



Sustainability Report 2023

TISCO Financial Group Public Company Limited



Value-Creation **Business**,
Towards **Social** Development

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Message from CEO



We continue to adjust our business strategy to “growth mode,” focusing on bringing expertise in all fields to develop further to create the best customer experience

Sakchai Peechapat
Group Chief Executive



2023 was a year of change, as the global economy began to recover from the COVID-19 pandemic while digital innovation and technology rapidly advanced and became increasingly important. Meanwhile, factors of conflict between countries are becoming more intricate and causing market volatility in many regions around the world. In Thailand, there have been changes in many dimensions, such as government debt relief policies, investment boosting measures, tourism promotion measures, and transitioning to an aged society.

As for TISCO, we continue to adjust our business strategy to “growth mode,” focusing on bringing expertise in all fields to develop further to create the best customer experience with the goal of becoming their Financial Lifetime Partner, continuously improving our products, services, and channel, and creating a culture and work environment that encourages innovation in the organization. For instance, we launched the Mastery Model, a program developed by TISCO Bank as a tool to assist our personnel in retirement financial planning to better meet customer needs. We also applied the Lean Office concept to how we work so that

employees can work the same amount but get more results. It can be said that 2023 is the year that we intended to be the Productivity Year of TISCO, developing work capacity to provide a strong foundation to support further business growth moving forward.

TISCO Group has long grown along with the economic development of Thai society through every up and down. These experiences teach us that the long-term survival of a business depends on how we conduct business responsibly, taking into account the needs and impacts on society and the environment. In 2023, TISCO Group received the Highly Commended Sustainability Excellence Awards from the SET Awards 2023, demonstrated our achievement in driving sustainable business with the principle of "Value-Creation Business, Toward Social Development," which comprises of 3 factors: "Passion, Professional, Planet," reflecting our passion to use our profession in solving planet's issues, while meeting the expectations of stakeholders by integrating Environment, Social and Governance (ESG) factors into business trajectory, both at the corporate strategy and action plan level. This also allowed us to

achieve outstanding performance, as backed by the Best Company Performance Awards for listed companies with a capitalization of 30,000-100,000 million baht from SET, and Company of the Year Award - Financial Business Group 2023 (3rd consecutive year) given by Money and Banking Magazine.

In terms of governance, TISCO maintains excellent corporate governance in accordance with sustainable banking guidelines and regularly reviews and updates to comply with international best practices. As a result, TISCO Group has received an Excellent CG Scoring from the Thai Institute of Directors Association (IOD) for the 17th consecutive year. We also aim to strengthen the transparent business ecosystem by actively advocating for and being a member of the Thai Private Sector Collective Action Against Corruption (CAC), as well as inviting business partners to become members.

On the social aspect, TISCO has a goal to elevate the economy and society by increase access to financial services for communities in remote areas and underserved customers through the expansion of our microfinance business "Somwang Ngern Sang Dai," which we expanded to 645 branches nationwide this year. In addition, we initiated a project for customers to consolidate their debt into one lump sum with a clear installment schedule to help customers get out of debt easier and faster. In 2023, total 5,797 customers participated in TISCO and Somwang's debt-clearing plan, amounting to 1,450 million baht. We also continue our financial literacy program for customers, partners, and communities with more than 1 million participants during the year, which is a positive response as the number of participants has doubled from the previous year.

Another commitment of TISCO is to help promote customers' readiness to take care of themselves after retirement, especially as Thai society is moving towards

a complete aged society. We have developed financial products for "Happy Retirement," focusing on living benefits according to customers' needs, such as pension insurance and various forms of health insurance to ease the worry of cash flow after retirement. Furthermore, we have joined forces with a network of partners from leading hospitals to organize forums and seminars to promote good health, reduce medical expenses, and enable customers to live longer quality lives.

On the environmental aspect, TISCO supports Thailand's Net Zero Commitment, adopting TCFD (Task Force on Climate-related Financial Disclosures) to develop a framework for implementation and climate-related information disclosure. In 2023, TISCO Group provided loans that support the Green Economy Transition, such as business loans for environmentally-friendly projects accounting for 18.23% of the corporate loan portfolio, as well as electric vehicle (EV) hire purchases, which are gaining popularity with new 4,135 contracts this year, a three-fold increase from the previous year. We also promote the efficient and thoughtful use of resources, as well as support environmental conservation activities, such as annual reforestation projects that focus on increasing green areas to absorb natural carbon and preserve biodiversity.

Entering 2024, as we celebrate our 55th year as a sustainable financial institution, TISCO remains committed to operating a business that creates and delivers value to every stakeholder, aiming to grow steadily and sustainably alongside our customers as their Trusted Financial Advisor while also contributing to making a positive impact on society and environment together.

On behalf of all executives and employees, I wish you great health and well-being. Thank you for always trusting and supporting TISCO Group's business operations and activities.

About the TISCO Sustainability Report



Published annually, the Sustainability Report of TISCO Financial Group Public Company Limited serves to update stakeholders on TISCO's economic, social, environment, and governance sustainability performance. This report has been prepared in accordance with Global Reporting Initiatives (GRI Standard) under the revised Universal Standards 2021, encompassing organizational information and management guidelines on sustainability development and key indicator in relation to the United Nations' Sustainable Development Goals (SDG2030). The reporting scope is specified below.



Reporting Period

1 January-31 December 2023

Published Date

March 2024

Report Quality Assurance

Financial data used in this report have been audited by certified public accountants and were derived from the same accounting system used for data in the financial statements and 2023 annual report of TISCO and its subsidiaries. Content other than financial data shown in the report has not yet been given assurance by a third party. The information about sustainability in this report is under the responsibility of the Board of Directors, senior managements, as well as the Governance and Sustainability Committee, which has a role in reviewing, supervising, and giving approval to the information disclosed in this report.

Company and its Subsidiaries that are included in this report

TISCO Financial Group Public Company Limited

- TISCO Bank Public Company Limited
- TISCO Securities Company Limited
- TISCO Asset Management Company Limited
- Hi-Way Company Limited
- TISCO Insurance Solution Company Limited
- TISCO Information Technology Company Limited
- TISCO Learning Center Company Limited
- All-Ways Company Limited
- TISCO Tokyo Leasing Company Limited (*)
- HTC Leasing Company Limited (*)

Notes: (*) Not included in the consolidated statements in accordance with Thai Accounting Standards

For Further Information or Inquiries Please Contact



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TISCO Financial Group Public Company Limited
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Tel: 0 2633 6592



For more information on Sustainable Development, please scan the QR code or visit www.tisco.co.th

Membership with Other Associations and Networks








TISCO has joined various network associations and organizations in order to adopt and improve policies, practices and standards that support the sustainability of TISCO Group business activities, which covers social, economic, governance, environmental and climate change considerations, as follows:

Organizations, associations, and networks

1. The Thai Bankers' Association, including:
 - CSR Club
 - Human Resource Development Club
 - Compliance Club
 - Fraud Management Club
 - Banking IT Club
 - Banking & Financial Institution Internal Auditors Club
2. Thai Listed Companies Association
 - Corporate Secretary Club
 - Risk Management and Internal Control Club
 - Human Capital Management Club
 - Investor Relations Club
3. SET ESG Experts Pool
4. The Thai Institute of Directors Association
5. Thai Private Sector. Collective Action Against Corruption
6. Partnership Against Corruption for Thailand (PACT)
7. Thailand Banking Sector Computer Emergency Response Team (TB-CERT)
8. Association of Thai Securities Companies
9. Investment Banking Club, Association of Thai Securities Companies
10. Association of Investment Management Companies
11. The Thai Bond Market Association

General Information

 <p>Company Name TISCO Financial Group Public Company Limited</p>	 <p>Registration Number 0107551000223</p>
 <p>Business Type Finance and Banking</p>	 <p>Telephone 0 2633 6000 or 0 2080 6000</p>
 <p>Type of company Listed company on the Stock Exchange of Thailand</p>	 <p>Facsimile 0 2633 6800</p>
 <p>Business area Thailand</p>	 <p>Website www.tisco.co.th</p>
 <p>Head office address 48/49 TISCO Tower, 21st Floor, North Sathorn Road, Silom, Bang Rak, Bangkok 10500</p>	

Our Success Awards and Recognitions



As a result of our commitment in financial service and product development in which the interests of all stakeholders are taken into account as well as the principle of corporate governance and social and environmental responsibility. In 2023, TISCO Group has received a total of 23 awards and recognitions from local and international institutes, reflecting our success in meeting the expectations of each group of stakeholders as follows:

• Shareholders

1 Best Company Performance Award

TISCO Financial Group has received the Best Company Performance Awards for a listed company with a market capitalization between 30,000-100,000 million from the Stock Exchange of Thailand at the SET Awards 2023. Which grant to a listed company that has ability to operated excellence performance in term of both business performance, good governance, and best practice by the rules of compliance.



• Customers

2 Thailand's Top Corporate Brands



TISCO Group was awarded Thailand's Top Corporate Brands, the company with the highest corporate brand value, in the financial business category for the year 2023 at the ASEAN and Thailand's Top Corporate Brands 2023 event,

which is held for the 14th year. The data from the Stock Exchange of Thailand were calculated with an average of three years using the CBS Valuation evaluation criteria organized by Chulalongkorn University.

3 Certificate of Cyber Hygiene: Gold Level

TISCO Group has received a certificate of organization that has complied with the necessary basic cyber security standards at an excellent level from the National Cyber Security Agency (NCSA), demonstrating proficiency in safeguarding data and operational systems.

In addition, TISCO Group has also received various business achievement awards such as the Outstanding Securities Company Award and Best Pension Fund Manager Awards.



• Business Partners

4 Top Sellside Firm in the Secondary Market, Corporate Bonds 2023 (15th year)

TISCO Bank Plc. was awarded the Top Sellside firm in the Secondary Market, Corporate Bonds — Thailand, for 15 consecutive years, by The Asset, a top media of financial and investment in Asia-Pacific region, at The Asset Benchmark Research Awards 2023 event.

This award is given based on analysis of market share and survey from investors.



• Employees

5 Best Employer Thailand Awards

TISCO Financial Group and Hi-way Co., Ltd, a subsidiary of the TISCO Bank Group, have been announced as the Best Employer Hall of Fame for the year 2023 from Kincentric Thailand, an international HR consulting services company, and Sasin graduate institute of business administration of Chulalongkorn University at Kincentric Best Employers Thailand 2023. This year's awards are the 2nd award granted to TISCO Financial Group and the 6th award granted to Hi-way Co., Ltd.



• Social

6 Highly Commended Sustainability Awards



TISCO Financial Group was given the Highly Commended Sustainability Awards 2023 from the Stock Exchange of Thailand at the SET Awards 2023. These awards are recognized to listed companies that are outstanding in business operation with vision and sustainability direction, taking into account the balance of social and environmental development under good corporate governance to effectively drive business towards sustainability.

7 Award for an Organization that Supports People with Intellectual and Developmental Disabilities

TISCO Bank Plc and TISCO Information Technology Co., Ltd. have received awards for an organization that Supports People with Intellectual and Developmental Disabilities for the year 2023 from The Welfare of the Mentally Retarded of Thailand. The awards are grant to organizations that support and foster inclusion of people with disabilities in the workplace.



• Regulators

8 Excellent CG Scoring for 17 Consecutive years



TISCO Financial Group has been assessed in good corporate governance as the 5-star rating "Excellent" from the Corporate

Governance Report of Thai Listed Companies (CGR) project of the Thai Institute of Directors (IOD) with the support of the Stock Exchange of Thailand, for 17th consecutive year since 2007 up to now.

9 Certification as a member of Thai Private Sector Collective Action Against Corruption (CAC)

TISCO Financial Group Plc, TISCO Bank Plc, TISCO Securities Co., Ltd. and TISCO Asset Management Co., Ltd. have renewed their certification and become members of the Thai Private Sector Collective Action Against Corruption (CAC), which is the third renewal cycle for another 3 years (2022-2025).



Best Public Company - Financials Industry (3rd Year)

from Money & Banking Awards 2023
by Money and Banking Magazine



Outstanding CEO Awards from SET AWARDS 2023 (SET Awards)



Outstanding investor Relations Awards from SET AWARDS 2023 (SET Awards)



Certificate of "ESG100 Company" in 2015 - 2023 (9th Year) from Thai Institute of Directors from the Thalpat Institute



The Sustainability Disclosure Award 2022 (9th Year)



A perfect score of 100 on the AGM Checklist quality assessment (9th Recognition)

from Thai Investors Association with the Securities and Exchange Commission and Thai Listed Companies Association.



Decade of excellence in provident fund management Thailand 2023 from Global Banking and Finance Review (6th Year)

(Global Banking and Finance Review)



Best Fund House Winner: Best Domestic Equity House Awards 2023 from Morningstar (2nd Year)

(Morningstar)



Best Mutual Fund 2023 - Foreign Fix Income Fund (TUSFIX)

from Money & Banking Awards 2023
by the Money & Banking Magazine



Best of the Best Awards - ASEAN Equity 10 Years group, 2 years

(Asia Asset Management Awards 2023)



Best of the Best Awards - Thailand Best Pension Fund Manager

(Asia Asset Management Awards 2023)



Outstanding Securities Company Awards from SET AWARDS 2023 (SET Awards)



Best Domestic Brokerages for Sales (Rank 2)

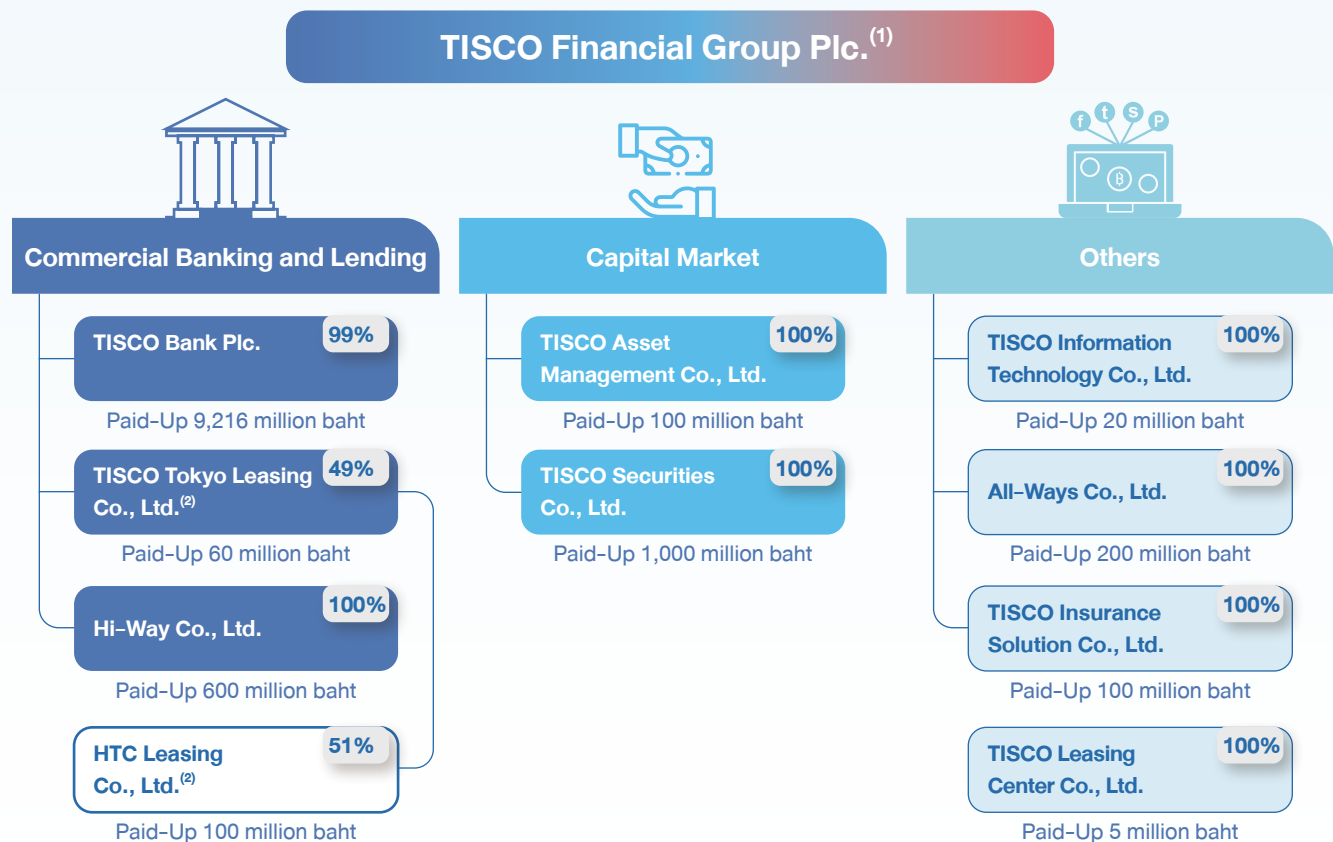
About TISCO



Established in 1969, TISCO has the distinction of being Thailand's first finance company, providing financial and investment services which include investment banking, provident fund management, hire purchase loans, and securities. TISCO is also one of the founders of the Stock Exchange of Thailand and itself became a listed company in 1983. In 2005, TISCO was upgraded to commercial bank as TISCO Bank Public Company Limited. Following a shareholding restructuring, TISCO Financial Group Public Company Limited (TISCO) was established in 2009 as parent company of the group and was listed on the Stock Exchange in substitution of TISCO Bank.

Structure of TISCO Group

In order to provide good business governance and effective business operation, TISCO Group uses a combined management approach, operating as if the whole group is a single business unit while dividing the scope of responsibilities between the parent company and subsidiaries. The parent company is in charge of management, governance, and supporting functions, in addition to setting the central policy and guidelines for conducting business, operations, and control mechanisms for companies within the group, while subsidiaries perform sales and marketing functions, transactions executions, and credit control. This structure enables TISCO Group to maintain its service and operating standards while minimizing redundancy and facilitating business growth in addition to promoting development and sustainably creating value for stakeholders.






Notes: (1) Listed in the Stock Exchange of Thailand

(2) Not included in the consolidated statements in accordance with Thai Accounting Standards







Customer-Centric Service

Over the past 50 years, TISCO Group focused on creating value for all customer groups through developing and presenting a diverse range of new financial products and services with consideration to economic, social, and environmental impacts. TISCO Group continuously seeks new business opportunities

that suit the lifestyle changes and needs of the various life stages of customers so as to promote long-term relationships with customers. Accordingly, TISCO Group has divided its businesses into 3 main segments according to customer needs as follows:

 <p>Retail Banking</p> <ul style="list-style-type: none"> • Retail Loans <ul style="list-style-type: none"> - Hire purchase loans - Housing loans - Consumer loans • Small and Medium Enterprises (SMEs) (e.g. Floor Plan loans, long-term loans, financial leases) • Life and Non-Life Bancassurance 	 <p>Corporate Banking</p> <ul style="list-style-type: none"> • Corporate Loans <ul style="list-style-type: none"> - Working capital loans - Project financing and long-term loans - Other commercial loans - Guarantee and AVAL Service - Financial advisory and other lending services - Custodian services • Investment Banking • Corporate Insurance 	 <p>Wealth and Asset Management</p> <ul style="list-style-type: none"> • Private Banking • Retail Deposits • Securities Brokerage for Individual and Institutional Clients • Asset Management <ul style="list-style-type: none"> - Provident funds - Private funds - Mutual funds • Financial Management Services • Life and Non-life Bancassurance • Mutual Fund and Insurance Selling Agent via Open Architecture Platform
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Retail Banking

<p>Auto Hire Purchase Loans</p>  <p>Operated by TISCO Bank Plc. and TISCO Tokyo Leasing Co., Ltd.</p>	<p>Motorcycle Hire Purchase Loans</p>  <p>Operated by Hi-Way Co., Ltd.</p>	<p>Housing Loans</p>  <p>Operated by TISCO Bank Plc.</p>
<p>Consumer Loans</p>  <p>Operated by TISCO Bank Plc. and Hi-Way Co., Ltd.</p>	<p>SMEs Loans</p>  <p>Operated by TISCO Bank Plc.</p>	<p>Bancassurance Services</p>  <p>Operated by TISCO Bank Plc. and Hi-Way Co., Ltd. and TISCO Insurance Solution Co., Ltd.</p>

Retail lending and life and non-life insurance services aim to provide customers with access to financial services, in order to promote their well-being, along with advice on how to deal with financial problems and risks, including economic uncertainties and unexpected life events. Our goal is to become partners of our customers in their path toward financial security.

Our primary channel for this is through the brand “**Somwang Ngern Sang Dai**” by Hi-Way Co., Ltd., which targets to continually expand new branches to cover every locality on the district and sub-district level, as well as improve the “TISCO My Car” mobile application, allowing customers to conveniently apply for loans digitally, see loan approval results, and withdraw from the loan agreement at any place and time. In addition, to provide risk prevention advice, TISCO Group has developed channels to facilitate customers access to insurance services under the brand “Somwang Insure”, with a key feature as “one-stop coverage for all insurance needs”, offering coverage plans for vehicle insurance

as well as other types of insurance, ranging from car insurance, motorcycle insurance, compulsory motor insurance, personal accident insurance (PA), cancer insurance, income compensation insurance, and others that meet each customers needs, according to individual conditions and circumstances.

Moreover, in order for the growth of Somwang Ngern Sang Dai to drive community growth at the same time, TISCO Group has sought ways to recruit the younger generation to serve as an important driving force by creating a policy to employ locals as much as possible, currently up to 95%. We have also launched the project “**Somwang Camp Creates Opportunities**” as an activity to provide financial knowledge to the younger generation in the community, allowing them to use financial knowledge and skills for themselves, their families and close ones, as well as transfer those knowledge to assist people in their community, while also create opportunities to work with Somwang Ngern Sang Dai at branches near their homes.

Corporate Banking

TISCO provides business loans to corporate clients or large business groups for commercial purposes, including related services such as guarantees, AVAL, loan advisory, debt restructuring, and custodian services. The Group also provides extensive financial advice and investment banking to medium to large corporations. These services include acting as financial advisor and underwriter of securities, including but not limited to equity instruments, debt instruments, hybrid instruments, and advising on mergers and acquisitions, state enterprise privatization, loans, and financial restructuring.

In 2023, TISCO Group strongly expanded its corporate lending business with the growth over 30% growth from prior year, representing over 60 billion baht. The Group focused on the lending support to alternative energy power plants and property developers that aimed to expand their investment after the relief of Covid-19 and recovering Thai economy.

Wealth and Asset Management

Financial and investment advisory services are provided with the goal of allowing customers to build upon their assets and generate long-term returns and retire happily while passing on wealth from one generation to the next.

From our success in being the **top advisory house** that provide comprehensive wealth management solutions in saving and investment under the “TISCO Wealth” brand, TISCO aims to take our business to the next level by offering **Holistic Financial Advisory** to complement our existing investment advisory services, which include investments life insurance and health insurance, and retirement plans. TISCO Group also integrated trends and knowledge from collaboration with partners from leading hospitals in the public and private sectors and retirement housing entrepreneurs, to allow us to deliver holistic advice in a way that meets customers’ needs in the most worthwhile manner as one-stop service, according to customer centricity principles.

TISCO Bank Plc. provided clients with the accessibility to a variety of quality products of mutual funds and life and health insurances through an **Open Architecture** platform, by cooperated with 14 asset management companies and 10 leading insurance companies. Moreover, we offer investment planning services to our customers. With exceptional financial expertise, TISCO is able to deliver service excellence while maintaining good returns in the long-term for our customers. We do this through **Hybrid Advisory**



that combines the strengths of “quality personnel” with “technology” to deliver the greatest benefits to customers. In early 2023, we launched the **Mastery Model**, which is a tool developed by TISCO Bank to help relationship managers (RMs) in retirement financial planning according to the needs of each individual customer, through a mix of funds, insurance and cash deposits, ensuring appropriate financial plans to meet their current and future goals. Additionally, TISCO Group aims to continuously expand our customer base among the **mass-affluent** through investment planning services, securities trading brokerage, and investment consultation. In doing so, we offer online service channels that allow customers to open savings accounts, securities trading accounts and fund trading accounts in order to increase convenience for our customers.



Financial Services for Every Stage of Life

Product Portfolio Highlight & Best in Class

TISCO Group aims to be our customers' financial lifetime partners, and we are ready to provide financial services that meet customers' needs at every stage of life. This includes loan products, insurance and investment to plan retirement, supporting Thailand transition into aging society. At the same time, we are focusing on protecting and enhancing financial security for our customers. Thus, TISCO Group extensively researches and develops our products, as well as select a wide-range of products covering the needs of our customers on every level, in terms of income, lifestyles, and age range, in order to offer best-in-class products with primary focus on the best interest of our customers.



TISCO Group aims to be our customers' financial lifetime partners, and we are ready to provide financial services that meet customers' needs at every stage of life



Best in Class Products



My Care Series This health insurance provides medical expense coverage for illnesses and emergency accident treatment with lump sum payments according to actual expenses without exceeding the monetary limit for treatments per time. The insurance amount covers every age group and customer risks and ranges from 300,000 to 100,000,000 Baht per year without requiring any advance payments. Additional options are also available for a variety of needs such as company employees who already have medical treatment entitlements, who will be able to choose plans with deductibles in order to lower their insurance premiums. It is also possible to opt for worldwide medical treatment coverage or to increase or decrease outpatient treatment coverage. Insurance policies can be renewed up to 100 years of age in order to support Thailand's aging society.



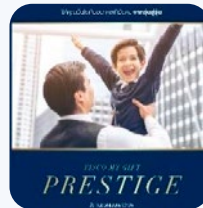
Zero Cancer Plan This cancer insurance provides coverage for cancer diagnoses from stage zero with total coverage and lump sum payments of up to five hundred thousand baht and up to 1 million baht in medical treatments, repeat diagnoses and travel expenses for treatment. The plan also has fixed premiums that do not increase along with age throughout the entire policy contract, which is renewable up to 70 years of age.



CI Extra Care This insurance provides extra coverage for the top 8 groups of diseases with coverage for up to 108 diseases. The plan offers lump sum coverage of up to 5 million baht per group of disease, and, when more than 1 deadly disease is diagnoses, the customer will receive additional coverage without any waiting time between categories for up to a total of 35 million baht, with the insurance policy providing coverage up to 70 years of age and renewable up to 98 years of age.



My Wish Retirement Series This is an insurance that allows customers to plan retirement happily by choosing to pay premiums every 1 year, 5 years or 10 years by making payments comfortably up to 60 years of age and then receive steady cash inflow annually or monthly from 60 to 99 years of age. The plan is easy to apply without requiring any health examination.



TISCO My Gift Prestige This is a life insurance for planning inheritance for presenting plans to pass on wealth from one generation to the next. The plan offers a premium discount if the customer has above-average health. Customers can apply from 1 month of age up to 75 years of age, and coverage is provided up to 99 years of age.



Auto Title Loans We offer loans under the “TISCO Auto Cash” and “Somwang Ngern Sang Dai” brands to provide loans to vehicle owners who can use their vehicle registrations as collateral without having to transfer ownership, and customers will still be able to use their cars normally. These loans are suitable for people who need current capital or business investments or cash reserves for household expenses.

Moreover, in order to provide greater coverage in retirement planning for our customers, TISCO Bank has collaborated with business partners such as leading insurance companies, hospitals and real estate businesses through various activities such as seminars, events and workshops, garnering a lot of interest from customers in the process, particularly on investment recommendations during the economic downturn resulting from the most stringent fiscal policies in decades. Accordingly, throughout 2023, TISCO Bank advised customers to invest in bonds and megatrend stocks, since their returns often do not fluctuate with economic situations, and we also proposed new investment assets to help customers protect their principals while facing minimal risk.

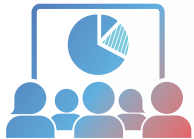
TISCO Group continues to focus on developing service channels continuously.

In addition, toward the end of 2023, we developed an application to facilitate online insurance purchases and viewing of portfolios and coverage for insurance purchased through TISCO Bank, and we also added a function for our official line account “@TISCOAdvisory” to be able to help with basic tax planning through the TISCO Tax Planner application to offer convenience to customers and followers in calculating and planning tax management, and customers can also use TISCO Tax Planner through the TISCO My Wealth application and the TISCO Wealth website.

Performance Summary as of 31 December 2023



Total Assets
290,724 million baht



Total Liabilities
248,276
million baht



Total Shareholders'
Equity
42,448
million baht



Net Income
19,046
million baht



Net Profit
7,301
million baht



Return on Average
Equity (ROAE)
17.13%



Cost-to-Income
Ratio
49.0%



Capital Adequacy
Ratio
22.3%



Number of shares
800.7 million shares



Market Capitalization
79,864 million baht





Number of employees
5,496 people*



Number of branches **53** bank branches.
645 "Somwang Ngern Sang Dai" branches



Note: *This is the total number of employees at the end of the year and does not include the board of directors and temporary employees.

Employees Categorized by Type of Employment Contract

	Permanent Employee	Contract Employee	Total	
 Male	2021	1,588	136	1,724
	2022	1,599	158	1,757
	2023	1,680	185	1,865
 Female	2021	2,945	210	3,155
	2022	2,955	378	3,333
	2023	3,173	458	3,631

- Notes: 1) Permanent employees include employees at all levels, ranging from management level supervisors to operational employees which perform various duties such as chief operating officer, president, managing director, function heads, and other permanent employees
- 2) Contract employees include those hired by TISCO to perform special tasks whose contracts have clear start and end dates or project-based tasks with a clear completion date or goal, or employment under seasonal projects. The tasks must be completed within two years and both employer and employee sign a contract at the start of the employment.

Employees Categorized by Area

	Headquarters	Bangkok and perimeter areas	Provincial areas	
 Male	2021	1,229	111	384
	2022	1,253	121	383
	2023	1,292	137	436
 Female	2021	1,893	400	862
	2022	1,953	390	990
	2023	1,916	439	1,276

Note: The number of employees refers to permanent employees and contractors and does not include the board of directors and temporary employees.

Number of trainees



Note: The number of trainees for the year does not include temporary employees.

Driving Business towards Sustainability



As a financial institution that has long grown along with the economic development of Thai society, TISCO Group is committed to being a Financial Lifetime Partner for everyone, to elevate the quality of life and well-being of people in society by providing financial access and generating sustainable financial returns with the principle of “Value-Creation Business, Towards Social Development”

To keep pace with ever-changing business landscapes with the commitment of managing satisfaction and balancing interests of stakeholders, TISCO Group regularly reviews our strategy and business practices and has established a sustainability operating structure, stakeholder engagement guidelines, processes to define materiality topics, and continuously updating our knowledge of sustainability development. Nevertheless, these elements are currently being integrated into TISCO Group's business strategy and operation approach, encompassing all Environment, Social, and Governance topics that are important to the organization and our stakeholders.

Vision and Mission towards Sustainability

TISCO Group adheres to the Principles for Responsible Banking, and operates in a way that considered interests and expectations of all stakeholders. Emphasis is placed on generating quality growth through strong corporate values and culture. We utilize and build up expertise in all areas to provide the best experience and fulfil customers and stakeholders' financial opportunities in the pursuit of stability and prosperity, along with creating value for the society and environment.



“Financial Group that create opportunities for lives”

“TISCO is an organization of quality growth, creating sustainable value for customers, shareholders, employees, business partners, and society”

M Mastery	I Integrity	R Reliability	A Advice	C Creativity	L Learning	E Empathy
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Sustainable Growth for Business and Society
Value-Creation Business, Towards Social Development

Create sustainable growth for all stakeholders, operating with good governance at all levels throughout the organization	Elevate social well-being through cooperation with all related parties	Promote low-carbon economy and conduct business by taking into account risks and opportunities from environmental impacts
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<p>Foster culture of innovation to increase work efficiency</p>	<p>Offer customer-centric financial products and services</p>	<p>Uphold good business ethics and good governance</p>	<p>Maintain strong capability in prudent risk management</p>
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Sustainability Management Policy and Goals

TISCO Group has defined a Sustainability Development policy to guide both the management of the organization to accommodate various changes and the management of operational impacts on society and environment. The policy is centrally defined and applicable to all companies in TISCO Group, in order to ensure alignment in operations and create significant social impacts. Details of the policy are as follows:

- 1** **Economy:** TISCO Group aims to create sustainable growth by generating business returns and economic value with strength and resiliency, while cultivating innovation for enhancing operational efficiency. In addition, TISCO Group puts great importance on of truly understanding customers' needs by building relationships, analyzing the situation, and adjusting business operations to keep up with changes. At the same time, TISCO Group provides responsible lending that benefit society and the environment, promote fairness, and help alleviate household debt.


- 2** **Corporate Governance:** TISCO Group adheres to strong corporate governance and prudent risk management at all levels, upholding ethical business practices with reliable service offerings and transparent operations. Approach business expansion by considering both the business environment and regulatory landscape. In addition, TISCO Group focuses on supporting anti-corruption guidelines, preventing TISCO Group from being used for money laundering or terrorism funding.


- 3** **Social:** TISCO Group promotes social well-being by increasing access to financial services and continuously driving financial literacy programs. For our employees, TISCO Group is committed to creating an "Organization of Happiness " by focusing on building good relationships with employees, communicating corporate values, and developing professional knowledge and abilities to create career advancement opportunities for all employees and maintain a good working environment.


- 4** **Environment:** TISCO Group operates with environmental responsibility, taking into account climate change issues. We support a transition to Low-Carbon Economy through loans for green energy businesses, efficient use of resources to reduce our carbon emissions, Effective waste management ,and continuous participation in environmental initiatives by working with the community to restore the natural balance from reforestation projects.





Sustainability Structure

To support TISCO's Sustainable Development, TISCO Group has established a Sustainability Development Working Group with a sustainability operating structure defined as follows.



The Board of Directors formulate the organization's policies and structures that support the Sustainable Development of TISCO Group. The Governance and Sustainability Committee oversee the Sustainable Development practices in alignment with the relevant principles and standards. The Group CEO and the Management Committee integrate the Sustainable Development Framework into the Corporate Strategy and monitor the overall performance to ensure achievement of the plan. The Sustainable Development Working Group is responsible for exploring how to effectively apply the Sustainable Development principles and standards to the organization's context, specifying material sustainability topics for each group of stakeholders, formulating the Sustainable Development Roadmap and performance indicators to monitor overall performance, and collecting data for reporting and public-disclosure purposes.



TISCO Group's Value Chain



TISCO Group drives sustainable development throughout the value chain by continuously enhancing relationships with all stakeholders, focusing on social and environmental stewardship. In order to enable all groups of stakeholders to coexist with better livelihoods.



Primary Activities in TISCO Group's Value Chain start from analyzing **customer** needs and setting strategic goals in order to design or find appropriate financial products, services, and channels that respond to eclectic needs of customers. Then, marketing and sales plans activities were planned to attract customers and increase accessibility; this steps also include provide targeted customer advice. The final set of activities is operation and customer services, ensuring smooth value delivery and customer satisfaction, which ultimately contribute to development of long-term relationships with customer.

Support Activities include:

- Effective human resource management as our **employees** are the people who drive the organization and are the main force in running the business.
- Managing relationship with **business partners**, which include external service providers (suppliers) and business alliance for mutual benefits (partners) to develop products and procure adequate resources for operating the business.
- Development of technology and innovation for effective performance

- Good corporate governance and prudent risk management that lays the foundation for all operational processes and activities, mitigate risks and building confidence among stakeholders

These business activities and processes are monitored by various **regulators** such as the Bank of Thailand, the Securities and Exchange Commission, the Office of Insurance Commission, and other agencies according to each part of business operations.

The value create from these business activities leads to financial growth and return for **shareholders**, who are considered company's owners or its capital's owner. The value also transfer to **community and society** in the form of direct and indirect benefits, such as reduced household debt due to access to financial products, financial security after retirement, increasing employment in the community, as well as other through social initiatives such as financial literacy programs based on TISCO Group's expertise and donation for medical research and improvement of school buildings, and so on.

Stakeholder Engagement



TISCO Group emphasize the importance of stakeholders who are directly and indirectly affected by the company's decisions and operations. Understanding the needs of each group of stakeholders will lead to the better development of financial products and services, as well as operating in a direction where TISCO Group will grow while meeting the expectations of stakeholders. The stakeholder engagement approach comprises 4 important steps as follows: 1) Analyzing current business model, strategy, and business plan, 2) Identifying key stakeholders both inside and outside the organization, 3) Assessing stakeholders' interests and expectations, along with views towards sustainable growth, 4) Appointing the responsible department and selecting appropriate communication methods to review and follow up on the results of the engagement process and ensure effectiveness.



1

Analyzing current business model, strategy, and business plan.

2

Identifying key stakeholders both inside and outside the organization.


3




Assessing stakeholders' interests and expectations, along with views towards sustainable growth

4

Appointing the responsible department and selecting appropriate communication methods to review and follow up on the results of the engagement process and ensure effectiveness

Based on such approach, TISCO Group classifies key stakeholders into 6 groups: shareholders, customers, business partners, employees, community and society, and regulators, with relevant response as follows.

Stakeholders	Relevancy	Interests and Expectations	Response to expectations
 <p>Shareholder</p>	<p>Owner of company who can influence the company in terms of decision-making and strategic direction</p>	<ul style="list-style-type: none"> • Strong financial performance and sustainable corporate growth • Return on equity and dividend payment that are consistent with the financial market and Thai economic growth • Operational stability and risk are within an acceptable level Transparent and fair operations • Transparent and fair business practices, shareholders have equitable and timely access to accurate information and updates 	<ul style="list-style-type: none"> • Conduct business with appropriate balance of return and risk, in order to maintain satisfactory shareholder overall returns on investment
<p>Communication methods</p> <ul style="list-style-type: none"> • Institutional investor visits • Online and offline analyst meetings • Information disclosure through the Stock Exchange of Thailand, print media, and company website • Annual and Extraordinary General Meeting of Shareholders 			
 <p>Customer</p>	<p>Those who receive direct benefits from the use of company's products or services, therefore generating income for the company</p>	<ul style="list-style-type: none"> • Ease of access to financial products and services • Benefits from the use of financial services for example <ul style="list-style-type: none"> - Retail customers: manage cashflow to be able cover common household expense, and able be free from debt - Corporate customers: business growth from efficient capital management - Wealth and Asset Management customers: increase prosperity from appropriate returns, ensure stability and reduce risk from life's uncertainties 	<ul style="list-style-type: none"> • Expand product range to meet customers' needs • Disclose product information transparently and accurately • Continuously develop sales-force capabilities both in terms of financial expertise and customer services skills. • Increase access to a wide range of financial products and services
<p>Communication methods</p> <ul style="list-style-type: none"> • Customer meetings and corporate client visits • Online and offline seminars on economic, finance, and investment topics • Channels for customers to provide comments, suggestions, and complaints • Public relations through various channels such as newsletters, corporate websites, and mobile Application 			
 <p>Business Partners, including Creditors</p>	<p>Individuals or companies that are business partners in doing business and supporting core operations and business processes</p>	<ul style="list-style-type: none"> • Business growth and mutual benefits from operations • Equal and Fair treatment to all business partners • Long-term business relationship with the company 	<ul style="list-style-type: none"> • Provide business partners with equal access to accurate, clear, and adequate information • Communicate the Supplier Code of Conduct to all business partners and conduct business with them in accordance with the established policies
<p>Communication methods</p> <ul style="list-style-type: none"> • Meetings with business partners • Satisfaction Assessment • Supplier Site Visit 			

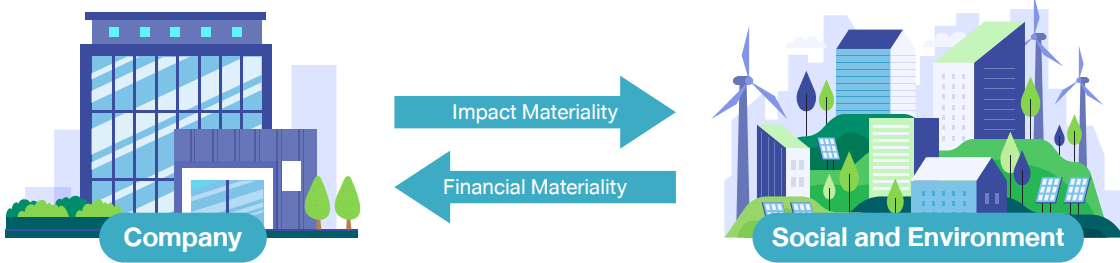
Stakeholders	Relevancy	Interests and Expectations	Response to expectations
 <p>Employee</p>	<p>People who drive the organization and the main force in running the business</p>	<ul style="list-style-type: none"> • Career advancement and opportunities for learning and personal development • Compensation suitable with their ability (competitive salary) and sufficient for good quality of life • Employment stability, good physical and mental health, and ability to work happily until retirement 	<ul style="list-style-type: none"> • Treat employees fairly, give employees at all levels equal opportunities to personnel development and career growth • Ensure appropriate compensation and other benefits • Focus on occupational health and promotion of personal health
<p>Communication methods</p> <ul style="list-style-type: none"> • Announcement and communication through internal newsletters • Activities to strengthen good relationships among employee, include knowledge and experience sharing • Channels to receive complaints and suggestions (HR Help-line) • Employee participation surveys 			
 <p>Community & Society</p>	<p>General public that receive indirect benefits and impacts from the business operation</p>	<ul style="list-style-type: none"> • Increased stability and better quality of life • Financial and knowledge support that they can personally apply and built on 	<ul style="list-style-type: none"> • Organize activities to support and respond to the needs of the community
<p>Communication methods</p> <ul style="list-style-type: none"> • Public relations through various channels such as newsletters and company websites • Surveys of the community needs and participation in social and environmental activities 			
 <p>Regulators</p>	<p>Regulatory agencies who ensure that any business operations are carried out in accordance with relevant laws and regulations</p>	<ul style="list-style-type: none"> • Business operations comply with applicable laws and regulations • The growth of the country's overall business sector, with appropriate impact mitigation mechanism 	<ul style="list-style-type: none"> • Formulate policies and guidelines in accordance with relevant laws and regulations • Establish a compliance function to liaise with internal units and regulators • Continuous supervision of compliance procedures
<p>Communication methods</p> <ul style="list-style-type: none"> • Communication through compliance function and regulatory reporting unit • Related procedures, such as audits by governing bodies, meetings and discussions between company's executives and official agencies on important matters 			

Identification and Prioritization of Material Sustainability Topics



Identification of Material Sustainability Topics Based on the Double Materiality

Identification and prioritization of material sustainability topics aligns business operations with stakeholders' expectations. The process takes into consideration financial business operation topics which have received attention from the international community and global mega-trends and in line with the current situation. The identification process follows the Double Materiality concept.



Which considers two perspectives as follows.

• **Financial Materiality:** Consider how environmental, social, and governance factors affect the Group's business operations, both in terms of negative impacts, such as possible fines in case of applicable law violation, or loss from interrupted businesses due to social and environmental events, and positive impacts, such as increased business opportunities, improved operational efficiency, or added value in the supply chain from sustainability management.

• **Impact Materiality:** Consider how the company's operations and decisions affect the society and environment, evaluated from survey results of stakeholders in each group, including shareholders, employees, customers, and regulatory agencies, business partners and creditors, and community and society.

Such concept allows for TISCO Group's better understanding of sustainability topics and enables the company to formulate strategies and operational plans that sustainably address key concerns of stakeholders.

Impact Boundaries

TISCO Financial Group Public Company Limited

- TISCO Bank Public Company Limited
- TISCO Securities Company Limited
- TISCO Asset Management Company Limited
- Hi-Way Company Limited
- TISCO Insurance Solution Company Limited
- TISCO Information Technology Company Limited
- TISCO Learning Center Company Limited
- All-Ways Company Limited
- TISCO Tokyo Leasing Company Limited*
- HTC Leasing Company Limited*



Note: *Not included in the consolidated statements in accordance with Thai Accounting Standards

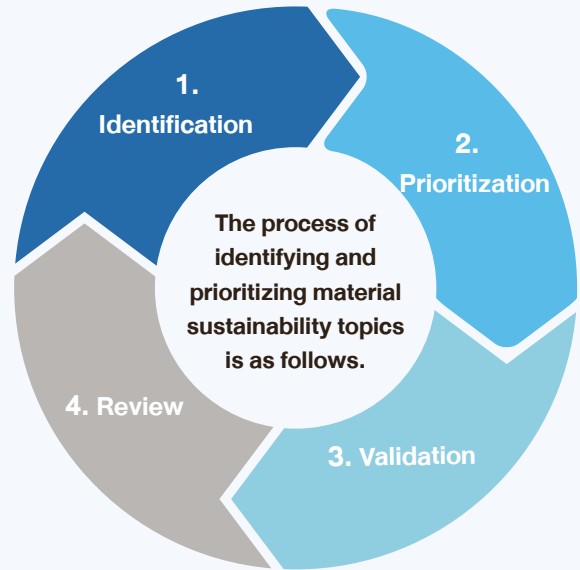
The Process of Identifying and Prioritizing Material Topics

1 Identification - Identification involves consideration of material sustainability topics which have influence over TISCO Group's business operations, including sustainability strategy direction assessment of TISCO Group, and impact of such operations on the business sector and society. The process is as follows.

- 1) Business strategies and context, operational risks and impact of the Groups on economic, social, and environmental sector. Review all material sustainability topics of the Company and stakeholders from 2022 and consider whether they remain significant for 2023.
- 2) Sustainability trends related to TISCO Group's business through comparison with topics in the same industry and international community which have importance in terms of sustainability, as well as current trends which hint at upcoming changes in the world and impact of such trends.
- 3) Gather material sustainability topics from external stakeholders, for example through surveys of opinions among customers/target groups on innovative products and the service development process, data search, and media information provided by official agencies.

The collected topics will be considered by relevant committees.

2 Prioritization - Prioritization involves analyzing survey results based on the Double Materiality concept. The two axes of priority consideration are: Horizontal Axis (X Axis) - financial materiality of each topics from the management as representatives of TISCO Group; and Vertical Axis (Y Axis) - Impact Materiality of each topics from the specified 6 groups of stakeholders, calculated using Weighted arithmetic means method. The weight for each stakeholder group was based on magnitude of impact from the company's decisions and operations of the Group, in order to tone down discrepancies and provide a realistic view of TISCO's sustainable goals.



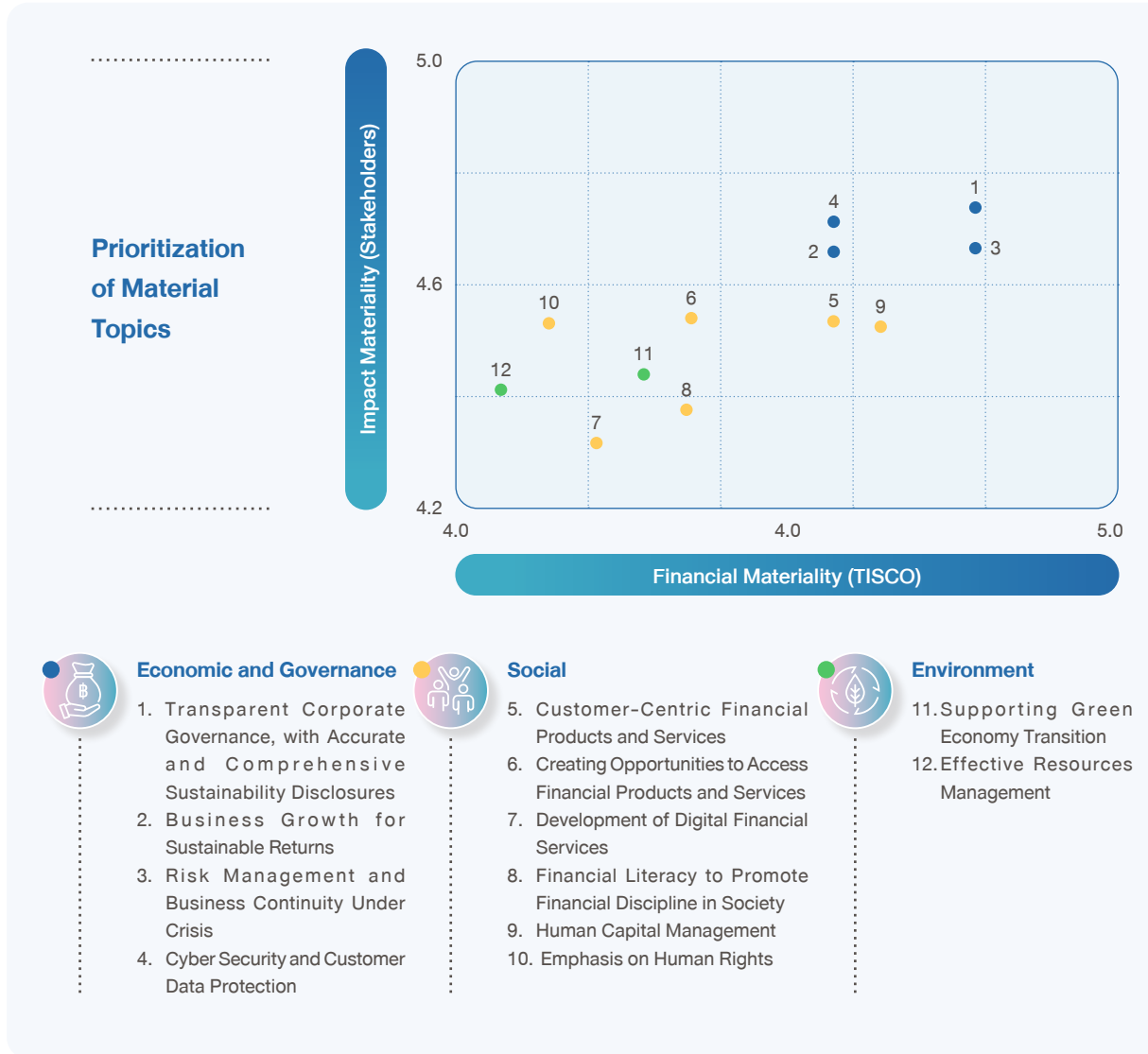
3 Validation - Validation involves confirmation of the procedure and completeness of the selected and prioritized material topics, such as impact on each stakeholder, scope of information disclosure, and collection of data on desired performance. The result of prioritization is presented to the Management Committee for consideration. Validated material sustainability topics approved by the Management Committee will be then used for formulating a Sustainable development Roadmap accordingly.

4 Review - TISCO Group regularly applies all material sustainability topics, content, and recommendations to review, in order to ensure whether the prioritized topics remains appropriately in line with stakeholders expectations, as well as changing business environment and related regulations. Such information will be integrated with material topic identification and considered for content improvement in a report of the following year.

































Material Sustainability Topics



In 2023, TISCO Group identified 12 material sustainability topics, covering the previous year’s topics, with some addition and revision for specification and consistency with current context. The survey results from 1,950 respondents reflect prioritization of material sustainability topics categorized into Financial Materiality and Impact Materiality as follows.



According to survey result analysis from 2023, TISCO Group and stakeholders still place importance on topics similar to the previous year with the first priority being economic and governance and the second priorities being social and environment. This shows that financial and impact materiality results are rather consistent, indicating that sustainable development direction and roadmap of TISCO are proper and covering all dimensions of stakeholders’ expectation as follows.

Stakeholders	Material Sustainability Topics	More details on pages	SDGs
S Cu P E Co R	1. Transparent Corporate Governance, with Accurate and Comprehensive Sustainability Disclosures	36-45	 
S	2. Business Growth for Sustainable Returns	8-34	  
S Cu P E Co R	3. Risk Management and Business Continuity Under Crisis	46-53	
Cu R	4. Cyber Security and Customer Data Protection	54-58	
Cu Co R	5. Customer-Centric Financial Products and Services	60-73	   
Cu Co R	6. Creating Opportunities to Access Financial Products and Services	74-77	     
Cu Co E R	7. Development of Digital Financial Services	78-81	
Cu Co E P	8. Financial Literacy to Promote Financial Discipline in Society	82-86	 
Cu E	9. Human Capital Management	87-106	     
Cu P E Co R	10. Emphasis on Human Rights	107-112	 
S Cu Co R	11. Supporting Green Economy Transition	114-132	    
S Co	12. Effective Resources Management	133-142	  

 Shareholder
  Customer
  Partner
  Employee
  Community
  Regulators

Sustainability Integrated Corporate Strategy



In 2023, the global economic trend remains weak due to various factors, from continuing effects of the COVID-19 pandemic, geopolitical conflicts that impacts international trade, to the effects of climate change that are likely to further intensify. These economic, social, and environmental instability highlight the importance of sustainability development as one of the key factors necessary for the long-term survival of a business. Therefore, TISCO Group has incorporated key sustainability topics into its business strategy as a guideline and goal for its business operations as follows:

Corporate Strategy Integrated with Sustainability



Retail Banking

Financial Inclusion for Better Living

- Responsible lending to all retail clients
- Financial inclusion to underserved clients
- Financial accessibility through physical branch and online channel
- Financial wisdom of clients through financial literacy program
- Debt consolidation to lower debt persistence problem



Corporate Banking

Mobilization of Green Financing

- Customized financial solutions for corporate clients with integrity and professional services
- Support green energy for transition of net zero economy
- Expertise and customer insightfulness in clients' business



Wealth and Asset Management

Social Well Being with Financial Freedom and Security

- Holistic financial advisory services focusing on Retirement Financial Planning
- Trusted financial services with expertise in investment and protection advisory
- Business partner coordination for better service to clients
- Financial literacy in relation to healthcare and investment
- Hybrid financial accessibility through both online and offline channels

These strategies are reflected in environmental, social and governance aspects as follows:



Corporate Governance

Create sustainable growth for all stakeholders, operating with good governance at all levels throughout the organization.

- Incorporate sustainability into policies, business strategies, goals, and performance evaluation.
- Drive growth by embracing new way of working and foster a culture of innovation, under a strong governance and comprehensive risk management that embraces ESG factors.
- Regularly communicate and maintain close relationships with regulators to ensure business compliance with relevant laws and regulations.



Social

Elevate social well-being through cooperation with all related parties.

- Increase financial accessibility to underserved customers, as well as providing financial literacy for customers and communities to promoting financial discipline.
- Develop various types of financial products, which include investment advisory services based on up-to-date information to create financial freedom "Happy Retirement" plans.
- Offer a wide range of personal finance seminars, including savings planning, investment, money management, tax planning, and happiness management through online and offline channels.
- Creating an organization of happiness by giving importance to human resource development, offering fair remuneration and welfare, providing career-advancement opportunities, and treating employees fairly.
- Giving back to the society with a focus on supporting education and public health.



Environment

Promote low-carbon economy and conduct business by taking into account risks and opportunities from environmental impacts.






- Provide green financial products and services.
- Efficient use of operational resources to reduce environmental impacts.
- Collaborate with communities to restore natural habitats and increasing green areas through reforestation programs.

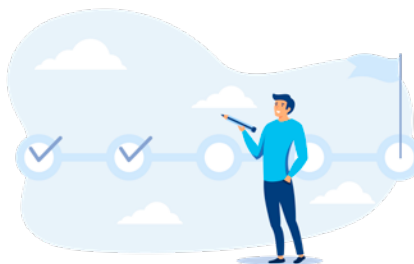


Stakeholder Value Distribution through Sustainable Business Operations








TISCO Group puts importance on disclosing management information and creating value from capital in all 6 areas, including financial capital, manufactured capital, human and intellectual capital, social and relationship capital, and natural capital. To create stable and sustainable growth in the short, medium, and long term, material sustainability topics are integrated and addressed through the management of resources and all 6 types of capital through the Sustainability Framework and the Sustainability Roadmap. TISCO Group has adopted such an approach to ensure work efficiency, the comprehensive creation of value for all stakeholders, and ESG-balanced business operations.

Input	Business Operations
 <p>Financial Capital Total capital Total assets: 290.726 billion baht Total equity: 42.449 billion baht</p>	<p>TISCO Group is committed to creating value for all customers by delivering products and services that best address their needs and promote long-term relationships. The company has developed and offers the following customer-centric products and services:</p>
 <p>Manufactured Capital External resources crucial to business operations or development of products and services that are crucial to encourage growth and business operations</p>	<p>1. Retail Banking Developing products that best address market demand for retail customers and SMEs; opening branch offices and online channels to reach customers in remote areas; educating customers on managing their own money and debts; introducing credit and insurance products in line with customer demand so as to improve quality of life.</p>
 <p>Human and Intellectual Capital Employee skills and knowledge, technology, and innovations Total employees: 5,496 persons</p>	<p>2. Corporate Banking Providing various financial products and services by considering loans and environmental and social impacts; providing financial consultation to corporate customers to enhance their business capabilities.</p>
 <p>Social and Relationship Capital Engagement and relationships with stakeholders</p>	<p>3. Wealth & Asset Management Selecting the best products in each investment category for investors and offering high-quality advice from experts; aiming to be a leading investment advisor that is recognized for comprehensive wealth management solutions.</p>
 <p>Natural Capital Natural resources used for business activities at Head Office</p> <ul style="list-style-type: none"> • Power consumption: 5,897,978 Kw/hour • Water consumption: 39,870 cubic meters • Paper used: 99.79 tons 	



The aforementioned disclosure of management and value creation is in line with the framework set by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This framework encourages listed companies to improve business information disclosure, in line with international practices, by considering ESG Factors. TISCO Group also believes it is important to cooperate with the overall financial industry in improving business operations under sustainable banking business practices. This is considered crucial to foster stable and sustainable growth of the organization and at the same time support the “BCG Economy” model.

Result	Stakeholders' Benefit
 <p>Financial Capital Net income: 19.046 billion baht Net profit: 7.301 billion baht Average return on equity: 17.13%</p>	<p>TISCO Group creates value for investors and employees through dividends and return on investment. Meanwhile, as a financial institution, the company drives the grassroots economy and enhances financial health of the general public through relevant products and services that meet their demand and cover all areas.</p>
 <p>Manufactured Capital TISCO Bank: 53 branches “Somwang Ngern Sang Dai”: 645 branches</p>	<p>TISCO Group has invested in technology and IT infrastructure that can be used as tools to develop products and services. We deliver impressive financial experiences to customers and ensure convenient and speedy access to the services.</p>
 <p>Human and Intellectual Capital Building up on the Lean Office project (work processes with a focus on increasing productivity within the organization for better value delivered to customers) by developing 235 Lean Champion from all units. Lean Office knowledge is provided to all employees. 62% of employees improved their work process, resulting in work time reduction of 167,000 hours per month and saving more than 2 million baht of expenses per month. Development and improvement of products and services, such as TISCO My Wealth, TISCO My Car, Freedom, etc.</p>	<p>TISCO Group is committed to building employee capability to support their career development. This brings benefits not only to employees, but also to shareholders, investors, and the general public as people are the crucial factor in fostering stable and sustainable growth.</p>
 <p>Social and Relationship Capital NPS score is 50 Investment in community: 41.6 million baht</p>	<p>TISCO Group continuously involves stakeholders by collecting and using their opinions to improve products and services and by properly responding to their concerns. This allows TISCO Group to operate business with responsibility and deliver products and services that best address the needs of customers and the general public.</p>
 <p>Natural Capital Greenhouse gas emissions at Head Office (Scope 1): 311,144 CO2 equivalent tons Greenhouse gas emissions at Head Office (Scope 2): 2,948,399 CO2 equivalent tons</p>	<p>TISCO Group makes great efforts to reduce the impact of our business operations on the environment and natural resource consumption. The company fully complies with laws and regulations related to the environment in order to reduce the impact of our operations on climate change.</p>





Sustainable Development Target

Sustainable Development Framework	Indicators	2023–2026 Targets	2023 Performance
 Corporate governance	Corporate governance and upholding good and accepted business ethics	Received excellent evaluation results by external agencies	TISCO Group has been assessed in good corporate governance at the “Excellent” level, scoring 110 (out of 120 for listed companies) from IOD
	Data breach cases with customer impact	0 case	0 case
	Promoting sustainability with partners	Implement at least 1 annual project	Held TISCO Healthcare Fair 2023 with partners
	Implementation of responsible lending guidelines	All corporate financial loans are assessed for social and environmental impact.	100% of corporate financial loans are assessed for social and environmental impacts
 Social	Customer experience level (Net Promoter Score or NPS)	2023: 45% 2024–2026: 50%	50%
	Financial literacy for customers and general public	2023: Over 500,000 people per year 2024–2026: Over 1–2 million people per year	Over 1 million people
	Building financial skills in younger generations to support growth in the “Somwang Ngern Sang Dai” brand	At least 1 project per year	2 nd and 3 rd Somwang Camp, with a total of 126 participants
	Providing education opportunities to children	At least 1 project per year	TISCO Ruamjai 13 Project to build a school building for Wat Non Sadao School, Wachirabaramee District, Phichit Province with a total value of 5,549,000 baht
	Investment in communities	Ongoing projects	Total investment of 41.6 million baht
	Creating a happy organization	Over 85% employee satisfaction	87% employee satisfaction (2022 assessment results, as assessed every 2 years)
		Over 90% retention rate	92.4% retention rate
Zero complaints related to labor issues and human rights	Zero cases of complaints related to labor issues and human rights		
 Environment	Power consumption efficiency	Under 250 Kw/Hour per square meter and reducing by at least 3% compared to prior year	215.35 kWh per square meter, an increase of 3.79% from the previous year due to an increase in the number of employees return to the office after the COVID-19 situation eased
	Water consumption	Under 30,000 cubic meters per year and reducing by at least 5% compared to prior year	39,870 cubic meters per year, an increase of 31.50% from the previous year due to an increase in the number of employees return to the office after the COVID-19 situation eased while maintaining cleanliness measures
	Paper consumption	Under 100 tons per year and reducing by at least 3% compared to prior year	99.79 tons per year, an increase of 19.87% from the previous year from the volume of work to support increase business operations
	Use of Styrofoam containers	Styrofoam containers are not being used in all TISCO Group establishments.	0 Items of Styrofoam containers used in all TISCO Group establishments
	Greenhouse Gas Emissions	Over 14% reduction in Greenhouse Gas Emissions from head office building (Scope 1 & 2) from the base year (2017)	26.42% reduction in Greenhouse gas emissions from head office building (Scope 1 & 2) from the base year
	Lending service for Electric Vehicle (EV)	2023: Loans for over 10% of newly registered EVs in Thailand 2024–26: Over 15–25% of TISCO new car hire purchase loan	Providing loans for 4,135 EV cars, three times increased from the previous year, representing 5.42% of newly registered electric vehicles in Thailand
	Support for large-scale environmentally friendly lending projects	Over 20% of large-scale lending projects	The value of large-scale environmentally friendly lending projects increased from the previous year by 1,400 million baht, which account for 18.23% of all large-scale lending projects while large-scale lending business also experienced high growth as a whole

Sustainability Knowledge Development



The adoption of sustainability development concepts in business is challenging, due to the fast-changing nature of the concepts that is continuously being developed, along with the variety of organizational contexts and basic knowledge of each related individual. Thus, the directors, executives, and employees on each level might have differing understandings and expectations, leading to less uniform business operations in terms of sustainability development.

Therefore, in 2023, TISCO Group reviewed its knowledge development from the basics by creating mutual understanding between managements and operating units, in order to set the sustainability direction of TISCO Group and set the tone from the top. Emphasis is placed on the development of specialized knowledge in the board of directors, executives, and the sustainability work committee and with a focus on disclosure of climate-related financial information (Task Force on Climate-related Financial Disclosures: TCFD) in order to develop understanding about risk management and environmental impacts, which is the essential direction of business, in addition to reinforcing modern sustainability knowledge to support changes and current situations in the board of directors and provide basic sustainability knowledge to general employees (compulsory KPI) to raise their awareness and understanding about the importance of their work and the potential impacts on internal and external stakeholders.



Sustainable Development Workshop The Sustainable Business Development Institute (SBDi) organized the workshop for the board of directors, executives and strategically-critical business units in order to develop shared knowledge and understanding about the economic, social, and environmental challenges that are impacting the financial business as well as ways to sustainably develop and manage business to adapt them for use in the context of TISCO Group and set the business strategy with the integration of sustainable business growth.



Climate Change Role Model 2023 The Stock Exchange of Thailand together with ERM-Siam Co., Ltd. organized the project for executives and the environmental sustainability work group to create in-depth understanding about climate change risks and impacts on the organization, environment and society as well as the international standards for the management and disclosure of climate information in the form of one-on-one consulting projects to lead to the setting of goals, strategies, and guidelines for managing greenhouse gas emissions in the short-term and the long-term in accordance with international standards while raising the level of actions on climate change.



Promotion of Sustainability Knowledge to Support Changes and the Current Situation in the Board of Directors

Training Course/Seminar	Prepared by
Environment	
<ul style="list-style-type: none"> Hot Issue for Director: Climate Governance 2023 	Thai Institute of Directors (IOD)
<ul style="list-style-type: none"> IOD's National Director: Director Conference 2023: Delivering "Net Zero" Together 	Thai Institute of Directors (IOD) and the Bank of Thailand (BOT) together with the Office of the Securities and Exchange Commission (SEC) and the Office of Insurance Commission (OIC)
Sustainability & Economic Trends	
<ul style="list-style-type: none"> Director's Briefing Topic on Sustainability Trends in Business Across Industries 	Thai Institute of Directors (IOD)
<ul style="list-style-type: none"> Director Forum "Engaging Board in ESG: The Path to Effective Sustainability" 	Thai Institute of Directors together with the Stock Exchange of Thailand (SET)
<ul style="list-style-type: none"> Director Forum: Economic Recession - What should board watch out for? 	Thai Institute of Directors (IOD)
Cybersecurity	
<ul style="list-style-type: none"> Cyber Resilience Leadership: SMART Goal 	Bank of Thailand (BOT) together with the Office of Securities and Exchange Commission (SEC) and the Office of Insurance Commission (OIC)
<ul style="list-style-type: none"> Cyber Armor: Cyber Incident Management: The Board's Essential Role 	Office of the Securities and Exchange Commission (SEC)
<ul style="list-style-type: none"> Cyber Armor: Capital Market Board Awareness 2023: Cyber Incident Management: The Board's Essential Role 	Office of the Securities and Exchange Commission (SEC)
<ul style="list-style-type: none"> Director Briefing 4/2023: Building a Cyber-Resilient Board: Strategies for Effective Cybersecurity Oversight 	Thai Institute of Directors (IOD)
<ul style="list-style-type: none"> Financial Resilience in the Digital Age: The Cybersecurity Imperative 	Deloitte Thailand



**GOOD
GOVERNANCE**

Transparency and Accountability in Corporate Governance



Good corporate governance is a foundation, which driving TISCO Group to manage own business with efficiency, transparency, and accountability under the responsible business operations framework and sustainable growth, leading to stakeholder trust and confidence, such as shareholders, customers, employees, regulators, partners, creditors, communities, as well as society and environment. This will add value and worth to the business in the long term, while also strengthening and creating a competitive advantage to become sustainable bank.

The Board of Directors' role and duty are to govern and monitor TISCO Group business operations in accordance with the international good corporate governance practices, banking industry code of conduct, laws, as well as rules and regulations for financial institution and listed company on the Stock Exchange of Thailand. In addition, the Board of Directors is independent from the Management in making decisions for the highest interests for TISCO Group and its stakeholders. Every year, the Board of Directors reviews and approves the vision, mission, corporate strategies, business plan, and budget, as well as the direction of sustainable development of TISCO Group. Moreover, the Board of Directors ensures the existence of an effective internal control system and appropriate risk management framework and cooperates with the management in business undertakings in order to continuously attain the excellent performance with current and future risks taken into consideration.

The Corporate Governance of TISCO Group⁽¹⁾ is conducted through the principles across 5 areas, namely rights of shareholders and their equal treatment, roles of stakeholders, information disclosure and transparency, responsibilities of the Board of Directors, and integrity and the Code of Conduct.

The Board of Directors is responsible for business strategies and monitoring business performance on a regular basis. This includes establishing the essential policy, a code of conduct for directors and employees, and ensuring that TISCO Group has effective mechanisms for control, supervision, and audit



under good corporate governance principles and long-term value creation for TISCO Group by emphasizing responsible, equitable, and transparent business operations.

To enhance efficiency, support specific tasks of the Board of Directors, and examine, oversee and monitor the operations with which it is entrusted, the Board has appointed subcommittees, namely the Executive Board, the Risk Oversight Committee, the Audit Committee, the Nomination and Compensation Committee, and the Governance and Sustainability Committee. Each committee has a specific structure and charter that identify scope of authority, roles and responsibilities and best practices⁽²⁾.

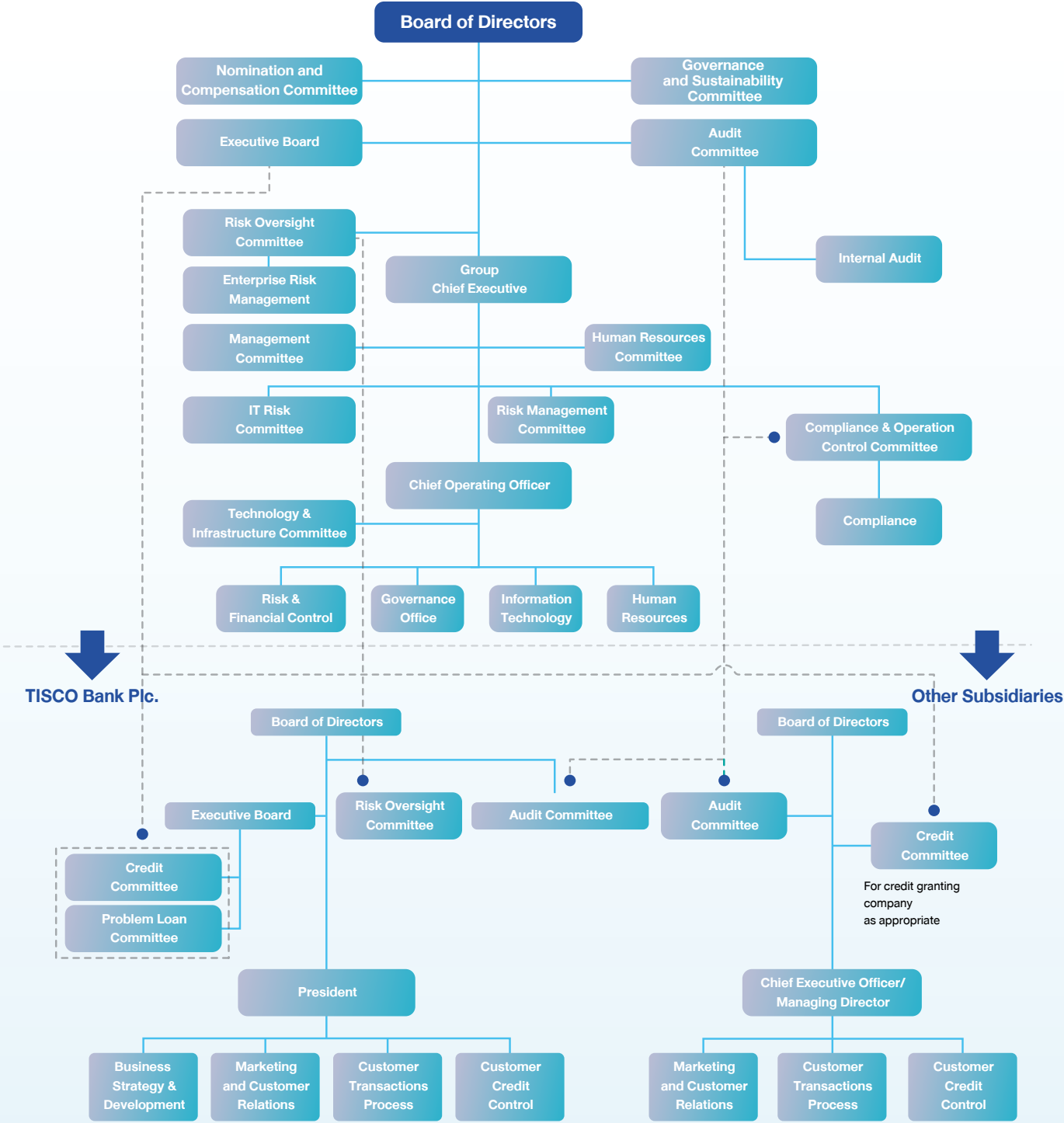
TISCO Group's Corporate Governance structure is shown in the following figure:

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Notes: (1) TISCO Corporate Governance Policy and Banking Industry Code of Conduct can be viewed on the website at www.tisco.co.th.
 (2) Details of roles and responsibilities and charters of the Board of Directors and the subcommittees can be viewed in the Annual Registration Statements and Annual Report 2023 (Form 56-1 One Report).

Governance Structure

TISCO Financial Group Plc.



Note: Please see detail at www.tisco.co.th



The Board of Directors recognizes inclusivity and diversity as key mechanisms in supporting business operations, auditing, and balance of power, including avoiding a situation whereby a single individual has absolute power in decision making. TISCO Group places significance on the nomination criteria and selection process of highly qualified directors on a fair and equal basis, with no discrimination against gender, age, nationality, ethnicity, religion, marital status, educational background, work experience, skills, knowledge or independence, and other different aspects in accordance with the laws and social context. This is to promote diversity of the Board of Directors that would bring a greater breadth of perspectives and opinions, benefitting all stakeholders.

Thus, director nomination, the Board of Directors shall consider qualified candidates based on proposals submitted by shareholders and directors, including the directors' pool. The board skill matrix is also applied to assess of the skills and expertise of directors, ensuring the right fit for the business strategy and sustainable development, while taking into account the diversity factors elaborated above. In 2023, the structure of Board of Directors consists of 13 members:

5 independent directors, 4 non-executive directors, and 4 executive directors, with the proportion of female representing 23% of the total number of directors.

TISCO Group conducts an annual performance review for the Board of Directors and subcommittees in an effort to increase the performance effectiveness. That is an important tool for evaluating the appropriateness of the board structure and the effectiveness of the board's performance in accordance with to the good corporate governance practices. The Board of Directors analyzes the results, recommendations, and observations, in order to take them into consideration for appropriate application to the business environment and operations going forward.

The 2023 Board of Directors self-assessment has been conducted by the Nomination and Compensation Committee. This assessment includes both Board of Directors performance self-assessment, the individual self- and cross-assessment, which reviewed and approved by the Board of Directors⁽³⁾.



Note: (3) Performance on Corporate Governance is reported in the Annual Registration Statements and Annual Report 2023 (Form 56-1 One Report).

Oversight of Fair Customer Service



Fair Customer Service

Underlining our commitment to conduct business with transparency and fairness, TISCO Group incorporates the Market Conduct practices announced by the Bank of Thailand into our fair customer service policy. This policy takes into account the benefits of our customers and governs our customer service practices from start to finish. The Group's fair customer service policy covers the 9 major factors seen below and ensures equitable practice for our customers, in line with the Bank of Thailand's guidance as follows:

9 Guidelines for Customers Fair Treatment

- 1  Corporate culture, roles, and responsibilities of directors and senior executives
- 2  Product development and customer classification
- 3  Sales processes
- 4  Remuneration
- 5  Communication and employee education
- 6  Resolution and grievance management
- 7  Customer data privacy
- 8  Internal control and operations oversight and
- 9  Emergency plans and actions

TISCO Group's corporate culture fosters work responsibility, ensuring compliance with the corporate governance principles while encouraging comprehensive understanding of operational knowledge. Thus, we have designed a process that allows staff to learn the practices under strict supervision, starting from the orientation of new staff. A clarification meeting is subsequently arranged to ensure that all staff understand the correct operating procedures, including training on the processes related to our products, from pre-sales to ongoing sales and after-sales services. Practices and requirements are clearly set out so that all staff can study and comply. All employees are required to take an annual test through our e-Learning system to update their understanding of these processes.

Moreover, TISCO Group has raised awareness of the importance of compliance with established policies and guidelines, instructing employees to strictly honor Market Conduct and provide complete and accurate information to customers for their decision-making. TISCO Group's employees shall not force customers to buy anything. Such protocol is set for TISCO Group to win the public trust and to grow sustainably and solidly.

In addition, TISCO Group continues to monitor its operations and develop tools for enhanced services with the aim of ensuring that every customer receives fair and appropriate products and services in accordance with its Market Conduct. A specific department is tasked with overseeing and supervising the practices, as well as with the implementation of the Three Lines of Defense to monitor, control, and prevent potential risks, for instance, activities such as Mystery Shopping and annual operational audits, which found no significant issues that were not in line with the related policies and guidelines.

Suggestions and Complaints Handling

TISCO Group actively manages customer relationships through contact center, which provides product/service information, solves customers' service-use problems, and listens to customers' opinions and recommendations for improving service quality. In addition, TISCO Group efficiently manages complaints through the designated complaint receiving channels, a system of clear-cut officials/units to review and resolve the complaints, and a system to monitor complaint response. A clear timeframe is set, as laid out in the Service Level Agreement (SLA), in which TISCO Group guarantees to get back to customers regarding their complaint. Complaints that have been received shall be analyzed against guidelines for service quality improvement. Actions taken in response to the complaints are summarized and reported to the executives of relevant units and relevant subcommittees.

In 2023, the contact center will continue to be the center for customer services, as well as coordinating complaints and suggestions for customers, while TISCO Chatbot via LINE @TISCO has been added as additional service channel. This additional channel will not only help customers to report complaints and suggestions more conveniently, but also allows customers to use various self-service for inquiries such as information about car loans, auto title loans, as well as car insurance services.

Receive Feedback and Complaints Channel

● Channel 1

In person at the Head Office or at any branches by informing the staff about the complaint in person or submitting a complaint form

● Channel 2

In writing and post to
Corporate Compliance Office
TISCO Financial Group Plc.
48/49 TISCO Tower, 21st Floor
North Sathorn Road, Silom, Bangrak,
Bangkok 10500

● Channel 3

Through our contact center
Tel: 0 2633 6000 or 0 2080 6000
E-mail: webmaster@tisco.co.th

● Channel 4

Through our website www.tisco.co.th
or LINE @TISCO

TISCO Chatbot not only provides more customer touchpoint but also reduces service time and call waiting time, as well as lowering the abandon rate of unserved calls from 27% to 20.7% and the error rate from 0.0052% to 0.002%. The customer service center plans to increase the service rate through TISCO Chatbot to 50% of the total customer contact volume within 3 years.

The efficiency of the contact center staff is constantly monitored for example via customer satisfaction surveys undertaken through an automatic response system, monitoring of staff conversations with customers, and review of the abandon rate and complaint rate for the purpose of further enhancing service quality. TISCO Group has integrated modern technology in support of its contact center operations, and this aims to reduce the waiting time of customers, the volume of calls on hold and the abandon rate. With the integration, TISCO Group has developed a corporate chatbot based on conversations between customers and staff to create automatic provision of product information and answers to general enquiries.



Sustainable Supply Chain Management



Business partners are a major factor contributing to success of our sustainable growth objectives. Therefore, TISCO Group gives importance to relationship management and vendor selection through a process that is both transparent and fair in order to appropriately follow the sustainable business guidelines of TISCO Group.

As such, TISCO Group has set clear procurement guidelines along with the attributes of vendors. The selection criteria includes products or services quality, prices, risk management, and the ability to adhere to the established Supplier Code of Conduct. Furthermore, trade partners are instructed to sign in acknowledgement of the specifications in the Supplier Code of Conduct before providing service, and we require all trade partners to disclose their ESG operating guidelines in order to enable assessment of their governance, anti-corruption, oversight in social and environmental impacts, personal data protection, and how they treat employees and workers in accordance with the law. For some products and services, it is also a requirement to use environmentally-friendly products and services, with consideration to current technologies capability for usage amount of TISCO Group. For large purchases, we have a transparent bidding process that is supervised by our executives.

Green Procurement Process

- Vendors are instructed to sign in acknowledgement of TISCO's Supplier Code of Conduct.
- Vendors are categorized based on business importance.
- Vendors are selected based on ESG criteria
- Vendors' performance is evaluated
- Vendors' compliance with TISCO Group's Supplier Code of Conduct and applicable labor laws is monitored and checked.

Supplier Code of Conduct

We have specified the framework and practice guideline for suppliers in operating business and creating sustainability for TISCO Group. The practice guidelines are divided into 3 categories as follows:

Category 1 Business Integrity and Transparency

Category 2 Responsible Business Practice

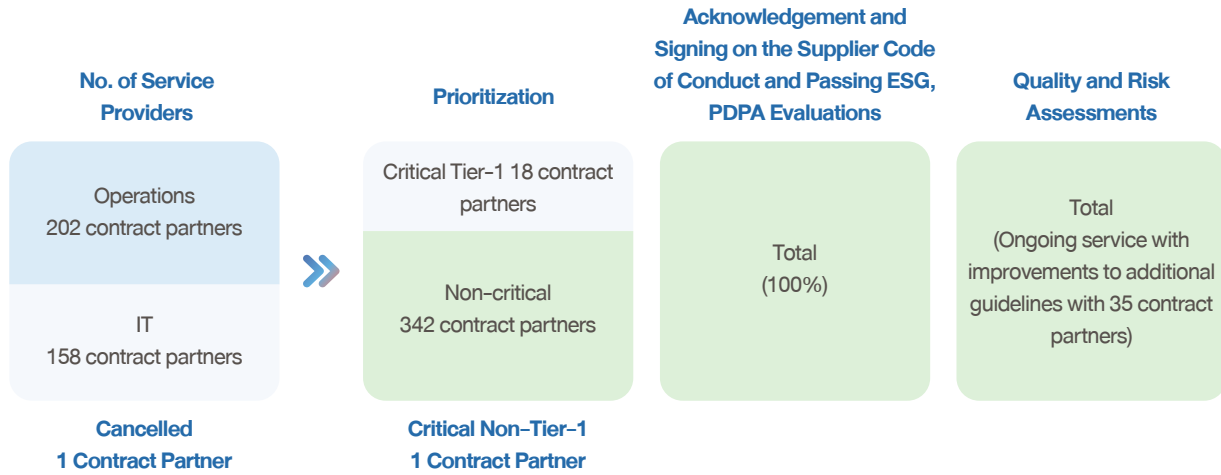
Category 3 Social & Environmental Responsibility

For additional details, please visit www.tisco.co.th

While relying on services from our external providers, whenever we reach the time to review our service usage, TISCO Group has a system for monitoring and reviewing risks, quality of service, and ESG performance, which influences the consideration for cancellation and renewal of service. TISCO Group has set in place details about significant performances (service criticality) covering the dimension of impacts from failure to perform work continuously or errors or work value. In cases where the supplier is important (Critical Tier-1), some of the work will be hired out to sub-contractors (Critical Non-Tier-1). In any case, we require outside service providers to report information to TISCO Group, and the business units using their services must have confidence that management of risks from external service providers also covers subcontractors.

As for the management of external services partners, we summarize reports to present to related subcommittees regularly in the first half of each year. In the 2023 report,

TISCO Group had 202 contract partners providing services in operations and 158 contract partners providing services in information technology, of which 18 contract partners are important business partners (Critical Tier-1), and we also have 1 contract with a sub-contractor (Critical Non-Tier-1). All service providers are required to sign in acknowledgement of the Supplier Code of Conduct and pass ESG and personal data protection evaluations (100%). Overall, their service quality was good, except for 1 contracted service provider that was unable to perform according to expectations. As a result, we terminated their service contract. As for risks, we found no significant risks. TISCO Group has modified the risk reduction monitoring guidelines for 35 contract partners. At the same time, we made online visits to 3 significant service providers to review operations and ESG performance, as well as communication of feedback to improve the business partnership. All of these activities were according to our objectives.



Promoting Sustainability with Business Partners

TISCO Group gives importance on treating business partners according to fair agreements and trade contracts. On average, vendors have a 30-day credit term, except when mutually agreed otherwise. Accordingly, the actual payments are usually made within the credit term. During the vendor-selection process, TISCO Group has shunned those engaged in unlawful business practices or environmental pollution beyond legal limits. Moreover, TISCO Group encourages vendors to become members to Thailand Private Sector’s Collective Action Against Corruption.

In addition, TISCO Group promotes collaborative projects to create benefits for stakeholders and communities such as the following:

Health Day Project: TISCO Healthcare Fair 2023

TISCO developed expertise in providing health and insurance recommendations and launched a community project to raise the importance of health research. Thus, TISCO Group has a partnership network covering leading hospitals, and in 2023 we collaborated with 9 leading hospitals to organize TISCO Healthcare Fair 2023, which offered health check-ups, analysis of risk for various diseases, and preliminary treatment for various symptoms such as Office Syndrome for interested participants. The project took place at TISCO Tower and over 1,000 TISCO employees and other people inside the building participated in the project. We plan to keep holding health activities as part of Health Day Project in the future.



Furthermore, TISCO collaborated with Bangkok Life Insurance Plc. to attend the Thailand Health Fair 2023 “Retirement Club”, that was jointly organized with Matchon to provide knowledge about financial planning and how to prevent financial risks from insurance. Many health-related activities also took place at this event, including preliminary health checkups, eye exams, lung cancer risk assessments, and healthcare products. Over 40,000 people took part in this event.

“Safe Driving with Honda, Safe Coverage with Somwang” Project

We prioritize reducing road accidents, and because one of the key contributing factors for these accidents is motorcycle riding, which connected to an important business of TISCO Group, namely, “Somwang Ngern Sang Dai”. Hi-Way Co., Ltd. collaborated with Thai Honda Co., Ltd. and Viriyah Insurance Public Company Limited to encourage motorcycle riders to learn skills on how to predict accidents through a realistic driving simulation program by Honda APT (Accident Prediction Training) via LINE official account of Somgwang Ngern Sang Dai (@somwang). This project aimed to promote safe driving, prevent, and reduce road accidents, with ultimately goal for Thailand to be a country of safe driving. In total, over 4,000 people participated in the project.



Calendar Donations in Collaboration with Building Juristic Person of TISCO Tower

TISCO Group has collaborated with the juristic entity managing the Yomaraj Condominium project, which includes TISCO Tower, to organize the “Old calendars, we gathered” project. Through this initiative, old desktop calendars from previous years were collected and donated to the Foundation for the Blind in Thailand under Royal Patronage for using in the production of Braille language media for persons with vision impairments. Accordingly, calendar collection points were set up for the convenience of interested persons who wished to donate their calendar. This initiative also supports TISCO Tower’s waste separation and recycling efforts.



Fighting Global Warming with the Use of Cool Mode Fabric for Staff Uniform

TISCO Group has joined efforts to fight global warming by using cool-mode fabric for its staff uniform. This innovative fabric offers breathability and enables wearers to remain comfortable, even when air-conditioned room temperature is higher than 25 degrees Celsius. It therefore helps limit greenhouse-gas emissions both directly and indirectly. TISCO Group has been certified as a fighter against global warming by the Thailand Textile Institute and the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) through use of products made from cool-mode fabric uniform.



Anti-Corruption



Corruption is a major problem in Thai society that has affected the development of the country and the elevation of the quality of life. TISCO Group is committed to being a part of solving the problem by establishing anti-corruption policies and guidelines, in order to ensure that our business operates with transparency, fairness, and accountability, and always in accordance with international practices and relevant regulations.



Since 2010, TISCO Financial Group Public Company Limited and its 3 subsidiaries, namely TISCO Bank Public Company Limited, TISCO Securities Company Limited, and TISCO Asset Management Company Limited, have declared intention and become a member of the Thai Private Sector Collective Action Against Corruption (CAC). TISCO Group has yet again passed the assessment of its performance and has been renewed for membership for the third period from 2022 to 2025. In addition, the group has participated in various activities to showcase its commitment, such as a virtual event for the Anti-Corruption Day hosted by Anti-Corruption Organization of Thailand on 6 September 2023, and the International Anti-Corruption Day (Thailand) event on 8 December 2023, given that the United Nations has designated December 9 each year as International Anti-Corruption Day, to raise awareness and provide a good foundation for Thai society not to tolerate corruption.

In terms of governance, TISCO Group uses a centralized management approach, whereby the parent company's Board of Directors approves the Anti-Corruption policy and applies it to all companies in the group. The senior management is responsible for setting guidelines on important issues such as no

gifts policy, preventing the payment of illicit fees, and receiving whistleblowing, based on relevant international standards. The operational risk management department were also delegated the responsibility to perform corruption risks assessment with all relevant departments annually.



TISCO Group places importance on communication of anti-corruption policy and guidelines, fostering these values in employees through internal communication channels, as well as incorporated them through compulsory KPI, as part of employee annual performance evaluation. In 2023, 100% of all employees have been trained and tested about anti-corruption policies in the E-Learning system. In addition, the Company assigns relevant employees to communicate with business customers and published the Anti-Corruption policy on the Company's website in the Corporate Governance section. More information can be found on the website www.tisco.co.th

Furthermore, TISCO Group also encourages business partners to conduct business transparently and take part in anti-corruption . In 2023, the Company did the following:

- Communicate policies and guidelines to ensure transparency and fairness in business operations, taking into account social and environmental impacts on all groups of stakeholders. And also urge all business partners to uphold fair treatment of workers, respect human rights, prioritize occupational safety, adhere to health and environmental standards, and actively combat all forms of corruption in alignment with international best practices and related regulations. Furthermore, TISCO group encourages our partners to become members of the Thai Private Sector Collective Action Against Corruption (CAC).
- Announce the No Gift policy, forbidding gifts receiving in all festivals and occasions to create a transparent business ecosystem
- Establish and communicate about whistleblowing channels
- Communicate the Supplier Code of Conduct that includes anti-corruption policy to each business partner and request cooperation to sign acknowledgement and comply with the guidelines
- Monitor the performance of out-sourcing suppliers by requiring them conduct a self-assessment on topics related to anti-corruption, social responsibility, and environmental responsibility



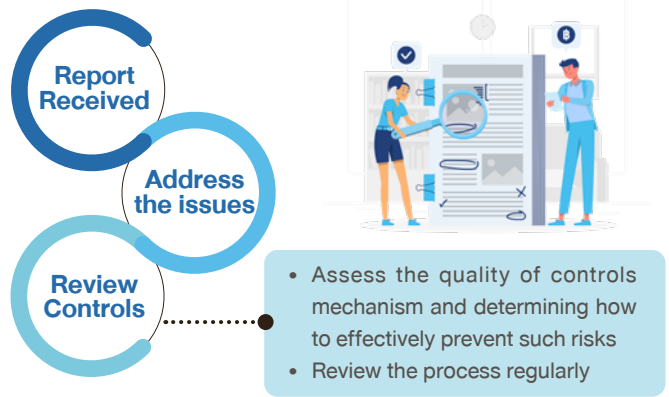
Whistleblowing Policy

TISCO Group has formulated a Whistleblowing Policy that covers the processes and channels involved with expressing grievances. The policy includes measures to protect whistleblowers. The policy and grievance channels are communicated to third parties and our employees, respectively.

Third parties Communicate through TISCO website

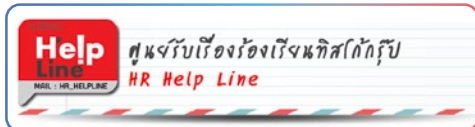
In case of any instances of unethical behavior, actual or suspected, fraud, wrongdoing, malpractice or violation of the laws and regulations including but not limited to any misconduct, complaints or reports of such activities could be filed by sending the letter to

Chairman of Audit Committee or Compliance Function at
48/49 TISCO Tower, North Sathorn Road,
Silom sub-district, Bangrak district, Bangkok 10500.



Employees Communicate via corporate intranet and related training

TISCO Group has established the HR Help Line as another independent channel to listen to employee grievances. Senior Executives have been appointed to represent the HR Help Line to ensure transparent and impartial review and operation. Complainant or whistleblowers' information has right protection that are in accordance with the TISCO Group's practices of whistleblowing and grievance filing.



TISCO Group recognizes the significance of complaints and grievances received from the various channels. We carefully examine these grievances, if a staff is found to be involved in a violating practice, they will be subject to disciplinary action in accordance with our code of conduct. **In 2023, there were no grievances regarding irregular practices among staff filed through the channels.**

Risk Management and Business Continuity Management



Risk Management

TISCO Group has given priority to risk management across the entire organization under the precautionary principle, balancing between business growth, and generate returns appropriately with risk exposure. We have developed standard risk management tools by implementing internal simulation models that comply with relevant rules and regulations. TISCO Group has set in place an appropriate and clear risk management structure and policy. In addition, TISCO fosters a risk management culture across all levels in the organizations, from senior executives to employees, to ensure that they have awareness and recognition of their roles, duties, and responsibilities to be able to effectively deal with situations and changes that might occur.

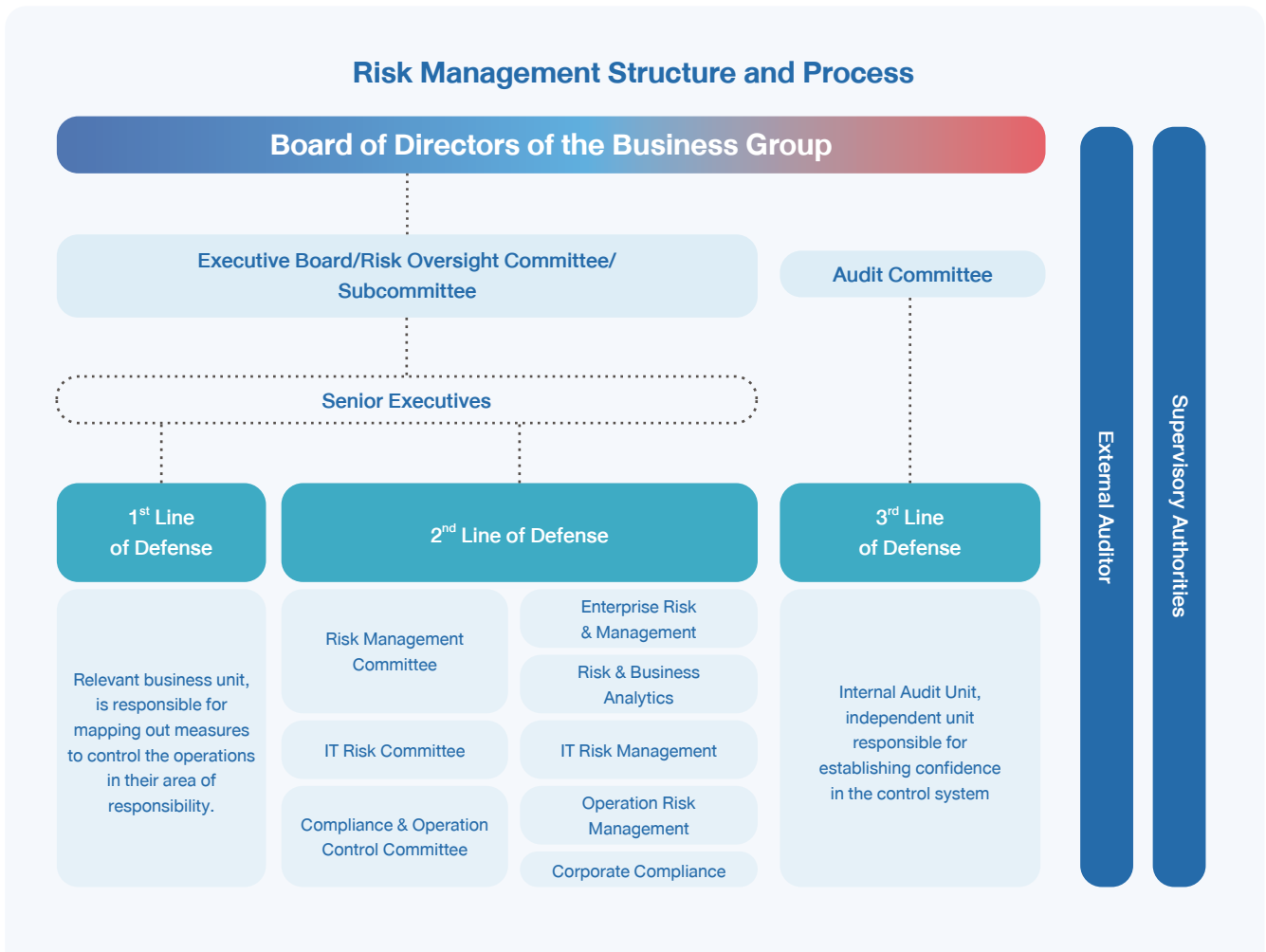


The risk management framework also extended its oversight to revise its risk management policy to cover Environment, Social and Governance (ESG) risks and other emerging risks. Over the past year, TISCO Group improved the assessment and management of climate change risk with reference to the Task Force on Climate-related Financial Disclosures (TCFD), in order to prevent, mitigate, and adapt to potential impacts both in terms of economy and business operation. Although the impacts from the Covid-19 crisis are beginning to be alleviated and the economy is showing signs of improvements, TISCO Group continues to pay attention to and always monitor the pandemic situation to assess risks and analyze potential impacts from any new disease outbreaks. TISCO Group has also created a business continuity plan to operate business continuously in the case of emergency. Moreover, liquidity contingency plan has been prepared in case of necessity to deal with risks that may affect the group's liquidity, and a recovery plan has been set in advance to support stability and problem solving to cope with liquidity crises, as well as to restore financial status in case of problems that may severely affect the capital position.

Risk Management and Oversight Structure

The structure of the Risk Management and Oversight Procedures and the roles and responsibilities of relevant committees and units is designed on the three lines of defense concept. In doing so, the Board of Directors of TISCO Financial Group Public Company Limited and the Board of Directors of TISCO Bank Public Company Limited work to oversee risks and internal control in the overall picture of TISCO Group, and the Executive Committee has been established to oversee strategic risks and the overall risks of the organization, as well as different levels and type of risks, with high-ranking executives and advisory subcommittees for different business groups working to oversee the strategic risks of the entire organization and each work section.

For risk oversight, the Risk Oversight Committee made up of senior persons with knowledge and expertise in financial institution risks, who provide recommendations about the oversight framework for financial institute risks and supervise to ensure that executives follow the risk management policy and strategies. As for item-based risk oversight, an Assigned Subcommittee and authorized representatives, such as the Credit Committee, the Problem Loan Committee, and the Compliance and Operation Control Committee, are entrusted to handle such tasks as may be necessary from time to time. The entire risk management system is supervised by the Audit Committee through the work of the internal audit function and is reported directly to the Company’s Board of Directors to ensure overall risk management effectiveness.



Risk Management Process

TISCO Group has set up risk management guidelines and processes comprising of the following:



ESG Risk Management Framework

Risk Identification and Materiality Assessment	Integration into Risk Type Frameworks and Processes	Risk Mitigation	Scenario Analysis and Stress Testing	Risk Metrics, Targets, and Integration in Appetite
<ul style="list-style-type: none"> Risk identification and materiality assessment process 	<ul style="list-style-type: none"> Integration to the existing organization risk management framework and processes: <ul style="list-style-type: none"> Credit risk Market risk Liquidity risk Non-financial risk 	<ul style="list-style-type: none"> Reducing the impacts of potential risks by: <ul style="list-style-type: none"> Accept Avoid Transfer Reduce 	<ul style="list-style-type: none"> Roadmap for integration of ESG risk into internal stress testing framework Regulatory stress test (credit and market risk) Liquidity stress test 	<ul style="list-style-type: none"> Assess risks through goals and integration into the enterprise risk management guideline

TISCO Group is in the process of developing its ESG Risk Management Framework with the goal to systematically managing and dealing with ESG risks. Initially, we have created a framework that covers 5 steps of processes, namely, 1) Risk identification and materiality assessment, 2) Integration into risk type frameworks and processes 3) Risk mitigation 4) Scenario analysis and stress testing, and 5) Risk metrics, targets, and integration in appetite.



Risks are identified and evaluated for their materiality, with focus on choosing the significant risks of the organization for prioritization. Then resources are allocated for ensuring the most efficient management overall for TISCO Group. Next, these risks are integrated with the framework and processes according to the types that TISCO Group had already created for classification to ensure management effectiveness. Then, processes are considered to reduce potential risks with consideration to impacts and likelihood. Analysis is conducted about the possible impacts from various scenarios and damage under crises that lead to important risks in different areas in order to control risks to remain within the specified risk management guidelines of the organization.






Emerging Risk Management

TISCO Group recognizes the significance of and prepares to deal with emerging risks and the world’s mega trends by continuously monitoring changes and fluctuations, in addition to analyzing various risk factors that may cause damage or impacts on the business, followed by considering risk management to prepare to deal with or reduce the likelihood or impacts of the risks in the short-term and the long-term.

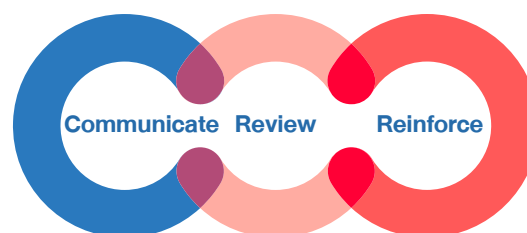
In 2023 TISCO Group identified the following emerging risks and management guidelines as follows:

Emerging Risk	Risk Description	Potential Impacts on TISCO Group	Impact Mitigation Plan
 Emerging or Recurring Diseases	<p>Emerging diseases are risks of infection by newly discovered diseases or recurring diseases that are increasingly spreading, including drug-resistant diseases, which are becoming more common in the near future. Examples include influenza, SARs, and Covid-19, etc.</p>	<p>Risk from increasing spread of disease impacts the economy and society as well as the operation of TISCO Group.</p> <p>In 2023, even though the Covid-19 situation had already eased, and the economy began to show signs of recovery to normal through declaring Covid-19 as an endemic disease, which has led to the tourism industry and connected businesses to start to resume normal business operation, the Covid-19 phenomenon continues to present itself periodically through mutated strains.</p>	<p>TISCO Group continues to give importance to and monitor the pandemic situation continuously in order to assess risks and analyze impacts. In doing so, we implemented measures to prevent and review business plans continuously for emergencies that might arise in the event of a new pandemic.</p>
 Financial Landscape Risk	<p>Rapid technological changes is taking place today as a result of changes in consumer behaviors and lifestyles stemming from the spread of Covid-19, which has led to a lifestyle and behaviors more in favor of digital services and electronic channels. This has led to the development of digital finances and decentralized financial transactions, which are impacting the businesses of financial institutions.</p>	<p>The development of technologies linking economic and financial mechanism creates both opportunities and risks to TISCO Group in keeping up with technological developments to be able to compete in a market, where there are increasing numbers of non-bank service providers, which may have different regulatory practices according to their different scope and nature of business.</p>	<p>TISCO Group has studied and prepared for changes by developing and designing financial products and digital service channels using modern technologies such as cloud computing, etc.</p> <p>TISCO Group gives importance to researching about the use of digital finance technologies and their associated risks to develop service models under changing competitive circumstances.</p>

Emerging Risk	Risk Description	Potential Impacts on TISCO Group	Impact Mitigation Plan
 <p>Cyber Risk</p>	<p>The modern lifestyle of people in society has led cyber threats to become increasingly important as attacks are continuously adapting, including phishing, social engineering, malicious programs, and ransomware.</p>	<p>Cyber threats impact both customers and the bank. TISCO Group can suffer from damage in multiple levels such as through service disruptions, financial losses, customer information leaks and loss of customer confidence in the bank, as well as reputational damage. Moreover, customer data leaks and customer data violations may result in the bank being subject to penalties according to the Personal Data Protection Act.</p>	<p>TISCO Group has created measures for risk management and dealing with cyber threats by monitoring and always keep up with types of cyber threats while creating an organization culture that continually raises awareness about cyber threats on every level from the board of directors to executives and employees in order to control potential risks to remain within TISCO Group's risk appetite. Moreover, TISCO Group continually makes improvements to enhance security in line with international standards such as the ISO27001 (Information Security Management Standard).</p>
 <p>Artificial Intelligence</p>	<p>Artificial intelligence (AI) is a branch of computer science that focuses on creating intelligent machines that can perform human tasks. These machines are self-taught and can organize and interpret data on their own. Thus, artificial intelligence is becoming important to business. However, this has also led to new risks, since AI can be used in a variety of ways such as in the creation of new business models and work methods and is changing the behaviors and expectations of consumers.</p>	<p>The development of artificial intelligence is causing confusion for the financial industry and increasingly challenging the traditional business model of financial institutions. Artificial intelligence is broadening the world and providing new perspectives about business and leading to the development of new innovations and work methods. Artificial intelligence has become an important part of the financial service and insurance industries, and it is changing how products and services are being presented in the upcoming era.</p>	<p>TISCO Group continues to learn and adapt to impacts that are occurring from the increasing role of AI in the financial industry and must prepare to deal with the ethical and legal impacts of AI. This includes questions about impacts on privacy policies, prejudices against technologies and necessary responsibilities stemming from use of technology.</p>
 <p>Demographic Changes</p>	<p>Risk from demographic changes refer to impacts that can occur due to changes in the demographic structure of society. One example of this risk is the transition into an aging society. The increasing number of elderly people in society may impact the public health system, retirement services and business operations, which must adapt to keep up with these changes in order to avoid loss of opportunity in meeting the changing needs of customers.</p>	<p>With an increasing elderly population comes changes in market demand more in favor of health-related products and services, retirement planning and services for elderly persons. This will impact the modification of strategies and the development of innovations to meet the changing needs of customers.</p>	<p>TISCO Group studies and analyzes customer information in order to improve working effectiveness for dealing with changes with consideration to the development of products and services that meet changing consumer needs.</p>

Development of an Organization Culture of Governance and Risk Management

A culture of governance and risk management is a major factor contributing to the effectiveness of the risk management system. Hence, the Board of Directors, executives, and employees must recognize, understand, and take actions according to their assigned roles and duties. As such, TISCO Group has developed a culture that values integrity and honesty and uses governance and risk management mechanisms to review corporate governance principles, risk management, and internal control to remain current and ensure correct and appropriate implementation through the human resources management system.



Instilling awareness about adhering to the good governance principles in employees across the entire organization starts with communicating with employees to help them acknowledge values and regulations at the organizational level since their start of work with TISCO Group. Then after employees start working in their job positions, training is provided to spread knowledge about the practice guidelines and work procedures in the related business functions, with close supervision. In addition, each year the organization develops and improves its online courses via the Company's intranet system, including a learning questionnaire for assessing post-lesson comprehension. These have been made part of the compulsory KPI for all employees. Furthermore, we instill values in various ways through a values camp on the business unit level in order to create ties to the agency and through online techniques where senior executives pass on their knowledge and ideas about good working principles to later generations of employees continuously on a regular basis.

In providing oversight and risk management, TISCO Group has specified the three lines of defenses structure. All of these three lines of defenses continue to work closely with each other and coordinate collaboration with each other in order to push for good governance and risk oversight. Every business function is responsible for managing the risks inside their own team while operating business under the

maximum specified risk ceiling, with the risk management departments responsible for providing risk management oversight in each area and reporting the overall picture of risk management to the relevant committees or subcommittees, as well as provide news and information about good corporate governance that is compiled by oversight and audit sections and developed into organizational level knowledge. This facilitates the development of work and knowledge and understanding in a precise way with business employees. Moreover, policies and practice guidelines are appropriately reviewed to remain suitable with business changes while conforming to the good practice guidelines that are regularly established by regulatory agencies.

Furthermore, TISCO Group gives an importance to clearly promoting good behaviors and penalizing employees to have every employee reflects and recognizes the value of committing to and following good governance principles, which have been stipulated as part of the criteria for work performance evaluations and promotions. This also provides an opportunity for praising distinguished employees for organization-level recognition. At the same time, TISCO Group has channels for receiving complaints and handling misconduct that are generally accessible, and complaints are systematically examined. If a corporate governance violation is detected, the matter will enter a disciplinary process.

Communication

TISCO Group has created clear communication guidelines for risk management for many channels such as the organization's intranet and announcement boards to disseminate risk management policies and criteria. We provide communication channels between executives, employees, and risk management agencies by holding meetings or performing other actions as appropriate to the case providing knowledge about situations and practice guidelines on the risks of situations and emergencies management.



Educational Training



The Board of Directors receives outside training courses and seminars with emphasis on cyber security, corporate sustainability development, and security awareness.



Senior Executives have been informed of new or changed regulations and revised risk management guidelines, through participation in meetings, for example the Risk Management Committee, the Compliance and Operation Control Committee and the Technology & Infrastructure Committee.

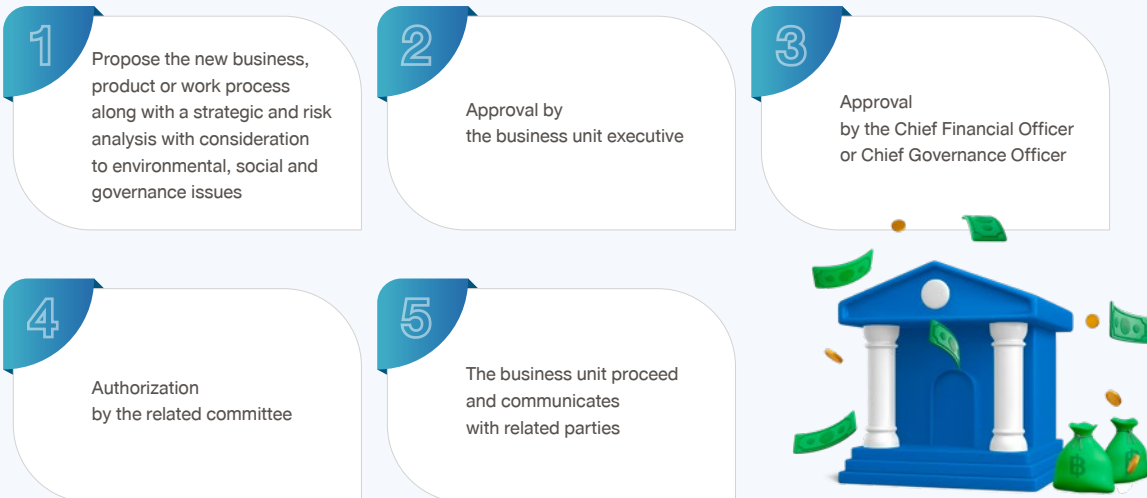


Employees receive training in various courses through the learning management system (LMS) and seminars such as on related laws and regulations and anti-corruption. In 2023, total 100% of employees received these mandatory training.

Guidelines for New Products or Processes

The TISCO risk management policy stipulates for business units releasing new products or work processes have to take actions according to the appropriate risk management guidelines and present information about new products and/or work processes, along with a risk management analysis and guidelines, including environmental, social, and governance impacts in order to request for approval from section executives and the Chief Financial Officer or the Chief Governance Officer. Then the matter will be proposed to the Risk Management Committee or the Compliance and Operation Control Committee for approval. In cases where the new business or product and management process involves credit issues, the relevant business sections must apply for approval according to the specified loan authorization guidelines.

Process for Proposing New Businesses, Products or Work Processes



Business Continuity Management

The financial system plays a vital role in driving the economy and facilitating everyone's daily life. Therefore, TISCO Group, as a financial service provider, gives importance to the ability to provide uninterrupted customer service, as well as communicating with customers and related parties when unusual situations arise in order to reduce concerns and create understanding about action plan for such situations. This has been specified as part of the organization's key risk management system. In doing so, we use a centralized management system. A crisis management team, which made up of high-ranking executives, is responsible for considering and authorizing actions according to established plans during emergencies through presentations and situational assessments by the Business Continuity Management Team. The Business Continuity Management Team consists of several sub-teams responsible in managing different areas, such as the emergency response team, damage assessment team, business recovery team, cyber threat team, and communication team to correspond both internally within the organization and externally with governmental agencies, customers, communities, as well as public media, to ensure that situations are effectively managed.

TISCO Group regularly reviews its business continuity policy and practice guidelines by assessing risks under various unusual situations such as natural disasters, information system malfunction, epidemics, cyber-attacks, etc., considering impacts from business and the safety of employees, customers, and related parties, as well as asset damage. The risk assessment leads to the formulation of emergency response plans to support different business aspects, defining the objectives in terms of service delivery, safety, loss reduction, and provision of assistance to related parties according to the situation.

In the event that usual operational locations are inaccessible, TISCO has a backup operations center, which includes IT backup system and facilities to accommodate all its units' operations, that are tested annually. For situations where an external service provider is unable to provide service, TISCO Group requires all major outsourced service providers to have an emergency plan in place. If they are unable to do so, TISCO Group will consider using other service providers instead, to ensure that customers will receive uninterrupted services.

In terms of personal and property safety, TISCO Group has specified for reviews to take place preventively for critical equipment and systems and for there to be a response plan for emergencies such as fires, power outages, floods, and

disease outbreaks, as well as an evacuation plan that is regularly rehearsed. Moreover, we have obtained insurance that covers risks from natural disasters in order to mitigate impacts or damage to the organization. The total sum insured is approximately 450 million baht. Additionally, due to increasing of cyber threats that target electronic service channels, TISCO Group has created a plan for dealing with different types of cyber threats. These plans are rehearsed regularly both inside the organization and in collaboration with external agencies to help enhance the safety level of the financial sector.

In 2023, TISCO Group encountered non-severe incidents such as partial system disruptions, but we were able to take actions according to our emergency plan, which prevented significant business continuity impacts.

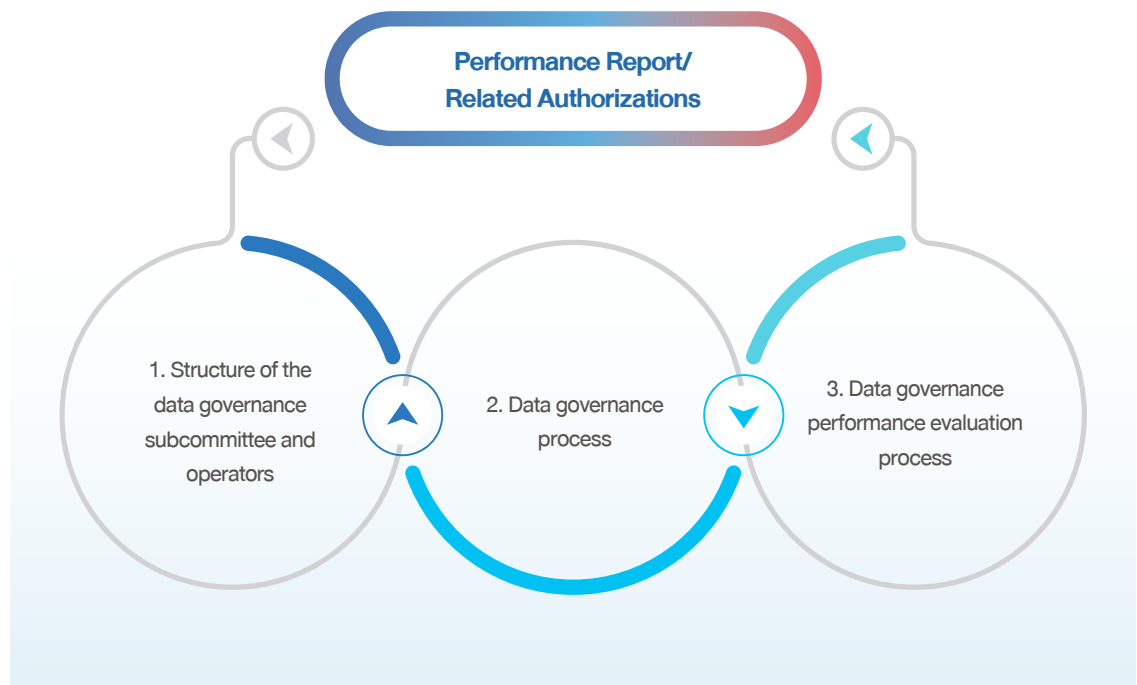


Integration of Data Governance and Data Management



Because the businesses of financial institutes today require the use of information in their operation and analytics in order to drive work in line with the current trend of business sector to becoming data-driven organizations, TISCO Group recognizes and values the importance of data management, especially data quality in terms of volume, variety, velocity and veracity, to make sure that we have correct data for analysis to make decisions and understand the needs of customers through the use of artificial intelligence. Furthermore, in addition to the aforementioned developments and technological changes, from the perspective of regulations and laws, businesses also have to make improvements to ensure compliance in this area.

TISCO Group is convinced that good data governance is a task that must be continuously carried out to safeguard the overall data governance strength. Therefore, We give priority to managing data in terms of ensuring the security and availability for use of data, with the highest level of personal data protection to prevent violation of related policies or laws, especially the Personal Data Protection Act, B.E. 2562 (2019). In doing so, we have created the structure of the Data Governance Subcommittee, the Data Controller and Data Operators, by clearly specified their scope of duties, work processes and performance measurement, setting adequate measures to ensure data security, accuracy, completeness and currency, building confidence with data subjects or customers towards the Company in conducting business



In 2023, our data governance and data management were refined as follows:

Additional Data Management Activities in 2023



Reviewed and improved policies and guidelines related to data governance, ranging from collection processes, storage, dissemination, and destruction of data to ensure that they are always appropriate for each business section and up to standard. The reviews also focus on level of security and safety for each data classification, using the “need-to-know” and “least privileges” basis that grant access to data according to duties and responsibilities. These processes are done every year or whenever there are significant changes during the year.



Raised awareness and enhanced understanding about data governance and data management in high-risks group and stakeholders through seminars, training, workshops and communication via the organization’s social media. All employees are also required to undergo compulsory testing about the guidelines.



Integrated data governance guidelines and standard to all newly developed work systems and continuously audited existing major systems according to the approved work plans. Data governance performance, as well as outcomes of operation risks and IT risk management of these systems were then quarterly summarized and reported Data Governance Committee to reinforce adherence to the control measures.



Created and enhanced effectiveness for data management in a centralized manner, to ensure ease of management, comprehensiveness, simplicity, and convenience in taking action according to control standards, including metadata collection and access under the control of the Data Controller, data retention and destruction, data quality verification, data usage, and data sharing, etc.

Customer Data Protection and Privacy

TISCO Group gives importance to personal data protection by including it as part of the data governance system, defining processes and control systems in accordance with the Personal Data Protection Act in order to strengthen management effectiveness. We also regularly review guidelines, procedures and work methods related to data security and customer data protection to make certain that they are always current, consistent, and able to prevent risk from unauthorized usage and disclosures of personal data, breach of intended purpose consented by the data subject, or noncompliance to related laws. Moreover, we have created a data breach response plan to serve as a mechanism to prevent and mitigate potential damage in cases of data breaches.

In addition, TISCO Group has formulated guidelines for data protection impact assessment (DPIA) for related data users or data handlers to use when assessing potential risks and impacts from data misuse that might violate the rights and freedoms of personal data subject, in order to have proper security mechanisms in place and reduce the risk or severity of impacts.

Example of Personal Data Protection Guidelines

- Collection, use, and disclosure of personal data
- Consent management
- Data subject rights management
- Data protection
- Data retention, duration of storage and destruction of data
- Data protection impact assessment (DPIA)
- Data breach response management

Additional Data Protection Activities in 2023

- Reviewed and updated guidelines and procedures related to data security and data protection to ensure that they are up-to-date with current situations while still consistent with TISCO Group's operating practices
- Safeguarding and protecting the security of customers' personal information. In 2023 TISCO Group received no complaints related to significant breaches of customer data privacy.

Cyber Security



Today, personal data and important information used inside organizations have become assets that are highly valuable to businesses, especially in the finance and banking sector. At the same time, cyber security threats are risks that banks have to pay attention to, especially due to today's business model which relies on a wide range of modern information technologies to develop new financial products and services that meet the needs of customers and business partners, as well as provide business opportunities and competitive edge, allowing the business to achieve sustainable growth.



For this reason, TISCO Group places great importance to the formulation of policies and guidelines for cyber security and IT risk management in accordance with international standards. TISCO Group constantly integrate modern technologies for risk management and controls to ensure that the system is always ready to detect, prevent, and respond to cyber threats. We has also adopted international control measures such as the ISO/IEC 27001 and NIST Cybersecurity Framework to be part of IT security policies and guidelines, in order to foster trust with customers and business partners while providing safety when using our services.

IDENTIFY

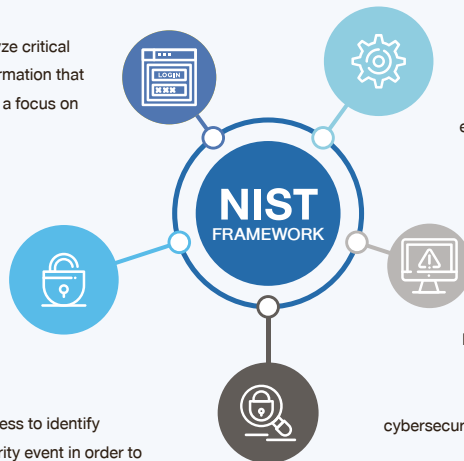
Identify, understand, and analyze critical systems, assets, data and information that are at risk of cyber-attack with a focus on risk management strategy and security control prioritization

PROTECT

Develop and implement the appropriate safeguards to limit and contain any potential cybersecurity event

DETECT

Develop and implement a process to identify the occurrence of a cybersecurity event in order to detect cyber-attacks in a timely manner



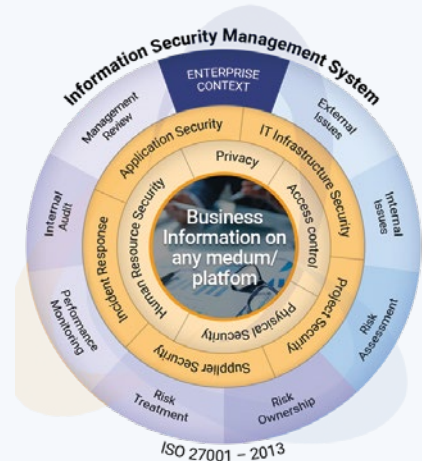
NIST Cybersecurity Framework

RECOVERY

Establish a process to handle the occurrence of a cybersecurity event and to contain the impact of a potential cybersecurity event

RESPOND

Develop and implement a process that ensures timely recovery from a cybersecurity event for the sake of business continuity.



ISO/IEC 27001 Framework

TISCO Group has created an organization structure that incorporated IT governance, where roles, duties and responsibilities are clearly and appropriately defined, from the level of the Board of Directors and high-ranking executives. This shows our emphasis on driving and enhancing IT risk

management. The other mechanism includes the three lines of defense system to handle and manage IT risks systematically and consistently through the clearly divided roles and responsibilities as follows:

1st Line of Defense

refers to IT operational staff who oversee IT tasks and the internal management of IT safety.

2nd Line of Defense

points to a unit responsible for risk management, supervision and monitoring of the overall enterprise risk, which is tasked with managing both the IT risk and the Operation Risk

3rd Line of Defense

refers to units responsible for auditing that can independently review operation performance, IT operation and IT risk management and supervise legal and IT regulatory compliance.

Furthermore, TISCO Group places emphasis on creating a culture concerning cyber security threats inside the organization by promoting cyber security awareness with focus on 4 target groups as follows:



The Board of Directors and High-ranking Executives:

Cyber security threats are given priority as one of the primary goals of the Board of Directors and high-ranking executives. Thus, annual IT security awareness training is provided to high-ranking executives to enable executives to acknowledge and understand the new, complex, and diverse types of cyber-attacks and trends, allowing them to use this information in formulating or adjusting policies and measures to effectively deal with cyber risks and attacks.



IT Personnel:

Employees performing IT functions are provided several training on the essential technology knowledge required for their work, as well as on how to respond to cyber attacks. This includes cyber drill exercises, where realistic cyber attacks are simulated internally or by external institutions such as the Thailand Banking Sector Computer Emergency Response Team (TB-CERT), in order to raise the level of collaboration and understanding about the financial industry, in order to test and rehearse practice guidelines for use in response to attacks and to enhance readiness for dealing with potential cyber-attacks against TISCO Group.



Employees of TISCO Group:

All employees are provided training about how to maintain IT security and knowledge about new cyber threats through e-learning, posters, infographics, as well as training about the international standards on IT security. These trainings also encourages employees to use their knowledge, while performing thier work, which will lead to safety in the products and services of TISCO Group. Moreover, cyber drills are held annually, in which false phishing emails are sent to all employees to test responses to the scenarios. The test results showed that employees are aware and can respond correctly to phishing emails within the organization.



Customers:

TISCO Group regularly provides knowledge about cyber threats and how to conduct online transactions safely to customers through many communication channels of TISCO Group such as websites or online social media to raise customers' awareness and ability to deal with the various acts of deception and cyber threats that are widespread nowadays.



From the assessment and audit results in 2023, there were no complaints about any issue regarding the safety of customer information or losses, alterations or falsification of data, or data access to data by unauthorized parties.



SOCIAL

Sustainable Banking



TISCO Group places importance on balancing business operations in terms of economic, social, and environmental dimensions. As Environment, Social and Governance (ESG) challenges become a major factor affecting business operations and daily life, it is necessary for all business sectors to adopt sustainable development guidelines and collaboratively work together to achieve sustainable business and social development.

In operating business, we have 3 parts. If we are able to bring them together, then business will succeed. The first is 'Profession', or expertise in the business that we do. The second is 'Passion' of the people in an organization that wants to meet the needs of customers and society. And the third is 'Planet' or the needs of society. Today, we have found that there are many problems that we can use our profession to solve, such as a project to eliminate debt and promote savings, a financial literacy project to reducing the problem of high household debt, or the TISCO Smart Retirement project that promotes readiness for the aging society, etc.



Sakchai Peechapat | CEO



Offering Products and Services that Meet Customer Needs



TISCO Group aims to create products and services that truly meet the needs of customers and business partners by collaborating with the country's leading partner organizations to innovate and offer appropriate financial products and services that are fitting, worthwhile, and able to create better life opportunities for customers. TISCO Group focuses on presenting clear products and in service information, as well as disclosing information about financial products that are complete and sufficient to support customers' decisions in accordance with the requirements of the law and Market Conduct guidelines, making customers trust and confident in using the service for a long time.

As for our product presentation guideline, TISCO Group encourages employees to serve as the frontline to hear customers out and develop an in-depth understanding about them with empathy, which is part of the organization's values. In addition, we instruct employees to genuinely understand customers to identify what customers feel and want as well as the causes of problems to be able to present accurate solutions. TISCO Group aims to become the financial lifetime partner of customers by standing beside customers throughout every moment in life, providing appropriate products and services to each customer.



Financial Lifetime Partner for Every Stage of Life



Individual Customers

TISCO Group aims to be a financial service provider that meets the needs of customers holistically and comprehensively. We aim to provide a one-stop service based on customer-centricity and develop products and services in line with changing demographic trends. In addition, TISCO has continuously increased access to financial services through the expanding of Somwang Ngern Sang Dai branches and development of technologies to facilitate the use of our services, such as selling of mutual fund products, life insurance and health insurance from multiple companies in a single location through open architecture platform on the TISCO My Wealth application, as well as co-developing best in class products that suit customers' best interest.



SME Customers

TISCO Group provides financial solutions to support the growth of SME customers through the concept of 'assisting and supporting with empathy'. In doing so, we provide financing to SME entrepreneurs to prepare them for growth, improving efficiency, and raising the capability of SME entrepreneurs, assisting in management of liquidity and cash flow easily, as well as aligning the repayment capacity to the revenue stream according to each business stages. Currently, TISCO Bank provides financing services to SME entrepreneurs in five categories as follows:

- SME business loan
- Supply chain loan
- Truck hire purchase
- Truck title loan
- Floor planning



Corporate Customers

TISCO Group offers a total solution meticulously crafted by our personnel with extensive experience in all areas, such as the strategic team, the analysis team, the credit team, and the investment banking team. Under the management that aims to ensure cooperation among the different work teams and customers, with dedication and sincerity to develop in-depth understanding about corporate customers' need, in order to design solutions to solve problems for large corporate customers swiftly, flexibly and comprehensively, thereby gaining the trust and confidence of TISCO customers in the long term as lifetime partners. In addition, the 'Total Solution' management strategy allows us to be flexible and able to address specific situational needs and events in different time period, ensuring that the solutions presented to customers are thoroughly analyzed and customized for each customer.

Customer Satisfaction Survey

True to our corporate value of Customer Priority, TISCO Group focuses on developing appropriate financial products/services in response to customers' needs. The development takes into account financial products used by customers, financial transactions, as well as service-use behavior. In the development process, TISCO Group also surveys customers' demands for products and customer pain points as it strives to deliver what suits customers' best.

In 2023, TISCO Group conducted a customer satisfaction survey, demonstrating a strong commitment to customer centricity. We keep forward to provide services that respond to the needs of various consumers along with the Customer Satisfaction Survey. The questionnaire is designed focus on TISCO Group's services in terms of marketing mix or marketing strategy (Touch Points), including products, time of service, promotion and various service channels such as branches, call centers, LINE applications, by defining a sample of 10,118 customers from various business groups, including 1. Hire Purchase; 2. Loan against Auto License; 3. Mutual Fund; 4. Deposit; 5. Securities Brokerage; and 6. Motorcycle Hire Purchase.

In summary, TISCO customer satisfaction 2023 score was 8.9/10 from the target 8/10 and Net Promoter Score (NPS) was 50.

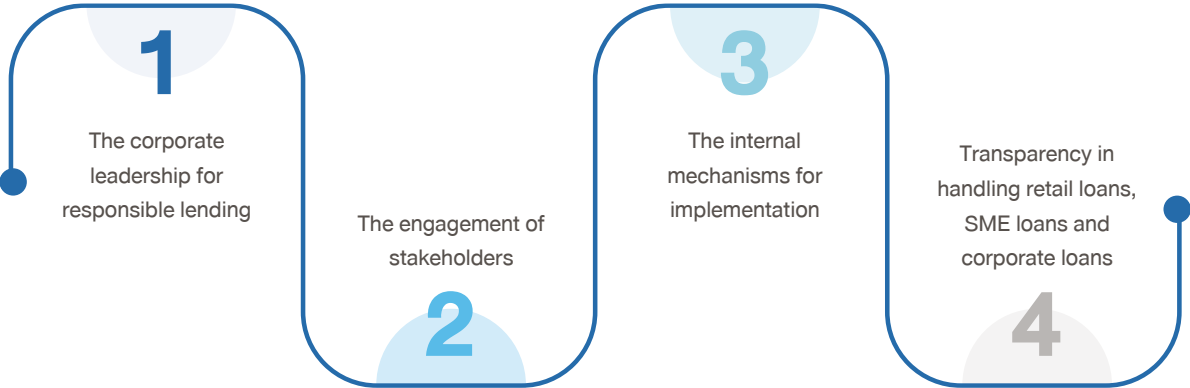


Customer Satisfaction	2023 Survey Result	2023–2026 Target
Net Promoter Score	50	45
Customer Satisfaction Score	8.9/10	8/10

TISCO group gives importance to the recommendations received from the customer sample group in the customer satisfaction survey and passed on the recommendations to the relevant persons for acknowledgment and consideration of improvements and evaluations in the next year in order to ensure customers and stakeholders in every group receive better services while delivering satisfaction and impression to customers. This is part of the promotion of suitable products and services to customers according to the business operating guideline of TISCO Group.

Responsible Financial Service

As a financial intermediary that provides financing support to the business sector and the public, TISCO Group attaches great importance to a credit approval process that is thorough and cautious in order to reduce risk and impacts on the environment, society, and governance (ESG) including climate change. TISCO Group has specified a **Responsible Lending Policy** as a guideline for executives and employees in related departments to adhere to, emphasizing on the management of risks and impacts to environmental, social, and governance. The essential contents cover 4 topics as follows:



TISCO Group considers, reviews, and improves the responsible lending policy and practice guidelines by integrating environmental, social, and governance factors as part of lending criteria. Also, TISCO Group has drawn up an **exclusion list/prohibited list** that identifies individuals and corporates involved in the following illegal business activities:



Accordingly, after loan approval, we have in place a process to monitor loan spending to ensure that the money is spent according to the declared purpose and comply with the loan conditions. A loan review process and continuous monitoring of the debtor’s repayment capability, along with control mechanisms and monitoring operations are established. Particular emphasis is placed on businesses with high environmental and social risks and impacts or in a highly sensitive sector.

Retail Loan

TISCO Group operates business with an awareness of responsible financial services continuously, supporting the government's policies in resolving the problem of excessively high household debts (Responsible Lending Directive: RLD) by provide financial knowledge to communities and granting loans with consideration to the benefits and fairness of customers to push for non-formal debts to re-enter the system. In addition, TISCO Group loan approval process considers remaining income after debt repayments and whether what's left is sufficient for customers to be able to live life comfortably. In any case, TISCO Group has set the following guidelines:

1

Review and Revision of Loan Policies and Practices

- 1.1 Responsibly offering financial products and services with a focus on retail-loan customers' affordability.
- 1.2. Assessing potential risks to both TISCO Group and customers by not encouraging customers to borrow beyond their needs.
- 1.3. Providing accurate and complete information in line with credit conditions and process and Market Conduct by requiring staff involved in loan-request review and approval to have knowledge and expertise in relevant policies and guidelines. Such provision ensures TISCO Group's compliance with the regulations of the Bank of Thailand, the Anti-Money Laundering Office, and relevant authorities. In addition, TISCO Group honors the Know Your Customer (KYC) principle, an assurance that TISCO Group will not in any way support illegal activities or materially cause negative environmental and social impacts.

2

Contribute to the Creation of a Learning Society

Giving knowledge to and developing service staff with the goal of ensuring their understanding of applicable regulations and requirements.

3

Conducting Activities to Promote Financial Literacy Among Customers and the Public



Sustainable Solutions to Thailand's Structural Debt Overhang Problems

TISCO Group is committed to helping solve the debt overhang problem of Thai people while understanding the difficulty in eliminating debt and the complexity of personal financial management. Moreover, due to the impact of the Covid-19 pandemic, retail customers are unable to conduct business or pursue occupations as usual, which impacted their debt repayment capabilities. TISCO Group has released measures to assist debtors in alleviating impacts from the situation as follows:



Car Title Loans and Car Hire Purchase Loans

- Reduce installment payments and granted payment extensions according to the debt repayment capabilities of customers in order to alleviate long-term distress.
- If a customer is impacted to the point of being unable to service debt, the customer can receive assistance by returning their vehicles. If a vehicle sales price is less than the debt burden, the Bank will consider reducing the remainder of the debt as appropriate.

Home Loans

- Reduce installment payments and granted payment extensions according to the debt service capabilities of customers in order to alleviate long-term distress.

Conditions for Participating in the Debt Restructuring Measures

- Customers must provide truthful information and present evidence that they are suffered from impacts as well as proof about their repayment capacity to the Bank.
- They must be qualified according to the conditions set by the Bank.
- Their vehicles must be in good working condition (for car hire purchase loans and car title loans).
- For current capital loans, the Bank may consider suspending or canceling the use of existing loan funds during debt restructuring.

TISCO Group considers granting assistance to customers on an individual basis according to the criteria of the Bank. In doing so, the Bank makes consideration based on impacts suffered by customers and the information and documents submitted by customers and propose an appropriate debt restructuring guideline according to the debt repayment capabilities and risks of customers. For additional details, see <https://www.tisco.co.th/th/fi-support-3.html>.

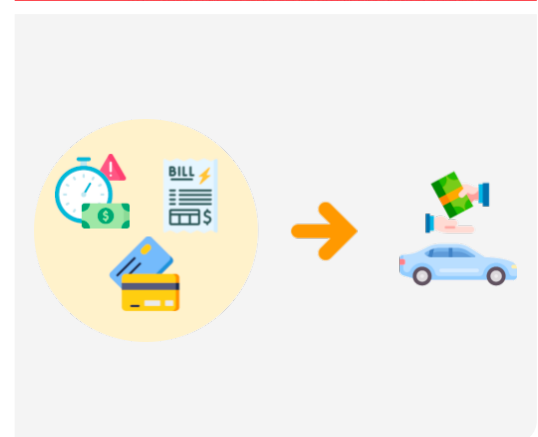
In 2023, TISCO Group took actions according to the sustainable debt elimination measures and assisted customers in 4,408 contracts.

Debt Consolidation Program

As an option for customers in managing their debt obligations, TISCO Group has set up a debt consolidation program, whereby customers can combine current debt burdens from various lenders with high interest through TISCO's car title loans, title deed loan, or loan against provident fund. In 2023, 5,797 customers participated in the program, representing a sum of over 1,450 million baht.

Debt Consolidation at Somwang Ngern Sang Dai

TISCO Bank together with Somwang Ngern Sang Dai offered the Debt Consolidation at Somwang service by giving opportunities to combine all credit card debts and various vehicle loan debts through auto title loan, whether it is a motorcycle, sedan, pickup truck, or van, to customers who wanted to convert their vehicles into cash to help alleviate their debt burden and cover high-interest debts. In doing so, they are able to choose their payment duration. The short installment will end faster, and the long installment will be more comfortable. The objective of this service is to help customers repay debts without an excessive burden from non-formal debts or credit card debts. All the debts can be gathered and repaid in one place to make it easy to eliminate debt. This service is beneficial for people who wish to eliminate chronic debts to just one single debt and allows customers to make better financial plans and repay their debts sooner.



Assistance Plan for 2024

TISCO Bank still has measures in place for assisting customers impacted by the economy through debt restructuring to keep with the requirements of the Bank of Thailand regarding responsible lending, making proposals in the pre-emptive DR (before NPL) and the NPL group consistently with the affordability of customers with consideration to ensuring sufficient net residual income to fully meet the basic living requirements without worsening the debt overhang problems of debtors. The assistance follows conditions set by the Bank.

Corporate Loans and SME Loans

TISCO Group provides loan support to businesses whose key objectives are to operate to achieve sustainable development goals (UN Sustainable Development Goals) and transition toward the low-carbon economy. Thus, we give importance to providing ongoing loan support to environmentally friendly businesses. Further details can be found in the environmental section of this report.

Freedom and Prosperous Retirement in an Aging Society

In early 2023, TISCO launched the Mastery Model, a program developed by TISCO Bank as a tool for relationship managers (RMs) to use in retirement planning for customers, assisting in recommend a combination of mutual funds, insurance, and fixed deposits to help customers plan their finances according to their retirement goals, and along with inheritance plan for their descendants. In addition to private investment customers, TISCO Group also has financial consultation channels through the staff of Somwang Ngern Sang Dai, who can likewise provide financial advice and insurance product recommendations.

TISCO's financial advisory services today focus on hybrid advisory, which is a service format that combines the strengths of 'quality personnel' with the use of 'technology' to deliver the greatest benefits to customers. In recommending appropriate product recommendations, TISCO Group supports employees to develop thorough understanding from the customer's perspectives with consideration to the aim of developing financial security and long-term prosperity, along with the important risks of each individual, covering the following:

- **Financial:** To ensure that the future finances of customers follow plans without disruption due to unexpected events
- **Assets:** To ensure that the assets built by customers are protected and always remain with them
- **Debts:** To ensure that debt burdens will not fall upon beloved family members
- **Health:** An essential foundation for living and akin to assets for protecting against the 3 risks above

TISCO believes that the cooperation between technologies and personnel has enabled TISCO to develop insights into customers and successfully assess risks to be able to create protections for customers, enabling them and their families to be able to live quality lives, while at the same time build trust and connect with customers on a deeper level to create the best advisory effectiveness and the greatest meaning to customers.

Another distinguishing characteristic that indicates our status as a leading advisory house lies in our efficient communication with customers and the public. TISCO often puts out knowledge and data about investment planning, products, debt management and a variety of services through different communication channels such as via marketing personnel, branch personnel, customer contact center, the Bank's website, and the website of each of the business units in TISCO Group, in order to give customers access to the important and useful information. Additionally, TISCO Group gives importance to communication through online channels such as the LINE Official Account, TISCO Facebook fan page and YouTube channel TISCO Fund(s) Station. These serve as media for delivering financial-planning knowledge, news updates, and lifestyle content to each group of TISCO Group's customers. Via these channels, TISCO Group has also presented new products and services, answered inquiries and provided information to customers on the basis of two-way communication. A variety of communication channels to provide product/service information aims to ensure that customers can access key information quickly. When they have enquiries, customers can contact TISCO marketing staff, branch staff, the Contact Center, social media, TISCO Bank's website or the website of any of TISCO Group's business units. In 2023, we found no complaint in relation to non-compliance with marketing communication.



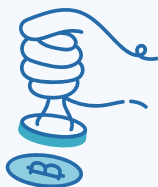
Leader in Provident Fund Management

Since the company's founding in year 1969, TISCO has recognized the importance of financial security after retirement and how to help the population grow together with the business and economic sectors of Thailand. This has led to the initiative and drive to establish provident funds. Accordingly, TISCO focuses on managing provident funds to create maximum long-term benefits for fund members in addition to delivering service quality excellence with continuous and modern technological developments. This has enabled us to maintain our leadership status in the financial sector in a rapidly changing environment and able to fully cater to the needs of our customers. As a result, TISCO continues to be the number one leading provident fund management company that is trusted by employers in the country up to the present day. In 2023, TISCO Asset Management received 2 awards from 2 leading institutions, namely, Best of the Best Awards — Thailand Best Pension Fund Manager from Asia Asset Management, and the Decade of Excellence Provident Fund Management Award for the 6th consecutive year from the Global Banking and Finance Review, thus guaranteeing our number 1 leadership status through our ability to consistently maintain excellent returns.



The first provident fund management company with over **54 years of experience and expertise**

One of the companies with the highest assets under management, with the size of provident funds under our management totaling **over 262,000 million baht**



Most trusted by customers in fund management, over 5,200 employer companies with **over 573,000 members**

Data from the Association of Investment Management Companies as of 31 December 2023.

TISCOASSET – Sustainable Investment

TISCOASSET focuses on operating business in a responsible investment approach by incorporating environmental, social, and governance factors (ESG) as part of investment and decision-making in order to mitigate negative impacts as well as to contribute positive social outcomes.



TISCOASSET still applies the "Universal Investor" concept for the firm's investment management, with the belief that a good economic outlook, will lead to higher investment portfolio values in the future with appropriate risk diversification, not only focusing on individual company or industry profits, but also focusing on Impact Investing, an investment that generates returns and has a positive impact on the world and society.

Shared value represents the coming together of market potential, societal demands and policy action to create a more sustainable and inclusive path to economic growth, prosperity and well-being. The SDGs provide an opportunity for companies to create value for both their business and society through:

As an asset manager, we incorporate these goals to our investment decision as part of a diversified portfolio as well as to meet demands of impact investors. SDGs seem fit with provident fund's mandate, whose investment horizon is long term in nature. So do the value creation by investee companies. TISCOASSET adopt good practice principles, policies, and frameworks to guide business transactions and investments, price assets reflecting ESG risks and opportunities and be an active owner. Here are examples of opportunities for shared value for each goal as follows:

SUSTAINABLE DEVELOPMENT GOALS

- Developing products and services, including technologies and distributions accessible by low-income consumers;
- Improving in supply chains which are ethical, inclusive, resource-efficient and resilient;
- Improving skills, opportunities well-being and hence productivity of employees, contractors and suppliers;
- Investing in environmental-friendly infrastructure projects.



Source: United Nations Global Compact, KPMG International

■ **SDG 1: No Poverty – End poverty in all its forms everywhere**

- Encourage investee companies to create jobs for local communities through their value chain;
- Innovate to develop new investment products (e.g. micro-credit, micro-saving or micro-insurance), services or platforms accessible by everyone equally.

■ **SDG 2: Zero Hunger – End hunger, achieve food security and improved nutrition and promote sustainable agriculture**

- Focus on investments, both in primary and secondary markets, and financial products/services that do not violate human and land rights, contribute to food price volatility, or encourage speculative trading in food commodities.

■ **SDG 3: Good Health and Well-Being – Ensure healthy lives and promote well-being for all at all ages**

- Provide and/or raise capital for investment in healthcare institutions;
- Encourage investee companies to support healthy employees, families, communities and nations by ensuring healthy and safe work environments.

■ **SDG 4: Quality Education – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

- Collaborate with development financial institutions and governments to raise and/or invest in innovative financing for education projects;
- Expand access and use of personal savings and loan products to help families plan for and finance education costs.

■ **SDG 5: Gender Equality – Achieve gender equality and empower all women and girls**

- Encourage investee companies to increase the share of women on company's boards and senior roles, and invest in policies and programs which support women in the workplace.

■ **SDG 6: Clean Water and Sanitation – Ensure availability and sustainable management of water and sanitation for all**

- Consider water risks as part of investment evaluation criteria and stimulate the adoption of priced externalities in financial statements to show environmental and social impacts and societal value creation;
- Engage with investee companies with high water consumption to reduce their own and their suppliers' water usage and to avoid releasing effluent.

■ **SDG 7: Affordable and Clean Energy – Ensure access to affordable, reliable, sustainable and modern energy for all**

- Invest in, and raise capital for, renewable energy developments such as wind farms and solar power projects to accelerate the transition to an inclusive low-carbon economy;
- Engage with investee companies to disclose their environmental impacts regarding to their business operations, and to reduce their environmental footprint and decouple growth from energy use.

■ **SDG 8: Decent Work and Economic Growth – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

- Work with key stakeholders as well as investee companies to develop practical solutions to promote decent works in the organization.

SDG 9: Industry, Innovation and Infrastructure – Build resilient infrastructure, promote inclusive and sustainable industrialization and, foster innovation

- Invest in, and raise capital for, transportation, renewable energy and communications infrastructure to contribute to the development of resilient cities;
- Ensure infrastructure projects invested are aligned with the environmental-friendly initiatives.

SDG 10: Reduced Inequalities – Reduce inequality within and among countries

- Encourage investee companies to build the awareness on diversity and equality issues in the workplace as well as along the value chain.

SDG 11: Sustainable Cities and Communities – Make cities and human settlements inclusive, safe, resilient and sustainable

- Collaborate with city or community stakeholders to analyze and increase the resilience of interdependent systems, such as transport infrastructure and utilities, which underpin resilience of individual assets.

SDG 12: Responsible Consumption and Production – Ensure sustainable consumption and production patterns

- Encourage investee companies to utilize ideas from the circular economy to create new business opportunities which enable them to use less raw materials, produce less waste and, operate more cost-effectively through recycling.



SDG 13: Climate Action – Take urgent action to combat climate change and its impact

- Invest in, and raise capital for, climate risk mitigation, climate resilience and climate adaptation including climate and green bonds, and other debt and equity instruments;
- Integrate climate risks into investment analysis and decision making;
- Evaluate and encourage investee companies to evaluate the risk of “stranded assets” and consider global exposure limits or divestment across industry segments such as fossil fuel energy generation, coal mining, coal transportation infrastructure and unconventional oil extraction.

SDG 14: Life below Water – Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- Adopt position statements, guidelines and policies which drive sustainability within clients and investee companies regarding to the blue economy concept, the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs while preserving the health of ocean system.

SDG 15: Life on Land – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss

- Share data, research, and tools to increase understanding of the dynamics and value of ecosystem services to send an economic signal for increased investment in the protection and restoration of natural habitats which will in turn reduce investment risks.

SDG 16: Peace, Justice and Strong Institutions –

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

- Collaborate with other institutional investors on emerging or controversial issues to promote responsible business in high-risk areas, ensuring investee companies see a clear correlation between responsible business and availability and pricing of capital.

SDG 17: Partnerships for the Goals – Strengthen the means of implementation and revitalize the global partnership for sustainable development

- Strengthen the link between investee companies and societal value creation and align the organization's value creation strategy to the Sustainable Development Goals;
- Adopt good practices principles and guidelines which better align business practices with the SDGs;
- Engage in multi-stakeholder initiatives advancing sustainable development.

Three-Step Approach to Incorporate SDG Outcomes in Fundamental Equity:

Step

1

Identify Material Issues:

The fund managers start by assessing the critical factors that are important to the stakeholders, communities in which the company is operating, and broader society. Then prioritize those factors and set a goal to achieve for the specified investment period, taking into account the nature of each entities' business operation. Nevertheless, the fund manager has a responsibility for the engagement process to ensure continuity of the entity's sustainability practices and goals in the future.

After completing Step 1, fund managers will have a smaller investment universe to be invested in order to deliver the selected set of SDGs outcomes.

Step

2

Stock Screening:

Fund managers then follow the traditional fundamental research of individual companies.

Step

3

Portfolio Construction and Risk Analysis:

Fund manager will construct and maintain the portfolio according to the strategic investment plan, with consideration of long-term vision and sustainable development goals.

From the integration of Sustainable Development Goals into an investment analysis and fund construct process, as a result, the funds under TISCO Asset Management have received the Morningstar Sustainability Rating, which is a measure of how well the securities held by the fund are operating in terms of environmental, social, and governance, ranging from 1 to 5 globes, with the 5-globe ratings is the highest level with the lowest ESG risk compared to funds in its peers. 11 funds under the management of Asset Management TISCO, both domestic and international, has been rated at the 5 Globe level, such as TISCO ESG, TISCO Dividend Select Equity, TISCO Thai Equity Trigger, US Technology, etc., and another 33 funds also has been rated at the 4 Globe level, which is still considered a low ESG risk fund,

TISCO ESG Investment Fund – TISESG

With a belief that good management of sustainability issues is an important foundation that affecting long-term sustainability of a company, since 2015, TISCO Asset Management has established TISESG Fund with the aim of generating consistently and stable good returns in the long run, using the investment analysis process that considers environmental, social and governance aspects. Over the past 8 years, the fund management policy has changed over time, especially with the rapidly evolving concept of sustainability. At present, fund managers continue to implement socially responsible investment strategies (SRI) and streamline processes through an ESG integration process of analyzing both qualitative and quantitative ESG data with the aim of generating sustainable returns, reducing ESG risks that may occur with the listed company in the investment portfolio.

In 2023, TISCO Asset Management has donated the management fee income of TISCO ESG Investment Fund (TISESG) totaling 694,017.88 baht to 2 agencies, TISCO Charitable Foundation, and Thaipat Institute who will pass the donation on to Foundation for Thai Rural Reconstruction Movement under Royal Patronage (TRRM). Since the establishment of TISESG Fund, TISCO Asset Management has donated fee income from fund management to organizations that contribute to society in total of 8 times, amounting to more than 8,984,645 million baht.



TISCO Thailand ESG Equity Fund – T-THAIESG



From our experience in managing ESG funds, TISCO Asset Management has developed skills in screening stocks that are outstanding in terms of ESG performance. In 2023, TISCO Asset Management welcomes the government's policy to establish the Thai ESG Fund to encourage Thai people to have good savings along with long-term investments in sustainability-oriented businesses. Therefore, TISCO Thailand ESG Equity Fund (T-THAIESG) has been launched to invest in Thai stocks that have been recognized for exceptional sustainability performance. The fund managers applied socially responsible investment strategies (SRI) and streamline processes through an ESG integration process of analyzing

both qualitative and quantitative ESG data with the aim of generating sustainable returns, reducing ESG risks that may occur with the listed company in the investment portfolio.

TISCO Thai Well-Being Equity Fund – TISCOWB

TISCOASSET continues to focus on maintaining the standard of creating sustainable investment opportunities both domestically and internationally for investors through mutual funds. The thematic fund continues to gain traction as they invest in companies based on trends related to ESG factors such as renewable energy — environmentally friendly, investing in utilities — for the better lives of people, hospitals or pharmaceutical companies for health and sickness benefits, or generating income for the community by operating a business that uses local raw materials, etc. At the same time, it is also about raising awareness and understanding the relationship between capital investment and its use in order to post a positive impact on those operating businesses.

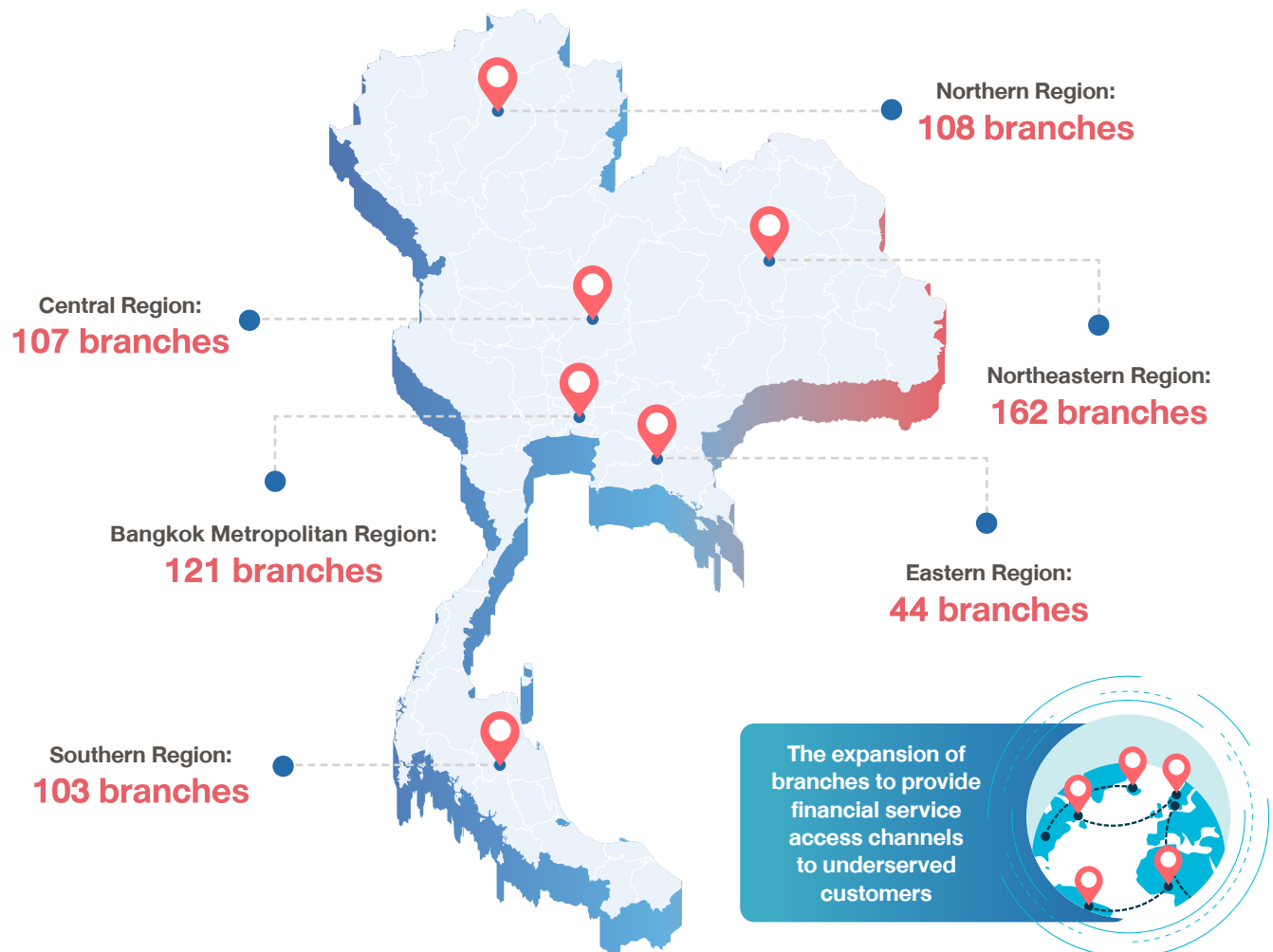
TISCOWB was established in 2019 to provide more options for those interested in investing in companies listed on the Stock Exchange of Thailand, enhancing the Thai people quality of life and playing the dominant role in driving Thailand economy in the future. The fund's main objective is to create a positive social and environmental impact under the concept of "Well-being", while creating a return that takes into account risk-adjusted return in the long run.



Creating Opportunities to Access Financial Products and Services



TISCO Group is dedicated to help uplifting local community and enhancing economies in remote, non-urban areas. In doing so, we comprehensively increase access to financial services through branches, websites, mobile applications, and online media, with emphasis on developing financial products and service channels for low-income individuals, providing reasonable interest rates that match their debt service capability as well as to working capital for business and personal use during emergencies. We have delivered these services through the “Somwang Ngern Sang Dai” brand of Hi-Way Co., Ltd., which is a company in TISCO Group. The expansion of Somwang branches will not only promote financial inclusion, but also promotes local employment, procurement, and resource utilization, which effectively drives the local economy. In 2023, TISCO Group continued to expand Somwang Ngern Sang Dai branches to provide financial product access channels to underserved customers as part of the business strategy of the retail banking segment. The intention is to increase capital availability in rural area, facilitating those in remote communities so that they do not need to travel far. As of 2023, there are 645 branches across the country, divided by region as follows:



With our experience as a financial institute that has growth alongside Thai society through every economic ups and downs, TISCO Group has long recognized the problem of household debts overhang faced by the Thai people. And because this problem continues to worsen without abating, we have guidelines in designing new products or projects to help allow the public to more easily access formal debts such as our “Pao Haeng Chaeng Somwang” campaign in 2023. The campaign aimed to help reduce expenses and alleviate the suffering of customers when the economy still has not fully recovered from the impacts of Covid-19, which caused the people to suffer from reduced income while still facing the same or even greater expenses, especially during the school semester opening seasons, in which parents often have to face greater educational expenses. In order to promote the campaign and encourage customers overcome their life challenges, Somwang Ngern Sang Dai launched a new music video with “Denkhun Ngamnet”, a handsome presenter who has been with the Somwang family for over 5 years, called “Pao Haeng Chaeng Somwang” song, taking catchphrases of the Thai people when they have no money like “Pao Haeng” and creatively adding to a famous tune familiar from the song “Kho Haeng” to share a story about the hard work of the Thai people in an entertaining way while also telling a story about Somwang Ngern Sang Dai, which will stand by customers through every hardship like a friend.



Over the past 11 years, Somwang Ngern Sang Dai, committed to fulfilling its promise of standing alongside Thai society while contributing to creating opportunities to accessing formal financial resources and enable Somwang customers, especially day worker or small-scale merchants, to continue to have a convenient and fast service standard. The customers' support and confidence in Somwang are the driving force of the creation






of our financial products and services to improve the lives of the Thai people.

At present, Somwang Ngern Sang Dai provides title loan services for 2-18 wheelers vehicles, such as cars, motorcycles, pickup trucks, and big bikes. We have developed online channels for initial self-assessment for loan approval and insurance brokerage services, including car insurance, motorcycle insurance, accident insurance, as well as health and disease insurance. Loan cash can be withdrawn from the revolving credit line anywhere without reapply for new loan via both online and offline channels, such as Mobile Application "TISCO My Car", Call Center (TISCO Bank is the service provider) including Somwang Ngern Sang Dai branches throughout the country. At the same time, we focus on developing various digital platforms to offer customers the convenience of being able to access a variety of financial services, such as applying for loans, seeing their approval results, and withdrawing cash. Customers can apply for a loan for personal purposes, professional purposes, or as a reserve for emergency spending without relying on informal loans and access to professional financing with legal interest rates, along with financial advice to help customers know how to prevent and manage their own risks.

In 2023, our loan figures increased from the previous year by 25.6%, while additional loans were released by 16.7%.

Secured Retail Loans under "Somwang Ngern Sang Dai Brand"

Unit: million baht

	2021	2022	2023	Growth Compared to Previous Year
 Secured Retail Loans Outstanding	17,923	22,579	28,345	25.6%
 Newly Extended Credit	10,301	16,339	19,073	16.7%
 Number of Customers	152,539	171,340	197,691	15.4%

Product Designed to Meet Housing Needs with Financial Flexibility

TISCO Mortgage Saver

The Mortgage Saver home loan is a financial product designed to fulfill a customer's various financial management needs. Merging a home loan account with a savings account, the Mortgage Saver product allows for withdrawal of funds in excess of the loan payment amount. Payments from the same account can be made in any amount towards the loan from the same account, without restrictions.



- **Reducing customer burden by centering all activity on the same account**

For wiser account management, Mortgage Saver allows the use of a single bank account. This helps customers pay less interest, allowing them to become a homeowner more quickly.

- **Easier funding, lower interest**

Money from a customer's deposit account can be moved to the home loan account. This not only reduces the interest burden but also enables customers to pay-off the loan with less worry.

- **Funds in a Mortgage Saver account can be withdrawn as liquidity or for spending**

Customers are able to save as much as 50% on their interest expenses by placing their savings in a TISCO Mortgage Saver account, which allows them to pay off the loan in installments that are higher than the amount required. Simultaneously functioning as liquidity, the excess funds can be withdrawn by customers for spending purposes or in case of emergency.

- **24-hour convenience**

Customers may withdraw funds in excess of the amount required to pay-off each installment in cash to cover their expenses 24/7 through our ATMs.

Customers of the TISCO Mortgage Saver home loan enjoy the following benefits:

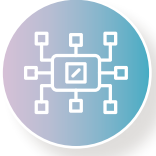
- (1) Reduced interest burden - Customers can become a homeowner more quickly as the interest rate scheme helps reduce both the principal and interest. Advanced loan payment lowers interest and shortens the mortgage period.
- (2) Flexible financial management - Customers can schedule payments to their home loans while away, e.g. traveling abroad or dealing with important business. Any overpayment will be drawn to pay the installment on the due date to help maintain customer credit.
- (3) Superior financial management and the product allows customers to withdraw funds in excess of their installment payment, the account can work as a family reserve or as business working capital in case of emergency. In short, the TISCO Mortgage Saver product offers customers an opportunity to expedite their home loan payments while also allowing access to emergency liquidity.

For more information, please visit: <https://www.tisco.co.th/th/personal/loan/home-loan.html>



For SMEs, TISCO Bank Public Company Limited has participated in various projects with the Thai Credit Guarantee Corporation to support and create opportunities for SME customers and small-scale entrepreneur, allowing them to access capital resources in cases they lack adequate guarantee or security. Accordingly, the Thai Credit Guarantee Corporation provides support through a loan guarantee mechanism to meet current capital requirements at a time when the economy is recovering from the economic crisis caused by Covid-19, since businesses have need for current capital to enhance their liquidity for product investments or store renovations. In 2023, the Bank approved loans for 161 customers or a total loan value of 3,076.32 million baht.

Innovations in the Creation of Digital Financial Products and Services



Changes are rapidly taking place today with technology serving as the catalyst, and they are causing major changes to the lifestyles of customers. Thus, TISCO Group recognizes the importance of adopting innovations and technologies in many areas, ranging from the development of new products and services to innovations that can ensure that work processes occur effectively to meet market needs more quickly, and giving us the ability to adapt to constantly changing circumstances. Furthermore, TISCO Group gives importance to creating lifetime relationships with customers and expanding our base to new customers and supporting public relations communications through marketing media widely, easily and quickly accessible among customers such as the following:

Development of Digital Service Channels

In addition to continuously developing financial products, TISCO Group places great emphasis on customer service and creating exceptional service experiences in an era where satisfaction and access to information are essential to customers, for instance, the use of automated chatbots alongside employees to ensure that customers receive quick and complete information access via LINE Official Account and the Facebook fanpage, giving service users easy access from any location and at any time.

Development of Online Channels

Development and Improvement in 2023

LINE Official Account “TISCO Advisory”

In 2023, TISCO Bank has launched an additional service channel to provide customers with access to holistic financial advisory services, under the theme of Hybrid Advisory, aiming to be a good advisor to customers using technology to enhance services through LINE Official Account. Through this, customers can calculate and make basic tax plans through the TISCO Tax Planner program, inquire about investment information about the funds recommended by TISCO Bank, or open online accounts without requiring customers to travel to branches. Additionally, the TISCO Tax Planner program is also available on TISCO My Wealth application and TISCO Wealth website.



LINE Official Account “Freedom by TISCO PVD”

TISCO Asset Management has expanded upon LINE Official Account to facilitate more than 500,000 provident fund members of TISCO Asset Management in accessing financial services, such as retirement planning and risk assessment to select the most suitable investment options for customers.

LINE Official Account “MEP”

Hi-Way has developed a notification service related to motorcycle hire purchase and motorcycle title loans customers via LINE Official Account, covering automatic notifications about important activities such as due date notifications, loan agreement notifications, special loan condition notifications, etc., in order to increase customer satisfaction and serve as a base for further important activity notifications that will be added in the future.

Furthermore, for retail customers, TISCO Group has also developed tools, such as “TISCO Check Hai Sure” which can be accessed via website and Facebook page, for customers to initially assess their loan limit, allowing customers to know more about their financial capacity and receive consultation from loan personnel before taking loans to ensure appropriate financial planning.

Application Development

For our services to reach more customers, TISCO Group has continuously developed systems or applications to provide services via mobile phones or tablets, in order to enhance service efficiency, and facilitate customers in verifying personal information conveniently and quickly, with the use of self-service, such as the following:

TISCO My Wealth Application

After launching the “TISCO My Wealth” application toward the end of 2021, TISCO Bank focused on continuously improving the functions of the application to provide all-in-one customer service, whether in terms of deposits, investment, or insurance services. Customers can open a mutual fund trading account online via the TISCO My Wealth application, and trade funds from over 14 leading asset management companies immediately, with access to a list of the top mutual funds with outstanding profit-making capabilities as evaluated by experts and news information to help customers’ investments decisions. In addition, toward the end of 2023, we also added a function for purchasing insurance, along with the feature to view portfolios and check the coverage of insurance purchased through TISCO Bank, as well as the function for opening savings accounts, through TISCO My Wealth application. These developments not only provide customers with self-service access without traveling to branches, but also helps improve the environment by reducing paper used in the transactions. Moreover, this also reduces energy consumption from traveling to physical branches. Currently, over 2 million digital transactions are being conducted by the Bank’s customers each year.

Investment Transaction via TISCO My Funds

TISCO Group has continuously developed the service of the TISCO My Funds application to increase the convenience for customers who use the e-Invest service. Customers can open online accounts via the application to buy, sell, and swap the funds of TISCO Asset Management, as well as check their portfolios and transaction status at anytime, anywhere. Additionally, there is also a channel for providing information and investment tips to customers through the LINE Official Account under the name “TISCO My Fund” and YouTube channel under the name “TISCO Fun(d) Station”, which currently has over 13,000 followers.



Hire Purchase Transactions via TISCO My Car

In addition to our investment applications, we also have “TISCO My Car” application for hire purchase and auto title loan services customers. In 2023, over 4 hundred thousand customers used the services of TISCO My Car each month. Our team of developers continuously improves the services and effectiveness of the application to deliver comfort and convenience to customers in accessing data and managing their loan accounts at any place, and time, in addition to receiving news, promotional offers, and special privileges for the Bank’s customers. Moreover, customers can review loan information, outstanding balances, payment history, and vehicle insurance information and receive payment due date notifications and change document delivery addresses. Customers can also make installment payments via QR code or barcode. The application offers electronic delivery services such as receipts and account balance statements, which can **reduce use of paper** and **expense from document preparation processes** by about 1 million baht per month. In addition, we have a plan to reduce expenses by 2,700,000 Baht per month by year 2024. The application also allows hire purchase customers to apply for loans increase through digital channels and to learn about loan approval results and withdraw funds for spending from anywhere.



Process Innovations

In addition to creating various service channels, TISCO Group also recognizes the importance of improving work processes, especially restructuring the basic infrastructure for loan services by relying on technology in development to enable the business to swiftly deliver services while expanding and growing sustainably such as through the following:



Application for Motorcycle Loan Personnel (Checker Tools)

In addition to having applications for customers, “Somwang Ngern Sang Dai” by Hi-Way Co., Ltd. has created an application for loan personnel to be able to work more conveniently. The application can be used via a tablet, assisting then in the loan consideration process. This ensures fast information delivery while reducing work errors and allowing data to be analyzed for more accurate loan approvals. The use of the Checker Tools can reduce error by 94% and reduce paper use in work by as many as 420,000 sheets per year.

Digital Card Development Project (E-Business Card)

From developing and improving work processes for maximum operating efficiency, TISCO Group has found that the process of handing out business cards to customers uses a lot of paper, and these cards need to be made new every year. As a result, TISCO has created an e-business card to allow employees to use it via mobile phone and more conveniently deliver information to customers. Recently, over 1,000 employees used the digital card, and we have a goal to reduce card manufacturing expenses by as much as 100,000 Baht per year after using up all the organization’s stock.

Fostering a Culture of Innovation

In addition to improving service channels, TISCO Group recognizes the importance of creating innovations through ideas and attitudes, through promotion of creative thinking and innovation inside the organization. It is open to employees at all levels to express their opinions, suggestions, and share knowledge with each other through various activities organized within the organization, such as:

TISCO Tech Innovation Experience Day Activity (T2IX Day)

TISCO Tech Innovation Experience is an in-house activity that gives tech professionals the opportunities to demonstrate technologies they are developing, as well as discuss and exchange ideas to create new knowledge and adapt it for greater use in the business. There are also sessions to provide technological knowledge, study case from TISCO Group's operations, and experiences sharing from experts in green software development from a third-party company.



Promoting Creative Thinking in the Organization

To promote creativity and innovations in the organization, TISCO Group held the “Creative Confidence” activity for employees across Thailand, encouraging employees to use creative ideas and develop innovations to improve work processes, either by themselves or collaborating in teams. Everyone was able to present ideas, and up to 3,000 ideas were generated from over 1,000 employees, and these ideas will be used to enhance the services of TISCO Group.

Experience Sharing from Financial Innovations Experts

In 2023, TISCO was honored to be a speaker to share our experiences at the Dev Ocean event held at Connex Sriracha. The presentation was by Mr. Aungkul Aungkulwattanachai (Senior CX Design Officer), who gave a presentation on the topic of “Accelerating Product Development with Innovation” to show that innovations do not always have to come in the form of products but can also be work processes or new business models. In addition, another topic, “Infrastructure as Code”, was presented by Mr. Sintu Bhatharobhas (Head of IT Infrastructure Foundation) to demonstrate the process of creating automated software development infrastructure to improve work efficiency.



Financial Literacy to Promote Financial Discipline in Society



Financial literacy is one of TISCO Group's key commitments, aiming to enhance financial knowledge of customers, business partners, and public in different demographics. TISCO believes that good financial management will lead to good living and that balanced financial planning will reduce risks in life and sustainably create household financial stability.

In 2023, TISCO Group has provided financial literacy to customers, employees, and the public, totaling more than 1 million customers. This indicates positive responses, particularly due to twice as many participants when compared to the previous year. Accordingly, TISCO Group has set a financial literacy target to reach at least 2 million people annually by 2026.

The key idea is that we want to change the attitude that will lead to a change in the behavior of the participants in planning everyday savings and spending, knowing how to make a good financial plan, which will serve as a fundamental armor for protecting them and leading them to their dreams and life stability.



Yuttpong Sriwongjanya

First Executive Vice President, TISCO Financial Group

1 Financial Literacy for Customers

● Wealth and Asset Management

With expertise and understanding of customer needs, TISCO Group shares financial knowledge to customers according to the needs of each group, along with introduction of new products and services through seminars and other activities that provide financial knowledge. TISCO Group believes that once customers are able to manage their finances, they will be able to support the growth of TISCO's business sustainably in the long run. There are various forms of knowledge-sharing activities for customers, including regular financial and investment analysis reports via email, as well as social media such as Facebook, LINE Official Account, and YouTube channel.

In 2023, after the pandemic situation began to improve over the previous year and society transitioned toward the New Normal, TISCO Group combined channels to provide knowledge to customers via online channels and offline seminars, by designing different educational financial topics according to the characteristics and needs of each customer group. This included investments in new and trendy themes, economic analysis and portfolio rebalancing to correspond to ongoing investment situations. Accordingly, most customers remain interested, and about 962,821 people participated in viewing through every channel as follows:

Financial Literacy Program via Seminar and Online Channels	Number of Time (s)	Number of Participants (people)
1. TISCO Securities Company Limited: Private Client Group	211	142,631
2. TISCO Asset Management Company Limited: Mutual Funds & Private Funds Business	126	813,700
3. TISCO Asset Management Company Limited: Provident Fund Business	37	6,490

Example of the Program

1. TISCO Securities Company Limited: Private Client Group

- TISCO Trendy Talk, live every Wednesday
- TISCO Trendy Talk in the morning, live on every business day
- FUND DAY, on every Tuesday at 4:00 p.m.
- New Show in Early 2024: TISCO Trendy Talk this week, on every Monday at 1:15 p.m.



2. TISCO Asset Management Company Limited: Mutual Funds & Private Funds Business

- Market Outlook 2024
- Should you invest in stock dividends during a recession?
- Top Funds list: SSF x RMF 2023
- 3 Years Holding: China vs Vietnam – Which country’s shares are more appealing?



3. TISCO Asset Management Company Limited: Provident Fund Business

- Seminar "Good Life, Happy 55+ Season 8: Health "D" Happy Retirement
- Seminar "Debt-Free with Savings"
- YouTube "PVD Guru: We'll Answer Your Questions" FAQ about provident funds
- Articles such as Smart Retirement Weekly Content, Monthly Fund Manager Update, etc.



Retail Customers

Understanding Debt, Year 4 Launched in 2019, this project has educated customers and people interested in loan products about financial threats. In 2023, we summarized the 4th set of knowledge about debts under the topic



สินเชื่อแต่ละประเภท คำนวณดอกเบี้ย ไม่ เหมือนกัน

ดอกเบี้ยคงที่ vs ดอกเบี้ยลดต้นลดดอก ...ต่างกันอย่างไร?

1 ดอกเบี้ยคงที่ (Flat Rate)

...
 $100,000 \times 15\% \times 5 = 75,000$
 รวมต้นเงินต้น 100,000 บาท
รวมดอกเบี้ย 75,000 บาท

2 ดอกเบี้ยลดต้นลดดอก (Effective Rate)

...
 $100,000 - 15\% \times 5 = 87,500$
 รวมต้นเงินต้น 100,000 บาท
รวมดอกเบี้ย 87,500 บาท

เคล็ดลับ "ปลดหนี้" แบบลดต้น

...
 ...
ปลดหนี้ได้เร็วขึ้น

"Did you know that each type of debt calculates interest differently?" in order to develop understanding about how debt interests such as flat rates and effective rates are calculated, as well as correct techniques on how to eliminate debt. Staff at TISCO branches provided knowledge to customers and prospective customers in one-on-one sessions. Moreover, the knowledge was shared online via LINE, Facebook, and websites to promote financial literacy among people. In 2023, 149,922 individuals received knowledge via this project.

Corporate Customers

TISCO Group has a guideline to hold activities to provide financial knowledge to customers' and business partners' organizations, providing financial knowledge while promoting relationships with customers and business partners through fostering happiness within their organizations from having financial freedom. The activities particularly focus on debt management techniques to appropriately apply in their daily living.



As an example of our activities, in 2023 TISCO Group Public Company Limited together with our customers, Thammachart Seafood Retail Co., Ltd., organized a seminar under the topic "Happy with Debt" with the aim of promoting good financial skills among the supervisory personnel of Thammachart Seafood Retail Co., Ltd. The event was attended by 200 participants, and the seminar's contents covered awareness about bad debts, debt burden limits, how to be in debt without bad credit, and techniques on how to quickly eliminate debt.

2 Financial Literacy for Employees

TISCO Group encourages employees to gain all-round financial knowledge and understanding by providing knowledge about personal finances such as debt management, savings planning, preliminary investments, tax planning and management skills to allow knowledge to be used to improve quality of life and financial security. Knowledge was provided in the e-learning format to all employees. In addition, we also have many articles

and programs about financial management that employees can access via TISCO Space (the internal social media). The format of these contents is regular sharing of experience and financial recommendations by senior employees from various departments, covering wide range of topics, including new investments to keep up with current situations, expense planning, etc.

3 Financial Literacy for Communities and Society

TISCO Group believes that opportunities can be created and that creating a "sustainable future" starts with good financial planning. We continuously support and transfer financial knowledge to various groups of people with the goal of seeing Thai people with better quality of life and able to live comfortably in society without suffering from financial problems, which ultimately contributing to the sustainable prosperity of Thai society.



In 2023, TISCO Group signed a cooperation with the National Savings Fund (NSF) to encourage savings and provide financial literacy to Thai people, with the aim of achieving tangible results in creating appropriate financial values, leading to a positive change in personal financial behaviors and increasing saving accounts within NFS. TISCO is the first private sector financial institution to partner with the NSF, and we believe that this partnership will create a ripple effect for the Thai people to pay greater attention to financial planning and expand knowledge broadly in the population more swiftly and effectively. Accordingly, activities will be organized through projects under TISCO Group to educate youths and people in various communities across the country.

3.1 Smart Saving, Smart Spending

This project has given knowledge to local people in the neighborhoods of TISCO Group and its branches nationwide. We created basic short-term personal financial planning courses with main contents covering 3 topics, namely, saving before spending, debt management and financial threats and risks. The project involves a set of activities and quizzes, encouraging participants to answer questions to win souvenirs, to ensure that participants really receive knowledge and understanding in line with the project's objectives. In 2023, the project organized a total of 69 on-site activities in 29 provinces with 5,621 participants.



3.2 TISCO Financial Camp Network Club

TISCO Group remains committed to building on our intention to support schools that participated in TISCO Youth Finance Camps to share knowledge to their community, encouraging schools to establish clubs/gatherings for financial planning and to work to campaign for fiscal discipline to motivate community members to recognize the importance of savings and recording income and expenses to create an armor to protect every family member from crises. In 2023, 20 schools from 15 provinces applied to join the club, with over 57,450 people gained benefits from our knowledge sharing. Examples of success in the TISCO Financial Camp Network Club include Debsirin Chiang Mai School, which participated in camping activities in the first batch in 2013-2014, and subsequently participated every year ever since. The subject of finance has been integrated in the school's 8 learning subjects such as accounting, business human relations and small business operations, public relations and even English, and this led to the development of Debsirin Lan Na Ban Din Coffee Shop, a café that focused on teaching about life experiences, cost and profit management and how to build upon community businesses.



3.3 Somwang for Opportunities' Financial Camp

TISCO Group expanded its financial literacy promotion efforts to university students, working age, and aspiring first-jobbers with the aim to equip them with financial skills and encourage them to start financial planning early in their careers, with promising opportunities to join Hi-way Co., Ltd. at "Somwang Ngern Sang Dai" branches in their local areas. The activity provided internship experience in the microfinancing business with the aims to support TISCO Group's plan to expand its Retail Loan services by training potential sale-forces while also transfer financial knowledge to people in the community, which will ultimately enhance the quality of life of people in the area. In 2023, a total of 126 people participated in the events. From the 1st batch or the pilot batch in 2022 to the 2nd-3rd batch in 2023, 60% of participants were recruited to work with the company.



Examples of Feedback from the Activity Participants

1. The training was packed with financial knowledge and gave opportunities to learn about the financial world in many areas. Although it was a training, it was fun, and now I get a chance to work with Somwang Ngern Sang Dai. What I experienced whether while at the camp, during the internship or during actual work was good and welcoming. "Min Phongthaksin", 2nd batch participant
2. My perspective on finance changed a lot after this camp. From earning money and spending it all away without proper allocation, my planning significantly improved, and I also gained the chance to be an employee of Somwang Ngern Sang Dai. "EX Sathit", 1st batch participant
3. This camp should be continued for generations to come, because it gives people who are looking for jobs and new graduates a great employment opportunity. I was impressed with a lot of things, from the knowledge about financial planning to a chance to make friends from different regions. My life has changed for the better from this camp. "Bell Phonnapha", 1st batch participant

Employee's Quality of Life and Well-being



TISCO Group devotes much attention to human resource management which we consider as the most valuable and important in driving the organization to reach the vision: "Create Opportunities for Lives". We are the organization which grow with quality. We have determined the general policy in human resource that covers every entity to ensure the same standard. TISCO Group also values employee's welfare in the aspect of developing specialty skills, giving benefits and suitable welfare, security, hygienic, working environment and adherence to the principles of treating employee according to TISCO Group's values.

In 2023, as COVID-19 situation gradually improved, TISCO Group has eased restrictions to bring operating conditions back to normal. At the same time, we also dedicate in researching on adapting the working style of the employee both work-from-anywhere and hybrid and maintaining measures for overlapping working hours in order to meet the needs of lifestyle nowadays.

In addition, due to changing economic conditions and rising inflation, TISCO Group recognizes its employees' struggles and has therefore considered

increasing the remuneration to align with the current economic situation. The living allowance and position allowance were also adjusted to help employees through increasing cost of living. Furthermore, TISCO Group has developed an **employee debt relief program**. The debt relief program is aimed to provide employees with a credit line to pay off debt on burdened personal loans, or to alleviate the burden of monthly installments of employees. The retirement loan program is for employees aged 50 years and above to get capital for retirement planning purposes.



TISCO Group continuously has an employee satisfaction survey within the organization every year and operation with the organization's consultants in order to consider the standard of employee welfare to be on the same level with other organizations in the same industry. We continually join Employee Engagement survey which operate by Kincentric (Thailand). In 2023, TISCO Group and Hi-Way Company Limited, were awarded with Kincentric Best Employers once again, illustrated continuous commitment to high standards for employee care.

Indicators	Result (%)			Performance Goals 2023–2025
	2021	2022	2023	
Employee Engagement*	86	87	87	85% or higher
Retention Rate	93.6	93.4	92.4	> 90% or above average
Training Attendance	71	65.2	88.2	80% or higher
E-Learning	100	100	100	100%

Notes: *TISCO Group conducts an Employee Engagement survey every 2 years. The data shown in 2023 is the results of the 2022 survey



Overall Operation

TISCO Group recognizes that supporting employees in learning and self-development, as well as assisting employees to adapt their lifestyle to the situation or environment that affects their living and hygiene will enhance working efficiency, increase employee's working performance, and promote employee's satisfaction and work happiness. In 2023, TISCO Group has an average of 27.97 training hours for each

person per year and training attendance rate of 88.2% (excluding online training which has 100% attendance rate). When considering variables which reflect the employee's satisfaction, it shows that employee retention rate remained at a good level at 92.4%, and affected employee's relationship toward the organization 84.8%.

Employment

TISCO Group promotes career path growth within the organization. TISCO Group's policy emphasizes on the promotion or having in-house recruitment before seeking for candidates from outside organization. Thus, recruitment and selection of candidates focuses on the group of new graduates or in the early stages of career, entering workforce at the beginning level and able to embrace TISCO cultures and values to be ready to grow with TISCO Group.

In 2023, TISCO Group supported the employment of new graduates and those who entering the workforce through the learning and practice programs, which provides opportunities for those who are interested in joining TISCO Group. Such programs includes the TISCO Wealth Academy for undergraduate students and the "Somwang Creates Opportunities Camp", which has been organized since 2022.

TISCO Group promotes diversity and equal treatment of employees. There is no discrimination in recruitment, welfare allocation, progress in career path, employee's retention, and

employee's development. All of the aforementioned are based on the equality and respect for gender diversity, age, education, nationality, ethnicity, skin color, religion, sexual orientation, and disability. We give all employees the opportunity to fully express their opinion and creativity towards work.

In the aspect of improving people with disability's quality of lives, TISCO Group supports employment through Thai Red Cross Society nationwide and Northeast Autistic Aid Center of 50 people with budget of 5,986,000 Baht. In addition, there is a direct employment, which consisted of full-time employees and contract employees of 4 people.

For information on the rate of change of employees and the total number of employees of TISCO Group by age range, gender, and other diversity criteria are as follows:

Criteria Composition Staff		New Hire						Exit					
		2021		2022		2023		2021		2022		2023	
		Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%
Number of Employees		4,879		5,090		5,496		4,879		5,090		5,496	
Change in Number		387	7.93	817	16.05	1,138	20.71	267	5.47	337	6.62	354	6.44
Gender	Male	152	3.12	285	5.60	301	5.48	104	2.13	132	2.59	91	1.66
	Female	235	4.82	532	10.45	837	15.23	163	3.34	205	4.03	263	4.79
Age Range	Age < 30 years	253	5.19	561	11.02	820	14.92	120	2.46	125	2.46	158	2.87
	Age 30-50 years	129	2.64	241	4.73	312	5.68	142	2.91	202	3.97	191	3.48
	Age > 50 years	5	0.10	15	0.29	6	0.11	5	0.10	10	0.20	5	0.09
Work Location	Head Office	185	3.79	431	8.47	346	6.30	111	2.28	199	3.91	174	3.17
	Bangkok and Metropolitan Region	44	0.90	65	1.28	130	2.37	30	0.61	40	0.79	46	0.84
	Provincial Branches	158	3.24	321	6.31	662	12.05	126	2.58	98	1.93	134	2.44

Notes: 1) Number of employees means permanent and contract employees as of the end of reporting period (31 Dec)

2) Number and resignation rate does not include retirement, early retirement, death, not qualified, disclaim, contract termination and termination of all kind.

3) Percentage in the table is calculated against full number of employees in each year.

Total Number of Employees Categorized by Management Level and Business Line

Criteria Composition Staff	2021										2022										2023									
	Position			Business Line				Total (2)	%	Position			Business Line				Total (2)	%	Position			Business Line				Total (2)	%			
	Directors	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate			Directors	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate			Directors	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate					
Total (1)	13	115	4,764	3,150	44	996	689	4,879	100	100	13	114	4,976	3,356	45	977	712	5,090	100	100	13	123	5,373	3,712	52	993	739	5,496	100	
Gender	10	67	1,657	1,154	11	204	355	1,724	35.34	34.52	10	68	1,689	1,179	10	200	368	1,757	34.52	33.93	10	76	1,789	1,248	13	213	391	1,865	33.93	
	3	48	3,107	1,996	33	792	334	3,155	64.66	65.48	3	46	3,287	2,177	35	777	344	3,333	65.48	66.07	3	47	3,584	2,464	39	780	348	3,631	66.07	
Age Range	-	-	1,128	873	10	162	83	1,128	23.12	24.22	-	-	1,233	1,001	10	132	90	1,233	24.22	27.42	-	-	1,507	1,255	13	145	94	1,507	27.42	
	3	53	3,295	2,107	28	710	503	3,348	68.62	67.03	1	50	3,362	2,166	27	712	507	3,412	67.03	64.05	1	50	3,470	2,262	30	707	521	3,520	64.05	
	10	62	341	170	6	124	103	403	8.26	8.75	12	64	381	189	8	133	115	445	8.75	8.53	12	73	396	195	9	141	124	469	8.53	
Nationality	10	115	4,762	3,150	44	994	689	4,877	99.96	99.96	10	114	4,974	3,356	45	975	712	5,088	99.96	99.96	10	123	5,371	3,712	52	991	739	5,494	99.96	
	1	-	1	-	-	1	-	1	0.02	0.02	1	-	1	-	-	1	-	1	0.02	0.02	1	-	1	-	-	1	-	1	0.02	
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	-	-	1	-	-	1	-	1	0.02	0.02	-	-	1	-	-	1	-	1	0.02	0.02	-	-	1	-	-	1	-	1	0.02	

Notes: (1) Number of employees means permanent and contract employees as of the end of reporting period (31 Dec).

(2) Not including directors

(3) In 2023, TISCO Group hired outsourcing security service providers totaling 61 persons.

Remuneration and Welfare

TISCO Group's policy is to offer fair and competitive remuneration. TISCO Group also encourages long-term savings to strengthen the financial health of our employees at retirement age. Details are as follows:

Short-Term Employee Benefits:

These include salary, wages, bonus, all fixed and variable incentives, awards (classified into two categories: (1) remuneration based on duties and responsibilities; and (2) performance-based remuneration) and social security fund.

Post-Employment and Other Long-Term Benefits for Employees:











TISCO Group has a provident fund and offers to match employees' monthly contributions to the fund at the rate of 5%, 10% or 15% of their salary, depending on the choice each employee has made on a voluntary basis.

At TISCO Group, the pay system is based on industry rates with clear scales and job categories to ensure appropriate salaries and keep pace with changing market conditions. Remuneration is determined based on external pay levels as well as internal fairness. TISCO Group placed an importance on integrating technology into the human resource management by improving MY HR application which has additional features for employees to key in the tax deduction for personal income tax calculations (Lor. Yor. 01), giving employees another channel to prepare their annual tax filings. In addition, TISCO Group has developed an HR Chatbot or "Nong Tem Jai" to provide services as a LINE Application. Through this service, employees enjoy greater

convenience in accessing such data as their firm's regulations, welfare, HR process, as well as their personal data including leave information, work time, annual work targets and performance.

In addition, in 2023, TISCO Group changed the method of getting pay slips. Instead of giving out paper slips, the information can be accessed through the system in the form of E-pay Slips to make it more convenient for employees while also reducing the use of paper.

Regarding employee welfare, we offer the following to full-time and contract employees:

TISCO Group Welfare	Welfare by Employment Category	
	Permanent	Contract
 Medical Fee	✓	Welfare for medical expenses in case of COVID treatment 30,000 Baht/1 infection
 Uniform, annual physical checkup and first-aid room	✓	✓
 Compensation Fund	✓	✓
 Life insurance and accident-related medical coverage	✓	(For jobs with frequent outside working)
 Funeral Assistance	✓	✓
 Provident Fund	✓	—
 Financial support for license application for specific professional job	✓	✓
 Loans and funds sourcing for employees such as Car hire purchase benefit, Motorcycle hire purchase benefit, Housing loans or house renovation and repair, Emergency loans and Loans to relieve burden of living	✓	—
 Education Fund	✓	—
 Long Service Rewards	✓	—

In 2023, TISCO Group has adjusted employee welfare to accommodate the rising cost of living and response to employee needs by increased the amount for prescription lenses allowance, as well as increase the employee loans limit, providing home loans, and loans for home renovation and repair.

Besides, TISCO Group allows female employees to take maternity leave of up to 98 days for each pregnancy including holidays during the leave period and still earn salary for no more than 45 days for natural birth and up to 60 days for caesarean delivery. Also, employees may ask to be assigned to another job on a temporary basis either during pregnancy or after childbirth in line with the Children's Rights and Business Principles of the United Nations International Children's Emergency Fund (UNICEF), the UN Global Compact and the Save the Children for the safety of expectant employees and for their children's right to proper upbringing by their mothers.



Statistics on Retention Rate of Employees after Maternity Leave

Maternity Leave Cases	Number of Employees (People)		
	2021	2022	2023
Number of employees with maternity leave rights	3,155	3,333	3,631
Number of employees exercising right of maternity leave	131	125	111
Number of employees returning to work after maternity leave	129	122	108
Number of employees returning to work after maternity leave and continuing to work 12 months thereafter	113	115	115
Return to Work Rate ⁽¹⁾ upon end of maternity leave (%)	98%	98%	97%
Retention Rate ⁽²⁾ post-maternity leave and continuing to work 12 months thereafter (%)	90%	89%	94%

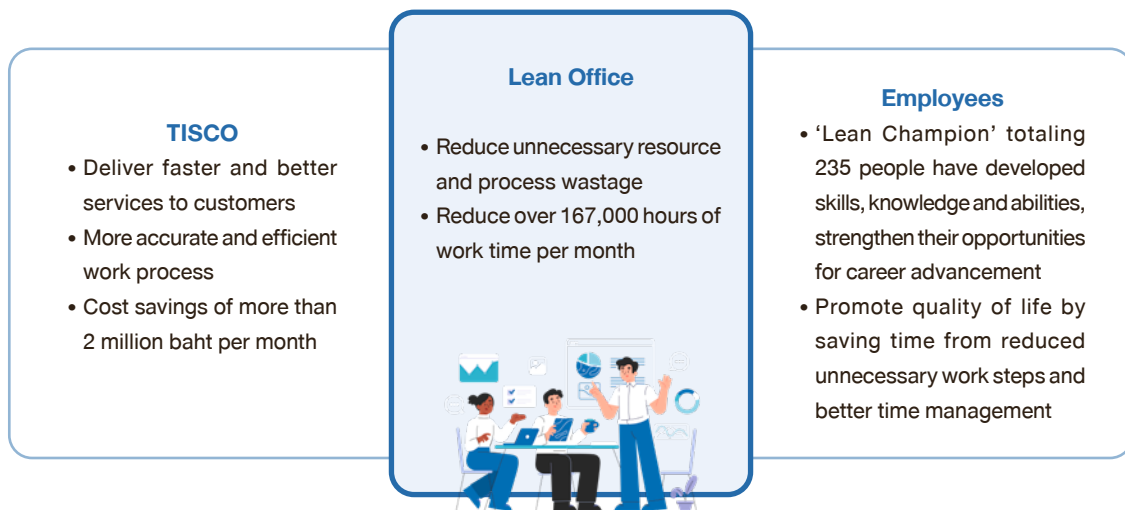
Notes: (1) Return to Work Rate = (number of employees returning to work after maternity leave/number of employees exercising the right to maternity leave) x 100

(2) Retention Rate = (number of employees returning to work upon end of maternity leave for the subsequent 12 months/number of employees back to work when maternity leave ends of the previous reporting period) x 100

Human Resources Development

TISCO Group recognizes the necessary of all level employees' skills development, which is one of the key factors that enhance the organization's ability to effectively deal with challenges and remain competitive in the industry. Therefore, Human Resources Development is defined in 3 aspects: (1) Development of skills and work knowledge, (2) Leadership development program, and (3) Training and revision on basic knowledge. In addition, TISCO Group has improved the Individual Career Development Program (ICDP) for 'Talent' group employees, which includes management level staffs and potential candidates, in order to provide them with a framework or guidelines for developing the capabilities of their subordinates. This program will be extended to other groups of employees in the coming year.

(1) Development of Skills and Work Knowledge to Drive the Business towards a Sustainable Future



TISCO Group is committed to continually developing capabilities of its employees so that they have the skills and knowledge they need in order to work effectively. The company envisioned 2023 as 'TISCO Productivity Year', with a focus on increasing efficiency, to enable employees to work less but still get the same results, or do the same work but get better results.

Lean Office concept and has been trained to all employees across the organization, 89% of employees have considered the waste in their work processes and 62% of employees have improved their work processes. As a result, TISCO Group was able to reduce working time by more than 167,000 hours per month and save more than 2 million baht per month. This initiatives is driven both directly by employee and through the supervisors. Moreover, the 'Lean Champion' group has been created with 235 people from all departments. These people will be responsible for advising, supporting and leading the Lean process in their department to achieve rapid and inclusive change.

In addition, the TISCO Group continues to focus on developing and providing training courses to address the organization's problems and strategies. These trainings encompass the knowledge and skills necessary for work in each business field, both processes and products, to enable employees to perform their duties and provide services correctly according to the procedure and guidelines. The trainings also include the development in terms of knowledge, competence, managerial skills, skills necessary for digital transformation, as well as leadership development for both themselves and their teams.

In order to create a strong and unified organization, TISCO Group remains committed to instilling corporate values and cultures in new employees while regularly organizes extra sessions for current employees, more than 2,000 people, about decision-making tools or framework that could be applied to their day-to-day. These training aim to make employees to feel more purposeful about their work and create a sense of inclusion. Furthermore, TISCO Group also provide addition learning sources for employees, especially investment and banking staff, by collaborating with relevant external agencies such as the Stock Exchange of Thailand or the Thai Bankers' Association. In 2023, a total of 1,157 employees learned new topics from more than 200 courses. TISCO Group also offers non-traditional learning, for instance, Community of Practice, Live and Sharing Sessions, and Showcase Exhibitions such as TISCO Technology and Innovation Day, which showcases technologies and solutions developed by TISCO Group and used or provided services to customers for further increasing efficiency.



(2) Leadership Development Program

TISCO Group places importance on leadership development of all management groups. Thus, the Leadership Development Program is aimed to help them understand the role of leadership and able to adapt to their team works, making the work process resilient to changes and achieving operational goals effectively.

In 2023, the 'Leadership' group, comprised of all management levels, have developed and upgraded knowledge that allows them to develop themselves and their teams on 3 areas:

 <p>Development of work management and team management skills, e.g. Lean Thinking, Career Development, and Coaching</p>	 <p>Modern business knowledge, e.g. Capital Market Journey in the Era of Global Economic Transformation</p>	 <p>Knowledge of Digital Businesses & Security, e.g. Digital Transformation in Financial & Banking, Workplace Collaboration, and Cyber Security in Financial Services & Insurance</p>
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(3) Training and Revision on Basic Knowledge

Apart from knowledge itself that must be upgraded to keep up with the times, learning platforms have also been adapted, for instance, e-learning through Skill's More, TISCOSPACE, Virtual Classroom or hybrid training, or learning through third-party institutional platforms. TISCO regularly reviews and improves its training and development programs as well as ensures learning channels and formats are appropriate, comply with laws and regulations, as well as are consistent to policies and strategic direction of departments and the organization.

Mandatory training is divided into 4 categories:

- 1 Subjects about corporate values, culture, work rules, ethics and employee welfare, etc.: These include Onboarding and Pre-Orientation course and New Employee Capacity Development course, which provided via virtual classrooms or on-site classrooms to make the courses accessible for all new employees.
- 2 Occupational Safety and Health Courses for General Employees and New Employees: Throughout the year, more than 306 employees were educated. In accumulate, 84% of the total employees were trained in this course. Last year's changes have affected training companies to adjust their training courses. The changes were approved during this year and we will resume to provide the course for all new employees as planned.
- 3 Compulsory Test, which is educated and provided the e-learning platform for all employees: These include the courses about Data Classification, Phishing Awareness, Prevention and Suppression of Money Laundering, Anti-Corruption, Risk Management, Sustainable Banking, and Market Conduct.
- 4 Personal finance knowledge such as Debt Management, Savings Planning, and Introduction to Investing, and Tax Planning: These are aimed to provide employees with an understanding of financial related matters as well as developing personal finance skills through e-learning, in order to apply such knowledge to improve their quality of life and increase financial stability.

Average Training Hours

Training Details	2021	2022	2023
Average Training Hours (Hours/Person/Year)	21.77	19.47	27.97
 Average Training Hours by Gender (Hours/Person/Year)			
Male	20.97	18.85	26.41
Female	22.02	19.79	28.26
 Average Training Hours by Position (Hours/Person/Year)			
Management Level ⁽¹⁾	25.59	25.42	38.12
Non-Management Level ⁽²⁾	21.56	19.33	27.74
 Average Training Hours by Business (Hours/Person/Year)			
Retail Banking	22.91	16.93	26.34
Corporate Banking	21.79	11.56	23.47
Wealth and Asset Management	18.81	27.49	24.34
Corporate Support	16.35	20.93	32.14

Notes: (1) Management Level means function-head rank to managerial rank.

(2) Non-management Level means employees under function-head rank.



TISCO

CAPITAL MARKET JOURNEY IN THE ERA OF GLOBAL ECONOMIC TRANSFORMATION

15 MAY 2023
09:30-12:00 AM
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AUDITORIUM FLOOR21

วัตถุประสงค์ เพื่อเสริมสร้างความรู้ทางด้านธุรกิจ ตลอดจนให้สอดคล้องกับการเปลี่ยนแปลงของโลก อีกทั้ง update ความรู้ด้าน capital market

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In addition, to increase the efficiency of personnel development process, TISCO Group has initiated the development of employees to be “Internal Trainers” when implement new training courses so that these trainers can share knowledge within their own departments or transfer knowledge from theirs to other departments. The plan is to have are 12 courses in total, 6 of which started in 2023, including Better Live Stream with Streamyard, Growth Mindset, Overcome All Obstacles with Emotional Intelligence, Design Thinking, Professional Presentation and Train the Trainer. The other 6 planned courses will be implemented in 2024.

Occupational Health and Safety

TISCO Group has formulated Occupational Health, Safety and Environment policy and practices to ensure the safety and well-being of staff and third-party service providers who work on our premises and those in contact with us. This is in compliance with the Occupational Health, Safety, and Environment Act, B.E. 2554 (2011) and the Ministerial Regulation prescribing the Occupational Health, Safety and Environment Management Standards, B.E. 2549 (2006). The Occupational Health, Safety, and Environment Committee has been set up to review the Occupational Health, Safety, and Environment policy and plans as well as off-site safety to prevent and reduce accidents, danger, illness and work-related disturbance or unsafe workplace. The Committee reports and advises on measures or guidelines to improve the Occupational Health, Safety and Environment practices in compliance with the laws and standards. It reviews training projects or plans relating to workplace safety, surveys workplace safety practices, checks accident statistics at least once a month before, reporting the outcome annually, identifies obstacles and problems and offers performance-related advice to the Committee once it has been in office for one full year. The Committee consists of the chairman, who can be the employer or his representative in a managerial position; an employer representative at the supervisory level; an employee representative; a work safety professional; and an employer representative at the supervisory level as both member and secretary. Operational level employees, which consisted of full-time and contract employees and accounted for 97% of the total workforce, are able to participate as a representative in the Occupational Health, Safety and Environment Committee.



TISCO Group realizes that all of employees must understand and cooperate with operational guidelines, following the safe working procedures in order to minimize risks to others and themselves. TISCO requires all new staff to attend accident prevention and workplace safety training in the form of e-learning through the SKILL MORE system. This coursework is one of the conditions for new workers to pass their probation. In addition, accident prevention information is distributed through various channels ranging from HR News, Safety Together, Health Tips, Health Alert and Knowledge Management (KM). Other related activities include ergonomic assessment, workplace risk assessment, and so on.

In 2023, after the COVID-19 pandemic situation has eased. TISCO Group has scaled back measures to return operation to normal while continues to advocate for good personal hygiene by encouraging employees to wear masks when in enclosed spaces such as office buildings, regularly wash hands with soap or alcohol gel, and continuously monitor the epidemic situation. At the same time, TISCO Group still maintains work-from-anywhere and hybrid-working models for some groups of employees, as well as flexible working hours to meet current lifestyles and reduce the risk of commuting on public transportation during peak hours.

Indicators	Result			2023-2026 Goals
	2021	2022	2023	
Number of sick leave (days)	2.4	3.3	3.4	Number of sick leave days is 3 days per year per person
In-patient rate (%)	4.5	5.9	6.7	In-patient rate is no more than 8% per year
Occupational disease rate compared to the previous year* (%)	-	decreased by 2.28	decreased by 16.22	Occupational disease rate decreased or equal to 5% compared with the previous year

Notes: *TISCO Group started evaluating this performance in 2022

Outcome

According to the statistic report about workplace injury and occupational disease, in 2023, there were no workplace-related death.

Occupational Health and Safety Information

Items Unit	January–December 2023					Total for the Group
	By Gender		By Location			
	 Male	 Female	 Head Office	 Bangkok and Metropolitan Region	 Provincial Branches	
Injury Rate (IR) People per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Lost Time Injury Rate (LTIR) People per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Injury Rate (LDIR) Lost days per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Occupational Disease Rate (ODR) People per work hour: 200,000 hours	3.05	1.30	2.65	1.90	0.48	1.91
Absentee Rate: AR %	1.21	1.49	1.62	1.08	1.13	1.40
Number of Sick Leave Days	5,806.00	14,089.00	12,827.00	2,019.00	5,049.00	19,895.00
Working Hours Leave from Illness Unrelated to Work Days X 7.30 hours	42,383.00	102,849.70	93,637.10	14,738.70	36,857.70	145,233.50

- Notes: 1) The number is calculated based on the International Labor Organization (ILO): ILO-OSH 2001 standard.
 2) Lost time injury means any injury that causes at least one day absence (starting from the day of accident)
 3) Lost day injury rate, earlier called "Lost Day Rate"
 4) Work hour calculation is based on employee self-service time record of permanent and contract employees from January–December 2023. Work hours, including overtime working hours, total number of employees resigning during the year, are calculated based on actual work hours during employment period.

TISCO Group cares about our employees and also gives priority to potential threats resulting from trespassing and ill-intentioned violence, which includes theft, protests and demonstration, terrorism, and others. For this reason, we implement safety and space access control measures by classifying space safety and requiring visitors to register when entering the controlled space. Rights and access control are supervised through a control system, including security personnel, warning equipment, and

CCTV. An emergency plan is made for BCM staff and visitors to the TISCO Office to comply with measures to protect life and property and minimize risk.

For the event of a natural disaster so severe that it affects life and work of employees. TISCO Group has considered adjusting the operational requirements and providing assistance measures on a case-by-case basis to alleviate suffering and reduce the risk.

Creating an Organization of Happiness

TISCO Group aims to create a "organization of happiness," emphasizing on employee relationships, knowledge development, creating opportunities for career growth, providing a good working environment, and instilling corporate values. TISCO Group believes that human resources are the most important resource. When employees are happy at work, they can pass that happiness on to the outside society. Moreover, the most important goals is to create good people and talent for TISCO Group.



1

Happiness from good health by promoting employee wellness and fostering balance between happy living and efficient working



In 2023, the COVID-19 pandemic situation has eased. TISCO Group has therefore relaxed various measures to allow employees to return to normal working conditions. However, some groups of employees are still allowed to work from anywhere, and all employees can still choose their working hours according to the time-lapse measures. However, TISCO Group continues to monitor the COVID-19 situation and communicates to employees to be cautious and take care of their health in case of an increasing trend of the epidemic.

For employee health care, TISCO Group provides annual health check-ups so that employees can know their own health so that they can prepare the right health care plan. This includes arranging doctors to come to the head office and Pakin Office so that employees can make appointments for diagnosis and receive health advice from doctors. In addition, lectures were given to employees on health-related topics, such as how to understand their own health check-up results so that employees have guidelines on how to take care of their health properly. These events were held in person while also being live-streamed for branch employees.

In addition, TISCO Healthcare Fair 2023 were organized on 13-15 November 2023 at TISCO Tower, in which leading hospitals that were TISCO Group partners set up booths to

provide health advice to employees as well as information sessions, such as knowledge about cancer, office syndrome, etc.

For mental health care, this year TISCO Group has begun to resume in-person activities for employees to participate in, but at the same time, continues to utilize online channels, which allows branch employees to access information within the organization. There are also 'Open Corner' activities to encouraging employees to meet fellow employees, have continuous discussion and exchange of stories. These activities not only enable them to learn from a friend's experience, but also relieves work tensions and builds relationships within the organizations. In addition, there is also a weekly program to share experiences and knowledge from fellow employees through online channels, both in terms of knowledge and lifestyle.

Financial care is one of the main factors in today's employee lifestyle. TISCO Group is committed to ensuring that employees have as much security and financial independence as possible. Therefore, various policies are in place to promote long-term savings and investments, provide provident fund benefits, and provide loan benefits where necessary, as well as providing personal financial planning education, which included topics about savings, investment, hedging, and debt management, on a regular basis.

2

Happiness from positive work environment with a good working atmosphere, strong management–staff relationships, teamwork, and appreciation for self–worth and others



TISCO Group regularly conducts employee feedback surveys to use data to improve employee care. In 2023, TISCO conducted Employee Satisfaction survey, in which 4,687 employees participated, representing 86.12% of the total workforce. The overall satisfaction score was 84.8%, the same as in 2022, with mostly decent satisfaction levels across all surveyed topics. This results showed the success of driving the organization in a quality way that not only aims to generate business growth, but also focuses on caring for and creating opportunities for employees.

During the year, TISCO Group and Hi-Way Co., Ltd. received the Kincentric Best Employers 2023 Awards, totaling awards received in the last 6 years. Hi-Way Co., Ltd. received Best

Employers Awards 5 times in 2005, 2009, 2019, 2021, and 2023. It was also awarded Best Employers in Asia in 2005 and a Hall of Fame special honor in 2022 in celebration of the 20th anniversary of the Kincentric Best Employers Award. In addition, TISCO Bank has received the Best Employer Award in Thailand in 2013 and TISCO Group has received the award in 2021 and 2023.

As for employee relationship building activities, this year TISCO Group has resumed in-person activities to give employees the opportunity to build good relationships with each other, after the event was suspended during the COVID-19 pandemic. There were activities for employees to participate to make contributing to society, such as forest planting activities,

blood donation, Kathin Ceremony etc. In addition, TISCO Season Fun Fest 2023 was organized in all regions nationwide, with more than 2,100 branch employees participation. These events were aimed to foster relationship among employee by doing fun activities together, and also a good opportunities for the top management to meet branch employees. The average employee satisfaction with the activities is at 88%, in which executive relationship topics were scored at 97%, while colleague relationship topics were scored at 96.4%.



3

Happiness from being part of an organization with a good corporate culture by integrating the corporate core values into the human resource management process



TISCO Group focuses on promoting and carrying on strong corporate values and culture by passing on that culture from seniors to the next generation of employees, in order to create a lasting commitment of employees to the corporate values and culture. New employees are given a direct cultural transfer from their supervisors from the first day of work. Values are integrated into the human resource management process and communicated with employees through activities and training courses, starting with orientation and skills training in various fields, rewarding employees who meet TISCO Group's values and are exemplary employees, and the results of reflecting employee values are measured annually. Employee opinion poll that measures whether employees feel that TISCO Group's corporate culture is strong or if the behavior of the people in the organization is aligned with the values, which scored 86.2%. Other than that, corporate culture and values were also included in the annual employee test. In 2023, 99% of employees understood what kind of behaviors aligned with TISCO Group's values. In addition, the selection of employees for work and the consideration of adjustment of positions have also taken values and corporate culture as the main factors.

We also emphasize on employees communication to enhance recognition and understanding of our corporate values, as well as continuously integrate knowledge of such matters into activities at all levels. New employees will learn about TISCO culture and values through orientation courses, learning how MIRACLE, our corporate values, can be implemented in the workplace. The communications also included interview with outstanding employees, transfer of work experience to achieve organizational values from retired employees, and transmission of desired behaviors from generation to generation, in order to encourage employees to behave in line with corporate values.

In addition to core Value, TISCO Group recognizes the promotion of a culture of growth mindset, adapting to change, daring to think, and daring to act. It's open to everyone to create new ways of working that could make work more efficient, faster, shortened, or more accurate. Technology is used to increase operation capabilities in various fields through the OASIS project, which comprises of open, adaptive, sharing and implement. This year, TISCO Group has continued activities that promote learning and hands-on opportunities for employees,

such as the Open Corner activity, an open channels for exchanging experiences with each other, and the Micro Project contest, a contest project for the creation of new work processes or work process improvement to increase productivity within the organization, which was carried throughout 2023. This gives employees the courage to make adjustments, creating new workflows, and working at full capacity, which makes TISCO Group a strong and sustainable growth organization.

TISCO Group places importance on listening to employees' opinions and providing opportunities for everyone to participate through a variety of channels, both directly and indirectly. We established channels for communication between management and employees, setting up a complaint center "HR Help Line" to be used as a channel for employees to make suggestions, grievances, or send information about any code of conducts violations that they witness, or any irregularities or actions that may be considered corruption, including unfair labor practices. The list of grievances or whistleblowers will be kept confidential in accordance with strict procedures to ensure that employees and all stakeholders are treated with transparency and fairness. All employees can report complaints through the HR Help Line by submitting a letter, email, or telephone call at the number posted on the organization's intranet. In 2023, **there were no complaints from employees in said matters.**

These continuous practices and care of employees according to the aforementioned operational guidelines result in an invaluable and highly experienced workforce. In 2023, 63% of TISCO Group employees has over 5 years of working experience, which reflects the results of the commitment to making TISCO Group a happy organization.



Human Rights Protection



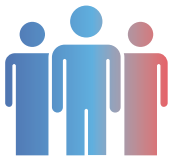
TISCO Group gives importance to taking care of customers, employees, communities, and business partners in order to promote sustainable growth through a thorough Human Rights Due Diligence process, including assessment on impacts that TISCO Group may be responsible for. Hence, TISCO Group has established human rights guidelines to demonstrate responsible and transparent business operations, as well as actively manage human rights impacts that might occur along the TISCO Group's value chain and ensure that everyone was treated fairly and equally. To adhere to authoritative intergovernmental instruments, TISCO Group has adopted the UN Guiding Principles on Business and Human Rights (UNGP) and the UN “Protect Respect and Remedy” (Ruggie Framework) as a guideline on human rights management to ensure a uniform standard across the entire organization.

TISCO Group's human rights management process covers 4 fundamental areas as follows:



1 Rights of Customers

TISCO Group has specified policies and practice guidelines related to the protection of customers' personal data when engage in transactions with TISCO Group to ensure maximum security as required by law and regulations, and that customers are treated equally and fairly. In addition, a channel for receiving complaints and suggestions from customers also established, along with a systematic process to manage complaints received.



2 Rights of Employees

TISCO Group has set up a human resources policy and practice guidelines with regard to workplace harassment, which are in line with international standards on labor rights, human rights, and good labor practices. For instance,

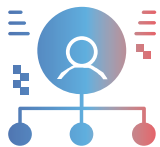
- TISCO Group conducts business with integrity by strictly prohibit the labor of children under the legal age. There are restrictions on hiring only those who have reached the age of majority, except employees with special status, such as projects with academic institutions or internships. TISCO group also conducts business with social responsibility and considered all group of stakeholders, in accordance with good governance principles and TISCO's Code of Conduct.
- TISCO Group promotes diversity and equal labor practices to assure no discrimination, the recruitment process, employee welfare, employee retention, and development opportunities are based on equality and respect for diversity in gender, age, education, nationality, race, color, religion, sexual orientation, and disability, in order to promote inclusivity and foster open communications in the workplace.
- TISCO Group prioritizes professional advancement within the organization. TISCO Group's policy focuses on promotion or transfer from internal personnel whenever there are vacancies before considering recruiting personnel from outside the organization, unless such position requires new area of expertise to fit the ever-changing business landscape.

- TISCO Group maintains a safe work environment that enables employees to have a good quality of life and to be able to perform work without compromising their physical and mental well-being.
- TISCO Group has zero-tolerance to all types of harassment, including undesirable behaviors, exclusion, intimidation, and hostility that disrupt work and affect workplace safety, as well as sexually suggestive behaviors that could affect the victim physically and mentally. Workplace harassments are considered violations of employee code of conduct and may be punishable by dismissal or termination of employment.
- TISCO Group has provided channels for receiving complaints and suggestions from employees, along with appropriate mechanisms to handle and remediate any concerns, through TISCO Group's complaint center or HR Help Line, which is operated according to the complaint management practice guideline of TISCO Group.



3 Human Rights Related to Business Operation

TISCO Group regularly reviews and improves the loan approval policy and responsible lending guidelines, according to the Sustainable Banking principles. Consideration of Environment, Social, and Governance (ESG) topics, including human rights, is incorporated into the loan approval process. The issuance of loans for large projects is also monitored and assessed to determine whether there is a potential association with human rights issues.



4 Human Rights Across the Supply Chain

TISCO Group gives importance to fair treatment of business partners on the condition that both parties agree on when establishing a business relationship. Supplier Code of Conduct had also created to ensure compliance with laws and regulations, TISCO Group's Code of Conduct, and related international standards, and to use as a guideline for business partners when conducting business with TISCO Group. The key contents in the code are as follows:

- Operate business with good governance, based on the principles of accuracy, integrity, honesty and transparency while strictly adhering to laws and international standards on labor rights and labor protection.
- Meet safety and occupational health standards as required by law.
- Comply with relevant environmental laws and regulations and properly address impacts that could arise from their business operations.

Accordingly, in 2023, there were no complaints regarding human rights or discrimination involving employees, customers, and business partners.

TISCO for Society



TISCO Group has accorded great importance to being a good corporate citizen while operating an ethical business. It has therefore supported and helped society, including the underprivileged, with the aim of promoting their development and self-reliance. In addition, it has delivered long-term value to relevant parties through CSR projects and activities, both in process and after process, including support through social enterprises (as process) that work full-time to help the underprivileged, with TISCO Group as main sponsor and its staff volunteering as organizers. The details are as follows:

TISCO Social Initiatives

- Promotion of Financial Literacy
- Community-Friendly Business Network
- Provision of Educational Opportunities
- Support for Public Health & Other Causes
- TISCO Foundation



1. Promotion of Financial Literacy

TISCO Group recognizes the importance of providing financial literacy to society and communities. We believe that financial knowledge and understanding of personal finance is an important factor for the sustainable growth of people in Thai society. TISCO Group regularly organizes financial literacy programs and seminars for customers, employees, and the general public free of charge, selecting important and relevant topics that are applicable to everyday life. Further details can be found on page 67 under the topic Financial Literacy to Build Financial Discipline for Society



2. Community-Friendly Business Network

TISCO Group has supported community products/services or bought products from social enterprises, using their profit for community benefits as part of a community-friendly business network. In collaboration with ThaiPat Institute, TISCO Group has offered communities opportunities to serve as suppliers in the hope of fostering their self-reliance. Community products have been used for TISCO Group's activities on a regular basis. In 2023, for example, TISCO Group bought organic eggs from Tankhun Organic Farm, which is a farmers' group in Nakhon Pathom Province, Tongsirri Farm, an integrated agricultural farm in Suphan Buri Province, BEINDY Country Group Co., Ltd., and Organics and Community Co., Ltd.



3. Provision of Educational Opportunities

TISCO Group has given educational opportunities to children and youth for the purpose of improving Thai citizens' quality and efficiency, as they are the fundamental foundation for Thailand's sustainability-oriented development. The opportunities are given in the forms of scholarships for underprivileged students via TISCO Foundation and school-development grants via the "TISCO Ruamjai" Project, in which one school will be chosen each year to be beneficiary. The improvement of school facilities can help encourage locals to send their children or grandchildren to school in their local areas. The implementation of the project is mainly funded by TISCO Group, along with executives, employees, and other donors. In addition, the project has received donations of construction materials from TPI Polene Public Company Limited and Lighting & Equipment Public Company Limited.



In 2023, TISCO Ruamjai 13 prepared the construction of a school building the Wat Non Sadao School in Moo 4, Banna Subdistrict, Wachirabarami District, Phichit Province, a school with great educational potential but its two building are dilapidated with rundown walls and flooring. Thanks to TISCO Ruamjai 13, the school will get a new two-storey building that features 8 classrooms for its current students as well as new students that will come from nearby school due to merging of students from small schools in the area according to government policy. The construction work, which started in August 2023, was scheduled for completion in March 2024 under the budget of 5,549,000 Baht.



4. Support for Public Health & Other Causes

4.1 Support for Cancer Research & Innovative Therapies: TISCO Group realizes that cancer can happen to anyone, so we have established the Fighting Cancer Project to provide opportunities to cancer patients, supporting research and development of innovative cures for cancer. Since 2015, a portion of the proceeds from the sale of mutual fund products and health insurance products have been donated to the CU Cancer Immunotherapy Fund of Chulalongkorn University's Faculty of Medicine, and the Thai Children Cancer Fund under the Royal Patronage of H.R.H. Princess Soamsawali Krom Muen Suddhanarinatha, Ramathibodi Hospital.



In 2023, a total of 3,000,000 baht has been donated. In addition, together with like-minded partners, customers, and employees, we aim to help cancer patients after treatment to have a better quality of life and live more confidently through 3 activities:

4.1.1 Cut & Care: hair donation to produce genuine wigs and delivered to the National Cancer Institute. TISCO Group covers all expenses and invites business partners, Kiki Beauty Space, to provide free haircuts for volunteered employees

4.1.2 Sewing Cup Sewing Heart: the activity to sew 200 pieces of fabric breast by TISCO Group's volunteered employees and deliver to the National Cancer Institute. The activity was supported by Sabina Public Company Limited, the initiator of the "Sewing Cup Sewing Heart" project, in which they help provide materials and guidance on the correct technique for sewing fabric breasts

4.1.3 Weaving Love, Knitting Hats: hat knitting activities by TISCO Group's volunteered employees to spread happiness and smile, along with boosting confidence for cancer patients suffering from hair loss after receiving treatment

4.2 Blood Donations: TISCO Group has collaborated with the Thai Red Cross Society in conducting blood donation events on a quarterly basis at its headquarters on North Sathorn Road and its branch at Pakin Building on Ratchadaphisek Road. Blood donation events have also taken place at various other branches in support of TISCO Group's goal of donating at least 1,000,000 CC of blood a year. In 2023, TISCO Group's blood donation activities successfully raised 1,029,000 CC of donated blood via 16 events in Bangkok, Khon Kaen, Trang, Phuket, Surat Thani, and Songkhla. The donated blood helped a total of 7,719 patients.



4.3 Somwang Flood Relief: Around the end of 2023, the 3 southern border provinces were facing the heaviest flooding in decades as heavy rainfall continued for several days. This resulted in severe flooding in Narathiwat, Yala, and parts of Pattani province. Thus, Somwang's local branch collaborated with the local administrative agency to help distributed clean drinking water to the flood victims.






In addition, TISCO Group has conducted various other CSR activities in collaboration with its partners. For example, it has supported the operations of the Foundation of the Mentally Retarded of Thailand, the Anandamahidol Foundation, and the Special Olympics Thailand Association.





5. TISCO Foundation

Established as a non-profit organization in 1982, TISCO Foundation has a mission to help and develop society while supporting TISCO Group's business operations. The missions cover 3 areas: scholarships for students, medical-benefit grants for impoverished and disabled patients, and occupational grants for cash-strapped people. Donations to the foundation mainly come from TISCO Group, including its executives, employees, and customers, as well as the public. Receipts issued by TISCO Foundation are tax-deductible pursuant to the Finance Ministry's Announcement No. 135.

Operating Results	1982-2022		2023	
	No. of Grants	Financial Amount	No. of Grants	Financial Amount
 1. Scholarships	160,611	553,322,877.56	10,665	43,370,000.00
 2. Medical-Benefit Grants	1,133	7,210,839.75	33	605,973.75
 3. Occupational Grants	421	4,076,740.80	22	423,824.50
Total	162,165	564,610,458.11	10,720	44,399,798.25

Information as of 31 Dec 2023

TISCO Group has delivered value to society including stakeholders namely shareholders, employees, government agencies, private entities, and communities via its business operations and other activities. For example, TISCO Group has paid out dividends to shareholders, provided welfare to employees, developed its staff, and contributed to community development. In all, its distribution of economic value and wealth to stakeholders in 2023 can be summarized as follows

Direct Economic Value Generated and Distributed 	Amount (million baht) 		
	2021	2022	2023
(1) Direct Economic Value Generated			
● Revenues	21,167.80	20,475.40	23,254.20
(2) Direct Economic Value Distributed			
● Operating Costs)	2,261.70	2,181.80	2,562.70
● Employee Wages and Benefits	5,727.00	6,103.70	6,383.60
● Payments to Providers of Capital	6,924.10	7,467.10	9,459.40
● Payments to Government	2,403.00	2,455.40	3,095.00
● Community Investment	47.20	44.90	41.60
(1)-(2) Economic Value Retained	3,804.80	2,222.50	1,711.90



ENVIRONMENT

TISCO for the Environment



TISCO recognizes the importance of environmental responsibility. Thus, we pay attention to our current and future business operations in parts that related to global climate change. This includes paying attention to the use of resources and energy through risk management and environmental management systems of the Group Companies, contributing to Thailand transition towards sustainable and green economic. In doing so, we refer to the standards for disclosures of financial information related to climate change (Task Force on Climate-related Financial Disclosures: TCFD) covering all 4 basic dimensions as follows:

Governance

Governance and management of risks and opportunities related to climate conditions

1. Board of Directors
2. Governance and Sustainability Committee
3. Risk Oversight Committee
4. Group CEO
5. Sustainable Development Working Team

Risk Management

Processes for risk assessment and identification, and management of risks related to climate conditions

1. Climate Integrated Risk Management System
2. Scenario Analysis
3. Taking Climate Opportunities

Strategy

Impacts of risks and opportunities related to climate conditions on business strategies and financial planning

1. Own Operations
2. Business Portfolio
3. Improving Climate Disclosure

Metrics and Targets

Metrics and targets for assessment and management of risks and opportunities related to climate conditions

Net Zero Emission Target

1. Carbon Neutral Scope 1 and 2 emissions by 2040
2. Net Zero operational greenhouse gas (GHG) Scope 1 and 2 emission by 2050
3. We have also planned to achieve Net Zero GHG Scope 3 by 2065 for financed emissions

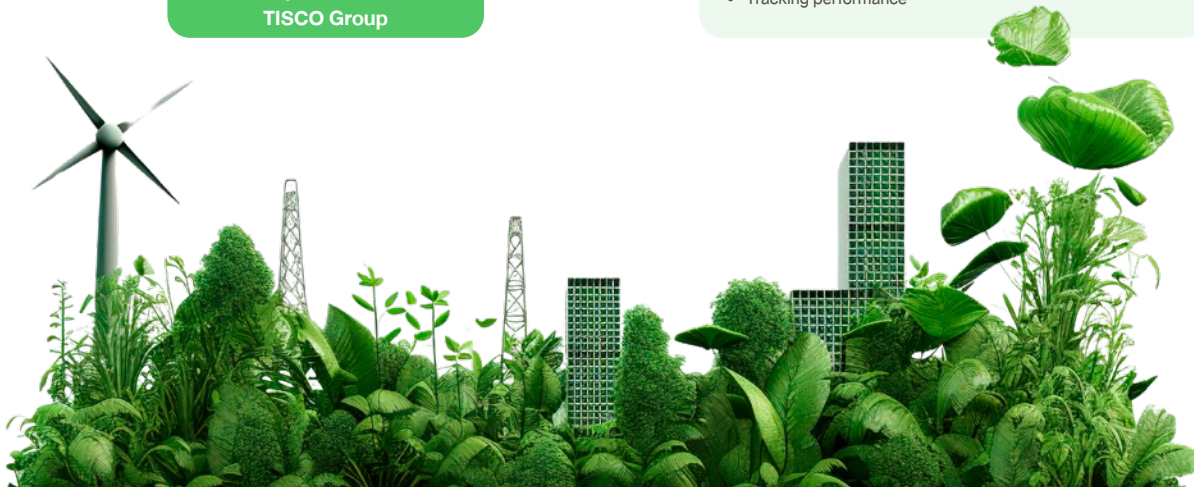


Environmental and Climate Change Oversight



TISCO Group has established an environmental governance structure starting at the Board of Directors level with support from the Governance and Sustainability Committee and the Risk Oversight Committee, to responsible for formulating policies and overseeing operations alignment with principles and standard criteria. In addition, the Chief Executive Officer is responsible for integrating environmental operational strategies into corporate strategies and overseeing management services to achieve goals, while the Executive Committee oversees the management of work plans and activities of each business section, and the Sustainable Development Working Group performs duties formulating plans and activities under the sustainability framework and implementing the plans with all departments.

Environmental and Climate Change Oversight Structure of TISCO Group



To promote efficient energy consumption and environmental conservation, TISCO Group therefore formulates policies to prevent, mitigate, and adapt to the potential impacts of climate change by factoring environmental factors into operational guidelines as follows:

1

Integrating environmental and energy management practices that meet international standards into operations, while to ensure accordance to relevant laws and regulations

2

Incorporating environmental policies into credit approval policies to include environmental risk as one of the factors used for credit consideration, as well as establishing recommendations for credit consideration for industries that involve high environmental risk, ensuring that all projects we support have appropriate environmental management in accordance with relevant laws and standards

3

Committing to environmental and energy conservation by making it the duty and responsibility of all executives and employees to adhere to established policies and guidelines, cooperate in audit process, and report information requested by the Sustainability Development Working Group

4

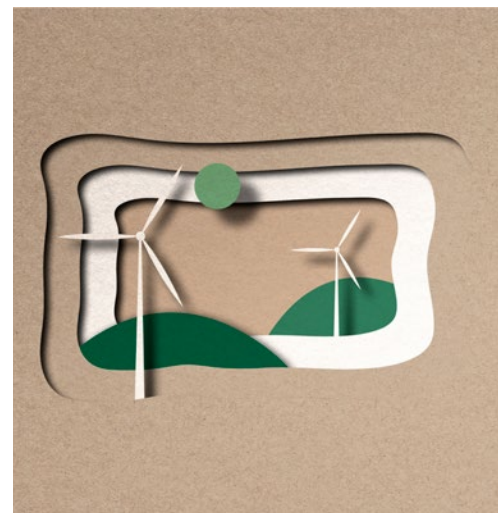
Providing financial services to support environmentally friendly businesses, including energy and biodiversity conservation projects to mitigate climate change impacts

5

Setting clear targets and roadmaps to reduce greenhouse gas emissions, including efficient water management and waste management at the organizational foundation level

6

Raising awareness and increasing participation in reducing greenhouse gas emissions from operations, taken into account sustainability and environmental impact. This includes sharing knowledge both inside and outside the organization



Environmental Strategy



During the transition toward the net zero goal worldwide, it is increasingly important to operate business with consideration to climate change impacts. Hence, giving financial support to businesses that create or receive impacts from the transition is part of the core strategy to which TISCO Group gives priority, including improving tools and internal operations for greater efficiency, reduction of greenhouse gas emissions and appropriate waste management. As such, TISCO Group has set the path for achieving net zero emissions by setting goals in 3 phases as follows:



Goal for Phase 1

Achieve carbon neutrality for Scope 1 and 2 by year 2040

Goal for Phase 2

Achieve net zero greenhouse gas emissions in the operation of TISCO Group in Scope 1 and 2 by year 2050

Goal for Phase 3

Achieve net zero greenhouse gas emissions in Scope 3 in the portfolio of TISCO Group (financed emissions) by year 2065

These goals have been integrated as part of the organization's strategy in line with the sustainability policy. In operating our business, TISCO Group has corporate lending projects for renewable energy such as solar energy businesses and electric vehicle loans. We are also in the process of developing, analyzing and assessing risks, opportunities and impacts from climate change according to the recommendations for Task Force on Climate-Related Financial Disclosures (TCFD) through taking part in training organized by the various agencies of the Sustainable Development Working Group, in order to consistently adhere to the environmental practice guideline and related existing knowledge. On the operational level, TISCO Group has projects to improve electricity efficiency and raises awareness in employees about the thoughtful use of resources and regularly reviews its loan approval policy, considering environmental impact factors. Moreover, we have collaborative projects with trade partners to sustainably develop our supply chain, which were discussed previously in this report.

All in all, TISCO Group has set its environmental information disclosure goal, and in 2023 TISCO Group expanded Scope 1 and 2 emissions disclosures from only the head office building to cover the main operations building, bank branches, and all security company branches, with a goal to disclose information of all operating areas by year 2025, including information disclosures of greenhouse gas emissions under Scope 3 of significant entity in our investment portfolio.

Climate Change Risk Management



TISCO Group has an appropriate risk assessment process with the aim of reducing risks that might impact customers and the organization as well as risk management guidelines under the organization's risk management process in line with the principles of control, oversight and audit (Three Lines of Defense). In doing so, the Board of Directors, the Executive Committee, and responsible agencies are participating to ensure the effective, care, control, and audit of the risk management process.



TISCO Group has begun to develop a climate risk management framework to support the trend of increasingly frequent and severe natural disasters caused by present climate change with consideration to the following:

- Direct physical risk to assets that could lead to direct damage to the operation of TISCO Group through the business sector in the supply chain, for example, floods that resulted in damage to the businesses of TISCO Group customers.
- Indirect risk from the push to transition toward the net zero goal, which will cause long-term impacts from environmental regulation changes especially the transition to being a low-carbon economy, which may impact operating costs or business operations. In any case, these transitions may lead to the development of technologies that enhance business productivity and consumer attitudes that could push for the development of new businesses, all of which can provide business opportunities for TISCO Group.

Climate Risk Management Framework

Risk Identification and Materiality Assessment	Integration into Risk Type Frameworks and Processes	Risk Mitigation	Scenario Analysis and Stress Testing	Risk Metrics, Targets, and Integration in Appetite
<ul style="list-style-type: none"> • Materiality assessment • Group risk identification process • Portfolio and customer classification (including transition risk taxonomy) • Other preliminary environmental risks 	<ul style="list-style-type: none"> • Integration to the existing organization risk management framework and processes: <ul style="list-style-type: none"> • Credit risk • Market risk • Liquidity risk • Non-financial risk 	<ul style="list-style-type: none"> • Reducing the impacts of potential risks by: <ul style="list-style-type: none"> • Accept • Avoid • Transfer • Reduce 	<ul style="list-style-type: none"> • Climate stress test methodology for transition risk and physical risk scenarios • Roadmap for integration of climate risk into internal stress testing framework • Regulatory stress test (credit and market risk) • Liquidity stress test 	<ul style="list-style-type: none"> • Financed emissions and exposure to carbon-related assets • Net zero targets

In assessing climate risk, business groups that need to be prioritized are considered based on the urgency and significance of the impact on stakeholders. The identified risk was integrated into risk management framework and processes according to each risk type

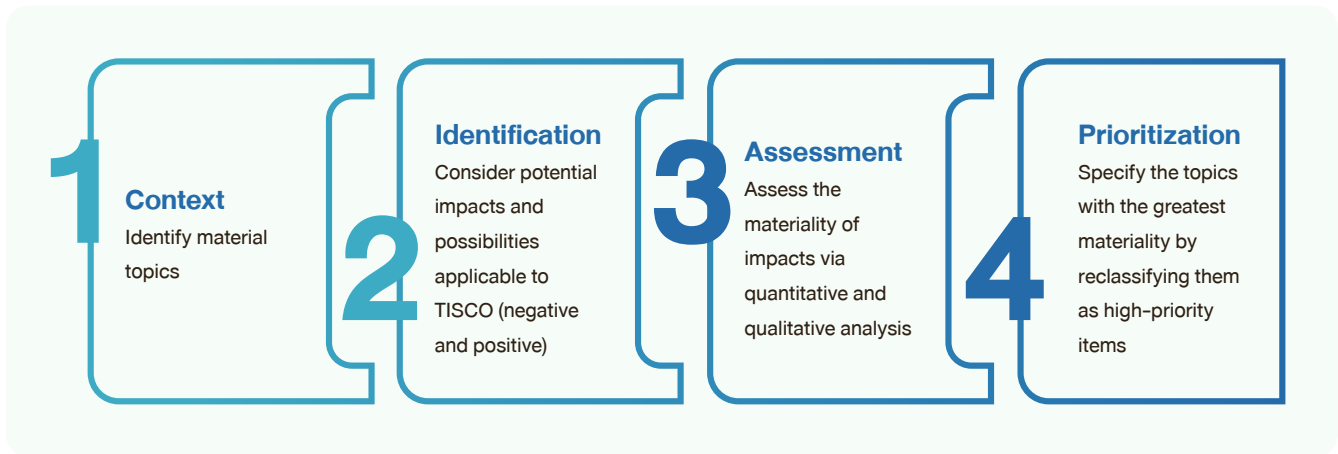
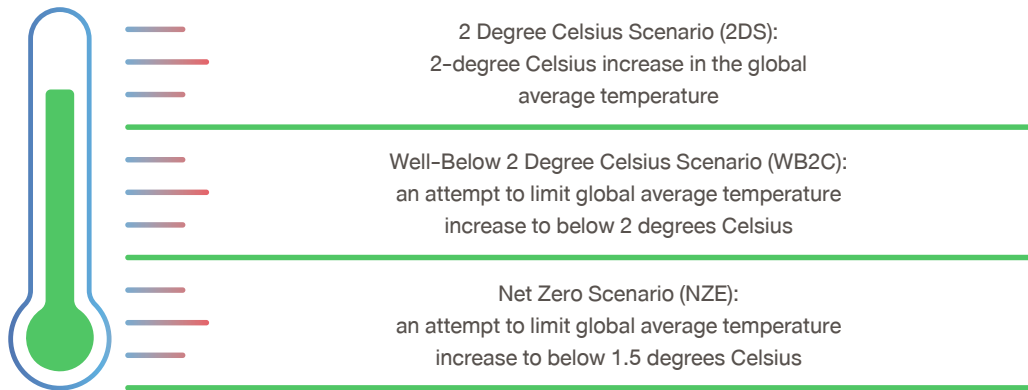
and based on the nature of impacts, including credit risk, market risk, liquidity risk, and non-financial risk such as operation risk, reputation risk, etc. Next, it is necessary to set plans to adapt to or mitigate impacts from such risk, according to set objectives.



Risk Identification and Materiality Assessment

TISCO Group identifies and analyzes risks and opportunities related to climate change that may financially impact TISCO Group by using qualitative analysis through joint discussions involving the internal agencies of the group about possible scenarios, driving factors, and related assumptions, including likelihood and potential impacts from each scenario on customers and the business sector. Then, the information obtained will be selected only for risks and opportunities related to global warming, which are considered material risks and opportunities.

Scenarios, Risks, and Opportunities Related to Climate Change



Starting with identifying the key issues for TISCO Group, emphasizing on economic impacts and environmental impacts that, if they occur, would severely affect TISCO Group or stakeholders, including human rights impacts. Impacts should not be deprioritized simply because it is not material to the financial impact of the organization. Instead, impacts should be considered based on the following:

- Severity of the impact: Consider according to the size, scope, and unpreventable nature of the impacts and also consider the interest of stakeholders
- Likelihood of the impact: Evaluate how probable it is for the impact to occur

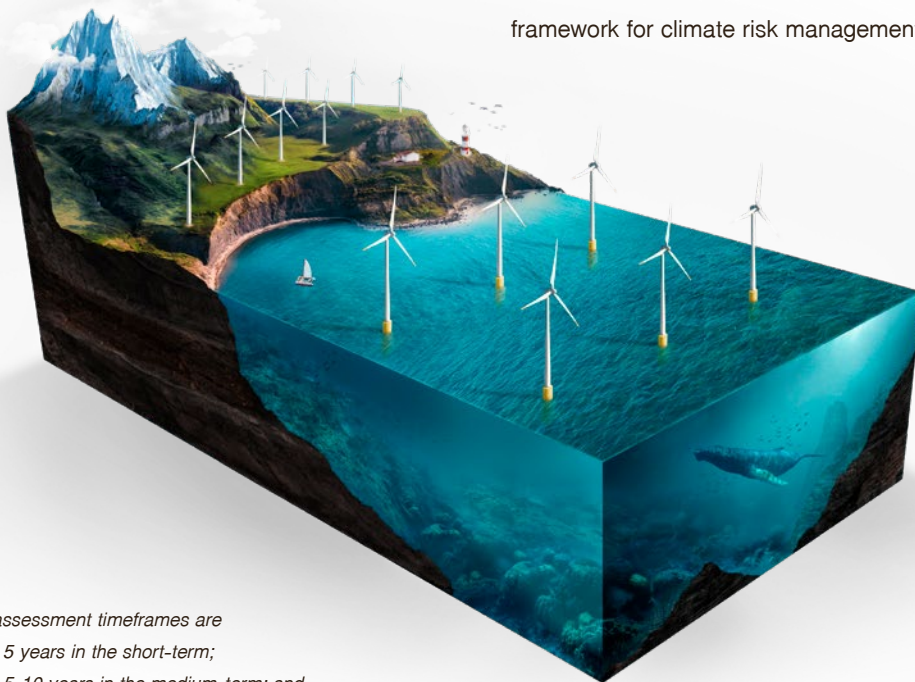


As a result of the priority assessment process, TISCO Group acknowledges the issues and business units that need to be assessed for risks, impacts, and guidelines for controlling risks that may arise from climate change.

Assessments have revealed that acute physical risks could affect operational risk due to potential impacts on systems, data and services from third parties. Nevertheless, TISCO Group specifies and tests its emergency response plans on a regular basis, covering both the head office building and branch offices to serve as preliminary mechanisms for dealing with such risks. Meanwhile, credit risk may also be highly affected due to the impacts on customers' assets and securities, especially from natural disasters such as storms, floods and earthquakes. At the same time, chronic physical risks have affected primarily on the strategic level, such as impacts from the relocation cost for critical infrastructure to avoid damage from the aforementioned scenarios.

As for strategic and credit risk, they are vulnerable to impacts from changes in the economic system (transition risk), which occurs due to new policies that arise from climate change that can impact business operation and lead to loss of income and increased risk of default in customers due to the challenges of adapting to changes in business structure or operation plans.

In conclusion, climate change can impact TISCO Group in the short-term and in the long-term. In the short-term, TISCO Group may be impacted from legal and policy risks, whereby several countries are creating more practice guidelines and requirements such as the carbon tax on goods imports in the European Union and other additional measures being considered by other countries. In the long-term, physical risks such as floods resulting from rising sea levels can also significantly impact the operation of TISCO Group. Therefore, TISCO Group has to perform quantitative assessments to determine the total amount of damage that might occur and prepare plans to accommodate and mitigate these impacts. Currently, TISCO Group is in the process of developing quantitative risk assessment methods to support more comprehensive framework for climate risk management



Notes: The risk assessment timeframes are

- 1) within 5 years in the short-term;*
- 2) within 5-10 years in the medium-term; and*
- 3) over 10 years in the long-term.*

Climate Change Risks and Scenario Analysis

Consideration of the materiality topics from the materiality assessment in 2023 allowed TISCO Group to identify the risk items with the most operational impacts and that are likely to occur in the near future. In addition, we assessed impacts on the Company's portfolio and the overall business operation from the changes by creating assumptions and scenarios.

In the assessment of financial impacts from physical risks, TISCO Group began by assessing the impact from potential increases in bad debts due to floods. The scenarios used for analysis were as follows:

- **Base Case Scenario:** In this scenario, attempts are made to control mean global temperature increase to remain below 2 degrees Celsius when compared to the temperature during the Industrial Revolution.
- **Worst Case Scenario:** In this scenario, there are normal emissions of greenhouse gases (without policies or regulations to control greenhouse gas emissions).



Considering the overall loan portfolio of TISCO Group, most of these loans are domestic loans, so in Thailand context, flood risks are primarily physical risks that can cause significant impacts. Therefore, TISCO Group emphasizes conducting assessments with reference to a study into how natural disaster impact the financial industry (Nie et al., 2023)¹ that demonstrated estimation of negative impacts on banking businesses in different aspects such as damage to the assets of customers and the Bank, business disruption, cost and expenses, which impact the debt repayment capabilities of customers and accelerate defaults that will result in losses to banks, with increasing severity in line with the severity of flood disasters. In addition, we assessed severity based on assumptions about precipitation projections from climate change (Climate Knowledge Portal)² combined with the average amount of precipitation that leads to floods (Theerapong Saovaphak, 1996)³. In doing so, we specified the assessment timeframes to cover the short-term (2023-2030), medium-term (2031-2040), and

long-term (2041-2050). From the consideration of the above components, the level of climate change impact on TISCO Group from climate change is in medium level in the long-term.

As for transition risks, TISCO Group conducted financial impact assessments according to the scenario in which the government releases urgent measures to collect carbon tax to reduce carbon emissions to motivate a reduction in activities contributing to climate change, since this scenario is the most impactful to our operations and has a likelihood of occurring in the short-term following the trend of legal enforcement and drafts of laws in many countries around the world. The scenarios we used in analysis were as follows:

- **Base Case Scenario (Stated Policies Scenario: STEPS):** In this scenario, there are no enforcement of any measures in the short-term, and the government will start to collect carbon tax in the medium-term from year 2040 onward.
- **Worst Case Scenario (Net Zero Emission by 2050 Scenario: NZE):** In this scenario, there will be severe impacts on business due to urgent use of government measures to control environmental impacts by imposing carbon tax guidelines by year 2030.

TISCO Group assessed the financial impacts from the scenario that TISCO Group being required to pay carbon tax in referencing the market price in Singapore⁴. Accordingly, TISCO Group preliminarily assessed the amount of carbon emissions within Scope 1 and 2, so the estimated expense would total approximately 0.4 million baht in the short-term, and this might increase to 6 million baht in the long-term.

The financial impact assessment from climate change based on above scenarios showed that the financial impact from physical risks on non-performing loan (NPL) and transition risk, which could impact operation cost in the short-term and the medium-term, would cause a medium level of impact on the Company's portfolio. Nevertheless, financial impacts may change due to multiple factors such as the difference in geographic, industries, economic activity, and other disaster risks not included in the risk assessment. In any case, TISCO Group will continue to develop methods for analysis and assessment of risks, opportunities and impacts related to climate change under different assumptions to be more comprehensive and accurate as situation changes.



Notes: 1) Nie, O., Regelink, M., & Wang, D., (2023). *Banking Sector Risk in the Aftermath of Climate Change and Environmental-Related Natural Disasters*. World Bank Group, February 2023.

2) *Climate Change Knowledge Portal For Development Practitioners and Policy Makers*. <https://climateknowledgeportal.worldbank.org/country/thailand/climate-data-projections>

3) Theerapong Saovaphak. (1996). *Flood induced rainfall assessment from meteorological satellite data*. https://kukr.lib.ku.ac.th/kukr_es/index.php?/BKN/search_detail/result/214423



4) *Carbon tax*. (2023). National Climate Change Secretariat. <https://www.nccs.gov.sg/singapores-climate-action/mitigation-efforts/carbontax>

Management of Risks and Impacts on TISCO Group's Operations





In addition to the important items requiring attention in the short-term, the materiality assessment process shows risk trends in the long-term and potential preliminary impacts. Thus, TISCO Group has concluded an analysis of climate-related risks that have financial impacts on TISCO Group and prepared mitigation plans as follows:



Physical Risks






Topic	Description of Risk	Possible Impacts on TISCO Group	Mitigation Plan
 Acute Natural Disasters	Droughts and/or floods that increase in severity and frequency Risk timeframe: Short-term to long-term	Damage to the assets of customers and TISCO Group, business disruption, rising operating cost in prevention and remediation, including investment funding in research and development	Regularly review emergency response plan to minimize impacts
 Chronic Natural Disasters	Global temperature increase, weather changes and rising sea level Risk timeframe: Long-term		Establish guidelines for flood risk assessment considering

Transition Risks

Topic	Description of Risk	Possible Impacts on TISCO Group	Mitigation Plan
 Legal and Policy Risk	Non-compliance or violation of legal specifications and risk from increased legal stringency and stricter environmental regulations, such as collection of carbon tax or trade barriers, etc.	Increased operating expenses and depreciation in the value of customers' assets or guarantees due to failure to adapt to regulation changes	Monitor regulation changes and provide knowledge and monitor regulation compliance
 Technology Risk	Technology transition may affect changes in business processes or practices, as well as increased costs to develop technology to keep up with the transition.	Technological changes lead to increased investment or decreased demand for high-carbon goods can impact the revenue of customers and decrease their debt repayment ability.	Monitor news about technological advances and changes in order to understand and assess impacts and make plans for dealing with changes
 Market Risk	Changes in consumer behaviors in which environmental and climate change factors are used in the consideration of product purchases, leading to demand and supply changes.	The changes in consumer behaviors can impact the sales figures of manufacturers that are unable to adapt to changes. The decrease in sales impact the debt repayment capabilities of these debtors.	Monitor market changes and take action to improve financial products and services to be environmentally friendly or to create positive impacts on the environment
 Reputation Risk	Market changes in relations to climate and environmental changes lead to negative attitudes toward businesses that might contribute to climate and environmental changes.	Stakeholders could put pressure on TISCO Group. The case of TISCO Group providing of loan support to businesses that negatively impact climate and the environment could lead to a decrease in customer and investor confidence, which can impact the security and operating revenue of TISCO Group.	Review loans in the exclusion list and set an industrial sector strategies regularly, taking into account greenhouse gas emission control targets

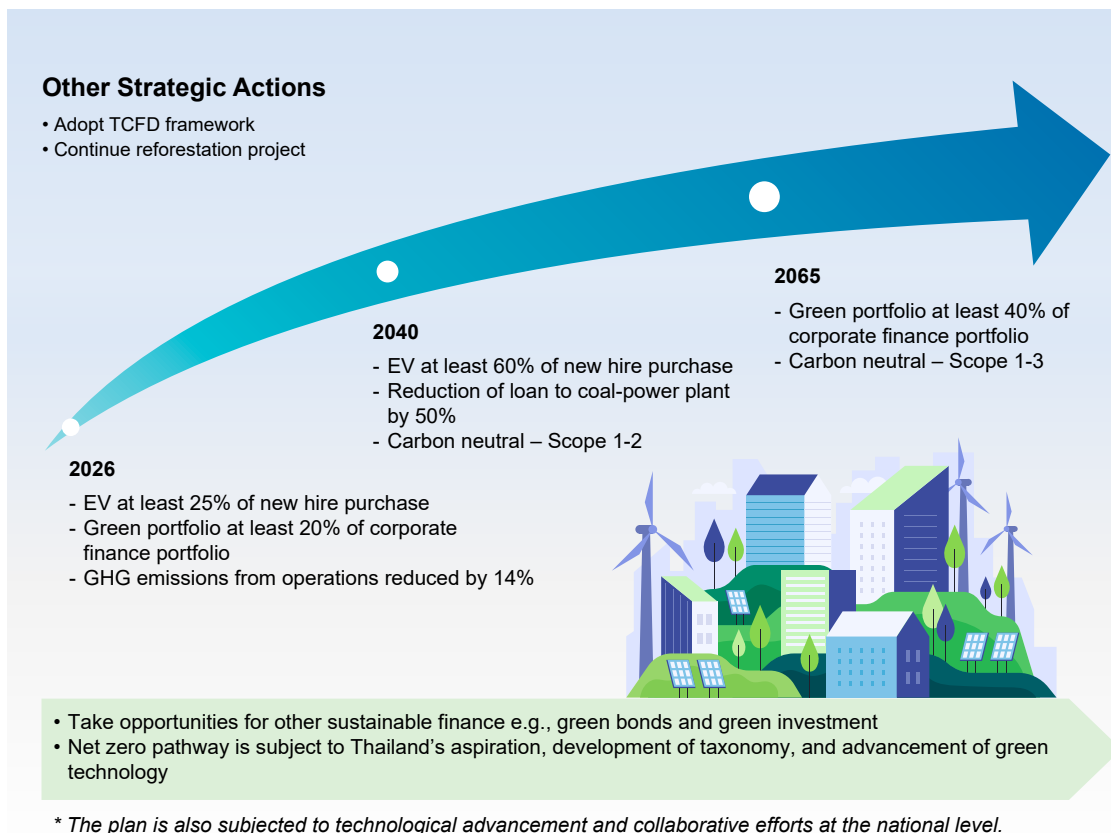


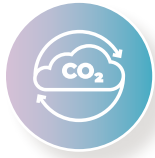
In any case, although climate change leads to business risk, changes in the business sector and awareness about the problem at the present, which this change is leading to business opportunity causing this change to also lead to business opportunity, such as promotion of technologies and innovations that can better meet the changing needs of customers and opportunities for reducing utility expenses. In any case, TISCO Group has identified opportunities and ways to respond to the opportunities as follows:

Opportunities	Description	Business Opportunities or Benefits for TISCO Group	Responses to Opportunities
 <p>Resource Utilization</p>	<p>Use of resources in ways to achieve the best outcomes by reducing loss and increasing productivity such as by using tools and equipment that conserve energy and help reduce greenhouse gas emissions</p>	<p>Reducing operating cost and increased asset value from environmentally friendly business operations</p>	<p>Organizing projects to raise awareness and specify improvement plans for efficient use of energy and resources</p>
 <p>Energy Sources</p>	<p>Use of clean and environmentally friendly energy technologies and cooperate in climate change management</p>	<p>Support for use of technologies that produce clean and environmentally friendly energy such as clean energy transition loans</p>	<p>Set clean energy goals and goals for providing loan support for transition toward cleaner energy</p>
 <p>Products/Services</p>	<p>Development of financial products and services in support of environmentally friendly businesses and expansion of financial services that help reduce climate change impacts</p>	<p>Expand customer base and generate revenue from financial products and services that support environmentally friendly businesses, including customers who need financing</p>	<p>Invent and design new products and services to increase opportunities and options for customers</p>
 <p>Market</p>	<p>Market expansion through support for green finances such as loan for electric vehicles</p>	<p>Building reputation and increasing the market value of TISCO Group</p>	<p>Modify the proportional direction of our portfolio to prioritize environmentally friendly businesses and connected businesses across the entire supply chain</p>
 <p>Adaptability</p>	<p>Timely adaptation to climate change</p>	<p>Building reputation and increasing the market value of TISCO Group</p>	<p>Analyze business risks and opportunities related to climate change and modify business strategies to respond to climate change management</p>

Metrics and Targets

TISCO Group has specified metrics and targets by dividing them into short-term, medium-term, and long-term target. We have specified success metrics in steps and disseminated our targets in order to drive the organization in a consistent direction, from the level of the Board of Directors, executives to related departments. We then monitor performance according to the set objectives. In our business operation, TISCO Group has specified guidelines for supporting and promoting transition toward the green economy through financing, while at the same time achieving net zero of our Scope 3 emissions. For our operations, TISCO Group has integrated environmental impact management into how we conduct business, covering activities that directly contribute to energy or resource utility reduction. In addition, there are also ongoing carbon offsetting activities through annual reforestation projects.





Performance According to Greenhouse Gas Emissions Targets through Portfolio Management



1 Support for Green Economy Transition

TISCO Group supports and promotes the transition to a green economy through our core business operations by providing loan support to businesses that pursue the UN Sustainable Development Goals or the transition to a low-carbon economy. Our important loan types are as follows:

Corporate Loan

TISCO Group supports the green energy sector to promote production and reservation of energy sufficient for the country's consumption while reducing the use of natural resources, minimizing impacts on the environment from use of fuels that pollute nature's ecosystems, and ultimately reducing climate change impacts. Our goal is to become a bank with expertise in providing consultation to renewable energy and alternative energy power plant entrepreneurs.

Accordingly, in approving such loans, we consider the following risk factors:

- Risk from alternative energy power plant construction, the construction period, investment sum and technology of the electricity generation
- Risk from raw materials in the case of a biomass power plants
- Volatility from weather/natural conditions that could affect solar farm projects, hydro power plants and wind power plants
- Effects on surrounding communities both during the construction and after the power plant construction is completed
- Protests from villagers/people at the site that could affect the project's operations



As part of loan approval process, operators are required to submit a project feasibility study that contains technical details and financial estimates audited by an independent expert in the energy sector who has been approved by TISCO. Moreover, it must be demonstrated that raw materials are adequate for the operation of biomass power plants and that weather and natural conditions that may affect solar power plants, hydropower plants and wind energy power plants are within controllable ranges and are not going to severely impact the operations. At the same time, actions must be taken in full compliance with the law when applying for energy business licenses and follow-ups on energy business licenses after project construction, while ensuring that construction progress and costs follow the project milestones and project budgets. All of this is to ensure that the borrower correctly follow the legal procedure for applying for permission to construct power plants and operating correctly according to the law. The borrower must also prove to have ability to pay off the loan according to


the loan repayment schedule. In addition, in cases where complaints are submitted by persons to be impacted from loan authorization, the borrower must provide detailed clarification and show how the conflict will be managed. TISCO will temporarily delay its loan disbursement until the borrower's planned actions to resolve the conflict are approved.

TISCO Group has long provided financial support to large green energy businesses. In 2023, TISCO continuously provided loan support to environmentally friendly businesses while still maintaining good relationships with customers. Moreover, we explored opportunities to meet various financial service needs in groups related to corporate customers, and the values of loan support for energy projects that contribute to environmental impact reduction were as follows: 1) loans for solar energy production and 2) loans for hydropower production totaling 10,759 million baht or 18.23% of all corporate loans and an increase of over 1,400 million baht from 2022.



SME Loan

In addition to corporate loans, TISCO Group also has a goal to provide financial support to SME entrepreneurs who operate environmentally friendly businesses, including entrepreneurs who are preparing for the direction of Thailand's business sector toward the green economy transition, which is a major challenge for small-scale entrepreneurs to adapt to. Thus, TISCO Group has a goal to promote sustainable growth among SMEs via green financing that prioritize supporting projects that have goals in reducing environmental impacts such as 1) electric vehicle (EV) hire purchase; 2) loans for EV manufacturer and distributor; 3) loans for transitioning business to be environmentally friendly; 4) loans for installing solar rooftops and others. In 2023, our loan figures increased by over 1,700 million baht when compared to 2022. The figures for each loan type are as follows:

	Loans Value (million THB)
EV hire purchase for entrepreneurs	39.77
EV business loans	1,324.56
Loans for transitioning business toward environmental friendliness	427.35
Loans for solar rooftop and others	2.78

Retail Loan

The situation of pollution is worsening every day, whether in terms of climate or PM 2.5, which is harmful to health, and the primary factor contributing to air pollution is vehicle exhaust resulting from use of fossil fuel. As a result, vehicles relying on alternative energy sources such as hybrid vehicles and electric vehicles today are gaining popularity. As a result, the number of electric vehicle manufacturers and importers are increasing. TISCO Group recognizes the importance of dealing with the pollution impacts and sees business opportunities during this period of transition. Thus, with our expertise in the hire purchase business and extensive experience in serving our customers, TISCO Group has developed cooperation with trade partners, especially new partners, to design suitable financial products to support customers toward increasing their use of alternative fuel vehicles in order to contribute to decreasing greenhouse gas emissions in Thailand.

Accordingly, in 2023, TISCO Group provided alternative fuel vehicle hire purchase through trade partners by a total of over 22% of all new hire purchase during the year, consisting of loans for 4,135 electric vehicles, or an increase of 3 times when compared to 2022 or 5.42% of the overall figure of newly registered electric vehicles in Thailand.



2

Greenhouse Emissions in the Company’s Portfolio (Scope 3)

Greenhouse gas emissions in the Company’s portfolio (Scope 3, Category 5 “Investment”) is the major emission for finance and banking sector. Therefore, TISCO Group began developing a system for recording and disclosing data to prepare for setting future targets. In 2023, we collected data and preliminary reports about equity-bonds, debentures and vehicle loans by referring to the calculation and data reporting methods of the Partnership for Carbon Accounting Financials (PCAF).

For equity instruments and debentures in which TISCO Group made investments, they can be classified as shares in SETTHSI group, which TISCO Group would calculate carbon emissions by using the direct method through utilizing greenhouse gas emissions data in Scope 1 and 2

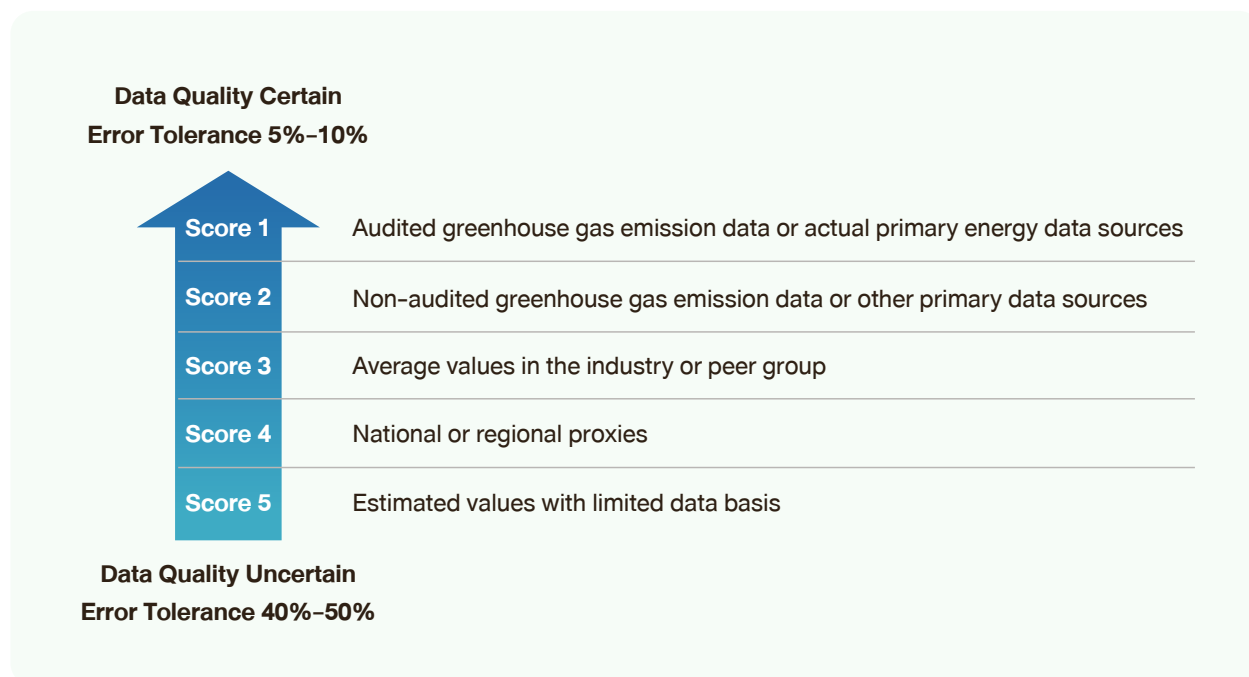
as disclosed in the Bloomberg Terminal, and equity instruments outside of the SETTHSI group and shares outside of the stock exchange, we use the indirect method by using the weighted average greenhouse gas emissions in each industry from the Global Change Data Lab. For vehicle loans, we calculate the average data on vehicle usage each year and the greenhouse gas emissions values of cars and motorcycles.

Calculation of greenhouse gas emissions from the financing that we provide (financed emissions) in each asset class requires information about attribution to the bank and all greenhouse gas emissions of borrowers or financed parties.

Financed Emissions	=	$\sum_i \text{Attribution Factor}_i \times \text{Emissions}_i$ <p style="text-align: right; font-size: small;">(with i = borrower or investee)</p>
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The greenhouse gas emissions data of borrowers or financed parties that are used for calculations may vary in terms of quality due to uses of different assumptions and calculation methods. Accordingly, the Company might not always be able to access high-quality data, so PCAF has set the data quality score to specify the quality of data used to calculate financed emissions. Data quality depends upon assumptions, reliability, and specification of data as well as other potentially influential variables. Data quality scores ranges in level from 1 to 5, in which 5 indicating a high uncertainty in the data used.





Ordinary shares and debentures in the shares listed in SETTHSI, which discloses data on total greenhouse gas emissions in Scope 1 and 2 in the Bloomberg Terminal, have a data quality score of 1, while shares outside of the stock exchange, which are calculated by using the weighted average of greenhouse gas emissions in each industry from the Global Change Data Lab, have a data quality score of 5. Furthermore, vehicle hire purchase loans, which rely on the annual average vehicle usage data and the average greenhouse gas emissions of cars and motorcycles, have a data quality score of 5.

Asset Class	Proportion of Data Disclosure in the Portfolio	Absolute Greenhouse Gas Emissions (tonnes of CO ₂ equivalent)	Data Quality Score**
Equity	100% of ordinary shares	403	4.8
Corporate Bonds	100% of corporate bonds	79	5.0
Car and Motorcycle Hire Purchase	44% of total loans*	383,155	5.0
	Total	383,637	5.0

Notes: *Business loans and others are still in the process of data collection for disclosure.

** Data quality score is calculated according to the financed emissions calculation and reporting standards of PCAF (maximum quality = 1 and minimum quality = 5)

Performance According to Greenhouse Gas Emissions Targets from Operations



TISCO Group gives ongoing importance to greenhouse gas emissions reduction, particularly in Scope 1 and 2, which result directly from the operations of and are under direct control of TISCO Group. In doing so, we have created plans to achieve tangible results as follows:

1. Energy Efficiency

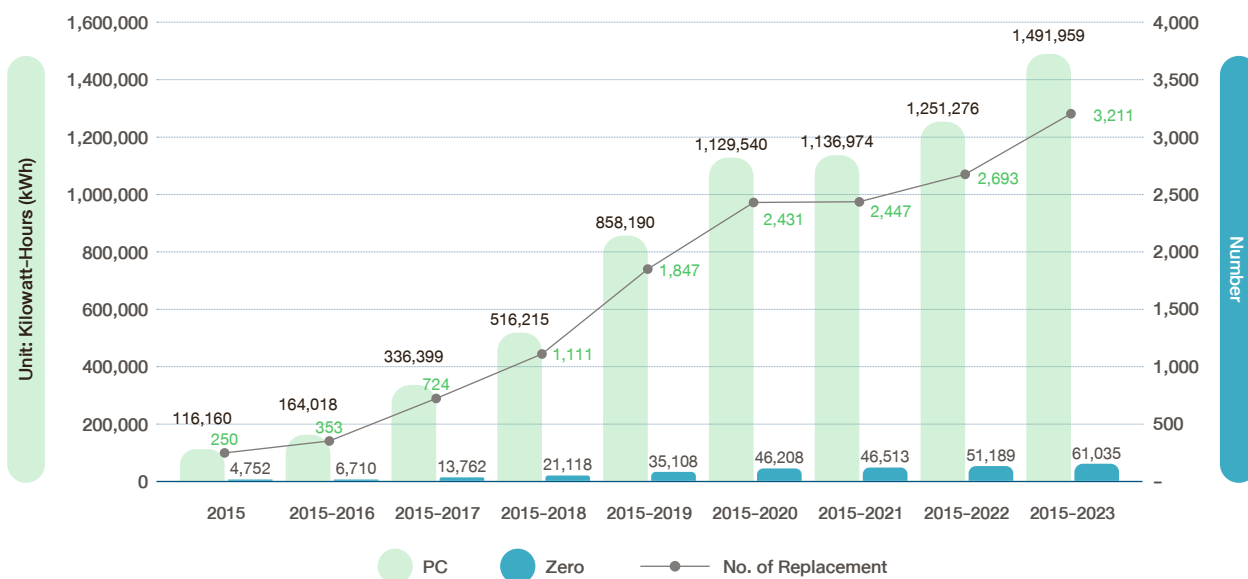
1.1 TISCO Group's management of energy consumption and conservation

Well aware of the importance of energy conservation, TISCO Group has actively promoted and implemented an energy consumption and conservation plan, which not only minimizes our consumption of electricity, but also directly and indirectly reduces impacts from climate change incurred by corporate energy consumption.

TISCO Group has implemented the VDI (Virtual Desktop Infrastructure) project, using virtual computer system to enhance computer performance and energy efficiency. As a result, we have been able to significantly reduce electricity consumption when compared to the use of

personal computers (PCs). Accordingly, it was found that our power consumption decreased from 220 watts per PC to just 9 watts per zero client desktop. This project began to replace computers since 2015 with additional replacements taking place every year. From the start of the project up to 2023, we have replaced a total of 3,211 computers. In 2023, we purchased 518 zero client machines to replace PCs. All 518 zero client machines can be calculated into a cost savings on machines when compared to PC purchases of 6,449,100 baht. From 2015-2023, we were able to reduce our cumulative energy consumption by 1,430,924.35 kilowatt-hours or cumulatively reduced energy consumption by 4,292,773.06 baht. TISCO Group will continue to implement and adjust our plan to replace the PCs with the zero client desktop.

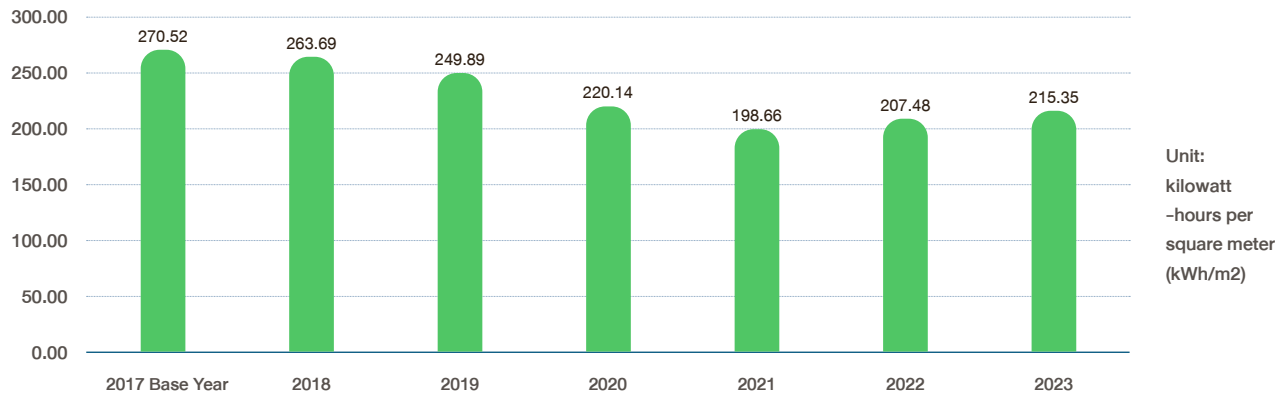
Cumulative Power Consumption Rate of PC Compared to Zero Client





Furthermore, TISCO Group has replaced the lightbulbs in TISCO's buildings with LED bulbs. We also campaign for employees and business partners to use electricity while keeping in mind its value. TISCO Group has a set goal for our electricity consumption in years 2023-2025 to not exceed 250 kilowatt-hours per square meter, and we found that the rate of electricity consumption by companies in TISCO Group that operate inside TISCO Tower was 215.35 kilowatt-hours per square meter, increased by 215,451 kilowatt-hours per year, representing an increase of 3.79% compared to 2022. After the easing of measures of the COVID-19 epidemic situation.

Energy Consumption Rate of All Subsidiaries of TISCO Group Currently Operating inside TISCO Tower Building

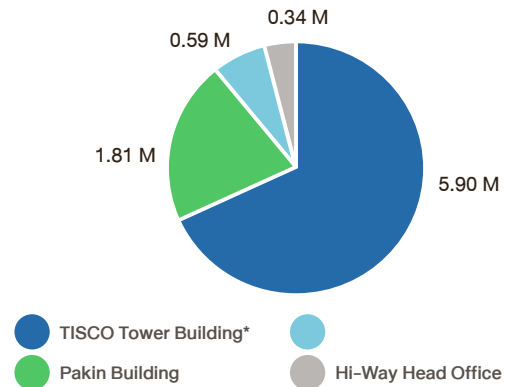


Expansion of the Operating Scope to Cover Every Area

In 2023, TISCO Group began to expand the scope of management and performance monitoring scope. In TISCO Tower, data on the amount of electricity consumption from the cooling water system was also collected for this year. In terms of electricity consumption, the scope of data collection has been expanded to cover all major operating buildings, namely Pakin Building and Hi-Way Head Office, as well as all TISCO branches and we plan to expand the scope to cover all Somwang branches by 2025.

Energy management in other offices and branches will follow the same direction as TISCO Tower, meaning that we will continue to replace the VDI (virtual desktop infrastructure) and LEDs for lighting as well as monitor the use of other electrical equipment. In addition, we plan to install solar panels for bank branches, with a pilot project to start implementing in 9 branches in 2024.

TISCO Branches
Electricity Consumption in 2023 (kWh)

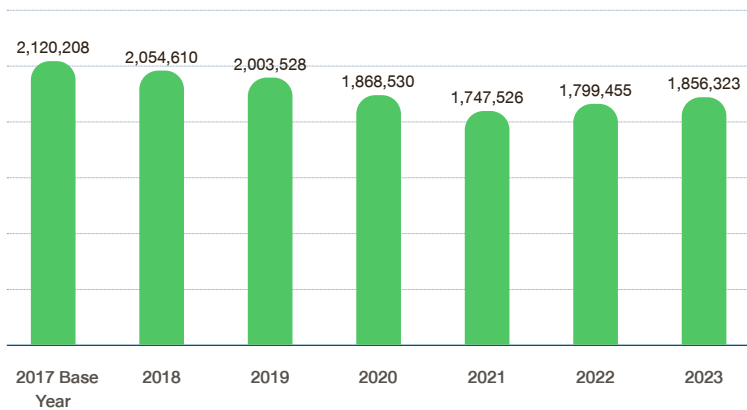


Note: *Not include the electricity consumption of the water-cooling system of 236,130.9 kWh.

1.2 Management of Energy Consumption and Conservation with Partners

In underlining the importance of lower energy consumption and better energy conservation, we take this endeavor to heart by working internally and with our partners. TISCO Group operates an energy conservation project jointly with the juristic person of Yommarat Condominium Building, and the management of TISCO Tower occurs under a policy of the condominium building management and control committee that was appointed by the representatives of co-owners, with a building management guideline in place to continuously give importance to reducing consumption and conserving energy. So far, the condominium juristic person has always been able to manage energy efficiently.

Electricity Consumption in the Common Areas of TISCO Tower



Unit:
kilowatt-
hours (kWh)

In 2023, the total electricity consumption in common areas totaled 1,856,323 kilowatt-hours per year or an increase of 3.2% when compared to year 2022.



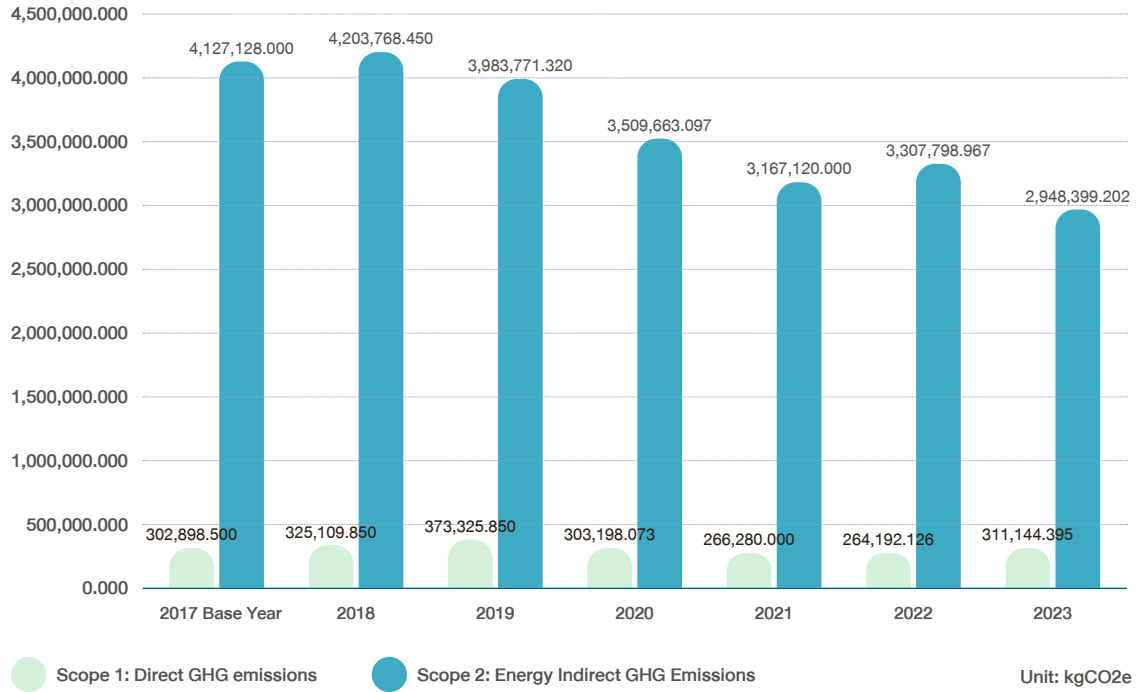
2. Greenhouse Gas Emissions Reduction and Climate Change Management

Climate change is a major issue attracting the attention of the entire world, and all stakeholders are increasingly paying attention to climate change. In terms of greenhouse gas emissions data in Scope 1 and 2, currently, TISCO Group discloses operating data for the Head Office only. However, TISCO Group has begun to collect environmental data from operations in other areas according to our disclosure plan to cover all operating areas by 2025.

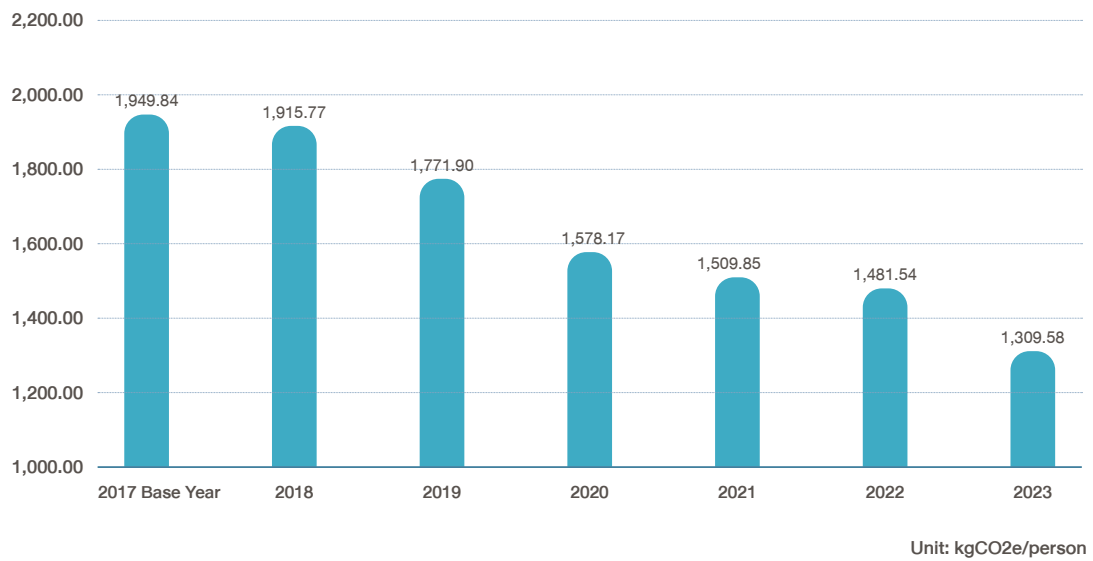
2.1 Greenhouse Gas Emissions Reduction in the Operation of TISCO Tower

In 2023, the total greenhouse gas emissions from the operation of TISCO Tower decreased by 312,447.495 kg.CO₂e (Scope 1 and 2 only) when compared to 2022 or a total reduction of 8.7%, and this is a reduction of 26.4% when compared to 2017 (the base year).

Amounting of Greenhouse Gas Emission from the Operations of Companies in the TISCO Group Located at the TISCO Tower




Average Greenhouse Gas Emissions per Person





2.2 Project with the Stock Exchange of Thailand: Care the Bear: Change the Climate Change by Eco Event

We organized activities to reduce global warming by campaigning for organizations to modify their behaviors to reduce greenhouse gas emission covering both on-site and online activities. These activities included meetings, lectures and seminars and they rely on the 6 Cares principles 1) using public transportation or carpooling; 2) reducing use of paper and plastic from documents and packaging; 3) refrain from using foam for packaging or decorations; 4) reducing electricity consumption or replacing with energy-saving devices; 5) designing decorative materials to make them recyclable; and 6) reducing food waste at events. In doing so, the Stock Exchange of Thailand has created an evaluation form for project members to measure outcomes to create new behaviors in organizations to enhance operating efficiency, reduce expenses and tangibly and sustainably create a good society and environment. In 2023, TISCO Group held 54 eco events and was able to reduce greenhouse gas emission by 724,858.93 tons of CO₂ equivalents or equal to planting of 80,540 trees.

Results of Care the Bear Project	Greenhouse Gas Emissions Reduction (tCO2e)					
	2018	2019	2020	2021	2022	2023
 Events with Reduced Greenhouse Gas Emissions	7.603	4.320	1.232	0.950	25.719	724.859

Other Environmental Performance Outcomes

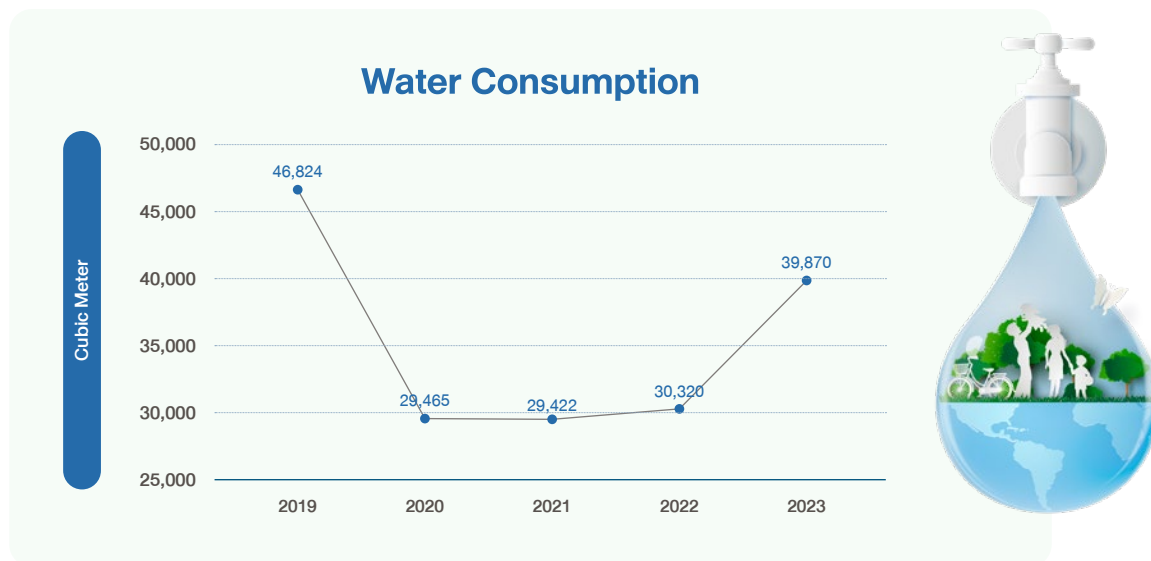
TISCO Group continuously plans and operates according to the sustainable development guidelines and continues to raise awareness in employees for the recognition of the value of resources and the most efficient uses their off in addition to sponsoring environmental conservation activities. In 2023, TISCO Group’s environmental performance according to the Sustainability Development Roadmap was as follows:



1. Water Consumption

TISCO Group advocates for the use of resources in the most worthwhile and beneficial manner. However, due to the Covid-19 situation, using water to frequently clean hands remained necessary for the good hygiene of employees. TISCO Group has set a target to reduce water consumption in 2023–2025 to not exceeding 30,000 cubic metres per year. In 2023, we found that the total water consumption inside TISCO Tower throughout the entire year was 39,870 cubic meters, which exceeded our target and representing an increase of 31% compared to 2022 due to the return to normal operations inside office buildings. In any case, TISCO Group is in the process of considering ways to reduce water consumption. We have a plan to install automatic water faucets in the bathrooms inside the operations building to reduce unnecessary water waste at all main operations buildings such as TISCO Tower, Pakin Building and the Hi-Way Head Office by the end of 2025.

TISCO Group has initiated ways to recycle water inside of office buildings. However, a trial found problems resulting from bacteria and various issues in the cooling water system, so the water recycling project was cancelled. Nevertheless, TISCO still continues to study for other possibilities to help reduce water consumption inside of operations buildings.



2. Waste Management

TISCO Group places an importance to managing waste from the organization’s activities in order to ensure standard management, reduce environmental pollution and promote recycling while developing consciousness and awareness in employees, so they can help push for environmental conservation processes and not only act inside the workplace but also in the daily lives of their families while expanding results to their communities and the environment.

In 2023, TISCO Group took actions according to the following projects:



TISCO Eco Society: We Use, We Sort

TISCO Group continues to pursue environmental projects to achieve sustainable goals in order to change the behaviors of employees and create a culture of resource and environmental conservation in the organization. In doing so, we moved ahead with the “We Use, We Sort” project to expand participation to the condominium juristic person and pushed for stores and communities surrounding our establishment to have awareness about consumption of environmentally friendly products. In addition to creating a foam-free space, we also expanded results to other places of business of TISCO by focusing on campaigning for the change of 3 key behaviors, namely, by 1) carrying cloth bags, 2) sorting trash and

recycling, and 3) sorting food waste. In 2023, our sorting project received excellent cooperation from both employees and building users. This has led to a greenhouse gas emissions reduction of 16.207 tCO₂e or equivalent to planting 1,706 large trees. Moreover, we were able to create additional value from recycled waste, which was delivered to buyers to enter the appropriate disposal and recycling processes, or a total of 14,309 baht of donations to the TISCO Foundation to assist underprivileged people according to our objectives. The greenhouse gas emissions reduction amount was certified by the Thai Greenhouse Gas Management Organization under the Low Emission Support Scheme (LESS).

Certification from Thailand Greenhouse Gas Management Organization	Total Greenhouse Gas Emissions Reduction (tCO ₂ e)				
	2019	2020	2021	2022	2023
1. Lighting Replacements for Greater Efficiency *	204.074	374.681	331.359	0	0
2. Trash Sorting for Recycling	19.761	3.576	20.110	7.667	16.207
Total	223.835	378.257	351.469	7.667	16.207

Note: *TISCO Group has replaced all electric lighting equipment in every office since 2019 and requested certification according to the criteria for 3 consecutive years.



In addition, in order to monitor results and disclose quantitative goals in waste reduction, TISCO Group has created work plans to measure the general amount of waste inside the operation areas, and we expect to be able to implement them by 2024, by starting with our head office building before expanding results to other office buildings and branches.

Care the Whale: Circular Based Waste Management

TISCO Group has been continuously participating in the Care the Whale Project to demonstrate our readiness to join together with others to help reduce global warming and to support and campaign for the recycling of waste from business operations to ensure efficient management while reducing environmental impacts and promoting balance and a circular economy at the source with more substantial results consistently with the TISCO Eco Society project, which has been continuously implemented. In 2023, waste can be transferred to the recycling process 750.30 kilograms through this project. In addition, TISCO Group is collaborating with Osotspa Plc, one of the project members, in glass sorting and management.



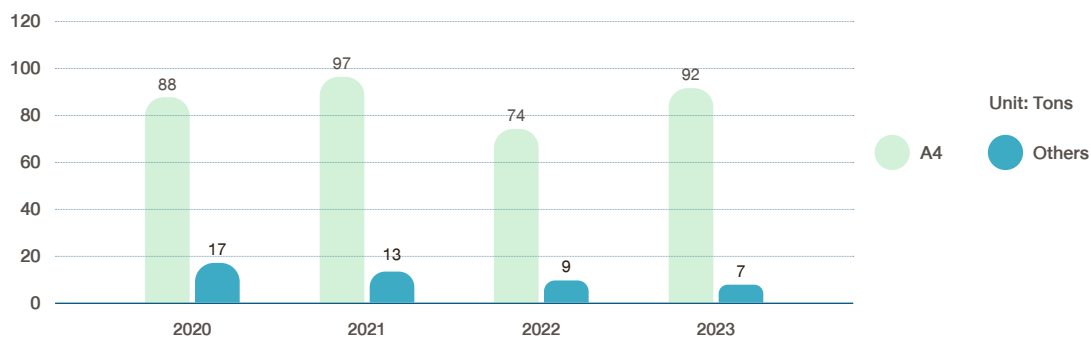
3. Paper Consumption

Paper is a consumable resource required in the internal operations of most financial business activities. Underlining the importance of smarter use of paper, we have developed our products and services so that they respond to the lifestyle of digital-age customers through the paperless concept. Services on digital platforms are offered on our mobile applications which allow customers to access and keep records of financial documents on their smartphones rather than in paper form. Meanwhile,

we have improved the system by making it leaner and more efficient and managed to reduce corporate expenses while promoting knowledge in employees through continuously holding activities and developing electronic learning media.

Accordingly, TISCO Group has a target to reduce paper use in 2023–2025 to be no more than 100 tons per year. In 2023, we found that the use of paper in the operation of TISCO Group at the head office building increased from year 2022 by 19.9%.

Amount of paper used in overall operation of TISCO Group as at Head Office



4. Environmental Conservation

TISCO Group understands natural resources are used directly and indirectly to benefit human living and to significantly contribute to economic and industrial development. However, overuse of natural resources can lead to environmental impacts, global warming and environmental problems, and many parts of the world are currently facing this problem. Therefore, we have been organizing reforestation activities continuously since 1991 to promote environmental conservation consciousness in employees and alleviate impacts stemming from global warming. While our reforestation activities were suspended over the past 3 years due to the fact that Thailand and the rest of the world was facing major challenges resulting from the Covid-19 pandemic at the time, in 2023, TISCO Group has resumed our annual reforestation activities as follows:

TISCO's Permanent Forest Planting Project

TISCO had a project to plant permanent forests in the vicinity of Wang Wiwekaram Temple, Sangkhla Buri District, Kanchanaburi Province. TISCO Group and the local community joint together to oversee this effort over the past 33 years (since 1991) over a total of 10 plots. In 2023, TISCO Group applied for certification by the Thai Greenhouse Gas Management Organization (Public Organization) under the Ministry of Natural Resources and the Environment in the Low Emission Support Scheme (LESS) for 3 plots with an area of 166 rai and over 70,000 trees, which have been assessed to be able to absorb up to 32,472.588 ton of CO₂ equivalents (assessment data as of 7 June 2023).



TISCO Volunteer Reforestation Activities

In July 2023, TISCO group also organized an annual reforestation activity in two areas, one at Wang Wiwekaram Temple, Sangkhla Buri District, Kanchanaburi Province, where TISCO volunteers, government agencies, and the local people joint together to plant 4000 Burma Ironwood trees. The other was at Khung Bang Kachao Green Space Development Area, Samut Prakan Province, where executives and TISCO volunteers also planted 150 trees.

Reforestation Activity at TISCO Funfest Western Region

In September 2023, TISCO Group executives and employees joint together to plant 200 trees at Kasetsart University, Kamphaeng Saen Campus, through CSR activities at TISCO Funfest Western Region. Our objective was to promote engagement in restoring natural balance and increasing green spaces in the area.



GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Statement of Use	TISCO Financial Group PCL has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2023				
GRI 1 Used	GRI 1: Foundation 2021				
Applicable GRI Sector Standard(s)	As of reporting date, the financial services sector standards are currently under development. The company is committed to ensuring compliance once these standards are finalized and published by GRI.				
General Disclosures					
GRI 2: General Disclosures 2021	The Organization and Its Reporting Practices				
	2-1 Organizational details	P. 5			
	2-2 Entities included in the organization's sustainability reporting	P. 4, 24			
	2-3 Reporting period, frequency and contact point	P. 4			
	2-4 Restatements of information	N/A	2-5-a	There's no restatements of information made from previous reporting periods	
	2-5 External assurance	P. 4			
Activities and Workers					
	2-6 Activities, value chain, and other business relationships	P. 5, 8-14, 20, 41-43, 74			
	2-7 Employees	P. 14-15, 89-90			
	2-8 Workers who are not employees	P. 90			
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	2-9 Governance structure and composition	P. 19, 36-37, 47, 115			
	2-10 Nomination and selection of the highest governance body	P. 38			
	2-11 Chair of the highest governance body	Please see in 56-1 One Report (Topic 7.2 Details of the Board of Directors)			
	2-12 Role of the highest governance body in overseeing the management of impacts	P. 28-29, 47-48, 115			
	2-13 Delegation of responsibility for managing impacts	P. 18, 33-34, 36, 47, 115			
	2-14 Role of the highest governance body in sustainability reporting	P. 19, 25			
	2-15 Conflicts of interest	Please see in 56-1 One Report (Topic 8.1.4 Ensuring Compliance with Corporate Governance Policies and Guidelines)			
	2-16 Communication of critical concerns	P. 40			
	2-17 Collective knowledge of the highest governance body	P. 33-34			
	2-18 Evaluation of the performance of the highest governance body	P. 38			
	2-19 Remuneration policies	Please see in 56-1 One Report (Topic 7.4.2 Director and Management Remuneration Policy)			
	2-20 Process to determine remuneration	Please see in 56-1 One Report (Topic 7.3.2 Details of Members and Authority of the subcommittees)			
	2-21 Annual total compensation ratio	N/A	2-21-a, 2-21-b and 2-21-c	Confidentiality constraints	
Strategy, Policies and Practices					
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	2-23 Policy commitments	P. 16-17, 36, 49-52, 107-108, 115			
	2-24 Embedding policy commitments	P. 16-17, 28-29, 48, 50-52, 60-61, 107-108, 116-117, 127			
	2-25 Processes to remediate negative impacts	P. 49, 107-108			
	2-26 Mechanisms for seeking advice and raising concerns	P. 40, 45, 106-108			
	2-27 Compliance with laws and regulations	P. 39			
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Stakeholder Engagement					
	2-29 Approach to stakeholder engagement	P. 6-7, 21-23			
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GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
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	3-2	List of material topics	P. 26-27		
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GRI 3: Material Topics 2021	3-3	Management of material topics	P. 18, 36, 46-48, 53		
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GRI 3: Material Topics 2021	3-3	Management of material topics	P. 18, 24, 114-142		
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GRI 3: Material Topics 2021	3-3	Management of material topics	P. 18, 53		
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	201-2	Financial implications and other risks and opportunities due to climate change	P. 124-126		
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GRI 3: Material Topics 2021	3-3	Management of material topics	P. 10, 32		
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	P. 10, 30-32, 75, 86		
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GRI 302: Energy 2016	302-1	Energy consumption within the organization	P. 30, 134		
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	302-4	Reduction of energy consumption	P. 133, 135		
	302-5	Reductions in energy requirements of products and services	P. 133		
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P. 98-99			
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**Reader's Survey for TISCO
Sustainability Report 2023**



**TISCO Group would like to thank you for your cooperation.
Your inputs are valuable to TISCO Group's sustainability development
and also to the improvement of the next Sustainability Report.**



Sustainability Report