appropriately is crucial. Thai credit has developed this Inside Information Exploitation Prevention Policy to foster comprehension, facilitate communication, and provide clear directives regarding the prevention of the improper use of inside information for Thai credit's personnel.

In this policy, inside information that is 'material' means:

- (1) information that has not been disclosed to the public and is significant because it affects the price or value of securities;
 - (2) information that is prohibited from being disclosed to the public;
 - (3) information that is prepared for public disclosure but has not yet been officially disclosed;
 - (4) information that has an impact on Thai credit's and its subsidiary' business operations, resulting in damage or disadvantage to Thai credit and its subsidiary, including, but not limited to, information on operating results, trade information, or any other undisclosed information of Thai credit and its subsidiary.
2. **Guidelines on the retention and prevention of the use of inside information** All levels of personnel must adhere strictly to Thai credit's charters and codes of conduct. They must also understand the data security protocols to safeguard confidential information and comply with these protocols. This is to prevent the unauthorised disclosure of confidential information and the abuse of inside information.
- 2.1 **Inside information retention guidelines:** hierarchy of information confidentiality by Thai credit Thai credit establishes a hierarchy of information confidentiality to designate material inside information as the Thai credit's confidential information, in accordance with this policy. Preventing the disclosure of this material inside information to external individuals is crucial. Moreover, the Thai credit's inside information may be classified into multiple levels based on their importance, including publicly disclosable information, information to be used only internally within Thai credit, confidential information, and highly confidential information. In all cases, the use of inside information

must be within the scope of assigned duties and responsibilities. Disclosure of information to external individuals Disclosure of information to external individuals and disclosure of confidential information to the public require approval from the Chief Executive Officer. The Chief Executive Officer may personally respond in cases of highly significant information or may delegate the responsibility to an authorised person for providing the information to the public. Thai credit must appoint a public dissemination officer responsible for investor relations and communication with investment agencies in various projects, who will coordinate with internal departments as the data owners. Personnels will not respond to inquiries or comment to external individuals unless they are obligated or assigned to do so. If there are no assigned or delegated duties, personnel must politely decline to express their opinions. The following guidelines apply in the disclosure of material inside information, reporting of holding and change to holding of securities and derivative contracts.

- Thai credit will educate its directors and executives, including those holding accounting or financial positions at the level of manager or equivalent, as well as its auditors, plan preparer, plan administrators, and interim plan administrators under the Bankruptcy Law, regarding their duties in the preparation, disclosure, and submission of reports on the holding and change of holding of securities and derivatives. This also includes spouses, cohabiting individuals, minor children, and juristic persons in which the directors, spouses, cohabiting individuals, and minor children hold more than 30% of the total voting rights, with such combined shareholding being the largest proportion within the respective juristic person. These reports will be submitted to the Office of the Securities and Exchange Commission ("**Office of the SEC**") to comply with the Securities and Exchange Act, B.E. 2535 (1992) (as amended) ("**Securities and Exchange Act**"), as well as the notifications of the Securities and Exchange Commission and the Capital Market Supervisory Board, including details about relevant legal sanctions.
- Thai credit Directors and executives, including individuals holding accounting or financial positions at the manager level or equivalent, as well as Thai credit's auditors, plan preparer, plan administrators, and interim plan administrators under the Bankruptcy Law, must prepare, disclose, and submit a report on the holding and changes in the holding of securities and derivatives. This responsibility also extends to spouses, cohabiting individuals, and minor children, as well as juristic persons in accordance with the Securities and Exchange Act, the notifications of the Securities and Exchange Commission and the Capital Market Supervisory Board. The report must be submitted to the company secretary before being forwarded to the Office of the SEC. The report must be prepared using the required form and submitted to the Office of the SEC within the below timeframes.

- (1) The report must be submitted within 7 business days from the date of purchase, sale, transfer, or acceptance of transfer of securities or derivatives if the reporting duty falls on directors or executives of Thai credit, and all necessary criteria are met. Thai credit will notify the names of these directors and executives for inclusion in the list of directors and executives of the issuer company, following the procedures specified by the Office of the SEC in the SEC notification regarding the form and procedure for notifying or changing the information of directors and executives (who are charged with the duty to report the purchase, sale, transfer, or acceptance of transfer of securities or derivatives before their names are displayed in the directors' and executives' name list under (1)).
- (2) The report must be submitted within 3 business days from the date of purchase, sale, transfer, or acceptance of transfer of securities or derivatives in cases other than (1).

2.3 Use of inside information Thai credit acknowledges the importance and responsibility it has towards shareholders and stakeholders under the principles of good corporate governance. To enhance confidence among Thai credit shareholders, investors, and all relevant parties, Thai credit has implemented measures regarding the use of inside information. These measures aim to promote equality, fairness, and transparency in Thai credit's handling of inside information, thereby fostering trust among Thai credit shareholders, investors, and all relevant parties. All levels of Thai credit personnel, including their family members who have knowledge of Thai credit's inside information, must not use the information for personal or third-party transactions, such as buying or selling securities or entering into related derivatives contracts. This prohibition also applies to material inside information that may affect the change in price or value of securities. Exceptions to this prohibition are subject to the specifications provided in the Office of the SEC's notifications.

An unlawful use of Thai credit's inside information for Thai credit securities trading to gain profits or an advantage for a particular group is an offence under the law and a disciplinary violation. Thai credit will treat a disclosure of inside information an unlawful use of Thai credit's inside information if the inside information is disclosed by any means to other individuals, whether directly or indirectly, with the knowledge or expectation that the recipient may use such information to buy or sell securities or for entering into derivatives contracts related to securities, whether for themselves or others. This does not apply to an act in a manner that does not exploit or disadvantage other individuals, or as specified by the Office of the SEC.

Thai credit has implemented an additional requirement in its Inside Information Exploitation Prevention Policy to include a prohibition on securities trading during a blackout period. This policy applies to Thai credit's directors and executives, including those in accounting or financial positions at the level of manager or equivalent, as well as employees in departments related to inside information. The prohibition also extends to spouses, dependents, and minor children of individuals who have access to material inside information that may affect changes in the price or value of securities. This blackout period begins 30 days before the Thai credit's quarterly and annual financial statements are published or the Thai credit's financial position and status are disclosed, and within 24 hours after the disclosure of the financial statements. Thai credit will inform its Board of Directors and executives, including those holding accounting or financial positions at the manager level or equivalent, as well as its auditors, in writing, of the prohibition on Thai credit securities trading for at least 30 days before the public disclosure of information. Thai credit directors and executives, including those holding accounting or financial positions at the manager level or equivalent, who have access to material inside information that may affect changes in the price or value of securities, must not

trade Thai credit's securities until after 24 hours of the public disclosure of the information. The disclosure of this material inside information to others is also prohibited.

Also, Thai credit's directors, executives, and employees must adhere strictly to the Thai credit's charters and codes of conduct, as well as the guidelines for the use of inside information under the Securities and Exchange Act and other applicable regulations.

- 2.4 Penalties for use of inside information** An individual who misuses inside information for personal gain will face disciplinary action, starting with a written warning, salary deductions, unpaid suspensions, or even termination of employment. The nature and severity of the violation will determine the specific consequences. Additionally, the individual may be subject to legal penalties under applicable securities and exchange laws, as determined by the relevant authorities.

3. Policy review and revision

To ensure that the policy is properly implemented in line with the prevailing circumstances and the banking transaction environment, Thai credit mandates a periodic review of the Inside Information Exploitation Prevention Policy, at least once a year or whenever significant changes impact this policy. Thai credit may occasionally adjust or modify the policy, aiming to enforce it appropriately and effectively as Thai credit may consider appropriate.

8. Environment, Social & Employee, and Governance Policy for Sustainable Banking

The Thai credit's Board of Directors meeting No. 2/2023, held on 22 February 2023, resolved to approve the Environment, Social & Employee, and Governance Policy for Sustainable Banking. The details are discussed below.

1. Objectives

Thai Credit Bank Public Company Limited ("**Thai credit**") is determined to operate a sustainable banking business with responsibility, and to foster sustainability in three dimensions: the environment, social and employee, and governance (ESG), which are conveyed through Thai credit's operations, and all of its employees. With a focus on long-term sustainable business and social growth, Thai credit operates its business with responsibility for the environment, social, and employee, under the principles of good corporate governance for a sustainable banking business.

Thai credit collaborates with the Thai Bankers' Association and 15 commercial banks. On 13 August 2019, they signed a memorandum of understanding to jointly set out guidelines for sustainable banking business operations through responsible lending that Thai credit holds and implements in accordance with what they have signed by taking ESG factors into consideration for determining responsible lending policy and strategy. Thai credit also has processes to manage risks and impacts from its lending. These are four key components of Thai credit's responsible lending principles to establish the belief that its responsible lending strategy is effectively implemented.

Thai credit is committed to responsible lending, employing the concept of "Tone from the Top" through the support from the senior executives, to ensure that loans are granted responsibly to both internal and external stakeholders.

Thai credit focuses on stakeholder engagement in improving its operations in line with the ESG principles, and works to assess both the direct and indirect impacts from its lending.

Thai credit has set internal implementation mechanisms, covering the establishment of policies, procedures for granting loans and risk management, including encouraging personnel with the potential and ability to implement those mechanisms throughout the organisation.

Thai credit discloses information transparently, including its operational information, in line with the principles of lending based on social responsibility, to reflect its commitments, and Thai credit intends to establish additional mechanisms to inspect its operations.

Thai credit, through its Executive Committee, executives, and employees at all levels, is committed to operating as a sustainable banking business with responsibility, under the principles of good corporate governance, to help its customers, business stakeholders, and the country develop sustainably.

2. Definitions

- | | | | |
|------|---------------------------|-------|--|
| 2.1. | "Director" | means | a member of the Thai credit's Board of Directors. |
| 2.2. | "Senior executive" | means | the chief executive officer, managing director, deputy managing director, assistant managing director, or any of Thai credit's advisors acting like the managing director, deputy managing director, or assistant managing director, but under the "advisor" title; or any person in an equivalent position whose title may be called otherwise. |

3. Policy scope

Thai credit is of the opinion that an ESG policy should be established to support its sustainable banking business. The drive for sustainability will focus on the following three dimensions.

- 1.1 Environment
- 1.2 Social and Employee
- 1.3 Governance

4. Roles, duties, and responsibilities

Drive for sustainability in three dimensions

4.1. Environment

Thai credit, through its Executive Committee, executives, and employees at all levels, is determined to drive long-term sustainable growth of the business and society. It intends to operate a business that is environmentally responsible in various ways. For example, it creates awareness of environmental preservation and the efficient use of resources among employees, and has joined forces with societies, communities, and its customers in performing activities that help create awareness of environmental preservation. Furthermore, it has implemented a risk policy, a lending policy and a loan approval process for businesses that are environmentally aware, so as to mitigate environmental risks that may arise from granting loans, and to prevent impacts on its reputation. In addition, it seeks to lend responsibly to finance eco-friendly projects that cause no adverse impact on communities, so as to expand its business opportunities to new customer groups and products.

Thai credit's environmental management includes:

- a) Responsible lending, with an aim to not destroy resources, as Thai credit puts in place a list of prohibited or undesirable types of business.
- b) Efficient use of resources, and the reduction of carbon footprint, (as described in the action plan on the efficient use of resources and reduction of carbon footprint) by the human resource management.
- c) Raising awareness of environmental preservation among employees, customers, business partners, and relevant stakeholders.

- d) Collaboration with organisations or external parties in the organisation of activities to promote and preserve the environment.
- e) Business operations in compliance with legal requirements, rules, and regulations related to the environment and climate that are applicable to Thai credit's business operations, and in line with global issues, while taking into consideration local issues, in alignment with Thai credit's guidelines on sustainability and Thai credit's other policies.
- f) In the Credit Risk Policy, indicating the types of business to which any access to a loan is prohibited, including businesses that cause adverse effects on the environment or health, or businesses in which transactions are prohibited under any international agreement.

4.2. Social and Employee

4.2.1. Social

Thai credit is committed to promoting knowledge and understanding of financial management used in the business operations and everyday life activities among its customers and the general public, and to allowing all groups of people to access a secure, and equitable financial system through its implementation of responsible lending.

Thai credit is committed to encouraging all employees to be aware of their role to promote and maintain Thai credit's reputation and honour, by maintaining the highest professional standards and behaving according to the scope of morality and ethics, including fair and customer protection, and the sufficient disclosure of information by applying market conduct to govern Thai credit's business operations. Top executives of relevant units and functions will communicate with their teams to ensure that they acknowledge and are aware of Thai credit's seriousness to providing fair services and reflect its commitment to providing fair services, including delegating unit managers to supervise and control the performance of all relevant employees in relation to the market conduct, to ensure that their performance meets the scope of work established by Thai credit.

Thai credit's social management includes:

- a) Business operations with responsibility for customers and society will operate under the principle of responsible lending, whereby financial services will be provided by taking into consideration any effects on the consumer. Products will be introduced based on each customer's capacity to repay debt to reduce the occurrence of debt non-repayment. Thai credit also has a list of prohibited or undesirable types of business to which it will not provide financial services.
- b) Appropriate categorisation of groups of customers based on types of Thai credit's products, and consideration of loan applications based on the consideration criteria and principles established by Thai credit, and Thai credit's lending policy. Thai credit will also take part in lending to support activities

with the aim of providing social benefits, such as educational activities and healthcare promotional activities.

- c) Financial literacy to encourage financial discipline, and ensure that customers receive proper information to choose financial products that meet their needs and suit their capacity by promoting financial and economic literacy.
- d) Taking part in corporate social responsibility activities in several aspects of Thai credit's business operations.
- e) Business operations under the market conduct rules, including proper responses to customers' complaints.

4.2.2. Employee care, promotion, and development

Thai credit places importance on its employees at all levels, as they are valuable resources, and a key component that drives its operations to achieve its goals. Thai credit aims to manage, develop, and keep its employees in order to mutually produce and create outcomes and sustainable prosperity for Thai credit under the labour protection law and universal practices by treating them with respect, honour, rights, and equality for all employees. This can be achieved through the implementation of Thai credit's employment policy, compensation management, and appropriate and fair benefit packages. Thai credit is determined to enhance the quality of life, work ethic, and good ethics of employees, and to create a good workplace environment, with occupational health and safety in line with recognised international standards. Thai credit places importance on its personnel's career growth and continuous improvement, through inclusive training and communication, to prepare them for the growth of Thai credit and their own career progression, based on their skills and competencies.

Thai credit's management of employee care, promotion, and development includes:

- a) Fair employment and fair compensation management, and human resources management, as required under the labour protection law and Thai credit's work regulations.
- b) Commitment to human rights and social responsibility in terms of labour, as described in Thai credit's policies and practices regarding human rights and social responsibility, including the prohibition of forced labour, child labour, and sexual harassment and violence; the promotion of gender equality and female labour; and fair treatments towards, and equal opportunities for, all employees, regardless of their gender, age, religion, residence, and ethnic origin.
- c) The Occupational Safety, Health, and Environment policy in place to take care of Thai credit's employees in accordance with laws on occupational safety, health, and environment.
- d) Promotion of employment of fragile groups of labourers, such as disabled people, in collaboration with other organisations.
- e) Care for employees throughout their employment with Thai credit.

- f) Training sessions for, and development of, employees.
- g) Grant of opportunities for growth and career development.
- h) Communication of useful information and news to employees.
- i) Promotion of employees' morality and ethics.
- j) Requirement that any dealers, contractors, and sub-contractors working with Thai credit comply with the Labour Protection Act and the Occupational Safety, Health, and Environment Act, when they interact or communicate with any service officers or employees of Thai credit.

4.3. Governance

Thai credit is determined to operate its business under the good corporate governance policy, ethics, code of conduct, prescribed and enforced by Thai credit, covering the roles and duties of the board of directors, senior executives, and employees at all levels, under which are mechanisms to promote work operations and internal controls with efficiency and the ability to deal with risks promptly. The promotion of behaviour and corporate culture taking into account risk, fairness, and transparency will enable Thai credit to manage risks and recognise stakeholders thoroughly, creating long-term value for the organisation suitably, and drive sustainable socioeconomic growth. Thai credit also applies international standard operation procedures in accordance with frameworks such as those under the standard of Thailand Quality Award for the further development of Thai credit.

Thai credit has established a good corporate governance policy and principles of good corporate governance, with a focus on the following subjects.

- a) Promotion of roles and responsibilities of Thai credit's directors and senior executives.
- b) Mechanisms established to support the effective and independent performance by Thai credit's directors and senior executives, including the promotion of organisational culture, recognising risk, fairness and transparency, including the aspect of risk governance framework and the corporate governance policy which builds and inculcates the organisational culture, taking into account risks (risk culture).
- c) Ensuring that the risk management unit maintains risks within Thai credit's risk appetite and risk limit.
- d) Mechanisms established to ensure that risks are maintained within Thai credit's risk appetite and risk limit; and effective checks and balances, and effective three lines of defense.
- e) Whistleblowing policy and procedures established and communicated to all employees for their knowledge of policies, procedures, and whistleblowing channels. Thai credit also has a remuneration policy that reflects its risk culture. Thai credit also requires that its corporate governance information be disclosed in order to raise the role of the market mechanism in supervision and governance.

In addition, Thai credit has established an appropriate check and balance mechanism, which includes:

- a) A review process for correctness in each procedure and in all essential work processes to reduce incorrectness and operational risks, as each step taken, including processes, must not be under the supervision of only one person. A clear segregation of duties is in place, particularly the segregation of duties between front office and back office.
- b) Effective three lines of defense, under which an organisational structure, including units in charge of control, governance, and examination that work independently and effectively, is established. The roles and responsibilities of each unit has been set out clearly, including units or persons causing risks and manage the risk in the first stage (Business unit or First Line of Defense), internal management unit (Second Line of Defense) such as risk management unit, compliance unit, credit review unit; and internal audit unit or Third Line of Defense to encourage appropriate checks and balances.
- c) Regular review of the suitability of the check and balance mechanism, the segregation of duties, and the roles and responsibility of each unit or person.
- d) Procedures for reporting Thai credit's operations and supervision over its activities for benefits of work management and monitoring of its operations efficiently. These reports will be provided to supervisors of Thai credit's business operations, including the determination of a suitable form of storage in order for such reports to be available for use as legal evidence and whenever needed.
- e) Disclosure of corporate governance information to ensure that Thai credit's stakeholders are provided with essential information to support their decision making on investment in, or entering into transactions sufficiently and appropriately. This will ensure the transparency and fairness of Thai credit's operations.

Thai credit's corporate governance management includes:

- a) Business policy established, announced, and implementation in line with this policy under Thai credit's principles of good corporate governance.
- b) The establishment and operation under Thai credit's work morality and code of conduct.

5. Operations under the ESG policy

Thai credit's ESG operations include:

- 5.1. Informational training and communication about Thai credit's ESG policy and various relevant knowledge to all Thai credit employees on a regular basis.
- 5.2. Ensuring that any units associated with the work areas provided in the ESG policy are the collector of relevant information, which will then be handed to the human resources executive for collection. This information will be used to produce an ESG report, which will be presented, with participation from relevant units or functions to the Corporate Governance and Sustainability Development Committee and board of directors of Thai credit.

- 5.3. Reporting any information about the ESG policy to Thai credit's board of directors at least once a year in the following subjects.
 - 5.3.1. Performance of operations where Thai credit's resources are used, and any operations by Thai credit that fail to comply with the environmental law (if any).
 - 5.3.2. Thai credit's participation in building social responsibility in several areas.
 - 5.3.3. Any operations that fail to comply with the market conduct (if any), including the overview of customers' complaints.
 - 5.3.4. Any operations that fail to comply with the Labour Protection Act and the Occupational Safety, Health, and Environment Act, and any accident caused by work (if any).
 - 5.3.5. Reports any of employees' complaints through complaints receiving system and whistleblowing process within the organisation (Whistleblowing Policy) (if any), including reporting complaints regarding discrimination and abuse (if any).
 - 5.3.6. Other relevant matters.

6. Policy review and revision

Thai credit reviews its Environment, Social & Employee, and Governance Policy for Sustainable Banking at least once a year, including when there are any changes relating to practice, rules, regulations and business operations. The change management unit is responsible for proposing revised policies to the Corporate Governance and Sustainability Development Committee for approval, and subsequently presenting them to Thai credit's Board of Directors for further approval.

9. Board of Directors Charter

The Board of Directors meeting No. 2/2023, which was held on 22 February 2023, resolved to approve the determination of the Board of Directors Charter, as detailed below.

1. Objectives

Thai Credit Bank Public Company ("Thai credit") understands the importance of the principles of good corporate governance; efficient internal control systems by taking into account risks, fairness, and transparency; and constant effective mechanisms to control, supervise, inspect, and monitor Thai credit's operations, pursuant to relevant legal provisions and applicable regulations of the Bank of Thailand ("BOT"), the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand ("SET"). Therefore, Thai credit has prepared this Board of Directors Charter to ensure that Thai credit's Board of Directors will be able to perform their duties in compliance with Thai credit's key strategies and policies; that Thai credit's Directors have knowledge and ability to supervise and manage Thai credit businesses, and have essential qualifications, with no prohibited characteristics, as provided in relevant law and relevant BOT regulations; and that Thai credit's Board of Directors have complete and sufficient components in order to constitute a key mechanism to drive Thai

credit businesses for stable and sustainable growth, to achieve its financial goals, to have transparency, and to build confidence among its stakeholders.

2. Composition

- 2.1 Thai credit's Board of Directors consists of independent directors, non-executive Directors, and executive Directors. The number of Directors is determined by a shareholders' meeting but must not be fewer than five Directors and no more than 11 Directors and at least one-third of whom, but no fewer than three Directors, must be independent directors.

At least half of the total number of Directors must reside in the Kingdom of Thailand, and at least three-quarters of the total number of Directors must be Thai nationals, unless exempted under relevant BOT rules and regulations.

- 2.2 The Board of Directors consists of individuals who have experience, skills, knowledge, overall skills, or a variety of abilities that are suitable for the size, complexity, and nature of the business and risks, including Thai credit's long-term strategies and operations. At least one independent director must have sufficient knowledge and experience to review the credibility of financial statements and at least one Director must have knowledge or experience in information technology.

- 2.3 Thai credit's Board of Directors will elect an independent director or non-executive Director, unless with approval to do otherwise from the BOT on a case-by-case basis, as the Chairman of the Board of Directors, and may elect another Director as the Vice Chairman of the Board of Directors, who will have duties and responsibilities as designated by the Chairman of the Board of Directors.

If the Chairman of the Board of Directors is not an independent director, the Board of Directors must appoint an independent director to work with the Chairman of the Board of Directors in the consideration and determination of agenda items for Board of Directors meetings, and fulfill any other conditions provided by the BOT.

The Chief Executive Officer and/or the Managing Director cannot be elected as the Chairman of the Board of Directors. The authority, duties, and responsibilities of the Chairman of the Board of Directors, the Chief Executive Officer, and the Managing Director must be clearly separated.

- 2.4 Thai credit's Board of Directors will appoint the company secretary, and establish the scope of his or her authority, duties, and responsibilities, pursuant to the securities and exchange law. The corporate secretary will be in charge of various areas of operations on behalf of Thai credit or Thai credit's Board of Directors, and will assist with the work of Thai credit's Board of Directors, to ensure that Thai credit's business operations comply with laws, regulations, and corporate governance practices. The duties and responsibilities of the company secretary include, for example, preparing and maintaining a register of Directors, letters of invitation to Board of Directors meetings, minutes of Board of Directors meetings, letters of invitation to shareholders' meetings, minutes of shareholders' meetings; keeping reports on Thai credit's interests; and performing other tasks as designated by Thai credit's Board of Directors.

3. Qualifications

- 3.1 Directors must have appropriate knowledge, ability, and experience that will be beneficial for business operations, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business

operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions, independently. Directors must engage in business operations with morality, integrity, and honesty, and dedicate sufficient time for their performance of duties and responsibilities.

- 3.2 Independent directors must have all qualifications required and must not have any prohibited characteristic under the Public Limited Companies Act, B. E. 2535 (1992), as amended (the "**Public Limited Companies Act**"); the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"); the Financial Institution Business Act, B.E. 2551 (2008), as amended (the "**Financial Institution Business Act**"); the Payment System Act, B.E. 2560 (2017); and other applicable laws and regulations, including the BOT Notification re: Principles for Considering and Approving the Appointment of Directors, Managers, Persons with Managerial Power, or Advisors, of Financial Institutions. Independent directors must have no characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided by the notifications of the Securities and Exchange Commission. Independent directors must be approved by the BOT, and included in the list of directors and executives of companies that issue securities, in accordance with the Notification of the Capital Market Supervisory Board on Principles for Displaying Individual Names in the List of Directors and Executives of Companies that Issue Securities.
- 3.3 Directors must not engage in a business or a partnership, or be a director in another entity in Thailand, that carries out the same businesses as, and that constitutes competition against, the businesses of Thai credit or its subsidiary, whether for their own benefit or the benefit of any third party, unless they have informed a shareholders' meeting before their appointment. Any Director that has a direct or indirect interest in an agreement made by Thai credit, or increases or decreases his or her shareholding or holding of debentures in Thai credit or its subsidiary, must notify Thai credit without delay.
- 3.4 Independent directors must have all qualifications required and must not have any prohibited characteristic under the Notification of the Capital Market Supervisory Board on the Application for Approval and Granting of Approval for Offering of Newly Issued Shares. In addition, independent directors must not be, nor have been, a non-independent director, manager, person with managerial power, advisor, employee of Thai credit, or an entity in Thai credit's financial businesses, unless they left this position or status for at least two years before the date of their application for BOT's approval; and they must not own a business relevant to Thai credit's business, take part in Thai credit's management, or have any relevant interest that may influence their independent decision making.
- 3.5 A Director may be a chairperson and/or an executive director in other companies, but no more than three business groups in total (his or her position in Thai credit is not counted). For this purpose, an individual company (one that does not constitute a business group) is counted as one business group, and a company acquired by Thai credit through debt restructuring is included in the Thai credit financial business group, unless otherwise instructed by the BOT.
- 3.6 A Director may be a director of up to five companies that are listed on the domestic or foreign stock exchange, with Thai credit counted as one listed company. For this purpose, a listed company acquired through debt restructuring is excluded, unless otherwise instructed by the BOT.

4. Term of office

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- 4.1 At an annual general meeting, one-third of the total number of Thai credit Directors (if their number is not a multiple of three, then the number nearest to one-third) must retire. Directors who have been in the office longest since their last appointment must retire first. If the number of Directors who have been in the office for the same length of time is greater than the number of Directors who must retire at the relevant annual general meeting, the retirement will be decided by drawing lots. Notwithstanding the foregoing, Directors may be re-elected.
- 4.2 The election of Directors must comply with Thai credit's Articles of Association, and relevant law. The recruitment of Directors must be clear and transparent, taking into consideration the candidates' educational and professional history, qualifications, and the absence of characteristics prohibited under applicable law or notifications of competent regulatory agencies. Thai credit's Board of Directors or shareholders, as the case may be, must be equipped with sufficient information for their decision making.
- 4.3 In addition to retirement by rotation, Thai credit's Directors may vacate office in any of the following events:
- 4.3.1. death;
 - 4.3.2. resignation;
 - 4.3.3. lack of a required qualification, or having a characteristic prohibited under applicable law or notifications of competent regulatory agencies;
 - 4.3.4. removal, with at least three-quarters of votes from shareholders present at the relevant shareholders' meeting and having the right to vote, representing at least half of the shares held by shareholders who are present and have the right to vote, voting for removal;
 - 4.3.5. removal under a court order.
- 4.4 If a Director position becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors must elect a person who has the qualifications required, and has no prohibited characteristic, with at least three-quarters of votes from the remaining Directors, to be the replacement at the next Board of Directors meeting, unless the Director who vacates the office has fewer than two months in his or her remaining term. The newly elected Director will remain in office only for the remaining term of the Director he or she replaces.
- 4.5 If the entire Board of Directors vacates office, they must remain in the position to engage in Thai credit's operations only as necessary, until the new Board of Directors takes over.
- 4.6 An independent director may remain in the office for up to nine consecutive years from the date of his or her first appointment as an independent director. For this purpose, his or her term of service as an independent director in another company within Thai credit's financial business group will also be counted. For the independent director to be re-appointed, Thai credit's Board of Directors should take into reasonable consideration the necessity for the re-appointment, and the independent director must have no position as a director, manager, person with managerial power, advisor, or employee of Thai credit or a company within Thai credit's financial business group for at least two years before the date of application submission to the BOT.
- Notwithstanding the foregoing, an independent director who vacates the office after a span of fewer than nine years may return to the position as an independent director, although he or she has vacated his or her office as an independent director of Thai credit or a company within Thai credit's financial business group for fewer than two

years, provided that during that period, he or she is neither a director, manager, person with managerial power, advisor, nor employee of Thai credit and a company within Thai credit's financial business group. On each occasion an independent director takes the position, the term of his or her service will be counted on a continuous basis.

5. Authority, duties, and responsibilities

Overall supervision

- 5.1 Setting out Thai credit's operational policies and closely monitoring Thai credit's position and the results of its operations by overseeing relevant staff to regularly present important information regarding Thai credit's position and operations in all aspects to the Board of Directors' meetings.
- 5.2 Determining Thai credit's overall strategic direction and goals and considering approval of Thai credit's vision, missions, and key policies and strategies by ensuring that Thai credit takes sustainable business operations into account.
- 5.3 Ensuring efficient and effective business management which is in line with applicable laws and Thai credit's policies, objectives, articles of association, resolutions of Board of Directors' meetings, resolutions of shareholders' meetings, and the delegation of authority, and monitoring the operations of Directors, senior Executives, and management to ensure compliance with laws and Thai credit's goals, key policies, and strategies.
- 5.4 Ensuring that those with management authority, senior Executives, and management have the ability to manage Thai credit's business and possess suitable qualifications, and preparing a succession plan for senior Executives.
- 5.5 Considering, appointing and approving the charters of sub-committees, including the Audit Committee, Executive Committee, Risk Oversight Committee, and Nomination and Remuneration Committee, as well as any other sub-committees, approving changes in the composition of these sub-committees, including any changes that have a significant impact on the operations of existing sub-committees, and considering, appointing and removing members of sub-committees.
- 5.6 Determining the scope of delegation or the delegation of authority for Directors, sub-committees, and officers at different levels, including with respect to internal control, loan approval processes, risk analyses, the creation of obligations, asset trading, and ensuring that transactions are conducted on an appropriate and careful basis to prevent damage to Thai credit, its stakeholders, and the public, and considering the approval of expenses for Thai credit's business operations.
- 5.7 Considering and approving Thai credit's business plans, financial reports, and dividend payments.

Compliance

- 5.8 Ensuring Thai credit's regulatory compliance, whereby the Managing Director supervises relevant business units to present any modifications and changes to applicable notifications and laws, including circular letters, to a Board of Directors' meeting as soon as received from relevant supervisory authorities, and to regularly report all cases of violation of legal provisions or regulations to a Board of Directors' meeting. If any violation has taken place, the Directors must urgently find a solution to prevent any further such misconduct.

- 5.9 Overseeing the maintenance by Thai credit and its subsidiary of an accounting system, and preparing financial reports and audit financial statements in accordance with applicable rules and guidelines.
- 5.10 Overseeing Thai credit's analyses of debtors' credit statuses and obligations, and setting out guidelines for solving problems and for monitoring progress if any debtors encounter problems.
- 5.11 Following up on audit results, the BOT's orders, and reports of both external and internal auditors, and mandating relevant staff to strictly follow such orders or rectify failures.

Risk management

- 5.12 Setting out a risk governance framework so that Thai credit operates in line with set direction and goals.
 - 5.12.1. Formulating overall risk management policies and strategies, including policies for entering into transactions or for launching new products and determining acceptable risk levels in accordance with Thai credit's risk profiles and business model. This will include taking the importance of Thai credit's systems, capital adequacy, and liquidity position into account. These policies and strategies must be made in writing and communicated to relevant parties for their acknowledgment. Any changes in the policies and strategies must always be approved in advance by Thai credit's Board of Directors.
 - 5.12.2. Arranging establishment of policies and processes regarding business operations in line with the approved overall risk management policy and strategies and acceptable risk levels.
 - 5.12.3. Assigning and supervising senior Executives to determine risk limits in line with acceptable risk levels, regularly communicating these limits to relevant parties for their acknowledgment and understanding, and managing risks in line with the specified acceptable risk levels and risk limits.
 - 5.12.4. Assigning and supervising senior Executives to set out overall risk management policies, processes, and systems covering various types of risks in detail, as well as guidelines or procedures for identifying, evaluating, monitoring, controlling, and reporting risks. An efficient information system must also be established to facilitate management and reporting of Thai credit's significant risks, both existing and in the future, in line with Thai credit's strategies. At a minimum it must cover credit risks, marketing risks, operational risks, liquidity risks, and risks relating to reputation, strategies, and information technology, and must be in line with Thai credit's risk profiles by taking the importance of Thai credit's systems into account. The assessment of risks from market and macroeconomic conditions must also be included.
 - 5.12.5. Approving an organisational structure that facilitates monitoring, supervision, control, and audit of operations in line with risk management policy, strategies, processes, and procedures. A chain of command or a chain of reporting must reflect a balance of power and a separation between risk-generating and risk management functions.
 - 5.12.6. Encouraging the formation of risk-based corporate culture and the communication of risk management policy and strategies, including acceptable risk levels and risk limits, which may be outlined in a risk appetite statement ("RAS"), to create understanding and awareness of its importance among all employees.

- 5.12.7. Reviewing and auditing the sufficiency and efficacy of Thai credit's overall risk management policy and strategies, and acceptable risk levels, at least once a year or when there are significant changes, such as changes in risk profiles, key strategies for business operations, the importance of Thai credit's systems, and market and macroeconomic conditions, to improve policies and strategies as conditions evolve.
- 5.12.8. Monitoring risk status (including overall risks and different types of risks), the efficiency of risk management, the status of compliance with risk-based corporate culture, and significant risk factors and issues. Relevant sub-committees and senior Executives must submit reports to the Board of Directors regularly, and senior Executives must ensure that reporting is conducted in an accurate, complete, and timely manner, and can reflect Thai credit's risk profiles, capital adequacy, and liquidity.
- 5.12.9. Ensuring that Thai credit has stable and sufficient capital and liquidity for both current and future business operations in accordance with the BOT's requirements and rules.
- 5.13. Overseeing the management of information technology and the implementation of security measures for information technology systems.

Corporate governance

- 5.14. Supervising to ensure that Thai credit's corporate governance policy is clearly set out in writing in accordance with the principles of good corporate governance by taking all stakeholders into account in an appropriate and fair manner without taking advantage of customers and the public in terms of loans, deposits, off-balance sheet items, or any other matters, and ensuring that Thai credit discloses important information regarding corporate governance in conformity with rules prescribed under applicable laws and regulations to encourage and demonstrate Thai credit's good corporate governance in accordance with the rules prescribed under applicable laws and regulations. The Board of Directors must also encourage communication to Directors and employees in all business units so that they are informed of and strictly adhere to the principles of good corporate governance, codes of conduct, business ethics, ethics and morality of Directors, Executives and employees' anti-corruption policies, whistleblowing policies, policies on the use of internal information, and so forth.
- 5.15. Arranging the establishment of transparent procedures for nomination and election of Directors based on Thai credit's strategies for business operations, and the determination of suitable remuneration of Directors and members of sub-committees.
- 5.16. Considering the management structure and succession plan for senior Executives (including the Chief Executive Officer and the Managing Director), ensuring effective annual performance assessment of Thai credit's top and senior Executives, and establishing a prudent and transparent system for determining remuneration of senior Executives based on their responsibilities and performance to create both short-term and long-term incentives, comparable to the standard remuneration in the same industry. The Board of Directors may assign any relevant sub-committee to perform those tasks on its behalf.
- 5.17. Arranging the formulation of policy on the determination of appropriate remuneration and remuneration structure, the performance assessment of employees, and the monitoring of human resource management and development to ensure the appropriate number of employees, knowledge, skills, experience, and incentives.

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- 5.18 Ensuring effective procedures and channels for receiving and handling complaints of whistleblowers or stakeholders in all sectors and for allowing all stakeholders to raise concerns or complaints.
 - 5.19 Ensuring the availability of a process for submitting external auditors' reports and management opinions to the Board of Directors. Thai credit's management may need to explain delays to the Board of Directors if the report submission process is very delayed.
 - 5.20 Ensuring a balance of power between the management and Major Shareholders, and a balance of power within Thai credit's Board of Directors at an appropriate level, by emphasising the proportion or number of independent directors in the Board of Directors and performing the duty of controlling the balance of power effectively.
 - 5.21 Ensuring the availability of a process for submitting information to ensure that the Board of Directors receives sufficient information from the management to enable its complete performance of its duties, authorities and responsibilities.
 - 5.22 Supervising Thai credit to manage the delivery of services to customers fairly in accordance with applicable notifications and regulations.
 - 5.23 Arranging annual performance assessments of Thai credit's Board of Directors, including assessment of performance as a whole and self-assessment, and following up on the assessment results of the Board of Directors and sub-committees.

Internal control

- 5.24 Supervising Thai credit and its subsidiary to appropriately and efficiently carry out internal control and internal audit of Thai credit's operations, to promptly reflect failures that may occur, and to maintain an organisational structure that facilitates independent and effective control, supervision, and inspection functions (the three lines of defense), so as to monitor operations in accordance with the set policies and procedures, the applicable laws, rules, and regulations, the BOT's orders, and Thai credit's internal rules or regulations. The Board of Directors must also arrange for the establishment of procedures for assessing the appropriateness of internal control and internal audit of both Thai credit and its subsidiary on a regular basis to mitigate the risks of corruption and abuse of power, and to prevent violation of laws. The Board of Directors must approve the appointment, rotation, and removal of the head of the risk management unit and the head of the internal audit unit, and report to the BOT's Financial Institute Business Supervision Department, the Financial Institutions Policy Group, within 15 days from the date of change. However, the Board of Directors may delegate those tasks to any appropriate sub-committee to perform them on its behalf.
- 5.25 Overseeing senior Executives and management to report important matters with respect to Thai credit to the Board of Directors, and establishing a process for reporting information so that the Board of Directors receives timely information sufficient to enable its complete performance of its authority, duties, and responsibilities.

Consideration of material transactions and prevention of conflicts of interest

- 5.26 Controlling, preventing, monitoring, and managing potential conflicts of interest between Thai credit and its subsidiary and their stakeholders, management, the Board of Directors, Executives, or shareholders, preventing any improper use of assets by Thai credit and/or its subsidiary, prohibiting inappropriate transactions with persons related to Thai

credit and/or its subsidiary, and ensuring that Thai credit has established or approved a policy for the management of conflicts of interest.

- 5.27 Considering, approving, and giving opinions on transactions that have a significant impact on Thai credit's business, including the acquisition and disposition of assets of Thai credit and its subsidiary and transactions between Thai credit or its subsidiary and related persons as specified in the Securities and Exchange Act and applicable regulations prescribed by the SET and the Capital Market Supervisory Board. The Board of Directors is also committed to considering approval of the principles with respect to trade agreements that have general trading conditions concerning transactions between Thai credit or its subsidiary and Directors, Executives, or related persons, so as to set out a framework for the authorized representatives and the management to carry out the transactions to the extent permitted by applicable laws and rules. The Board of Directors is authorized to consider and give opinions on entering any transactions to comply with applicable laws, notifications, rules, and regulations, provided that the transaction value is not subject to the condition that it must be considered and approved by a shareholders' meeting.
- 5.28 Ensuring that Thai credit has formulated its policy on the provision of loans and investment to persons related to Thai credit.
- 5.29 Determining the authority and duties of the Chief Executive Officer and the Managing Director, approving Thai credit's regulations, orders, and announcements, and preparing powers of attorney to be submitted to relevant third parties.

Others

- 5.30 Dedicating sufficient time to perform duties and to attend Board of Directors' meetings and shareholders' meetings, except in the case of force majeure, in which event the Directors who are unable to attend the meeting must notify the Chairman of the Board of Directors or the company secretary of their absence prior to the meeting. Each Director must attend at least 75% of the total number of meetings held each year during the term of office, unless there is reasonable cause and necessity to excuse their attendance.
- 5.31 Studying and being aware of the roles, duties, and responsibilities of Directors, as specified in the Public Limited Companies Act, the Financial Institution Business Act, and the Securities and Exchange Act, as well as other applicable laws, notifications, and circular letters which are in existence or which come into existence in the future.
- 5.32 Enhancing knowledge and competency in performing duties continuously and participating in training courses on the performance of a Director's duties or in seminar activities that increase their knowledge.

6. Meetings

- 6.1 Thai credit's Board of Directors meetings must comply with legal provisions and Thai credit's Articles of Association.
- 6.2 Thai credit will hold its Board of Directors meetings at least four times a year (once in each quarter), each with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. In any month when no meeting is held, the management will report its operating results to the Board of Directors to ensure the constant and timely supervision over the operations of the management.

The Board of Directors may also arrange their meetings via electronic media, in compliance with applicable legal provisions.

- 6.3 To summon a meeting of Thai credit's Board of Directors, the Chairman of the Board of Directors or any person designated by the Chairman of the Board of Directors must notify Thai credit's Directors, and provide documents supporting the meeting to the Directors, for an advance period before the date of the meeting, as per the timeframe indicated in Thai credit's Articles of Association. However, in an urgent event to protect the rights or benefits of Thai credit, the Directors may be notified by any other methods, or a meeting may be held on an earlier date.
- 6.4 Thai credit's Board of Directors may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.
- 6.5 At a meeting of Thai credit's Board of Directors, at least half of the total number of Thai credit's Directors must be present to constitute a quorum.
- 6.6 If the Chairman of the Board of Directors is absent, or unable to perform his or her duties, the Vice Chairman, if present, will preside over the meeting. If the Vice Chairman is absent, or unable to perform his or her duties, Directors present must choose one Director to preside over the meeting.
- 6.7 Any decisions at a meeting of Thai credit's Board of Directors will be decided by a majority of votes. One Director has the right to cast one vote. A Director with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.
- 6.8 At a meeting, each Director must use his or her maximum effort to participate in asking questions and giving beneficial opinions.
- 6.9 The corporate secretary will prepare minutes of meetings of Thai credit's Board of Directors for the Directors' consideration before they are presented for approval as the first agenda item at the next meeting of Thai credit's Board of Directors. If approved, the minutes must be certified by the person presiding over the meeting. The Directors may suggest an amendment to the minutes to ensure the elaboration and accuracy.
- 6.10 Meeting documents and minutes must contain complete information. For important agenda items, valuable opinions of individual participants must be provided individually for the purpose of consideration. A copy of the minutes of a meeting of Thai credit's Board of Directors that is held for the purpose of establishing policies or operations must be sent to the BOT's Financial Institution Supervision Division within seven days after the date the meeting of Thai credit's Board of Directors approves the minutes, but no later than 45 days after the date of the meeting, except in the case of reasonable necessity, where discussion must be held with the financial institution examiner on a case-by-case basis.

7. Evaluation of performance

To ensure that the principles of good corporate governance are complied with, the performance of Thai credit's Board of Directors will be evaluated on an annual basis, as a whole or on an individual basis. During this evaluation, the performance will be reviewed. Then, the evaluation results will be used for the development and improvement of their performance to ensure higher efficiency, and that the objectives established will be achieved.

8. Remuneration

Remuneration for Thai credit's Directors will be approved at a shareholders' meeting. To this end, the Nomination and Remuneration Committee will propose the remuneration for consideration and concurrence by a Thai credit's Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

9. Review and revision

Thai credit's Board of Directors will review this Charter at least once a year.

Notification No. 021/2020 re: Authority, Duties, and Responsibilities of Thai credit's Board of Directors, and Notification No. 080/2021 re: Composition of Thai credit's Board of Directors, will be repealed and replaced with this Charter.

10. Audit Committee Charter

The Board of Directors meeting No. 11/2023, which was held on 27 September 2023, resolved to approve the determination of the Audit Committee Charter, as detailed below.

1. Objectives

The Audit Committee supports Thai credit's Board of Directors to ensure good corporate governance for Thai credit. The Audit Committee audits the financial reporting process, internal control system, examination process, risk management system, and management of Thai credit under official regulations and instructions to ensure that Thai Credit Bank Public Company Limited ("**Thai credit**") complies with the group's policies. The Audit Committee reviews the corporate governance structure, the accuracy and sufficiency of financial reports, and scope of internal control, supervision over internal audits and examination, performance of auditors and other assurance providers, risk management, and management with regard to the relevant legal provisions and applicable regulations of the Bank of Thailand ("**BOT**"), the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand ("**SET**"), and independently reviews and gives advice to Thai credit's Board of Directors on the sufficiency and efficiency of management, and how any issues can be remedied. Members of the Audit Committee must have essential components and qualifications, with no prohibited characteristics, as provided in the relevant law and relevant BOT regulations, to drive Thai credit businesses for stable and sustainable growth, to achieve its financial goals, to have transparency, and to build confidence among its stakeholders.

2. Composition and qualifications

- 2.1 Members of the Audit Committee must be appointed by Thai credit's Board of Directors. The Audit Committee must consist of at least three persons, with at least one member having sufficient knowledge and experience to review the credibility of Thai credit's financial statements.
- 2.2 All members of the Audit Committee must serve as Directors and independent directors of Thai credit.
- 2.3 Members of the Audit Committee must have all qualifications required and must not have any prohibited characteristic under the Public Limited Companies Act, B. E. 2535 (1992), as amended; the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"); the Financial Institution Business Act, B.E. 2551 (2008), as amended (the "**Financial Institution Business Act**"); and other applicable laws

and regulations, including the Notification of the Capital Market Supervisory Board on the Application for Approval and Granting of Approval for Offering of Newly Issued Shares, and the BOT Notification re: Principles for Considering and Approving the Appointment of Directors, Managers, Persons with Managerial Power, or Advisors, of Financial Institutions. Members of the Audit Committee must have no characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided by the notifications of the Securities and Exchange Commission, and must be approved by the BOT, and included in the list of directors and executives of companies that issue securities, in accordance with the Notification of the Capital Market Supervisory Board on Principles for Displaying Individual Names in the List of Directors and Executives of Companies that Issue Securities.

- 2.4 Members of the Audit Committee must have appropriate knowledge, ability, and experience that will be beneficial for business operations, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions independently. Members of the Audit Committee must have honesty, integrity and morality in operating the business and dedicate sufficient time for their performance of duties and responsibilities.
- 2.5 Thai credit's Board of Directors or the Audit Committee must elect and appoint a member of the Audit Committee to be the Chairman of the Audit Committee. However, the Chairman of Thai credit's Board of Directors, the Risk Oversight Committee, and/or the Nomination and Remuneration Committee cannot chair the Audit Committee.
- 2.6 The Audit Committee will consider and appoint the head of the internal audit unit as the secretary of the Audit Committee to help with its operations.

3. Term of office

- 3.1 Members of the Audit Committee have terms of office of three years each, subject to the terms of their Thai credit directorship office, and he or she may be re-appointed. Any member who retires by rotation must remain in the position to engage in his or her duties and responsibilities until a new member of the Audit Committee is appointed unless the term of his or her office as a director is completed, and he or she is not re-appointed as a Thai credit director.
- 3.2 In addition to retirement by rotation, members of the Audit Committee may vacate office in any of the following events:
 - 3.2.1 death;
 - 3.2.2 resignation;
 - 3.2.3 lack of a qualification required, or having a characteristic prohibited under applicable law or this Charter;
 - 3.2.4 retirement by a resolution of a Thai credit's Board of Directors meeting or shareholders' meeting;
 - 3.2.5 retirement under a court order;
 - 3.2.6 termination of his or her directorship at Thai credit.

- 3.3 If a member of the Audit Committee resigns or is removed before completing the term of his or her office, Thai credit must report this fact to the SET immediately. The Audit Committee member who resigns or is removed may also provide an explanation about his or her resignation or removal to the SET. Once a replacement has been designated, Thai credit must notify the SET of the appointment of the new Audit Committee member within three days, and provide certificates and profile of the new member within seven days after the date of his or her appointment.
- 3.4 If a position on the Audit Committee becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors must elect a suitable person who has the qualifications required to fulfill the vacant position, and ensure that the Audit Committee has the number of members as required under the applicable law or regulations without delay, or at the latest, within three months after the Audit Committee lacks the required number of members, unless the timeframe has been waived by the SET. A request for a waiver must be made in writing to the SET at least seven business days before the original date set for the appointment to be completed, with reasoning and evidence to support the SET's decision-making. If the waiver is granted, the appointment timeframe will be extended for no more than six months after the original date set for the appointment to be completed.
- The newly-appointed member of the Audit Committee will remain in office only for the remaining term of the member he or she replaces.
- 3.5 If the entire Audit Committee vacates office, they must remain in office to engage in its operations until the new Audit Committee takes over.
- 3.6 Any member of the Audit Committee wishing to resign before completing the term of his or her office must submit at least one month's resignation notice to the Chairman of the Audit Committee, with reasons for doing so. Then, the Chairman of the Audit Committee will notify Thai credit's Board of Directors, and send a copy of the resignation notice to the SET. After that, the Board of Directors will appoint a person with all of the qualifications required to be the resigned member.

4. Authority, duties, and responsibilities

- 4.1 Being eligible to access management, personnel, and relevant information as deemed necessary for performing its duties, and to access records and reports without any limitations. If access is restricted by law or for reasons of confidentiality, the Audit Committee and/or the senior Executives of the internal audit unit should consult with the Board of Directors to find a solution to deal with that situation.
- 4.2 Being eligible to receive information and explanations necessary for performing its duties and responsibilities. Executives and employees of Thai credit should cooperate with the Audit Committee as requested.
- 4.3 Having the right to hire independent consultants or any other consultants as deemed necessary for performing its duties.
- 4.4 Having the authority to conduct the following operations.
- 4.4.1 Considering, selecting, or asking Thai credit's Board of Directors to consider appointing or terminating the employment of any auditor, considering the remuneration of auditors to be proposed to the general meeting of shareholders, and conducting annual performance assessment of auditors.

4.4.2 Making a final judgment in the case of a disagreement between the management and the auditors regarding financial reports and any other matters.

4.4.3 Procuring external consultants or professionals to advise, consult, or give opinions as deemed appropriate.

5. Principles for operations

5.1 The Audit Committee will abide by the values and ethics of Thai credit, and the regulatory agencies, including the BOT, the Office of the Securities and Exchange Commission, and the SET, and expects that its Executives and employees, and the executives and employees will do the same.

5.2 The Audit Committee expects honest, transparent, and complete communication with Thai credit Executives and employees, and other assurance providers.

5.3 The Audit Committee will work with senior and senior Executives in the internal audit unit to produce a work plan to ensure that the duties and responsibilities of the Audit Committee will be established and fulfilled.

5.4 With consultancy with the Audit Committee, and senior and senior Executives from the internal audit unit, the Chairman of the Audit Committee will determine the agenda for its meetings.

5.5 The Audit Committee may arrange a private meeting with the Chief Executive Officer, the Managing Director, managers, the Chief Financial Officer, the senior Executive of the internal audit unit, other assurance providers, and other staff members, as the Audit Committee considers appropriate for the meeting.

5.6 The Audit Committee is in charge of preparation for and participation in its meetings.

5.7 The Audit Committee must abide by the value, ethics, and moral principles of Thai credit and the financial business group. It is the responsibility of Audit Committee members to report any conflict of interest or potential conflict of interest to the Audit Committee. When it is controversial whether an Audit Committee member should refrain from voting in any matter, other Audit Committee members should cast their decisive votes.

6. Meetings

6.1 The Audit Committee will hold its meetings at least four times a year (once in each quarter), each with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. Audit Committee meetings should be held to discuss matters within the scope of its authority, duties, and responsibilities. The Audit Committee may also arrange their meetings via electronic media, in compliance with applicable legal provisions.

6.2 To summon an Audit Committee meeting, the Chairman of the Audit Committee or any person designated by the Chairman of the Audit Committee must notify its members, and provide documents supporting the meeting to the members, at least seven days before the meeting date. However, in an urgent event to protect the rights or benefits of Thai credit, the Audit Committee members may be notified by any other methods, or a meeting may be held on an earlier date.

6.3 The Audit Committee may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.

6.4 Voting rights

- 6.4.1 At an Audit Committee meeting, at least half of the total number of Audit Committee members must be present to constitute a quorum.
- 6.4.2 If the Chairman of the Audit Committee is absent, or unable to perform his or her duties, members present must choose one member to preside over the meeting.
- 6.4.3 Any decisions at an Audit Committee meeting will be decided by a majority of votes from members present. One member has the right to cast one vote. A member with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.

6.5 There are two methods of voting on resolutions of the Audit Committee.

- 6.5.1 If a meeting is arranged, members of the Audit Committee may cast their votes anonymously.
- 6.5.2 If no meeting is arranged, members of the Audit Committee may cast their votes by signing a circular letter to affirm the resolution, or via email.

6.6 The senior Executive of the internal audit unit must attend every Audit Committee meeting.

6.7 The senior Executive of the internal audit unit, or another suitable designee, will be in charge of facilitation and coordination regarding Audit Committee meetings, and will support the work of the Audit Committee to the extent that his or her time and resources allow him or her to do so.

6.8 Minutes of Audit Committee meetings

- 6.8.1 Minutes of Audit Committee meetings must be prepared for consideration by the Audit Committee before they are presented for approval as the first agenda item at the next Audit Committee meeting. If approved, the minutes must be certified by the person presiding over the meeting. The Audit Committee may suggest an amendment to the minutes to ensure elaboration and accuracy.
- 6.8.2 Meeting documents and minutes must contain complete information, and be prepared pursuant to applicable law, regulations, policies, processes, and other relevant requirements. For important agenda items, the valuable opinions of individual participants must be provided individually for the purpose of consideration.

7. **Remuneration for Audit Committee members**

Remuneration for Audit Committee members will be approved at a shareholders' meeting. To this end, the Nomination and Remuneration Committee will propose the remuneration for consideration and approval by a Thai credit's Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

8. **Authority, duties, and responsibilities**

The Audit Committee supports Thai credit's Board of Directors through its independent and fair reviews on the sufficiency and efficiency of management in the following areas.

8.1 Corporate governance

To gain reasonable trust in the corporate governance process of Thai credit, the Audit Committee will review, and give advice on, the corporate governance process established by Thai credit, to ensure that these processes are properly followed.

8.2 Preparation of financial reports and audits

- 8.2.1 Conducting audits to ensure that Thai credit prepares financial statements and relevant financial reports accurately and sufficiently, and that information is disclosed correctly and completely in accordance with accounting principles, applicable guidelines and standards.
- 8.2.2 Auditing any significant transactions that are not in the ordinary course of business during the past year by considering the reasonableness of those transactions, any impacts on financial positions and the results of operations, and the accuracy and completeness of any disclosure.

8.3 Internal control

To obtain reasonable assurance about the sufficiency and efficacy of Thai credit's internal controls and to respond to the risks that exist in the processes concerning corporate governance, business operations, and information technology, the Audit Committee will take the following actions.

- 8.3.1 Conducting audits to ensure that Thai credit and the financial business group have an internal control system that covers internal control of an information technology system, and an internal audit system, on an appropriate, sufficient, and effective basis.
- 8.3.2 Acknowledging reports of significant matters derived from operations by financial service providers and financial consultants, and assurances regarding internal control, which have been reported to Thai credit's management and Board of Directors.

8.4 Conducting audits to ensure compliance with laws on securities and exchanges, rules of the SET and laws on financial institutions.

8.5 Risk management

To obtain reasonable assurances regarding risk management guidelines of Thai credit, the Audit Committee will conduct the following operations.

- 8.5.1 Examining whether Thai credit has a concise, appropriate, and efficient risk management system to ensure appropriate and sufficient risk management and encouraging relevant employees to have knowledge and understanding of techniques and procedures of risk management.
- 8.5.2 Auditing and following up on the results of risk management, considering reports from Thai credit's management, and consulting and coordinating with the management on significant information regarding risks and internal control as well as policy on the assessment of risk management efficiency.
- 8.5.3 Conducting audits and providing advice on risk management processes established and supervised by the management to ensure the implementation of the established process and compliance with Thai credit's code of conduct and business ethics, the BOT's orders and recommendations, and policies of the financial business group.

8.6 Related party transactions or transactions that may present conflicts of interest

Considering related party transactions or transactions that may have conflicts of interest and ensuring that the acquisition or disposition of assets of Thai credit and its subsidiary, and the disclosure of information regarding those transactions, are in accordance with the Securities and Exchange Act, and the requirements prescribed by the SET, the CMSB, and the BOT.

8.7 Overseeing the implementation of anti-bribery and anti-corruption policies and measures to ensure that Thai credit complies with the specified legal and ethical obligations.

9. Supervision over internal audits and other means of providing assurance

9.1 Internal audit

9.1.1 Auditing and approving an internal audit policy and an internal audit charter at least once a year to reflect the objectives, duties, and responsibilities of the internal audit unit in line with the Institute of Internal Auditors ("IIA")'s International Professional Practices Framework, and reviewing the scope of assurance and consulting services, financial changes, risk management, and corporate governance processes of Thai credit to reflect the development of the internal audit profession.

9.1.2 Advising the Board of Directors on the increase and decrease of the human resources of the internal audit unit to achieve the approved internal audit plan and assessing the demand for additional human resources that may be procured through permanent employment or outsourcing.

9.1.3 Considering and approving the annual budget, structure, manpower, and resources necessary for performing the duties of the internal audit unit. The performance of the internal audit unit must be reported to the Board of Directors to enable it to give advice or order the rectification of failures involving the operations or management of the internal audit unit and other relevant units to prevent damage to Thai credit.

9.1.4 Considering, reviewing, and approving the annual risk-based internal audit plan of Thai credit, and the procedures for coordinating with other business units associated with audit plans, assessing audit efficiency at least once a year, and reviewing the planned scope of the audit to ensure that the audit plan will help detect potential fraud or defects in the internal control system.

9.1.5 Assessing the performance of senior Executives of the internal audit unit as detailed below:

9.1.5.1 Approving the appointment, transfer, or termination of employment, and considering the independence of, the senior Executive of the internal audit unit or any other unit responsible for internal audits.

9.1.5.2 Providing the management with information regarding the performance assessment of the senior Executive of the internal audit unit.

9.1.5.3 Advising the management on the remuneration of the senior Executive of the internal audit unit.

9.1.6 Auditing performance based on the internal audit plan.

9.1.7 Auditing internal audit reports, and communication or submission of the reports to the management.

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- 9.1.8 Auditing and monitoring the management's operational guidelines to solve any issues discovering during internal audits.
 - 9.1.9 Conducting audits and giving advice to the management on any issues arising from special investigations.
 - 9.1.10 Asking the senior Executive of the internal audit unit if there is internal audit work or any other work that has been completed but has not yet been reported to the Audit Committee, and if there is any such completed work then asking if there are any important issues arising from that work.
 - 9.1.11 Asking the senior Executive of the internal audit unit if any evidence of corruption is found while performing internal audit work and assessing what actions should be taken to deal with the situation.
 - 9.1.12 Complying with applicable standards as detailed below:
 - 9.1.12.1 Inquiring with the senior Executive of the internal audit unit to ensure that the internal audit is performed in line with the IIA's International Standards for the Professional Practice of Internal Auditing.
 - 9.1.12.2 Assuring that the internal audit unit regularly assesses and plans to improve the quality of operations and presents the results of such assessments to the Audit Committee.
 - 9.1.12.3 Assuring that the performance of the internal audit unit is assessed by an external assessor every five years.
 - 9.1.12.4 Auditing the results of quality assessments from an external independent assessor and monitoring compliance with the recommendations received from the assessor.
 - 9.1.12.5 Advising the Board of Directors on the continuous improvement of internal audit operations.
 - 9.2 Auditors
 - 9.2.1 Considering, selecting, nominating, and terminating employment of an independent person to act as an auditor of Thai credit, and proposing the remuneration of auditors.
 - 9.2.2 Attending a meeting with auditors, without the presence of the management, at least once a year to acknowledge the results of reviewing or auditing quarterly or annual financial statements (as the case may be), considering, jointly with auditors, the problems or limitations discovered during reviewing or auditing the financial statements to further find a solution, and conducting annual performance assessments of auditors.
 - 9.2.3 Considering the financial business group's policy on the use of non-audit services of auditors and auditing the use of those services to ensure that they do not affect the independence of auditors.
 - 9.2.4 Attending meetings with auditors regularly to discuss important and sensitive matters.
 - 9.2.5 Regularly auditing the management's progress monitoring reports regarding rectification of any detected failures to obtain reasonable assurance that the management has complied with the audit results and auditors' recommendations.
 - 9.3 Financial reports

The Audit Committee is responsible for overseeing the audit of financial reports independently, the rectification of any detected deficiencies relating to internal control, and compliance with laws, the government's rules, and ethics. The Audit Committee will take the following actions:

- 9.3.1 Reviewing the audit results and any detected issues together with the management and auditors.
 - 9.3.2 Recommending that auditors review or examine any transactions deemed significant and where a review is necessary, including complex or unusual transactions and those that require discretion in decision making during an audit process of Thai credit.
 - 9.3.3 Reviewing half-year and annual financial reports by considering whether they are complete and consistent with the information that has been provided to the Audit Committee and whether they reflect the appropriate accounting principles.
 - 9.3.4 Reviewing other sections of an annual report and the submission of information in line with the applicable rules by considering the accuracy and completeness of information before submission.
 - 9.3.5 Considering, jointly with Executives and auditors, the matters that must be reported to the Audit Committee under the generally accepted auditing standards.
 - 9.3.6 Studying strategies, assumptions, and projections used by the management in preparing financial reports, budgets, and investment plans.
 - 9.3.7 Studying how the management prepares interim financial reports and the involvement of internal and external auditors.
 - 9.3.8 Reviewing interim financial reports, together with the management and external auditors, before submitting them to supervisory authorities and considering whether they are complete and consistent with the information that has been provided to the Audit Committee.
- 9.4 Other responsibilities
- 9.4.1 Performing any other tasks as assigned by Thai credit's Board of Directors and approved by the Audit Committee, such as reviewing policies on financial management, risk management, and compliance with business ethics, important reports that must be presented to the public as required by law, and the accuracy of reference documents and self-assessment forms regarding the business's anti-corruption measures prepared by the compliance unit in line with the audit sequence and period specified by Thailand's Private Sector Collective Action Coalition against Corruption ("**CAC**").
 - 9.4.2 In performing its duties, the Audit Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring of any consultants will be performed in line with Thai credit's regulations.

- 9.4.3 If the Audit Committee's duties are changed, Thai credit must give notice of the change by specifying the name, list and scope of duties that have been changed in the form prescribed by the SET and submitting them to the SET within three business days from the date of that change.
- 9.4.4 Reporting to Thai credit's Board of Directors to carry out improvement or rectification within the timeframe deemed appropriate by the Audit Committee, on discovering or suspecting that there are any of the following transactions or actions:
- 9.4.4.1 transactions that result in conflicts of interest;
 - 9.4.4.2 corruption, abnormalities, or significant defects in the internal control system; or
 - 9.4.4.3 violations of the financial institution business law, the securities and exchange law, the SET's requirements, the BOT's requirements, and other applicable laws relating to Thai credit's business.

If the Board of Directors or Executives of Thai credit fail to carry out improvement or rectification within the specified timeframe, the Audit Committee must disclose the transaction or action in an annual report and report it to the BOT.

9.5 Reporting

The Audit Committee must prepare a report on the audit results to report a summary of its operations and recommendations to the Board of Directors every year. The report must be signed by the Chairman of the Audit Committee and disclosed in Thai credit's annual report and must contain at least the following information:

- 9.5.1 the number of the Audit Committee meetings being held and the attendance of each member of the Audit Committee;
- 9.5.2 opinions on the accuracy, completeness, and credibility of financial reports of Thai credit;
- 9.5.3 opinions on the sufficiency of the internal control and risk management systems of Thai credit;
- 9.5.4 opinions on compliance with the securities and exchange law, the SET's requirements, or other applicable laws relating to Thai credit's business.
- 9.5.5 Opinions on the suitability of auditors.
- 9.5.6 Opinions on transactions with potential conflicts of interest, and opinions or overall observations resulting from the performance of duties under the Audit Committee Charter.
- 9.5.7 The Audit Committee's duties, changes in composition, and changes that have a significant impact on the Audit Committee's operations as approved by the Board of Directors.
- 9.5.8 Other items that shareholders and general investors should know, within the scope of the duties and responsibilities assigned to the Audit Committee by Thai credit's Board of Directors.

10. Evaluation of performance

To ensure that the principles of good corporate governance are complied with, the performance of the Audit Committee will be evaluated on an annual basis, as a whole or on an individual basis. During this evaluation, the performance will be reviewed. Then, the evaluation results will be used for the development and improvement of their performance to ensure higher efficiency, and that the objectives established will be achieved.

11. Review and revision

The Audit Committee will review this Charter at least once a year, and propose any amendments and it considers appropriate to Thai credit's Board of Directors for approval.

Notification No. 051/2566 re: Audit Committee Charter will be repealed and replaced with this Charter.

11. Nomination and Remuneration Committee Charter

Board of Directors' Meeting No. 2/2023, which was held on 22 February 2023, resolved to approve the implementation of the Nomination and Remuneration Committee Charter, as detailed below.

1. Objectives

Thai Credit Bank Public Company ("Thai credit") understands the importance of the principles of good corporate governance, efficient internal control systems which take risks, fairness, and transparency into account, and using effective mechanisms to control, supervise, inspect, and monitor Thai credit's operations, pursuant to the relevant legal provisions and applicable regulations of the Bank of Thailand (the "BOT"), the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand (the "SET"), Thai credit has issued this Nomination and Remuneration Committee Charter to ensure that the Nomination and Remuneration Committee will be able to support Thai credit's Board of Directors in the establishment of clear principles and procedures for nomination and in the payment of remuneration and other benefits to Directors, persons with managerial power, employees of Thai credit and entities within the financial business group, and that these payments are clear, transparent and in compliance with the good corporate governance principles.

2. Composition

- 2.1 Members of the Nomination and Remuneration Committee must be appointed by Thai credit's Board of Directors. The Nomination and Remuneration Committee will consist of the number of members that the Board of Directors considers appropriate, but no fewer than three members who must be either independent directors or non-executive Directors.
- 2.2 Thai credit's Board of Directors, or the Nomination and Remuneration Committee, will elect and appoint a member of the Nomination and Remuneration Committee as the chair of the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee should also be an independent director.
- 2.3 The Nomination and Remuneration Committee will appoint and establish the scope of authority, duties, and responsibilities for the secretary of the Nomination and Remuneration Committee to help with the operations of the Nomination and Remuneration Committee, including by preparing meeting schedules and agenda items for meetings, sending documents for meetings, preparing meeting minutes, and other work as assigned by the

Nomination and Remuneration Committee. The Nomination and Remuneration Committee should consider and elect a person with knowledge, ability and experience in the aforementioned work to be its secretary.

3. Qualifications

- 3.1 Members of the Nomination and Remuneration Committee must be Thai credit's directors, must have all qualifications required, and must not have any prohibited characteristic or characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided in the Public Limited Companies Act, B. E. 2535 (1992), as amended (the "**Public Limited Companies Act**"); the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"); the Financial Institution Business Act, B.E. 2551 (2008), as amended (the "**Financial Institution Business Act**"); and other applicable laws and regulations, or the regulations of the BOT, the SEC, the Capital Market Supervisory Board, or the Stock Exchange of Thailand.
- 3.2 Members of the Nomination and Remuneration Committee must have appropriate knowledge, ability, and experience that will be beneficial for business operations, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions, independently. They must engage in day-to-day business operations with morality, integrity, and honesty, and dedicate sufficient time for their performance of duties and responsibilities.

4. Term of office

- 4.1 Members of the Nomination and Remuneration Committee have terms of office of three years each, subject to the terms of their directorship office. Any member who retires by rotation must remain in the position to engage in his or her duties and responsibilities until a new member of the Nomination and Remuneration Committee is appointed, and he or she may be re-appointed, unless the term of his or her office as a Director is completed, and he or she is not re-appointed as a Thai credit Director.
- 4.2 In addition to retirement by rotation, members of the Nomination and Remuneration Committee may vacate office in any of the following events.
- 4.2.1 death;
 - 4.2.2 resignation;
 - 4.2.3 lack of a qualification required, or having a characteristic prohibited under applicable law or this Charter;
 - 4.2.4 retirement by a resolution of a Thai credit's Board of Directors meeting or shareholders' meeting;
 - 4.2.5 retirement under a court order;
 - 4.2.6 termination of his or her position as an independent director or non-executive Director of Thai credit.
- 4.3 If a position in the Nomination and Remuneration Committee becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors, at the next Board of Directors meeting, must elect a suitable person who has the qualifications required to fulfill the vacant position, and ensure that the Nomination and Remuneration Committee has the number of members as required under this Charter. The newly-appointed member of the

Nomination and Remuneration Committee will remain in office only for the remaining term of the member he or she replaces.

- 4.4 If the entire Nomination and Remuneration Committee vacates office, they must remain in office to engage in its operations until the new Nomination and Remuneration Committee takes over.

5. Authority, duties, and responsibilities

Nomination

- 5.1 Considering the composition and qualifications of Thai credit's Board of Directors, both as a whole and individually, in accordance with the size, type, and complexity of Thai credit's business, by taking education, knowledge, expertise, skills, experience, and specialised abilities relating to the business into account.
- 5.2 Considering the independence of each independent director to ensure that Thai credit's independent directors are fully qualified without any prohibited characteristics as specified under applicable laws, rules, and charters.
- 5.3 Considering the qualifications of senior Executives suitable for managing Thai credit's business to achieve the established vision, by taking education, experience, knowledge, and expertise into account, including relevant important factors concerning business environment such as economic and industrial conditions and trends, and the nature of business competition.
- 5.4 Selecting and nominating qualified candidates in the following positions to the Board of Directors or shareholders' meetings (as the case may be) for consideration and approval:
- 5.4.1 Thai credit's Directors;
 - 5.4.2 members of sub-committees whose authority, duties, and responsibilities are directly assigned by Thai credit's Board of Directors;
 - 5.4.3 Thai credit's individuals with managerial power; and
 - 5.4.4 Thai credit's advisors.
- 5.5 Establishing policies, rules, and procedures for recruiting personnel (including but not limited to Directors and those with managerial power) who possess appropriate qualifications in accordance with the specified structure and qualifications, and based on the principles of good corporate governance.
- 5.6 Ensuring that the number of members and composition of the Board of Directors and sub-committees are in accordance with applicable laws, rules, and charters, and Thai credit's organisational structure, and that they are adjusted to accommodate the changing environment. The Nomination and Remuneration Committee must also ensure the availability of mechanisms or tools supporting a process for selecting and nominating candidates to the positions of Director or a member of a sub-committee, so that Thai credit's Board of Directors and sub-committees consist of members with the behavior, knowledge, capability, and experience in various fields beneficial to long-term operations in line with Thai credit's direction and strategies.
- 5.7 Arranging Thai credit's formulation of a suitable succession plan and management continuity plan. These may be outlined in the form of reports on performance assessment or assessments of the impacts on Thai credit's business management, or in any other form as Thai credit deems appropriate.

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- 5.8 Supervising Thai credit's disclosure of its nomination policy and the details of a process for nominating Directors and those with management authority in its annual report.
 - 5.9 Engaging external consultants or independent specialists in relevant fields to provide advice and assistance to the Nomination and Remuneration Committee to achieve its objectives.
 - 5.10 Assuming responsibility for the Board of Directors and being responsible for clarifying and answering questions regarding the remuneration of Thai credit's Directors at the shareholders' meeting.
 - 5.11 Encouraging Thai credit to allow minority shareholders to nominate candidates for the position of Director.
 - 5.12 Performing any other tasks relating to nomination as assigned by the Board of Directors.
 - 5.13 In performing within the scope of its duties, the Nomination and Remuneration Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and/or its subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.

Remuneration

- 5.14 Formulating the policy on the determination of remuneration and other benefits based on objectives, duties and responsibilities, and relevant risks, in line with clear and transparent rules and the principles of good corporate governance, for the Board of Directors or the shareholders' meeting (as the case may be) to consider approval and submit it to the BOT (if requested). The Nomination and Remuneration Committee must also closely work with the Risk Oversight Committee to ensure that the remuneration policy can reflect significant risks to be borne by Thai credit.
- 5.15 Ensuring that Thai credit's Directors, members of sub-committees, and those with management authority, including heads of key business units, receive remuneration appropriate to their duties and responsibilities towards Thai credit. Any persons entrusted with additional duties and responsibilities should be compensated appropriately for their assignments. The Nomination and Remuneration Committee must also establish an appropriate remuneration policy and framework to be presented to Thai credit's Board of Directors or the shareholders' meeting (as the case may be) for approval.
- 5.16 Setting out the guidelines for assessing the performance of Thai credit's Board of Directors, members of sub-committees, and those with managerial power, including heads of key business units, considering annual remuneration adjustment by taking duties, responsibilities, and the incurred risks into account, and emphasising the long-term increase in the value of shareholders' equity.
- 5.17 Arranging annual performance assessment of Thai credit's Board of Directors and those with managerial power to ensure that they remain capable of performing relevant roles and responsibilities as assigned, and giving opinions on the improvement of their performance as a whole.

- 5.18 Reviewing the management's recommendations regarding the remuneration policy and framework for Thai credit's Directors, members of sub-committees, and those with managerial power, including heads of key business units, to further provide suggestions to the Board of Directors.
- 5.19 Disclosing the remuneration policy and remuneration in various forms, and reporting the determination of remuneration in Thai credit's annual report, at least containing the details about the factors used to consider overall performance assessment, goals and operations, and the opinions of the Nomination and Remuneration Committee including any procedures and tools for determining risk-based remuneration payment.
- 5.20 Performing any other tasks relating to remuneration as assigned by the Board of Directors.
- 5.21 In performing within the scope of duties, the Nomination and Remuneration Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring will be performed in line with Thai credit's regulations.

6. Meetings

- 6.1 Thai credit requires that the Nomination and Remuneration Committee hold its meetings at least twice a year, each with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. Meetings of the Nomination and Remuneration Committee should be held to discuss matters within the scope of its authority, duties, and responsibilities, and may be arranged via electronic media, in compliance with applicable legal provisions.
- 6.2 To summon a Nomination and Remuneration Committee meeting, the chairman of the Nomination and Remuneration Committee or any person designated by the chairman of the Nomination and Remuneration Committee must notify its members, and provide documents supporting the meeting to the members, at least seven days before the meeting date. However, in an urgent event to protect the rights or benefits of Thai credit, the Nomination and Remuneration Committee members may be notified by any other methods, or a meeting may be held on an earlier date.
- 6.3 The Nomination and Remuneration Committee may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.
- 6.4 At a Nomination and Remuneration Committee meeting, at least half of the total number of Nomination and Remuneration Committee members must be present to constitute a quorum.
- 6.5 If the chairman of the Nomination and Remuneration Committee is absent, or unable to perform his or her duties, members present must choose one member to preside over the meeting.
- 6.6 Any decisions at a Nomination and Remuneration Committee meeting will be decided by a majority of votes from members present. One member has the right to cast one vote. A member with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.

- 6.7 There are two methods of voting on resolutions of the Nomination and Remuneration Committee.
- 6.7.1 If a meeting is arranged, members of the Nomination and Remuneration Committee may cast their votes anonymously.
- 6.7.2 If no meeting is arranged, members of the Nomination and Remuneration Committee may cast their votes by signing a circular letter to affirm the resolution, or via email.
- 6.8 The secretary of the Nomination and Remuneration Committee will prepare minutes of Nomination and Remuneration Committee meetings for consideration by its members before they are presented for approval as the first agenda item at the next Nomination and Remuneration Committee meeting. If approved, the minutes must be certified by the person presiding over the meeting. The Nomination and Remuneration Committee may suggest an amendment to the minutes to ensure elaboration and accuracy.
- 6.9 Meeting documents and minutes must contain complete information. For important agenda items, the valuable opinions of individual participants must be provided individually for the purpose of consideration.

7. Evaluation of performance

To ensure conformity with good corporate governance principles, the Nomination and Remuneration Committee's performance must be evaluated every year as a whole and individually. These evaluation results will be used in the development and improvement of their performance to improve efficiency when achieving the provided objectives.

8. Remuneration

Remuneration for members of the Nomination and Remuneration Committee will be approved at a shareholders' meeting. To this end, Thai credit's Board of Directors will propose the remuneration for consideration and approval by a Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

9. Review and revision

The Nomination and Remuneration Committee will review this Charter at least once a year, and propose any amendments and it considers appropriate to Thai credit's Board of Directors for approval.

Notification No. 073/2021 re: Composition, Authority, Duties, and Responsibilities of the Nomination and Remuneration Committee will be repealed and replaced with this Charter.

12. Risk Oversight Committee Charter

Board of Directors' Meeting No. 6/2023, which was held on 15 May 2023, resolved to amend the implementation of the Risk Oversight Committee Charter, as detailed below.

1. Objectives

Thai Credit Bank Public Company ("Thai credit") understands the importance of the principles of good corporate governance; efficient internal control systems by taking into account risks, fairness, and transparency; and constant effective mechanisms to control, supervise, inspect, and monitor Thai credit's operations, pursuant to relevant legal provisions and applicable regulations of the Bank of Thailand ("BOT"), the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand ("SET"), Thai credit has issued this Risk Oversight Committee Charter to ensure that the Risk Oversight

Committee can perform its duties and responsibilities to efficiently support Thai credit's Board of Directors regarding the establishment of scopes of risk oversight in several areas, pursuant to Thai credit's risk management policy. This will enable Thai credit to properly manage the relevant risks in a more complicated and fluctuating financial environment, and efficiently and effectively implement its policies and strategies.

2. Composition

- 2.1 Members of the Risk Oversight Committee must be appointed by Thai credit's Board of Directors. The Risk Oversight Committee consists of the number of members that Thai credit's Board of Directors considers appropriate, but will consist of no fewer than three members who will each be one of Thai credit's Directors, senior Executives, or other individuals, and half of these members must be either independent directors or non-executive Directors, with at least one member having the knowledge, skills, and understanding of any risks relevant to Thai credit's business as a financial institution.
- 2.2 Thai credit's Board of Directors or the Risk Oversight Committee must elect one of the Committee's members who is an independent or non-executive Director to chair the Risk Oversight Committee.
- 2.3 Thai credit's Board of Directors or the Risk Oversight Committee will appoint the secretary of the Risk Oversight Committee to help with the Committee's operations.

3. Qualifications

- 3.1 Members of the Risk Oversight Committee must have all qualifications required, and must not have any prohibited characteristic or characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided in the Public Limited Companies Act, B. E. 2535 (1992), as amended (the "**Public Limited Companies Act**"); the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"); the Financial Institution Business Act, B.E. 2551 (2008), as amended (the "**Financial Institution Business Act**"); and the applicable notifications, rules, or regulations of the BOT, the SEC, the Capital Market Supervisory Board, or the Stock Exchange of Thailand.
- 3.2 Members of the Risk Oversight Committee must have appropriate knowledge, ability, and experience that will be beneficial for business operations, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions, independently. They must engage in day-to-day business operations with morality, integrity, and honesty, and dedicate sufficient time for their performance of duties and responsibilities.

4. Term of office

- 4.1 Members of the Risk Oversight Committee have terms of office of three years each, subject to the term of their directorship (for members who also take office as Thai credit Directors). Any member who retires by rotation may be re-appointed and must remain in the position to engage in his or her duties and responsibilities until a new member of the Risk Oversight Committee is appointed, unless the term of his or her office as a Director is completed, and he or she is not re-appointed as a Thai credit Director (for members who also take office as Thai credit Directors).

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- 4.2 In addition to retirement by rotation, members of the Risk Oversight Committee may vacate office in any of the following events.
- 4.2.1 death;
 - 4.2.2 resignation;
 - 4.2.3 lack of a qualification required, or having a characteristic prohibited under applicable law or this Charter;
 - 4.2.4 retirement by a resolution of a Thai credit's Board of Directors meeting or shareholders' meeting;
 - 4.2.5 retirement under a court order;
 - 4.2.6 termination of his or her position as a Director or senior Executive of Thai credit.
- 4.3 If a position in the Risk Oversight Committee becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors, at the next Board of Directors meeting, must elect a suitable person who has all qualifications required to fulfill the vacant position, and ensure that the Risk Oversight Committee has the number of members as required under this Charter. The newly-appointed member of the Risk Oversight Committee will remain in office only for the remaining term of the member he or she replaces.
- 4.4 If the entire Risk Oversight Committee vacates office, they must remain in office to engage in its operations until the new Risk Oversight Committee takes over.
- 5. Authority, duties, and responsibilities**
- 5.1 Advising the Board of Directors on Thai credit's risk oversight framework.
 - 5.2 Reviewing and auditing the sufficiency and efficacy of the overall risk management policy and strategies, and acceptable risk levels, at least once a year or when there are significant changes. The Risk Oversight Committee should discuss and exchange views with the Audit Committee to assess whether Thai credit's risk management policy and strategies cover all types of risks, including emerging risks, and whether they are implemented efficiently and effectively.
 - 5.3 Coordinating with the Audit Committee in considering important information regarding risks and internal control to facilitate the Audit Committee's consideration and approval of an internal audit plan to create reasonable assurance that Thai credit has an internal control system appropriate to risk management, and that a risk management system is properly adopted and implemented.
 - 5.4 Supervising senior Executives, including those of the risk management unit, to comply with the risk management policy and strategies and acceptable risk levels.
 - 5.5 Ensuring that Thai credit's risk-based strategies regarding capital and liquidity management are set forth in accordance with the approved acceptable risk levels.
 - 5.6 Reporting risk status, efficiency of risk management, the status of compliance with risk-based corporate culture, significant risk factors and issues, and detected deficiencies to Thai credit's Board of Directors to carry out improvements and rectifications in line with the risk management policy and strategies.
 - 5.7 Assessing the effectiveness and efficiency of performance of the senior Executives of the risk management unit.
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- 5.8 Approving and reviewing the compliance unit's operational plans.
- 5.9 Determining the compliance unit's structure and manpower.
- 5.10 Considering and scrutinizing the following compliance-related matters to be proposed to the Board of Directors for approval:
- (1) Compliance Policy;
 - (2) Compliance Unit Charter;
 - (3) reviewing the policy and assessment of risk management efficiency with respect to regulatory compliance; and
 - (4) filling a position, appointment, rotation, annual performance assessment, and determination of the remuneration of the compliance unit's Executives.
- 5.11 Preparing an annual compliance report.
- 5.12 Performing any other tasks assigned by the Board of Directors.
- 5.13 In performing within the scope of its duties, the Risk Oversight Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and relevant subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.
- 6. Meetings**
- 6.1 Thai credit requires that the Risk Oversight Committee hold its meetings at least four times a year (once in each quarter), with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. Meetings of the Risk Oversight Committee should be held to discuss matters within the scope of its authority, duties, and responsibilities, and may be arranged via electronic media, in compliance with applicable legal provisions.
- 6.2 To summon a Risk Oversight Committee meeting, the chairman of the Risk Oversight Committee or any person designated by the chairman of the Risk Oversight Committee must notify its members, and provide documents supporting the meeting to the members, at least three days before the meeting date. However, in an urgent event to protect the rights or benefits of Thai credit, the Risk Oversight Committee members may be notified by any other methods, or a meeting may be held on an earlier date.
- 6.3 The Risk Oversight Committee may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.
- 6.4 At a meeting of the Risk Oversight Committee, at least half of the total number of its members must be present to constitute a quorum.

- 6.5 If the chairman of the Risk Oversight Committee is absent, or unable to perform his or her duties, members present must choose one member to preside over the meeting.
- 6.6 Any decisions at a Risk Oversight Committee meeting will be decided by a majority of votes from members present. One member has the right to cast one vote. A member with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.
- 6.7 There are two methods of voting on resolutions of the Audit Committee.
- 6.7.1 If a meeting is arranged, members of the Risk Oversight Committee may cast their votes anonymously.
- 6.7.2 If no meeting is arranged, members of the Risk Oversight Committee may cast their votes by signing a circular letter to affirm the resolution, or via email.
- 6.8 Minutes of Risk Oversight Committee meetings must be prepared for consideration by the Risk Oversight Committee before they are presented for approval as the first agenda item at the next Risk Oversight Committee meeting. If approved, the minutes must be certified by the person presiding over the meeting. The Risk Oversight Committee may suggest an amendment to the minutes to ensure the elaboration and accuracy.
- 6.9 Meeting documents and minutes must contain complete information. For important agenda items, the valuable opinions of individual participants must be provided individually for the purpose of consideration.

7. Evaluation of performance

To ensure conformity with good corporate governance principles, the Risk Oversight Committee's performance must be evaluated every year as a whole and individually. These evaluation results will be used in the development and improvement of their performance to improve efficiency when achieving the provided objectives.

8. Remuneration

Remuneration for members of the Risk Oversight Committee will be approved at a shareholders' meeting. To this end, the Nomination and Remuneration Committee will propose the remuneration for consideration and approval by a Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

9. Review and revision

The Risk Oversight Committee will review this Charter at least once a year, and propose any amendments and it considers appropriate to Thai credit's Board of Directors for approval.

Notification No. 053/2566 re: Risk Oversight Committee Charter will be repealed and replaced with this Charter.

13. Executive Committee Charter

The Board of Directors' meeting No. 2/2023, which was held on 22 February 2023, resolved to approve the determination of the Executive Committee Charter, as detailed below.

1. Objectives

Thai Credit Bank Public Company ("Thai credit") understands the importance of the principles of good corporate governance; efficient internal control systems by taking into account risks, fairness, and transparency; and constant effective

mechanisms to control, supervise, inspect, and monitor Thai credit's operations, pursuant to relevant legal provisions and applicable regulations of the Bank of Thailand ("**BOT**"), the Office of the Securities and Exchange Commission (the "**Office of the SEC**"), and the Stock Exchange of Thailand ("**SET**"), Thai credit has issued this Executive Committee Charter to constitute guidelines for the performance of duties and responsibilities to ensure compliance with Thai credit's policies, goals, and strategies, provided and designated by Thai credit's Board of Directors, and to provide agility, in order that the Executive Committee can share the workload of Thai credit's Board of Directors.

2. Composition

- 2.1 Members of the Executive Committee must be appointed by Thai credit's Board of Directors. The Executive Committee will consist of the number of members that Thai credit's Board of Directors considers appropriate, but must consist of no fewer than three members, some of whom shall be Directors and some of whom shall be Executives.
- 2.2 Thai credit's Board of Directors must appoint the chairman and vice chairman of the Executive Committee.
- 2.3 Thai credit's Board of Directors or the Executive Committee must appoint the secretary for the Executive Committee, to help with its operations.

3. Qualifications

- 3.1 Members of the Executive Committee must have all qualifications required, and must not have any prohibited characteristic or characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided in the Public Limited Companies Act, B. E. 2535 (1992); the Securities and Exchange Act, B.E. 2535 (1992), as amended; the Financial Institution Business Act, B.E. 2551 (2008), as amended; and the applicable notifications, rules, and/or regulations of the BOT, the Office of the SEC, the Capital Market Supervisory Board, and/or the SET.
- 3.2 Members of the Executive Committee must have appropriate knowledge, ability, and experience that will be beneficial and appropriate for business operations, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions, independently. They must engage in business operations with morality, integrity, and honesty, and dedicate sufficient time for their performance of duties and responsibilities.

4. Term of office

- 4.1 Members of the Executive Committee have terms of office of three years each, subject to the terms of their directorship office (for members who also take office as Thai credit Directors). Any member who retires by rotation must remain in the position to engage in his or her duties and responsibilities until a new member of the Executive Committee is appointed, and he or she may be re-appointed, unless the term of his or her office as a Director is completed, and he or she is not re-appointed as a Director (for members who also take office as Directors).
- 4.2 In addition to retirement by rotation, members of the Executive Committee may vacate office in any of the following events:

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- 4.2.1 death;
 - 4.2.2 resignation;
 - 4.2.3 lack of a qualification required, or having a characteristic prohibited under applicable law or this Charter;
 - 4.2.4 retirement by a resolution of a Thai credit's Board of Directors meeting or shareholders' meeting;
 - 4.2.5 retirement under a court order;
 - 4.2.6 termination of his or her position as a Director or Executive of Thai credit.
- 4.3 If a position in the Executive Committee becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors, at the next Board of Directors meeting, must elect a suitable person who has all qualifications required to fulfill the vacant position, and ensure that the Executive Committee has the number of members as required under this Charter. The newly-appointed member of the Executive Committee will remain in office only for the remaining term of the member he or she replaces.
- 4.4 If the entire Executive Committee vacates office, they must remain in office to engage in its operations until the new Executive Committee takes over.
- 5. Authority, duties, and responsibilities**
- 5.1 Carrying out and managing Thai credit's business in line with the set objectives, regulations, policies, rules, requirements, orders, resolutions of Board of Directors' meetings, and resolutions of shareholders' meetings.
- 5.2 Considering, scrutinizing, and setting out Thai credit's strategies for business operations, business plans, financial goals, annual budgets, management structure, human resource management policy, and managerial power in various aspects to be proposed to the Board of Directors for approval, and considering and scrutinizing the management's proposals and important new plans.
- 5.3 Overseeing Thai credit in carrying out its operations in accordance with its objectives, regulations, policies, rules, strategies, and business plans to achieve the set goals, and to strictly and inclusively comply with the risk oversight policy, strategies, and framework, including the risk management policy and strategies, the acceptable risk levels, the remuneration policy, and the good governance policy approved by the Board of Directors, and periodically reporting its progress to the Board of Directors.
- 5.4 Reviewing and supervising Thai credit's operations to comply with applicable laws and regulations and limiting its operating expenses within the budget approved by the Board of Directors.
- 5.5 Controlling Thai credit's risks to ensure they are at appropriate and acceptable levels and within the risk limits specified under the policy approved by the Board of Directors, and to limit damage that may arise from business operations to a level that will cause no significant impact on Thai credit's financial position. The Executive Committee is also committed to procuring personnel with knowledge, ability, and understanding of financial techniques and relevant businesses sufficient to perform risk management and internal control functions. In addition, it must be informed of internal audit reports with respect to the measures for preventing, detecting, and solving problems, and in the event that damage or potential damage arises.
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- 5.6 Reviewing a risk management process and system, including the risk limits, regularly or whenever there is an important event that may affect Thai credit's stability.
 - 5.7 Considering and reviewing the matters that must be considered and approved by the Board of Directors or by shareholders' meetings before presenting them to the Board of Directors for approval.
 - 5.8 Considering approval of transactions, including those in Thai credit's ordinary course of business, those concerning execution of agreements, investment in or trading of Thai credit's assets, human resource management, finance, and general administration, and transactions that support Thai credit's normal business, under general trading conditions, in the amount not exceeding the budget approved by the Board of Directors or in line with the principles that have been approved by the Board of Directors. However, those transactions are subject to the rules of the Securities and Exchange Commission, the Capital Market Supervisory Board, and/or the SET, regarding related party transactions, and the acquisition and disposition of assets, and/or any other applicable laws and the delegation of authority specified by the Board of Directors.
 - 5.9 Considering approval of loan applications or the issuance of instruments for long-term fund raising for business operations, within the limit permitted under the delegation of authority prescribed by the Board of Directors.
 - 5.10 Approving the procurement of office supplies, operating expenses, and considering, scrutinizing, or approving the hiring of consultants, procurement, and investment expenses within the limit specified by Thai credit's Board of Directors.
 - 5.11 Considering approval of Thai credit's operational procedures and guidelines.
 - 5.12 Considering, determining, and approving the establishment, cancellation, or material changes to Thai credit's organisational structure, chain of command, chain of reporting, or managerial power, covering the selection, hiring, rotation, training, and termination of Thai credit's employees at an executive level. The Executive Committee must also assist the Board of Directors in ensuring that those with managerial power are appropriately qualified and capable of managing Thai credit's business. It must also clearly determine the duties and responsibilities of each business unit under the chain of command to facilitate efficient and effective risk management and supervision, control, and audit of operations, and ensure that the controlling units can perform their duties professionally and independently, without being influenced by any business units. In addition, it is responsible for coordinating with the Nomination and Remuneration Committee to consider and monitor succession planning, manpower planning, and establishment of rules for remuneration payment and for performance assessment of Executives, and subsequently reporting to the Board of Directors.
 - 5.13 Cultivating a risk-conscious corporate culture and communicating risk management policy and strategies, acceptable risk levels, and risk limits to create awareness of their importance among Thai credit's employees, including duties and responsibilities and risks arising in an operational process. The Executive Committee is also responsible for supervising and ensuring strict compliance with the set policies, rules, regulations, and operational procedures.
 - 5.14 Reporting the results of operations to the Board of Directors on a regular basis, including any other matters necessary and appropriate to be presented to the Board of Directors for acknowledgment. Any resolutions or important actions within its scope of duties will be reported at the next Board of Directors' meeting.

- 5.15 Reporting risk status, risk management efficiency and guidelines, the status of compliance with risk-conscious corporate culture, and relevant significant risk factors, issues, and deficiencies to Thai credit's Board of Directors and relevant sub-committees on a regular basis or as soon as they are detected to determine timely solutions, and ensuring that reporting is conducted in an accurate, complete, and timely manner and reflects Thai credit's risks, capital adequacy, and liquidity.
- 5.16 Reporting the status of audit by Thai credit's compliance unit, and important regulations and orders to the Board of Directors for acknowledgement.
- 5.17 Being entitled to authorize one or more persons to perform any action under its supervision or delegating any authority to any person within a period of time that is deemed appropriate. The Executive Committee may cancel, revoke, or change any authorized person or the authorization as it deems appropriate.

The Executive Committee's delegation of authority, duties, and responsibilities must not constitute delegation or sub-delegation that allows an authorized person to approve any transaction in which he or she or a related person (as defined under the notifications of the Capital Market Supervisory Board and/or the SET), has an interest, or may have any other conflicts of interest with Thai credit and/or its subsidiary. Such transaction must be proposed to the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) for consideration and approval, unless the transaction is conducted in the ordinary course of business or supports Thai credit's normal business under a commercial agreement in the same way that a prudent person would act with a general counterparty in the same situation, with the bargaining power to negotiate terms without being influenced by the status of a Director, Executive, or related person and having the same conditions as an agreement executed for a transaction with a third party (at arm's length). Such commercial agreement must be approved by Thai credit's Board of Directors or in accordance with the principles that have been approved by the Board of Directors.

- 5.18 Performing any other tasks assigned by the Board of Directors.
- 5.19 In performing its duties, the Executive Committee is entitled to summon and instruct the management, heads of business units, or employees of Thai credit and its subsidiary to provide their opinions, attend meetings, or submit documents as deemed relevant and necessary, and to seek independent opinions from any other professional consultants as deemed necessary at Thai credit's expense. The hiring process will be in line with Thai credit's regulations.

The Executive Committee will have the same authority, duties, and responsibilities as the Management Committee, which have been assigned and announced by the Board of Directors in accordance with the resolutions of a Board of Directors' meeting and/or Thai credit's regulations, announcements, and orders, including those attached to the Announcement No. 076/2564 re: Sub-committees, as amended, including Thai credit's regulations, announcements, and orders issued prior to said announcement.

6. Meetings

- 6.1 Thai credit requires that the Executive Committee hold its meetings at least once a month, with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. Meetings of the Executive Committee should be held to discuss matters within the scope of its

authority, duties, and responsibilities, and may be arranged via electronic media, in compliance with applicable legal provisions.

- 6.2 To summon an Executive Committee meeting, the chairman of the Executive Committee or any person designated by the chairman of the Executive Committee must notify its members, and provide documents supporting the meeting to the members, at least seven days before the meeting date. However, in an urgent event to protect the rights or benefits of Thai credit, the Executive Committee members may be notified by any other methods, or a meeting may be held on an earlier date.
- 6.3 The Executive Committee may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.
- 6.4 At a meeting of the Executive Committee, at least half of the total number of its members must be present to constitute a quorum.
- 6.5 If the chairman of the Executive Committee is absent, or unable to perform his or her duties, the vice chairman, if present, will preside over the meeting. If the vice chairman is absent, or unable to perform his or her duties, and no member has been designated to preside over the meeting, members present must choose one member to preside over the meeting.
- 6.6 Any decisions at an Executive Committee meeting will be decided by a majority of votes. One member has the right to cast one vote. A member with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.
- 6.7 There are two methods of voting on resolutions of the Executive Committee as follows:
- 6.7.1 if a meeting is arranged, members of the Executive Committee may cast their votes anonymously;
- 6.7.2 if no meeting is arranged, members of the Executive Committee may cast their votes by signing a circular letter to affirm the resolution, or via email.
- 6.8 Minutes of Executive Committee meetings must be prepared for consideration by its members before they are presented for approval as the first agenda item at the next Executive Committee meeting. If approved, the minutes must be certified by the person presiding over the meeting. Members of the Executive Committee may suggest an amendment to the minutes to ensure the elaboration and accuracy.
- 6.9 Meeting documents and minutes must contain complete information. For important agenda items, the valuable opinions of individual participants must be provided individually for the purpose of consideration.

7. Evaluation of performance

To ensure conformity with good corporate governance principles, the Executive Committee's performance must be evaluated every year as a whole and individually. These evaluation results will be used in the development and improvement of their performance to improve efficiency when achieving the provided objectives.

8. Remuneration

Remuneration for members of the Executive Committee will be approved at a shareholders' meeting. To this end, the Nomination and Remuneration Committee will propose the remuneration for consideration and approval by a Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

9. Review and revision

The Executive Committee will review this Charter at least once a year, and propose any amendments and it considers appropriate to Thai credit's Board of Directors for approval.

10. Notification No. 076/2021 re: Committees

To ensure alignment with business strategies, and for the clear scope of authority to approve information technology (IT) projects such as the development of programs or IT infrastructure, the Executive Committee Meeting No. 6/2021, which was held on 30 June 2021, resolved to approve modifications to the authority, duties, and responsibilities of the IT Steering Committee.

The description of Thai credit's committees is provided below.

1. The Executive Committee consists of the following members.

Executive officers	Designees
1. Chief Executive Officer (Chairman)	Mr. Winyou Chaiyawan
2. Managing Director (Vice Chairman)	Mr. Roy Agustinus Gunara
3. Assistant Managing Director, Micro Finance Business and Lending Branch Management Group	Mr. Kamolphu Phuredithsakul
4. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
5. Assistant Managing Director, Finance and Accounting	Mr. Kittipant Sriwannawit
6. Assistant Managing Director, Information Technology	Mr. Christopher Chan
7. Assistant Managing Director, Collections and Legal	Mr. Pichart Roongwarasopit
8. Assistant Managing Director, Retail and Wealth Banking Group	Mr. Veeravet Chaiyawan
9. Executive Vice President, Risk Management	Mrs. Suwimol Visavavigrant
Secretary	Mrs. Bongkot Sirivallop

The Executive Committee holds its meeting once a month.

The Executive Committee has the following authority, duties, and responsibilities.

1. Scrutinizing strategic plans, business plans, and policies, and proposing them to the Board of Directors.
2. Supervising Thai credit's operations to ensure compliance with its policies, strategies, and business plans, and that its goals will be achieved.
3. Ensuring that Thai credit's operations comply with applicable law and Thai credit's regulations.
4. Considering and approving transactions within the scope of its authority, as established by the Board of Directors.
5. Considering and approving borrowing and issuance of long-term instruments to fund business operations.
6. Considering and approving material supplies, operating costs, and investment costs, within the limits provided by the Board of Directors.
7. Considering and approving procedures and practices that will be part of Thai credit's operations.
8. Considering and approving procedures as assigned by the Board of Directors.

Unless provided otherwise, the Executive Committee has the same authority and responsibility as the Management Committee. Thai credit's Board of Directors has designated and approved the authority and responsibility of the Management Committee, as per the resolution of the Board of Directors meeting, and/or the regulation, notification, or order of Thai credit, as enclosed with this Charter, as amended; and the regulations, notifications, or orders of Thai credit that were previously issued.

- 1.1. There are three **committees and sub-committees under the supervision of the Executive Committee**, as detailed below.

- 1.1.1. The **IT Steering Committee** consists of the following members.

Members	Designees
1. Managing Director (Chairman)	Mr. Roy Agustinus Gunara
2. Assistant Managing Director, Finance and Accounting	Mr. Kittipant Sriwannawit
3. Assistant Managing Director, Information Technology	Mr. Christopher Chan
4. Executive Vice President, Digital Transformation	Miss Korkaew Tribamrongsuk
5. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
6. Senior Vice President, Operational Risk Management	Miss Chutharat Chonchol
7. Executive Vice President, Operations	Miss Puckjira Vudhesethakrit
8. Executive Vice President, Compliance	Miss Natthita Loveera
Secretary	Miss Sureeluck Suthiprapa

The IT Steering Committee has the following authority, duties, and responsibilities.

1. Establishing IT strategies, policies, and plans that align with Thai credit's strategies and business guidelines.
2. Considering and approving an IT disaster recovery plan to ensure the continuity of business operations.
3. Supervising and reviewing resources used in IT operations, such as IT personnel and infrastructure, to ensure their suitability; and upgrading systems to ensure the continuity of Thai credit's business operations.
4. Considering and approving IT projects.
5. Supervising and following up on the progress of IT projects; controlling expenses to ensure they are within the budget; and reporting important progress of IT projects to relevant committees.
6. Supervising and monitoring operations to ensure that risk management and IT security are in place; directing technological assignments; and supervising the use of connection or access to information by third parties to ensure compliance with the established policies, and applicable law and regulations.
7. Supervising, monitoring, and directing the management of, or responses to, IT problems or incidents that have broad effects or that affect the reputation of Thai credit, and reporting these problems or incidents to relevant committees.
8. Establishing work units, or appointing a person, to work, within the scope of the Committee's authority, to support operations in which work systems are involved; and managing the safety and security of data, information, and information systems.
9. Establishing the best practices for managing and supervising the implementation of the information security management structure; and promoting the regular development and improvement of this structure, pursuant to the ISO/IEC27001 provisions.

1.1.2. The Procurement Committee consists of the following members.

Members	Designees
1. Director (Chairman)	Miss Krisana Aramkulchai
2. Assistant Managing Director, Finance and Accounting (Vice Chairman)	Mr. Kittipant Sriwannawit
3. Assistant Managing Director, Information Technology	Mr. Christopher Chan
4. Assistant Managing Director, Human Resource Management	Mr. Sarawooth Savejnarong
5. Vice President, Administration	Mr. Siripong Sapyakom
Secretary	Miss Suwannee Maneethunyathorn

The Procurement Committee has the following authority, duties, and responsibilities.

1. Engaging in the procurement of material supplies and contractual work; and having the authority to appoint members of the Tender Envelope Acceptance and Opening Committee and the Inspection and Acceptance Committee, pursuant to the established procurement regulations.
2. Approving procurement regulations.
3. Reporting approved procurement items to the Managing Director on a monthly basis.

1.1.3. The **Asset Classification Provisioning Committee** consists of the following members.

Members	Position
1. Executive Manager in Finance	Chairman
2. Vice President, Operational Risk Management	Member
3. Vice President, Information Technology	Member
4. Vice President, Legal	Member
5. Vice President, Accounting and Taxation	Member
6. Vice President, Asset Utilization or Director of Asset Amortization	Member
7. Vice President, Administration	Member and secretary
8. Vice President, General Auditing	Observer

Remarks: Persons appointed as members of the Asset Classification Provisioning Committee (items 1 to 8) require persons in specified position or higher to be appointed as members. If any unit has many Executives performing duties in the specified position, the chief Executive will become a member, or may assign an Executive in the immediate lower level to be a member.

The Asset Classification Provisioning Committee has the following authority, duties, and responsibilities.

1. Considering and giving opinions to support requests for permission for write-offs, disposal, transfers, leasing out, donations, or demolition of Thai credit's operating assets, pursuant to Thai credit's regulations.
2. Considering and determining the final price of any operating assets that will be amortized.
3. Acting as the witness in the write-offs, disposal, transfers, leasing out, donations, or demolition of Thai credit's operating assets that have high value or are in a large volume, as the Committee considers appropriate, on a case-by-case basis.
4. Reporting to the Executive Committee at the end of any month in which any amortization is performed.

2. The **Risk Management Committee** consists of the following members.

Members	Designees
1. Chief Executive Officer (Chairman)	Mr. Winyou Chaiyawan
2. Managing Director (Vice Chairman)	Mr. Roy Agustinus Gunara
3. Assistant Managing Director, Micro Finance Business and Lending Branch Management Group	Mr. Kamolphu Phuredithsakul
4. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
5. Assistant Managing Director, Finance and Accounting	Mr. Kittipant Sriwannawit
6. Assistant Managing Director, Information Technology	Mr. Christopher Chan
7. Assistant Managing Director, Collections and Legal	Mr. Pichart Roongwarasopit
8. Assistant Managing Director, Retail and Wealth Banking Group	Mr. Veeravet Chaiyawan
9. Executive Vice President Risk Management	Mrs. Suwimol Visavavigrant
10. Assistant Managing Director, Credit	Miss Achara Ruangchay
11. Executive Vice President, Compliance	Miss Natthita Loveera
Secretary	Mrs. Bongkot Sirivallop

The Risk Management Committee holds its meeting once a month.

The Risk Management Committee has the following authority, duties, and responsibilities.

1. Establishing the policy framework, strategies, and best practices for risk management that conform with Thai credit's strategies. The framework, strategies, and best practices must address risks in key areas such as strategic risk, credit risk, market risk, liquidity risk, operational risk, and IT risk, and will be proposed for consideration by the Board of Directors, with regard to the overall risk management.
2. Establishing strategies to conform with the risk management policy to identify, assess, monitor, report, and control potential risks facing Thai credit, to ensure that these risks are maintained at an appropriate level.
3. Reviewing the sufficiency and effectiveness of operating systems, and compliance with the established policy; approving risk monitoring procedures; establishing preventive and corrective measures and appropriate risk control; and ensuring compliance with the risk management policy.
4. Supervising IT risk management to ensure compliance with the established policy, and ensuring that IT operations comply with applicable law and regulations (IT compliance), for the purpose of maintaining

technology security and readiness to respond to any potential technology or cyber threat. The IT risk management must be connected within the overall risk management of Thai credit.

5. Supervising, monitoring, and reviewing the effectiveness of the IT risk management, and IT risk issues or incidents that may cause broad effects, or that may affect the reputation of Thai credit.
6. Considering and approving the business continuity plan and framework.
7. Considering and approving the launching of new products.
8. Considering and approving framework for new product programs; and reviewing and renewing product programs for loan products and other products, except for deposit, investment, and fund-raising products.
9. Regularly reporting to the Risk Oversight Committee on what needs to be improved to ensure conformity with the established policies and strategies, and performing any other tasks and duties as designated by the Risk Oversight Committee.
10. Ensuring that resources for risk management, such as personnel in the risk management unit and the risk control unit, are sufficient. This includes improving work systems to support risk management.
11. Appointing or assigning a person to prepare and analyze data, or perform any other tasks, within the scope of the committee's authority, to support its operations.

2.1. There are seven **committees and sub-committees under the supervision of the Risk Management Committee**, as detailed below.

2.1.1. The **Loan Approval Committee 1** consists of the following members.

Members	Designees
1. Director (Chairman)	Miss Krisana Aramkulchai
2. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
3. Executive Vice President, Risk Management	Mrs. Suwimol Visavavigrant
4. Executive Vice President, Operations	Miss Natasa Suracheewakrit
5. Senior Vice President, SME	Mr. Kowit Leesirison
6. Senior Vice President, Credit Risk Management	Mr. Sarayut Sukploy
Secretary	Mr. Somchai Raweeruengrong

The Loan Approval Committee 1 has the following authority, duties, and responsibilities.

1. Establishing policies and principles for all types of loans, except for the launch of new products programs, and the review and renewal of product programs.

2. Establishing principles for granting all types of loans.
3. Establishing principles, practices, and guidelines for recovering non-performing loans.
4. Considering, approving, and/or scrutinizing maximum loan amounts granted between financial institutions, to ensure they are within limits provided by the Board of Directors, for the purpose of managing liquidity.
5. Considering, approving, and/or scrutinizing all types of loans; and recovering non-performing loans, within loan limits provided by the Board of Directors.
6. Considering and approving changes to the purposes of lending, or an increase or decrease in maximum loan amounts granted; and establishing or modifying conditions for loans that have been approved.
7. Considering types of assets accepted as collateral, and determining the loan-to-value ratio.
8. Considering the quality of the portfolio in the big picture.
9. Regularly monitoring amounts of loans approved. This information will be used to modify Thai credit's lending strategies.
10. Designating personnel and the authority to approve loan amounts within the scope of the committee's authority, in line with the loan limits provided by the Board of Directors.

2.1.2. The **Loan Approval Committee 2** consists of the following members.

Executive officers	Designees
1. Chief Executive Officer (Chairman)	Mr. Winyou Chaiyawan
2. Managing Director	Mr. Roy Agustinus Gunara
3. Director	Miss Krisana Aramkulchai
4. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
5. Executive Vice President, Risk Management	Mrs. Suwimol Visavavigrant
6. Executive Vice President, Operations	Miss Natasa Suracheewakrit
7. Senior Vice President, SME	Mr. Kowit Leesirison
8. Senior Vice President, Credit Risk Management	Mr. Sarayut Sukploy
Secretary	Mr. Somchai Raweeruengrong

The Loan Approval Committee 2 has the following authority, duties, and responsibilities.

1. Considering, approving, and/or scrutinizing all types of loans; and recovering non-performing loans, within loan limits provided by the Board of Directors.

2. Considering, approving, and/or scrutinizing maximum loan amounts granted between financial institutions, to ensure they are within limits provided by the Board of Directors, for the purpose of managing liquidity.
3. Considering and approving changes to the purposes of lending, or an increase or decrease in maximum loan amounts granted; and establishing or modifying conditions for loans that have been approved.
4. Considering the quality of the portfolio in the big picture.
5. Regularly monitoring amounts of loans approved. This information will be used to modify Thai credit's lending strategies.

2.1.3. The Debt Restructuring Committee consists of the following members.

Members	Designees
1. Assistant Managing Director, Collections and Legal	Mr. Pichart Roongwarasopit
2. Senior Vice President, TDR Collections and Admin	Mr. Chodok Theerawigasit
3. Executive Vice President, Non-Nano Collections	Miss Pratanporn Peetaneelavat
4. Senior Vice President, Strategic Planning and Analysis	Miss Pomtip Sae Lor
5. Senior Vice President, Micro SME Product Management	Mrs. Amornrat Chotirosniramit
6. Vice President, Credit Risk Management	Mrs. Bongkot Sirivallop
7. Assistant to Vice President, Legal	Mr. Nibondh Iamsa-ard
Secretary	Mrs. Suntaree Pansombat

The Debt Restructuring Committee has the following authority, duties, and responsibilities.

1. Considering and approving the relaxation of debt repayment conditions or debt restructuring conditions, within the total loan amounts specified in applicable Thai credit regulations or notifications.
2. Considering and approving changes to the purposes of lending, or increase or decrease in maximum loan amounts granted, and requests for changes to other conditions, such as the reduction or extension of loan terms, increase or decrease in interest rates, or increase or decrease in installment payment, to the extent that any amounts to be modified will not exceed the amounts prescribed in the established regulations or notifications.
3. Considering, assessing, and reviewing the loan amounts of accounts under an ongoing restructuring process, or any process by the collection unit.
4. Determining the purchase and sale prices of movable and immovable properties that are put up for auction.

5. Reporting its operating performance to the Risk Management Committee.
6. Designating persons to be in charge of considering and approving the relaxation of debt repayment conditions or debt restructuring conditions, to the extent that any amounts to be modified will not exceed the amounts within the committee's authority, and that any modifications must comply with Board of Directors provisions.

2.1.4. The Business Continuity Planning Committee consists of the following members.

Members	Designees
1. Managing Director (Chairman)	Mr. Roy Agustinus Gunara
2. Assistant Managing Director, Micro Finance Business and Lending Branch Management Group	Mr. Kamolphu Phuredithsakul
3. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
4. Assistant Managing Director, Human Resource Management	Mr. Sarawooth Savejnarong
5. Assistant Managing Director, Information Technology	Mr. Christopher Chan
6. Assistant Managing Director, Retail and Wealth Banking Group	Mr. Veeravet Chaiyawan
7. Assistant Managing Director, Finance and Accounting	Mr. Kittipant Sriwannawit
8. Assistant Managing Director, Collections and Legal	Mr. Pichart Roongwarasopit
9. Executive Vice President, Operations	Miss Puckjira Vudhesethakrit
10. Executive Vice President, Compliance	Miss Natthita Loveera
11. Executive Vice President, Risk Management	Mrs. Suwimol Visavavigrant
12. Executive Vice President, Operations	Miss Natasa Suracheewakrit
Secretary	Miss Chutharat Chonchol

The Business Continuity Planning Committee has the following authority, duties, and responsibilities.

1. Establishing Thai credit's business continuity strategies and policies; and preparing sufficient resources for operations, to ensure Thai credit's objectives will be achieved.
2. Considering potential risks facing business continuity management; and ensuring compliance with the business continuity plan.

3. Considering and scrutinizing important transactions and activities; assessing risks and potential effects from any disruption of important transactions and activities; determining maximum tolerable periods of disruption; and establishing recovery strategies that are suitable for individual transactions and activities.
4. Considering and scrutinizing Thai credit's business continuity plan and relevant budget.
5. Considering and implementing Thai credit's business continuity plan.
6. Considering, approving, and making a decision on the venue to be used as the center for recovering crises and monitoring situations; preparing supporting staff and equipment upon request; and delegating responsibilities to relevant parties, including reporting to the Bank of Thailand, in the event of disruption to an important service or transaction.
7. Ensuring that the business continuity plan is tested on a regular basis; and analyzing and reporting the test results to the Risk Management Committee.
8. Reviewing, revising, and improving the business continuity plan in line with the changing environment; and arranging training for, and communicating with, relevant staff.
9. Establishing sub-committees, or designating a person, to be in charge of the committee's work, within the reasonable scope of authority.

2.1.5. The **Collateral Committee** consists of the following members.

Members	Designees
1. Senior Vice President, Legal	Mr. Sumit Setthapattana
2. Vice President, SME Loan Analysis	Mr. Sorapong Tansakul
3. Assistant to Vice President, Litigation	Mr. Korawit Thongchok
4. Senior Manager, Collateral Appraisal Division 2	Mr. Chatchai Poojaroen
5. Manager, Collateral Appraisal Unit 2	Mr. Watcharapol Panprem
6. Assistant to Vice President, Collateral Appraisal Division 1 (Director and Secretary)	Mr. Chalermphol Manokhan

The Collateral Committee has the following authority, duties, and responsibilities.

1. Preparing and proposing policies and procedures for the appraisal of collateral assets, to the Board of Directors for consideration.
2. Stipulating qualifications of, and selecting, third-party appraisers, and reviewing their performance at least once a year.
3. Considering and approving the results of collateral appraisal or valuation.

4. Preparing and presenting monthly summary reports on collateral valuation acceptance, to the Executive Committee and the Board of Directors.
5. Reviewing collateral value in accordance with the regulations provided by the Bank of Thailand.

2.1.6. The Collateral Sub-Committee 1 consists of the following members.

Members	Designees
1. Assistant to Vice President, Collateral Appraisal Division 1 (Chairman)	Mr. Chalermphol Manokhan
2. Manager, Collateral Appraisal Unit 2	Mr. Watcharapol Panprem
3. Vice Manager, Collateral Appraisal Unit 2	Mr. Anusorn Siritap
4. Assistant to Manager, Collateral Appraisal Unit 2	Mrs. Nunthawadee Nasawang
5. Senior Manager, Collateral Appraisal Division 2 (Director and Secretary)	Mr. Chatchai Poojaroen

The Collateral Sub-Committee 1 has the following authority, duties, and responsibilities.

1. Considering, approving, and reviewing collateral value, for collateral valued at no higher than THB 10 million.
2. Preparing and presenting monthly summary reports on collateral valuation acceptance, to the Collateral Committee.

2.1.7. The Collateral Sub-Committee 2 consists of the following members.

Members	Designees
1. Senior Manager, Collateral Appraisal Division 2 (Chairman)	Mr. Chatchai Poojaroen
2. Manager, Collateral Appraisal Unit 2	Mr. Watcharapol Panprem
3. Assistant to Manager, Collateral Appraisal Unit 2	Mrs. Nunthawadee Nasawang
4. Assistant to Manager, Collateral Appraisal Unit 1	Mr. Chaiwat Srithongkum
5. Assistant to Manager, Collateral Appraisal Unit 1	Mr. Sanyaluck Boonsan
6. Assistant to Manager, Collateral Appraisal Unit 2	Mr. Anusorn Vesaurai

Members	Designees
(Director and Secretary)	

The Collateral Sub-Committee 2 has the following authority, duties, and responsibilities.

1. Considering, approving, and reviewing collateral value, for collateral valued at no higher than THB 5 million.
2. Preparing and presenting monthly summary reports on collateral valuation acceptance, to the Collateral Committee.

3. The Assets and Liabilities Management Committee consists of the following members.

Members	Designees
1. Managing Director (Chairman)	Mr. Roy Agustinus Gunara
2. Assistant Managing Director, Finance and Accounting (Vice Chairman)	Mr. Kittipant Sriwannawit
3. Assistant Managing Director, Micro Finance Business and Lending Branch Management Group	Mr. Kamolphu Phuredithsakul
4. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
5. Assistant Managing Director, Retail and Wealth Banking Group	Mr. Veeravet Chaiyawan
6. Vice President, Market and Liquidity Risk Management	Miss Sirima Jindatongdee
7. Vice President, Finance Management (Director and Secretary)	Miss Areerat Ekkosol

The Assets and Liabilities Management Committee holds its meeting once a month.

The Assets and Liabilities Management Committee has the following authority, duties, and responsibilities.

1. Establishing policies and practices regarding market risk, strategies for asset and liability structure management, and levels of market risk and liquidity risk.
2. Establishing guidelines for financial balance management to promote Thai credit's operations and ensure that its targets will be achieved – for example, deciding on the loan-to-deposit ratio, levels of cash and investments, and the composition and structure of loans and deposits.

3. Determining loan transfer pricing methods, taking into account the cost of capital, operating expenses, preferred profit, and fees and fee exemption; and determining whether a fixed or floating interest rate will be used.
 4. Determining investment plans, sizes of portfolio, and investment proportion; monitoring the return performance of investment in each type of securities, age distribution of various types of securities; and monitoring annual financing plans and emergency fund plans.
 5. Considering, approving, and/or scrutinizing investment and the sale and purchase of debt instruments to ensure that they are within the amounts specified by the Committee.
 6. Considering, approving, and/or scrutinizing loan amounts granted between financial institutions to ensure that they are within the amounts specified by the Committee.
 7. Considering and establishing the structure of Thai credit's benchmark interest rates for loans and deposits.
 8. Considering and scrutinizing Thai credit's borrowing and long-term financing (for a longer term than one year); and proposing it to the relevant committee for approval.
 9. Establishing management guidelines to ensure that the capital adequacy ratio is sufficient for Thai credit's operations and business expansion, as planned.
 10. Setting hypotheses and models to assess potential risks in unusual circumstances; and preparing reports on the assessment results to propose to the Risk Management Committee and the Board of Directors, in order that further risk management guidelines will be established.
 11. Considering and approving product programs regarding Thai credit's depositing services and other financing activities, to ensure that they can serve customer needs and stay competitive in the market; and/or considering and reviewing the renewal or termination of product programs regarding Thai credit's depositing services and other financing activities that fail to meet customer demands.
 12. Considering and scrutinizing the launch of new deposit products and services, or financing activities through other financial instruments, to ensure that they can serve customer needs and stay competitive in the market. To this end, business feasibility, strategies, and risks of these product launches will be taken into consideration.
 13. Considering and approving procedures for liquidity emergency responses in critical situations.
 14. Making plans and approving management companies and investment units for which Thai credit will consider being a distributor; and scrutinizing relevant agreements, conditions, and contracts.
 15. Appointing a person or designating a team to carry out tasks as assigned by the committee.
- 3.1. Committees and sub-committees under the supervision of the Management Committee**
- 3.1.1. The Interest Rate Sub-Committee** consists of the following members.

Members	Designees
1. Managing Director (Chairman)	Mr. Roy Agustinus Gunara
2. Assistant Managing Director, Finance and Accounting (Vice Chairman)	Mr. Kittipant Sriwannawit
3. Assistant Managing Director, Micro SME Business Group	Mr. Natus Kittawaranon
4. Assistant Managing Director, Retail and Wealth Banking Group	Mr. Veeravet Chaiyawan
5. Vice President, Finance Management, or designated person (Secretary)	Miss Areerat Ekkosol

The Interest Rate Sub-Committee has the following authority, duties, and responsibilities.

1. Considering and establishing the structure of Thai credit's benchmark interest rates for loans and deposits.
2. Setting hypotheses and models to assess potential risks in unusual circumstances; and preparing reports on the assessment results to propose to the Risk Management Committee and the Board of Directors, in order that further risk management guidelines will be established.
3. Considering and approving procedures for liquidity emergency responses in critical situations.
4. Considering, approving, and directing responses to any liquidity crisis; monitoring and examining situations; preparing supporting staff and equipment, upon request; and delegating responsibilities to relevant parties, including reporting to, and communicating with, employees, Executives, the public, and relevant agencies.
5. Ensuring that the liquidity aspect of the business continuity plan is tested and reviewed at least once a year.
6. Appointing a person or designating a team to carry out tasks as assigned by the committee.

The appointment of a person to be part of a committee or sub-committee is position-based. If there is a change, transfer, or appointment of a person in various positions of each relevant unit, the person will be a member of the committee or sub-committee from the date he or she takes the position. More than half of the members present will constitute a quorum of a committee meeting. A meeting resolution will be decided with a majority of votes. In the event of equal votes, the person presiding over the meeting has the right to cast the decisive vote.

Notification No. 057/2021 re: Committees, and any notifications or orders that cause a discrepancy with this Charter, will be repealed and replaced by this Charter.

14. Corporate Governance and Sustainability Development Committee Charter

Board of Directors' Meeting No. 2/2023, which was held on 22 February 2023, resolved to approve the implementation of the Corporate Governance and Sustainability Development Committee Charter, as detailed below.

1. Objectives

Thai Credit Bank Public Company ("**Thai credit**") primarily operates and administers its businesses under the principles of good corporate governance, and ensures social responsibility at all times. Led and driven by the Board of Directors, Thai credit has established the Corporate Governance and Sustainability Development Committee to ensure that Thai credit's operations align with its sustainable business strategies and to support the Board of Directors' operations, and has issued this Corporate Governance and Sustainability Development Committee Charter to ensure that the Corporate Governance and Sustainability Development Committee will duly, properly, and completely perform its duties and responsibilities, boost confidence and trust among its stakeholders, and encourage Thai credit's employees throughout the organisation to contribute to Thai credit's drive towards sustainability.

2. Composition

- 2.1 Members of the Corporate Governance and Sustainability Development Committee must be appointed by Thai credit's Board of Directors. The Corporate Governance and Sustainability Development Committee will consist of the number of members that Thai credit's Board of Directors considers appropriate, but will consist of no fewer than three members who will be Thai credit's Directors, senior Executives, or other individuals.
- 2.2 Thai credit's Board of Directors or the Corporate Governance and Sustainability Development Committee will elect and appoint one of the Committee's members who is an independent or non-executive Director to chair the Corporate Governance and Sustainability Development Committee.
- 2.3 The Corporate Governance and Sustainability Development Committee will appoint, and establish the scope of authority, duties, and responsibilities for, the secretary of the Corporate Governance and Sustainability Development Committee to help with the operations of the Corporate Governance and Sustainability Development Committee

3. Qualifications

- 3.1 Members of the Corporate Governance and Sustainability Development Committee must have all qualifications required, and must not have any prohibited characteristic or characteristic that indicates a lack of suitability to be entrusted with the management of Thai credit's businesses, as provided in the Public Limited Companies Act, B. E. 2535 (1992), as amended (the "**Public Limited Companies Act**"); the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "**Securities and Exchange Act**"); the Financial Institution Business Act, B.E. 2551 (2008), as amended (the "**Financial Institution Business Act**"); and the applicable notifications, rules, or regulations of the BOT, the SEC, the Capital Market Supervisory Board, or the Stock Exchange of Thailand.
- 3.2 Members of the Corporate Governance and Sustainability Development Committee must have appropriate knowledge, ability, and experience that will be beneficial for the performance of their duties and responsibilities as members of the Corporate Governance and Sustainability Development Committee, and must have leadership and broad vision. They must understand the characteristics of Thai credit's business operations, and must be able to see the big picture of the business and perform their duties and responsibilities, and offer their opinions, independently. They must engage in day-to-day business operations with morality, integrity, and honesty, and dedicate sufficient time for their performance of duties and responsibilities.

4. Terms of office

- 4.1 Members of the Corporate Governance and Sustainability Development Committee have terms of office of three years each, subject to the terms of their directorship office (for members who also take office as Thai credit Directors). Any member who retires by rotation may be re-appointed and must remain in the position to engage in his or her duties and responsibilities until a new member of the Corporate Governance and Sustainability Development Committee is appointed, unless the term of his or her office as a Director is completed, and he or she is not re-appointed as a Thai credit Director (for members who also take office as Thai credit Directors).
- 4.2 In addition to retirement by rotation, members of the Corporate Governance and Sustainability Development Committee may vacate office in any of the following events.
- 4.2.1 death;
 - 4.2.2 resignation;
 - 4.2.3 lack of a qualification required, or having a characteristic prohibited under applicable law or this Charter;
 - 4.2.4 retirement by a resolution of a Thai credit's Board of Directors meeting or shareholders' meeting;
 - 4.2.5 retirement under a court order;
 - 4.2.6 termination of his or her position as a Director or senior Executive of Thai credit.
- 4.3 If a position in the Corporate Governance and Sustainability Development Committee becomes vacant for a reason other than retirement by rotation, Thai credit's Board of Directors, at the next Board of Directors meeting, must elect a suitable person who has all qualifications required to fulfill the vacant position, and ensure that the Corporate Governance and Sustainability Development Committee has the number of members as required under this Charter. The newly-appointed member of the Corporate Governance and Sustainability Development Committee will remain in office only for the remaining term of the member he or she replaces.
- 4.4 If the entire Corporate Governance and Sustainability Development Committee vacates office, they must remain in office to engage in its operations until the new Corporate Governance and Sustainability Development Committee takes over.

5. Authority, duties, and responsibilities

- 5.1 Determining Thai credit's scope, policies, and operational guidelines regarding the environment, society, employees, business ethics, good corporate governance, occupational safety, health, and work environment and regularly presenting on these topics to the Board of Directors, as well as emphasising sustainable creation of business value in line with the principles and standards of good corporate governance, at both local and international levels, as appropriate, to achieve its vision, main goals, and business strategies, by referencing the United Nations' sustainable development goals ("SDGs").
- 5.2 Considering and reviewing Thai credit's scope, policies, and operational guidelines regarding the environment, society, employees, business ethics, good corporate governance, occupational safety, health, and work environment and ensuring these are appropriate to Thai credit's business operations and in line with international operational guidelines and the SET's guidelines, and advising the Board of Directors to consider continuous improvements.

When doing this, it will emphasise the environment in the supply chain of Thai credit's business to encourage Thai credit's sustainable growth.

- 5.3 Provide practical advice and suggestions to the Board of Directors regarding good corporate governance and sustainable development to encourage sustainability in three dimensions, namely the environment, society and employees and governance.
- 5.4 Monitoring the operations of Thai credit's Board of Directors and Executives to ensure that they comply with the policy on the environment, society, employees, and governance for sustainable banking, business ethics, the policy on business operations under the principles of good corporate governance, and the policy on occupational safety, health, and work environment. To ensure that all business units carry out operations in accordance with Thai credit's objectives, main goals, and strategic plans to drive its business towards sustainability, the Corporate Governance and Sustainability Development Committee may assign the Executives of the human resource management unit to collect data and prepare reports to present the results of operations to the Board of Directors, together with relevant business units.
- 5.5 Encouraging the dissemination of knowledge to Thai credit's employees, including communication of the culture of good corporate governance and sustainable development, and encouraging their regular participation in social activities for sustainable development.
- 5.6 Considering and monitoring the disclosure of information regarding good corporate governance and sustainable development in Thai credit's annual information disclosure form or annual report (Form 56-1 One Report).
- 5.7 Performing other duties as assigned by the Board of Directors.

6. Meetings

- 6.1 Thai credit requires that the Corporate Governance and Sustainability Development Committee hold its meetings at least once every quarter, each with key agenda items clearly specified in advance. Extraordinary meetings may be summoned, as appropriate, to consider important or urgent matters. Meetings of the Corporate Governance and Sustainability Development Committee should be held to discuss matters within the scope of its authority, duties, and responsibilities, and may be arranged via electronic media, in compliance with applicable legal provisions.
- 6.2 To summon a Corporate Governance and Sustainability Development Committee meeting, the chairman of the Corporate Governance and Sustainability Development Committee or any person designated by the chairman of the Corporate Governance and Sustainability Development Committee must notify its members, and provide documents supporting the meeting to the members, at least seven days before the meeting date. However, in an urgent event to protect the rights or benefits of Thai credit, the Nomination and Remuneration Committee members may be notified by any other methods, or a meeting may be held on an earlier date.
- 6.3 The Corporate Governance and Sustainability Development Committee may invite relevant parties, such as Directors or Executives, internal examiners, auditors, Thai credit's legal staff, external legal advisors, among others, to participate in the meeting to discuss issues, provide clarification, offer opinions, or answer questions.
- 6.4 At a meeting of the Corporate Governance and Sustainability Development Committee, at least half of the total number of Committee members must be present to constitute a quorum.

- 6.5 If the chairman of the Corporate Governance and Sustainability Development Committee is absent, or unable to perform his or her duties, members present must choose one member to preside over the meeting.
- 6.6 Any decisions at a meeting of the Corporate Governance and Sustainability Development Committee will be decided by a majority of votes. One member has the right to cast one vote. A member with an interest in any matter cannot vote on that matter. In the event of equal votes, the person presiding over the meeting will cast the decisive vote.
- 6.7 There are two methods of voting on resolutions of the Corporate Governance and Sustainability Development Committee.
- 6.7.1 If a meeting is arranged, members of the Corporate Governance and Sustainability Development Committee may cast their votes anonymously.
- 6.7.2 If no meeting is arranged, members of the Corporate Governance and Sustainability Development Committee may cast their votes by signing a circular letter to affirm the resolution, or via email.
- 6.8 The secretary of the Corporate Governance and Sustainability Development Committee will prepare minutes of Corporate Governance and Sustainability Development Committee meetings for consideration by its members before they are presented for approval as the first agenda item at the next Corporate Governance and Sustainability Development Committee meeting. If approved, the minutes must be certified by the person presiding over the meeting. The Corporate Governance and Sustainability Development Committee may suggest an amendment to the minutes to ensure the elaboration and accuracy.
- 6.9 Meeting documents and minutes must contain complete information. For important agenda items, the valuable opinions of individual participants must be provided individually for the purpose of consideration.

7. Evaluation of performance

To ensure conformity with good corporate governance principles, the Corporate Governance and Sustainability Development Committee's performance must be evaluated every year as a whole and individually. These evaluation results will be used in the development and improvement of their performance to improve efficiency when achieving the provided objectives.

8. Remuneration

Remuneration for members of the Corporate Governance and Sustainability Development Committee will be approved at a shareholders' meeting. To this end, the Nomination and Remuneration Committee will propose the remuneration for consideration and approval by a Board of Directors meeting. Then it will be proposed to a shareholders' meeting for approval.

9. Review and revision

The Corporate Governance and Sustainability Development Committee will review this Charter at least once a year, and propose any amendments and it considers appropriate to Thai credit's Board of Directors for approval.

15. Scope of Authority, Duties, and Responsibilities of the Company Secretary

Board of Directors meeting No. 1/2023, which was held on 26 January 2023, resolved to approve the scope of authority, duties, and responsibilities of the company secretary, as detailed below.

1. The corporate secretary must perform his or her duties with care, responsibility, and integrity, and must comply with applicable law, the objectives and Articles of Association of Thai Credit Bank Public Company ("**Thai credit**"), resolutions of Thai credit's Board of Directors, and resolutions of shareholders' meetings.

2. The corporate secretary must control and ensure that overall Thai credit's business operations comply with applicable laws, rules, regulations, and requirements of competent agencies.

3. The corporate secretary must keep important documents of Thai credit, including certificates, the Memorandum of Association and Articles of Association of Thai credit, the shareholder register, licenses and permits, powers of attorney, the directors register, invitation letters to and documents and minutes of Thai credit's Board of Directors meetings, Thai credit's annual reports, and invitation letters to and documents and minutes of shareholders' meetings.

4. The corporate secretary must keep reports on Thai credit's interest, which are compiled by Thai credit's Directors and Executives, under section 89/14 of the Securities and Exchange Act B.E.2535 (1992), as amended, (the "**Securities and Exchange Act**"), and send the copies of the reports to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven business days after Thai credit has received the reports or right before a transaction is proceeded. The Chairman of the Board of Directors or the company secretary must inform the Office of the Securities and Exchange Commission (the "**Office of SEC**") of where these reports are stored.

5. The corporate secretary must follow up, and keep copies of reports on, securities possession by Thai credit's Directors and Executives, and persons with relevant obligations under section 59 of the Securities and Exchange Act, that are submitted to the Office of SEC. The corporate secretary must also remind the Board of Directors, Executives, and relevant internal parties to take meticulous care when selling and purchasing Thai credit securities while the financial statements are being reviewed, to prevent any use of internal information for the sale and purchase of securities.

6. The corporate secretary must arrange onboarding activities, and promote the development of existing Directors and Executives and newly-appointed Directors and Executives, give important information and advice for the performance of their duties with regard to legal provisions and Thai credit's rules and regulations, that the Directors and Executives must acknowledge, and ensure that these legal provisions and Thai credit's rules and regulations are always properly complied with. The corporate secretary must also report any material changes to a legal provisions to the Directors and Executives.

7. The corporate secretary must supervise any changes in the directorship, monitor for new appointments of Directors or upon retirement by rotation, and review the qualifications of Directors to ensure compliance with relevant requirements. The corporate secretary must ensure that necessary approval is obtained from the Bank of Thailand, and must review the Directors' qualifications to ensure they have all the qualifications required throughout their term.

8. The corporate secretary must ensure that the meetings of Thai credit's shareholders, Directors, and other committees and sub-committees comply with applicable law, the Articles of Association of Thai credit, the charter of each

relevant committee, and best practices. The corporate secretary must prepare minutes of meetings, and ensure that resolutions of shareholders' meetings and Board of Directors meetings are complied with.

9. The corporate secretary must ensure that all data and information are disclosed and reported as required under applicable law, regulations, and requirements of the competent regulatory agencies.

10. The corporate secretary must communicate and cooperate with relevant agencies to ensure that data and information about Thai credit operations are disclosed to its shareholders and investors in the annual reports, statement forms, or sustainable development reports, or via other communication channels of Thai credit.

11. The corporate secretary must communicate with general shareholders to ensure they are informed of the rights of shareholders and Thai credit news updates. The corporate secretary will act as the middleman and contact person between the Directors and Executives.

12. The corporate secretary must perform other tasks as assigned by Thai credit's Board of Directors, or as required under the relevant laws or notifications.

13. The corporate secretary must arrange an evaluation of performance of Thai credit's Board of Directors, and report the evaluation results to Thai credit's Board of Directors.

14. The corporate secretary must promote, raise awareness of, and provide information about good corporate governance, and encourage Thai credit's Board of Directors to establish, and comply with, the principles of good corporate governance. These principles, together with their compliance, will be reviewed on a regular basis.

Thai Credit Bank Public Company Limited

Appendix 6**Audit Committee Report**

Audit Committee Report

The Audit Committee of Thai Credit Bank Public Company Limited comprises three independent directors, who have sufficient knowledge and experience to reliably review the financial statements. The members of the Audit Committee are:

1. Mr. Chamnong Watanagase Chairman of the Audit Committee
2. Ms. Ada Ingawanij Member of the Audit Committee
3. Mr. Supachai Sukhanindr Member of the Audit Committee

Ms. Chorkaew Kaewmorakot, Executive Vice President of Internal Audit, serves as the secretary to the Audit Committee.

During 2023, the Bank appointed Mr. Supachai Sukhanindr as an Audit Committee member, effective from 1 October 2023 to replace Mr. Stephen Tirador Briones whose membership of the Audit Committee ended on 30 September 2023.

The Audit Committee performed duties within the scope and responsibilities specified in the Charter of the Audit Committee as approved by the Board of Directors of the Bank which is in line with the best practice of the Securities and Exchange Commission's guidelines and the Bank of Thailand. In 2023, there were 12 meetings in total, including meetings with the management, senior executives from relevant units, internal auditor and external auditor. The proceedings from each meeting were reported to the Board of Directors. Significant matters are summarized as follows:

- **Review of Financial Reporting**

The Audit Committee reviewed the Bank and its subsidiary's quarterly, half-yearly, and annual financial reports, through a meeting with executives of the Finance and Accounting and external auditors. The financial reports were prepared in accordance with Thai Financial Reporting Standards (TFRS) and relevant regulatory requirements. The Audit Committee also had regular meetings with external auditors and executives to review the accuracy, completeness and reliability of financial reports and adequate information disclosure and the independence of the external auditor as well as considered significant risk and risk management plan of the Bank. The Audit Committee met with auditors without management's presence in order to acknowledge and discuss opinions with the auditors as well as issues found from the review and audit of financial statements as well as inquire about the independence of audit performance and expressing audit opinion, issues that may result in significant loss or fraud and also corporation obtained from the management of the Bank. In 2023, the auditors did not discover any material findings or receive reports of any suspicious behavior.

- **Review of Internal Controls and Internal Audit**

The Audit Committee has reviewed effectiveness and adequacy of the internal control system by considering internal audit results on a monthly basis, the results of independent internal auditor, the Bank of Thailand examination report and the results of internal control adequacy assessment by using the internal control assessment form developed by the Office of the Securities and Exchange Commission under the concept of the Committee of Sponsoring Organizations of the Tread way Commission (COSO), a summary of fraud investigation reports on a quarterly basis, as well as reviewing and monitoring the progress of rectification on the significant issues raised by internal auditor, independent internal auditor, external auditors and the Bank of Thailand examiner.

In addition, the Audit Committee has supervised internal audit to be effective by considering the review of the charter of the Internal Audit prior to proposing to the Board of Directors for approval as well as approved annual internal audit plan and the revised audit plan and reviewed the performance results of the Internal Audit against the plan on a quarterly basis and regularly provided recommendations to Internal Audit. The Audit Committee also considered the adequacy of internal audit resources and the independence of Internal Audit function. The internal quality assurance review has been performed by Internal Audit annually and external expert every five years, so as to promote good corporate governance and increase the effectiveness and efficiency of audit performance. The Committee also worked closely with the Bank of Thailand examiner and external auditors.

- **Support to Corporate Governance**

To support the Bank in having an internal surveillance process and report wrongdoing that may violate the law, regulatory requirements, the Bank's policies and procedures as well as the Bank's ethics, the Bank therefore has designated the Audit Committee as a channel for receiving complaints or whistleblowing from all relevant parties.

- **Review of Compliance with Regulatory Compliance**

The Audit Committee reviewed the Bank's regulatory compliance with applicable laws and regulations such as the Bank of Thailand, the Securities and Exchange Commission, the Anti-Money Laundering Office, the Office of Insurance Commission and the Committee for Protection of Credit Information as well as the Bank's policies and procedures through monthly internal audit reports, the Bank of Thailand examination report and the external auditors regularly.

- **Review of Risk Management**

The Audit Committee reviewed the Bank's risk management through the internal audit reports, the Bank of Thailand examination report and the external auditors regularly in order to ensure the risk management of the Bank in all aspects are adequate and the residual risks are within the acceptable risk defined by the board.

- **Review of Related-party transactions or transactions that may create conflicts of interest**

The Audit Committee considered related parties transactions or transactions that may create conflict of interest prior to presenting to the Board of Director of the Bank for consideration. In consideration such transactions, the Audit Committee adhered to the principles of reasonableness, transparency and the best interest of the Bank as well as the disclosure of information correctly and adequately and in accordance with the principles of good corporate governance.

- **Appointment of Auditors and Remuneration**

The Audit Committee has considered the qualifications and independence of the auditors in accordance with the requirements of the Bank of Thailand, the Office of the Securities and Exchange Commission and the international practices as well as knowledge and ability, experience in auditing commercial banking businesses, reliability and adequacy of resources and the quality of audits over the past year. The Audit Committee considered recommendation to the Board of Director to re-appointment of KPMG Phoomchai Audit Ltd. as external auditors. Following its recommendation and the Board's endorsement thereof, the shareholders appointed KPMG Phoomchai Audit Ltd. as the auditor at the 2023 Annual General Meeting. The remuneration has been considered taking into

consideration the scope of the auditors' responsibilities and the remuneration rates from the other audit firms that are comparable.

Moreover, the Audit Committee considered the policy on non-assurance services provided by the Bank's external auditors and reviewed such services to ensure that non-assurance engagement did not impair the independence of the Bank's external auditors.

- **Others**

The Audit Committee Charter was annually reviewed to ensure the update. The Audit Committee has assessed its annual performance, both individual member and the committee, in order to ascertain that it has been efficient and effective.

In summary, the Audit Committee has completed its duties as the scope assigned by the Board of Directors of the Bank and specified in its Charter. The Committee applied its knowledge and abilities to perform its duties with prudence, independence, transparency and adhered to the principles of integrity and provided constructive comments and recommendations without limitation in obtaining information, resources or corporation from the Bank for the best interest of all stakeholders equally and the Bank.

From the assessments and reviews as mentioned above, the Audit Committee is of the opinion that the consolidated financial statements of the Bank and its subsidiary and the Bank-only financial statements are presented fairly in all material aspects in accordance with Thai Financial Reporting Standards and the regulatory requirements as well as with adequate and appropriate disclosure. It is also of the opinion that the external auditors are independent and has performed its duties professionally.

The Audit Committee opines that the Bank's boards and executives have sound corporate governance and commit to performing their duties to achieve the Bank's objectives efficiently, adequate and effective risk management, internal controls and internal audits as well as performing its operations in accordance with the policies stipulated by the Bank and in accordance with the laws and regulations. The Audit Committee is of the opinion that the related parties transactions or transactions that may create conflict of interests are reasonably conducted and for the best interest of the Bank and that relevant information is transparently and adequately disclosed. The Bank has monitored changes in order to develop and improve its risk management and internal controls to be consistent with the business environment and changes in regulations so that it is well prepared to face potential risks that may arise in the future.

Mr. Chamnong Watanagase
Chairman of the Audit Committee

Thai Credit Bank Public Company Limited

Attachment 7

Report of the Board of Directors' Responsibilities for Financial Report

Report of the Board of Directors' Responsibilities for Financial Report

The Board of Directors of Thai Credit Bank Public Company Limited is responsible for the financial statements of the Bank and the consolidated financial statements of the Bank and its subsidiaries, which present the financial position as at December 31, 2023. The financial statements as at December 31, 2023 and the notes to the financial statements, proper accounting policies have been employed and consistently adhered to in the preparation of these financial statements, including careful consideration together with prudent and reasonable estimations. These are transparent and reasonable presentations that reflect a true and fair financial position and performance that is useful to shareholders, investors and analysts

The Board of Directors has reviewed the adequacy and effectiveness of risk management, internal control, internal audit and monitoring to obtain reasonable assurance that the financial records are accurate, complete and adequate to protect the Bank and to know that the Bank needs to improve or strengthen its monitoring to prevent corruption or materially abnormal transactions. . The Board of Directors has appointed an Audit Committee entirely comprised of independent directors responsible for the quality of the Bank's financial reporting and internal control systems, as well as complete and appropriate disclosure of connected transactions to ensure that such transactions are reasonable, complete, sufficient and appropriate for the maximum benefit to the Bank.

The opinion of the Audit Committee on the matter appears in the Audit Committee report shown in the annual information report and annual report (Form 56-1 One Report) this year, which the committee The Bank places importance on its duties and responsibilities in taking care of its business in accordance with the principles of good corporate governance. As well as being responsible for the bank's financial statements and the consolidated financial statements of the bank and its subsidiaries, including financial information appearing in Form 56-1 One Report.

The opinion of the Audit Committee on the matter appears in the Audit Committee report shown in the annual report and One Report (Form 56-1) this year, The Bank regards performing its obligations to manage its operations in line with the fundamentals of a good corporate governance. In addition, they are in charge of the bank's financial statements as well as the combined financial statements of the bank with its subsidiaries, which include the financial data found in Form 56-1 One Report.

(Prof. Kitipong Uraepatanapong)

Chairman of Board of Directors

(Mr. Winyou Chaiyawan)

Chief Executive Officer

Thai Credit Bank Public Company Limited

Attachment 8

Independent Auditor's Report

Independent Auditor's Report**To the Shareholders of Thai Credit Bank Public Company Limited (Formerly the Thai Credit Retail Bank Public Company Limited)***Opinion*

I have audited the consolidated and the Bank's financial statements of Thai Credit Bank Public Company Limited and its Subsidiary (Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary) (the "Group"), and of Thai Credit Bank Public Company Limited (Formerly The Thai Credit Retail Bank Public Company Limited) (the "Bank"), respectively, which comprise the consolidated and the Bank's statements of financial position as at 31 December 2023, the consolidated and the Bank's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and the Bank's financial statements present fairly, in all material respects, the financial position of the Group and the Bank, respectively, as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs) and the regulations of the Bank of Thailand.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and the Bank's Financial Statements* section of my report. I am independent of the Group and the Bank in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and the Bank's financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and the Bank's financial statements of the current period. These matters were addressed in the context of my audit of consolidated and the Bank's financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Allowance for expected credit loss on loans to customers and accrued interest receivables	
Refer to Notes 3 (j), 5.1, 13 and 14	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2023, loans to customers and accrued interest receivables recorded in the consolidated and the Bank's financial statements amounted to Baht 150,054 million, against which allowance for expected credit loss on loans to customers and accrued interest receivables in the consolidated and the Bank's financial statements amounted to Baht 9,873 million, and represent 85.8% of total assets in the consolidated financial statements and 85.6% of total assets in the Bank's financial statements.</p> <p>Thai Financial Reporting Standard No.9 (TFRS 9) and the relevant regulations of the Bank of Thailand require the Group to recognise expected credit loss ("ECL") on certain types of financial instruments including loans to customers and accrued interest receivables. Management's estimation of ECL on loans to customers measured at amortised cost is based on credit models which are dependent on significant management judgments and estimation including establishment of the criteria in determination of significant increase in credit risk since initial recognition, development of models used to measure ECL, determination of the forward-looking macroeconomic variables and probability-weighted scenarios into the measurement of ECL and consideration for management overlay. In particular, the ongoing economic situation and the financial assistance under the relief program provided by the Group add more complexity to management's estimation process.</p> <p>The carrying amount of allowance for expected credit loss on loans to customers and accrued interest receivables was material and involved complex calculation as well as management judgment, I therefore considered this to be key audit matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the loans granting, repayment and monitoring processes including the policies and management consideration process of allowance for ECL. • Evaluating the design and implementation and operating effectiveness of key controls over the credit process. • Involving my own credit risk specialists to evaluate the appropriateness of model methodologies, criteria in determination of significant increase in credit risk, staging classification, determination of the forward-looking macroeconomic variables and probability-weighted scenarios into the measurement of ECL as well as reviewing the model validation report which perform by expert engaged by the management. • Involving my own IT specialists to test reconciliation of data, loan aging, present value of collateral calculation and effective interest rate calculation. • Testing the use of a significant increase in credit risk and staging classification on a sample basis. • Testing the ECL calculation on loans to customers on a sample basis. • Evaluating the appropriateness of the methodologies and data used by the management in identification and estimation of management overlay. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standards and the relevant regulations of the Bank of Thailand.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and the Bank's financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and the Bank's financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and the Bank's financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the Bank's financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and the Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and the Bank's financial statements in accordance with TFRSs and the regulations of the Bank of Thailand, and for such internal control as management determines is necessary to enable the preparation of consolidated and the Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the Bank's financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and the Bank's Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and the Bank's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and the Bank's financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and the Bank's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and the Bank's financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and the Bank's financial statements, including the disclosures, and whether the consolidated and the Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and the Bank's financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Thitima Pongchaiyong)

Certified Public Accountant

Registration No. 10728



KPMG Phoomchai Audit Ltd.

Bangkok

14 February 2024

Thai Credit Bank Public Company Limited

Attachment 9

Financial Statements and Notes to the Financial Statements

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of financial position

Assets	Note	Consolidated		The Bank	
		31 December		31 December	
		2023	2022	2023	2022
(in thousand Baht)					
Cash		513,458	504,097	513,458	504,097
Interbank and money market items, net	9	15,484,690	19,184,537	15,480,064	19,183,555
Investments, net	11	2,993,746	2,922,750	2,993,746	2,922,750
Investments in subsidiary, net	12	-	-	350,000	250,000
Loans to customers and accrued interest receivables, net	13, 33	140,180,600	117,456,900	140,180,600	117,456,900
Properties for sale, net	15	910,811	770,741	910,811	770,741
Premises and equipment, net	16, 35	1,340,750	1,002,205	1,335,825	996,828
Intangible assets, net	17	245,266	185,441	222,100	165,918
Deferred tax assets, net	18	211,505	412,508	211,230	412,362
Other assets, net	19, 33	1,563,506	750,292	1,597,535	764,351
Total assets		163,444,332	143,189,471	163,795,369	143,427,502

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of financial position

	Note	Consolidated		The Bank	
		31 December		31 December	
Liabilities and equity		2023	2022	2023	2022
<i>(in thousand Baht)</i>					
Liabilities					
Deposits	20, 33	116,761,613	113,444,149	117,017,345	113,621,873
Interbank and money market items	21, 33	22,757,398	11,398,479	22,757,398	11,398,479
Liabilities payable on demand		145,601	72,581	145,601	72,581
Derivative liabilities	10	152,106	-	152,106	-
Debt issued and borrowings	22, 33	2,611,763	889,930	2,611,763	889,930
Provisions	23	296,460	254,994	295,445	254,396
Other liabilities	24, 33, 35	3,214,261	2,747,761	3,146,248	2,678,753
Total liabilities		145,939,202	128,807,894	146,125,906	128,916,012
Equity					
Share capital	27				
Authorised share capital					
1,234,839,222 ordinary shares of Baht 5 each		6,174,196		6,174,196	
659,816,666 ordinary shares of Baht 10 each			6,598,167		6,598,167
Issued and paid-up share capital					
1,164,583,332 ordinary shares of Baht 5 each		5,822,917	-	5,822,917	-
582,291,666 ordinary shares of Baht 10 each		-	5,822,917	-	5,822,917
Warrants	28	-	288,938	-	288,938
Premium on share capital	27	768,239	768,239	768,239	768,239
Other reserves		(12,191)	1,228	(12,191)	1,228
Retained earnings					
Appropriated					
Legal reserve	30	569,398	389,831	569,398	389,831
Unappropriated		10,356,767	7,110,424	10,521,100	7,240,337
Total equity		17,505,130	14,381,577	17,669,463	14,511,490
Total liabilities and equity		163,444,332	143,189,471	163,795,369	143,427,502

 Mr. Winyou Chaiyawan Director		 Mr. Roy Agustinus Gunara Director
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Thai Credit Bank Public Company Limited and its Subsidiary
(Formerly The Thai Credit Bank Public Company Limited and its Subsidiary)
Statements of profit or loss and other comprehensive income

	Note	Consolidated		The Bank	
		Years ended		Years ended	
		31 December		31 December	
		2023	2022	2023	2022
		(in thousand Baht)			
Interest income	33, 38	15,894,566	12,684,736	15,894,561	12,684,736
Interest expenses	33, 39	(2,564,011)	(1,632,385)	(2,564,554)	(1,632,813)
Net interest income		13,330,555	11,052,351	13,330,007	11,051,923
Fees and service income	33	504,927	528,138	527,492	544,358
Fees and service expenses		(573,713)	(587,394)	(625,302)	(602,316)
Net fees and service expenses	40	(68,786)	(59,256)	(97,810)	(57,958)
Losses on foreign exchange transactions, net		(5,722)	-	(5,736)	-
Gains on investments, net	41	122	75	122	75
Other operating income	33	204,813	238,554	209,303	244,329
Total operating income		13,460,982	11,231,724	13,435,886	11,238,369
Other operating expenses					
Employee expenses		3,284,327	3,040,448	3,248,202	3,015,869
Directors' remuneration		17,510	16,490	17,510	16,490
Premises and equipment expenses		671,754	602,859	666,548	598,404
Taxes and duties		496,059	411,409	495,814	411,371
Others	33	475,629	365,195	457,372	344,476
Total other operating expenses		4,945,279	4,436,401	4,885,446	4,386,610
Expected credit loss	42	4,062,400	3,835,409	4,062,400	3,835,409
Profit from operations before income tax		4,453,303	2,959,914	4,488,040	3,016,350
Income tax	43	896,523	607,393	896,690	607,514
Net profit		3,556,780	2,352,521	3,591,350	2,408,836

The accompanying notes form an integral part of the financial statements.

Thai Credit Bank Public Company Limited and its Subsidiary
(Formerly The Thai Credit Bank Public Company Limited and its Subsidiary)
Statements of profit or loss and other comprehensive income

		Consolidated		The Bank	
		Years ended		Years ended	
		31 December		31 December	
	Note	2023	2022	2023	2022
(in thousand Baht)					
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Losses on investments in debt instruments					
at fair value through other comprehensive income		(1,643)	(1,404)	(1,643)	(1,404)
Losses on cash flow hedges		(31,702)	-	(31,702)	-
Income tax relating to components of other comprehensive income					
will be reclassified subsequently to profit or loss	43	6,669	281	6,669	281
		<u>(26,676)</u>	<u>(1,123)</u>	<u>(26,676)</u>	<u>(1,123)</u>
Items that will not be reclassified subsequently to profit or loss					
Gains on investments in equity instruments designated					
at fair value through other comprehensive income	6	23	63	23	63
Gains on remeasurements of defined benefit obligations	23	12,506	12,124	12,319	11,472
Income tax relating to components of other comprehensive income					
will not be reclassified subsequently to profit or loss	43	(2,506)	(2,437)	(2,469)	(2,307)
		<u>10,023</u>	<u>9,750</u>	<u>9,873</u>	<u>9,228</u>
Total other comprehensive income, net		<u>(16,653)</u>	<u>8,627</u>	<u>(16,803)</u>	<u>8,105</u>
Total comprehensive income		<u>3,540,127</u>	<u>2,361,148</u>	<u>3,574,547</u>	<u>2,416,941</u>
Earnings per share					
44					
Basic earnings per share (in Baht)		3.05	2.28	3.08	2.34
Diluted earnings per share (in Baht)		3.01	2.18	3.04	2.24


Mr. Winyou Chatyawan
Director




Mr. Roy Agustinus Gunara
Director

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of changes in equity

		Consolidated									
		Other reserves							Retained earnings		
						</					

The accompanying notes form an integral part of the financial statements.

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of changes in equity

Consolidated										
Other reserves								Retained earnings		
Note	Issued and paid-up capital	Warrants (Note 28)	Premium on share capital	Reserve for share-based payments (Note 29)	Gains (losses) on investments in debt instruments at fair value through other comprehensive income	Gains on investments in equity instruments designated at fair value through other comprehensive income	Total other reserves	Legal reserve	Unappropriated	Total equity
(in thousand Baht)										
For the year ended 31 December 2022										
Balance at 1 January 2022	5,000,000	288,938	-	34,906	901	236	36,043	269,389	4,868,645	10,463,015
Contributions by owners and distributions										
to owners of the Bank										
Issue of ordinary shares	27	666,667	-	733,333	-	-	-	-	-	1,400,000
Exercise of stock options	29	156,250	-	34,906	(34,906)	-	-	(34,906)	-	156,250
Share-based payment transactions	29	-	-	-	1,164	-	-	1,164	-	1,164
Total contributions by owners and distributions										
to owners of the Bank	822,917	-	768,239	(33,742)	-	-	(33,742)	-	-	1,557,414
Comprehensive income for the year										
Net profit	-	-	-	-	-	-	-	-	2,352,521	2,352,521
Other comprehensive income	-	-	-	-	(1,123)	50	(1,073)	-	9,700	8,627
Total comprehensive income for the year	-	-	-	-	(1,123)	50	(1,073)	-	2,362,221	2,361,148
Transfer to legal reserve	30	-	-	-	-	-	-	120,442	(120,442)	-
Balance at 31 December 2022	5,822,917	288,938	768,239	1,164	(222)	286	1,228	389,831	7,110,424	14,381,577

The accompanying notes form an integral part of the financial statements.

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of changes in equity

The Bank											
Other reserves									Retained earnings		
</											

The accompanying notes form an integral part of the financial statements.

Thai Credit Bank Public Company Limited and its Subsidiary

(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of changes in equity

The Bank										
Other reserves								Retained earnings		
	Issued and paid-up capital	Warrants (Note 28)	Premium on share capital	Reserve for share-based payments (Note 29)	Gains (losses) on investments in debt instruments at fair value through other comprehensive income	Gains on investments in equity instruments designated at fair value through other comprehensive income	Total other reserves	Legal reserve	Unappropriated	Total equity
Note										
(in thousand Baht)										
For the year ended 31 December 2022										
Balance at 1 January 2022	5,000,000	288,938	-	34,906	901	236	36,043	269,389	4,942,765	10,537,135
Contributions by owners and distributions										
to owners of the bank										
Issue of ordinary shares	27	666,667	-	733,333	-	-	-	-	-	1,400,000
Exercise of stock options	29	156,250	-	34,906	(34,906)	-	(34,906)	-	-	156,250
Share-based payment transactions	29	-	-	-	1,164	-	1,164	-	-	1,164
Total contributions by owners and distributions										
to owners of the Bank	822,917	-	768,239	(33,742)	-	-	(33,742)	-	-	1,557,414
Comprehensive income for the year										
Net profit	-	-	-	-	-	-	-	-	2,408,836	2,408,836
Other comprehensive income	-	-	-	-	(1,123)	50	(1,073)	-	9,178	8,105
Total comprehensive income for the year	-	-	-	-	(1,123)	50	(1,073)	-	2,418,014	2,416,941
Transfer to legal reserve	30	-	-	-	-	-	-	120,442	(120,442)	-
Balance at 31 December 2022	5,822,917	288,938	768,239	1,164	(222)	286	1,228	389,831	7,240,337	14,511,490

The accompanying notes form an integral part of the financial statements.

Thai Credit Bank Public Company Limited and its Subsidiary
(Formerly The Thai Credit Retail Bank Public Company Limited and its Subsidiary)

Statements of cash flows

	Note	Consolidated		The Bank	
		Years ended		Years ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in thousand Baht)</i>					
Cash flows from operating activities					
Profit from operations before income tax		4,453,303	2,959,914	4,488,040	3,016,350
<i>Adjustments to reconcile profit from operations before</i>					
<i>income tax to cash receipts (payments) from</i>					
<i>operating activities</i>					
Depreciation and amortisation	16, 17	259,234	279,817	254,893	276,247
Expected credit losses	42	4,062,400	3,835,409	4,062,400	3,835,409
Provision for employee benefits	23	64,502	57,437	63,898	56,876
Provision for dismantling of leasehold improvement		3,254	519	3,254	519
Provision for performance guarantee contracts		14,776	-	14,776	-
Contract liabilities		211	(14)	-	-
Share-based payment expenses	29	13,238	1,164	13,238	1,164
Losses (gains) on disposal of properties for sale		3,923	(332)	3,923	(332)
Gains on disposal of premises and equipment		(799)	(52)	(799)	(52)
Losses on write-off of premises and equipment		36	-	36	-
Gains on write-off of right-of-use assets					
and lease liabilities		(7,964)	(3,069)	(7,964)	(3,069)
Gains on disposal of investments	41	(122)	(75)	(122)	(75)
Net amortisation of (discount) premium on investments		(53,400)	5,752	(53,400)	5,752
Losses on foreign currency translation		5,722	-	5,736	-
Net interest income		(13,330,555)	(11,052,351)	(13,330,007)	(11,051,923)
Interest received		14,487,338	11,738,943	14,487,338	11,738,943
Interest paid		(2,289,095)	(1,571,878)	(2,289,637)	(1,572,437)
Dividend income		(52)	(57)	(52)	(57)
Income tax paid		(803,186)	(559,306)	(803,186)	(559,306)
Profit from operations before changes in					
operating assets and liabilities		6,882,764	5,691,821	6,912,365	5,744,009
<i>Decrease (increase) in operating assets</i>					
Interbank and money market items		3,696,712	(8,234,928)	3,700,356	(8,235,438)
Loans to customers		(25,467,656)	(24,852,244)	(25,467,656)	(24,852,244)
Properties for sale		(145,467)	(428,483)	(145,467)	(428,483)
Other assets		(723,358)	(112,900)	(819,190)	(120,317)
<i>Increase (decrease) in operating liabilities</i>					
Deposits		3,444,437	25,094,049	3,522,445	25,050,061
Interbank and money market items		7,807,192	(1,339,271)	7,807,192	(1,339,271)
Liabilities payable on demand		73,020	(16,343)	73,020	(16,343)
Provision for employee benefits paid	23	(9,219)	(6,696)	(9,219)	(6,696)
Other liabilities		155,217	205,474	231,316	198,915
Net cash used in operating activities		(4,286,358)	(3,999,521)	(4,194,838)	(4,005,807)

The accompanying notes form an integral part of the financial statements.

Statements of cash flows

	Note	Consolidated		The Bank	
		Years ended		Years ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in thousand Baht)</i>					
Cash flows from investing activities					
Interest received		56,119	31,638	56,113	31,638
Dividend received		52	57	52	57
Acquisition of investments measured at fair value through other comprehensive income		(15,211,978)	(11,273,000)	(15,211,978)	(11,273,000)
Proceeds from disposal and redemption of investments measured at fair value through other comprehensive income		15,213,032	14,039,074	15,213,032	14,039,074
Acquisition of investments in subsidiary	12	-	-	(100,000)	-
Acquisition of premises and equipment		(335,160)	(122,444)	(333,892)	(121,955)
Proceeds from disposal of premises and equipment		938	63	936	61
Acquisition of intangible assets		(80,137)	(41,243)	(73,877)	(36,421)
Net cash (used in) from investing activities		(357,134)	2,634,145	(449,614)	2,639,454
Cash flows from financing activities					
Payment of lease liabilities		(116,100)	(151,207)	(115,140)	(150,230)
Proceeds from issuing share capital	27	-	1,556,250	-	1,556,250
Proceeds from long-term borrowings from financial institution		3,672,130	-	3,672,130	-
Proceeds from subordinated debentures	22	1,700,000	-	1,700,000	-
Payment of interest on long-term borrowings and subordinated debentures		(173,365)	-	(173,365)	-
Payment for repurchase of warrants		(429,812)	-	(429,812)	-
Net cash from financing activities		4,652,853	1,405,043	4,653,813	1,406,020
Net increase in cash		9,361	39,667	9,361	39,667
Cash at 1 January		504,097	464,430	504,097	464,430
Cash at 31 December		513,458	504,097	513,458	504,097
Supplementary disclosures of cash flow information					
Non-cash transactions:					
Losses on investments in debt instruments at fair value through other comprehensive income		(1,643)	(1,404)	(1,643)	(1,404)
Losses on cash flow hedges		(31,702)	-	(31,702)	-
Gains on investments in equity instruments designated at fair value through other comprehensive income		23	63	23	63
Increase in properties for sale due to debts settlement	15	170,927	457,902	170,927	457,902
Decrease in payable for acquisition of equipment		(1,984)	(3,694)	(1,947)	(3,743)
Increase (decrease) in payable for acquisition of intangible assets		43	(128)	-	-

Notes to the financial statements for the year ended 31 December 2023

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Notes to the financial statements for the year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 14 February 2024.

1 General information

Thai Credit Bank Public Company Limited (Formerly The Thai Credit Retail Bank Public Company Limited), (the “Bank”), was incorporated as a limited company in Thailand on 6 October 1970 and was transformed to a public company limited on 28 July 2005. The Bank received an approval from the Ministry of Finance to upgrade its license from retail banking license to commercial banking license on 17 August 2023, and registered to change its name with the Ministry of Commerce from “The Thai Credit Retail Bank Public Company Limited” to “Thai Credit Bank Public Company Limited” on 1 September 2023. The Bank was listed on the Stock Exchange of Thailand on 9 February 2024.

The Bank has its registered head office at 123 Thai Life Insurance Building, Ratchadaphisek Road, Dindaeng, Bangkok 10400.

The ultimate parent company and the immediate parent company during the financial year were V.C. Property Co., Ltd. and VNB Holding Company Limited. Both companies were incorporated in Thailand.

The principal business of the Bank is financial services under the scope of commercial banking license. Its subsidiary is incorporated as a limited company under Thai laws and has been operating in Thailand. Details of the Bank’s subsidiary are given in note 12.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Bank of Thailand (“BoT”) and applicable rules and regulations of the Thai Securities and Exchange Commission; and presented as prescribed by the BoT notification number Sor Nor Sor 21/2561, directive dated 31 October 2018, regarding *“The preparation and announcement of the financial statements of a commercial bank and a holding companies which is the parent company of a financial group”*, and the Circular number Thor Por Tor. For Nor Sor 2. Wor. 802/2564, directive dated 3 September 2021 regarding *“Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19 (sustainable debt resolution)”* as described in note 4. The financial statements are presented in Thai Baht, which is the Group’s functional currency. The accounting policies set out in note 3 have been applied consistently to all periods presented in these financial statements.

Revised TFRSs are effective for annual accounting periods beginning on or after 1 January 2023. The initial application of these revised TFRSs has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

Notes to the financial statements for the year ended 31 December 2023

In addition, the Group has not early adopted a number of new and revised TFRSs, which are not yet effective for the current period in preparing these financial statements.

The Group has completed assessment of the potential initial impact on the financial statements of new and revised TFRSs and expects that there will be no material impact on the financial statements in the period of initial application, except for the potential initial impact on the financial statements of TFRS 17 *Insurance Contracts*. The Group is on the process of evaluating the impact.

The preparation of financial statements in conformity with TFRSs requires management to make judgments, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Bank and its subsidiary (together referred to as the "Group").

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Investments in subsidiary

Investments in subsidiary in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Bank's right to receive payment is established.

(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates

Notes to the financial statements for the year ended 31 December 2023

at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- investments in equity instruments designated as at fair value through other comprehensive income (FVOCI)
- Qualifying cash flow hedge to the extent the hedge is effective.

(d) **Cash**

Cash comprises cash on hand and cash on collection.

(e) **Financial instruments**

(1) *Initial recognition and measurement*

The Group initially recognises financial assets or financial liabilities (including regular way purchases and sales of financial assets) on the transaction date, which is the date on which the Group becomes the party to the provisions of the instrument, except for investments in debt instruments which are recognised and derecognised on the settlement date.

Financial assets and financial liabilities not measured at fair value through profit or loss (FVTPL) are initially measured at fair value plus or minus transaction costs that are directly attributable to its acquisition or issue of the financial assets or financial liabilities.

(2) *Classification and subsequent measurement*

Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL. The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed.

A financial asset which is not designated as at FVTPL is measured at amortised cost if it meets both of the following conditions:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument which is not designated as at FVTPL is measured at FVOCI only if it meets both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

Notes to the financial statements for the year ended 31 December 2023

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way in which those risks are managed;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or on contractual cash flows collected); and
- Frequency, value and timing of sales in prior year, the reasons for those sales and expectations about future sales activity. However, information about sales is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Assessment of whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, credit risk, other basic lending risks (e.g. liquidity risk) and costs (e.g. administrative costs), as well as profit margin associated with holding the financial assets for a particular period of time.

In assessing whether the contractual cash flows are solely payment of principal and interest on the principal amount outstanding, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

Notes to the financial statements for the year ended 31 December 2023

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodic reset of the interest rates).

Subsequent measurement and gains and losses of financial assets

Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss, any gain or loss on derecognition are recognised in profit or loss.
Investment in debt instruments measured at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Investment in equity instruments designated at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss on the date on which the Group's right to receive payment is established. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

Modifications of financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- Fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- Other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in

Notes to the financial statements for the year ended 31 December 2023

forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower then the gain or loss is presented together with expected credit loss. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial guarantee contracts held

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for separately. The factors that the Group considers when making this assessment include whether:

- The guarantee is implicitly part of the contractual terms of the debt instrument;
- The guarantee is required by laws and regulations that govern the contract of the debt instrument;
- The guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- The guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the financial guarantee contracts held when measuring the fair value of the debt instrument and when measuring expected credit losses ("ECL").

If the Group determines that the guarantee is not an integral element of the financial asset, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the risks related to guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in "other assets". The Group presents gains or losses on a compensation right in profit or loss in the line item "expected credit loss".

Classification, measurement and gains and losses of financial liabilities

On initial recognition, financial liabilities, except undrawn loan commitments and financial guarantee contracts, are classified and measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Modifications of financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. The consideration paid includes any assets transferred and new liabilities assumed.

If the modification of a financial liability is not accounted for derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

(3) *Derecognition and offsetting*

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of investment in equity instruments designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending or sale under sale-and-repurchase agreements.

Derecognition of financial liabilities

Notes to the financial statements for the year ended 31 December 2023

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(4) Securities purchased under reverse sale-and-repurchase agreements/ Securities sold under sale-and-repurchase agreements

The Group enters into agreements to purchase securities or to sell securities back at certain dates in the future at fixed prices. Amounts paid for securities purchased subject to a resale commitment are presented as assets under the caption of "Interbank and money market items, net (assets)" or "Loans to customers", depending upon the type of its counterparty, in the statements of financial position, and the underlying securities are treated as collateral to such receivables. Securities sold subject to repurchase commitments are presented as liabilities under the caption of "Interbank and money market items (liabilities)" or "Debt issued and borrowings", depending upon the type of its counterparty, in the statements of financial position, at the amounts received from the sale of those securities, and the underlying securities are treated as collateral. The difference between the purchase and sale considerations is recognised as interest income or expenses, as the case may be, over the transaction periods.

(5) Derivatives

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 10).

(6) Hedging

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of

Notes to the financial statements for the year ended 31 December 2023

the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same year or years as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(f) Properties for sale

Properties for sale include properties foreclosed transferred under the Bank of Thailand's supportive measure to acquire collateral assets for debt repayment, which the customers have the right to buy back the assets at transferring price with maintenance expenses within an agreed period not exceed 5 years since transferred date and the customers have the right to rent the assets for doing their businesses.

Properties for sale except for repossessed vehicles are measured at the lower of cost or net realisable value which based on the latest appraisal value net of estimated selling expenses.

The repossessed vehicles are measured at the lower of the outstanding loan principal including accrued interest receivables and output VAT submitted to the Revenue Department or fair value, net of selling costs and expenses.

The impairment of the properties for sale will be realised as the allowance for impairment of the properties for sale when incurred.

(g) Premises and equipment

Premises and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling, removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Notes to the financial statements for the year ended 31 December 2023

Differences between proceeds from disposal and the carrying amount of premises and equipment are recognised in profit or loss.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on assets under installation.

The estimated useful lives are as follows:

Premises	25	years
Leasehold improvement	Not more than 10	years
Furniture and equipment	3 - 5	years
Computers and accessories	3 - 5	years
Right-of-use assets		
- Building and office spaces	Not more than 13	years
- Vehicles	Not more than 5	years

(h) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets or short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Right-of-use assets are presented as a part of premises and equipment in the statements of financial position. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining the interest rates from internal source which reflect the term of the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

Notes to the financial statements for the year ended 31 December 2023

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of deduction to premises and equipment expenses. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term.

The Group derecognises and determines impairment on the lease receivables as disclosed in note 3 (e) (3) and 3 (j), respectively.

(i) **Intangible assets**

Intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortisation is provided on assets under installation.

The estimated useful are as follows:

Computer software	3 - 10	years
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(j) **Impairment of financial assets and lease receivables**

Significant estimates and judgments

The Group's expected credit loss ("ECL") calculations are based on complex models with a series of underlying assumptions. The significant judgments and estimates in determining ECL include criteria for assessing if there has been a significant increase in credit risk and development of ECL models, including the choice of inputs relating to macroeconomic variables. The calculation of ECL also involves expert credit judgment to be applied by management based upon counterparty information they receive from various internal and external. Expert credit judgment is also applied to determine whether any post-model adjustments are required for credit risk elements which are not captured by the model under a "management overlay" framework, such as identified model deficiencies, debtors' risk and other factors.

Measurement of ECL

Notes to the financial statements for the year ended 31 December 2023

ECLs are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward-looking information.

ECLs are a probability-weighted estimated of credit losses. They are measured as follows:

- Financial assets: as the present value of all cash shortfalls (i.e., the difference between the contractual cash flows and the cash flows that the Group expects to receive);
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive if the loan is drawn down; and
- Financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Estimate of expected cash shortfalls is determined by multiplying the probability of default ("PD") with percentage of the loss given default ("LGD") with the expected exposure at the time of default ("EAD").

Forward-looking macroeconomic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk such as gross domestic product ("GDP"), inflation rate and unemployment rate. These assumptions are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally and are consistent with those used for financial and capital planning.

Multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios both in terms of determining the PD, LGD and EAD, where relevant, and in determining the overall expected credit loss amounts.

The estimate of expected cash shortfalls on a collateralised financial instrument reflects the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether foreclosure is probable.

Cash shortfalls are discounted using the effective interest rate on the financial assets.

Staging

For ECL recognition, financial assets are classified in any of the below 3 stages at each reporting date by being assessed on individual basis. A financial asset can move between stages during its lifetime. The stage are based on changes in credit quality since initial recognition and defined as follows:

- Stage 1: Financial assets that have not had a significant increase in credit risk (Performing)

Financial assets that have not had a significant increase in credit risk ("SICR") since initial recognition (i.e. no Stage 2 or 3 triggers apply) or investment in debt instrument that considered to have low credit risk at each reporting date with the exception of purchased or originated credit impaired (POCI) assets. The allowance for ECL is 12-month ECL. 12-month ECL is the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

- Stage 2: Financial assets that have a SICR (Under-performing)

When financial assets that have a SICR since initial recognition, ECLs are recognised for possible default events over the lifetime of the financial assets. SICR is assessed by using a number of quantitative and qualitative factors that are significant to the increase in credit risk. Financial assets that are 30 days or 1 month past due or more and not credit-impaired will always be considered to have experienced a SICR.

Notes to the financial statements for the year ended 31 December 2023

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the customers' ability to repay. Qualitative indicators include operating results, financial liquidity and other reliable indicators.

Financial assets can be transferred to Stage 1 in case they have proven that their ability to repay are back to normal.

- Stage 3: Financial assets that are credit-impaired (Non-performing)

Financial assets that are credit-impaired or in default represent those that are at least 90 days or 3 months past due in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the customers are unlikely to repay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial assets.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- In process of asset repossession;
- In process of litigation.

ECLs of credit-impaired financial assets are determined based on the difference between the present value of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, discounted at the financial assets' effective interest rate, and the gross carrying amount of the financial assets prior to any credit impairment.

Financial assets that are credit-impaired require a lifetime provision.

Modifications of financial instruments

Where the original contractual terms of a financial asset have been modified for credit reasons and the instrument has not been derecognised, the resulting modification loss is recognised within ECL in profit or loss with a corresponding decrease in the gross carrying amount of the asset.

ECLs for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, whether if there is a SICR. These assets are assessed to determine that there has been a SICR subsequent to the modification.

Loans renegotiated or modified of contractual cash flows, the Group might consider them as financial assets that have a SICR except there is an evidence that the risk of not receiving contractual cash flows significantly reduces and there is no indicator of the impairment. The Group then considers the aforementioned financial assets as the ones that does not have a SICR.

Write-offs of credit-impaired instruments and reversal of ECL

To the extent a financial instrument is considered irrecoverable, the applicable portion of the gross carrying amount is written off against the related allowance for ECL. Such financial instruments are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery

Notes to the financial statements for the year ended 31 December 2023

and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of ECL in the profit or loss or as specified by the BoT's regulations.

If, in a subsequent period, the amount of the allowance for ECL decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, the previously recognised ECL is reversed by adjusting the allowance for ECL. The amount of the reversal is recognised in the profit or loss.

Improvement in credit risk

A period may elapse from the point at which instruments enter stage 2 or stage 3 and are reclassified back to stage 1.

For financial assets with credit-impaired (Stage 3) and no debt restructured will transfer to stage 2 or stage 1 if it is considered that no more qualify as a financial asset with credit-impaired.

For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a SICR.

Where SICR was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the day past due criteria is no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to stage 1. This includes the action to be resolved before the instruments are reclassified to stage 1.

For debt restructuring receivables, exposures under stage 3 can transfer to stage 2 when the customer performs under the revised terms of the contract for a longer of 3 months or 3 consecutive payments. Further 9 months are required for such customers to be transferred to stage 1 on the basis that there is no overdue balance on the account and the customer is expected to repay its remaining obligations in full.

For debt restructuring receivables, exposures under stage 2 that were not previously credit impaired can transfer to stage 1 when the customer performs under the revised terms of the contract for 3 months or 3 consecutive payments, whichever is longer.

(k) Impairment for non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount.

Notes to the financial statements for the year ended 31 December 2023

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss of asset recognised in prior years is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are recognised as employee expenses in profit or loss as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior years. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the year, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(m) Warrants

Warrants offered to subordinated debenture holders are measured at amount received from issuance of subordinated debenture less the initial fair value of the subordinated debenture.

(n) Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to certain management is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately

Notes to the financial statements for the year ended 31 December 2023

recognised is based on the number of awards that meet the related service and non-market performance conditions at the investing date.

The modification which increases the fair value of the stock option, the Group shall include the incremental fair value in the measurement of the amount recognised for services received as consideration for the stock option granted. The incremental fair value is the difference between the fair value of modified stock option and that of the original stock option, both estimated as at the date of modification. If the modification occurs after vesting date, the incremental fair value is recognised immediately.

(o) **Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Allowance for ECL on obligation having credit risk exposures

The Group provides allowance for ECL on undrawn loan commitments and financial guarantee contracts by the same methods applied to allowance for ECL as described in note 3 (j).

(p) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable inputs.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

Notes to the financial statements for the year ended 31 December 2023

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value of a financial instrument on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value, adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the financial instrument or until the fair value level is transferred or the transaction is closed out.

(q) **Interest**

Effective interest rate

Interest income and interest expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not allowance for ECL.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any allowance for ECL.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any allowance for ECL.

Calculation of interest income and interest expense

The effective interest rate of a financial asset or a financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instrument to reflect movements in market rates of interest.

However, for financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets, interest income is calculated by applying the

Notes to the financial statements for the year ended 31 December 2023

effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis of assets.

(r) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when a customer obtains control of the service in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties and value added tax. Judgment is required in determining the timing of the transfer of control for revenue recognition at a point in time or over time. The related costs are recognised in profit or loss when they are incurred.

Commission income

For the contracts that the Group is arranging for the provision of the services on behalf of its customers and does not control the services before the primary service providers will provide the services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue when its obligation to arrange for the provision of the specified service is fulfilled.

Gains (losses) on disposal of properties for sale

Gains (losses) on disposal of properties for sale are recognised as income or expenses in profit or loss when the significant risks and rewards in ownership of properties for sale have been transferred to the buyer.

(s) Expenses

The Group recognises expenses on an accrual basis

Contributions to the Deposit Protection Agency and the Financial Institutions Development Fund

Contributions to the Deposit Protection Agency and the Financial Institutions Development Fund are recorded as expenses in profit or loss on an accrual basis.

(t) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Notes to the financial statements for the year ended 31 December 2023

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiary to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the Bank's financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) **Earnings per share ("EPS")**

Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, including share options granted to management.

(v) **Segment reporting**

Segment results that are reported to the Group's Executive Committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 **Impact of COVID-19 pandemic**

The BoT has issued a Circular number Thor Por Tor. For Nor Sor 2. Wor. 802/2564, directive dated 3 September 2021 regarding "*Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19 (sustainable debt resolution)*", highlighted:

1. Guidelines regarding sustainable long-term debt restructuring.
2. Relaxing the regulations on conducting credit card business, personal loans under supervision and digital personal loans, for the purpose of reducing debt burdens of debtor, and temporarily enhancing liquidity of the debtors with repayment capability.
3. Guidelines regarding the process related to the regulations on asset classification and provisioning for the debt restructuring.

Under this Circular, the Group can apply staging and provisioning of debt restructuring from 1 January 2022 to 31 December 2023. The guideline of staging and provisioning depends on debt restructuring method which can be categorised into 2 groups as below:

Debt restructuring method	Guideline of staging and provisioning
1. Debt restructuring which aims to reduce the repayment other than term extension	<p>1. Non NPL modified loans can be classified as stage 1 performing immediately once they are identified as being likely to repay.</p> <p>2. NPL modified loans can be classified as stage 1 performing only if they can repay 3 consecutive months or 3 consecutive dues, whichever is longer.</p> <p>3. Revision of effective interest rate (EIR) at the date of modification.</p>
2. Debt restructuring by term extension only	Apply in accordance with the relevant financial reporting standards

As at 31 December 2023, the Group provided relief measures as mentioned above by approximately 20.2% (2022: 20.3%) of the gross carrying amount of loans to customers.

The aforementioned guidelines regarding the provision of financial assistance ended on 31 December 2023. The Bank has continued monitoring portfolio and recognised additional ECL through management overlay by considering behaviours that reflect the risks from economic uncertainty which covers customers under the assistance program.

5 Risk management

The Group's activities expose them to a variety of finance risks: credit risk, market risk (including fair value interest rate risk, cash flow interest rate risk, exchange rate risk and price risk) and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out under policies approved by the Bank's Board of Directors. The Risk Oversight Committee and the Risk Management Committee provide written principles for overall risk management, as well as written policies covering specific areas, such as credit risk, interest rate risk, foreign exchange rate risk and use of investment excess liquidity.

5.1 Credit risk

Credit risk is risk that borrowers or counterparties fail to fulfil their obligations under the financial instruments, probably due to the fact that the borrowers or counterparties had financial problems or decided not to comply with the obligations resulting in loss to the Group. Credit risk exists in all types of financial products and activities on statement of financial position such as loans, bank overdrafts, notes and contingent liabilities such as various types of letters of guarantee. The maximum exposure of credit risk is the carrying amount of the financial instruments net of allowance for expected credit loss as shown in the statements of financial position and risks of that off-statement of financial position items arising from bank guarantee and other transactions.

The Group defines its credit risk management policies under the supervision of the Risk Management Committee. The main objective is to efficiently manage the Group credit risks in all aspects: policies, organisational structures, processes, and systems within an appropriated risk stated in the Bank business strategies as well as comply with regulations.

Notes to the financial statements for the year ended 31 December 2023

The Group applies credit risk management in credit examination and approval process, risk and repayment ability analysis, credit operation process after credit approval, credit review, credit monitoring and debt reschedule or restructure in order to prevent and resolve any problems might occur in the future.

The Group has set the credit risk preventing policy by setting up the “Check and Balance” in credit approval process, setting up risk-based authority, setting up various standard procedures for credit facilities under “Product Program” and setting up appropriate collateral consideration policy.

Credit quality analysis

The following tables set out information about the credit quality as at 31 December 2023 and 2022 without taking into account collateral or other credit enhancement.

	Consolidated			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
Interbank and money market items (assets)				
Current	15,484,690	-	-	15,484,690
Net carrying amount	15,484,690	-	-	15,484,690

	Consolidated			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
Interbank and money market items (assets)				
Current	19,184,537	-	-	19,184,537
Net carrying amount	19,184,537	-	-	19,184,537

	The Bank			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
Interbank and money market items (assets)				
Current	15,480,064	-	-	15,480,064
Net carrying amount	15,480,064	-	-	15,480,064

	The Bank			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
Interbank and money market items (assets)				
Current	19,183,555	-	-	19,183,555
Net carrying amount	19,183,555	-	-	19,183,555

Notes to the financial statements for the year ended 31 December 2023

	Consolidated and the Bank			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
<i>Investments in debt instruments measured at FVOCI</i>				
Low credit risk ⁽¹⁾	2,973,552	-	-	2,973,552
Credit impaired	-	-	38,424	38,424
Total	2,973,552	-	38,424	3,011,976
Allowance for expected credit loss	(30)	-	(18,745)	(18,775)
Carrying amount - Fair value	2,971,603	-	19,679	2,991,282

⁽¹⁾ Investment grade

Loans to customers and accrued interest receivables and undue interest receivables

Current	122,443,328	6,427,230	105,271	128,975,829
Overdue 1 - 30 days	4,598,781	1,498,489	35,310	6,132,580
Overdue 31 - 60 days	1,711,450 ⁽²⁾	3,179,161	69,924	4,960,535
Overdue 61 - 90 days	-	2,672,919	84,815	2,757,734
Overdue more than 90 days	-	484,878 ⁽³⁾	6,742,223	7,227,101
Total	128,753,559	14,262,677	7,037,543	150,053,779
Less allowance for expected credit loss	(3,173,672)	(2,383,741)	(4,315,766)	(9,873,179)
Net carrying amount	125,579,887	11,878,936	2,721,777	140,180,600

Undrawn loan commitments

Unconditional unused credit line	631,216	972	23	632,211
Allowance for expected credit loss	(1,726)	(120)	(10)	(1,856)

	Consolidated and the Bank			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	(in thousand Baht)			
Investments in debt instruments measured at FVOCI				
Low credit risk ⁽¹⁾	2,920,705	-	-	2,920,705
Credit impaired	-	-	40,470	40,470
Total	2,920,705	-	40,470	2,961,175
Allowance for expected credit loss	(30)	-	(40,470)	(40,500)
Carrying amount - Fair value	2,920,309	-	-	2,920,309

Loans to customers and accrued interest receivables and undue interest receivables

Current	105,512,333	4,794,728	85,251	110,392,312
Overdue 1 - 30 days	4,180,438	1,104,030	56,008	5,340,476
Overdue 31 - 60 days	1,168,235 ⁽²⁾	1,870,751	85,303	3,124,289
Overdue 61 - 90 days	-	1,670,774	151,304	1,822,078
Overdue more than 90 days	-	60,882 ⁽³⁾	5,113,500	5,174,382

Notes to the financial statements for the year ended 31 December 2023

	Consolidated and the Bank			
	2022			
	Stage 1	Stage 2	Stage 3	Total
	<i>(in thousand Baht)</i>			
Total	110,861,006	9,501,165	5,491,366	125,853,537
Less allowance for expected credit loss	(3,718,879)	(1,497,299)	(3,180,459)	(8,396,637)
Net carrying amount	107,142,127	8,003,866	2,310,907	117,456,900

Undrawn loan commitments and financial guarantee contracts

Unconditional unused credit line	85,126	26	-	85,152
Financial guarantee contracts	-	-	41,778	41,778
Allowance for expected credit loss	(305)	(3)	(20,889)	(21,197)

(2) Financial assets that are not more than 1 month past due

(3) Financial assets that are not more than 3 months past due

Collateral held and other credit enhancements

The reliability of the debtors is associated with an indicator of a debtor's profile, capital, and ability to repay. These are significant aspects of credit quality consideration. In addition, the collateral is used as one type of credit risk mitigation to reduce potential credit losses in the event of default. To ensure that the collateral accepted by the Group is marketable and legally enforceable, the Group reviews collateral value following the collateral policy and the BoT's guidelines and regulations.

In addition, in the event that the collateral does not cover the credit limit or no collateral, the Group still has other credit enhancements such as participating in a credit guarantee program with the Thai Credit Guarantee Corporation ("TCG") which is a state-owned specialised financial institution governed by the Ministry of Finance. TCG acts as a guarantor for SME and micro finance in order to mitigate the credit risk.

As at 31 December 2023 and 2022, the Group holds collateral and other credit enhancements as follows:

Type of credit exposure	Consolidated		
	Principal type of collateral held and other credit enhancements		
	Amount	Collateral*	
	<i>(in thousand Baht)</i>		
2023			
Interbank and money market items (assets)			
- Reverse repurchase agreements	12,003,577	12,074,422	Government and state enterprise securities and private debt securities
- Deposits at BoT and domestic commercial banks	3,309,965	-	None
- Deposits at foreign commercial banks	171,148	-	None
2022			

Notes to the financial statements for the year ended 31 December 2023

Interbank and money market items (assets)

- Reverse repurchase agreements	9,500,976	9,605,035	Government and state enterprise securities and private debt securities
- Deposits at BoT and domestic commercial banks	9,683,561	-	None

*Most recent appraisal value

The Bank

Type of credit exposure	Amount	Collateral*	Principal type of collateral held and other credit enhancements
<i>(in thousand Baht)</i>			

2023

Interbank and money market items (assets)

- Reverse repurchase agreements	12,003,577	12,074,422	Government and state enterprise securities and private debt securities
- Deposits at BoT and domestic commercial banks	3,305,339	-	None
- Deposits at foreign commercial banks	171,148	-	None

2022

Interbank and money market items (assets)

- Reverse repurchase agreements	9,500,976	9,605,035	Government and state enterprise securities and private debt securities
- Deposits at BoT and domestic commercial banks	9,682,579	-	None

Consolidated and the Bank

Type of credit exposure	Amount	Collateral*	Principal type of collateral held and other credit enhancements
<i>(in thousand Baht)</i>			

2023

Investments in debt instruments**

- Government and state enterprise securities	2,973,552	-	None
- Private debt securities	38,424	-	None

Loans to SME and micro SME customers

- Loans	99,434,622	77,747,681	Deposits, gold, land, building, residence, machine, equipment and TCG
- Hire purchase	1,608,486	3,049,699	Machine, equipment and vehicle

Loans to micro finance customers

23,274,155	-	TCG
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Loans to retail customers

- Housing loans	10,287,187	13,698,778	Residence
- Other loans to retail customers	15,449,329	19,792,826	Gold, residence and vehicle

Notes to the financial statements for the year ended 31 December 2023

2022

Investments in debt instruments**

- Government and state enterprise securities	2,920,705	-	None
- Private debt securities	40,470	-	None

Loans to SME and micro SME customers

- Loans	83,884,675	68,295,647	Deposits, gold, land, building, residence, machine, equipment and TCG
- Hire purchase	1,598,674	3,168,925	Machine, equipment and vehicle

Loans to micro finance customers	20,036,781	-	TCG
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Loans to retail customers

- Housing loans	8,126,263	10,959,760	Residence
- Other loans to retail customers	12,207,144	17,772,074	Gold, residence and vehicle

* Most recent appraisal value

** Gross carrying amount

Concentrations of credit risk

The Group monitors concentrations of credit risk by sector and by nature of transactions. Analyses of concentrations of credit risk as at 31 December 2023 and 2022 are shown below.

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Interbank and money market items (assets)				
Government and state enterprises	2,864,574	9,614,909	2,864,574	9,614,909
Commercial banks	9,619,296	6,069,388	9,614,670	6,068,406
Specialised financial institutions	3,000,820	3,000,205	3,000,820	3,000,205
Other financial institutions	-	500,035	-	500,035
Total	15,484,690	19,184,537	15,480,064	19,183,555

Consolidated and the Bank

2023

Loans to customers
and accrued interest

Investments in debt instruments*	receivables and undue interest receivables	Unconditional unused credit line	Financial guarantee contracts
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(in thousand Baht)

Financial institutions

Government and state enterprises	2,973,552	-	-	-
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Business loans

Agriculture and mineral	-	675,358	14	-
Manufacture and commercial	-	81,791,524	265,854	-
Real estate and construction	-	21,017,007	230,645	-
Utilities and services	38,424	19,762,753	123,915	-
Others	-	507,166	-	-

Consumer loans

Notes to the financial statements for the year ended 31 December 2023

Consolidated and the Bank				
2023				
	Loans to customers and accrued interest			
	Investments in debt instruments *	receivables and undue interest receivables	Unconditional unused credit line	Financial guarantee contracts
Housing loans	-	10,785,483	-	-
Other lending	-	15,514,488	11,783	-
Total	3,011,976	150,053,779	632,211	-

Consolidated and the Bank				
2022				
	Loans to customers and accrued interest			
	Investments in debt instruments *	receivables and undue interest receivables	Unconditional unused credit line	Financial guarantee contracts
<i>(in thousand Baht)</i>				
<i>Financial institutions</i>				
Government and state enterprises	2,920,705	-	-	-
<i>Business loans</i>				
Agriculture and mineral	-	713,841	14	-
Manufacture and commercial	-	69,368,783	49,535	-
Real estate and construction	-	17,397,904	5,715	41,778
Utilities and services	40,470	17,023,891	6,088	-
Others	-	406,285	10,000	-
<i>Consumer loans</i>				
Housing loans	-	8,664,963	-	-
Other lending	-	12,277,870	13,800	-
Total	2,961,175	125,853,537	85,152	41,778

* Gross carrying amount

Information related to ECL

Significant increase in credit risk (SICR)

When determining whether the probability of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

Definition of default

Notes to the financial statements for the year ended 31 December 2023

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

In assessing whether a borrower is in default, the Group considers indicators that are:

- Quantitative: e.g., the borrower is more than 90 days or 3 months past due on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding;
- Qualitative: e.g., it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default applied by the Group largely aligns with the BoT criteria.

Probability of default

Credit risk grades are a primary input into the determination of the probability of default. The Group has collected repayment performance data of each receivable and input into statistical models to analyse the data collected and generate estimates of the lifetime PD based on contractual repayment. Then, the Group uses the PD to estimate ECL.

Incorporation of forward-looking information

ECL has been estimated by the probability weighted risk of default over the expected life of the financial instrument. It is based on the present value of all expected cash shortfalls carried by historical loss experience data for the group of assets that the Group considers credit risk to be similar such as types of loans to customers, types of collateral, contract terms and other relevant factors and adjusted by current observed data, along with supportable and reasonable future forecasts if statistically correlated can be proved.

The Group formulates three forward-looking economic scenarios; base case scenario, sluggish scenario and recession scenario. These scenarios are weighted by different level of probabilities. Examples of the macro-economic variables used in the forward-looking information are Gross Domestic Product (GDP), inflation rate and unemployment rate, etc.

The Group uses judgments to assess how much relevant macroeconomic changes should affect to ECL of the Group's portfolio. However, the Group reviews the method, the assumptions and forecasts of the future economic situations on a regular basis. In addition, the Group also considers providing the management overlay as a part of ECL.

Notes to the financial statements for the year ended 31 December 2023

5.2 Interest rate risk

Interest rate risk is the risk that arises from the potential of changes in interest rates which have an adverse effect on the net interest earnings of the Group in the current reporting period and future. Interest rate risk arises from the structure and the characteristics of the Group's assets and liabilities and the repricing mismatch of assets and liabilities.

Since some of the Group's interbank and money market items (liabilities) have variable interest rate, the Group is exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its borrowing are at fixed interest rates and uses cross-currency interest rate swaps to manage exposure to fluctuations in interest rates on specific interbank and money market items (liabilities).

The Group defines policies to adjust the structure of their financial positions to conform to the interest direction in the future and the defined risk framework. The Group monitors the interest direction movement and customer's behaviour closely in order to assess the most realistic risk. The Group also monitors its risk position more frequently when there are significant changes in asset and liability structures through "Repricing Gap" reporting in order to follow up the interest rate risks and net interest income sensitivity in the next 12 months.

Furthermore, the Group also simulates the situations by increasing or decreasing its interest rate to manage its stability of net interest income regardless of the interest direction.

As at 31 December 2023 and 2022, the financial assets and liabilities classified by maturity of interest repricing periods are as follows:

	Consolidated 2023						
	Repricing periods						
	Immediate repricing	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	Total
	(in thousand Baht)						
Financial assets							
Cash	-	-	-	-	-	513,458	513,458
Interbank and money market items, net	263	12,904,626	-	-	-	2,579,801	15,484,690
Investments, net	-	1,245,411	1,676,398	69,473	-	2,464	2,993,746
	398,668	105,763,400	18,536,815	11,605,385	7,852,269	-	144,156,53
Loans to customers ^{(1), (2)}							7
Other financial assets, net	-	-	-	-	-	1,268,676	1,268,676
	<u>398,931</u>	<u>119,913,43</u>	<u>20,213,213</u>	<u>11,674,858</u>	<u>7,852,269</u>	<u>4,364,399</u>	<u>164,417,10</u>
Total financial assets		<u>7</u>					<u>7</u>
Financial liabilities							
Deposits	37,483,733	9,285,465	54,178,791	15,806,409	-	7,215	116,761,613
Interbank and money market items	502,700	27,177	3,575,304	18,652,217	-	-	22,757,398
Liabilities payable on demand	-	-	-	-	-	145,601	145,601
Debt issued and borrowings	-	-	-	-	2,611,763	-	2,611,763
Other financial liabilities	-	-	-	-	-	1,925,756	1,925,756
Total financial liabilities	<u>37,986,433</u>	<u>9,312,642</u>	<u>57,754,095</u>	<u>34,458,626</u>	<u>2,611,763</u>	<u>2,078,572</u>	<u>144,202,131</u>

(1) Exclude accrued interest receivables and undue interest receivables

(2) Before deduction of allowance for expected credit loss

Notes to the financial statements for the year ended 31 December 2023

	Consolidated 2022							
	Repricing periods							
	Immediate repricing	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing		Total
	(in thousand Baht)							
Financial assets								
Cash	-	-	-	-	-	504,097		504,097
Interbank and money market items, net	2,545	17,499,018	-	-	-	1,682,974		19,184,537
Investments, net	-	1,488,547	1,293,405	138,357	-	2,441		2,922,750
	334,820	90,856,455	15,688,793	8,757,147	5,660,820	-		121,298,035
Loans to customers ^{(1), (2)}								
Other financial assets, net	-	-	-	-	-	545,019		545,019
	<u>337,365</u>	<u>109,844,02</u>	<u>16,982,198</u>	<u>8,895,504</u>	<u>5,660,820</u>	<u>2,734,531</u>		<u>144,454,438</u>
Total financial assets		0						8
Financial liabilities								
Deposits	38,037,699	13,481,983	55,795,217	6,129,250		-		113,444,149
Interbank and money market items	372,798	146,627	46,658	10,832,396	-	-		11,398,479
Liabilities payable on demand	-	-	-	-	-	72,581		72,581
Debt issued and borrowings	-	-	-	-	889,930	-		889,930
Other financial liabilities	-	-	-	-	-	1,544,191		1,544,191
	<u>38,410,497</u>	<u>13,628,610</u>	<u>55,841,875</u>	<u>16,961,646</u>		<u>1,616,772</u>		<u>127,349,330</u>
Total financial liabilities					889,930			0
	The Bank 2023							
	Repricing periods							
	Immediate repricing	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing		Total
	(in thousand Baht)							
Financial assets								
Cash	-	-	-	-	-	513,458		513,458
Interbank and money market items, net	263	12,900,000	-	-	-	2,579,801		15,480,064
Investments, net	-	1,245,411	1,676,398	69,473	-	2,464		2,993,746
	398,668	105,763,400	18,536,815	11,605,385	7,852,269	-		144,156,537
Loans to customers ^{(1), (2)}								
Other financial assets, net	-	-	-	-	-	1,306,550		1,306,550
	<u>398,931</u>	<u>119,908,81</u>	<u>20,213,213</u>	<u>11,674,858</u>	<u>7,852,269</u>	<u>4,402,273</u>		<u>164,450,355</u>
Total financial assets		1						5
Financial liabilities								
Deposits	37,483,733	9,541,197	54,178,791	15,806,409	-	7,215		117,017,345
Interbank and money market items	502,700	27,177	3,575,304	18,652,217	-	-		22,757,398
Liabilities payable on demand	-	-	-	-	-	145,601		145,601
Debt issued and borrowings	-	-	-	-	2,611,763	-		2,611,763
Other financial liabilities	-	-	-	-	-	1,860,870		1,860,870
	<u>37,986,433</u>	<u>9,568,374</u>	<u>57,754,095</u>	<u>34,458,626</u>	<u>2,611,763</u>	<u>2,013,686</u>		<u>144,392,977</u>
Total financial liabilities								7

⁽¹⁾ Exclude accrued interest receivables and undue interest receivables

⁽²⁾ Before deduction of allowance for expected credit loss

Notes to the financial statements for the year ended 31 December 2023

	The Bank 2022						
	Repricing periods						
	Immediate repricing	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	Total
	(in thousand Baht)						
Financial assets							
Cash	-	-	-	-	-	504,097	504,097
Interbank and money market items, net	581	17,500,000	-	-	-	1,682,974	19,183,555
Investments, net	-	1,488,547	1,293,405	138,357	-	2,441	2,922,750
							121,298,03
Loans to customers ^{(1), (2)}	334,820	90,856,455	15,688,793	8,757,147	5,660,820	-	5
Other financial assets, net	-	-	-	-	-	564,106	564,106
		109,845,00					144,472,54
Total financial assets	335,401	2	16,982,198	8,895,504	5,660,820	2,753,618	3
Financial liabilities							
Deposits		13,481,983	55,795,217	6,129,250		-	113,621,87
	38,215,423				-		3
Interbank and money market items	372,798	146,627	46,658	10,832,396	-	-	11,398,479
Liabilities payable on demand	-	-	-	-	-	72,581	72,581
Debt issued and borrowings	-	-	-	-	889,930	-	889,930
Other financial liabilities	-	-	-	-	-	1,478,613	1,478,613
				16,961,646			127,461,47
Total financial liabilities	38,588,221	13,628,610	55,841,875		889,930	1,551,194	6

(1) Exclude accrued interest receivables and undue interest receivables

(2) Before deducting allowance for expected credit loss

The Group has earning financial assets and interest-bearing financial liabilities. The average balances of such financial assets and financial liabilities are calculated based on outstanding balances and average interest rates for the years ended 31 December 2023 and 2022 were as follows:

	Consolidated					
	2023			2022		
	Average balance (in thousand Baht)	Interest	Average interest rate (% per annum)	Average balance (in thousand Baht)	Interest	Average interest rate (% per annum)
Earning financial assets						
Interbank and money market items	16,387,499	340,494	2.08	9,092,295	71,502	0.79
Investments	3,695,421	62,581	1.69	4,353,162	27,492	0.63
Loans to customers	138,435,323	15,491,176	11.19	115,138,986	12,585,742	10.93
Total	158,518,243	15,894,251		128,584,443	12,684,736	
Interest-bearing financial liabilities						
Deposits	114,836,420	2,345,811	2.04	99,788,223	1,549,109	1.55
Interbank and money market items	20,167,314	82,304	0.41	11,757,139	5,781	0.05
Debt issued and borrowings	1,816,042	135,223	7.45	879,759	77,495	8.81
Total	136,819,776	2,563,338		112,425,121	1,632,385	

Notes to the financial statements for the year ended 31 December 2023

	The Bank					
	2023			2022		
	Average	Interest	Average interest rate	Average	Interest	Average interest rate
	balance			balance		
	(in thousand Baht)		(% per annum)	(in thousand Baht)		(% per annum)
Earning financial assets						
Interbank and money market items	16,385,744	340,489	2.08	9,091,456	71,502	0.79
Investments	3,695,421	62,581	1.69	4,353,162	27,492	0.63
Loans to customers	138,435,323	15,491,176	11.19	115,138,986	12,585,742	10.93
Total	158,516,488	15,894,246		128,583,604	12,684,736	
Interest-bearing financial liabilities						
Deposits	115,087,665	2,346,354	2.04	99,989,999	1,549,537	1.55
Interbank and money market items	20,167,314	82,304	0.41	11,757,139	5,781	0.05
Debt issued and borrowings	1,816,042	135,223	7.45	879,759	77,495	8.81
Total	137,071,021	2,563,881		112,626,897	1,632,813	

Sensitivity analysis

A reasonable possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. Other factors are supposed to be constant in this analysis.

	Consolidated	
	Profit or loss	
	100 bps	100 bps
	Increase	Decrease
	(in thousand Baht)	
2023		
Baht	601,265	(601,265)
Total effect of interest rates changes	601,265	(601,265)
2022		
Baht	460,860	(460,860)
Total effect of interest rates changes	460,860	(460,860)
	The Bank	
	Profit or loss	
	100 bps	100 bps
	Increase	Decrease
	(in thousand Baht)	
2023		
Baht	598,771	(598,771)
Total effect of interest rates changes	598,771	(598,771)

Notes to the financial statements for the year ended 31 December 2023

2022

Baht	459,148	(459,148)
Total effect of interest rates changes	459,148	(459,148)

5.3 Foreign exchange rate risk

Foreign exchange rate risk is the risk that arises from the change in foreign exchange rate which may affect the value change in the financial instruments or may cause fluctuation in the income or expenses or in value of the financial assets or liabilities.

As at 31 December 2023, the Group is exposed to foreign exchange rate risk relating to financial assets and financial liabilities which are denominated in foreign currencies. The Group primarily uses cross-currency interest rate swaps to hedge foreign exchange rate risk arising from interbank and money market items (liabilities) which are denominated in foreign currencies. *(2022: the Group has no material foreign currency transactions or balances.)*

Foreign currency position in Baht equivalent as of 31 December 2023 was as follows:

	Consolidated and the Bank 2023 US Dollar (in thousand Baht)
Financial assets	
Interbank and money market items, net	171,148
Total	171,148
Financial liabilities	
Interbank and money market items	3,554,636
Hedged by cross-currency interest rate swaps	(3,554,636)
Net exposure	-

5.4 Equity price risk

Investments in equity instruments consist of investments in equity held from debt restructuring which are not marketable securities. They are designated at fair value through other comprehensive income.

5.5 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations when they are due. This risk arises from an inability to convert their assets into cash or acquire adequate funds at the appropriate cost and time which results in a loss to the Group.

Notes to the financial statements for the year ended 31 December 2023

The Group defines its liquidity risk management policies under the supervision of the Assets and Liabilities Management Committee and the Risk Management Committee who monitors and reviews the liquidity position on a regular basis.

The Group will disclose Liquidity Coverage Ratio (LCR) information for the Group as at 31 December 2023 through the Bank's website at www.thaicreditbank.com within April 2024.

Notes to the financial statements For the year ended 31 December 2023

As at 31 December 2023 and 2022, financial assets and liabilities of the Group classified by maturities were as follows:

	Consolidated					
	2023					
	At call	Less than 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
	<i>(in thousand Baht)</i>					
Financial assets						
Cash	-	-	-	-	513,458	513,458
Interbank and money market items, net	2,581,113	12,903,577	-	-	-	15,484,690
Investments, net	-	2,921,809	69,473	-	2,464	2,993,746
Loans to customers ^{(1), (2)}	570,600	37,271,220	54,298,307	45,911,592	6,104,818	144,156,537
Other financial assets, net	-	1,267,149	1,527	-	-	1,268,676
Total financial assets	3,151,713	54,363,755	54,369,307	45,911,592	6,620,740	164,417,107
Financial liabilities						
Deposits	37,235,216	63,719,988	15,806,409	-	-	116,761,613
Interbank and money market items	502,700	47,845	22,206,853	-	-	22,757,398
Liabilities payable on demand	145,601	-	-	-	-	145,601
Debt issued and borrowings	-	-	-	2,611,763	-	2,611,763
Other financial liabilities	-	1,867,118	57,851	-	787	1,925,756
Total financial liabilities	37,883,517	65,634,951	38,071,113	2,611,763	787	144,202,131
Net liquidity gap	(34,731,804)	(11,271,196)	16,298,194	43,299,829	6,619,953	20,214,976

⁽¹⁾ Exclude accrued interest receivables and undue interest receivables

⁽²⁾ Before deduction of allowance for expected credit loss

Notes to the financial statementsFor the year ended 31 December 2023

	Consolidated					
	2022					
	At call	Less than 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
	(in thousand Baht)					
Financial assets						
Cash	-	-	-	-	504,097	504,097
Interbank and money market items, net	1,683,561	17,500,976	-	-	-	19,184,537
Investments, net	-	2,781,952	138,357	-	2,441	2,922,750
Loans to customers ^{(1), (2)}	444,083	29,545,404	46,894,043	39,691,855	4,722,650	121,298,035
Other financial assets, net	-	400,163	-	65,091	79,765	545,019
Total financial assets	2,127,644	50,228,495	47,032,400	39,756,946	5,308,953	144,454,438
Financial liabilities						
Deposits	38,037,699	69,277,200	6,129,250	-	-	113,444,149
Interbank and money market items	372,798	193,285	10,832,396	-	-	11,398,479
Liabilities payable on demand	72,581	-	-	-	-	72,581
Debt issued and borrowings	-	-	-	889,930	-	889,930
Other financial liabilities	64,741	1,470,865	7,360	-	1,225	1,544,191
Total financial liabilities	38,547,819	70,941,350	16,969,006	889,930	1,225	127,349,330
Net liquidity gap	(36,420,175)	(20,712,855)	30,063,394	38,867,016	5,307,728	17,105,108
Financial guarantee contracts	-	-	-	-	41,778	41,778

⁽¹⁾ Exclude accrued interest receivables and undue interest receivables

⁽²⁾ Before deduction of allowance for expected credit loss

Notes to the financial statements For the year ended 31 December 2023

	The Bank					
	2023					
	At call	Less than 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
	(in thousand Baht)					
Financial assets						
Cash	-	-	-	-	513,458	513,458
Interbank and money market items, net	2,576,487	12,903,577	-	-	-	15,480,064
Investments, net	-	2,921,809	69,473	-	2,464	2,993,746
Loans to customers ^{(1), (2)}	570,600	37,271,220	54,298,307	45,911,592	6,104,818	144,156,537
Other financial assets, net	-	1,305,023	1,527	-	-	1,306,550
Total financial assets	3,147,087	54,401,629	54,369,307	45,911,592	6,620,740	164,450,355
Financial liabilities						
Deposits	37,490,948	63,719,988	15,806,409	-	-	117,017,345
Interbank and money market items	502,700	47,845	22,206,853	-	-	22,757,398
Liabilities payable on demand	145,601	-	-	-	-	145,601
Debt issued and borrowings	-	-	-	2,611,763	-	2,611,763
Other financial liabilities	-	1,802,232	57,851	-	787	1,860,870
Total financial liabilities	38,139,249	65,570,065	38,071,113	2,611,763	787	144,392,977
Net liquidity gap	(34,992,162)	(11,168,436)	16,298,194	43,299,829	6,619,953	20,057,378

⁽¹⁾ Exclude accrued interest receivables and undue interest receivables

⁽²⁾ Before deduction of allowance for expected credit loss

Notes to the financial statements For the year ended 31 December 2023

	The Bank					
	2022					
	At call	Less than 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
	(in thousand Baht)					
Financial assets						
Cash	-	-	-	-	504,097	504,097
Interbank and money market items, net	1,682,579	17,500,976	-	-	-	19,183,555
Investments, net	-	2,781,952	138,357	-	2,441	2,922,750
Loans to customers ^{(1), (2)}	444,083	29,545,404	46,894,043	39,691,855	4,722,650	121,298,035
Other financial assets, net	-	419,250	-	65,091	79,765	564,106
Total financial assets	2,126,662	50,247,582	47,032,400	39,756,946	5,308,953	144,472,543
Financial liabilities						
Deposits	38,215,423	69,277,200	6,129,250	-	-	113,621,873
Interbank and money market items	372,798	193,285	10,832,396	-	-	11,398,479
Liabilities payable on demand	72,581	-	-	-	-	72,581
Debt issued and borrowings	-	-	-	889,930	-	889,930
Other financial liabilities	-	1,470,028	7,360	-	1,225	1,478,613
Total financial liabilities	38,660,802	70,940,513	16,969,006	889,930	1,225	127,461,476
Net liquidity gap	(36,534,140)	(20,692,931)	30,063,394	38,867,016	5,307,728	17,011,067
Financial guarantee contracts	-	-	-	-	41,778	41,778

⁽¹⁾ Exclude accrued interest receivables and undue interest receivables

⁽²⁾ Before deduction of allowance for expected credit loss

Notes to the financial statementsFor the year ended 31 December 2023

6 Fair value of financial assets and financial liabilities

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

		Consolidated							
		Carrying amount			Fair value				
		Hedging		Amortised		Level 1	Level 2	Level 3	
	Note	instruments	FVOCI	cost	Total				Total
(In thousand Baht)									
2023									
Financial assets									
Investments	11								
- Debt instruments		-	2,991,282	-	2,991,282	-	2,991,282	-	2,991,282
- Equity instruments		-	2,464	-	2,464	-	-	2,464	2,464
Financial liabilities									
Deposits	20.1	-	-	116,761,613	116,761,613	-	116,590,731	-	116,590,731
Interbank and money market items	21	-	-	22,757,398	22,757,398	-	22,750,735	-	22,750,735
Derivatives	10								
- Cross-currency interest rate swaps		152,106	-	-	152,106	-	152,106	-	152,106
Debt issued and borrowings	22	-	-	2,611,763	2,611,763	-	-	2,546,125	2,546,125
2022									
Financial assets									
Investments	11								
- Debt instruments		-	2,920,309	-	2,920,309	-	2,920,309	-	2,920,309
- Equity instruments		-	2,441	-	2,441	-	-	2,441	2,441
Financial liabilities									
Deposits	20.1	-	-	113,444,149	113,444,149	-	113,767,216	-	113,767,216
Interbank and money market items	21	-	-	11,398,479	11,398,479	-	11,394,227	-	11,394,227
Debt issued and borrowings	22	-	-	889,930	889,930	-	-	756,276	756,276
The Bank									
		Carrying amount			Fair value				
		Hedging		Amortised		Level 1	Level 2	Level 3	
	Note	instruments	FVOCI	cost	Total				Total

Notes to the financial statementsFor the year ended 31 December 2023

(In thousand Baht)

2023

Financial assets

Investments	11								
- Debt instruments		-	2,991,282	-	2,991,282	-	2,991,282	-	2,991,282
- Equity instruments		-	2,464	-	2,464	-	-	2,464	2,464

Financial liabilities

Deposits	20.1	-	-	117,017,345	117,017,345	-	116,846,462	-	116,846,462
Interbank and money market items	21	-	-	22,757,398	22,757,398	-	22,750,735	-	22,750,735
Derivatives	10								
- Cross-currency interest rate swaps		152,106	-	-	152,106	-	152,106	-	152,106
Debt issued and borrowings	22	-	-	2,611,763	2,611,763	-	-	2,546,125	2,546,125

2022

Financial assets

Investments	11								
- Debt instruments		-	2,920,309	-	2,920,309	-	2,920,309	-	2,920,309
- Equity instruments		-	2,441	-	2,441	-	-	2,441	2,441

Financial liabilities

Deposits	20.1	-	-	113,621,873	113,621,873	-	113,944,940	-	113,944,940
Interbank and money market items	21	-	-	11,398,479	11,398,479	-	11,394,227	-	11,394,227
Debt issued and borrowings	22	-	-	889,930	889,930	-	-	756,276	756,276

Notes to the financial statementsFor the year ended 31 December 2023

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques and significant unobservable inputs which are used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of financial position.

Financial instruments	Valuation technique	Significant unobservable inputs
measured at fair value		
Investments in equity instruments	Net asset value	Net asset value

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values of investments in equity instruments.

<i>For the year ended 31 December</i>	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
At 1 January	2,441	2,378
Gain recognised in other comprehensive income	23	63
At 31 December	2,464	2,441

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the years ended 31 December 2023 and 2022.

The following methods and assumptions were used by the Group in estimating the fair value of financial assets and liabilities.

Interbank and money market items (assets and liabilities)

The interbank and money market items (assets) are deposits at the BoT, deposits at other financial institutions and loans to financial institutions which are short-term or at call. Accordingly, the fair values are approximated based on the carrying amounts.

The interbank and money market items (liabilities) are deposits and borrowings from the BoT and other financial institutions. Some are short-term, at call, or exposed to floating interest rate. Accordingly, the fair values are approximated based on the carrying amounts. Whereas fixed rate deposits and borrowings from other financial institutions with longer than 1-year maturity, the fair values are estimated using discounted cash flow by current effective interest rates of similar remaining maturities.

Notes to the financial statements for the year ended 31 December 2023

Derivatives

The fair value of over-the-counter derivatives is based on dealer price. Fair values of derivatives assets reflect the credit risk of the instrument and include adjustment to take into account of credit risk of the counterparty when appropriate.

Investments in debt instruments

Fair values of investments in debt instruments are calculated by using the bid prices and information of debt instruments at The ThaiBMA or other financial institutions at the reporting date.

Investments in equity instruments

Fair values of investments in equity instruments are determined based on the net asset value of the investee company.

Loans to customers

Fair values of floating rate loans to customers are approximated based on the net carrying amounts.

Fair values of fixed rate loans to customers which are not credit-impaired and have the effective interest rate assessed by the management to be a reasonable approximation of market effective interest rate are approximated based on the net carrying amounts.

Fair values of credit-impaired fixed rate loans to customers are approximated based on the net carrying amounts.

Deposits

Deposits are saving deposits, current accounts, fixed or certificate of deposits. These deposits are typically short-term or at call in nature. The management has assessed the existing effective interest rate of the deposit is a reasonable approximation of market effective interest rate. Accordingly, fair values of saving deposits, current accounts and fixed or certificate of deposits with the 1-year maturity or less are approximated based on the carrying amounts. Whereas fixed or certificate of deposits with longer than 1-year maturity, the fair values are estimated using discounted cash flow, applying current effective interest rates offered for fixed deposits of similar remaining maturities.

Liabilities payable on demand

Liabilities payable on demand are call liabilities. Accordingly, the fair values are approximated based on the carrying amounts.

Notes to the financial statements for the year ended 31 December 2023

Debt issued and borrowings

Fair values are approximated based on the carrying amounts, except for the fair values of fixed rate items with remaining maturity period greater than 1 year which is calculated based on the present value of future cash flows of principal and interest, discounted at the market interest rate at the reporting date, in case where there is no active market.

Other financial instruments

Fair values of other financial instruments are approximated based on the carrying amounts.

7 Maintenance of capital fund

The Bank's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

The Bank is required to manage its capital funds in accordance with the Act on Undertaking of Banking Business B.E. 2551. As at 31 December 2023 and 2022, the Bank's total capital funds could be categorised as follows:

	The Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Tier 1 Capital		
Common Equity Tier 1 Capital (CET1)		
Paid-up share capital	5,822,917	5,822,917
Premium on share capital	733,333	733,333
Legal reserve	569,398	389,831
Net profit after appropriation	8,906,545	6,120,475
Other reserves	(26,593)	64
Capital deduction items on CET1	(574,204)	(578,280)
Total Common Equity Tier 1 Capital	15,431,396	12,488,340
Additional Tier 1 Capital		
Subordinated debentures classified as additional Tier 1 Capital	861,062	1,150,000
Total Tier 1 Capital	16,292,458	13,638,340

Notes to the financial statements for the year ended 31 December 2023

		The Bank	
		2023	2022
		(in thousand Baht)	
Tier 2 Capital			
Subordinated debentures classified as			
Tier 2 Capital		1,700,000	-
General provision		1,219,299	1,003,250
Total Tier 2 Capital		2,919,299	1,003,250
Total Capital funds		19,211,757	14,641,590
Total Risk-Weighted Assets		118,002,561	96,496,223

		The BoT's regulation minimum requirement	
		2023 (%)	2022
Capital Adequacy Ratio/Total Risk-Weighted Assets	11.00	16.28	15.17
Tier 1 Capital Ratio/Total Risk-Weighted Assets	8.50	13.81	14.13
Common Equity Tier 1 Capital Ratio/Total Risk-Weighted Assets	7.00	13.08	12.94

As at 31 December 2023 and 2022, the Bank has no add-on arising from Single Lending Limit.

The Bank will disclose capital adequacy and capital risk exposure information for the Bank as at 31 December 2023 through the Bank's website at www.thaicreditbank.com within April 2024.

Capital management

The primary objectives of the Bank's capital management are to maintain the Bank's ability to continue as a going concern and to maintain a capital adequacy ratio in accordance with the Act on Undertaking of Banking Business B.E. 2551.

8 Classification of financial assets and financial liabilities

		Consolidated		Total
		2023		
Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments		
		in equity instruments designated at FVOCI	Financial instruments measured at amortised cost	
		(in thousand Baht)		
Financial assets				

Notes to the financial statements for the year ended 31 December 2023

	Consolidated				
	2023				
	Investments				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	in equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
	<i>(in thousand Baht)</i>				
Cash	-	-	-	513,458	513,458
Interbank and money market items, net	-	-	-	15,484,690	15,484,690
Investments, net					
Government and state enterprise securities	-	2,971,603	-	-	2,971,603
Private debt securities	-	19,679	-	-	19,679
Domestic non-marketable equity instruments	-	-	2,464	-	2,464
Loans to customers and accrued interest receivables, net	-	-	-	140,180,600	140,180,600
Other financial assets, net	-	-	-	1,268,676	1,268,676
Total	-	2,991,282	2,464	157,447,424	160,441,170
Financial liabilities					
Deposits	-	-	-	116,761,613	116,761,613
Interbank and money market items	-	-	-	22,757,398	22,757,398
Liabilities payable on demand	-	-	-	145,601	145,601
Derivative liabilities	152,106	-	-	-	152,106
Debt issued and borrowings	-	-	-	2,611,763	2,611,763
Other financial liabilities	-	-	-	1,925,756	1,925,756
Total	152,106	-	-	144,202,131	144,354,237

Notes to the financial statements for the year ended 31 December 2023

Consolidated				
2022				
	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
(in thousand Baht)				
Financial assets				
Cash	-	-	504,097	504,097
Interbank and money market items, net	-	-	19,184,537	19,184,537
Investments, net				
Government and state enterprise securities	2,920,309	-	-	2,920,309
Domestic non-marketable equity instruments	-	2,441	-	2,441
Loans to customers and accrued interest receivables, net	-	-	117,456,900	117,456,900
Other financial assets, net	-	-	545,019	545,019
Total	2,920,309	2,441	137,690,553	140,613,303

Financial liabilities				
Deposits	-	-	113,444,149	113,444,149
Interbank and money market items	-	-	11,398,479	11,398,479
Liabilities payable on demand	-	-	72,581	72,581
Debt issued and borrowings	-	-	889,930	889,930
Other financial liabilities	-	-	1,544,191	1,544,191
Total	-	-	127,349,330	127,349,330

The Bank					
2023					
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
(in thousand Baht)					
Financial assets					
Cash	-	-	-	513,458	513,458
Interbank and money market items, net	-	-	-	15,480,064	15,480,064
Investments, net					
Government and state enterprise securities	-	2,971,603	-	-	2,971,603
Private debt securities	-	19,679	-	-	19,679
Domestic non-marketable equity instruments	-	-	2,464	-	2,464
Loans to customers and accrued interest receivables, net	-	-	-	140,180,600	140,180,600

Notes to the financial statements for the year ended 31 December 2023

	The Bank				
	2023				
	Investments				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	in equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
					</

Financial liabilities

Deposits	-	-	-	117,017,345	117,017,345
Interbank and money market items	-	-	-	22,757,398	22,757,398
Liabilities payable on demand	-	-	-	145,601	145,601
Derivative liabilities	152,106	-	-	-	152,106
Debt issued and borrowings	-	-	-	2,611,763	2,611,763
Other financial liabilities	-	-	-	1,860,870	1,860,870
Total	152,106	-	-	144,392,977	144,545,083

	The Bank			
	2022			
	Financial	Investments	Financial	
	instruments	in equity	instruments	
	measured at	designated at	measured at	
	FVOCI	FVOCI	amortised cost	Total
	(in thousand Baht)			
Financial assets				
Cash	-	-	504,097	504,097
Interbank and money market items, net	-	-	19,183,555	19,183,555
Investments, net				
Government and state enterprise securities	2,920,309	-	-	2,920,309
Domestic non-marketable equity instruments	-	2,441	-	2,441
Loans to customers and accrued interest				
receivables, net	-	-	117,456,900	117,456,900
Other financial assets, net	-	-	564,106	564,106
Total	2,920,309	2,441	137,708,658	140,631,408

Financial liabilities

Deposits	-	-	113,621,873	113,621,873
Interbank and money market items	-	-	11,398,479	11,398,479
Liabilities payable on demand	-	-	72,581	72,581
Debt issued and borrowings	-	-	889,930	889,930
Other financial liabilities	-	-	1,478,613	1,478,613

Notes to the financial statements for the year ended 31 December 2023

The Bank			
2022			
	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at amortised cost
	(in thousand Baht)		
Total	-	-	127,461,476
Total	-	-	127,461,476

9 Interbank and money market items, net (assets)

	Consolidated		The Bank	
	2023	2022	2023	2022
	(in thousand Baht)			
Domestic				
Bank of Thailand	2,864,377	9,614,581	2,864,377	9,614,581
Commercial banks	9,445,588	6,068,980	9,440,962	6,067,998
Specialised financial institutions	3,000,000	3,000,000	3,000,000	3,000,000
Other financial institutions	-	500,000	-	500,000
Total	15,309,965	19,183,561	15,305,339	19,182,579
Add accrued interest receivables and undue interest receivables	3,577	976	3,577	976
Total domestic	15,313,542	19,184,537	15,308,916	19,183,555
Foreign				
US Dollar	171,148	-	171,148	-
Total foreign	171,148	-	171,148	-
Total domestic and foreign	15,484,690	19,184,537	15,480,064	19,183,555

10 Derivatives

Cash flow hedge

Consolidated and the Bank		
2023		
Type of risk	Fair value	Notional amount
	Liabilities	
	(in thousand Baht)	
Foreign exchange rate and interest rate	152,106	3,713,850
Total	152,106	3,713,850

Notes to the financial statements for the year ended 31 December 2023

As at 31 December 2023, the Group had a derivative with remaining maturity of 2.5 years.

The Group uses cross-currency interest rate swaps to hedge its exposure to variability of future cash flows on interbank and money market items (liabilities) which are floating rate and denominated in foreign currency. The nature of risks being hedged are the risk of change in foreign exchange rate and variability of interest rate.

Hedge accounting is applied where economic hedging relationships meet the hedge accounting criteria. In those hedging relationships, hedge effectiveness is assessed based on the following factors:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from the economic relationship
- The hedge ratio of the hedging relationship is the same in the quantity

The Group established a hedge ratio by aligning the par amount of the hedged item and the hedging instrument. The Group applies a hedge ratio of 1:1.

As at 31 December 2023, there was no sources of ineffectiveness in these hedging relationships.

11 Investments, net

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Investments in debt instruments measured at FVOCI</i>		
Government and state enterprise securities	2,971,603	2,920,309
Private debt securities	19,679	-
Total	2,991,282	2,920,309
Allowance for expected credit loss	(18,775)	(40,500)
<i>Investments in equity instruments designated at FVOCI</i>		
Domestic non-marketable equity instruments	2,464	2,441
Total	2,464	2,441
Total investments, net	2,993,746	2,922,750

As at 31 December 2023 and 2022, the Group had some investments in securities pledged as collateral as disclosed in note 31.

As at 31 December 2023 and 2022, the Group did not have investment in any entity in which the Group held 10% or more of the paid-up share capital of the investee company.

Notes to the financial statements for the year ended 31 December 2023

12 Investments in subsidiary, net

Subsidiary	Type of business	Type of share	Percentage of ownership interest		The Bank			
			2023	2022	Cost		Dividend income	
					2023	2022	2023	2022
(%)		(in thousand Baht)						
Thai Micro Digital Solutions Co., Ltd.	Electronic payment and electronic money service	Ordinary	100.00	100.00	350,000	250,000	-	-
Total					350,000	250,000	-	-

The subsidiary is registered and has been operating in Thailand.

On 16 May 2023, the Extraordinary General Meeting of the Shareholders of Thai Micro Digital Solutions Co., Ltd. ("TMDS"), a subsidiary, approved to increase the authorised share capital of TMDS from the amount of Baht 250 million (25 million ordinary shares at Baht 10 per share) to the amount of Baht 350 million (35 million ordinary shares at Baht 10 per share). The Bank paid for share subscription of Baht 100 million to TMDS in May 2023.

13 Loans to customers and accrued interest receivables, net

13.1 Classified by loan type

	Consolidated and the Bank	
	2023	2022
	(in thousand Baht)	
Overdrafts	2,484,071	511,984
Loans	139,966,852	118,991,863
Notes	117,634	210,614
Hire-purchase receivables	1,587,980	1,583,574
Total loans to customers	144,156,537	121,298,035
Add accrued interest receivables and undue interest receivables	5,897,242	4,555,502
Total loans to customers and accrued interest receivables and undue interest receivables	150,053,779	125,853,537
Less allowance for expected credit loss	(9,873,179)	(8,396,637)
Total loans to customers and accrued interest receivables, net	140,180,600	117,456,900

Notes to the financial statements for the year ended 31 December 2023

13.2 Classified by residency of debtors

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Domestic	144,156,537	121,298,035
Total	144,156,537	121,298,035

13.3 Classified by loan classification

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Loans to customers and accrued interest receivables and undue interest receivables		
Financial assets that have not had a significant increase in credit risk (Performing)	128,753,559	110,861,006
Financial assets that have a significant increase in credit risk (Under-performing)	14,262,677	9,501,165
Financial assets that are credit-impaired (Non-performing)	7,037,543	5,491,366
Total	150,053,779	125,853,537

13.4 Loans that are credit-impaired

As at 31 December 2023 and 2022, the Group had loans that are credit-impaired under TFRS 9 per the BoT's regulations as follows:

	Consolidated and the Bank	
	2023	2022
Net loans that are credit-impaired (principal net of allowance for expected credit loss)		
Loans that are credit-impaired net of allowance for expected credit loss on loans that are credit-impaired <i>(in thousand Baht)</i>	1,799,789	1,553,983
Total loans net of allowance for expected credit loss on loans that are credit-impaired <i>(in thousand Baht)</i>	139,840,771	118,117,576
Percentage of net loans that are credit-impaired (%)	1.29	1.31
Loans that are credit-impaired (principal)		
Loans that are credit-impaired <i>(in thousand Baht)</i>	6,115,555	4,734,442
Total loans <i>(in thousand Baht)</i>	144,156,537	121,298,035
Percentage of loans that are credit-impaired (%)	4.24	3.90

During the year ended 31 December 2023, the Group sold parts of its loans to customers classified as credit-impaired to third parties with the net carrying amount of Baht 508.4 million (2022: Baht 381.4 million).

Notes to the financial statements for the year ended 31 December 2023

13.5 Modified loans to customers

<i>For the year ended 31 December</i>	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Loans to customers modified during the year ⁽¹⁾		
Amortised cost before modification	8,683,288	7,494,963
Net modification losses	(5,827)	(31,542)

⁽¹⁾ Loans to customers net of allowance for expected credit loss that had only lifetime ECL

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Loans to customers modified since initial recognition		
Gross carrying amount of loans to customers previously modified for which allowance for expected credit loss has changed during the year to an amount equal to 12-month ECL from lifetime ECL	990,465	1,481,081

13.6 Hire-purchase receivables

	Consolidated and the Bank						
	2023						
	Portion due within 1 year	Portion due over 1 year but within 2 years	Portion due over 2 years but within 3 years	Portion due over 3 years but within 4 years	Portion due over 4 years but within 5 years	Portion due over 5 years	Total
	(in thousand Baht)						
Hire-purchase receivables	521,266	426,119	302,743	207,466	96,081	34,305	1,587,980
Less unearned interest income	-	-	-	-	-	-	-
Present value of minimum lease payments	521,266	426,119	302,743	207,466	96,081	34,305	1,587,980
Add accrued interest receivables and undue interest receivables							25,808
Less allowance for expected credit loss							(42,772)
Hire-purchase receivables, net							1,571,016

	Consolidated and the Bank						Total
	2022						
	Portion due	Portion due	Portion due	Portion due	Portion due		
	within 1 year	over 1 year	over 2 years	over 3 years	over 4 years	Portion due	
		but within	but within	but within	but within	over 5 years	
		2 years	3 years	4 years	5 years		
(in thousand Baht)							
Hire-purchase receivables	534,271	393,660	319,568	174,094	114,438	47,543	1,583,574
Less unearned interest income	-	-	-	-	-	-	-
Present value of minimum lease							
payments	534,271	393,660	319,568	174,094	114,438	47,543	1,583,574

Notes to the financial statements for the year ended 31 December 2023

Add accrued interest receivables	
and	
undue interest receivables	26,039
Less allowance for expected credit loss	(55,238)
Hire-purchase receivables, net	1,554,375

14 Allowance for expected credit loss

Consolidated and the Bank				
2023				
	Financial assets that have not had a significant increase in credit risk	Financial assets that have a significant increase in credit risk	Financial assets that are credit-impaired	Total
	(in thousand Baht)			
Investments in debt instruments	30	-	18,745	18,775
Loans to customers and accrued interest receivables and undue interest receivables	3,173,672	2,383,741	4,315,766	9,873,179
Other financial assets	1,993	8,318	13,963	24,274
Undrawn loan commitments	1,726	120	10	1,856
Total	3,177,421	2,392,179	4,348,484	9,918,084

Consolidated and the Bank				
2022				
	Financial assets that have not had a significant increase in credit risk	Financial assets that have a significant increase in credit risk	Financial assets that are credit-impaired	Total
	(in thousand Baht)			
Investments in debt instruments	30	-	40,470	40,500
Loans to customers and accrued interest receivables and undue interest receivables	3,718,879	1,497,299	3,180,459	8,396,637
Other financial assets	673	1,559	7,918	10,150
Undrawn loan commitments and financial guarantee contracts	305	3	20,889	21,197
Total	3,719,887	1,498,861	3,249,736	8,468,484

The movements in allowance for expected credit loss during the years ended 31 December 2023 and 2022 were as follows:

Notes to the financial statements for the year ended 31 December 2023

	Consolidated and the Bank			
	Financial assets that have not had a significant increase in credit risk	Financial assets that have a significant increase in credit risk <i>(in thousand Baht)</i>	Financial assets that are credit-impaired	Total
Investments in debt instruments				
At 1 January 2022	57	-	40,470	40,527
Purchased or acquired	29	-	-	29
Derecognised	(56)	-	-	(56)
At 31 December 2022 and 1 January 2023	30	-	40,470	40,500
Change from remeasurement of ECL	-	-	(21,725)	(21,725)
Purchased or acquired	28	-	-	28
Derecognised	(28)	-	-	(28)
At 31 December 2023	30	-	18,745	18,775
Loans to customers and accrued interest receivables and undue interest receivables				
At 1 January 2022	3,095,532	887,821	1,625,453	5,608,806
Change from stage reclassification	(1,659)	(481,951)	483,610	-
Change from remeasurement of ECL	(85,120)	705,103	1,934,797	2,554,780
Purchased or acquired	825,025	526,167	361,670	1,712,862
Derecognised	(114,899)	(139,841)	(842,486)	(1,097,226)
Written-off	-	-	(382,585)	(382,585)
At 31 December 2022 and 1 January 2023	3,718,879	1,497,299	3,180,459	8,396,637
Change from stage reclassification	(74,082)	(563,610)	637,692	-
Change from remeasurement of ECL	(1,198,493)	1,025,040	3,045,753	2,872,300
Purchased or acquired	896,367	851,741	524,868	2,272,976
Derecognised	(168,999)	(426,729)	(1,625,280)	(2,221,008)
Written-off	-	-	(1,447,726)	(1,447,726)
At 31 December 2023	3,173,672	2,383,741	4,315,766	9,873,179
Other financial assets				
At 1 January 2022	144	1,001	6,942	8,087
Change from stage reclassification	143	(368)	225	-
Change from remeasurement of ECL	273	657	4,998	5,928
Purchased or acquired	126	573	314	1,013
Derecognised	(13)	(304)	(4,341)	(4,658)
Written-off	-	-	(220)	(220)
At 31 December 2022 and 1 January 2023	673	1,559	7,918	10,150
Change from stage reclassification	223	(421)	198	-
Change from remeasurement of ECL	914	4,172	9,074	14,160
Purchased or acquired	259	3,765	3,866	7,890

Notes to the financial statements for the year ended 31 December 2023

	Consolidated and the Bank			Total
	Financial assets that have not had a significant increase in credit risk	Financial assets that have a significant increase in credit risk <i>(in thousand Baht)</i>	Financial assets that are credit-impaired	
Derecognised	(76)	(757)	(3,688)	(4,521)
Written-off	-	-	(3,405)	(3,405)
At 31 December 2023	1,993	8,318	13,963	24,274
Undrawn loan commitments and financial guarantee contracts				
At 1 January 2022	-	-	20,889	20,889
Change from remeasurement of ECL	-	3	-	3
Purchased or acquired	305	-	-	305
At 31 December 2022 and 1 January 2023	305	3	20,889	21,197
Change from stage reclassification	(21)	19	2	-
Change from remeasurement of ECL	(115)	100	(18,881)	(18,896)
Purchased or acquired	1,607	1	-	1,608
Derecognised	(50)	(3)	(2,000)	(2,053)
At 31 December 2023	1,726	120	10	1,856

15 Properties for sale, net

	Consolidated and the Bank			At 31 December 2023
	At 1 January 2023	Additions	Disposals	
		<i>(in thousand Baht)</i>		
Assets from settlement of debts*				
- Immovable assets	770,741	161,031	(24,127)	907,645
- Movable assets	-	9,896	(5,256)	4,640
Total	770,741	170,927	(29,383)	912,285
Less allowance for impairment loss	-	(1,474)	-	(1,474)
Net	770,741	169,453	(29,383)	910,811
Consolidated and the Bank				
	At 1 January 2022	Additions	Disposals	At 31 December 2022
		<i>(in thousand Baht)</i>		
Assets from settlement of debts*				
- Immovable assets	341,926	457,902	(29,087)	770,741
Total	341,926	457,902	(29,087)	770,741

Notes to the financial statements for the year ended 31 December 2023

Assets from settlement of debts include properties foreclosed transferred under the Bank of Thailand's supportive measure to acquire collateral assets for debt repayment.

As at 31 December 2023 and 2022, all immovable assets from settlement of debts were appraised by external appraisers.

16 Premises and equipment, net

	Premises	Leasehold improvement	Furniture and equipment	Consolidated Computers and accessories (in thousand Baht)	Right-of-use assets	Assets under installation	Total
Cost							
At 1 January 2022	66,090	332,699	241,819	237,047	1,155,512	8,670	2,041,837
Additions	-	15,850	16,776	75,284	209,019	10,840	327,769
Transfers in (out)	-	12,553	50	922	-	(13,525)	-
Disposals	-	-	(28)	(8,087)	-	-	(8,115)
Write-off	-	(125)	(1,268)	(533)	(500,125)	-	(502,051)
At 31 December 2022 and 1 January 2023	66,090	360,977	257,349	304,633	864,406	5,985	1,859,440
Additions	181,811	36,618	31,983	64,852	475,789	17,912	808,965
Transfers in (out)	-	8,554	1,188	1,147	-	(10,889)	-
Disposals	-	(1,525)	(5,149)	(14,687)	-	-	(21,361)
Write-off	-	(171)	(206)	-	(350,455)	-	(350,832)
At 31 December 2023	247,901	404,453	285,165	355,945	989,740	13,008	2,296,212
Accumulated depreciation							
At 1 January 2022	(12,429)	(215,598)	(185,536)	(171,035)	(235,671)	-	(820,269)
Depreciation charge for the year	(2,641)	(35,631)	(27,610)	(33,548)	(150,927)	-	(250,357)
Disposals	-	-	19	8,085	-	-	8,104
Write-off	-	125	1,268	533	203,361	-	205,287
At 31 December 2022 and 1 January 2023	(15,070)	(251,104)	(211,859)	(195,965)	(183,237)	-	(857,235)
Depreciation charge for the year	(5,741)	(39,817)	(26,726)	(42,044)	(124,551)	-	(238,879)
Disposals	-	1,525	5,025	14,672	-	-	21,222
Write-off	-	171	170	-	119,089	-	119,430
At 31 December 2023	(20,811)	(289,225)	(233,390)	(223,337)	(188,699)	-	(955,462)
Net book value							
At 31 December 2022	51,020	109,873	45,490	108,668	681,169	5,985	1,002,205
At 31 December 2023	227,090	115,228	51,775	132,608	801,041	13,008	1,340,750

Notes to the financial statements for the year ended 31 December 2023

	The Bank						Total
	Premises	Leasehold improvement	Furniture and equipment	Computers and accessories	Right-of-use assets	Assets under installation	
(in thousand Baht)							
Cost							
At 1 January 2022	66,090	331,301	241,416	236,185	1,155,512	8,670	2,039,174
Additions	-	15,850	16,757	74,765	205,086	10,840	323,298
Transfers in (out)	-	12,553	50	922	-	(13,525)	-
Disposals	-	-	(28)	(8,085)	-	-	(8,113)
Write-off	-	(125)	(1,268)	(533)	(500,125)	-	(502,051)
At 31 December 2022 and							
1 January 2023	66,090	359,579	256,927	303,254	860,473	5,985	1,852,308
Additions	181,811	36,129	31,730	64,363	475,789	17,912	807,734
Transfers in (out)	-	8,554	1,188	1,147	-	(10,889)	-
Disposals	-	(1,525)	(5,149)	(14,685)	-	-	(21,359)
Write-off	-	(171)	(206)	-	(350,455)	-	(350,832)
At 31 December 2023	247,901	402,566	284,490	354,079	985,807	13,008	2,287,851
Accumulated depreciation							
At 1 January 2022	(12,429)	(215,571)	(185,486)	(170,831)	(235,671)	-	(819,988)
Depreciation charge for the year	(2,641)	(35,398)	(27,527)	(33,291)	(150,026)	-	(248,883)
Disposals	-	-	19	8,085	-	-	8,104
Write-off	-	125	1,268	533	203,361	-	205,287
At 31 December 2022 and							
1 January 2023	(15,070)	(250,844)	(211,726)	(195,504)	(182,336)	-	(855,480)
Depreciation charge for the year	(5,741)	(39,540)	(26,625)	(41,724)	(123,568)	-	(237,198)
Disposals	-	1,525	5,025	14,672	-	-	21,222
Write-off	-	171	170	-	119,089	-	119,430
At 31 December 2023	(20,811)	(288,688)	(233,156)	(222,556)	(186,815)	-	(952,026)
Net book value							
At 31 December 2022	51,020	108,735	45,201	107,750	678,137	5,985	996,828
At 31 December 2023	227,090	113,878	51,334	131,523	798,992	13,008	1,335,825

Notes to the financial statements for the year ended 31 December 2023

17 Intangible assets, net

	Consolidated			
		Computer software		
	Computer software	Initial service fee of ITMX	under installation	Total
	(in thousand Baht)			
Cost				
At 1 January 2022	287,857	32,621	36,289	356,767
Additions	24,154	-	16,961	41,115
Transfers in (out)	13,019	-	(13,019)	-
At 31 December 2022 and 1 January 2023	325,030	32,621	40,231	397,882
Additions	14,850	-	65,330	80,180
Transfers in (out)	11,706	-	(11,706)	-
At 31 December 2023	351,586	32,621	93,855	478,062
Accumulated amortisation				
At 1 January 2022	(182,981)	-	-	(182,981)
Amortisation charge for the year	(29,460)	-	-	(29,460)
At 31 December 2022 and 1 January 2023	(212,441)	-	-	(212,441)
Amortisation charge for the year	(20,355)	-	-	(20,355)
At 31 December 2023	(232,796)	-	-	(232,796)
Net book value				
At 31 December 2022	112,589	32,621	40,231	185,441
At 31 December 2023	118,790	32,621	93,855	245,266

	The Bank			
		Computer software		
	Computer software	Initial service fee of ITMX	under installation	Total
	(in thousand Baht)			
Cost				
At 1 January 2022	268,639	32,621	36,289	337,549
Additions	22,257	-	14,164	36,421
Transfers in (out)	11,469	-	(11,469)	-
At 31 December 2022 and 1 January 2023	302,365	32,621	38,984	373,970
Additions	14,486	-	59,391	73,877
Transfers in (out)	6,899	-	(6,899)	-
At 31 December 2023	323,750	32,621	91,476	447,847
Accumulated amortisation				
At 1 January 2022	(180,688)	-	-	(180,688)

Notes to the financial statements for the year ended 31 December 2023

	The Bank			
	Computer software	Initial service fee of ITMX	Computer software under installation	Total
	<i>(in thousand Baht)</i>			
Amortisation charge for the year	(27,364)	-	-	(27,364)
At 31 December 2022 and				
1 January 2023	(208,052)	-	-	(208,052)
Amortisation charge for the year	(17,695)	-	-	(17,695)
At 31 December 2023	(225,747)	-	-	(225,747)
Net book value				
At 31 December 2022	94,313	32,621	38,984	165,918
At 31 December 2023	98,003	32,621	91,476	222,100

18 Deferred tax assets, net

	Consolidated			
	<i>(Charged) / credited to:</i>			
	At 1 January 2023	Profit or loss	Other comprehensive income	At 31 December 2023
	<i>(note 43)</i>			
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Investments	8,084	(4,345)	324	4,063
Loans to customers and accrued interest receivables	353,069	(214,994)	-	138,075
Properties for sale	-	3,743	-	3,743
Debt issued and borrowings	5,774	4,367	-	10,141
Provisions	43,596	13,747	(2,501)	54,842
Lease liabilities	138,219	24,053	-	162,272
Reserve for cash flow hedges	-	-	6,340	6,340
Total	548,742	(173,429)	4,163	379,476
Deferred tax liabilities				
Interbank and money market items	-	(7,762)	-	(7,762)
Right-of-use assets	(136,234)	(23,975)	-	(160,209)
Total	(136,234)	(31,737)	-	(167,971)
Net	412,508	(205,166)	4,163	211,505

	Consolidated			
	<i>(Charged) / credited to:</i>			
	At 1 January 2022	Profit or loss	Other comprehensive income	At 31 December 2022
	<i>(note 43)</i>			
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Investments	7,821	(5)	268	8,084
Loans to customers and accrued interest receivables	278,962	74,107	-	353,069

Notes to the financial statements for the year ended 31 December 2023

	At 1 January 2022	Consolidated (Charged) / credited to:		At 31 December 2022
		Profit or loss	Other comprehensive income	
		(note 43)		
		(in thousand Baht)		
Debt issued and borrowings	1,775	3,999	-	5,774
Provisions	37,669	8,351	(2,424)	43,596
Lease liabilities	186,629	(48,410)	-	138,219
Reserve for share-based payments	6,982	(6,982)	-	-
Total	519,838	31,060	(2,156)	548,742
Deferred tax liabilities				
Right-of-use assets	(183,969)	47,735	-	(136,234)
Total	(183,969)	47,735	-	(136,234)
Net	335,869	78,795	(2,156)	412,508

	The Bank			
	At	(Charged) / credited to:		At
	1 January	Profit	Other	31 December
	2023	or loss	comprehensive income	2023
		(note 43)		
		(in thousand Baht)		
Deferred tax assets				
Investments	8,084	(4,345)	324	4,063
Loans to customers and accrued interest receivables	353,069	(214,994)	-	138,075
Properties for sale	-	3,743	-	3,743
Debt issued and borrowings	5,774	4,367	-	10,141
Provisions	43,461	13,585	(2,464)	54,582
Lease liabilities	137,602	24,245	-	161,847
Reserve for cash flow hedges	-	-	6,340	6,340
Total	547,990	(173,399)	4,200	378,791
Deferred tax liabilities				
Interbank and money market items	-	(7,762)	-	(7,762)
Right-of-use assets	(135,628)	(24,171)	-	(159,799)
Total	(135,628)	(31,933)	-	(167,561)
Net	412,362	(205,332)	4,200	211,230

Notes to the financial statements for the year ended 31 December 2023

	The Bank		
	(Charged) / credited to:		
	At 1 January 2022	Profit or loss (note 43) (in thousand Baht)	Other comprehensive income At 31 December 2022
Deferred tax assets			
Investments	7,821	(5)	268
Loans to customers and accrued interest receivables	278,962	74,107	-
Debt issued and borrowings	1,775	3,999	-
Provisions	37,514	8,241	(2,294)
Lease liabilities	186,629	(49,027)	-
Reserve for share-based payments	6,982	(6,982)	-
Total	519,683	30,333	(2,026)
Deferred tax liabilities			
Right-of-use assets	(183,969)	48,341	-
Total	(183,969)	48,341	-
Net	335,714	78,674	(2,026)

19 Other assets, net

	Consolidated		The Bank	
	2023	2022	2023	2022
	(in thousand Baht)			
Suspense debtors	354,425	93,245	385,960	107,615
Other receivables, net	208,085	76,535	210,988	78,548
Prepaid expenses - TCG	205,195	184,809	205,195	184,809
Receivables eligible for government reimbursement	201,812	101,282	201,812	101,282
Advance to customers	193,981	89,445	193,981	89,445
Collateral per Credit Support Annex	113,800	-	113,800	-
Accrued fee income	86,453	89,818	89,811	92,488
Deposits and guarantee	74,876	65,091	74,876	65,091
Receivables - counter service	34,658	24,191	34,658	24,191
Others	90,221	25,876	86,454	20,882
Total	1,563,506	750,292	1,597,535	764,351

Notes to the financial statements for the year ended 31 December 2023

20 Deposits

20.1 Classified by type of deposits

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Current	113,837	40,142	232,119	132,152
Savings	36,456,817	37,383,769	36,594,267	37,469,483
Term	80,190,959	76,020,238	80,190,959	76,020,238
Total	116,761,613	113,444,149	117,017,345	113,621,873

20.2 Classified by currency and residency of depositors

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>Domestic</i>			
	<i>(in thousand Baht)</i>			
Thai Baht	116,761,613	113,444,149	117,017,345	113,621,873
Total	116,761,613	113,444,149	117,017,345	113,621,873

21 Interbank and money market items (liabilities)

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Domestic		
Bank of Thailand	18,651,717	10,855,835
Specialised financial institutions	26,164	80,406
Other financial institutions	524,881	462,238
Total domestic	19,202,762	11,398,479
Foreign		
US Dollar	3,554,636	-
Total foreign	3,554,636	-
Total domestic and foreign	22,757,398	11,398,479

22 Debt issued and borrowings

As at 31 December 2023 and 2022, debt issued and borrowings, which were issued in Thailand and denominated entirely in Thai Baht, consist of the following:

	Year of maturity	Interest rate (%)	Consolidated and the Bank	
			2023	2022
			<i>(in thousand Baht)</i>	
Perpetual subordinated debentures counted as a part of Tier 1 Capital	2026 ⁽¹⁾	5.00	911,763	889,930
Subordinated debentures counted as a part of Tier 2 Capital	2033	6.00	1,700,000	-
Total			2,611,763	889,930

⁽¹⁾ The year in which call option exercise period starts

Notes to the financial statements for the year ended 31 December 2023

On 15 June 2023, the Bank issued the subordinated debentures to be counted as Additional Tier 2 Capital under Basel III requirement, par value at Baht 1,700 million, which has a 10-year maturity, and bears a fixed interest rate at 6.00% per annum, payable interest semi-annually in June and December of each year. The debentures were offered to private placement (institutional investors and High Net Worth investors or Ultra High Net Worth investors). The Bank can early redeem the subordinated debentures to be counted as Additional Tier 2 Capital after 5 years from the issued date or according to certain specified conditions. The Bank has to seek an approval from the Bank of Thailand for early redemption.

On 27 May 2021, the Bank issued the perpetual subordinated debentures to be counted as Additional Tier 1 Capital under Basel III requirement, par value at Baht 1,150 million, which has no expiry date and bears a fixed interest rate at %5.00 per annum, payable interest semi-annually in May and November of every year. The debentures were offered to private placement (institutional investors, High Net Worth investors and related parties to the Group). The Bank can early redeem the perpetual subordinated debentures after 5 years from the issued date or according to certain specified conditions. The Bank has to seek an approval from the Bank of Thailand for early redemption.

23 Provisions

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Provision for employee benefits	261,152	218,375	260,137	217,777
Provision for dismantling of leasehold improvement	18,676	15,422	18,676	15,422
Allowance for expected credit loss of undrawn loan commitments and financial guarantee contracts	1,856	21,197	1,856	21,197
Provision for performance guarantee	14,776	-	14,776	-
Total	296,460	254,994	295,445	254,396

As at 31 December 2023, the Group exposed to credit risk in respect of undrawn loan commitments and financial guarantee contracts as total amount of Baht 632.2 million (2022: Baht 126.9 million).

Provision for employee benefits

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Defined benefit plan	261,152	218,375	260,137	217,777
Total	261,152	218,375	260,137	217,777

The Group operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Notes to the financial statements for the year ended 31 December 2023

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	218,375	179,758	217,777	179,069
Recognised in profit or loss:				
Current service cost	59,455	54,475	58,868	53,933
Interest on obligation	5,047	2,962	5,030	2,943
	64,502	57,437	63,898	56,876
Recognised in other comprehensive income				
Actuarial gain				
- Demographic assumptions	(162)	(962)	-	(237)
- Financial assumptions	(5,499)	(10,568)	(5,513)	(10,550)
- Experience adjustment	(6,845)	(594)	(6,806)	(685)
	(12,506)	(12,124)	(12,319)	(11,472)
Others				
Benefit paid	(9,219)	(6,696)	(9,219)	(6,696)
	(9,219)	(6,696)	(9,219)	(6,696)
At 31 December	261,152	218,375	260,137	217,777

Actuarial assumptions

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(%)</i>			
Discount rate	2.61 - 2.78	2.31 - 2.89	2.61	2.31
Future salary growth	5.00	5.00	5.00	5.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the Group's and the Bank's weighted-average durations of the defined benefit obligation were 7.2 - 9.9 years and 7.2 years, respectively (2022: 7.5 - 12.1 years and 7.5 years, respectively).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated		The Bank	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			

2023

Notes to the financial statements for the year ended 31 December 2023

	Consolidated		The Bank	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(17,194)	19,231	(17,102)	19,126
Future salary growth (1% movement)	17,151	(15,654)	17,052	(15,565)

2022

Discount rate (1% movement)	(14,577)	16,362	(14,512)	16,286
Future salary growth (1% movement)	14,684	(13,363)	14,612	(13,300)

24 Other liabilities

		Consolidated		The Bank	
	Note	2023	2022	2023	2022
		(in thousand Baht)			
Accrued expenses		1,064,962	948,478	1,068,659	946,546
Lease liabilities	35	808,922	688,564	806,795	685,477
Accrued interest expenses		416,524	401,868	416,524	401,868
Corporate income tax payable		350,303	440,187	350,303	440,187
Other payables		344,450	150,774	276,768	92,508
Others		229,100	117,890	227,199	112,167
Total		3,214,261	2,747,761	3,146,248	2,678,753

25 Advance received from electronic payment

In accordance with the BoT notification number Sor Nor Chor 7/2561 dated 16 April 2018, regarding to *Regulations on service business relating to electronic money (“e-Money”)* and Sor Nor Chor 2/2562 dated 20 December 2019, regarding to *Regulations on service business relating to electronic fund transfer (“EFT”)* require the Group to disclose advance received from e-Money and EFT. As at 31 December 2023, the Group had advance received from e-Money as total amount of Baht 92.8 million (2022: Baht 64.7 million) and there was no outstanding from EFT (2022: Nil).

26 Offsetting of financial assets and financial liabilities

Consolidated and the Bank					
2023					
			Amount of unoffsetting in statement of financial position		
			Offsetting		
	Amount to be offset in statement of financial position	Net amount presented in statement of financial position	amount which is not met the accounting standard's conditions	Relevant financial collateral amount	Net amount
Gross carrying amount					
(in thousand Baht)					

Notes to the financial statements for the year ended 31 December 2023

Financial assets

Reverse repurchase agreements	12,000,000	-	12,000,000	-	12,074,422	-
Total	12,000,000	-	12,000,000	-	12,074,422	-

Financial liabilities

Derivative liabilities	152,106	-	152,106	-	113,800	38,306
Total	152,106	-	152,106	-	113,800	38,306

Consolidated and the Bank

2022

	Gross carrying amount	Amount to be offset in statement of financial position	Net amount presented in statement of financial position	Amount of unoffsetting in statement of financial position		
				Offsetting amount which is not met the accounting standard's conditions	Relevant financial collateral amount	Net amount
						(in thousand Baht)
Financial assets						
Reverse repurchase agreements	9,500,000	-	9,500,000	-	9,605,035	-
Total	9,500,000	-	9,500,000	-	9,605,035	-

Reconciliation of net amount presented in statement of financial position with the caption in statement of financial position as follows:

Consolidated

2023

Type of financial instrument	Net amount presented in statement of financial position	Caption in statement of financial position	Note	Carrying amount presented in statement of financial position	Carrying amount of financial position not under the offsetting conditions
	(in thousand Baht)			(in thousand Baht)	
Financial assets					
Reverse repurchase agreements	12,000,000	Interbank and money market items (assets)	9	15,484,690	3,484,690
Total	12,000,000			15,484,690	3,484,690
Financial liabilities					
Derivative liabilities	152,106	Derivative liabilities	10	152,106	-
Total	152,106			152,106	-

Notes to the financial statements for the year ended 31 December 2023

Consolidated 2022					
Type of financial instrument	Net amount presented in statement of financial position (in thousand Baht)	Caption in statement of financial position	Note	Carrying amount presented in statement of financial position (in thousand Baht)	Carrying amount of financial position not under the offsetting conditions
Financial assets					
Reverse repurchase agreements	9,500,000	Interbank and money Market items (assets)	9	19,184,537	9,684,537
Total	9,500,000			19,184,537	9,684,537

The Bank 2023					
Type of financial instrument	Net amount presented in statement of financial position (in thousand Baht)	Caption in statement of financial position	Note	Carrying amount presented in statement of financial position (in thousand Baht)	Carrying amount of financial position not under the offsetting conditions
Financial assets					
Reverse repurchase agreements	12,000,000	Interbank and money market items (assets)	9	15,480,064	3,480,064
Total	12,000,000			15,480,064	3,480,064

Financial liabilities					
Derivative liabilities	152,106	Derivative liabilities	10	152,106	-
Total	152,106			152,106	-

The Bank 2022					
Type of financial instrument	Net amount presented in statement of financial position (in thousand Baht)	Caption in statement of financial position	Note	Carrying amount presented in statement of financial position (in thousand Baht)	Carrying amount of financial position not under the offsetting conditions

Notes to the financial statements for the year ended 31 December 2023

Financial assets

Reverse repurchase agreements	9,500,000	Interbank and money market items (assets)	9	19,183,555	9,683,555
Total	9,500,000			19,183,555	9,683,555

27 Share capital

	Par value per share (in Baht)	Authorised share capital Number (in thousand shares / in thousand Baht)	Baht	Issued and paid-up share capital Number (in thousand shares / in thousand Baht)	Baht	Premium on share capital (in thousand Baht)
At 1 January 2022						
- ordinary shares	10	590,375	5,903,750	500,000	5,000,000	-
Issue of ordinary shares	10	69,442	694,417	66,667	666,667	733,333
Exercise of stock options	10	-	-	15,625	156,250	34,906
At 31 December 2022 and 1 January 2023						
- ordinary shares	10	659,817	6,598,167	582,292	5,822,917	768,239
Decrease in authorised share capital	10	(74,750)	(747,500)	-	-	-
	10	585,067	5,850,667	582,292	5,822,917	768,239
Change in par value per share	5	585,067	-	582,292	-	-
	5	1,170,134	5,850,667	1,164,584	5,822,917	768,239
Issue of ordinary shares	5	64,705	323,529	-	-	-
At 31 December 2023						
- ordinary shares	5	1,234,839	6,174,196	1,164,584	5,822,917	768,239

On 22 February 2023, the Bank's Extraordinary General Meeting of shareholders approved the decreased in the Bank's authorised share capital in order to accommodate the cancellation of the Bank's warrants of Baht 747.5 million from Baht 6,598.2 million (659.8 million shares, par value at Baht 10 per share) to be a new authorised share capital of Baht 5,850.7 million (585.1 million shares, par value at Baht 10 per share). The Bank has registered the aforementioned change with the Ministry of Commerce on 16 March 2023.

On 22 March 2023, the Bank's Annual General Meeting of shareholders approved the following matters:

- Change in par value per share from a par value at Baht 10 per share to a par value at Baht 5 per share, which will increase the total number of shares of 585.1 million shares, but will not result into a change in the Bank's authorised share capital; and
- Increase in the Bank's authorised share capital to accommodate initial public offering of 64.7 million shares, par value at Baht 5 per share from Baht 5,850.7 million (1,170.1 million shares, par value at Baht 5 per share) to be a new authorised share capital of Baht 6,174.2 million (1,234.8 million shares, par value at Baht 5 per share).

Notes to the financial statements for the year ended 31 December 2023

The Bank has registered the aforementioned change with the Ministry of Commerce on 24 March 2023.

On 7 December 2022, the Bank's Extraordinary General Meeting of shareholders approved the following matters:

- Increase in the Bank's authorised share capital in order to reserve for the exercise of stock option of Baht 27.75 million as mentioned in note 29; and
- Increase in the Bank's authorised share capital for right offering of Baht 666.67 million.

Total increase in the Bank's authorised share capital of Baht 694.42 million from Baht 5,903.75 million (590.37 million shares, par value at Baht 10 per share) to be a new authorised share capital of Baht 6,598.17 million (659.82 million shares, par value at Baht 10 per share). The Bank has registered with the Ministry of Commerce on 28 December 2022.

In December 2022, the Bank has offered newly issued ordinary shares to existing shareholders by their ownership interest in the total of 66.67 million shares at Baht 21 per share (par value at Baht 10 per share and premium at Baht 11 per share). The Bank received subscription of Baht 1,400 million. The Bank has registered with the Ministry of Commerce on 28 December 2022.

Total 15.625 million units of stock options per Share-based payment arrangement were exercised at Baht 10 per unit as described in note 29. The Bank received subscription for shares exercised amounting to Baht 156.25 million and registered its change in issued and paid-up share capital with the Ministry of Commerce on 16 March 2022.

Premium on share capital

Section 51 of the Public Limited Companies Act. B.E. 2535 (1992) requires that a public company to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("Share premium"). Share premium is not available for dividend distribution.

28 Warrants

Repurchase of warrants

On 15 March 2023, the Bank repurchased the Bank's warrants in order to cancellation of 74.75 million warrants as mentioned in note 27 with the repurchase price at Baht 5.75 per warrant which decreased in retained earnings of Baht 140.9 million.

Movement in the number of warrants was as follows:

	Exercise price (Baht / unit)	Number of warrants (in thousand units)
At 1 January 2022	15.24	<u>74,750</u>

Notes to the financial statements for the year ended 31 December 2023

At 31 December 2022 and 1 January 2023	15.24	74,750
Repurchase during the year	15.24	(74,750)
At 31 December 2023	-	-

29 Share-based payments

Stock options

The Bank awards stock options of the Bank to the Bank's management.

On 7 December 2022, the Bank's Extraordinary General Meeting of shareholders passed a resolution to grant the Management Stock Option Program in the total amount of 2.775 million units. Exercise ratio is 1 stock option for 1 ordinary share at the exercise price at Baht 23.25 per unit.

Management has estimated the fair value using the Binomial valuation model by engaging the valuation specialist. The weighted average option price as at 31 October 2022 is Baht 5.19 per stock option. The Bank expected that there would be no material impact from using data as at 31 October 2022 for the valuation, compared with the grant date. The risk-free interest rate is the implied yield on zero-coupon Thailand government bonds, with a remaining life equal to the expected life of the stock option. The expected volatility is estimated for giving consideration to, amongst other things, the historical volatility of pass listed in the Stock Exchange of Thailand for the period that commensurate with the expected life of the stock option. The 0% dividend yield assumption has been adopted for valuation.

On 22 March 2023, the Bank's Board of Directors meeting passed a resolution to modify the exercise ratio and exercise price of the stock options according to the Management Stock Option Program which were approved by the Bank's Extraordinary General Meeting of Shareholders held on 7 December 2022, by modifying the exercise ratio from 1 stock option for 1 ordinary share to 1 stock option to 2 ordinary shares and exercise price from Baht 23.25 per share to Baht 11.625 per share to align with the change in par value per share as described in note 27.

Exercise of stock options

The first issuance of the stock option from the Bank's Annual General Meeting of shareholders held on 27 March 2014 and the second issuance of the stock option from the Bank's Extraordinary General Meeting of shareholders held on 28 February 2017 which were subsequently approved their modification by the Bank's Extraordinary General Meeting of shareholders held on 22 March 2019 in the total amount of 15.625 million units were exercised as per their terms and conditions. The stock options have been converted into issued and paid-up shares as explained in note 27.

Movements in the number of stock options outstanding and their related weighted average exercise prices are as follows:

Notes to the financial statements for the year ended 31 December 2023

	Exercise price (in Baht / unit)	Number of stock option (in thousand units)
At 1 January 2022	10.00	15,625
Stock option issued	23.25	2,775
Exercise of stock options	10.00	(15,625)
At 31 December 2022 and 1 January 2023	23.25	2,775
At 31 December 2023	23.25	2,775

As at 31 December 2023 and 2022, stock options outstanding, it's expired date and exercise prices were as follow:

	Exercise price (in Baht / unit)	2023 (in thousand units)	2022 (in thousand units)
Expired date:			
7 December 2024	23.25	2,775	2,775

As at 31 December 2023, the remaining stock option of 2.775 million units have their remaining contractual life of 0.94 years (2022: 1.94 years).

For the year ended 31 December 2023, the Group recognised stock option expense from the share-based payment arrangement of Baht 13.2 million (2022: Baht 1.2 million).

30 Reserve

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

As at 31 December 2023, the Bank has allocated a legal reserve amounted to Baht 179.6 million (2022: 120.4 million) from unappropriated retained earnings.

Other components of equity

Reserve for share-based payment

Reserve for share-based payment within equity comprises the fair value of services received from equity-settled share-based payment transactions.

Fair value changes in investments in debt instruments measured at FVOCI and equity instruments designated at FVOCI

The fair value changes in investments in debt instruments measured at FVOCI and equity instruments designated at FVOCI within equity comprises the cumulative net change in the fair value of investments in debt instruments measured at FVOCI and equity instruments designated at FVOCI and the allowance for ECL for debt instruments measured at FVOCI until the investments are derecognised or reclassified.

Fair value changes in hedging instruments used in cash flow hedge

The fair value changes in hedging instrument used in cash flow hedge comprise the effective portion of the cumulative net change in the fair value of hedging instrument used in cash flow hedge pending subsequent recognition in profit or loss.

31 Assets pledged as collateral and under restriction

	Consolidated and the Bank	
	2023	2022
	<i>(in thousand Baht)</i>	
Investments in securities		
- Pledged as collateral for liquidity management ⁽¹⁾	1,391,892 ⁽²⁾	1,537,998 ⁽²⁾
- Pledged as other collaterals	-	50
Total	1,391,892	1,538,048

⁽¹⁾ The Bank of Thailand requires the Group to maintain the Securities Requirement for Settlement (SRS) and maintain the Intraday Liquidity Facility.

⁽²⁾ As at 31 December 2023, the Group's minimum requirement to maintain the Securities Requirement for Settlement (SRS) and maintain the Intraday Liquidity Facility was Baht 875.5 million (2022: Baht 841.1 million).

32 Contingent liabilities

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Other contingencies				
- Amount of unused bank overdrafts	2,037,236	333,704	2,037,236	333,704

Notes to the financial statements for the year ended 31 December 2023

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
- Other guarantees	148,328	145,343	148,328	145,343
- Unused committed credit lines	154,339	72,331	154,339	72,331
- Others	336,629	256,876	307,718	248,586
Total	2,676,532	808,254	2,647,621	799,964

33 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making. The pricing policies for transactions with related parties are determined on an arm's length basis or based on contractually agreed price.

Relationships with subsidiary are described in note 12. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationship
Key management personnel	Thai and other nationalities	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Bank and its subsidiary.
V.C. Property Co., Ltd.	Thailand	The ultimate parent company of the Bank
VNB Holding Company Limited	Thailand	The parent company of the Bank owning 53% of the Bank's paid-up share capital.
Thai Life Insurance Public Company Limited	Thailand	The major shareholder of the Bank owning over 10% of the Bank's paid-up share capital.
OCA Investment Holdings I Pte. Ltd.	Singapore	The major shareholder of the Bank owning over 10% of the Bank's paid-up share capital.
Thai Micro Digital Solutions Co., Ltd.	Thailand	Subsidiary, 100% shareholding
Thai Health Insurance Public Company Limited	Thailand	Entity in the same group company
Thai Paiboon Insurance Public Company Limited	Thailand	Entity in the same group company
Thai Asia Pacific Brewery Co., Ltd.	Thailand	Entity in the same group company
V. One Asset Co., Ltd.	Thailand	Entity in the same group company
V.C. Liquor Company Limited	Thailand	Entity in the same group company
GLX Bangkok Company Limited	Thailand	Entity in the same group company
T.C. Insurance Broker Service Co., Ltd.	Thailand	Entity in the same group company

Notes to the financial statements for the year ended 31 December 2023

Name of entities	Country of incorporation / nationality	Nature of relationship
T.A.B. Brokers Company Limited	Thailand	Entity in the same group company
T A P Trading Co., Ltd.	Thailand	Entity in the same group company
Phetch Trading Co., Ltd.	Thailand	Entity in the same group company
Thai Life. 52 Co., Ltd.	Thailand	Entity in the same group company
Yartsamphan Co., Ltd.	Thailand	Entity in the same group company
Hotels and Resorts Co., Ltd.	Thailand	Entity in the same group company
T.L. Management Co., Ltd.	Thailand	Entity in the same group company
Sub Sri Thai Public Company Limited	Thailand	Entity in which key management personnel or their close family members are major shareholders
Jerdsee Company Limited	Thailand	Entity in which key management personnel or their close family members are major shareholders
V.73 Co., Ltd.	Thailand	Entity in which key management personnel or their close family members are major shareholders
Mahaphol Apartment Co., Ltd.	Thailand	Entity in which key management personnel or their close family members are major shareholders
Fortuna Capital Co., Ltd.	Thailand	Entity in which key management personnel or their close family members are major shareholders
Well Glass Co., Ltd.	Thailand	Entity in which key management personnel or their close family members are major shareholders
Wan Brothers Co., Ltd.	Thailand	Entity in which key management personnel or their close family members are major shareholders
BBGI Public Company Limited	Thailand	Entity in which key management personnel or their close family members are management personnel
Mud & Hound Public Company Limited	Thailand	Entity in which key management personnel or their close family members are management personnel
Thachaisri Company Limited	Thailand	Entity in which key management personnel or their close family members are management personnel
Thai Credit Foundation	Thailand	Foundation in which key management personnel or their close family members are management personnel

Significant transactions with related parties

For the year ended 31 December

Consolidated

The Bank

2023

2022

2023

2022

(in thousand Baht)

Interest income

Key management personnel of the Bank	487	54	487	54
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Interest expenses

Parent company	130,728	68,078	130,728	68,078
Major shareholders	10,912	11,017	10,912	11,017
Subsidiary	-	-	543	429
Other related parties	14,662	10,033	14,662	10,033
Key management personnel of the Bank	1,465	1,458	1,465	1,458

Fees and service income

Major shareholders	288,365	227,164	288,365	227,164
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Notes to the financial statements for the year ended 31 December 2023

Significant transactions with related parties For the year ended 31 December	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	27,858	19,507
Other related parties	109,966	115,974	109,966	115,974
Other operating income				
Parent company	716	916	716	916
Major shareholders	831	955	831	955
Subsidiary	-	-	6,919	7,939
Other related parties	189,953	171,828	189,953	171,828
Other operating expenses				
Ultimate parent company	1,230	1,233	1,230	1,233
Major shareholders	9,926	12,925	9,926	12,925
Subsidiary	-	-	54,910	17,291
Other related parties	47,778	70,208	47,778	70,208
Balances with related parties At 31 December	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Loans to customers and accrued interest receivables, net				
Key management personnel of the Bank	4,744	15,451	4,744	15,451
Other assets				
Ultimate parent company	120	120	120	120
Parent company	2	2	2	2
Major shareholders	28,557	19,121	28,557	19,121
Subsidiary	-	-	126,727	43,164
Other related parties	61,608	82,610	61,608	82,610
Deposits				
Parent company	1,534,723	881,704	1,534,723	881,704
Subsidiary	-	-	255,732	177,724
Other related parties	1,302,850	1,428,472	1,302,850	1,428,472
Key management personnel of the Bank	113,441	100,490	113,441	100,490
Interbank and money market items (liabilities)				
Major shareholders	406,048	192,664	406,048	192,664
Debt issued and borrowing				
Parent company	2,492,838	773,852	2,492,838	773,852
Major shareholders	118,925	116,078	118,925	116,078
Other liabilities				
Parent company	9,657	4,861	9,657	4,861
Major shareholders	773	777	773	777

Notes to the financial statements for the year ended 31 December 2023

Balances with related parties	Consolidated		The Bank	
At 31 December	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	133,538	36,942
Other related parties	3,944	2,828	3,944	2,828
Key management personnel of the Bank	334	456	334	456

As at 31 December 2023, the Bank's debt issued and borrowings from the parent and major shareholder have the par value at Baht 2,850 million (2022: Baht 1,150 million). Key terms and conditions were disclosed in note 22.

Significant agreements with related parties

As at 31 December 2023, the Bank had loan agreements with key management personnel of the Bank for the total credit limit of Baht 15 million (2022: Baht 16.9 million) for a period of 5 years. Interest rates were offered at staff welfare rate. The Bank held residences as collaterals.

The Bank has deposit agreements with several related parties. Interest rates are offered at contractually agreed rates.

The Bank has served as service agreements with a major shareholder and other related parties to be an agent of life insurance, health insurance and non-life insurance products. The Bank is committed to receive bancassurance fees and promotion fees as specified in the agreements. Bancassurance fees are determined by product with no contractual life. Promotion fee agreements have a period of 1 year.

The Bank has served as several service agreements with a subsidiary, regarding to KYC ("Know Your Customer") and CDD ("Customer Due Diligence") operation, public relations and introduction of Micro Pay products and a Hosting Infrastructure for a period of 2 years. The Bank is committed to receive the service fee as specified in the agreements. Service fee will be revisited every time when the agreements are due.

The Bank has served as shared service agreements with a parent and a subsidiary regarding to management services and advisory services in various fields for a period of 1 year. The Bank is committed to receive the service fee as specified in the agreements. Service fee will be revisited every time when the agreements are due.

The Bank has been served as a service agreement with a subsidiary regarding to loan disbursement and loan repayment channel through Micro Pay e-Wallet for a period of 2 years. The Bank is committed to pay the service fee as specified in the agreement. Service fee will be revisited every time when the agreement is due.

The Bank has office lease agreements with a parent and a subsidiary for a period of 3 years. The Bank is committed to receive the rental fee as specified in the agreements. Rental fee will be revisited every time when the agreements are due.

Notes to the financial statements for the year ended 31 December 2023

The Bank has office rental agreements with a major shareholder and other related parties for a period of 3 years. The Bank is committed to pay the rental fee as specified in the agreements. Rental fee will be revisited every time when the agreements are due.

Letters of guarantees

As at 31 December 2023, the Bank issued letters of guarantees to a subsidiary amounted to Baht 10.5 million (2022: Baht 10.5 million).

34 Other benefits to directors and persons with managing authority

Except for the benefits that are normally paid such as directors' fee, directors' bonus, executives' salary and bonus, the Group issued stock options to directors and executives as described in note 29.

35 Leases

35.1 Leases as lessee

As at 31 December 2023, the Group has several lease agreements of building, office spaces and vehicles with local companies and non-related persons for a period of 1.0 - 13.0 years (2022: 0.5 - 13.0 years). Lease payment is specified in the agreements.

Right-of-use assets

	Consolidated		
	Building and office spaces	Vehicles	Total
	<i>(in thousand Baht)</i>		
At 1 January 2022	887,415	32,426	919,841
Additions	190,592	18,427	209,019
Depreciation charge for the year	(139,378)	(11,549)	(150,927)
Write-off	(269,337)	(27,427)	(296,764)
At 31 December 2022 and 1 January 2023	669,292	11,877	681,169
Additions	474,047	1,742	475,789
Depreciation charge for the year	(119,478)	(5,073)	(124,551)
Write-off	(229,924)	(1,442)	(231,366)
At 31 December 2023	793,937	7,104	801,041

	The Bank		
	Building and office spaces	Vehicles	Total
	<i>(in thousand Baht)</i>		

Notes to the financial statements for the year ended 31 December 2023

At 1 January 2022	887,415	32,426	919,841
Additions	190,592	14,494	205,086
Depreciation charge for the year	(139,378)	(10,648)	(150,026)
Write-off	(269,337)	(27,427)	(296,764)
At 31 December 2022 and 1 January 2023	669,292	8,845	678,137
Additions	474,047	1,742	475,789
Depreciation charge for the year	(119,478)	(4,090)	(123,568)
Write-off	(229,924)	(1,442)	(231,366)
At 31 December 2023	793,937	5,055	798,992

Lease liabilities

	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Less than 1 year	131,905	117,206	130,839	116,140
1 year to 5 years	378,945	342,670	377,791	340,450
Over 5 years	386,596	297,950	386,596	297,950
Total undiscounted lease liabilities	897,446	757,826	895,226	754,540
Lease liabilities included in the				
statement of financial position	808,922	688,564	806,795	685,477

Notes to the financial statements for the year ended 31 December 2023

Amount recognised in profit or loss

For the year ended 31 December	Consolidated		The Bank	
	2023	2022	2023	2022
	(in thousand Baht)			
Income from subleasing	175	166	1,095	898
Depreciation for right-of-use assets				
- Building and office spaces	(119,478)	(139,378)	(119,478)	(139,378)
- Vehicles	(5,073)	(11,549)	(4,090)	(10,648)
Interest expense on lease liabilities	(17,353)	(20,852)	(17,247)	(20,722)
Expenses relating to short-term leases	(555)	(892)	(555)	(892)
Expenses relating to leases for which the underlying asset is of low value	(58,544)	(15,803)	(58,544)	(15,803)

35.2 Leases as lessor

Operating leases

The Bank has office spaces agreements to the parent company and its subsidiary as disclosed in note 33.

The following table sets out the maturity analysis of lease payments, showing undiscounted lease payments to be received as at 31 December 2023 and 2022.

	Consolidated		The Bank	
	2023	2022	2023	2022
	(in thousand Baht)			
1 st year	175	175	1,397	944
2 nd year	-	175	-	944
Total	175	350	1,397	1,888

Finance leases

Leases which are classified as finance leases are hire-purchase contracts as disclosed in note 13.6.

36 Segment information

The Group has 2 operating segments: e-Wallet business, which is operated by its subsidiary; and banking business (which comprises of business loans - SMEs and Micro finance, retail loans secured by residential property - Housing loans and Home for Cash, and other segments, e.g., personal loans, gold loans, and treasury activities), which all are operated in Thailand. In addition, recording for inter-segment reporting is on a basis consistent with business transactions with external customers.

Notes to the financial statements For the year ended 31 December 2023

Consolidated

For the year ended 31

December

2023

		Banking business					
		Retail loans					
		secured by		Total			
		residential		banking			
	e-Wallet business	Business loans	property	Others	business	Elimination	Total
(in thousand Baht)							
Net interest income	548	11,671,443	938,885	719,679	13,330,007	-	13,330,555
Non-interest income, net	29,286				105,879	(4,738)	130,427
Total operating income	29,834				13,435,886	(4,738)	13,460,982
Total operating expenses	(65,158)				(4,885,446)	5,325	(4,945,279)
(Loss) profit from operations before expected credit loss and income tax	(35,324)				8,550,440	587	8,515,703
Expected credit loss	-				(4,062,400)	-	(4,062,400)
Segment (loss) profit before income tax	(35,324)				4,488,040	587	4,453,303
Income tax							(896,523)
Net profit							3,556,780

Notes to the financial statements for the year ended 31 December 2023

		Consolidated					
		Banking business					
	e-Wallet business	Business loans	Retail loans secured by residential property	Others	Total banking business	Elimination	Total
				(in thousand Baht)			
2023							
Loans to customers ⁽¹⁾	-	119,079,610	22,061,229	3,015,698	144,156,537	-	144,156,537
Total assets	324,045				163,795,369	(675,082)	163,444,332
Total liabilities	138,924				146,125,906	(325,628)	145,939,202
2022							
Loans to customers ⁽¹⁾	-	101,345,388	18,687,423	1,265,224	121,298,035	-	121,298,035
Total assets	218,587				143,427,502	(456,618)	143,189,471
Total liabilities	98,578				128,916,012	(206,696)	128,807,894

⁽¹⁾ Exclude accrued interest income and undue interest income and allowance for expected credit loss.

Notes to the financial statements For the year ended 31 December 2023

37 Financial position and results of operations classified by domestic and foreign business

The Group mainly operates in 2 segments, which are e-Wallet business and banking business, carrying out in Thailand only. Most revenues, expenses, profit, assets and liabilities are as reflected in the financial statements pertaining to the aforementioned industry and geographic area.

38 Interest income

		Consolidated		The Bank	
<i>For the year ended</i>					
<i>31 December</i>	<i>Note</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		<i>(in thousand Baht)</i>	
Interbank and money market items		340,494	71,502	340,489	71,502
Investments in debt instruments		62,581	27,492	62,581	27,492
Loans to customers	33	15,371,339	12,466,875	15,371,339	12,466,875
Hire-purchase	33	119,837	118,867	119,837	118,867
Others		315	-	315	-
Total		15,894,566	12,684,736	15,894,561	12,684,736

39 Interest expenses

		Consolidated		The Bank	
<i>For the year ended</i>					
<i>31 December</i>	<i>Note</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Deposits	33	1,802,897	1,308,310	1,803,440	1,308,738
Interbank and money market items	33	82,304	5,781	82,304	5,781
Debt issued and borrowings - Subordinated debentures	33	135,223	77,495	135,223	77,495
Contribution to Deposit Protection Agency and BoT		542,914	240,799	542,914	240,799
Others		673	-	673	-
Total		2,564,011	1,632,385	2,564,554	1,632,813

Notes to the financial statements for the year ended 31 December 2023

40 Net fees and service expenses

		Consolidated		The Bank	
For the year ended 31 December	Note	2023	2022	2023	2022
		(in thousand Baht)			
Fees and service income					
- Acceptances, aval and guarantees		1,609	2,301	1,609	2,301
- Management fees		43,040	32,812	43,040	32,812
- Brokerage fees	33	411,832	454,987	411,832	454,987
- Others		48,446	38,038	71,011	54,258
Total		504,927	528,138	527,492	544,358
Fees and service expenses					
- Fees and service expenses on ATM		(60,363)	(37,592)	(58,005)	(35,607)
- Loan guarantee commission expenses		(351,725)	(376,111)	(351,725)	(376,111)
- Collection and recovery expenses		(101,277)	(127,229)	(101,277)	(127,229)
- Legal fee		(11,828)	(10,466)	(11,828)	(10,466)
- Others		(48,520)	(35,996)	(102,467)	(52,903)
Total		(573,713)	(587,394)	(625,302)	(602,316)
Net		(68,786)	(59,256)	(97,810)	(57,958)

41 Gains on investments, net

<i>For the year ended 31 December</i>	Consolidated and the Bank	
	2023	2022
<i>(in thousand Baht)</i>		
Gains on derecognition		
- Investments in debt instruments measured at FVOCI	122	75
Total	122	75

42 Expected credit loss

<i>For the year ended 31 December</i>	Consolidated and the Bank	
	2023	2022
<i>(in thousand Baht)</i>		
(Reversal of) expected credit loss		
Investments in debt instruments measured at FVOCI	(20,149)	(27)
Loans to customers and accrued interest receivables and undue interest receivables	4,079,502	3,825,551
Other financial assets	22,388	9,577
Undrawn loan commitments and financial guarantee contracts	(19,341)	308
Total	4,062,400	3,835,409

Notes to the financial statements for the year ended 31 December 2023

43 Income tax

Income tax recognised in profit or loss

For the year ended 31 December	Note	Consolidated		The Bank	
		2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Current tax					
Current year		691,227	689,494	691,228	689,494
Under (over) provided in prior years		130	(3,306)	130	(3,306)
		<u>691,357</u>	<u>686,188</u>	<u>691,358</u>	<u>686,188</u>
Deferred tax income					
Movements in temporary differences	18	205,166	(78,795)	205,332	(78,674)
Total		<u>896,523</u>	<u>607,393</u>	<u>896,690</u>	<u>607,514</u>

Income tax recognised in other comprehensive income

For the year ended 31 December	Consolidated					
	2023			2022		
	Before tax	Tax income (expense)	Net of tax	Before tax	Tax income (expense)	Net of tax
	<i>(in thousand Baht)</i>					
Financial assets measured at FVOCI	(1,620)	324	(1,296)	(1,341)	268	(1,073)
Cash flow hedge	(31,702)	6,340	(25,362)	-	-	-
Defined benefit plan actuarial gain	12,506	(2,501)	10,005	12,124	(2,424)	9,700
Total	<u>(20,816)</u>	<u>4,163</u>	<u>(16,653)</u>	<u>10,783</u>	<u>(2,156)</u>	<u>8,627</u>

For the year ended 31 December	The Bank					
	2023			2022		
	Before tax	Tax income (expense)	Net of tax	Before tax	Tax income (expense)	Net of tax
	<i>(in thousand Baht)</i>					
Financial assets measured at FVOCI	(1,620)	324	(1,296)	(1,341)	268	(1,073)
Cash flow hedge	(31,702)	6,340	(25,362)	-	-	-
Defined benefit plan actuarial gain	12,319	(2,464)	9,855	11,472	(2,294)	9,178
Total	<u>(21,003)</u>	<u>4,200</u>	<u>(16,803)</u>	<u>10,131</u>	<u>(2,026)</u>	<u>8,105</u>

Notes to the financial statements for the year ended 31 December 2023

Reconciliation of effective tax rate

For the year ended 31 December	Consolidated			
	2023		2022	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax		4,453,303		2,959,914
Income tax using the Thai corporation tax rate	20.0	890,661	20.0	591,983
Tax effect of income or expenses that are not taxable income or expenses		5,732		18,716
Under (over) provided in prior years		130		(3,306)
Total	20.1	896,523	20.5	607,393

For the year ended 31 December	The Bank			
	2023		2022	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax		4,488,040		3,016,350
Income tax using the Thai corporation tax rate	20.0	897,608	20.0	603,270
Tax effect of income or expenses that are not taxable income or expenses		(1,048)		7,550
Under (over) provided in prior years		130		(3,306)
Total	20.0	896,690	20.1	607,514

44 Earnings per share

For the year ended 31 December	Consolidated		The Bank	
	2023	2022	2023	2022
	(in thousand Baht)			
Profit attributable to ordinary shareholders of the Bank (basic and diluted)	3,556,780	2,352,521	3,591,350	2,408,836
Ordinary shares outstanding				
Number of ordinary shares outstanding at				
1 January	1,164,583	1,000,000	1,164,583	1,000,000
Effect of exercise of share options	-	24,915	-	24,915
Effect of issue of ordinary shares	-	6,156	-	6,156
Weighted average number of ordinary shares				
outstanding (basic) at 31 December	1,164,583	1,031,071	1,164,583	1,031,071
Effect of share options outstanding	2,353	3,182	2,353	3,182
Effect of warrants outstanding	13,317	43,395	13,317	43,395
Weighted average number of ordinary shares				
outstanding (diluted) at				
31 December	1,180,253	1,077,648	1,180,253	1,077,648

Notes to the financial statements for the year ended 31 December 2023

<i>For the year ended 31 December</i>	Consolidated		The Bank	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Earnings per share (basic) <i>(in Baht)</i>	3.05	2.28	3.08	2.34
Earnings per share (diluted) <i>(in Baht)</i>	3.01	2.18	3.04	2.24

On 22 March 2023, the Bank's Annual General Meeting of shareholders approved the change in par value per share from a par value at Baht 10 per share to a par value at Baht 5 per share as described in note 27. The Group has restated the number of ordinary shares (basic and diluted) in order to present an effect from the change in par value as if such circumstance had occurred since the beginning of the comparative period.

For the year ended 31 December 2022, 2.78 million units of stock options were excluded from the calculation of weighted average number of the ordinary shares (diluted) because their effect would have been anti-dilutive.



Thaicredit Bank

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