



Krungthai

COURAGE TO CHANGE FOR SUSTAINABILITY

Sustainability Report 2021



Change... for Sustainability

Develop structures, work processes, and personnel with a focus on the long-term sustainable growth of the banking business and society. Have a commitment to offer a wide range of products and services, through cutting-edge technology, to meet the needs of customers of all groups and ages.



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Courage to Change for Sustainability



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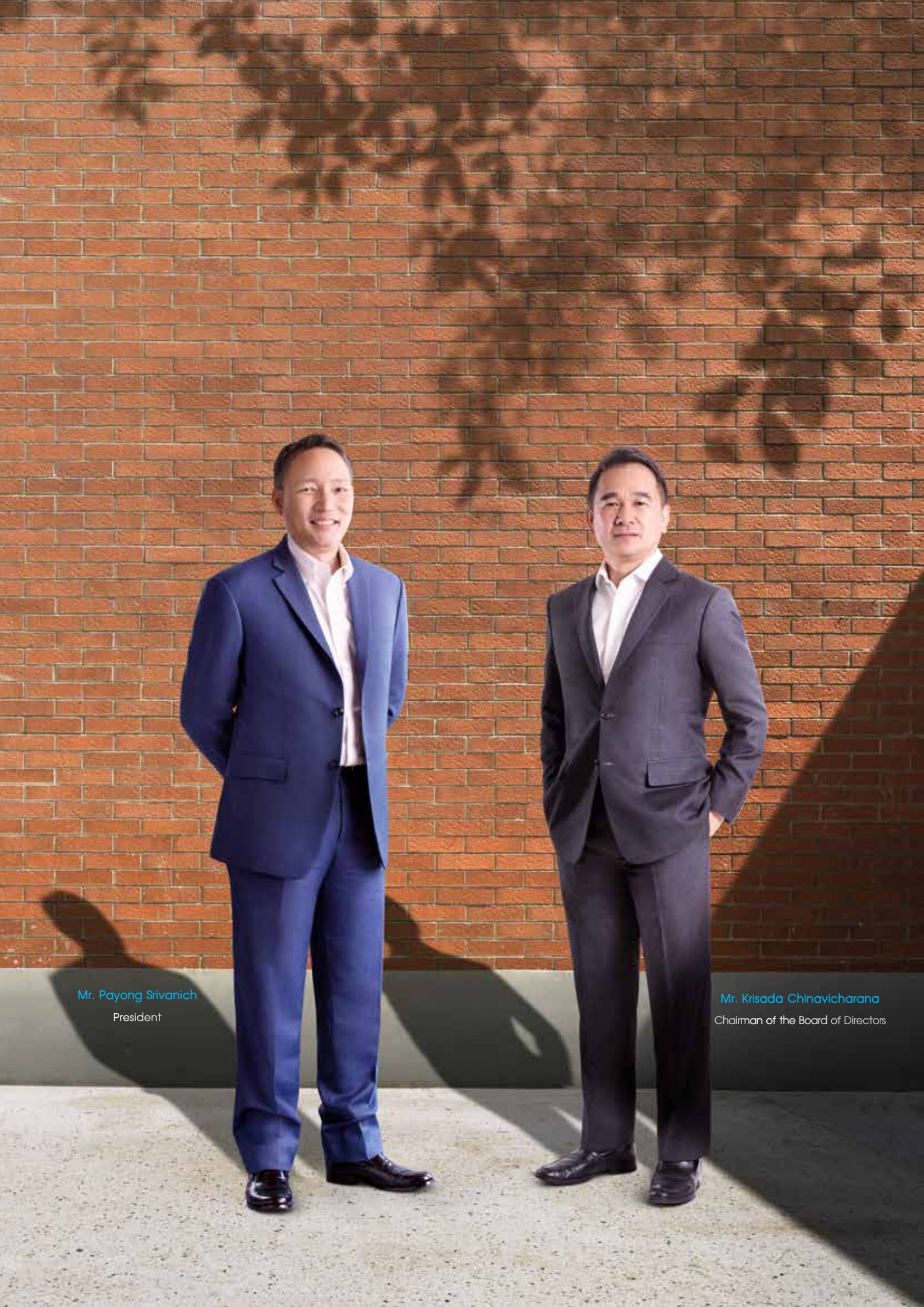
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Mr. Payong Srivanich
President

Mr. Krisada Chinavicharana
Chairman of the Board of Directors

Message from the Chairman

With the determination to continuously
conduct our business responsibly
and with good governance

2021 **38**

 Awards
granted to
the Bank

The COVID-19 pandemic, which was ongoing in 2021, has had a severe impact on people and the business sector broadly. As a result, Krungthai Bank continues to focus on collaborating with various parties to provide assistance to customers and those affected by the pandemic. The Bank also acts as a key mechanism to effectively deliver government assistance measures to all people and the grass root economy by leveraging technology and innovation developed by the Bank.

The COVID-19 pandemic has uncovered the country's vulnerability in various dimensions, including inequality in income, savings, and an access to economic opportunities. Negligence to the issue of environment and climate protection is also getting more prominent while this issue is increasingly becoming a global trend. Therefore, the Bank has paid more attention on sustainable business operations or "Krungthai Sustainability" in accordance with the "Environment, Society, and Governance" (ESG) framework. This involves supporting fair business competition and enhancing long-term competitiveness of small and medium-sized businesses (SMEs) and micro businesses to achieve stable growth. With the determination to continuously conduct our business responsibly and with good governance, the Bank has gained recognition and trust from various parties, as evidenced by 38 international and national awards granted to the Bank in 2021. For instance, the Bank was granted with the "Most Sustainable Bank, Thailand 2021" Award from World Economic Magazine (USA), the "Bank of the Year 2021 in Thailand" Award from The Banker Magazine (England), the "Best Bank Awards 2021 in the category of Best Digital Bank - Thailand" from Asiamoney Magazine (Hong Kong), the "Best Digital Banking Service of the Year Award" from Business+ Magazine, the "Sustainability Disclosure Award 2021" from Thaipat Institute, and the Royal Award for "Thailand Corporate Excellence Awards 2021 in the category of Product/Service Excellence" by the Thailand Management Association (TMA).

However, the future business environment is highly unpredictable. To ensure that the Bank still meets the needs of customers and stakeholders, the Board of Directors continues to encourage employees at all levels to improve working method by thinking outside the box, implementing new processes in line with the new normal context, and enhancing their digital literacy through upskilling and reskilling to keep up with the digital age and be able to seamlessly integrate and utilize technologies. Additionally, the agility working approach has also been emphasized, consistent with the Bank's business models that goes towards a fully digital bank. The Bank also needs to accelerate productivity improvement, integration of work processes in the end-to-end approach, along with cultivating a DNA of zero tolerance to corruption for employees. These shall be done continuously and intensively and will require all employees to work together to enable the change from within. In this regard, the Board of Directors continues to emphasize the importance of good governance in the organization. It is believed that such principle will be the cornerstone that empowers the Bank to grow sustainably, have immunity against risks and uncertainties, and get ready to adapt to the changing trends of dynamic environment, as well as supporting Thai society to grow on a sustainable basis.

On behalf of the Board of Directors, executives, employees and subsidiaries of the Bank, I would like to express my gratitude to shareholders, business partners and customers from the private and public sector for always giving trust and confidence to Krungthai Bank. I sincerely hope that the Bank will continue to receive your support for a long time to come.



Mr. Krisada Chinavicharana

Chairman of the Board of Directors

Message from the President

In 2021, the resurgence of the COVID-19 pandemic has stalled Thailand's economic recovery and left financial position of households and some business sectors fragile, especially in tourism-related sectors and those based on domestic demand. Hence, Krungthai Bank has continued to support customers and entrepreneurs so that they are able to overcome this major crisis. Together with the banking sector, the Bank has provided assistance measures for improving liquidity and restoring customers' business operation. Such measures include debt moratorium and debt restructuring in a sustainable and fair manner, that aligns with the Bank of Thailand's policy. Moreover, the Bank has been recognized for the dedication of its service network, technology, and personnel in delivering government assistance to the Thai people via several projects such as "Khon La Khrueng" (Let's Go Halves) co-payment scheme, "Rao Tiew Duay Kan" (We travel together) scheme, "Rao Chana" (We Win) project, Section 33: We Love Each Other project, and the Ying Chai Ying Dai (the more you spend, the more you get) campaign. In addition, the Bank also took part in "Thai Ruam Jai" project by setting up more than 129 out-of-hospital vaccination service stations nationwide. All these efforts follow the Bank's determination to improve the quality of life and enhance financial equality for Thai people. These thus reflect our intention to go "Beyond Banking" that aligns with our new mission "To empower better life for all Thais", as well as the Bank's sustainable development goals that are in line with the United Nations' Sustainable Development Goals (SDGs).

Our relentless efforts to develop digital platforms have enabled deliveries of government assistances to the target groups quickly, effectively, and with transparency. The platforms can also be leveraged to provide services that respond to new behaviors and demands in the new normal era in a timely manner. The Bank takes into account the 5 Ecosystems as our main business target. For Government Agency ecosystem, the Bank supports the government in implementing projects such as the State Welfare Card scheme

with currently more than 13 million cardholders, the 1-Baht Bond via SBM wallet which allows people to have savings in government bonds with a minimum purchase of 100 Baht, as well as other aforementioned government projects. For Payment ecosystem, our work includes new features and services of Krungthai NEXT application, the Krungthai Gold Wallet which provides full-fledged online gold trading service. The Bank also launched PTTEP digital bonds, the first bond in Asia traded via a digital wallet, reflecting our readiness to expand digital footprint in response to new demands in the future world. For Healthcare ecosystem, our Smart Hospital system is where complete services are provided through the use of technologies, such as an automatic physical examination machines, intelligent AI Chat Bot to help screen patients using voice command system, telemedicine for providing consultation with specialist through a VDO Conference system, etc. This also includes the development of new functions and services of Health Wallet to enhance health promotion and disease prevention. Likewise, Educational Institution ecosystem is represented with Smart University projects and various services of Student Loan Fund which can be accessed via Pao Tang application. Lastly, for Transportation ecosystem, the Bank develops a cashless fare payment system for various public transport systems. By means of connecting the dot, the Bank has executed the X2G2X strategy by using G or the government as the center and connecting each anchor point to the 5 ecosystems with the Digital Platform, in order to expand the business from our customers' partners, leading to revenue generation for the Bank (Monetization). At present, the Bank is becoming a leader in the digital banking system. The current number of users on the Bank's digital platform is among the highest, reaching over totally 40 million users from both Pao Tang and Krungthai NEXT application (increasing from about 3 million KTB Netbank users during the past 4-5 years). On top of this, there are over 1.5 million stores registered in Thung Ngern application and over 16 million users in Krungthai Connex.

Becoming a leader in the digital banking system

The highest current number of users on the Bank's digital platform



For the year 2022, the economy is recovering, although it is still fragile and the recovery is not so inclusive. The competitive environment in the financial system has also changed drastically, bringing challenges caused by disruptions from all directions. In particular, changes in consumer behavior and new financial innovations as cryptocurrency, digital assets and DeFi or Decentralized Finance, have enforced the Bank to adjust its business model and manage resources with flexibility. This will also allow the Bank to adapt and learn new skills in an agile manner even under uncertainty. Therefore, the Bank determines to continue driving the 2 Banking Models strategy, Carrier and Speedboat under the 5 Execution Pillars action plan, with greater intensity and courage to change. The Pillars start with 1) Sustain Core Growth. This will enable our core business to grow with quality and sustainability, and becomes integrated to people's everyday life and cover all their needs. The Bank shall focus more on lending through online platforms in order to provide retail customers with more convenient and comprehensive access to financial services. Business lending will focus on industries on an upward trend, and funding to support customers' transition towards Net-Zero Emission and BCG Economy (Bio-Circular-Green Economy). 2) Build New Business Model. The Bank will look for new business opportunities via Infinitas by Krungthai Co., Ltd., which is mandated to providing Innovation & Digital Platform development services to generate new revenues in line with Mega Trends. At the end of last year, Infinitas by Krungthai Co., Ltd., on behalf of the Bank and in collaboration with Accenture Solutions Co., Ltd., established a joint venture company, Arise by Infinitas Co., Ltd., to build up "Digital Talents" to support the business expansion plans of the Bank and its partners. 3) X2G2X or business extension with the government as the center. The Bank shall expand business with customers' partners and shall play a role in connecting financial services to everyday activities related to the 5 ecosystems through Digital Connectivity. 4) Digitization. The Bank will minimize the use of paper as well as

adjust internal processes and systems through the application of technologies such as Robotic Process Automation (RPA) and AI, which will reduce costs and increase efficiency in our operation. Lastly, 5) Krungthai Sustainability. The Bank will continue to emphasize on applying ESG (Environmental, social and governance) principles to drive the Sustainable Krungthai initiative through various projects i.e., One Unit, One Sustainability Plan, the Compliance Champion Project, and the Krungthai Hackathon Project, etc. Furthermore, the Bank will place great emphasis on maintaining financial stability under a highly uncertain environment by leveraging on available tools such as the Bank of Thailand's debt restructuring via asset warehousing measures, and by setting aside a sufficiently high level of provision in order to manage the NPL cliff effectively.

Employee development is another mission that the Bank places emphasis on. The Bank will continue to promote the employees' courage to change and support upskill/reskill trainings, especially in innovation, creativity, and design thinking. These will elevate the organization's capabilities to respond to the future of work trend. The Bank has also promoted a working model based on Formula 1 culture, consisting of the concepts "Integration", "Agility", "Reliability", "Accuracy", and "Security". Moreover, the Bank will also focus on building synergy with companies in the business group and partners to jointly develop products and services that cover the main activities in daily lives of customers.

Through the implementation of the aforementioned strategic plans and action plans, the Bank shall continue to be a leading commercial bank that satisfies all needs of stakeholders, empowering better life for all Thais by reducing inequalities in the access to basic necessities in the digital economy and narrowing the income distribution gap. At the same time, the Bank shall continue to cooperate with our partners to be a crucial mechanism to drive the country toward the future digital economy with stability and sustainability.



Mr. Payong Srivanich
President

Member of the Corporate Governance and Social Responsibility Committee

01 Prof.Dr. Kittipong Kittayarak

Chairman of
the Corporate Governance
and Social Responsibility Committee

03 Ms. Nitima Thepvanangkul

Member of
the Corporate Governance and
Social Responsibility Committee

02 Mr. Vichai Assarasakorn

Member of
the Corporate Governance and
Social Responsibility Committee

04 Dr. Kulaya Tantitemit

Member of
the Corporate Governance
and Social Responsibility Committee



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Report of the Corporate Governance and Social Responsibility Committee

Krungthai Bank recognizes the importance of good corporate governance (CG) and operating its business while creating shared value (CSV) with the society to ensure inclusive and sustainable development in all sectors based on ESG - Environment, Social and Governance - principles and in alignment with the vision statement "Growing Together for Sustainability". The Bank's Board of Directors appointed the Corporate Governance and Social Responsibility Committee consisting of 4 Directors to determine schemes and monitor the results of the Bank's CG and CSV operations. In 2021, the Committee held a total of 12 meetings.

Pursuing the Bank's 2017-2021 corporate governance strategies, the Committee continued driving the Sustainable Krungthai Initiative (Krungthai Kunnatham) in an effort to develop employees' desirable characteristics which are I-BEST: Integrity, Breakthrough, Efficiency, Social and Teamwork. Projects carried out in 2021 included Culture Transformation, under which One Krungthai Application was developed as a tool to improve employees' efficiency; Krungthai Transformative Leadership to drive important projects in alignment with the Bank's strategy; KM in Process to realize knowledge management in the organization and establish it as an organizational culture; and laying down guidelines for the prevention and remedy of sexual harassment in the workplace.

As for its operations regarding sustainability as well as social and environmental responsibility, the Bank has been working toward the United Nations 17 Sustainable Development Goals and operating within the Stock Exchange of Thailand's ESG framework. Furthermore, the Bank established corporate social responsibility (CSR) and CSV framework by formulating a 5-year master plan, which includes projects such as Go Local Grow Local in which the Bank helps local communities develop their local products and environmentally - friendly tourism while improving their literacy in finance and marketing. To promote the country's green growth and environmental protection, the Bank offers green financing programs to provide loan support to businesses seeking to reduce their carbon footprint and negative environmental impact; it also partners with United Nations Development Program (UNDP) to promote biodiversity conservation in local communities. Also, part of the master plan is the development of Pao Tang mobile application as Thailand open digital platform to develop Thailand's infrastructure for the digital economy through the implementation of projects such as Half-half, We Travel Together, Section 33 We Love Each Other, and One Baht Bond.

We are confident that with our strong vision based on the principles of ESG and 'doing well by doing good', we will be able to grow firmly and sustainably alongside the people of Thailand.



(Professor Dr. Kittipong Kittayarak)

Chairman of the Corporate Governance
and Social Responsibility Committee

38 Awards

of Pride

Bank of Thai people for Thai economy and Thai society to grow sustainably.

22 International Awards

01. The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020 for Best Retail Bond Thailand
02. The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020 for Transport Deal of the Year
03. Global Banking & Finance Awards for Best CSR Bank Thailand 2021
04. Global Banking & Finance Awards for Banking CEO of the Year Thailand 2021
05. Global Business Outlook Awards 2021 for Best Digital Transformation Bank – Thailand
06. Global Business Outlook Awards 2021 for Most Innovative COVID-19 Emergency Relief Assistance Initiatives – Thailand
07. Global Business Outlook Awards 2021 for Best Government and Infrastructure Financing Bank – Thailand
08. World Economic Magazine Awards 2021 for “Best Digital Bank Thailand 2021”
09. World Economic Magazine Awards 2021 for “Most Sustainable Bank Thailand 2021”
10. World Economic Magazine Awards 2021 for “Best Corporate Banking COVID-19 Response Initiative Thailand 2021”
11. Most Sustainable Bank Award 2021 – Thailand
12. PAN Finance Awards for Most Innovative Banking App - Krungthai Next -Thailand 2021
13. International Banker 2021 Asia & Australasia Awards for Best Innovation in Retail Banking Thailand 2021
14. International Banker 2021 Asia & Australasia Awards for Best Commercial Bank Thailand 2021
15. Asiamoney Best Bank Awards 2021 for Best Digital Bank - Thailand
16. Asia Corporate Excellence & Sustainability Awards (ACES) 2021 for Asia’s Best Performing Companies & Top Workplaces in Asia
17. Sustainability Awards 2021 for Sustainability Product of the Year



SEAL AWARDS



18. Asia Pacific Sustainable Innovation Enterprise Award (Banking Industry)
19. Best Practice (Emerging Market) for Great Practice
20. Bank of the Year 2021 Award in Thailand
21. ASEAN Business Awards (ABA) 2021
22. SEAL Business Sustainability Awards 2021 for Sustainable Innovation Award Category

16 National Awards

23. ASEAN Corporate Governance Scorecard Award 2019 for ASEAN Asset Class PLCs (Thailand)
24. Thailand Top Company Awards 2021 for "Finance and Banking Industry"
25. Thailand Top Company Awards 2021 for "Best Digital Banking Service of the Year Award"
26. Product of the year Awards: Finance and Investment Group, Savings bonds via SBM Wallet

27. Best Bond Awards 2020 for Best Repo Primary Dealer
28. Best Bond Awards 2020 for Best Outright Primary Dealer
29. Best Bond Awards 2020 for COVID-19 Financing Contributor
30. "Thailand Zocial Awards 2021" for "Best Brand Performance on Social Media"
31. Thailand Corporate Excellence Awards 2021 in the Product / Service Excellence category
32. Thailand Sustainability Investment (THSI) 2021 Award
33. Sustainability Disclosure Award 2021
34. Thai Chamber of Commerce Outstanding Ethics Awards 2021
35. Plaque of "Senate has Faith in Goodness"
36. Best CEO in Digital Finance Award
37. Digital State Enterprise Development Award 2022
38. SOE Award 2022



Awards received by the Bank in 2021 include:

22 International Awards

1. [The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020 for Best Retail Bond Thailand](#) Awarded by The Asset, Hong Kong, for PTT bond underwriting (15 billion baht dual-tranche CBI-certified green debentures).

2. [The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020 for Transport Deal of the Year](#) Awarded by The Asset, Hong Kong, for Green Bonds with maturities ranging from 2 to 10 years in a total amount of 8,600 million baht. The Bond was offered to institutional and high-networth investors in November 2020.

3. [Global Banking & Finance Awards for Best CSR Bank Thailand 2021](#) Awarded by the Global Banking and Finance Review Magazine, the United Kingdom, in recognition of the Bank's "Growing Together for Sustainability" vision and the integrity operations under the strategy that focuses on investments in technology to develop innovative services to improve Thai people's quality of life and their community.

4. [Global Banking & Finance Awards for Banking CEO of the Year Thailand 2021](#) Awarded by the Global Banking and Finance Review Magazine, the United Kingdom, to the CEO in recognition of the outstanding management strategy and the determination to manage "Krungthai" as a leading state commercial bank that develops products and services to meet the needs of customers in the digital era. As a result, Thai people's quality of life has been pushing forward to grow sustainably in line with the "Growing Together for Sustainability" vision of the Bank.

5. [Global Business Outlook Awards 2021 for Best Digital Transformation Bank - Thailand](#) Awarded by the Global Business Outlook, the United Kingdom, in recognition of pioneering the Digital Transformation process, including changing the processes and culture of the Bank in corresponding to the rapidly changing era.

6. [Global Business Outlook Awards 2021 for Most Innovative COVID-19 Emergency Relief Assistance Initiatives - Thailand](#) Awarded by Global Business Outlook, the United Kingdom. The Bank is recognized for the outstanding management during Part 1 Business Operations and Performance 045 the COVID-19 pandemic in all dimensions, along with building up the platform to facilitate customers and citizens in accessing upcoming government assistance measures during the COVID-19 era.

7. [Global Business Outlook Awards 2021 for Best Government and Infrastructure Financing Bank - Thailand](#) Awarded by Global Business Outlook, the United Kingdom, in recognition of the Bank's outstanding and successful establishment of the financial infrastructure.

8. [World Economic Magazine Awards 2021 for "Best Digital Bank Thailand 2021"](#)

9. [World Economic Magazine Awards 2021 for "Most Sustainable Bank Thailand 2021"](#)

10. [World Economic Magazine Awards 2021 for "Best Corporate Banking COVID-19 Response Initiative Thailand 2021"](#) Awarded by World Economic Magazine, USA, in recognition of the Bank's outstanding performance in 3 categories. The Bank has executed innovation to develop products and services in various fields in accordance with the needs of consumers, as well as being side by side with Thai people and Thai society in every crisis.

11. [Most Sustainable Bank Award 2021 - Thailand](#) Awarded by World Finance Magazine, the United Kingdom, in recognition of the Bank as the frontrunner in the operations with sustainability, transparency and taking into account the environmental impact, including having a commitment to provide comprehensive and fair financial services to people at all levels.

12. [PAN Finance Awards for Most Innovative Banking App - Krungthai Next - Thailand 2021](#) Awarded by PAN Finance Magazine, the United Kingdom. The award is presented to the Bank for its outstanding achievement in building and structuring the country's digital financial platform, as well as in researching and developing digital financial products and services.

13. [International Banker 2021 Asia & Australasia Awards for Best Innovation in Retail Banking Thailand 2021](#)

14. [International Banker 2021 Asia & Australasia Awards for Best Commercial Bank Thailand 2021](#) Awarded by International Banker Magazine, the United Kingdom. The award is presented to the banks and financial institutions that are outstanding in developing financial products and services that satisfy the needs of consumers.

15. [Asiamoney Best Bank Awards 2021 for Best Digital Bank - Thailand](#) Awarded by Asiamoney Magazine, Hong Kong, to the Bank in recognition of the best organization with a vision and determination to innovate and develop digital financial products and services to cope with digital disruption and rapidly changing customer behaviors.

16. [Asia Corporate Excellence & Sustainability Awards \(ACES\) 2021 for Asia's Best Performing Companies & Top Workplaces in Asia](#) Awarded by the ACES Awards, Asia's leading sustainable development institute in Malaysia, to the Bank in recognition of the best organization with a vision and management that emphasizes the consideration of sustainable development and growth in all sectors of society. By linking the framework of business operations with plans for economic development and improvements in quality of life, the purpose is to reduce poverty and make the community and society better.

17. [Sustainability Awards 2021 for Sustainability Product of the Year](#) Awarded by The Business Intelligence Group, USA. The Bank is recognized as the leader in digital financial platform that is fair and comprehensive to the people, including conducting business while taking into account the society, the economy, and the environment in order for the Bank to grow alongside with the country's sustainable economic driving.

18. [Asia Pacific Sustainable Innovation Enterprise Award \(Banking Industry\)](#) Awarded by the Asia Pacific Institute of Strategy, Hong Kong. Krungthai Bank received the Asia Pacific Sustainable Innovation Enterprise Award for the banking industry regarding the success of the Pao Tang application development in the form of an open digital platform that contributes to the Bank's sustainable growth and participation in supporting government policies to deal with COVID-19 and develop Thailand's digital economic infrastructure.

19. [Best Practice \(Emerging Market\) for Great Practice](#) Awarded at the Global Corporate Sustainability Awards (GCSA) 2021, Taiwan for the Koh Tao, Better Together Crowd-Funding Campaign.

20. Bank of the Year 2021 Award in Thailand Awarded by The Banker Magazine, the United Kingdom, in recognition of being an outstanding state commercial bank with excellent management in all dimensions and committing to the invention and development of digital financial products and services in accordance with the digital disruption and customer behaviors that change rapidly. Inclusively, the Bank is honored for its supporting and pushing forward the government policies to continuously stimulate the country's economy amid the COVID-19 pandemic.

21. ASEAN Business Awards (ABA) 2021 Awarded by ASEAN BAC of Brunei for the Bank's being an outstanding organization that gives importance to human capital development and having the ability to develop a skilled workforce. It is reflected in the important guidelines on "Human Resource Development" (HRD), which focus on the need to enhance professional and technical skills in the ASEAN workforce.

22. SEAL Business Sustainability Awards 2021 for Sustainable Innovation Award Category Awarded by SEAL, USA, for success in innovation development for sustainability. The Bank has introduced the development of the Pao Tang application as an open digital platform that can reach the public in a safe, efficient, and comprehensive manner, as well as laying the foundation for the country's digital infrastructure in order to transition to the digital economy.

16 National Awards

1. ASEAN Corporate Governance Scorecard Award 2019 for ASEAN Asset Class PLCs (Thailand) Awarded by the Securities and Exchange Commission (SEC). This award is given to publicly listed companies in ASEAN who have a corporate governance assessment score of 97.50 or more.

2. Thailand Top Company Awards 2021 for "Finance and Banking Industry"

3. Thailand Top Company Awards 2021 for "Best Digital Banking Service of the Year Award"

4. Product of the year Awards: Finance and Investment Group, Savings bonds via SBM Wallet Awarded by Business+ magazine in recognition of being a successful organization in the fields of operation and management, building wealthy, stable, and sustainable growth, a digital transformation of the organizational structure, and creating innovative financial products and service channels using technology. The Bank has been voted in a survey by consumers via online media as the best product and service of the year.

5. Best Bond Awards 2020 for Best Repo Primary Dealer Awarded by ThaiBMA to the Bank of Thailand's e-Outright Counterparties who have played an outstanding role in supporting the implementation of monetary policy through bond trading with the Bank of Thailand and promoting liquidity in the Thai bond market.

6. Best Bond Awards 2020 for COVID-19 Financing Contributor Awarded by ThaiBMA to the Bank of Thailand's e-Outright Counterparties who have played an outstanding role in supporting the implementation of monetary policy through bond trading with the Bank of Thailand and promoting liquidity in the Thai bond market.

7. Best Bond Awards 2020 for COVID-19 Financing Contributor Awarded by ThaiBMA to the financial institutions with the highest lending proportion under the COVID-19 loan decree.

8. "Thailand Social Awards 2021" for "Best Brand Performance on Social Media" Awarded by Wisesight (Thailand) in recognition of the brand's excellent performance on social media in the banking business category. Krungthai Bank is considered as a brand with a history of using social media in a creative way. The criteria for the awards are from the use of media on 4 main channels, namely Facebook, Instagram, Twitter, and YouTube.

9. Thailand Corporate Excellence Awards 2021 in the Product/Service Excellence category Awarded by the Thailand Management Association (TMA) to organizations with an income of more than 10,000 million baht/year in the product / service excellence category.

10. SET Awards 2020: Thailand Sustainability Investment (THSI) Awarded by the Stock Exchange of Thailand. It is an announcement to honor listed companies that operate the banking business with regard to the environment, society, and corporate governance to sustainably grow with all sectors of society.

11. Sustainability Disclosure Award 2021 Awarded by ThaiPAT Institute in recognition of its awareness and emphasis on disseminating operational information which covers economic, social, environmental operations or ESG - environmental, social and governance issues, in the form of sustainability reports or other formats that exhibit the sustainability of the business. As a result, this will benefit the stakeholders of the business and the organization's development towards sustainability in the long term.

12. Thai Chamber of Commerce Outstanding Ethics Awards 2021 Awarded by the Thai Chamber of Commerce and Board of Trade of Thailand in recognition of its adoption of good corporate governance to properly manage the organization and focus on creating fairness, transparency, and good performance standards for all parties involved for sustainable development.

13. Plaque of "Senate has Faith in Goodness" Awarded by the Standing Committee on Social, Children, Youth, Women, the Elderly, the Disabled and the Underprivileged Affairs of the Senate in recognition of a model bank to provide more convenient access for the visually impaired to financial transactions. Over the last ten years, the Bank has worked to create and improve services for persons with disabilities, particularly with the installation of ATMs that can be used by blind people. This is an important starting point that will lead to the development of services that leave no one behind.

14. Best CEO in Digital Finance Award Awarded by the Bangkok Post newspaper in recognition of its role in integrating digital development plans and infrastructure adjustments in Thailand, facing many challenges during the COVID-19 pandemic. Krungthai Bank has provided measures to solve the problems and played an important role in the Khon La Khrueng (Half-Half co-payment) scheme, which connects more than 30 million users via the Bank's Pao Tang application and more than 1.5 million merchants through the Tung Ngern application for merchants.

15. Digital State Enterprise Development Award 2022

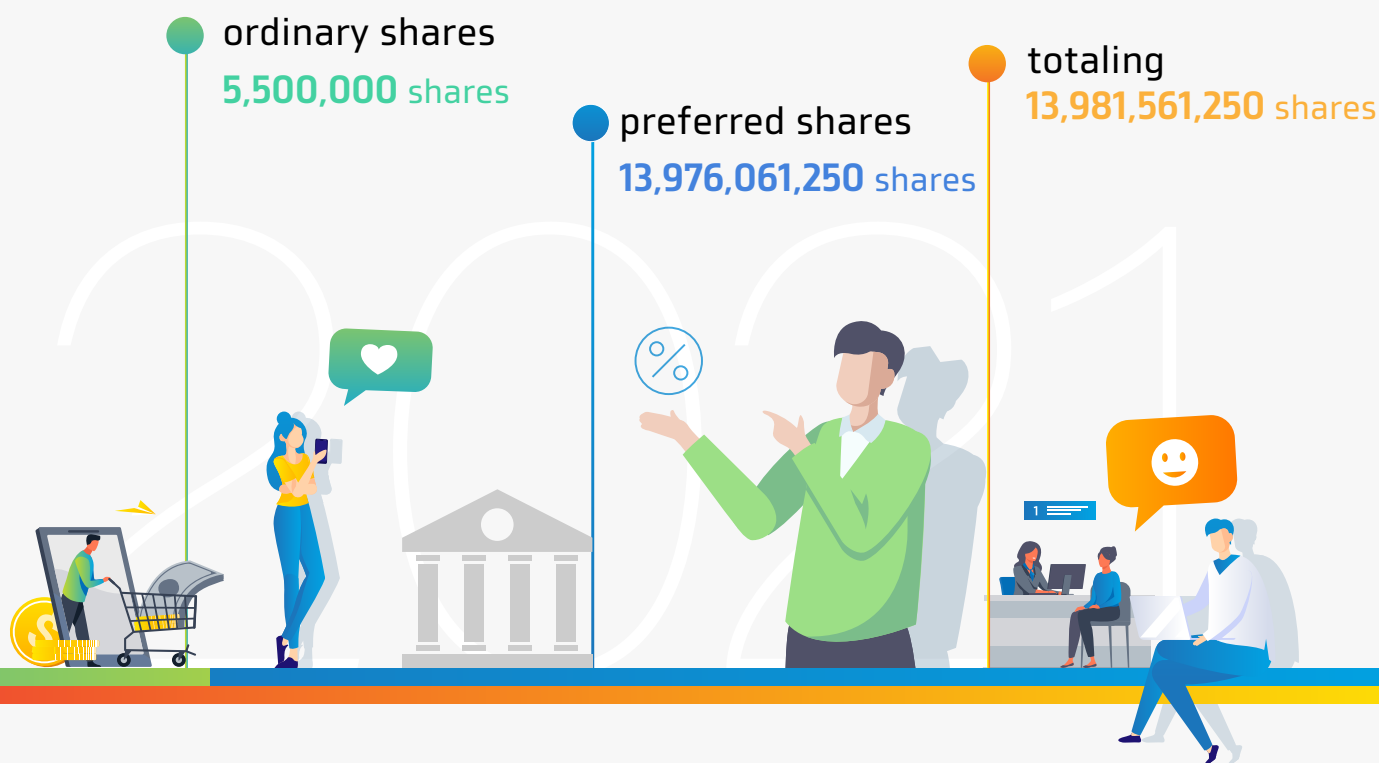
16. SOE Award 2022 Awarded by the Ministry of Finance to outstanding state enterprises that can create and utilize digital technology to develop their organizations in various dimensions conveniently and quickly. The Bank is outstanding in driving technology development and financial innovation to enhance the quality of life of all customer groups.


Organizational Profile

At the present, the Bank's
paid-up registered capital is amounted to


72,005,040,437.50 Baht

divided into




 **Head office address (Nana Building):**
35 Sukhumvit Road, Klong Toey Nua Subdistrict,
Wattana District, Bangkok 10110

Head office address (Sukhumvit Building):
10 Sukhumvit Road, Klong Toey Subdistrict,
Klong Toey District, Bangkok 10110

 **Registration Number:**
0107537000882 (formerly Bor.Mor.Jor.335)
The Bank registered its transformation to a public limited
company on March 24, 1994.

 **Krungthai Call Center:**
0-2111-1111

 **Customer Complaint Center:**
complaint.center@krungthai.com

 **E-mail:**
Call.CallCenter@krungthai.com

 **FAX:**
0-2255-9391-3

 **Website:**
www.krungthai.com

Vision

GROWING TOGETHER FOR SUSTAINABILITY



Mission

“To empower better life for all Thais”

The Bank is committed to developing financial technology and innovations through the Thailand Digital Platform in order to improve the quality of life of people and all customers in various dimensions, such as helping create a learning atmosphere for people from the foundation level to be able to take advantage of technology, help reduce disparities in access to the fundamentals of the digital economy and reduce the gap in the distribution of income in society. The Bank supports the development of Thai society towards a digital society and a cashless society as well as aiming to create financial equality for Thai people in various fields, such as expanding access to funding opportunities, offering financial literacy, making people aware of their fundamental rights for government services and aiming to create income equality. All this to support the achievement of the Bank's new mission.

Core Values



Breakthrough

Be creative for new things and develop further towards innovation. Be assertive to think out of the box and focus on boosting up self-development. Enable to transfer knowledge, exchange experiences and knowledge management.



Integrity

Perform their duties strictly in accordance with the rules as well as adhere to the principles of good governance, ethics and anti-corruption in all forms. All works can be examined and all forms of corruption shall not be tolerated.



Teamwork

Cooperate in working as a team. Have a positive attitude in working together and open to listening to other opinions. There is coordinated work both within the department and between departments with a focus on corporate goals, including jointly creating a good atmosphere and bond in the organization.



Efficiency

Perform duties with determination based on complete competency and thoughtfulness in full time. Perform professional work effectively and efficiently to achieve the goal. Take into account the appropriate risks and internal controls as well as taking into consideration the customers and all stakeholders.



Social

Participate in activities/operations that take into account the responsibility and impact on society, environment, as well as the cost-effective use of resources. Comply with human rights principles for sustainable growth.

Since one of the Bank's missions is to develop economic system of the country, the Bank has developed products and services for people in all areas of the country to be able to access sources of financial funds and services.

The Bank operates a total of 1,027 branches and financial service points nationwide. There are 217 branches in Bangkok, 199 branches in the Central region, 103 branches in the Eastern region, 194 branches in the Northeastern region, 158 in the Southern region and 156 branches in the Northern region.

There are a total of 9,583 ATMs, divided into 1,462 units in Bangkok, 2,055 units in the Central region, 633 units in the Eastern region, 2,324 units in the Northeastern region, 1,460 units in the Southern region and 1,649 units in the Northern region.

There are a total of 79 business centers, divided into 22 centers in Bangkok, 8 centers in the Central region, 8 centers in the Eastern region, 14 centers in the Northeastern region, 14 centers in the Southern region and 13 centers in the Northern region.

There are 25 international business centers, divided into 15 centers in Bangkok, 1 center in the Central region, 1 center in the Eastern region, 3 centers in the Northeastern region 4 centers in the Southern region and 1 center in the Northern region.

The Bank operates and financial service points nationwide



1,027

branches



ATMs

9,583

unit



Business centers

79

centers



International business centers

25

centers

There are 6 overseas branches in 5 countries and 1 representative office. The details are as follows:

Cayman Islands (United Kingdom)

Cayman Islands Branch

Republic of the Union of Myanmar

Yangon Representative Office

People's Republic of China

Kunming Branch

The Lao People's Democratic Republic

Vientiane Branch

Kingdom of Cambodia

Siem Reap Province
Sub-Branch

Kingdom of Cambodia

Phnom Penh Branch

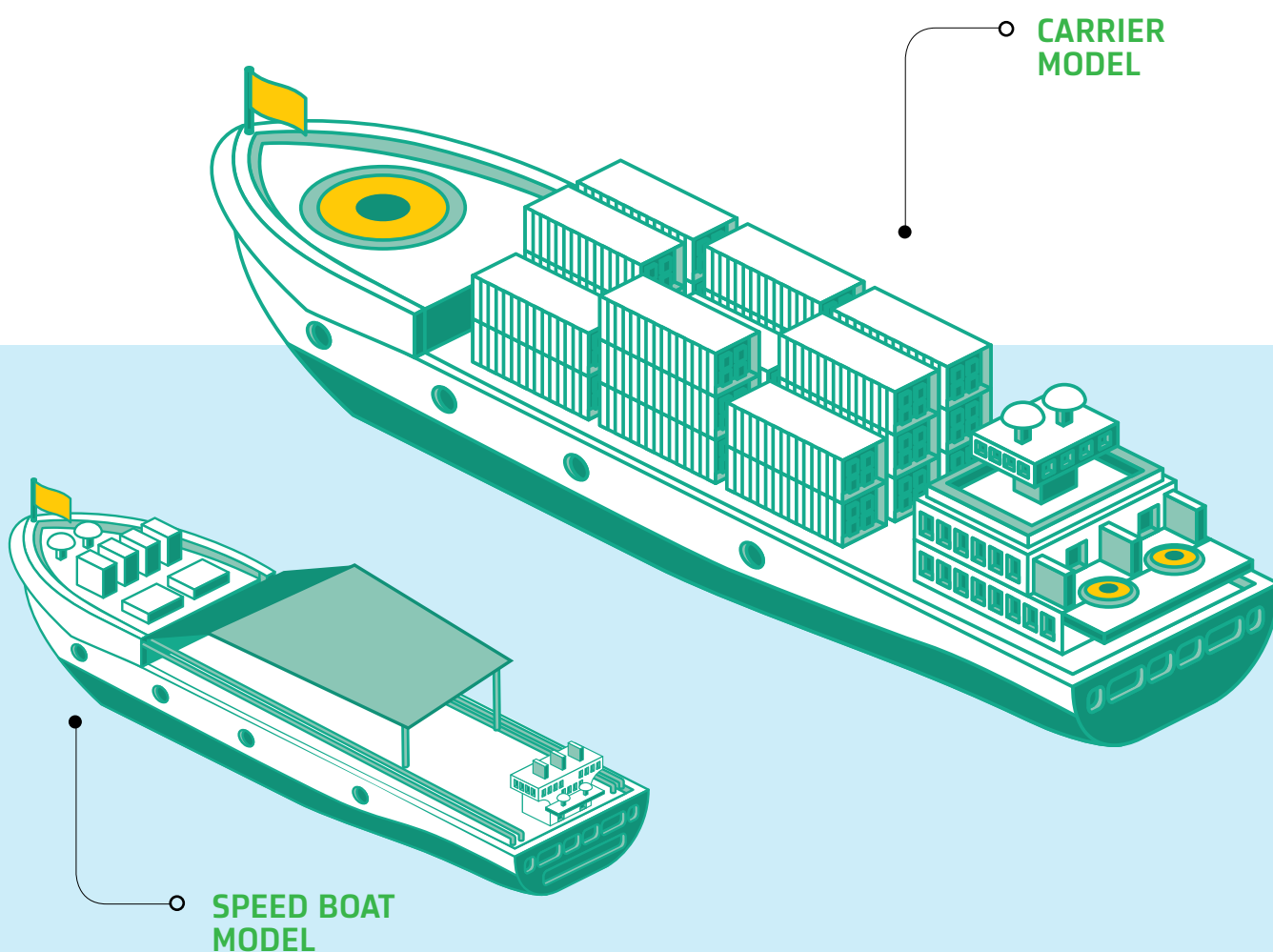
Singapore Branch

Republic of Singapore

*Note: Cayman Islands Branch has been established with the purpose to emphasize transactions in the manner of collecting funds from external sources. Yangon Representative office is responsible for taking care and facilitating customers with trade and investment between Thailand and Myanmar.

The Bank's Strategic Plan and Sustainable Profitability in 2021

In 2021, the overall Thai economy still faced high uncertainty about economic recovery from the COVID-19 pandemic including challenges from various factors that affected the banking business, namely today's fiercely competitive environment, new technology, changing behavior of consumers, entrepreneurs and various business sectors to support the New Normal lifestyle, entry of new players and the growing trend of ESG etc. The Bank has adjusted its business operations to keep pace with the current situation and to cope with the rapid and fierce changes in order to respond to the needs of customers, shareholders and stakeholders and to be able to go through this crisis.



From the aforementioned situations and challenges, Krungthai Bank's direction and strategic plan in 2021 still focused on driving business by the Carrier and the Speed Boat to further the Bank's growth through the 2 Banking Model as follows:

- | | |
|-----------------------|---|
| (1) Carrier Model: | Strategies focusing on increasing efficiency and reducing operating costs of key departments to keep the Bank's existing business and customer base. |
| (2) Speed Boat Model: | Strategies focusing on Agile working style with Fail Fast Learn Fast working principle, relying on agility, speed and data analysis on Digital Platform / Open Banking to try and find new business and expanding business from customers' partners including cooperation with government projects. |

Under the aforementioned strategic plan, the Bank operated business in accordance with the 5 Execution Pillars action plan to cope with the uncertainties and challenges of 2021 as follows:

1. Maintaining the growth of the core business (Carrier), which is the existing core business, to grow continuously and effectively by overseeing non-performing loans, along with supporting the Bank's debtors, and overseeing cross selling in order to have the least effect on the debtors as possible.

2. Creating a new business model under the 2 Banking Models, the Carrier and the Speed Boat.

- Changing from service to sale: Due to the fact that there were a large number of employees in some branches where many services might be replaced by digital, such as call centers, securities valuation, etc., the services provided by employees had to be changed from service to sale to serve more diverse customers.

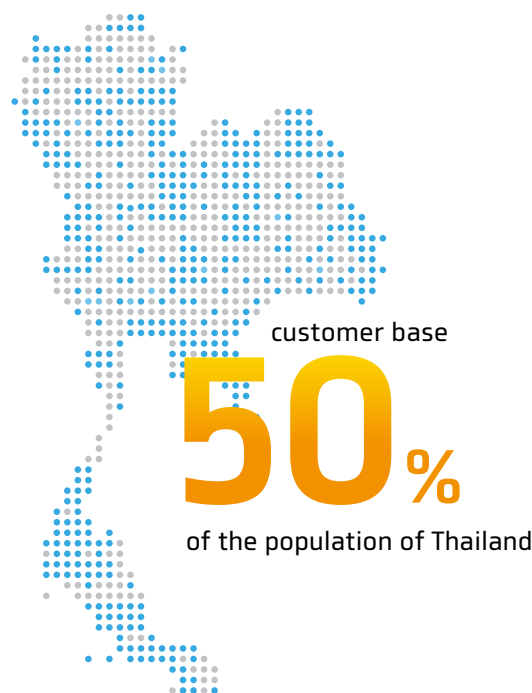
- The operation of "Infinitas by Krungthai" aims to develop financial technology and innovation through the Thailand Open Digital Platform that can fully satisfy the needs of customers and cover all activities in customers' lives. While "Arise by Infinitas" aims to produce digital creators to support Infinitas operations.

3. Minimize the use of paper (Paperless): The Bank has increasingly adopted RPA or Robotic Process Automation and the use of AI to use in the Bank's internal work processes to reduce the use of paper in the future and minimize workflows. This makes the internal working process of the bank more rapid which will enhance the Bank's competitiveness as well as increase customer satisfaction in using the Bank's services.

4. Expand business from customers' partners with the government-centric X2G2X strategy and connect with business partners and retail customers using the efficiency of technology (Digital Supply Chain).

5. Krungthai Sustainability supports the implementation of activities or projects to take care of Thai people, economy, society and environment in order to fulfill the needs of becoming a strong community. As a result, the Bank sustainably grows together with the country's economy and society.

To achieve the Bank's vision and mission, which focus on improving people's well-being, encouraging people from all sectors to have access to financial services, reducing income inequality, enhancing people's skills and understanding in digital literacy as well as maintaining competitiveness as the leading commercial bank in the country, the Bank continues to focus on the 2 Banking Models and the 5 Ecosystems concurrently, which is its main target groups - Government, Payment, Health and Wellness, Education and Mass Transit. The Bank deems that 5 ecosystems are its key strengths;

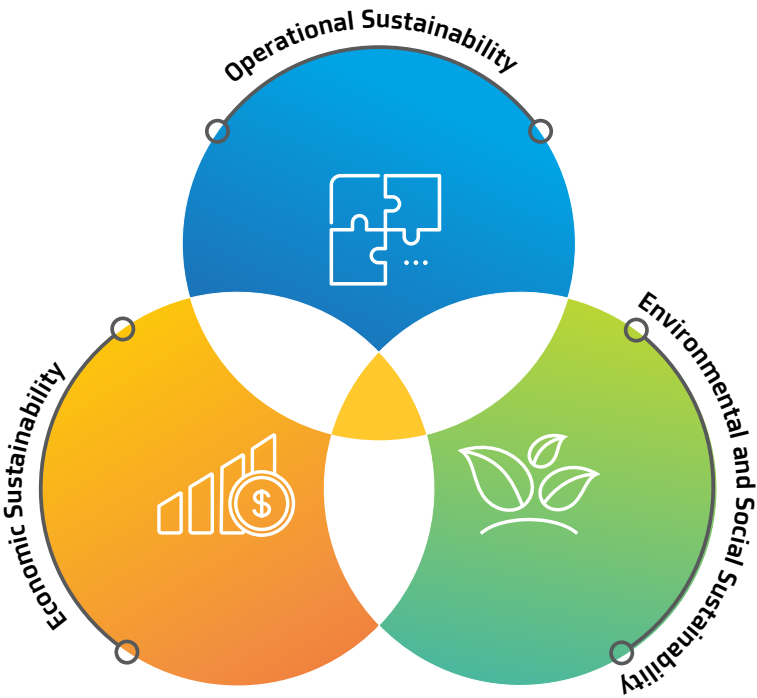


therefore, the Bank shall sustain and maintain, then connect them to other ecosystems in order to fulfill daily needs of the customers, expand business through offering various financial services that meet expectations and truly respond to every demand.

By driving the organization in accordance with the solid strategy, at present there are 13 million users using the Krungthai NEXT application, which is the Bank's mobile banking application, along with 33 million users using Pao Tang application, which is an open financial system, 1.5 million stores using the payment application or Thung Ngern application. Additionally, the Bank provides services to 13.6 million State Welfare cardholders, 5 million borrowers of the Student Loan Fund (SLF) and more than 4 million civil servant cardholders. Consequently, Krungthai Bank has a customer base who use the Bank's financial products and services of more than 50% of the population of Thailand. This helps the Bank to become the leader in digital banking in the country by being the largest digital platform provider currently operating in Thailand. In this regard, the Bank has been given an opportunity to expand its business from such projects, namely a direct assessment of customer needs from Big Data, efficient support for business expansion in the Bank's target customers and sustainable operating cost reduction and income generation for the Bank.

The Bank’s Sustainability Development Framework

The Bank has classified its sustainable development in three dimensions as follows:



01

Economic Sustainability

consists of key issues related to sustainable growth, namely sustainable growth and profit, risk management and resilience, research-led strategy, innovation, customer relation and branding and reputation.

02

Operational Sustainability

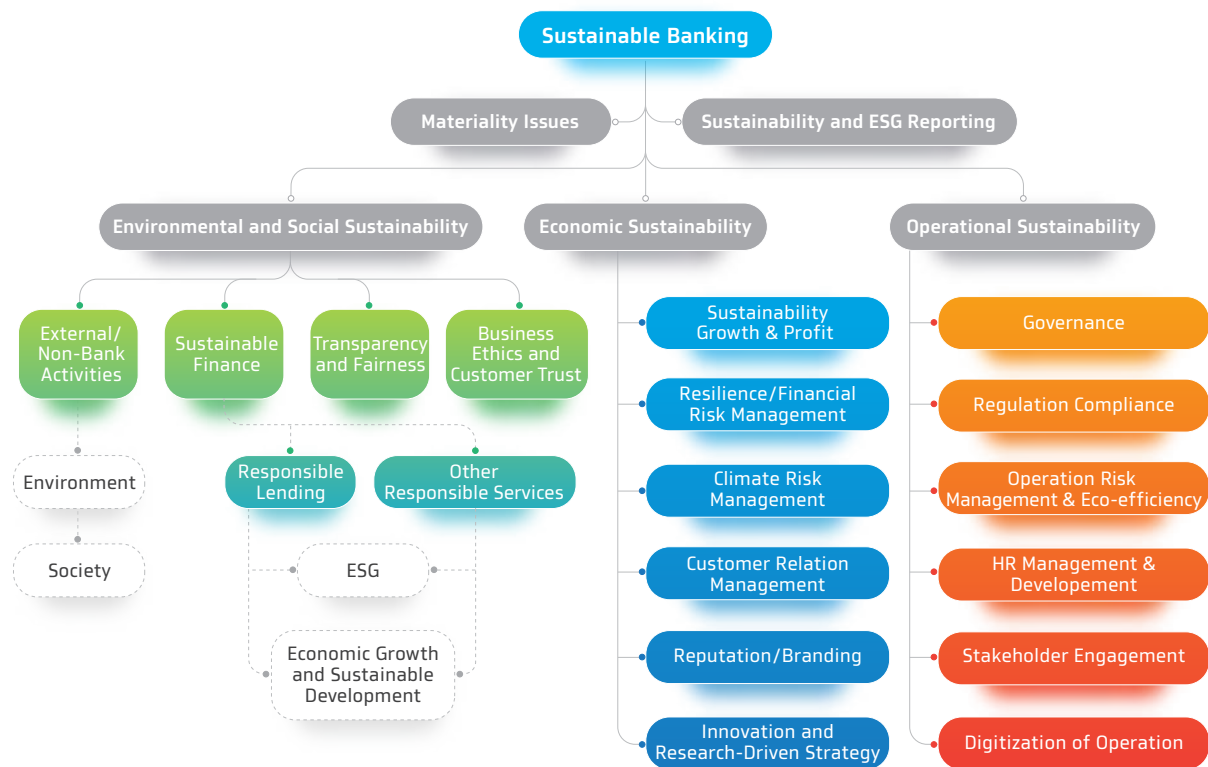
consists of key issues, namely good governance, including the nomination and remuneration of the executives, HR management and development, regulation compliance, stakeholder engagement, eco-efficient operation and digitization of operation.

03

Environmental and Social Sustainability

consists of key issues, namely responsible banking services, transparency and fairness, business ethics, sustainable finance and CSR for customers and society to have confidence in the Bank.

Framework of Sustainable Banking



Management Structure of Sustainability Development

The Bank has a committee that plays a crucial role in supporting the Bank to implement strategic policies to become a sustainable bank in all three dimensions.



Economic Sustainability:

The Executive Committee and the Risk Oversight Committee are responsible agencies.



Operational Sustainability:

The Executive Committee, the Corporate Governance and Social Responsibility Committee, the Risk Oversight Committee, the Nomination and Remuneration Committee, the Compliance Committee and the Audit Committee are responsible agencies.



Environmental and Social Sustainability:

The Corporate Governance and Social Responsibility Committee is the main responsible agency.

Communication and Branding Group is responsible for collecting sustainability performance data to prepare the Bank's Sustainability Development Report.

Guideline to Operate Business Sustainably According to the International Standard







As the government has endorsed the Sustainable Development Goals (SDGs) of the United Nations and set it as part of the 12th edition of the National Economic and Social Development Plan, Krungthai Bank as the main financial institution of the country, has adopted the Sustainable Development Goals as a framework a framework of the organization in order to develop the country sustainably. The Bank operations to support the SDGs are as follows:

Sustainable Development Goals (SDGs) of the United Nations

Project	1 PEOPLE	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
National e-Payment	●	●	●				●	●	●	●		●				
Pointpay	●	●					●	●				●			●	
Sorbormor Wallet	●	●	●				●	●	●			●			●	
We Travel Together	●	●	●				●	●	●			●			●	
Half Half	●	●	●				●	●	●			●			●	
Section 33 We Love Each Other	●	●	●				●	●	●			●			●	
One Baht Bond	●	●	●				●	●	●			●			●	
VAT Refund for Tourists	●	●	●				●	●	●			●			●	
Thaichana	●	●	●				●	●	●			●			●	
E-Filing Court System	●	●	●				●	●	●			●			●	
e-Withholding Tax	●	●	●				●	●	●			●			●	
Support for King Mongkut Chaokhun Thahan Hospital to KMC Innovative Hospital			●				●	●				●				
Smart University Application				●				●								
SMART Hospital			●					●				●			●	
Krungthai Digital Health Platform			●					●				●			●	
Safe Bangkok			●					●								
Krungthai Payment Gateway			●					●				●			●	
Krungthai Gold Wallet			●					●				●			●	
PTTEP Digital Bond	●						●	●	●			●			●	
Green Financing Support						●	●			●		●		●		
Krungthai Go Local, Grow Local	●		●	●	●		●	●				●				
Koh Tao, Better Together	●		●	●			●	●		●			●			●
Friend in Need (or 'PA')		●	●													
Krungthai Loves Environment										●		●				

Furthermore, the Bank placed emphasis on operating business for sustainability under national and international guidelines and standards. Details are as follows:

Dimension	Principle	Operation Guideline	Standard	Topic in Sustainability Report
 Human Rights	<p>Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights, and</p> <p>Principle 2 : Ensure that Businesses are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> - Krungthai Bank operates business by adhering to domestic and international law as well as Universal Declaration of Human Rights or UDHR. - The Bank has specified the Human Rights issue in the operation manual in the matter of hiring staff members and appointing a position regulation. 		Operational Sustainability
 Labour	<p>Principle 3 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4 : The elimination of all forms of forced and compulsory labour;</p> <p>Principle 5 : The effective abolition of child labour; and</p> <p>Principle 6 : The elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> - The Bank takes care of its employees in complying with the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. - The Bank has formulated the non-discrimination procedure in the matter of hiring staff members and appointing a position regulation. - The Bank has announced its Safety Policy and operational goals. - The Bank encourages the establishment of a labour union according to the State Enterprise Labour Relations Act. - Standard Qualifications of State Enterprise Directors and Officials Act. - Children under 18 years old are not allowed to work. - Compliance to the Empowerment of Persons with Disabilities Act, B.E. 2550, Section 35. 	  International Labour Organization	Operational Sustainability

Dimension	Principle	Operation Guideline	Standard	Topic in Sustainability Report
 Environment	<p>Principle 7 : Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8 : Undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9 : Encourage the development and diffusion of environmentally friendly technologies.</p>	<p>ISO26000 standard has been implemented as an environmental guideline, for instance:</p> <ul style="list-style-type: none"> - Environmental-friendly operation i.e., Green Loan. - The Bank received a Green Meeting certificate from TBCSD, whereby the Bank was able to reduce the organization's expenses through reducing the use of resources and energy. - Encourage each business unit to eliminate the document safety under the Shred2Share project to reduce tree destruction. - Initiate "Internal Digitization-Paperless Branch" project to reduce the branch's paper usage by 50% within 5 years. 	 	Social and Environmental Sustainability
	<p>Principle 10 : Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> - Formulate zero-tolerance policy through the 'Sustainable Krungthai' initiative, implemented throughout the organization. The Bank will not tolerate any form of corruption. - Announce the Whistleblowing policy as a channel for reporting any wrongdoing. - Stipulate the policy of Anti-Money Laundering and Combating the Financing of Terrorism: AML/CFT as in compliance with the international standard i.e., Vienna Convention (1988) Financial Action Task Force (FATF). - The Bank jointly signed a Memorandum of Understanding on National Anti-corruption Strategy Phase 3 (2017 - 2021) with the Office of the National Counter Corruption Commission, State Enterprise Policy Office (SEPO) and state enterprises. - The Bank jointly signed a Memorandum of Understanding towards driving the Bank to become a model of virtuous organization with the Moral Promotion Center (Public Organization) under the Sustainable Krungthai Initiative. - Conduct an anti-corruption handbook to prevent giving/taking of bribes and a handbook to prevent conflicts of interest in order to be guidelines for the Bank's employees and executives to adhere to. 	 	Operational Sustainability
 Anti-Corruption				

Membership in Organizations and Alliance Partners

The Bank has become a member of organizations and alliance partners in various economic, social and business networks, especially those related to the development of financial institutions and sustainability in order to convey the policies and practices to implement within the Bank. This shall also include the participation and sharing experiences as well as developing working systems for member organizations.

Details are as follows:

Industry Association & Partnerships

Thai Bankers' Association: Mr. Phayong Srivanich, the President of Krungthai Bank has been appointed as President of the Thai Bankers' Association. His mission is to cooperate with the public and private sectors in restoring the national economy, including developing a fully digital banking system to be a part of driving the country's economy to go through the economic crisis and respond to the needs of Thai people in all sectors.

Bank of Thailand: Krungthai Bank signed a memorandum of understanding with the Bank of Thailand, the Thai Bankers' Association and other Thai commercial banks to establish a Sustainable Banking Guidelines - Responsible Lending. It takes into account environmental, social and governance (ESG) factors to consider policies and strategies for responsible lending and provides management processes of risks and impacts arising from the Bank's lending.

Thailand Banking Sector CERT (TB-CERT): Krungthai Bank is one of its 15 members. This cooperation is to exchange solutions to deal with cyber threats in accordance with international standards, including attending training to enhance the Bank's operations.

Thailand Blockchain Community Initiative established from the cooperation from Thai banks, state enterprises organizations and large corporations in an attempt to bring blockchain technology to enhance the efficiency and competitiveness of the nation's business. The Bank has cooperated to provide electronic guarantees through the Krungthai e-LG on Blockchain system.

National Association & Partnerships

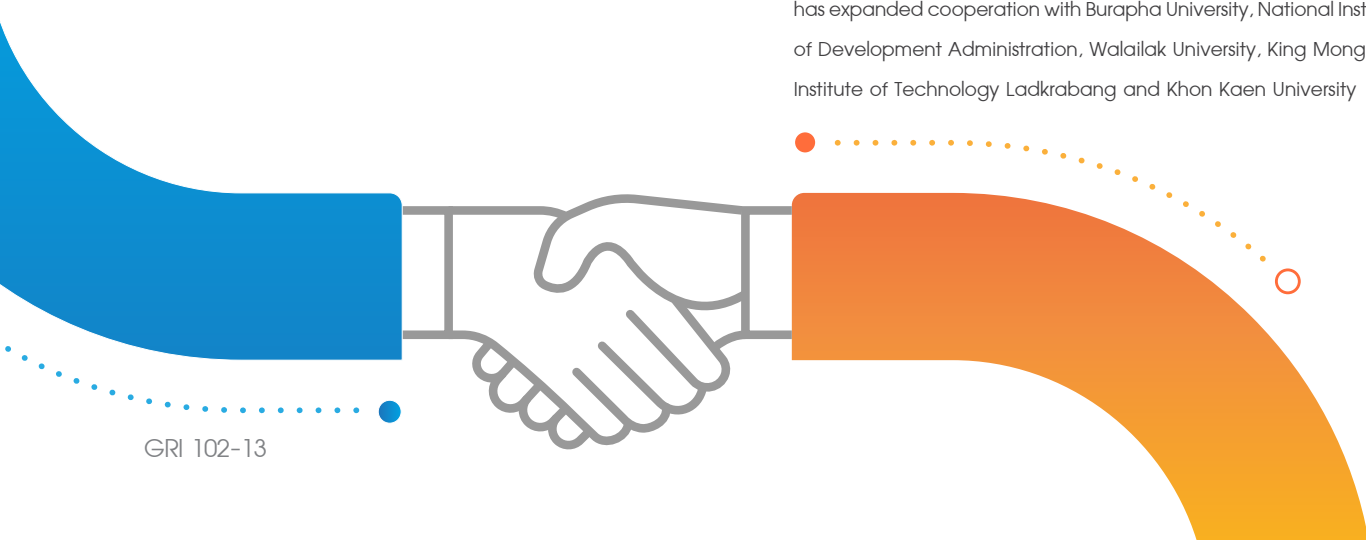
CSR Club, Thai Listed Companies Association: Main objective is to encourage members of listed companies to apply the concept and principles of corporate social responsibility (CSR) in business administration in an attempt to create a balance between monetary value and business value. Consequently, the Bank operates business in accordance with the guidelines of the association.

Thailand Business Council for Sustainable Development (TBCSD): The Bank joined as a member of the Thailand Business Council for Sustainable Development (TBCSD), the business council with its membership consisting of 40 leading organizations in the main business of the country, portraying outstanding sustainable development. The members focus on being a model of sustainability business, disseminate a business culture with broad social and environmental responsibility as well as push forward the policies that are fair to all sectors to reduce environmental impact.

Anti-Corruption Organization (Thailand): The Bank is a member of the organization, which has a vision to be a social force that drives Thai people and Thai society to not accept and to fight against corruption.

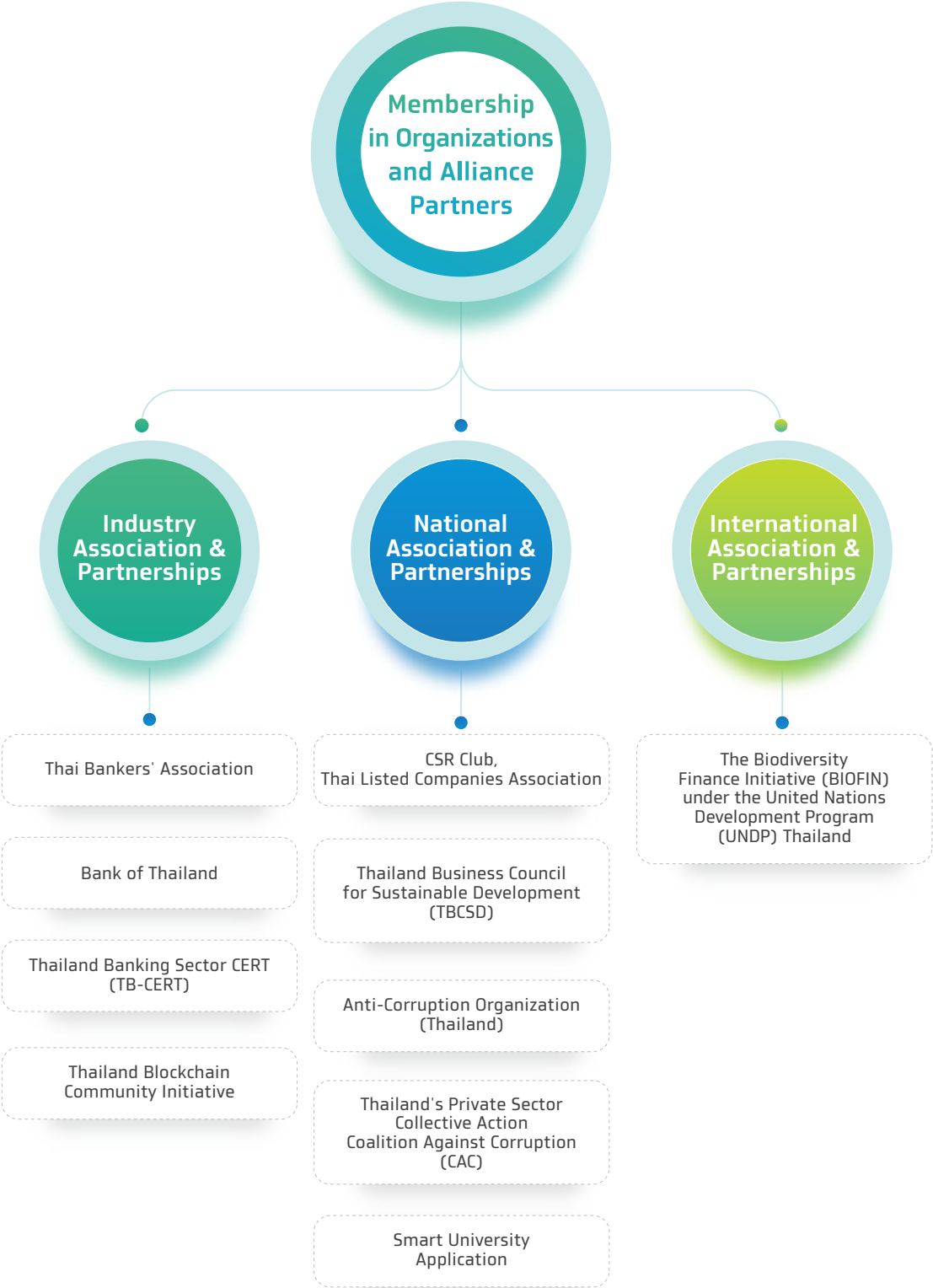
Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) is a gathering of large businesses to correct and prevent corruption in Thai society. The Bank is one of the members and all members are required to declare all types of anti-corruption policies and establish a system to prevent bribery as well as supporting the creation of good corporate governance standards on the basis of corporate governance and social responsibility.

Smart University Application: The Bank signed an MOU with the universities to link the Bank's digital transaction system with all activities in the university campus within just one application. This aims to drive a digital lifestyle of the smart university in corresponding with the New Normal context. Starting at Mae Jo University, the project has expanded cooperation with Burapha University, National Institute of Development Administration, Walailak University, King Mongkut's Institute of Technology Ladkrabang and Khon Kaen University



International Association & Partnerships

The Biodiversity Finance Initiative (BIOFIN) under the United Nations Development Program (UNDP) Thailand: The Bank in cooperation with UNDP and Raks Thai Foundation operate the "Koh Tao, Better Together" project to raise funds to help hiring boat drivers on Koh Tao, who suffered from lack of income due to the COVID-19 situation, to clean the beach and collect debris in the sea. Consequently, this project also helps reduce coastal environmental problems and restore marine ecosystems.



Courage to Change for Sustainability

During the past 3-5 years, commercial banks have faced an inevitable battle. The transformation of organizations to “Digital Banking” and the emergence of alarmless variables like the COVID-19 crisis urge all organizations to adjust their strategies to compete with each other on digital platforms to be in line with the behavior of consumers in this era and to be in line with the future direction of financial institutions. One of the key factors in business sectors that must be taken seriously is sustainability.

As a state commercial bank and a pillar of the country’s economy, Krungthai Bank is one of the large financial institutions that demonstrate the potential of the organization and leadership vision that can adapt quickly to every crisis and every era. No matter how the financial context changes, one thing that the Bank will continue unchanged is to develop the potential of the organization to be the leader in finance for the better life of all Thai people.

The COVID-19 pandemic is one of the biggest economic crises. But the Bank persists and maintains its mission as a pillar of the country’s economy. As a state-owned commercial bank that is by the people’s side in every crisis, the Bank has adjusted its policies and implemented various measures to prevent the spread of COVID-19 among employees and between employees and customers, including launching measures to help itself run its business smoothly amid the lockdown and while some employees work from home.

The Bank has appointed a committee for surveillance and management measures establishment to cope with the pandemic situation of COVID-19. The committee monitors the situation so that the Bank can formulate a plan to deal with problems in a timely manner, including assessing the impact that occurred, managing impacts on stakeholders in a comprehensive manner (impact mitigation), and monitoring the progress of the action plans at all stages.



Special measures for business and retail customers affected by the economic crisis

The Bank has recognized the broad impact on the Thai economy from the spread of COVID-19 and seen the urgent need to help all groups of customers. Therefore, it issued special measures for business and retail customers affected by the economic crisis and customers who lack liquidity and want to reduce costs and manage debt systematically. The Bank has assisted them in debt restructuring for affected debtors based on the debtor’s ability to repay. This guideline is subject to special measures and is able to sustainably help Krungthai Bank’s debtors who are affected by COVID-19 pandemic.

For this special measure, the Bank will consider providing assistance to customers covering interest rate reduction, installment payment reduction, step-up repayment, suspension of principal and interest payments, changing debt type by adjusting a revolving loan to be a loan with a term loan for easy installments with a fixed period, including other measures such as requesting debt restructuring by transferring the assets to pay debt, debt/equity swap, increasing liquidity, or extending the repayment period, etc. The consideration of each customer is in accordance with the criteria prescribed by the Bank. The Bank will propose a guideline for debt restructuring that is always appropriate to the ability to pay off the debt and the risks of the customer.

Supporting government policies to help support the country's economy

Remedial measures and the government's economic stimulus measures are intended to assist people in dealing with the effects of the COVID-19 pandemic. People across the country have been adversely impacted by the economic crisis and the spread of COVID-19 in all dimensions: physical health, mental health, the economy, education, and others.

Krungthai Bank, as a state commercial bank, has been part of the government sector in accelerating help to people through the development of a digital platform to facilitate Thai people's accessing various government assistance measures. The major government schemes that the Bank is involved in operations are:

Schemes under remedial measures for people affected by COVID-19



1. Rao Chana scheme (We Win):

The Bank in cooperation with the Ministry of Finance, Fiscal Policy Office, Comptroller General's Department, Revenue Department, Ministry of Transport, and government agencies executed the "Rao Chana" (We Win) financial aid scheme to reduce the burden of living expenses for people, causing them to be used for consumption expenditures, in particular, necessary utility expenses and travel expenses. The scheme requires those affected to register for compensation of no more than 9,000 Baht per person. The assistance will cover all occupational groups, such as self-employed, hawkers, stalls, employed, farmers, groups of state welfare card holders, groups of people who need special assistance, such as not having access to the internet, no smartphone, and people in dependency conditions such as the elderly, the handicapped, the disabled, bed-ridden patients, etc. The payment is made on a weekly basis to allow for a spread of spending over time. To support the scheme, people can use their right of the "Rao Chana" (We Win) scheme at the restaurants, general stores, service outlets such as barbershops, massage parlors and dental clinics, as well as transportation including motorbike taxis, taxis, tuk-tuks, buses, vans and minibuses. Krungthai Bank has provided additional schemes and actions as follows:

- Develop a registration system for Krungthai Bank's "Rao Chana" (We Win) scheme by expanding bandwidth to support the registration of people who are interested in joining the scheme at the same time. It can support up to 1.6 million registrations per second.
- Increase more than 20,000 EDC machines and employ students to facilitate merchants who come to register as participating merchants at Krungthai Bank's branches.
- Organize the registration system for the scheme at 1,023 bank branches and 871 mobile service points nationwide to facilitate people in need of special assistance who wish to register.
- Increase the registration service point for the scheme to be able to register to participate in the scheme at branches or service points of the Government Savings Bank, the Bank for Agriculture and Agricultural Cooperatives, the Provincial Treasury Offices, the Area Excise Offices, and the Area Revenue Offices across the country. There must be at least 3,500 registration service points for the scheme to serve the people.
- Improve the operating system of the "Thung Ngerm" application to be more concise and appropriate, in order to maintain the interests of honest citizens and entrepreneurs, as well as to control and reduce the likelihood of wrongdoing by operators.

The performance of the "Rao Chana" (We Win) scheme from February 5 to June 30, 2021, showed that there were more than 1.3 million merchants registered to participate in the scheme. Most of them are general stores and others, Blue Flag shops, restaurants and eateries, and OTOP stores. Over 33.2 million people had cumulative spending of over Baht 273,000 million.

2. Section 33 Rao Rak Kan financial aid scheme:

The Bank in cooperation with the Ministry of Finance and the Ministry of Labor, implemented the "Section 33 Rao Rak Kan" scheme to help Section 33 employees that were affected by the COVID-19 pandemic. Eligible people will receive a living allowance of 6,000 Baht per person through the Pao Tang application and can use the money for purchases of goods and services with participating merchants of the "Rao Chana" (We Win) scheme.

The performance of the scheme from March 22-June 30, 2021, showed that there were more than 8.1 million users, with cumulative spending of more than 48 billion Baht.





Schemes to Stimulate the Economy in the Country

1. Kon La Krueng (Let's Go Halves) Co-payment Scheme:

The Bank in cooperation with the Ministry of Finance, the Fiscal Policy Office, and the Comptroller General's Department, implemented the Kon La Krueng (Let's Go Halves) co-payment scheme. The scheme aims to restore the foundation economy and enable micro entrepreneurs, especially hawkers and stalls, to generate more income from selling products, including reducing the burden of people's expenditures and stimulating the economy.

- Kon La Krueng co-payment scheme, Phase 1 and 2: The government pays 50% for food, beverages and general goods through the buyer's side, but not more than 150 Baht per person per day or not more than 3,500 Baht per person throughout the scheme period.

The performance of the scheme, Phase 1 and 2, from October 23, 2020 to March 31, 2021, showed that more than 1.5 million merchants have registered for the scheme. There are more than 14.7 million registered users, with a total spending of over 102,000 million Baht throughout the scheme, divided into money that people pay more than 52,000 million Baht and the government pays more than 50 billion Baht.

- Kon La Krueng co-payment scheme, Phase 3: The government pays 50% for food, beverages, general goods, and service fees through the buyer's side, but not more than 150 Baht per person per day or not more than 4,500 Baht per person throughout the scheme period. The Bank has also expanded the potential of the Pao Tang application to support spending on ordering food and beverages through food delivery platforms that have been approved to join the scheme, including Grab, LINE MAN and True Food, to increase ease of use for the people participating in the scheme. It reduces the cost of living and meets the changing lifestyles of Thai people.

The performance of the scheme, Phase 3 from July 1 to December 31, 2021, showed that more than 1.3 million merchants have registered to participate in the scheme. There are more than 26.3 million

accumulated users from 28 million rightsholders, with cumulative spending of more than 223,900 million Baht, divided into money paid by the people of over 113,900 million Baht and the government co-paying more than 110,000 million Baht. From information on spending through the food delivery platforms, there are accumulated spending of approximately 3,600 million Baht, divided into money that people pay more than 1,900 million Baht and the government's jointly paying more than 1,700 million Baht. More than 82,000 food and beverage operators on food delivery platforms participate in the scheme.

2. Ying Chai Ying Dai (The More You Spend; The More You Get) scheme:

The Bank in cooperation with the Ministry of Finance implemented the "Ying Chai Ying Dai" scheme. It aims to restore the economy by stimulating domestic consumption through people who have purchasing power and supporting entrepreneurs who are in the VAT system. Those who are entitled to pay for goods or services via g-Wallet on the "Pao Tang" application and participating entrepreneurs with VAT registration who installed the "Tung Ngern" application will receive cash-back e-vouchers with a maximum limit of 10,000 Baht per person throughout the scheme period.

The performance of the scheme from July 1 to December 31, 2021 showed that there were more than 91,000 users out of more than 490,000 eligible people, with cumulative spending of more than 3.8 billion Baht and accumulated spending on e-Vouchers of more than 330 million Baht.

3. Scheme to boost the purchasing power of state welfare card holders:

The Bank in cooperation with the Ministry of Finance and the Comptroller General's Department, implemented the scheme to boost the purchasing power of state welfare card holders by helping pay for products from low-cost Blue Flag shops and for goods or service fees from stores or service providers that participate in the Kon La Krueng (Let's Go Halves) co-payment scheme, Phase 3, with a maximum limit of 1,800 Baht per person.

The performance of the scheme from July 1 to December 31, 2021, showed that there were more than 13.5 million active users, with cumulative spending of more than 24 billion Baht.



4. Scheme to boost the purchasing power of people who need special assistance: The Bank in cooperation with the Ministry of Finance and the Comptroller General's Department implemented the scheme to boost the purchasing power of people who need special assistance, such as those who do not have access to the internet, those who have no smartphones, those who are in dependency (the elderly, the disabled, the handicapped, bed-ridden patients who are unable to register or travel to spend the amount received through the "Pao Tang" application), etc. The government will help pay for products from low-cost Blue Flag shops and goods or service fees from stores or service providers that participate in the Kon La Krueng (Let's Go Halves) co-payment scheme, Phase 3, with a maximum limit of 1,800 Baht per person.

The performance of the scheme from July 1 to December 31, 2021, showed that there were more than 1.5 million active users, with accumulated spending of more than 2,100 million Baht.

5. Rao Tiew Duay Kan (We Travel Together) scheme, Phase 3:

The Bank in cooperation with the Ministry of Finance and the Tourism Authority of Thailand, implemented the scheme by providing 2 million additional rights and increasing the number of rooms by 2 million rooms respectively. The execution period is from October 2021 to April 2022. In this regard, the government joins in supporting 40% of the hotel price (not more than 3,000 Baht/room/night), supporting 600 Baht food coupons per night, and supporting 40% of airfare (not exceeding 2,000 Baht or 3,000 Baht, according to the conditions of each province).

The performance of the scheme from October 15 to December 13, 2021, showed that there were more than 1.04 million registered people and more than 8,900 participating entrepreneurs. The accumulated spending amount is over 8,000 million Baht, divided into hotel/accommodation spending of more than 7 billion Baht, spending on coupons in the scheme of over 900 million Baht, and spending on airfare of over 100 million Baht.



6. Tour Teaw Thai Scheme: The Bank in cooperation with the Ministry of Finance and the Tourism Authority of Thailand, implemented the scheme, which helps subsidize 40% of tour packages of up to 5,000 Baht per person, distributing to 1 million eligible rights during October 2021 to April 2022.

The performance of the scheme from October 15 to November 26, 2021, showed that more than 10,000 people have registered for rights, while 760 tour companies have registered to join the scheme with more than 1,500 tour programs. The total amount of travel and accumulated expenses is over 18 million Baht.

In addition to helping to restore the community economy through people's consumption and spending, the implementation of schemes helps to create learning opportunities for people at the foundation level, so they are able to take advantage of technology to reduce inequality and develop Thai society to move towards a digital society at the same time. It also reduces the use of cash and improves the efficiency with which government schemes are implemented, as well as assisting the target groups precisely, transparently, thoroughly, and verifiably.

Other Schemes

1. Thai Ruam Jai, Safe Bangkok Scheme: The Bank in cooperation with Bangkok Metropolitan Administration, the National Health Security Office, the Thai Chamber of Commerce, IBM, Hospitals and partner agencies, developed a registration system for COVID-19 vaccination – Thai Ruam Jai, Safe Bangkok scheme, to facilitate registration for people who will receive vaccination against COVID-19 at out-of-hospital vaccination service points throughout Bangkok. The Bank developed the “Thai Ruam Jai, Safe Bangkok” system to distribute vaccines to people in the Bangkok area thoroughly, conveniently, quickly, transparently, and efficiently. Residents of Bangkok aged between 18 and 59 years, who are not listed among the 7 groups of people at higher risk, can register for vaccination reservations through various channels, including the Thai Ruamjai website, the “Pao Tang” application, and participating convenience stores.

The performance of the scheme from June 7 to November 15, 2021, showed that more than 2 million people had registered for vaccination and more than 3 million doses of vaccines were distributed. This leads to the opening of a tourism pilot area, or Bangkok Sandbox, which is important to the economy and leads to the opening of the country for visitors on November 1, 2021.

2. Registration for COVID-19 Antigen Test Kit (ATK) through “Pao Tang”:

The Bank, in collaboration with the National Health Security Office and Bangkok Metropolitan Administration, distributes ATK through various service units such as participating hospitals, clinics and pharmacies. Groups of people at risk and living in Bangkok can login and assess the risks through the “Pao Tang” app, then go and pick up 2 ATK at participating clinics and drugstores. In this regard, the results of ATK distribution on the first day (16 September 2021) found that a total of 4,299 people have received ATK, totaling 8,598 sets, of which 4,295 were obtained through the Pao Tang app. In the case of a positive test result, the Pao Tang app will have the option to choose whether to undergo Home Isolation at your current address or return to your hometown. In the case of choosing a current address in Bangkok, such information will be sent into the system and distributed to the clinic located closest to the patient for further follow-up on patients’ symptoms.

3. Krungthai Care Box Scheme: The Bank donated 20,000 Krungthai Care boxes to infected patients of COVID-19, who are treated at home. Inside the box contained of antipyretic drugs, cough syrup, andrographis paniculata tablets, alcohol gel, masks, and subsistence equipment, etc. They were given to patients in various areas throughout the country, such as Nakhon Si Thammarat Province, Samut Prakan Province, Chachoengsao Province, Pathum Thani Province, and Nonthaburi Province, etc.





4. Survival bags to help flood victims in the COVID-19 situation:

The Bank provided 2,000 survival bags consisting of consumables necessary for flood victims, such as rice, chili paste, instant noodles, canned fish, garbage bags, mosquito spray, balms or ointments, sanitary napkins, etc. to help flood victims in the COVID-19 situation in various areas, such as Ayutthaya Province, Ubon Ratchathani Province, Udon Thani Province, etc.

5. Supporting King Mongkut's Hospital to develop innovation to drive KMC Innovative Hospital:

Krungthai Bank is determined to use technology to develop and improve the quality of life of people, especially in health and medical care. Therefore, it has supported the budget for the King Mongkut's Institute of Technology Ladkrabang (KMIL) to build King Mongkut's Hospital to be a comprehensive research and development center for medical innovations for all Thai people, which is the future industry (New S-CURVE) that drives the national economy, including new proactive medical care. The push for King Mongkut's Hospital to KMC Innovative Hospital is a combination of the strengths of the two agencies, Krungthai Bank and KMIL, to exchange technology and connect healthcare projects that the Bank has continued to do with. The Bank's strength and the outstanding reputation of KMIL as a leading institute for research and innovation can drive innovation in medicine, including exchanging information and analyzing problems to meet the needs of doctors and nurses in treating all patients and service recipients. This is in line with the health and medical care program, which is one of the Bank's five ecosystems to take part in making the lives of people better by taking into account overall social development and creating social sustainability.

Performance Sustainability

Change to reduce environmental, social and governance (ESG) risks. Continuously use technology to develop financial services to comprehensively provide all groups of people with access to both basic and new services and products that help to empower better life for everyone.



Growth of Sustainable Performance

In 2021, the Bank achieved a profit of 21,558 million Baht, an increase of 29% compared to 2020. The Bank's performance was driven by strong loan growth of 12.6 percent and the result of collaboration with various sectors, i.e., the government sector, the education sector, the private sector, the banking sector, especially collaborating with the government sector to develop digital infrastructure, support government policies and develop the country's economy, which can extend further, and develop financial services in various forms, such as digital bonds, Digital Lending, Health Wallet, Smart City scheme, etc.

Performance of the Bank and Its Subsidiaries in 2021



The total amount of the Bank's lending

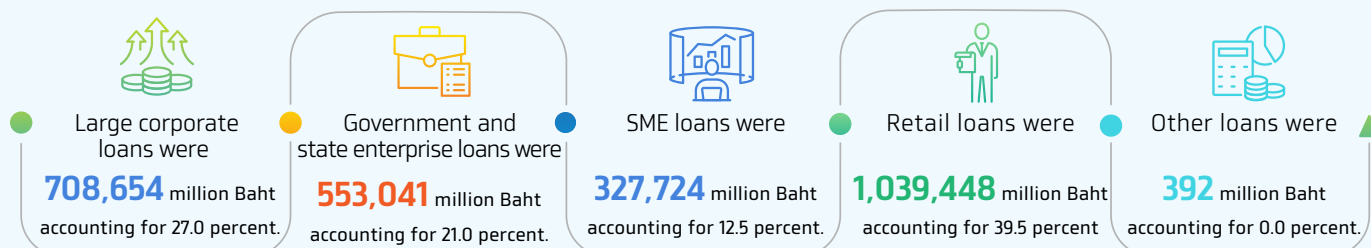


Table of Economic Values Created and Directly Distributed by the Organization

Sustainable Development Operations of Krungthai Bank PCL. 2019-2021

Detail (The Bank's Financial Statements)	Amount (Million Baht)		
	2019	2020	2021
Economic Performance			
Income	142,752.04	129,644.39	123,250.18
Operational costs	47,803.12	63,952.07	53,657.80
Employee and benefit expense	25,903.03	23,261.75	22,064.41
Costs for source of fund	32,961.89	22,905.79	20,037.32
Tax expenses	9,379.84	6,082.09	7,742.82
Social and environmental costs	378.46	150.68	310.68
Donations for public charities/public benefits	86.27	34.64	35.74
Donations for education/sports	162.39	33.59	129.68
Donations for supporting local activities	36.47	26.54	95.17
Donations for support expenses for the benefits of society	14.96	6.74	14.93
Providing scholarships to people outside the organization	8.35	4.23	2.82
Membership and maintenance fees for the club and/ external associations	70.02	44.94	32.34
Cumulative economic value	26,325.70	13,292.01	19,437.15

- Notes:
1. From 2013 onwards, TAS 12 (Income Tax) and TAS 19 (Employee Benefits) have been applied.
 2. Operating costs are updated in terms of the cost for the source of funds.
 3. Cumulative economic value = Income - (Costs + Employee and Benefit Expenses + Sources of funds + Taxes + Social and Environmental Costs)

Income from business operations of the Bank comes from both maintaining income from the traditional banking business, i.e., lending and deposits, and creating a new business in the form of open banking and digital platforms that are innovations, which are innovations that meet the needs of customers differently and effectively.

Risk Management

Long-term goals in 2024

Support for the Bank's strategies and operations; and proactive portfolio management and capital management, including compliance with official regulations

Operational goals in 2021

The capital adequacy ratio is in accordance with the Basel III

Performance of the Year 2021

- Coverage Ratio: 164.88 percent
- The ratio of total equity is 19.88 percent (The minimum ratio is 12 percent)

Courage to change to deal with the risks posed by technological changes and the situation of uncertainty after COVID-19

Risk Management Process of the Bank

Technology in the digital economy causes rapid and drastic changes in the economy, society, and business competition. There are also emerging risks, especially in the situation of the COVID-19 pandemic that has decreased economic activity and caused a severe economic recession around the world. Currently, the economy is recovering after the situation of the COVID-19 pandemic begins to quiet down.

However, people's behaviors began to shift towards a new normal. Consumers will have more online lifestyle activities. In the business sector, digital technology is being used in operations rapidly and expandingly (Digital Transformation). These factors are the catalysts for the expansion of the digital economy and present a challenge to achieving the goal. Therefore, risk management is an important factor that will prevent, maintain and encourage the Bank to achieve its goals. An efficient risk management system will reflect the Bank's good management, business code of conduct, transparency, and accountability, which are the key foundations for its steady growth.

The Bank places importance on systematic and efficient risk management and risk control. It has clearly defined a framework for risk management structure, policies, guidelines, and handbooks for risk management, covering various aspects of risk management in accordance with the requirements of the Bank of Thailand (BOT) and using the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which is a framework for Enterprise Risk Management (ERM). The key principles are:

- To link risk management processes to strategic plans and business opportunities of the Bank to integrate risk administration

and management to cover the entire organization. The Bank has established key risk indicators (KRI), which are risk appetite and risk tolerance, covering all risk factors and risk causes in order to monitor the risk management results at an acceptable level for the Bank and in accordance with the specified goals.

- To assign the Risk Management Group to supervise, monitor, evaluate and report risk management results to the Risk Oversight Committee, Audit Committee, and Board of Directors on an ongoing basis.

Financial Risk Management

The Bank has managed its capital funds and financial business group in accordance with Basel III guidelines, comprising 3 pillars as follows:

Pillar 1: Minimum Capital Requirements: The Bank is required to maintain capital for credit, market, and operational risks.

Pillar 2: Supervisory Review: The Bank is required to maintain capital higher than the minimum capital under Pillar 1 to cover risks that are not covered in both normal and crisis situations and to have a good risk management system, i.e., the Bank must have the internal capital adequacy assessment process (ICAAP), taking into account all aspects of its own risks and having proper crisis testing.

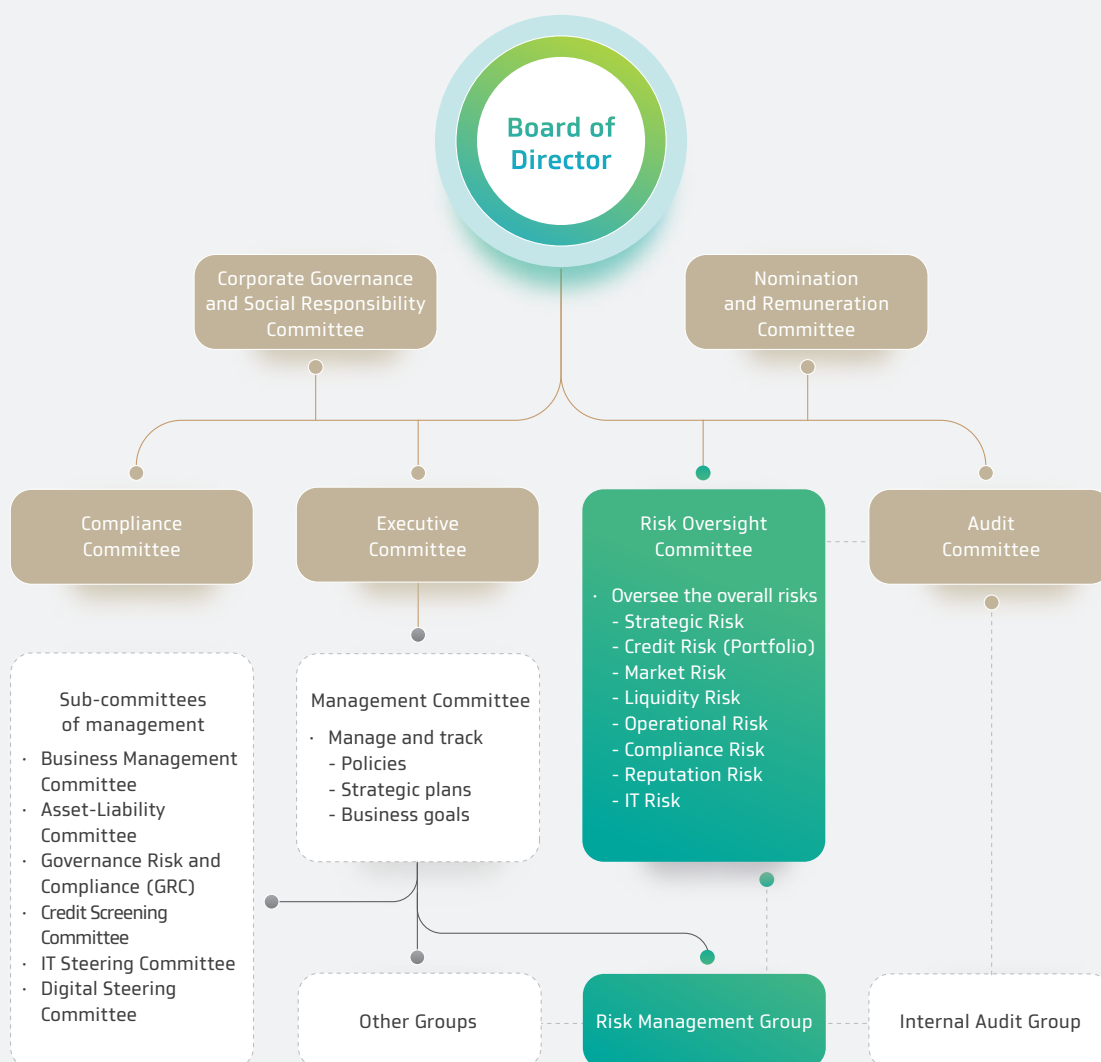
Pillar 3: Market Discipline: The Bank is required to disclose information about capital maintenance, risk level, and own risk management system to enable third parties or market participants to use such information to analyze and assess the Bank's risks. This will be an important market mechanism in driving the Bank to have a good risk management system.

The Bank has set aside provisions to cover the anticipated future losses or damage with the purpose to reflect the credit risk of the debtors (Expected credit loss: "ECL" or Expected loss: "EL") in order to reflect the credit risk of the debtors based on historical information and forward-looking information that may affect the debtors' ability to repay according to the classification status in compliance with the Thai Financial Reporting Standards No.9 (TFRS 9): Financial Instruments, as prescribed by the Bank of Thailand.

The Bank has always been operating in compliance with risk management standards and overseeing capital adequacy according to BOT's regulations and international guidelines. Stress tests covering significant risks in both normal and stressed situations have been carried out to evaluate their effects on capital adequacy. The Bank has studied the effect of Basel III for the purpose of capital planning and setting the Bank's dividend policy.

Risk Governance Structure of the Bank

The Bank has established the organizational structure and effective risk management in accordance with the principles of good corporate governance. Duties and responsibilities are clearly divided in each business unit. The Bank's risk governance structure consists of high-level committees that are sub-committees of the Bank's Board of Directors. They are responsible for overseeing overall and policy risks such as the Board of Directors, Executive Committee, Risk Oversight Committee, Compliance Committee, and the Audit Committee. There is the Management Committee and sub-committees of management to manage and monitor risks. They consist of the President and senior executives such as the Management Committee, Asset-Liability Committee, Governance, Risk and Compliance (GRC) Committee at Management Level, and Credit Screening Committee. The overall picture of the Bank's risk governance structure is as follows:



Strengthening a Culture of Risk Management

The Bank has established the risk governance structure according to the 3 lines of defense principle, covering the level of the Board of Directors, the management, and the level of business units (BUs), which consists of all employees reflecting the organizational structure. The Bank has elevated the risk management by assigning the Risk Oversight Committee (ROC) to drive and supervise the risk so it is in compliance with the policy and at the risk appetite level. The Bank has adhered to the principles of good and international risk management in accordance with the COSO and Prudent Banking guidelines. It has determined processes, guidelines, and applied tools for risk management and early warning as summarized:

1. Determine the Risk Management Policy/Framework.
2. Determine approval authority/risk limit of the risk appetite and risk tolerance.
3. Create an atmosphere or environment that is conducive to clear risk management as well as communicating to all levels of employees. The Bank emphasizes risk culture creation through the operations as follows:
 - 3.1 Announce the intention to exercise I-BEST as a desirable practice, which covers operations by taking into account appropriate risk management and internal control;
 - 3.2 Promote I-BEST in order to create awareness, understanding, and proper behavior, including the participation of personnel at all levels, from directors to all employees, through various activities and projects to create a risk management culture throughout the organization;
 - 3.3 Assign the Risk Oversight Committee, which is a subcommittee, to drive and supervise the risks in accordance with the policy and be at the risk appetite level;
 - 3.4 Establish Sustainable Krungthai Initiatives, which cover the implementation of the Code of Conduct, Zero Tolerance Culture, and Anti-Bribery and Corruption Policy, to be the Bank's business operation principles for transparency, accountability, and without conflict of interest;
 - 3.5 Establish a Whistleblowing Policy and appoint the Governance Risk and Compliance (GRC) at the management level and operational level, to expedite the results after being notified. This will not only serve as a declaration of seriousness and attention to risk management, but it will also foster public trust.
4. Have respectable tools for effective risk management as well as providing periodic tests of risk assessment tools to ensure the accuracy of risk assessment.
5. Provide stress testing to ensure that the Bank has sufficient capital funds in both normal situations and stress events.
6. Provide the monitoring system for risk assessment and report the risk via the Risk Dashboard monthly to the relevant committee, as well as managing risk to be at the risk appetite level.



Emerging Risk

Emerging Risk	Description	Impact	Mitigation
1. Pandemic Risk	<p>Due to the spread of COVID-19 around the world, each country continues to monitor and take measures to reduce the spread of COVID-19 to a controllable level. Although the measures began to be eased, there are still new variants of COVID-19 emerging. This could be more contagious and have more serious health consequences, and the old vaccine may not protect against the new variants, which affects employment and consumption and may eventually lead to a severe economic downturn.</p>	<p>Credit Risk: The Bank has significantly increased credit risk across all customer groups. This is because most customers have lower debt serviceability and weaker financial positions and are unable to operate the business as usual. The Bank, therefore, has to increase the provision to maintain coverage ratio based on current and future credit quality. This affects the Bank's financial position and profitability.</p> <p>Operational risk: Employees and customers are at risk of contracting COVID-19 from providing services that need to be met with customers, such as service at branches, visiting customers, etc. If there is a case that someone is found to be infected in the branch or the place of work, the area must be closed for disinfection. This affects the Bank's services and operations.</p>	<p>1. The Bank has issued various assistance measures to customers affected by the COVID-19 pandemic in accordance with the measures and policies of the Bank of Thailand (BOT), with the aim of assisting customers, both SME and business customers, to reduce the financial burden of customers and be able to continue their business. This will also reduce the impact of deteriorating credit quality, such as the suspension of both principal and interest payments and the extension of the repayment period, etc.</p> <p>The spread of COVID-19 has affected the Bank's business operations in each business unit, including providing services to customers, such as the reduction in the number of employees working in office buildings due to social distancing measures by the government and the temporary closing of branches in department stores in accordance with the government's lockdown measures. The Bank has management guidelines during the pandemic situation of COVID-19 in order to continue its business as follows:</p> <p>1) Surveillance and monitor the situation of the COVID-19 pandemic, as well as communicating and publicizing information about the disease and pandemic situation in Thailand and around the world continuously through various communication channels of the Bank to ensure that employees understand the situation and know how to prevent infection.</p> <p>2) Establish a COVID-19 Hotline Center within the Bank under the responsibility of the Human Resources and Corporate Governance Group to receive reports of suspected cases that may contribute to the spread of the disease and to advise employees on ways to prevent infection, as well as to provide advice and assistance when employees are infected with COVID-19.</p>

Emerging Risk	Description	Impact	Mitigation
			<p>3) Appoint a surveillance committee and set management measures to support the COVID-19 pandemic situation (War Room), consisting of the President, Group Heads, and Sector Heads of related business units, such as the Risk Management Group, the Operation Group, and the Human Resources & Corporate Governance Group. The objective is to monitor the situation within the Bank and formulate policies, guidelines, and measures to have an integrated handle on the COVID-19 pandemic in all dimensions to ensure that the Bank is able to respond and cope with its impacts in a timely manner.</p> <p>4) Implement the Business Continuity Plan (BCP) by defining a strategy for all departments to divide employees into 3 teams, namely: Team A working at the main office buildings, Team B working at the alternate sites, and Team C working from home, to prepare for the pandemic situation and be able to perform work instead of each other. The details are as follows:</p> <ul style="list-style-type: none"> - Core business functions (CBFs), or the units that have alternative sites, divide their employees into three teams: A, B, and C. - Other business units divide employees into Teams A and C. <p>5) In the course of work, avoid direct contact and close contact among business units and employees by using G-suite technologies such as Google Chat, Google Meet, and Google Mail for communication or meetings, including publicizing the Bank's customers to use services via electronic devices (such as ATMs and ADMs) and online services (such as Krungthai Next and Pao Tang applications) to reduce people density at branches.</p>

Emerging Risk	Description	Impact	Mitigation
2. Disruptive Technology Risk	<p>The pandemic of COVID-19 has accelerated into the digital economy. More customers switch to digital channels, thus increasing cyber risk. Blockchain technology leads to decentralized finance, resulting in new financial innovations such as digital assets, cryptocurrency, smart contracts, P2P lending, etc. This enables other business groups to enter the banking business to compete directly with banks, especially the Fintech group.</p>	<p>Traditional banking businesses have mostly been affected by financial innovation driven by technological innovation. Interest income, fee income, or other service income of the bank tends to decline. This is because other competitors, especially fintech groups, compete to offer more new forms of financial services, such as international money transfer services, providing loans in the form of P2P and various payment services, fundraising or investments in the form of digital assets, etc., including the emergence of platforms under official agencies such as National Digital Identity (NDID), Central Bank Digital Currency (CBDC), and Virtual Banking, etc. This is a new industrial landscape for the Bank that needs to be closely monitored to prepare for new financial innovations, which is both a challenge for traditional banking and an opportunity for digital banking to develop further, including seeking new business forms.</p>	<p>The Bank has implemented plans to protect its core business and respond to emerging risks in the banking business to continuously cope with risks from technology disruption and cyber risk, for example:</p> <ul style="list-style-type: none"> - Announcement of a strategic plan for two banking models, which can be divided into (1) Traditional Banking to protect the Bank's existing businesses and customers, and (2) Digital Organization to experiment and seek new business models by leveraging technologies such as artificial intelligence (AI), machine learning (ML), big data, and data analytics, etc.; - Establishment of Innovation Lab and Infinitas by Krungthai Co., Ltd. to research and develop digital financial systems or products; - Establishment of Arise by Infinitas Co., Ltd., which is jointly invested with Accenture Solutions Co., Ltd. to support the provision of personnel services and IT resources; - Development of the "Pao Tang" application as an open banking platform to support various digital services and connections with partners, particularly the government sector; - Participation in the regulatory sandbox for platforms or products designated by the official authorities; - Follow up and discussion with regulators to prepare for further business guidelines in accordance with the laws and regulatory guidelines, including considering licenses or new products or platforms that are appropriate for the Bank's context; - Seeking collaborators to help strengthen our ability to develop new technologies or business models;

Emerging Risk	Description	Impact	Mitigation
			<ul style="list-style-type: none">- Establishment of the "Krungthai Compass" research center to analyze the overall economy and trends in each industry to strengthen competitiveness in a situation of technology disruption and to support the expansion of the banking business;- Using robotic process automation (RPA) to help in operations to make work faster and reduce errors and operating costs;- Branch adjustment to Digital Branch format and increase in Digital Advisors to facilitate customers' switch to more digital channels.

Digital Operation and Innovation Strategy of the Bank in 2021

In 2021, Krungthai Bank has still accelerated the development of a parallel digital system, namely Krungthai NEXT mobile banking, which is a closed banking system, and “Pao Tang” application that is an open banking system, to make its system able to support growth of the more use of platforms and be in line with the changing behavior of Thai people. The Bank has developed the “Pao Tang” application to be Thailand Open Digital Platform to make it easy for all citizens to access financial services through digital systems that are convenient, thorough, and equal. It aims to create a digital platform for the country (Thailand Digital Platform) for Thai people and improve the quality of life of Thai people and the country through the “Pao Tang” application as the main body that will be more than just providing financial services (Beyond Banking) and can fully meet the needs of customers in all dimensions.

The Bank also attaches great importance to expanding its business from government projects and financial infrastructure, which the Bank participates in through the extension of business from customer partners (X2G2X), starting from its main customers, namely the government, connecting to the business sector, which is the customers’ partners in the supply chain, which are connected by the efficiency of the Krungthai Business Platform’s technology through collaboration (Synergy) both within the Bank, companies within the Bank’s business group, and all partners, both public and private agencies, to enhance the platform’s potential and enable the Bank to offer various financial services that truly meet every need.



In addition, Infinitas by Krungthai Co., Ltd. (Infinitas), a subsidiary and a company in the Bank's financial business group, has jointly invested with Accenture Solutions Co., Ltd. (Accenture), a leading global technology firm, in establishment of a joint venture company called "Arise by Infinitas" in the ratio of 51% to 49% to support the organization's drive to support changes in various fields quickly, both in terms of financial innovation and human resource development. It focuses on the development of new projects and solutions that will accelerate Krungthai Bank's ability to digitize various operational processes and adapt to the CloudCentric Model faster. This is the foundation of long-term growth in Thailand and the region of the Bank. Arise by Infinitas will close the gap in human development. It is a target organization that the new generation, including digital talents, wishes to work with. This will help strengthen digital capabilities for Krungthai Bank Group and provide support for long-term growth in accordance with the Bank's digital business plan in Thailand and abroad. The experience and network of Accenture as a major partner in Arise by Infinitas will enable the Bank to have a world-class standard for managing IT resources while attracting digital talents to be recruited. In addition, the Bank will be able to leverage Accenture's strengths in accessing the trend of future skills that must be created to support new technologies and ensure that Arise by Infinitas' personnel have the same potential as world-class organizations and enough to deliver results that have an impact on the banking group and Thailand accordingly.



Krungthai Bank is committed to helping improve people's well-being and quality of life through the Thailand Open Digital Platform. The Bank also supports the business operations of business customers in potential industries and new target industries, leading to sustainable development. This will build the Bank's competitiveness in digital banking, support its role as a pillar in driving the economy, and enhance the country's competitiveness, as well as build public trust with the Bank in line with the vision and mission that focus on improving the well-being and quality of life of Thai people to support the continuous growth, stability, and sustainability of the Bank.



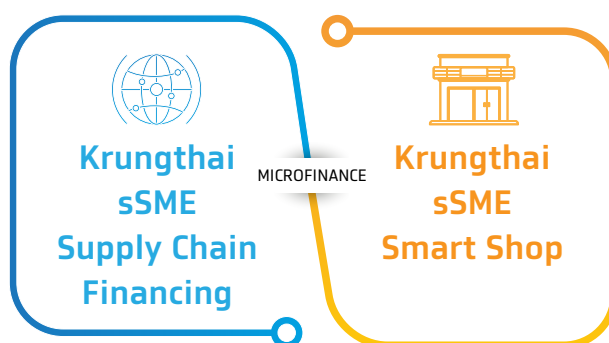
Access to Financial Services and Innovation Development

Courage to change to create innovation, offer financial services, improve people's quality of life, reduce inequality, and develop the country's digital economy

One of the Bank's missions of participation in the country's economic development is to develop products and services so that people in all areas of the country can access various sources of funds and services in terms of business loans, housing loans, and personal loans, including research and development of financial innovations and various digital services in new formats in line with the current way of life through applications on mobile phones and other technologies to increase service efficiency and convenience for the Bank's customers and the public, and to be a part of engaging in developing the digital economy of Thailand.

Credit Products

To provide financial inclusion, the Bank offers microfinance products for individuals who operate small businesses and need a credit limit of no more than 200,000 Baht to have the opportunity to access financial services. Currently, there are 2 products: Krungthai sSME Supply Chain Financing and Krungthai sSME Smart Shop for sSME entrepreneurs who are natural persons or juristic persons participating in the schemes: Blue Flag Pracharat shops, Chim Shop Chai (Taste-Shop-Spend) scheme, and other government schemes, or entrepreneurs who use mobile application services, such as the Thung Ngern application and Pao Tung application, to support business operations with a total amount of not more than 20 million Baht per year.



1. Financial products and services that meet the needs of small entrepreneurs

The Bank offers financial solutions that meet the needs of small entrepreneurs, especially market vendors participating in government schemes in the past year. The financial solutions consist of 3 main groups:



2. The Employment Promotion Loan Program

It is a program to provide loans to entrepreneurs registered for social security under the requirements set by the Social Security Office (SSO) as follows:

- Entrepreneurs are juristic persons or natural persons;
- The establishment must be registered for social security and have received a certificate of status as an establishment from the SSO to apply for a loan;
- A loan applicant must sign a consent for the Bank to disclose information related to the program to the SSO; and
- Other qualifications as prescribed by the Bank.

In 2021, the Bank granted a total loan under this program of

↑ **more than**
370 million Baht

3. Krungthai Smart Money Loan

This is a personal loan with a credit limit of 5 times the borrower's salary and a maximum loan limit of 1 million Baht. There is no requirement for the borrower to have a Krungthai Bank payroll account, and no collateral is necessary. The borrower must have a monthly income of at least 30,000 Baht. This loan is available on the Krungthai NEXT application.

In addition, the Bank offers credit products through the Krungthai NEXT mobile application to increase convenience and access to its credit services. Customers can proceed to apply for a loan and receive a credit limit in their account via the Krungthai NEXT application without having to go to a branch.

In 2021, the Bank provided the following products through digital channels:

Krungthai Jaidee Loan

It is for customers who have a payroll account with Krungthai Bank and a minimum monthly income of 5,000 Baht.

income of
+5,000 Baht

Sib Muen Loan

It is a term loan for Thung Ngern merchants with a minimum income of 10,000 Baht.

income of
+10,000 Baht

Krungthai Jai Pum Loan

It is offered to both customers with regular income and general small retailers with a minimum income of 15,000 Baht.

income of
+15,000 Baht

Krungthai Pay-De Loan

It is a term loan for customers who have the payroll account with Krungthai Bank and a minimum monthly income of 15,000 Baht.

income of
+15,000 Baht

Financial services for entrepreneurs in the EEC

The Bank together with the Eastern Economic Corridor Office of Thailand (the EECO), has signed a memorandum of understanding to collaboratively promote investment and provide financial services for the development of the Eastern Economic Corridor (EEC). The Bank provides financial services for entrepreneurs in the EEC, which include loans with special interest rates, such as the Krungthai sSME EEC 4.0 loan, which offers a 3x credit limit of the collateral, or requires no collateral for a loan amount not exceeding 1 million Baht, and the Krungthai sSME Smart Shop loan, which offers a maximum credit limit of 20 million Baht with a special interest rate for the first 2 years, not more than 2% per year.

For SME customers, the Bank offers Rak Gun Yao Yao SME loans at a minimum interest rate of 2% per annum, with installments for up to 10 years, and Robotics and Automation SME loans to enhance business efficiency with automated technology, with a credit limit of up to 80% of the investment, with installments for up to 7 years. There are also loans for government officials and state enterprise employees in the EEC and financial services for foreign investors.

In addition, the Bank has implemented the “Smart Financial and Payment Infrastructure” scheme to make financial transactions more efficient, such as a system that provides corporate income tax



returns and refunds of VAT and withholding tax. With the cooperation of the Thai Bankers' Association and the Bank of Thailand, the Bank has joined the Digital Supply Chain Finance scheme to develop a linkage of trade information systems, business sector payments, and comprehensive information on financial service providers and government tax systems for the benefit of the entrepreneur's loan application. This will solve a lack of liquidity for entrepreneurs in the EEC so that retail businesses can obtain the opportunity to access funding at reasonable and sustainable rates.

Krungthai joins forces with BAAC to strengthen the community economy.

The Bank has signed a memorandum of cooperation (MOU) for the scheme of “Sustainable Synergy: Coordination of Government Financial Institutions to Develop Thailand Towards Sustainability” with the support of the Ministry of Finance and the Bank for Agriculture and Agricultural Cooperatives (BAAC) to jointly develop and upgrade financial services to reach people in all dimensions, including increasing marketing opportunities for farmers and farmer institutions to have a variety of distribution channels. The Bank also improved management programs of community organizations to strengthen the community economy and reduce inequality in society. There are five sub-schemes as follows:

1.) Joint service of the ATM network (White-Label ATMs): Customers who have a debit card and an ATM card from both banks can perform withdrawal transactions and inquire about their balances without fees for transactions between banks.

2.) The Bank offers ATM and debit cardholders of the BAAC, including the Village Health Volunteer (VHV) cardholders, Health Volunteer cardholders (HV), and National Institute of Emergency Medicine (NEP) cardholders, the ability to purchase goods and services without a fee through more than 76,000 Krungthai Bank's EDC machines nationwide in the Pracharat Blue Flag shops and general stores, and in stores on the “Tung Ngern” application, as well as being able to withdraw cash from the EDC machines with the banking agents.

3.) Digital Commerce Platform Service: Through the D-Market feature, it supports farmers and community enterprises to sell products with interesting and different stories. It is a digital commerce platform for Thai people on the Pao Tang application, which has a large customer base of more than 30 million users, helping the communities to increase their income sustainably and support economic growth under the concept of “Thai Dee, Thai Chai, and Thai Yangyuen” (Good for Thais, Use of Thais, and Sustainable Thailand).

4.) Linking an e-Wallet account for BAAC customers to pay for goods and services through the Tao Tang application, which increases the channel of access to the stores according to government policies and increases liquidity in the economy.

5.) Vayu Cloud Service: It is a domestic public cloud service that is powered by open-source software developed by Krungthai Computer Services Co., Ltd. (KTBCS), a subsidiary of Krungthai Bank. It is stable, modern, and efficiently supports the rapidly increasing usage demands of people. The BAAC has foreseen the potential, so it began to bring the Vayu Cloud to apply with the Tree Bank application and village fund as a pilot project.

Deposits

The Bank has considered the current savings account customer service guidelines and improved the process of opening an account at the Bank's branches into a more digital format by using the e-Solutions system to support branch operations and services, covering the entire paperless sales process, to reduce the use of documents for financial transactions and use the system to replace the old process.

In addition, the Bank has increased the application channels and improved card products by using the e-Solution system to support electronic card services and the Bank's electronic money cards such as Krungthai Mastercard Classic cards, SME Debit Cards, and insured debit cards such as Pearl Cards, Blue Diamond Cards, Palladium Cards, Home Plus Cards, and Travel Prepaid Cards. This helps customers browse product information and conditions or sign documents on the tablet screen in digital form, and reduces the use and storage of paper and application documents in the branches, meaning that branch officers can provide efficient services.

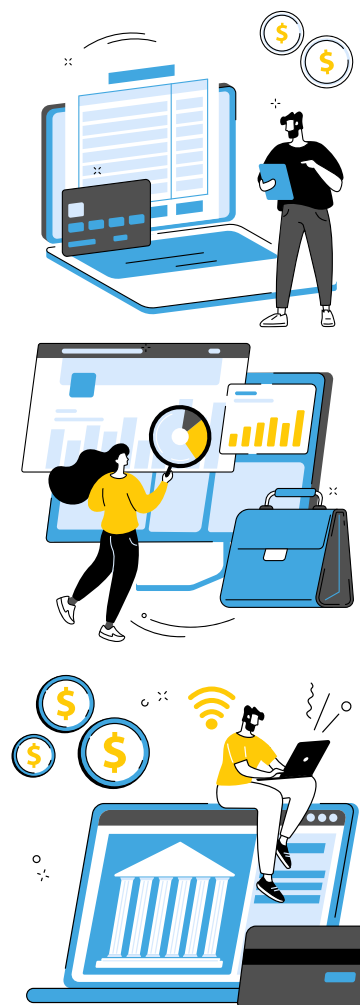
Structured Notes based on the global luxury brand stock index: "Krungthai SOLUX10F Luxury Index Linked Note"

It is offered for sale by Krungthai Bank in Thai Baht for a period of 5 years with principal protection by Krungthai Bank when held until maturity. The minimum capital is 5 million Baht and is offered to institutional investors and high-net-worth investors. Returns refer to the average for every year-round of the global luxury brand stock index named Solactive Luxury Dynamic Factors Index (SOLUX10F) by Solactive AG, Germany. A 70% engagement rate increases your chances of higher returns, but it is not required to bear the loss incurred from this group of stocks.

Private Equity Trust for SME Growing Together

According to the Cabinet resolution on monetary and fiscal measures to promote small and medium enterprises (SME) entrepreneurs in an urgent period in 2014, Krungthai Bank was assigned to establish two trust funds under the name "Private Equity Trust for SME Growing Together," namely:

- PE-Trust Fund SME 1: It focuses on investing in businesses that use technology for growth in the amount of 1,135 million Baht with 3 investors, namely Krungthai Bank, The Stock Exchange of Thailand (SET), and the National Science and Technology Development Agency (NSTDA).
- PE-Trust Fund SME 2: It focuses on investing in businesses that generate revenue and grow continuously in the amount of 1,165 million Baht with two investors, namely Krungthai Bank and the Stock Exchange of Thailand (SET).

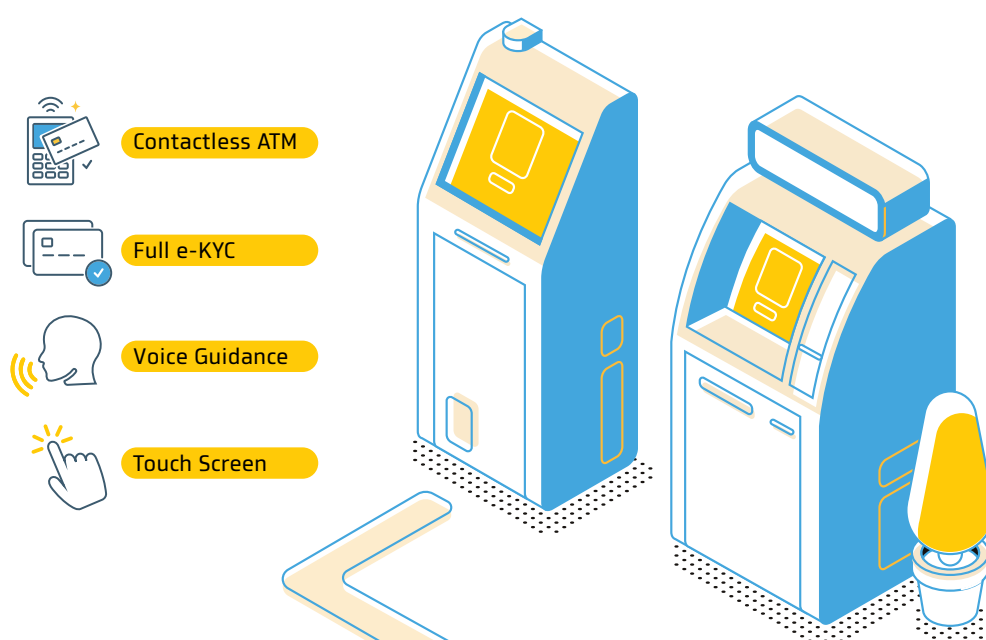


This trust is intended to jointly invest in small and medium-sized (SME) businesses or start-up enterprises with high potential for early-stage growth rates or that are in the business group that is beneficial to the country's economic expansion and uses technology as a base for production or services. Such businesses must be registered in Thailand. From past performance, the Bank has invested more than 850 million Baht in businesses such as health and medicine, automatic robot systems, auto parts and parts for electrical appliances, mass communication, future food, Fintech, E-Commerce, etc. At present, there are 3 businesses that can raise funds on the Stock Exchange of Thailand, and the business that is under discussion for joint investment also has high business potential.

ATM/ATM+

Krungthai Bank has continuously developed technology for the new version of ATM/ATM+ to be able to support new functions for customers. This is in line with the move towards digital banking in response to changing technology and lifestyles. The outstanding services are:

- **Contactless ATM:** Krungthai Bank is the first bank that uses the method of tapping an ATM or debit card instead of inserting it at an ATM or ATM+ for money withdrawal and inquiry about the account balance. Customers just press the button "Withdraw money without a card" at the ATM screen and select the menu "Tap card for transaction". Currently, the Bank has more than 3,300 contactless ATMs nationwide.
- **Full e-KYC with ID card and live photography (Liveness Verification) at the ATMs:** Customers can make online transactions on the Krungthai NEXT and Pao Tang applications or the Bank's website and use their ID cards to verify their identity at an ATM instead of at a branch. Customers can also take live photographs (Liveness Verification) for transactions 24 hours a day.
- Development of a **"Voice Guidance Mode"** to communicate with visually impaired customers in order to allow them to withdraw money safely from ATMs on their own.
- Nationwide **"Touch Screen"** system of over 3,300 ATMs (ATM+) in the Krungthai Bank gray color: The Bank has developed a UX/UI to show the category of services that are clearer and more convenient to use. This is because Krungthai Bank has focused on the importance of a good customer experience, so that customers can use it correctly, quickly, and confidently, and have an impression of using the Bank's ATM/ATM+. The Bank plans to continuously increase the installation of touch-screen ATM/ATM+.



Digital Branch & Semi Digital Branch Scheme

Krungthai Bank has continued the Digital Branch & Semi Digital Branch schemes in 2021 as a new branch development that responds to the behavior of customers who prefer to use digital channels and automatic service machines. The Bank has adjusted the service model of the branch channel in accordance with the changing customer behaviors. Branches are designed under the concept of **"Modular and Wireless"** with various technologies to help enhance their services, such as an online queue system, WIFI for customers and wireless for various devices in the branches, identity verification system by inserting an ID card (Dip Chip), providing services with Sign Pad with E-Slip & E-Signature for basic financial transactions, and tablets with E-solution for consulting transactions for product recommendations. There are also QR codes for electronic brochures, E-leaflets, and noticeboards, which reduce the use of paper.

Currently, the Bank has 12 digital branches and 14 semi-digital branches nationwide.

Krungthai NEXT Application

Krungthai Bank has developed the “Krungthai NEXT” mobile application under the “Live Your Life Smarter in Just One App” concept that fully meets all lifestyles in the digital age, as well as becoming full-scale digital banking that is more than just the Bank’s mobile application, which uses Cloud Native as the first bank in Thailand and 3S technology:



Scalability

to support large amounts of simultaneous financial transactions



Stability

to support stability and smoothness of use



Security

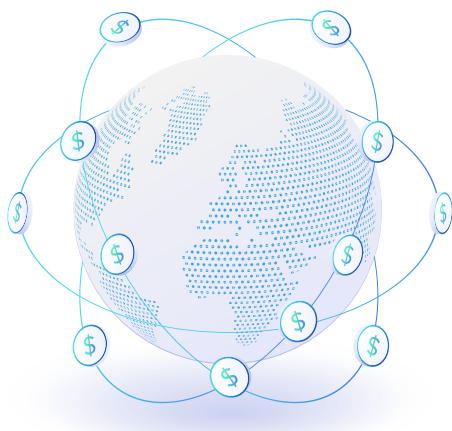
to provide the maximum security with world-class technology, for example:

- QR Cross Border Payment
- Money Connect by Krungthai
- Krungthai WARP: world advance remittance platform
- Mutual fund purchase, insurance and water and electricity bill payment
- NEXT Onboarding so that new customers can open an online account by themselves via Krungthai NEXT
- NCB Enhancement: financial health check service with credit score display to prepare a plan before applying for a loan
- Inter Wallet: foreign transaction service
- Credit bureau check service
- Account opening service using National Digital ID

Currently, there are more than 10 million users of Krungthai NEXT application.

The Bank has conducted a customer satisfaction survey using the Krungthai NEXT application service, covering all customer groups and regions of the country. The customer satisfaction scores are as follows:





Collaboration with DBS Bank Singapore to offer international money transfer service

The Bank has collaborated with DBS Bank, one of Singapore's leading digital banks, to launch a semi-real-time international money transfer service in four major currencies: US Dollar (USD), Pound Sterling (GBP), Hong Kong Dollar (HKD) and Singapore Dollar (SGD). Customers can choose to deduct money from their deposit account or Krungthai Travel Card, which is available at all branches of Krungthai Bank nationwide and on the Krungthai NEXT application.

"Krungthai WARP" scheme

Krungthai Bank and Nium, a Singapore FinTech company, enhanced the service of international money transfer via "Krungthai WARP," which is a service to transfer money abroad with an intelligent system on the Krungthai NEXT application. It makes money transfers fast and convenient, with lower costs, and responds to customers who wish to transfer money abroad: importers, parents who send their children to study abroad, and investors in foreign assets. Customers can transfer money in seven major world currencies: US dollar, Pound Sterling, Euro, Australian Dollar, Canadian dollar, Hong Kong dollar, and Singapore dollar.

The "Krungthai WARP" service is a revolutionary innovation in international money transfers with an intelligent system. Customers can choose to transfer money from a savings account, a foreign currency deposit account (FCD), and Inter Wallet, for which Krungthai Bank is the sole service provider. Customers can also gradually exchange money to keep the exchange rate fluctuations at a minimum. The system will automatically calculate and choose the cheapest transfer fee for customers. Additionally, customers can make transactions by themselves 24 hours a day, and recipients will receive money quickly in real time.

Subscription system through Krungthai NEXT

The Bank developed Money Connect by Krungthai's online securities subscription service via the Krungthai NEXT application to respond to changing consumer behaviors and be able to use quick and convenient service and meet all investment needs. The Bank adjusted the system to Single Sign-On so that when opening the Krungthai NEXT app, customers can select service features and click on the Money Connect button to log in to view the list of securities that are open for sale and can make a subscription immediately, with no need to enter username and password to log in again. Customers can also pay by debiting their bank accounts immediately. It helps them to invest easily in every step, with no need to send the subscription form or attachments to the Bank. In addition, investors can subscribe online to stocks, bonds, real estate investment trusts (REITs), and infrastructure funds (IFF).

The Bank also distributed corporate bonds of CPF (Thailand) PCL. or CPFTH through the Krungthai NEXT application.

Payment between Thailand and Singapore via Krungthai NEXT

The Bank has developed QR Cross-Border Payment service in collaboration with Network for Electronic Transfers (Singapore) Pte Ltd. (NETS) and National ITMX (NITMX) under the support of the Bank of Thailand. Customers can pay for goods and services across the country between Thailand and Singapore by scanning QR codes at merchants in the NETS network and PromptPay QR Code, which is the first bank in Thailand. Customers can also choose to pay via Krungthai Inter Wallet.

Krungthai Bank has been selected to be a settlement bank, which is an extension of the cooperation scheme between the Bank of Thailand (BOT) and the Central Bank of Singapore. Its objective is to increase efficiency and promote the integration of international financial infrastructure so that it can be linked under the same standards across the region. It is extended from the success of developing the QR Code standard in Thailand to make international payments efficient and be in line with the payment roadmap, which is one of the five major ecosystems in which the Bank aims to enhance the service level to meet the needs of all customer groups.

In this regard, QR Cross-Border Payment is convenient, fast, and secure. Transactions can be made via the Krungthai NEXT application to easily pay for goods and services in Singapore by simply scanning the QR Code of NETS, the major digital payment service provider covering over 80% of leading merchants across Singapore. Customers of participating banks in Singapore, such as DBS, UOB, and OCBC, can use their respective banks' applications to scan Thailand's standard QR codes to pay for goods and services in Thailand easily, quickly, and safely, as well as gain a worthwhile and better experience with the best exchange rate when choosing to pay via Krungthai Inter Wallet.

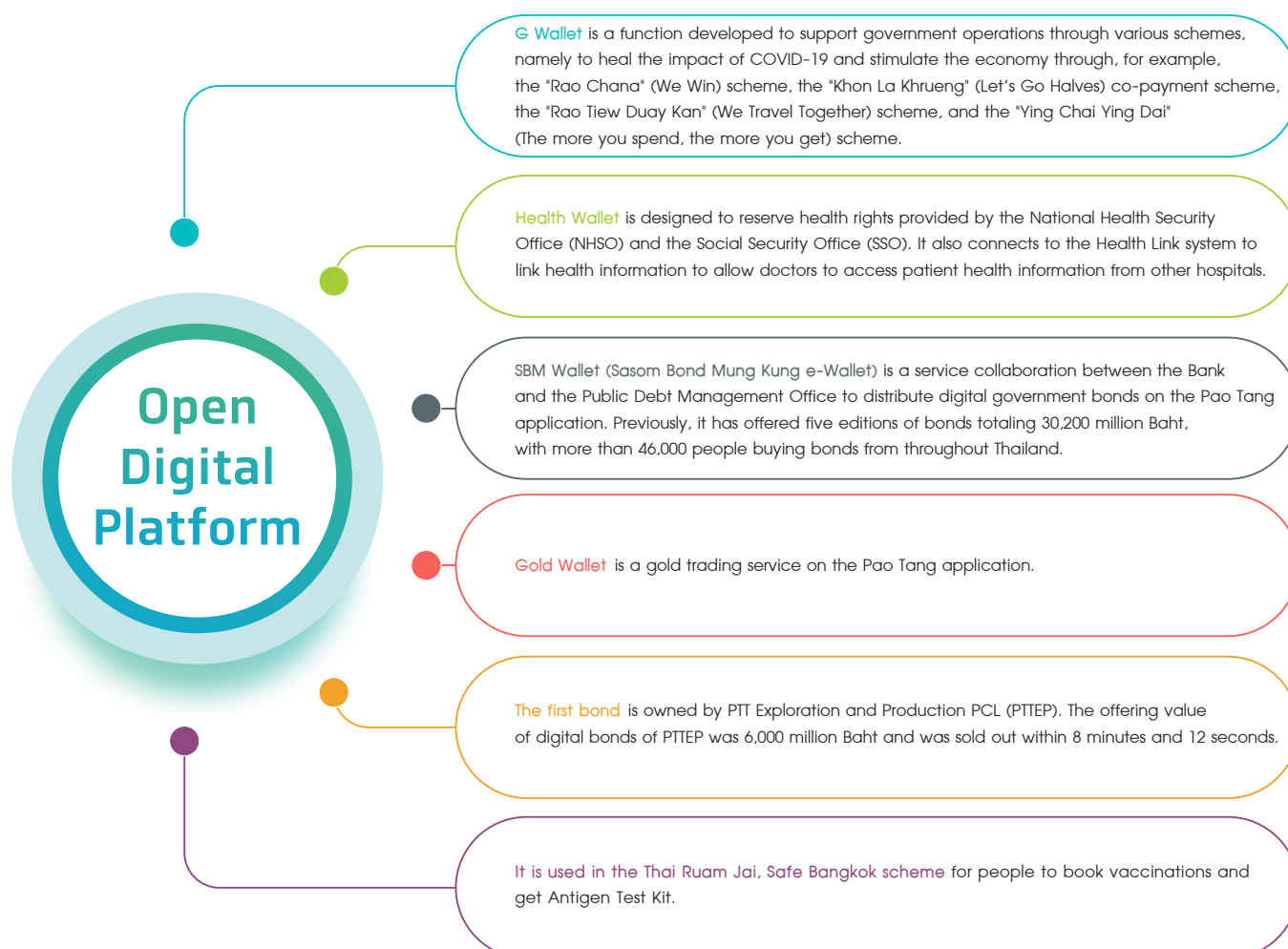
Insurance on Krungthai NEXT

Krungthai Bank has expanded the offering of insurance products through the Krungthai NEXT application in order to provide the Bank's customers with the convenience of self-service insurance and the ability to choose to use a variety of products as needed. In 2021, the Bank offered insurance products through the Krungthai NEXT application in 6 categories, comprising personal accident insurance, health and critical illness insurance, car insurance, electronic transaction protection insurance, overseas travel insurance, and accumulating life insurance. The Bank has cooperated with subsidiaries and alliances, namely Krungthai-AXA Life Insurance PCL., Krungthai Panich Insurance PCL., Dhipaya Insurance PCL., and AXA Insurance PCL., to improve the customers' experience and design suitable products, as well as continually provide benefits to the customers.



Pao Tang Application

The Bank has developed the Pao Tang application in the form of an open digital platform, which has the most users in Thailand, reaching 33 million people, and can be connected to all banking wallets to make financial transactions efficient and transparent, reducing inequality and paper use. It is the establishment of the digital infrastructure of the country that plays an important role in future economic development. In the past few years, the Pao Tang application has been used to support government actions to remedy people affected by COVID-19, stimulate the economy, and provide basic government services, including offering various digital financial services with outstanding services, for example:



SBM Wallet (Sasom Bond Mung Kung e-Wallet): the “Ying Aom Ying Dai” (the more you save, the more you earn) and “Om Pai Duay Kan” (Let’s Save Together) Editions

The Bank cooperated with the Public Debt Management Office (PDMO) of the Ministry of Finance to launch the sale of special digital savings bonds, the fourth bond edition, “The more you save, the more you get” through the SBM Wallet, worth 10 billion Baht, which was bought by 11,874 people and sold out within 2 hours and 45 minutes. After that, the fifth bond edition, “Om Pai Duay Kan” (Let’s Save Together), was offered, worth 10,000 million Baht, with 8,528 people interested in buying bonds. It was sold out within 12 minutes.

Selling bonds on the Pao Tang application increases convenience, reduces paper use and inequality, and provides opportunities for people of all ages to have equal access to savings sources with an application on their mobile phone that is secure. They can see the trading information in real time. In the past, Krungthai Bank and PDMO have issued digital savings bonds three times, with 26,110 people interested in buying bonds for a total amount of 10,200 million Baht.

Krungthai Gold Wallet

The Bank has partnered with MTS GOLD under the brand “Mae Thong Suk” to offer “Krungthai Gold Wallet” on the Pao Tang application, giving investors the opportunity to access 99.99% pure gold investments in real time when the foreign gold market is open. The purchase price is based on the world market price in US dollars through a comprehensive online channel: opening an account, top-up, money exchange, and buying and selling gold with MTS GOLD Maethongsuk, a gold trading service provider. It meets investment requirements in the new era, reduces the burden of gold storage for investors, and requires no fee.

Investors can trade and profit from world gold prices by directly debiting or receiving money in their USD account. They can open an electronic foreign currency deposit account (eFCD) 24/7. It is a one-stop online investment service to support Thai people’s investment in foreign assets, as well as manage foreign currency flexibly and reduce the risk of currency fluctuations. There are also more investment options in foreign assets, in line with the approach to pushing for a new ecosystem in the Thai exchange rate market (FX Ecosystem) in the long term.

PTTEP Digital Bond via Wallet

The Bank in cooperation with the PT Exploration and Production PCL (PTTEP), offered to sell “PTTEP digital bonds” via the Pao Tang application to the public, which is the first fully digital wallet trading in Asia. It uses technology to increase efficiency and develop the Thai capital market to enhance the potential of the platform to be able to cover



the main activities in the lives of customers and people thoroughly in terms of financial services, health, lifestyle, as well as savings and investments. Krungthai Bank also serves as an intermediary for the secondary market to provide investors with a convenient and fast trading channel 24 hours a day. Investors can receive bonds and money immediately. The bonds, worth 6,000 million Baht, sold out within 8 minutes and 12 seconds, with a total number of 8,363 investors.

The fund raised from the offering of digital bonds in Thai Baht is inconsistent with PTTEP’s operations, which are managed in US dollars. Consequently, Krungthai Bank and PTTEP have entered into derivative contracts to hedge financial risks that measure environmental, social, and corporate governance performance, or ESG-Linked Cross Currency Swap, for the first time in Thailand. This is an important step in the Thai capital market to support the importance of ESG covering financial risk management.

Thung Ngern Pracharat Application

The Bank has developed the Thung Ngern Pracharat mobile application so that merchants participating in the Pracharath Blue Flag scheme can receive payments from the state welfare card via smartphones with no need to install EDC machines. Stores can check sales reports and daily sales summary, including daily, weekly, and monthly sales history, within the Thung Ngern Pracharat app conveniently.

Cooperation with the Thai Post to develop financial services to be provided across the country

Krungthai Bank has appointed Thailand Post Co., Ltd. (POT) as its official banking agent to increase access to financial services covering the whole country. Currently, there are more than 1,400 postal service points, 1,023 bank service points, and more than 10,000 ATMs, meaning that the Bank has a total of more than 12,000 service points nationwide. It provides more convenience for customers. In addition, we jointly study and develop a model to extend the scope of new financial services, such as the service of depositing money into a Krungthai bank account, the traffic fine payment service, the EDC debit card withdrawal service, and the e-KYC identity verification service, to support government schemes. We also support community stores and OTOP products by adding distribution channels on the website ThailandPostmart.com of the POT. Other services jointly developed by Krung Thai Bank and the POT are in the process of being continuously upgraded, such as the M-Pass card top-up service and QR Code withdrawal service.

Partnership with TFEX to develop USD Futures on Blockchain

Krungthai Bank has cooperated with Thailand Futures Exchange Public Co., Ltd. (TFEX) to develop USD Futures on Blockchain that connect banks and capital markets through blockchain technology for the first time in Thailand. It aims to help SME entrepreneurs hedge against foreign exchange risks and reduce currency volatility in order to build strength and increase sustainable competitiveness with foreign countries.

Such services will provide SME entrepreneurs with options to manage their currency risk. The exchange rate can be locked for exporters or importers. There is always an overall constant cost of exchange rate to prevent the effects of exchange rate movements. Customers can also open a foreign currency deposit (FCD) account with Krungthai Bank to support receiving and debiting money from the service and make money exchange transactions by themselves via www.jedi.krungthai.com.

EMV Card

The Bank collaborates with the Expressway Authority of Thailand (EXAT) and Bangkok Expressway and Metro PCL. to launch the EMV Contactless expressway payment system scheme (via Europay Mastercard and Visa). The EMV Contactless system has been available at the toll gate area (Expressway) Rama VII Bridge, Si Rat-Outer Ring Road Expressway, Bangkok, to facilitate the people who use the expressway by tapping the debit and credit cards of all banks with the Contactless symbol. The system will be developed to be a multi-lane free flow system, or M-Flow system, in the future.



Customs Trader Portal

Krungthai Bank collaborated with the Customs Department to create the Online Visitor Registration System, which is accessible through the Customs Trader Portal, to help importers, exporters, custom brokers, and shipping agents. System users who have registered with the Customs Department on the Customs Trader Portal website, www.customstraderportal.com, can verify their identity via the Bank in 3 channels:

1. Pao Tang application: user can verify identity by going to the e-KYC menu
2. ATMs of Krungthai Bank: 3,300 gray ATMs nationwide
3. Bank branches: more than 1,000 branches nationwide, to increase flexibility for importers and exporters with the Customs Department. Users can register safely with no need to submit an ID card.

Besides, Krungthai Bank plans to expand the scheme to increase efficiency in the door-to-door one-stop service delivery process for importers by integrating issuing services in one place. This helps the customs brokers manage goods effectively, and the importers can wait to receive the goods at home safely. The system connects to the Bank's payment system and digital evidence collection to track the status of imports and shipping. The Bank also acts as an intermediary in sharing Customs e-Receipts on Blockchain between the 3 tax departments in order to reduce paper documents and create a digital trade platform to completely meet the needs of international trade businesses through digitally connecting government services seamlessly to provide better services to people and business groups.

AIS-Krungthai launches the 'Point Pay' Scheme

Due to the situation of the COVID-19 pandemic that is affecting the income of the people, Krungthai Bank has collaborated with Advanced Info Service Plc. (AIS) to launch the "Point Pay" scheme to help small shops across the country. More than 43.2 million AIS customers can use AIS points (2 points = 1 Baht) to pay for goods instead of cash at 1.5 million shops using the Tung Ngern application.

This collaboration is a combination of Krungthai Bank's strengths that have continued to build digital infrastructure with the availability of mobile phone network service covering AIS's customers nationwide, helping small merchant groups in various communities, which is like a huge cog that influences the next level of economic driving.

Dip & Go

The Bank has developed a savings account opening service for customers to reduce the time spent using the service at branches through the Dip & Go project, where customers can fill out an account opening request in advance via the Bank's website (<https://krungthai.com/dipandgo>) 24 hours a day and can verify their identity via convenient channels, either at the branch on the date and time of the appointment or at an ATM with the Bank's Confirm ID symbol.

Smart Financial & Payment Infrastructure (SFPI) Scheme

The Bank has joined the Smart Financial & Payment Infrastructure (SFPI) scheme, which is a collaboration between the Bank of Thailand with 7 pilot banks and many related sectors to create an infrastructure based on the ISO 20022 standard applied to both payments and tax submissions and electronic receipts. It focuses on helping entrepreneurs be more comfortable. This electronic data can also be used to extend other services to increase business efficiency, including providing information for credit analysis for entrepreneurs.

The scheme implementation plan is divided into 2 Tracks, which run simultaneously.



Track 1

Track 1: Trade and Payment (Basic Services for Trade and Payment Information)

The year 2021 is the period of planning and stipulating the details of the business requirements and the main service models to be launched in Phase 1. Krungthai Bank is one of the main banks participating in the stipulation of SFPI's guidelines based on benefits from applying for the services of business entrepreneurs. It is able to extend the Bank's strategic plan in regards to X2G2X. SFPI Phase 1 plans to start providing services to pilot entrepreneurs in the fourth quarter of 2022, as well as starting to develop a plan to develop the Bank's internal systems to prepare to link information with SFPI and the Bank's customers by using Krungthai Business and Krungthai Corporate Online as the main digital channels for connecting all services.



Track 2

Track 2: Digital Supply Chain Finance Scheme

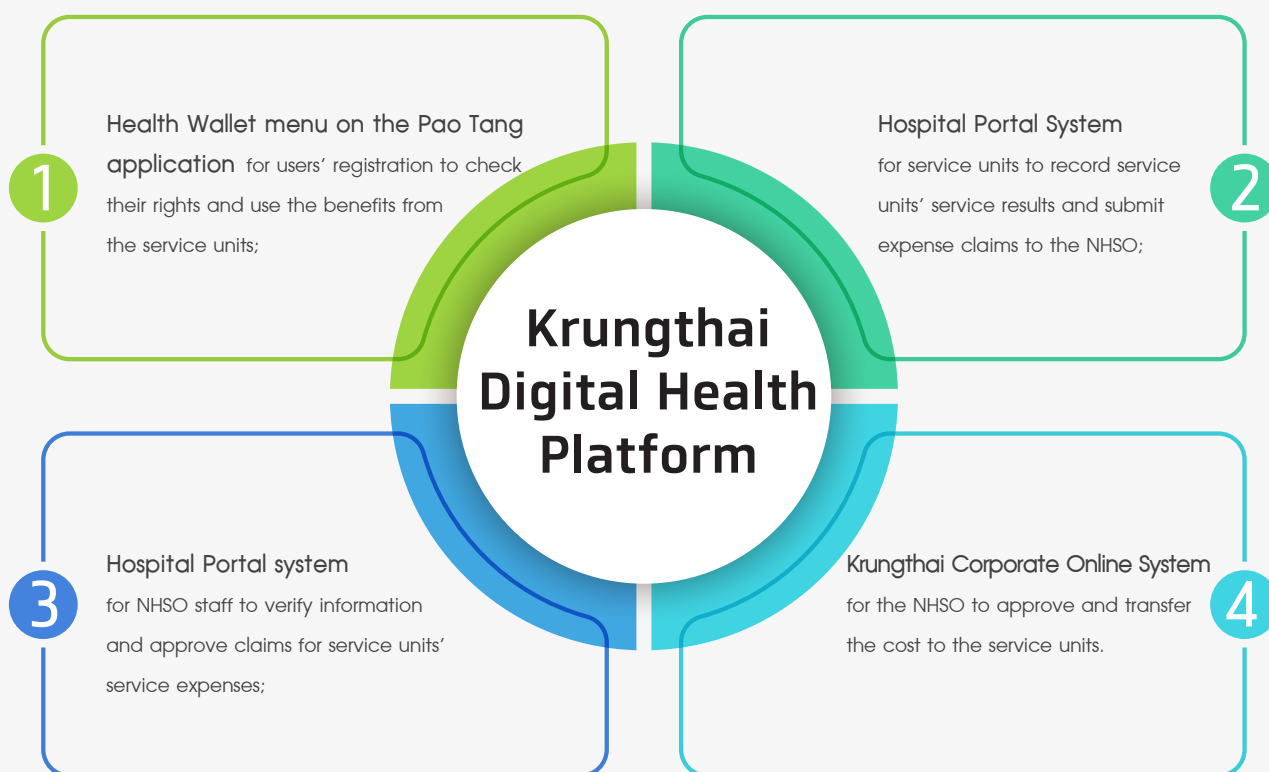
The Thai Bankers Association, the Bank of Thailand, the Federation of Thai Industries, and the Thai Chamber of Commerce, including the government sector, jointly implemented this scheme to provide guidelines to help SME entrepreneurs under the SMART Financial & Payment Infrastructure (SFPI) program, which is credit granting on digital trade information. Its main aim is to help entrepreneurs have easier access to funding under better conditions. Currently, the Bank supports entrepreneurs, both buyers and suppliers, in the supply chain, where the Bank can provide services in two roles, namely, sponsor bank and financing bank.

1. Sponsor Bank is to serve buyers by changing the buyers' or suppliers' information and commercial information, such as invoices, etc., into electronic format and putting it into the SFPI system. This allows the buyers to support the suppliers by being offered a credit line from the Bank.

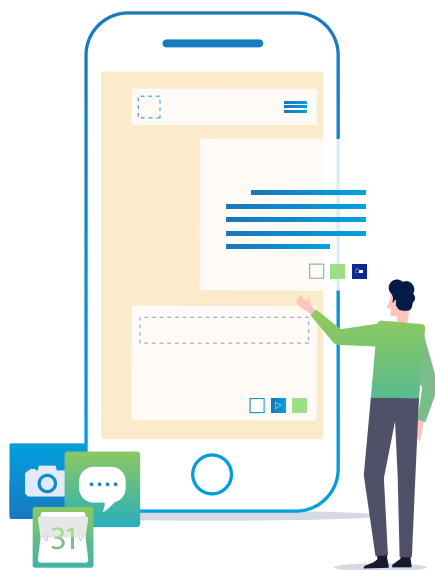
2. Financing Bank is to offer its supplier finance products and related services to suppliers participating in the SFPI program, where credit withdrawals are made through a digital banking system after buyers send information. The information will be passed through the SFPI system to the Bank, allowing the borrower or supplier to select the transaction that they want to draw out of the loan, and receive a loan immediately.

Development of Health Wallet and Krungthai Digital Health Platform

Krungthai Bank is a developer of the Krungthai Digital Health Platform, which is part of the Cash Management Solution for the National Health Security Office (NHSO) to provide services under the "PP Disruptive Model," with the aim of supporting the reduction of morbidity rates from preventable diseases. It helps people to have a longer quality of life and reduces the burden of national health expenditures. All Thai citizens are entitled to this right according to their gender and age. The Krungthai Digital Health Platform has helped in pushing the model, which consists of 4 systems that connect both information and work systems as follows:



In 2021, the Bank expanded the use of the Krungthai Digital Health Platform by providing an "Influenza Vaccination" service through more than 1,600 public and private health service agencies of the NHSO across the country. Eligible citizens can book an appointment and verify their identity through the Health Wallet menu on the Pao Tang application, which has a quota of more than 6 million flu vaccines. We also offered our services on the Krungthai Digital Health Platform to other activities of the NHSO, including enabling Thai citizens to give their consent to disclose information about their medical history for checking their medical history through the Health Wallet menu. The citizens can be treated in any hospital participating in the Health Information Exchange (HIE) scheme, which is a joint operation with the Ministry of Digital Economy and Society (MDES) and the Ministry of Public Health (MOPH). According to the plan of the Ministry of Public Health, 100 hospitals will participate in the HIE scheme.



Smart University

The Bank has extended the Smart University scheme that has applied technology to develop education. In 2021, the Bank has developed a mobile phone application for Rajamangala University of Technology Lanna (RMUTL UApp), Rajamangala University of Technology Isan (RMUTI Connect), Bansomdejchaopraya Rajabhat University (BSRU APP) and Hat Yai University (Hatyai UApp) to facilitate students and university personnel. It supports blended learning between traditional and online teaching methods to meet the lifestyle of the new era with a digital lifestyle. The apps have convenient functions, such as Teaching Calendars, Virtual IDs that can be used to verify identity instead of student or staff cards, Transcript & Advisory for grade checking with a grade calculation program for study planning, Payment for goods and services at stores by scanning QR codes and paying tuition fees, which can be made anywhere, anytime to reduce the use of cash, contact, and bank branches. Every payment via the apps can be converted to accumulated points to redeem special privileges, covering all lifestyles, including eating, shopping, and traveling.

Furthermore, the Bank has also signed a Memorandum of Understanding (MOU) for the Smart University scheme with King Mongkut's Institute of Technology Ladkrabang. The details are as follows:

1. Krungthai Digital Platform Service for Institutions

- Offer comprehensive financial solutions through the Krungthai Digital Platform, such as Cash Management, online payment services via Krungthai Fast Pay (Payment Gateway), stores accepting EDC cards, Payment of tuition fees through the Bank and interbank payment channels through Cross Bill payment service, Corporate Group Payment (CGP) service, Payroll service, payment services to various government agencies such as the Revenue Department, the Social Security Office, the Department of Customs, etc., Krungthai Corporate Online (Internet Banking) management system services, tax management services such as e-Withholding Tax and e-Donation services, as well as other financial management services through a Krungthai bank account, etc.

- Provide the Bank's financial card products that can be used as an IPAC Card for students, professors, doctors, nurses and personnel with linking to Krungthai E-book account/E-Saving;

- Develop and provide services on the mobile applications: KMITL University Application (KMITL U App), connecting educational information systems of institutions to the Bank's electronic payment system by linking Krungthai E-book account/E-Saving to the Krungthai NEXT and the Pao Tang applications;
- Develop and provide financial management services for the institution's student dormitories, including the Krungthai Dormitory Application mobile application;

- Support institutions' research studies in various fields through educational donations and sustainable development through internships and cooperative projects by giving students the opportunity to join an internship with the Bank.

2. Support for cooperation and implementation as signed in the Memorandum of Understanding on Cooperation in Research and Development of Next Lab Innovation.

3. Support for joint research on banking and finance topics and other related topics, such as Fintech & Blockchain, Robotics & AI, Smart Healthcare, and Smart City.

4. Support for educational activities, such as Hackathon, NEXT Creator Space, and various scholarships for students, researchers of the institutes

Meanwhile, the Bank has a wide range of products and services, which can be read in detail with examples of the key products and services related to the 5 target ecosystems in the Annual Report 2021, pages 21-29.

Customer relationship management

Long-term goals in 2024

The Bank determines to resolve customer complaints according to the Service Level Agreement (SLA) at a 95% level and develop the "We Care" project for customers to assess their satisfaction with the services at the branches, which can solve customers' problems in a timely manner and improve branch service quality based on the Market Conduct principle.

Operational goals in 2021

Complaints can be resolved in accordance with the Service Level Agreement (SLA) specified by the Bank, at no less than 95%.

Performance of the Year 2021

Problems are solved for customers according to the Service Level Agreement (SLA) set by the bank at 95.04%.

The Bank operates customer relationship management (CRM) with the aim of ensuring the highest level of customer satisfaction in using the Bank's products and services. The details are as follows:

1. **Sub-segment:** There is a clear customer segmentation in place to better understand the behaviors and needs of each customer segment. The Bank has segmented its customers as follows: university customer groups, corporate customers who have payroll accounts with the Bank, sSME loan groups, and Wealth customer groups. There are plans and roadmaps of product and service development for each customer group to meet their needs.

2. **Customer insight:** After clearly segmenting customers, the Bank will find the needs or pain points of customers in each group to formulate a strategy to meet their needs, such as the expectations or needs of entrepreneurs. The Bank conducts research to understand each group of consumers by emphasizing customer insight in order to find products that better meet the needs of each customer group, such as providing service packages for civil servants and sSME groups, offering solutions for retail, wholesale, or drugstore customers, and customizing benefits to meet the needs of each customer group, or services for the Wealth customer group, etc.

3. **Establishment of strategies and channels for building relationships, customer care and customer communication:** The Bank has different strategies for building relationships and communicating with each group of customers via the Bank's traditional and digital channels that it uses to build relationships, customer care, and communication with customers. Based on the channels in which each group of customers has engaged, the Bank will choose that channel to offer products that match the target customers.

4. **Assessment and improvement:** Customer needs are always subject to change. The Bank, therefore, assesses customer satisfaction by directly inquiring customers and collecting feedback from customer service officers or relationship managers (RM) who take care of customers and use the information obtained to develop products and services to better meet the needs of customers.

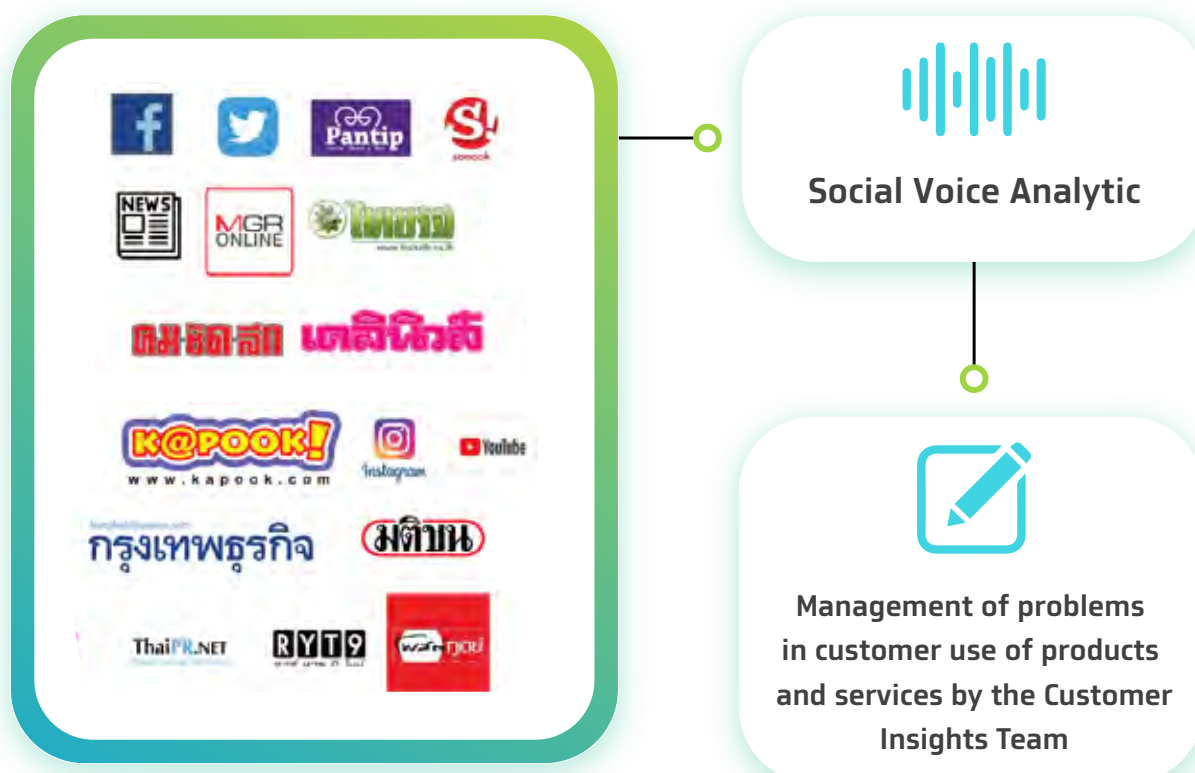
a. **Government customers:** The Bank conducted a key account plan together with related departments that take care of customers in government agencies in various areas. The Bank also organized seminars for government agencies to educate about products and create awareness of the vision and potential of the Bank in implementing various government schemes, including organizing activities to promote relationships with customers and related teams.

b. **Corporate customers:** The Bank carried out a plan with the Relationship Manager (RM) department based on each industry type of customer and focused on the main industries according to the Bank's strategy, such as hotels, transportation, and wholesale-retail, etc. The approaches to solving problems that have been jointly discussed will be presented to the target customers within a specified timeframe and will be closely monitored together.

c. **SME customers:** The Bank conducted an account plan with related departments such as relationship managers (RM), product managers, etc., in order to better understand customers in the design of total solutions suitable for them by planning work to present to customers and jointly determining the time period with customers to implement the plans in each matter.

The Bank's policies are focused on customers as well as responding to complaints management for all customer groups and covering all communication channels, in line with the digital age society where customers can access information from every channel, especially social media channels. The Bank assigned the specific department that is responsible for social voice analytic, which analyzes the information related to finance and banking of Krungthai Bank and its competitors directly and indirectly, as well as analyzing insights of consumers and competitors in the market in order to be used to develop communication with target groups according to the objectives both in promoting the corporate image and marketing, along with using information to improve the Bank's services. There is a designation of keywords related to Krungthai Bank and its competitors in the social listening tool to capture the information that consumers are talking about on social media and online through the following channels:

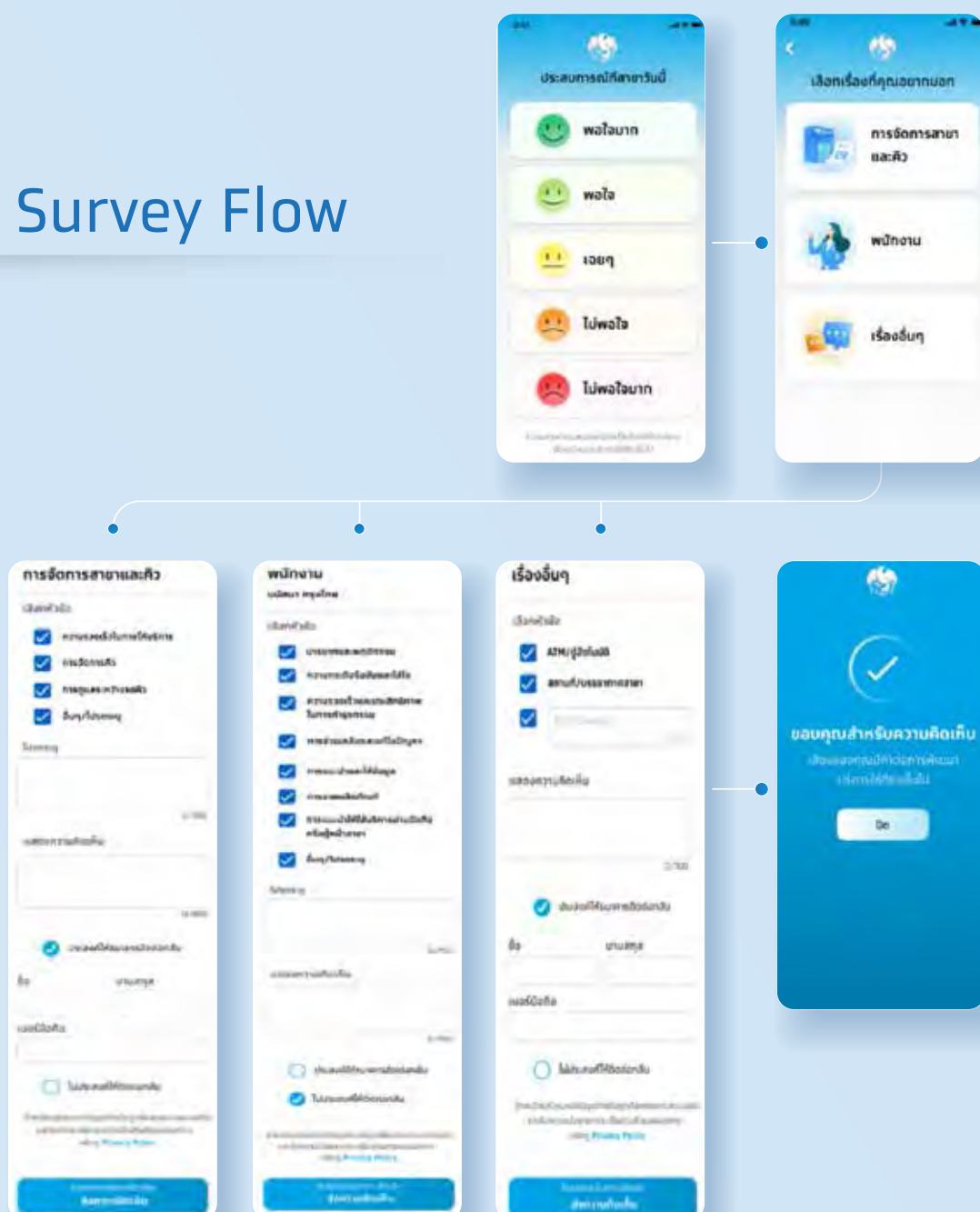
- Facebook (Public Page Facebook), Twitter, Website, Instagram, Pantip webboard
- Online News such as MGR Online, Matichon Online, Bangkok Biz News, Kom Chad Luek, Thairath, etc.
- Famous websites with content mentioning Krungthai Bank, competitors, including financial related matters, such as Kapook.com, Bandage, etc.



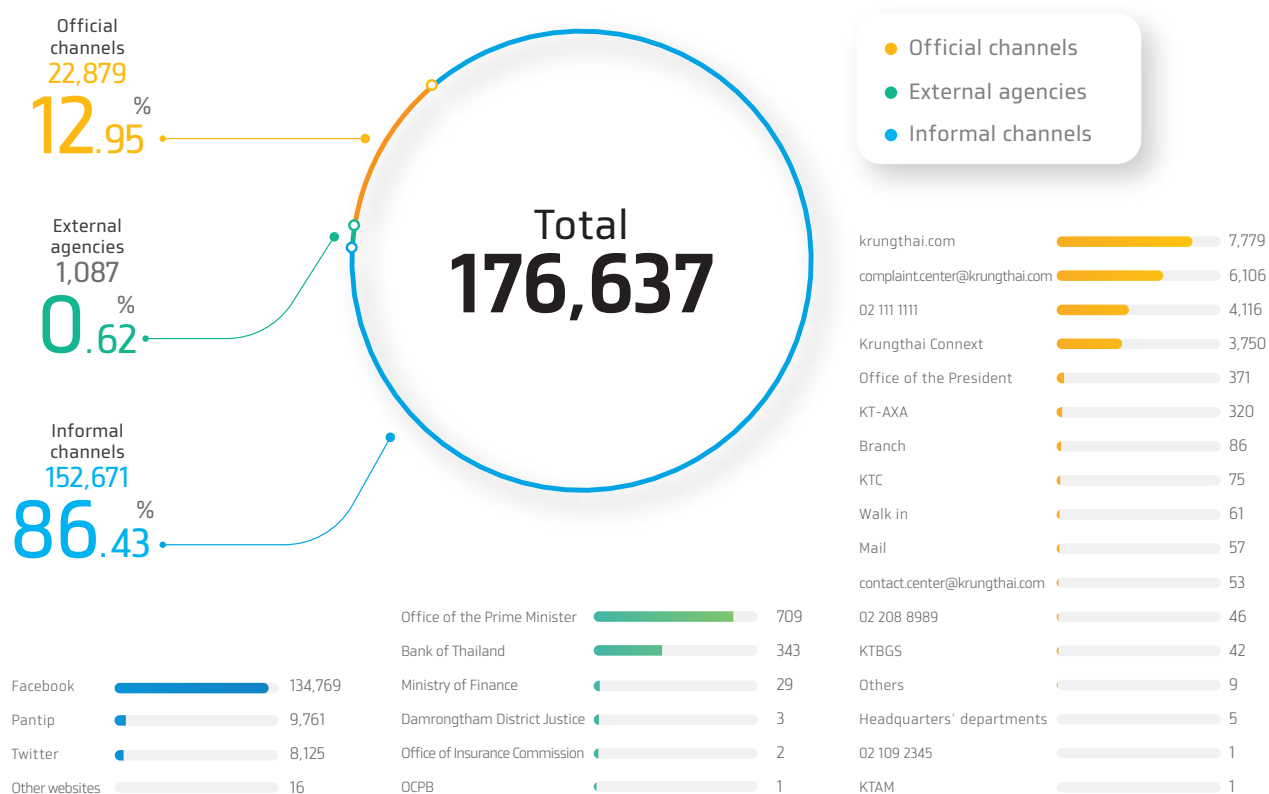
The Customer Insights Team shall manage any problems with the service, including providing information and assistance to customers in various fields via social media channels every day, including holidays, from 07.00 a.m. to 00.00 a.m., along with non-social media channels that are open during business hours.

In December 2021, the Bank initiated the We Care project to improve the service quality of branches, focusing on the overall management of branches and employees by installing a QR code scanning point on the service counter for customers to evaluate the quality of service after using the service at the branch. The results of the customer evaluation will be notified to the branch manager via the ONE KRUNGTHAI application so that the branch manager can take care of customer problems in a timely manner if a customer has experienced inconvenience from using the service.

Survey Flow



In 2021, there were 176,637 issues reported by customers through the recommendation and feedback system, comprising 152,671 issues via informal channels (86.43%), 22,879 issues via official channels (12.95%), and 1,087 issues via external agencies (0.62%). **



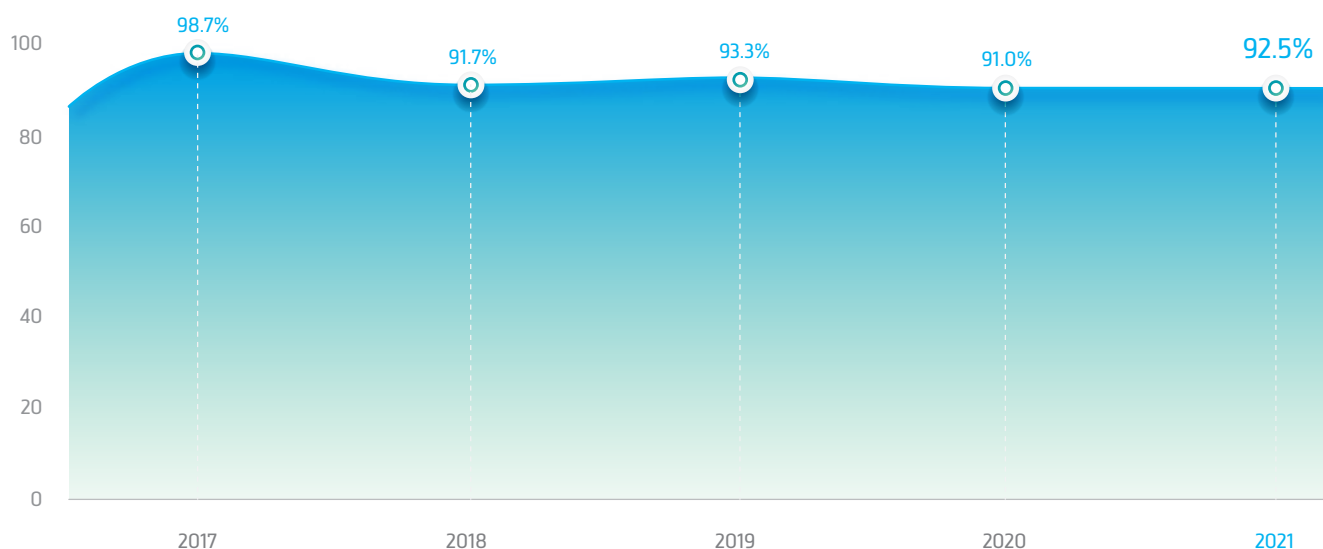
Comparison of the number of issues reported to the Bank by customers from 2017 to 2021, classified by subject category

Category	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)
Request for assistance	88.25	82.38	85.04	85.60	78.93
Complaints	4.96	14.93	13.62	13.82	20.05
Suggestion	5.60	1.84	0.99	0.42	0.65
Suggestion	1.16	0.08	0.32	0.15	0.32
Informing	0.03	0.05	0.03	0.01	0.05
Grand Total	100.00	100.00	100.00	100.00	100.00

Complaint Procedure

In the event that a customer complains via RM/branch/business unit, the employee receiving the complaint will consider prioritizing and grouping such matters according to facts by referring to the definitions in the operational manual. If the complaint is solved successfully, the responsible employee will record the information in the feedback and suggestions system to continue the normal process. However, if the complaint has a high level of severity (High Risk), it will proceed to the urgent resolution process accordingly.

The Bank had a customer satisfaction survey after using the services at the Bank's branches. In 2021, the Bank received a service quality score (SQ) of 82.08%. In addition, the Bank also surveys customer satisfaction through face-to-face interviews. In 2021, the Bank surveyed the customer satisfaction score in 2021 based on interviews with total users of 3,016 examples. The bank received a satisfaction score of 92.5%, an increase of 91.0% from the previous year.



Non-Discrimination

The Bank places importance on non-discrimination by operating in accordance with international human rights principles. The Bank treats all stakeholder groups equally. In 2021, the Bank received 37 discrimination complaints regarding queue management within its branches during the coronavirus pandemic, where the number of customers was limited for the service; there were communication problems between branch officers and customers in managing queues within the branch. Customers misunderstood about cutting in line and facilitating, including providing information and services to various groups of customers, such as government officials, corporate customer groups, and customers who are familiar with branches, which the general customer perceives as being treated unequally because such customers are often welcomed and facilitated by the branch. The business units' heads have investigated the facts that have occurred and set measures to prevent repeating complaints. For example, they have emphasized the need for the officers to communicate with customers about the process of providing services to prevent misunderstandings that will lead to complaints and to provide equal service to all groups of customers to create an impression when they come to use the services at the branches. Products and services should be offered suitable for each group of customers. Queues within the branch should be managed according to the situation to provide customers with convenience and speed in using the service.

Complaints from Regulators regarding Customer Privacy

In 2021, the Bank received 3 complaints about customer privacy that were notified by the regulator. (Bank of Thailand). The complaints were about employees giving customer phone number information to third parties, and they were sent to the Whistle Blowing team to enter the investigation process further.

Customer Data Security

The Bank recognizes the role and importance of customer data retention and privacy. The customer's personal information is best kept confidential in accordance with the Bank's confidentiality guidelines. The Bank has a policy and process for information security and information security standards in line with the Bank of Thailand's regulations, Ministry of Digital Economy and Society, and the ISO 27001:2013 standard to use as a guideline for risk management and information security.

Besides, the Bank has publicized the retention of customers' own personal information, including communicating how to prevent cyber threats through various channels to make customers aware of the importance of keeping their personal information private without disclosing ID numbers, codes, or passwords to other people, and being able to use online media safely. However, the Bank's customers' personal information shall be strictly disclosed under the legal framework.

Under the supervision of the Bank's security, the Bank has received a certificate of safety that complies with the requirements of ISO 27001:2013 (ISMS: Information Security Management Systems) for trade finance, trade online, BAHTNET, and ICAS systems. The Bank hires consultants to obtain a certificate of information security management system standards (ISO/IEC 27001:2013) and CSA STAR, the globally recognized cloud security standard for Vayu Cloud services by 2022. The information security policy and procedures and information security standard are consistent with international standards, ISO 27001:2013 and the Payment Card Industry Data Security Standard (PCI-DSS), as the following topics:



1. Organization of Information Security
2. Information Asset Classification and Protection
3. Personnel Security
4. Physical and Environmental Security
5. Computer Operation Management
6. Logical Image Rights Management
7. System Management and Development
8. Software Management
9. Computer Network Security
10. Communication Security
11. Incident Management
12. Business Continuity Plan
13. Policy Compliance

Cyber Security Operations

Presently, technology and digital systems play more roles in daily life and business operations as they deliver more convenience and effectiveness to people and their working processes. On the other hand, cyber security threats tend to increase rapidly. Such threats cause direct and indirect impacts, such as computer virus threats, threats of ransomware, and internet fraud threats, including threats of hacking important data.

The Bank is aware of the dangers of such cyber threats and considers them a key risk factor in maintaining the stability of its business operations and image, including maintaining customers' confidence in using the services. The Bank has adopted a framework based on ISO/IEC 27001:2013 (ISMS: Information Security Management Systems) to use in key financial transaction systems and computing centers, both in terms of information security management systems and hiring consultants to apply for ISO/IEC 27001:2013 and CSA STAR Certification for Vayu Cloud services by 2022, including assessing the maturity level of cyber threats according to the framework of the NIST CSF (Cyber Security Framework) of the United States. The Bank also seeks leading experts and consultants to assess its security by referring to the Bank's security standards to ensure that the banking system is ready and able to protect and respond quickly to threats.

Moreover, the Bank has used the services of FS-ISAC (Financial Services-Information Sharing and Analysis Center) to receive cyber threat intelligence about attacks against global financial institutions in order to prevent the Bank's systems from being attacked. It has also conducted various activities to enhance its cybersecurity, for example, annual IT system audits by international experts in assessing the risks caused by vulnerabilities in information systems, as well as investing in, developing, and increasing the capabilities of information security technology in order to ensure that the Bank's information systems have efficiency and security at the international standard level.

Besides cybersecurity system development, the Bank has implemented various projects to prevent and crack down on cyber threats, which comply with the Cybersecurity Act, the Personal Data Protection Act, and the regulations of the Bank of Thailand. Examples of such projects are as follows:



- **Cyber Security Awareness:** It is communicated through online channels and provides training on information technology security for the Bank to let employees know and be ready to deal with cyber threats in various ways, such as email, websites, and mobile phones. Moreover, there is awareness-raising of employees in the Technology Group about the development of secure programs through training by specialists to provide system developers with additional knowledge on how to develop systems to be more secure, as well as communicating to customers about security issues such as promoting awareness of phishing email/SMS and new threats and providing a Phishing Simulation Drill Test for the Bank's executives and employees annually.



In addition, the Technology Group has organized the Krungthai SENSE (Cyber Security and Privacy 2021) activity to create knowledge and understanding and encourage employees to be aware of cyber security issues, including the protection of personal customer and important corporate data, where qualified speakers at the national level and scholars from leading educational institutions are invited to provide knowledge about digital laws and personal data protection laws as a guideline for the Bank's operations. This year, it was an online event that allowed branch employees or employees who work from home to participate in the activity and listen to the knowledge thoroughly.

- **Data Protection Assessment (DPA) and Data Loss Prevention (DLP):** It is to assess important data from each business unit of the Bank. Under this program, employees will gain knowledge and understanding of information classification correctly, appropriately, and safely and prevent leakage of important information that may have a negative effect on the Bank's reputation and customers.



- **Hybrid Cyber Security Operation Center (Hybrid CSOC):** It is an improvement and development of the Bank's cyber threat response center to be on par with the international level. Knowledgeable experts are invited to be project consultants. There is procurement of computer hardware and software, personnel recruitment and work process improvement, as well as improvement of operational locations to respond to and prevent cyber threats in a comprehensive manner. This is to ensure customers that if there is a cyber threat, the Bank is ready to deal with it effectively and in a timely manner.

Operational Sustainability

Change to drive the Sustainable Krungthai Initiatives towards sustainability. Conduct business with transparency, honesty and fairness based on ethical responsibility that takes into account all groups of stakeholders. Build trust and bring benefit to shareholders for sustainable and comprehensive growth.



Operational Sustainability

Courage to change and create a good governance culture to lead to the establishment of a solid foundation of the Bank

Corporate Governance Operations

Long-term Operational Goals for 2024

The organization has sustainable governance in accordance with international standards.

Operational Goals in 2021

- Increase the capability of the organization and personnel in accordance with the principles of good governance towards sustainability.
- The results of the evaluation of the integrity and transparency of the operations from the external institution were at an excellent level.

Performance in 2021

- Create awareness, understanding and guidelines for driving the Bank's operations in order to create continual participation in driving the operations under Sustainable Krungthai Initiatives.
- Re-skill, Up-skill and create change agents using Outward Mindset, Design Thinking, OKRs & Agile tools through Krungthai Transformative Leadership Project, Krungthai Hackathon#1 Project and credit process improvement.
- Krungthai Bank PCL. received the Outstanding Ethics Project Award 2021 from the Thai Chamber of Commerce.

Krungthai Bank realizes the importance of conducting business with transparency, honesty and fairness according to the principles of good corporate governance to have efficiency and excellence in business. The Bank also operates business on the basis of ethical responsibility for all groups of stakeholders. This will build confidence and benefits to the shareholders and cover the ESG Principles which consist of Environmental, Social and Governance along with cultivating corporate culture such as Zero Tolerance and Market Conduct which are molded in every process of the operations in a concrete way. In addition, the Bank has strived to develop business with a focus on creating benefits for society, reducing inequality, enabling all sectors of society to grow together with the Bank in a sustainable and strong way.

The Board of Directors has worked by strongly adhering to the principles of good corporate governance and encouraged directors, executives and employees at all levels to adhere to and comply with corporate governance policies. This will lead to a culture that creates good corporate governance within the organization and raises the Bank's corporate governance to meet international standards. The Board of Directors is aware of its duty for the utmost benefit of the Bank and shareholders. The Bank has clearly segregated duties and responsibilities between the Management and the Board of Directors. The Board of Directors is responsible for formulating policy and overseeing the Bank's systems to be in accordance with law and ethics.

In this regard, the Bank has established the Corporate Governance Principles (CARPETS) as a code of conduct for the Bank's executives and employees according to the guidelines of the Stock Exchange of Thailand, as follows:



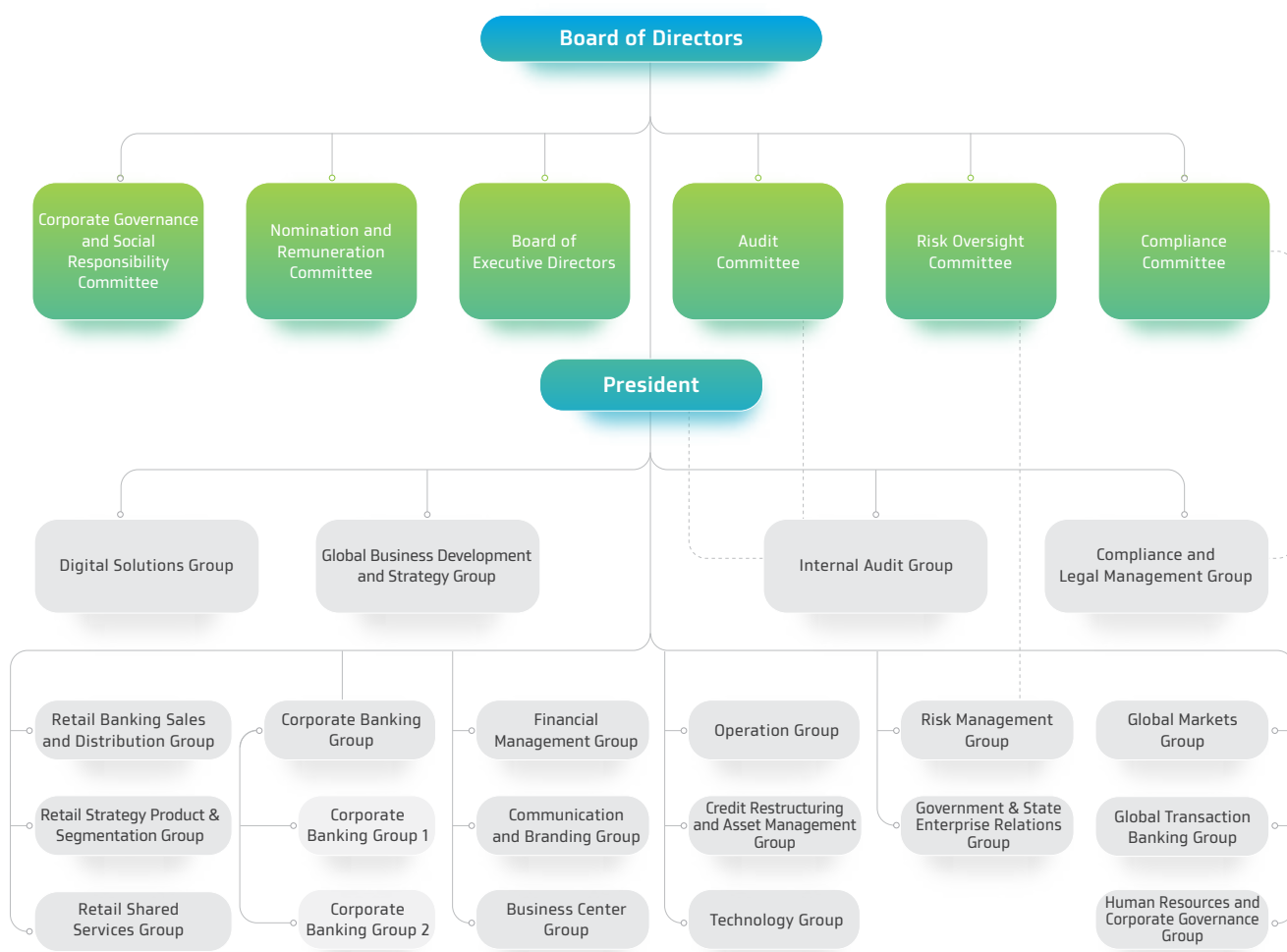
The structure of the Bank's Board of Directors consists of individuals who have undergone through the recruitment process of the Nomination and Remuneration Committee in accordance with legal procedures and good corporate governance principles. Directors were recruited from various sources including the director pool to acquire persons with expertise according to the specified skill matrix which corresponds to the Bank's current and future missions and strategies including the sustainable development of the Bank. The Board of Directors is therefore a group of persons with various qualifications in terms of skills, experience and talents that are beneficial to the Bank. The Board comprises at least 1 person having knowledge or working experience related to the commercial banking business, at least 1 person in accounting and finance, and at least 1 person in information technology. Individual differences such as religion, culture, race, gender, etc. are not a limitation for holding a position as a director of the Bank. As of December 31, 2021, there are 2 women holding the office of the Bank's directors.

Name of the Board of Directors		Director	Independent Director	Non-executive Director	Executive Director	Male	Female	Relevant work experience in the business sector
1. Mr. Krisada	Chinavicharana	•		•		•		•
2. Mr. Krailit	Euchukanonchai	•		•		•		•
3. Mr. Vichai	Assarasakorn	•	•	•		•		•
4. Mr. Thanwa	Laohasiriwong	•	•	•		•		•
5. Prof.Dr. Kittipong	Kittayarak	•	•	•		•		•
6. Mr. Teerapong	Wongsiwawilas	•	•	•		•		•
7. Gen. Tienchai	Rubporn	•	•	•		•		
8. Mr. Poonnis	Sakuntanaga	•		•		•		•
9. Ms. Nitima	Thepvanangkul	•	•	•			•	•
10. Mr. Lavaron	Sangsnit	•		•		•		•
11. Dr. Kulaya	Tantitemit	•		•			•	•
12. Mr. Payong	Sriwanich	•			•	•		•
Total (person)		12	6	11	1	10	2	11
Percent (%)		100	50	91.67	8.33	83.33	16.67	91.67

The structure of the Board of Directors of the Bank consists of 12 positions, in accordance with the resolution of the Annual General Meeting of Shareholders No. 14 held on April 27, 2007, which is suitable for the size of the organization and able to perform duties efficiently as well as having an appropriate check-and-balance of power. As of December 31, 2021, the Bank has 12 directors, comprising 1 executive director and 11 non-executive directors, 6 of whom are independent directors which equal to 50% of the total directors. This exceeds the requirements of the Securities and Exchange Commission (SEC) that require at least one-third of all directors to be independent directors but must not be less than 3 persons. There are 2 female directors, accounting for 16.67%, and 11 directors with experience in the banking and finance industry, accounting for 91.67%.

The Board of Directors attaches great importance to the roles and responsibilities of independent directors since they are important parts of the structure of the Board of Directors and the Management to ensure that there are sufficient checks and balances. Each independent director can express independent opinions, disagreement or any other observations at the Board of Directors' meeting with the purpose of protecting the rights and interests of shareholders and other stakeholders. This promotes the Bank's corporate governance operations. The Board of Directors has elevated the work of independent directors, who have their own roles as independent directors, to operate in a quorum in the same manner as the Bank's other sub-committees. The Independent Committee Charter has been established which defines qualifications, terms of office, duties and responsibilities.

The Board of Directors Structure and Organization Structure



Details of the corporate governance structure can be found in the Bank's Annual Report 2021, page 134-150.

Corporate Governance Strategy

The Bank formulated the Corporate Governance Strategy of the Krungthai Bank PCL. 2017-2021 in line with the National Strategy on Anti-Corruption Phase III (2017-2021), which has been extended until September 30, 2022, in accordance with the resolution of the National Anti-Corruption Commission's meeting for the benefit of driving the operation plan and conform to the extended timeframe of the National Strategy. In this regard, the Bank's strategy aims to become the role model of moral organization and to create a culture of zero tolerance, implemented under Sustainable Krungthai Initiatives. It consists of five strategies as follows:



In this regard, the Bank has consistently created awareness of good corporate governance practices for all employees through various projects and activities under Sustainable Krungthai Initiatives and various communication channels such as Sustainable Krungthai Initiatives, Moral Stories, Let's Do Good-Deed activity, Knowing in Advance, which presents news, up-to-date and easy to understand information related to corporate governance through the Intranet system. In addition, the Bank has a good corporate governance structure. In particular, the Bank appoints various committees in order to facilitate the Bank's operation to run in accordance with its objectives. The Bank also monitors and supervises its operations more closely with regular reports to the Board of Directors for acknowledgement.

- The Bank creates a corporate culture of good governance, ethical conduct, anti-corruption and Market Conduct. The Bank

consistently promotes awareness of good corporate governance practices among employees throughout the organization and exhibits good corporate governance information that is up-to-date and easy to understand through various communication channels such as providing CG training courses for senior executives, informing CG principle in new employee orientation, creating of self-learning materials through E-Learning, Intranet, Lesson Learn and Sustainable Krungthai Initiatives and organizing exhibition boards and activities booths etc.

- Organizing communication activities and public relations media for good governance to disseminate information/knowledge to employees in the organization and various network partners of the Bank through Krungthai Intranet Website/HR news/Sustainable Krungthai Initiatives/Digital Signage System/One Krungthai Application.

Anti-Corruption Operation

Long-term Operational Goals for 2024

The Bank conducts an annual review of the anti-bribery and corruption policy in order to review/update the policy in accordance with changes of various factors such as laws and regulations. The Bank communicates monthly in the form of a short article (CLMG Post) to prepare and emphasize that everyone in the organization adheres to the correct practices. In addition, the Bank informs its business partners of the anti-bribery and corruption policies.

Operational Goals in 2021

The Bank has conducted a review of the anti-bribery and corruption policy in order to review/update the policy in accordance with changes of various factors such as laws and regulations for the renewal of the Bank's CAC membership in 2022 and to communicate to everyone in the organization.

Performance in 2021

The Bank has announced the anti-bribery and corruption policy and communicated to everyone in the organization.

The Bank has established an action plan for the prevention and suppression of corruption and conducted the Bank's 2021 risk assessment to report to the Anti-Corruption Operation Center, Office of the Permanent Secretary, Ministry of Finance. Accordingly, the Bank announced the implementation of the anti-bribery and corruption policy so as to establish guidelines for the Bank's operations against bribery and corruption in line with the Organic Act on the Prevention and Suppression of Corruption B.E. 2561 (2018) and the Notification of the Anti-Corruption Cooperation Committee RE: Minimum standards of the policy and directions for anti-corruption in relation to procurement required to be put in place by the business operator in accordance with Section 19 of the Government Procurement and Supplies Management Act B.E. 2560 (2017). The Bank has also communicated the anti-bribery and corruption policy to employees and business partners for acknowledgment.

1. The Bank and subsidiaries' personnel must not be involved in receiving or giving bribes and corruption both directly and indirectly. They must not solicit, provide or receive a bribe for personal gain or the Bank's benefits. They also must not promise to give bribes to government officials or other private officials to induce any action, omission or delay in acting, which is contrary to the official's duties or laws.

2. The Bank's business operations and procurement processes must be transparent, honest, auditable and under the relevant laws and regulations, both before and during the bid, and after the contract of procurement. The Bank's personnel and related persons are prohibited from offering, giving, receiving a bribe, or persuading any other persons to participate in any action, both directly and indirectly, which provides benefits in bidding or bid rigging to government agencies. Such personnel must not bring some advantages and receive some benefits in the procurement process, or the performance of the contract, or to protect any other benefits that are not appropriate in accordance with business code of conduct.

3. When an act of receiving or giving a bribe and corruption is found, such act must be notified to the supervisor of the relevant departments or via the Whistleblowing channels immediately.

In 2020, the Bank has continued to use the Code of Conduct B.E. 2562 (2019), covering various aspects of the Bank's operations: business operations, roles of directors and executives, service standard, responsibility to customers, conflict of interest, data management, overall supervision, personnel and establishments, and commercial monopoly

and dispute resolution. In this regard, the Bank's Code of Conduct is at the level of international standards, equivalent to the Banking Industry Code of Conduct, which is one of the TBA 5-year plan of the Thai Bankers' Association. In addition, the Bank in collaboration with other member banks established the Banking Industry Code of Conduct Guideline to raise the standard of business operations to be clear and concrete which has taken effect from May 21, 2020 onwards.

Meanwhile, the Bank has also taken several measures to raise the level of anti-corruption throughout the organization as follows:

- The Bank has established an action plan for the prevention and suppression of corruption and conducted the Bank's 2021 risk assessment to report to the Anti-Corruption Operation Center, Office of the Permanent Secretary, Ministry of Finance.

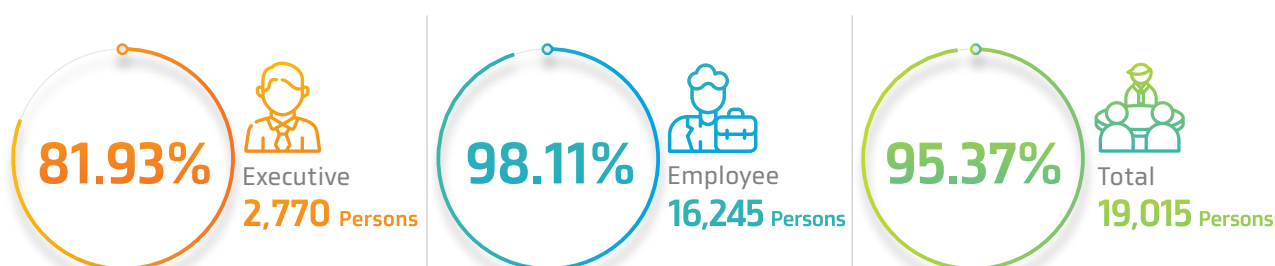
- The Bank's renewal of membership of the Collective Action Coalition Against Corruption (CAC) by the Thai Institute of Directors Association (IOD) has been certified as the secretary of the Collective Action Coalition Against Corruption Committee (CAC). The resolution to certify the bank's membership status has been approved on November 4, 2019 - November 4, 2022.

- The Bank joins the Anti-Corruption Network by becoming a member of the Anti-Corruption Organization (Thailand) (ACT).

- The Bank has developed the Centralized Disciplinary Data plan to improve the collection of information related to disciplinary processes for easier location and application and effective coordination with internal business units in the Bank.

- The Bank has developed a work plan to improve the unusual incident reporting process and provides standardized channels for reporting fraud/suspicious incidents which enable the possibility to swiftly deal with fraud cases and minimize the damage to the Bank.

- The Bank has communicated its anti-bribery and corruption policy through the Bank's communication channels. Training courses are also organized to promote awareness among employees in both Classroom Training/E-learning and VDO Conference formats with the intention that employees can access the courses thoroughly. The Bank organizes training for employees at the head office and employees working in different regions throughout the country as well as personnel of companies in the Bank's affiliates to strengthen knowledge and understanding and consistently raise awareness of the importance of such matters throughout the year. In 2021, the Bank has provided various training courses both in-house and public training by category related to anti-corruption as follows.



Examples of Training Courses in 2021

In-House Training	Public Training
AML/CTPF	AML/CFT Laws for Reporting Officer to Act Professionally
Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF) 2021	Auditing and Risk Management of Financial Institutions in the COVID-19 Pandemic: IA Clinic
Protection Certified: Mastery of Protection01	E-KYC for Digital Financial
Guidelines for the implementation of the Personal Data Protection Act (PDPA)	Fraud Detection Using Machine Learning
Compliance with the Foreign Account Tax Compliance Act (FATCA) of Individual Customers	Fraud investigation in the digital era: IA Clinic
Personal Data Protection Act B.E. 2562 (2019): PDPA (Update)	E-Banking: Keep up with scams and fraud prevention
Awareness Training - Hedge Accounting	Market Conduct Operations Audit in 2021
Milestone Project to Reduce Bank's Money Laundering Risks	Top Risks 2021 & IT Audit Roles IA Clinic

Implementation of Sustainable Krungthai Initiative

The Bank has continued to implement the Sustainable Krungthai Initiative to enhance the Bank's business operations in accordance with ESG principles, consisting of Environmental, Social and Governance in parallel with a regular cultivation of a zero-tolerance corporate culture, molded in every operational process in a concrete manner, to develop standards of moral and ethics, foster good values and consciousness, adhere to the good corporate governance policy, work with integrity and do not violate any rules and regulations. The Bank has also operated business with transparency and accountability as well as promoted the creation of its good image as a financial institution that customers can trust. This is to drive the Bank to become a model of moral organization equipped with international standards and develop

into a sustainable bank with responsibility for the environment, society and all stakeholders under the ESG principles. Under this project, the 3 strategic principles: Foster, Prevent and Change have been proceeded by using the Inside-out Blasting approach with the purpose to provide opportunities for executives and employees to jointly participate and brainstorm ideas under the concept "A problem to solve, A good deed to do". The project aims to find the true causes in raising the standards of operating processes of the Bank to be efficient and effective to reach concrete achievement of quality with virtue (Efficiency & Productivity) according to 4 goals: 1) Financial Growth 2) Stakeholders/ Regulators Confidence 3) Transparent Process and 4) Employees Satisfaction.



In 2021, the Bank has implemented the Sustainable Krungthai Initiative as follows:

Upgrading the Sustainable Krungthai Initiative to reach the goal of Sustainable Krungthai continuously. Employees must be equipped with both quality and morale. Meanwhile, the Bank also places importance on business operations with transparency and sustainability within the framework of the ESG: Environmental, Social, and Corporate Governance. This aims to drive the Bank to become a financial institution that grows with the Thai people and be ready to provide financial services to people at all levels.

Enhancing and developing its plans to seek for new ideas, and create new things through the project Krungthai Hackathon, which is an important project leading to an organization of innovation and sustainable morality. This provides opportunities for employees to present new ideas to solve problems of the Bank's operations including developing products and services that can meet the needs, solve pain points and serve as a field for employees to experiment with new ideas, think outside the box and modify the agile working style.

Enhancing the sustainability plan by implementing the Loan Process Improvement project to increase productivity and efficiency through the design thinking method and "Change Agents Development Project" in order to support the adjustment of the employees' mindset in solving problems, including creating collaboration between the relevant business units.

Extending and developing knowledge management processes to create the Bank's KM Agent and KM Guru and consistently promote the creation of an atmosphere of learning in the organization in order to foster a learning organization culture that can create value and good results for employees, customers, and stakeholders in a sustainable way.

Implementing the Krungthai Transformative Leadership project to enhance and develop human resource management processes. Preparing a strategic human resource management plan in line with the Bank's strategic plan in accordance with "Growing Together for Sustainability" vision, Sustainable Krungthai Initiative implementation and the creation of the corporate culture based on 5 moral identities - I-BEST "Integrity, Breakthrough, Efficiency, Social and Teamwork". Ensuring that the Bank's subsidiaries have a human resource management approach in line with the Bank's direction.

Implementing One Krungthai Application to create a good experience, encourage learning and create an innovative corporate culture, knowledge management, the moral identities "Integrity, Breakthrough, Efficiency, Social and Teamwork" as well as support tools for working through Chatbot. Employees can access the application anywhere and anytime via mobile phone and earn coins for learning and participating in various activities.

Extending "Executives' Role in Employee Discipline" and "Know Discipline, Reduce Risk, Avoid Wrongdoing" projects and implementing "Solution Package: Financial Discipline for Employees" project to promote good financial disciplines for employees, allowing employees to conduct debt management, financial planning and investment in order to create stability in the future until retirement which could reduce the possibility of fraud.

Implementing "Lesson Learned for Sustainable Krungthai Initiative" course to enhance knowledge, understanding and awareness of the importance of code of conduct for executives and employees using actual incidents according to case studies and various samples that are significant and beneficial to the operation.

Privacy Policy

The Bank attaches great importance to legal compliance and recognizes the importance of data privacy protection, which is a significant fundamental right to privacy that must be protected by organizing a system for rigorous and circumspect control. In order to keep personal data secure and for data processing to be transparent and subject to the Personal Data Protection Act B.E. 2562 (2019), the Bank's Privacy Policy was announced. In order for personal data of customers, suppliers, employees and/or visitors or all concerned with the Bank's business and affiliated companies to be safely collected, used and disclosed as well as being used in accordance with the purposes for which the data subject has given consent and the objectives stated in the Bank's Privacy Policy, the Bank has established the privacy policy guidelines as follows:



1. The Bank's Privacy Policy is used to process personal data. The Bank has created awareness among employees at all levels, executives, customers and people related to the Bank's business to ensure the protection of personal data, the confidentiality of information, cautious disclosure and usage and the utmost security of the information.



2. The Bank's Privacy Policy applies to all banking activities related to personal information such as data storage channels, types and format of data storage, the Bank's purpose for using personal information as well as the methods used by the Bank to secure personal information, etc.



3. The Bank respects the right to privacy of customers, business partners, employees and related parties to the utmost.



4. The Bank will collect, use or disclose personal information only as necessary for its use or as required by law. The Bank will inform the purpose of collection, use, disclosure of information and the rights to data subjects for acknowledgement and consent (unless it can be done under the law without prior consent). Furthermore, the Bank will collect and use such information only for the necessary period in accordance with the purposes for which the data subject has been notified or as required by law.



5. The Bank appoints a data protection officer to ensure that personal data is used for its intended purpose, is not used beyond its consent and is used in accordance with the purposes specified by the Bank in the Privacy Policy announced by the Bank or does not cause any damage to the data subject.



6. In the event that it is necessary to collect, use or disclose sensitive personal information, namely ethnicity, political opinion, religious beliefs, health information, criminal records, disabilities, etc., the Bank shall distinctly request prior consent from the data subject (unless it can be done under the law without prior consent), circumspectly use the data and maintain its confidentiality.



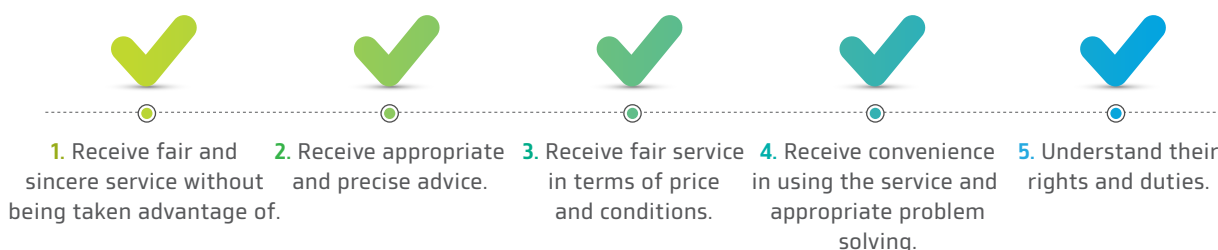
7. In the event that the Bank has a necessity to disclose personal information to a third party such as an affiliated company or government agency in accordance with the law, by court order or the order of the competent authority, the personal information shall be kept confidential both in the form of documents and in the form of electronic data including during every process of data transfer. The Bank has arranged an agreement with the external agency or destination country to provide appropriate and sufficient protection or as required by law for the transfer of personal data to external agencies or international transfer.



8. The Bank shall treat personal information collected and used as its own property. The Bank shall take action to prevent anyone from infringing, disclosing, accessing, exploiting for personal gain or sabotaging the information without the approval from the Data Controller. Violators will be penalized in accordance with the Bank's regulations and subject to legal action as well as to compensate for damages incurred as required by law.

Market Conduct Operation in 2021

In 2021, Krungthai Bank PCL. still adheres to business operation with transparency, honesty and fairness, compliance with regulations and laws, responsibility to society and environment and all groups of stakeholders. The Bank also encourages the implementation of quality and fair service in accordance with the Market Conduct Principles which is considered the heart of customer service with the aim to ensure the customers' confidence that they;



Besides, the Bank has revised the Market Conduct Policy by defining guidelines for the Market Conduct operation of all 9 systems of the Bank to be in line with the BOT's regulations. In the past, the Bank has continuously upgraded its Market Conduct operation. Correspondingly, the Bank has appointed a working group to manage the quality of customer service in accordance with the Market Conduct Principles and the President's policy, which consists of executives from various related departments. The main objective is to determine the Bank's Market Conduct Operation guidelines to be effective and in the same direction. There are monitoring and evaluation of the quality of Market Conduct management in various systems of the Bank, as well as the swift, efficient and concrete improvement and rectification measures.

In terms of communication, in 2021, the Bank has enhanced the level of communication to employees at all levels more thoroughly through various channels of the Bank such as the Bank's Intranet, E-mail of all employees, Digital Signage, etc. Such communication is from the Board of Directors including the Chairman, the Chairman of the Compliance Committee, the President and the Group Heads with different communication messages based on their own roles. However, the key messages, which are in the same direction, are to focus on the benefits of fair service, to mainly consider the interests of customers as well as to develop good attitudes among employees which is a significant factor in supporting the Bank's ability to sustainably expand its business operation.

In terms of regulatory compliance training, the Bank has coordinated with external regulators through the Government Financial Institutions Association in organizing training on Market Conduct for employees in an online format (via Microsoft Team system) in order

to enable employees to accurately present products and services in accordance with the Market Conduct Principles and create awareness of the importance and understanding of the department's processes related to corporate governance and internal audits on Market Conduct issues. Additionally, learning documents in the form of E-learning have been prepared, along with a test to assess knowledge and understanding of the related employees.

In terms of the supervision of the Compliance and Legal Management Group, due to the continuous COVID-19 pandemic situation, the Mystery Shopping review plan has been adjusted to be a Virtual Shopping review (random virtual offering test) through the Google Meeting system. This is to provide the Bank with information for improvement/development of the process and/or systems related to the offering of products that the Bank offers to retail customers through branch channels which will bring maximum benefit to the Bank's operations in accordance with the regulations of regulatory agencies regarding Market Conduct.

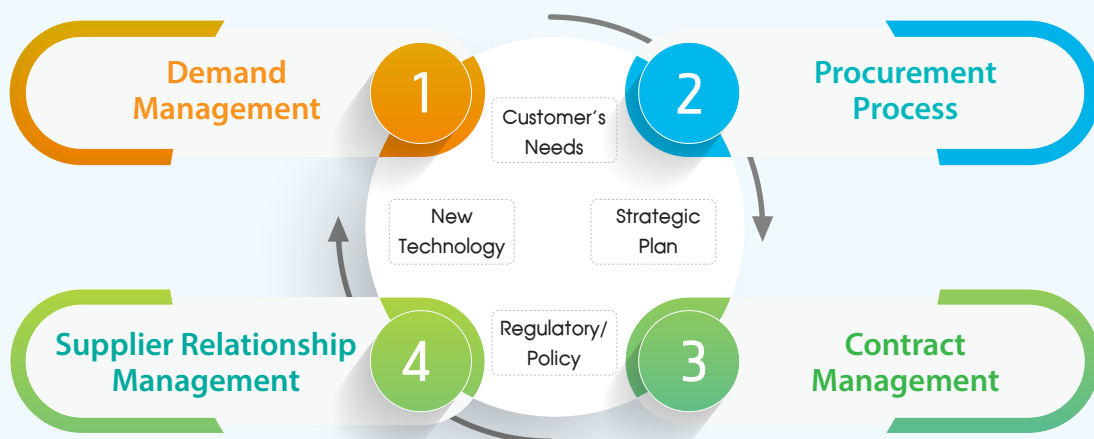
From the above operations of the Bank, in conducting any transactions and providing any services to customers, the Bank attaches great importance to providing fair services from the start to the delivery of services and focus on the needs of customers and the best interests of customers. The Bank adheres to the 4-No Principles, namely No Deception, No Compulsion, No Disturbance and No Taking Advantage, in order to give customers confidence and for customers to receive appropriate and precise advice, fair service in terms of price and conditions and convenience in using the service and appropriate problem solving. These will affect the good image of the Bank and enable the Bank's secure and stable growth.

Supply Chain Management

The Bank's business operations in all sectors as well as stakeholders ranging from employees, executives, customers, shareholders, business partners, etc., strictly adhere to the Bank's Code of Business Conduct as a guideline for their operations. The Bank realizes the importance of forwarding the concept to its partners/suppliers, which is one of the Bank's main stakeholders, in order to comply with the procurement policy that must be transparent, fair and accountable which will lead to sustainable business cooperation.

The Bank has emphasized supply chain management by taking into consideration the environmental, social and governance (ESG) sustainability in order to prevent risks that may directly or indirectly affect its image and business operations. Therefore, guidelines for the procurement process have been established to serve as a common

practice to deliver the best possible financial products and services to customers in line with the Bank's vision and mission. The Bank has conducted procurement with transparency, fairness and accountability and has had clear policies, regulations and criteria for procurement along with a "Supplier Code of Conduct" and "Sustainable Collaborative Procurement with the Bank" to use as a guideline for operations. Most importantly, the Bank focuses on anti-corruption and bribery: resist giving or receiving bribes in all forms, which the Bank has announced to all business partners clearly and regularly. Meanwhile, the Bank also monitored and evaluated business partners to ensure that all partners strictly followed the guidelines, and used the assessment results as information for further improvement and development regarding the relationship management with business partners.



The Bank's Supply Chain Management is divided into 4 steps as follows:

1. Demand Management

In order for the Bank to have supplies or services available for continuous business operation and sufficient for delivery to customers, the Bank requires that the procurement needs be planned in advance from planning and requesting budget approval and take into account the quality that is suitable for a standard price.

2. Procurement Process

The Bank has established a concise procurement process in accordance with the Bank's regulations including relevant rules and regulations as well as determining the time required to procure and provide supplies in time as planned which demonstrates the effectiveness and efficiency of the procurement

3. Contract Management

There is a tracking of the operations of the business partner/counterparty to deliver the supplies in accordance with the contract and TOR as part of the contract along with a process for evaluating the performance of suppliers/partners in accordance with the specified forms by the Inspection Committee and/or related persons.

4. Supplier Relationship Management

For critical partners/suppliers, in 2021, the Bank has developed a notification system for merchants registered with the Bank in order to sign the acknowledgment of the operation under the Bank's Personal Data Protection Act (PDPA).

Supplier Evaluation

The Bank has adopted guidelines for evaluating suppliers under the policy on Supplier Relationship Management to expand the scope of evaluation to improve the external and internal processes. There are 5 standard supplier evaluation forms, namely the Purchasing Evaluation Form, the Procurement Evaluation Form, the Construction Work Evaluation Form, the Inspector Evaluation Form and the Construction Contractor Evaluation Form.

In 2021, the Bank had a total of 683 merchants who registered with the Bank. There are 25 new registered merchants, 142 contractors with a procurement worth more than 2 million Baht and a total of 178 contracts assessed by inspectors. The Bank's counterparties have been acknowledged about the operating guidelines under the Banking Business Code of Conduct and Supplier Code of Conduct, which include the fight against bribery and corruption, social responsibility, caring for the environment and health, and respect for human rights which were communicated via the Bank's website and the Merchant Registration system.

The Bank has a process for evaluating and listening to opinions from both business partners/counterparties and the Bank as follows:

1. Evaluate satisfaction with business partners in order to review and evaluate performance of business partners and promote the improvement of business partners' operations in accordance with Sustainable Collaborative Procurement with the Bank.
2. Give business partners a chance to provide their opinions and suggestions on the joint process development.
3. Classify critical suppliers in order to manage risks and relationships appropriately.
4. Evaluate the potential of business partners whether their qualifications still meet the Bank's requirements.

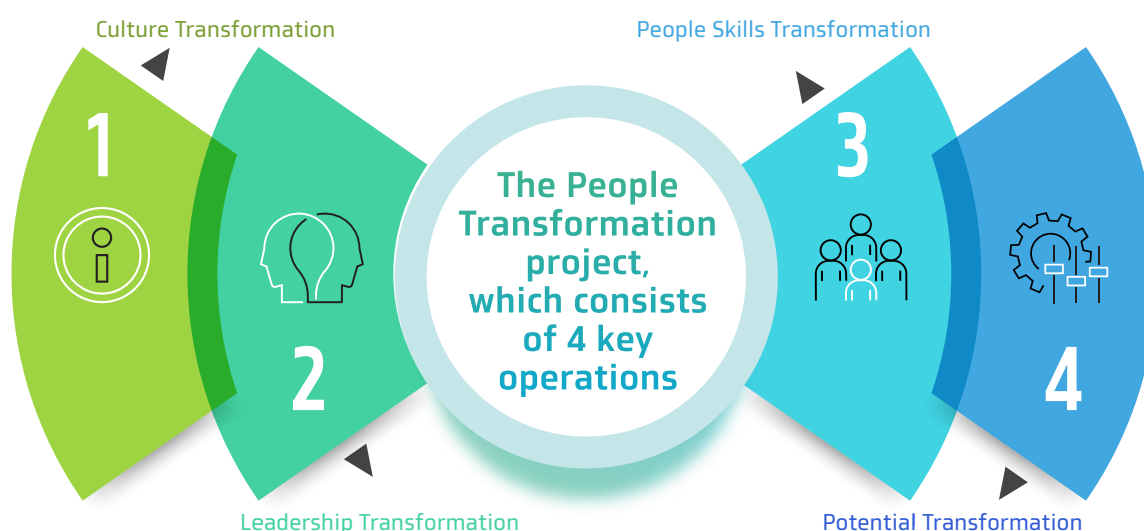
Business partners can also assess their satisfaction with the partnership with the Bank through Google Survey as a channel for listening to the opinions of business partners. Recommendations obtained will be an important part in further improving the process and the management of the contracts between business partners and the Bank.



Human Resource Management

With the determination to drive the Bank's mission and vision of "Growing Together for Sustainability" concerning all stakeholders along with driving the Bank's strategy towards becoming future banking, the Bank has adjusted its human resource management policy. Particularly, aforementioned policy focuses on building future skills for employees, encouraging on agile transformation in the organization, promoting Good Governance corporate culture and strengthening the adaptability to cope with changes (Change Management) that is happening rapidly.

In 2021, the Bank implements the People Transformation project, which consists of 4 key operations:



1. Culture Transformation

Implement One Krungthai application to help drive the Bank's culture and moral identities, namely Integrity, Breakthrough, Efficiency, Social and Teamwork by developing a feature to support employee participation in the application developing a Culture Dashboard for supervisors to follow up on the culture building within the business units which will be used in further planning appropriate employee development. In addition, the Bank promotes the creation of an innovation culture by creating key projects focused on developing future skills and digital skills for employees, namely One Unit, One Sustainable Plan, Corporate Hackathon, Compliance Champion, etc. This is to create a new culture for the new generation, encourage Agile Way of Working and digital skills development, such as UX/UI Lean Canvas and Pitching, as well as promoting a zero-tolerance corporate culture and becoming a model of moral organization.

Besides, the Bank has applied technology to develop its Information Systems (HRMS) by connecting with ONE Krungthai application to change working behaviors in accordance with the new

normal working style, for example, employees can request for a leave, a work certificate or a pay slip through ONE Krungthai application.

Implement Reward & Recognition program for employees through ONE Krungthai application, such as giving a heart to appreciate employees whose working behaviors are in accordance with each moral identity. The employee with the highest number of hearts will be honored on the Bank Leaderboard. Employees who have been awarded in the Bank's major projects will be honored through the Hall of Fame. Participation in activities on One Krungthai application can be changed into ONE coin which can be redeemed for a reward.

Encourage a flexible workplace by linking HRMS with ONE Krungthai application so that it can be operated through the application, such as requesting for a leave, a work certificate and a pay slip etc. It reduces the processes that require employees to perform in the office which reduces the risk from commuting. Utilizing ONE Krungthai application also helps with employees' health management.



2. Leadership Transformation

Working during the Covid-19 pandemic, the Bank's working style has adapted to the new normal and changed from working in the office to remote working which makes the productivity management of works and the engagement of employees more challenging. The Bank therefore focuses on Transformative Leadership skill development to supervisors on Design Thinking, Agility and OKRs (Objective and Key Results), as well as CFR skills (Coaching, Feedback, Recognition) to assist supervisors to better cope with changes and drive the organization towards its goals. The Bank also focuses on developing leadership skills for employees at all levels to prepare their skills for further career growth by establishing a Future Leader's Handbook, communicating via internal email and ONE Krungthai application, as well as organizing various projects to develop leadership skills for employees.

3. People Skills Transformation

The Bank conducts reviews of functional competencies in order to increase the intensity of employee development, and promote self-learning through online channels such as SkillLane (online course collection website), SEAC (Leader of Executive Programs in ASEAN) and Digital Short. The Bank encourages employees' self-learning by linking the Learning Management System with ONE Krungthai application so that all employees can access the learning platform anytime, anywhere.

In the meantime, the Bank has created a Training Dashboard in ONE Krungthai application to support the development of employees according to their abilities, as well as bringing technology to help drive the Bank into a learning organization. KM Platforms and KM Websites have been developed and linked to ONE Krungthai application with an emphasis on content access and knowledge exchange which enable employees to easily access anywhere, anytime, so that all employees can easily access knowledge anywhere, anytime and apply it to their work.

4. Potential Transformation

The Bank has applied the concept of Objective and Key Results (OKRs) to drive productivity & efficiency and the Bank's important projects. In 2021, the Bank has adopted OKRs as a pilot project to drive the One Unit, One Sustainable Plan and prepare Transformative Leadership Courses for executives and department representatives to provide knowledge on how to implement OKRs in real work, a total of 4 batches. In addition, OKRs handbook, OKRs video clip and OKRs podcast have been created to communicate and educate employees about OKRs through email and ONE Krungthai application on an ongoing basis. OKRs Dashboard was also developed in ONE Krungthai application where executives can track the progress of OKRs-powered plans in real time.

Goals (Indicators) and Performance of Human Resources

Strategy	Goal	Operation
1. Culture Transformation	Implement I-BEST, namely Integrity, Breakthrough, Efficiency, Social and Teamwork, resulting in tangible results throughout the organization.	<ul style="list-style-type: none"> Implement Sustainable Krungthai Initiatives Enhance employees' Reward & Recognition Develop ONE Krungthai application
2. Leadership Transformation	Supervisors are able to push better performance and productivity of the team.	<ul style="list-style-type: none"> Develop transformative leadership skill Promote the role of Coaching & Feedback
3. People Skill Transformation	Employees have sufficient skills to drive the Bank's strategy.	<ul style="list-style-type: none"> Performance reviews E-learning and KM promotion
4. Potential Transformation	Employees can elevate productivity performance.	<ul style="list-style-type: none"> Encourage OKRs in the organization

In 2021, Krungthai Bank had a total of 18,937 employees, classified by gender, type of employment, working location and position level as follows

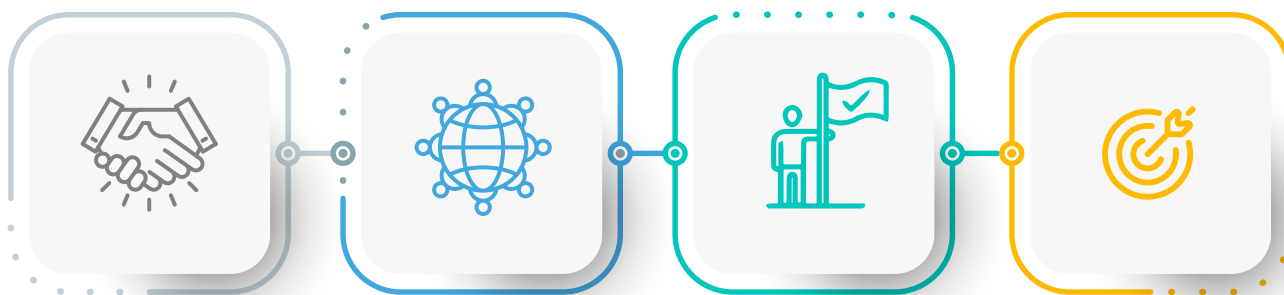
Amount of Employee		2019			2020			2021		
Classified by Employment Type	Classified by Employee Level	Male (person)	Female (person)	Total	Male (person)	Female (person)	Total	Male (person)	Female (person)	Total
Full-time Employee	Permanent Employee									
	Top Executive Level	56	27	83	59	33	92	54	32	86
	First and Middle Level	1,446	1,643	3,089	1,427	1,657	3,084	1,316	1,567	2,883
	Officer	4,774	13,025	17,799	4,439	12,495	16,934	4,083	11,753	15,836
	Total	6,276	14,695	20,971	5,925	14,185	20,110	5,453	13,352	18,805
	Temporary Employee									
	Contract for Service*	77	33	110	75	30	105	70	19	89
	Outbound**	26	26	52	24	23	47	22	21	43
Total		103	59	162	99	53	152	92	40	132
Grand Total		6,379	14,754	21,133	6,024	14,238	20,262	5,545	13,392	18,937

* Contract for Service employee: all employees except Call Center receptionists.

** Outbound employee: Employees who work as a Call Center receptionist, a field verification officer and a field collection officer.

Human Capital Development to Support Digital Banking Transformation

The Bank has established guidelines for human resource development based on various factors and strategic plans such as the Bank's strategies, the Groups' strategies, competencies, job description, career path, training need, training road map and future trends. For the development, employees are classified into 2 levels: executive and staff levels. The Bank has continued to develop its employees every year to meet the change requirements in terms of the strategic plans and strategic objectives of the Bank. In this regard, the employees' skills shall be developed in 4 areas: core competency, digital competency, leadership competency and functional competency.



In 2021, the Bank focused on human resource development in accordance with the 2-Banking Model strategy that divides operations into 2 types: the Carrier model, focusing on improving efficiency and reducing operating costs of the main business unit, and the Speed Boat model, aiming to do business in Agile Way of Working with flexibility and speed, including moving towards digital banking under the concept of "Excellent work, skillful man, proficient in technology".

The Bank has analyzed and reviewed the performance of each Group and added digital competency for assessing and developing digital knowledge skills of personnel throughout the organization. The Bank has changed technical competency to functional competency, which is a competency that is specific to an operational level. This makes it possible to assess, manage and design human resource development guidelines to meet the needs of individual employees and helps to better support the creation of an Individual Development Plan (IDP) for core competency and leadership competency. In particular, the Bank has also reviewed the details of each competency to reflect the current business context and operating policies of the Bank to provide employees and supervisors at all levels with skills, knowledge, and abilities to help the Bank to achieve its goals. The 4 competencies above will be used to analyze the workforce landscape in order to properly allocate personnel and manpower within the organization.

The Bank has arranged training to develop its employees through a variety of channels, classroom training and online training, in the form of both in-house and public training, to enable efficient human resource and leadership development processes. Besides the abovementioned trainings, the Bank also designed curriculum and content focused on interactive learning. In particular, the Bank integrates training content with recreational activities or simulations of various situations to make employees feel involved in learning and practice in real situations.

The Bank has focused on the role of supervisors in developing employees through non-classroom training, e.g., supervisors' coaching, project assignments and on-the-job training (OJT) as well as starting to follow up results of non-classroom training. The Bank has also supported human resource development through the exchange of experiences among employees within the Bank (Experience based Training), where senior executives are involved in creating an atmosphere for continuous learning within the organization. The expertise executive shall act as an internal trainer to directly transfer knowledge to employees in an attempt to generate sustainability in human resource development. Furthermore, a coaching culture has been created, which focuses on developing professional coaching skills according to international standards in order that executives can use coaching skills to harness employees' potential and motivation in their work. To create a learning culture, the Bank also offers employees from its subsidiaries to participate in training along with the Bank's employees.

Operational Measures

Amid many challenges from advanced technology, intense competition raised by both domestic and international bank and non-bank business, and effects from disruption, the Bank has put importance on developing its employees based on their core competency, digital competency, functional competency and leadership competency. By analyzing and specifying development areas, the result will be used to set human resource development plans to close competency gaps. This is to enable the Bank to achieve its goal of becoming a digital banking which operates in accordance with the rules and regulations of regulators.

In addition, in 2021, the Bank has implemented the People Transformation project to lay the foundation for human resource management to be appropriate and consistent with the rapidly changing business conditions. Competency management and human resource development are one of the main pillars of the People Transformation project. Therefore, the Talent Management and Recruitment Department has reviewed and assessed the Bank's competencies as follows:

Competency Review

Competency Model Review: The Bank has considered various important input factors. The internal factors comprise the strategic plans, the Groups' plans, operational processes and internal risk management processes, whereas the external factors refer to the competitive environment in the financial and banking business, changes in business supervision regulation, business environment affected by digital disruption and the current economic crisis from the Covid-19 pandemic. In 2021, the Bank has adjusted the competency model by allowing various departments to take part in the determination through workshops to create an understanding of performance management practices and create a sense of participation for departments at all levels. The Bank improved the competency model of hard skills and soft skills as follows.

- **Hard Skills:** Due to the COVID-19 pandemic situation, most employees have to work from home. The Bank recognizes the importance of developing digital knowledge and skills for employees. Therefore, digital competency has been adjusted and added by elevating from the original digital competency topic, which was only part of the Core Competency. It is specifically used to assess digital knowledge skills in order to enable personnel throughout the organization to be able to work under the context of a digital organization appropriately, including being able to apply digital knowledge skills in working under a new working context. Technical competency, which was previously the use of a single set of competencies to assess employees in all departments throughout the organization, is changed to functional competency,

which is specific to each Group. This makes the assessment, management and design of human resource development guidelines specific and meet the objectives of each job family. Functional competency is appropriate to the needs of each employee which makes it possible to measure the skills and abilities of the personnel individually and in accordance with different knowledge and skills of each line of work. In determining functional competency, all departments in the Bank will participate in the review and the consideration to increase/decrease the specific competencies of each Group that correspond to their own work including co-writing the details, competency dictionary to measure behaviors that meet the requirements better.

- **Soft Skills:** The Bank aims to develop leadership competency for executives and supervisors with managerial skills to elevate performance and build up engagement among employees in the organization. Meanwhile, life balance is still emphasized by developing emotional resilience to enable employees to adapt well under all kinds of changes and crisis situations. In addition, the Bank has considered increasing the Proficiency Level from 3 levels to 5 levels so that the behavior indicators are more detailed and suitable for the Bank's position structure. A detailed critical incident has also been added to the competency dictionary to make the assessment clearer and more specific.

Competency Assessment

The Bank conducted 360 degrees performance appraisal to obtain a multi-dimensional view. One employee will get self-appraisal and appraisals of the employee's supervisor(s), colleagues and subordinate. The assessments are conducted through the HRMS system and the results are analyzed and summarized on a regular basis each year. Moreover, in the performance appraisal process, the Bank has added a guideline on non-classroom training by letting supervisors determine 2 key skill development guidelines, which are gap and strength, as a tool to develop leadership roles and for executives to play a role in elevating performance and building up engagement among employees.

Competency Gap Analysis

After the annual competency appraisals, the Bank will analyze competency gaps of the individual employees. The results of the analysis are further used for preparing individual development plans and short-term and long-term training plans. The results are also analyzed to plan the workforce landscape so that the Bank can use human resources to the fullest potential and appropriately with the Bank's business context both at the overall level and at the departmental level.

Training and Development

Krungthai Academy as a main business unit responsible for personnel and supervisor development has considered various factors for planning training courses. To elaborate, there are the organizational needs to develop executives and employees, the Bank's strategic plan, policies of executives and Groups and individual needs together with competency scope, strategic challenges and short-term and long-term action plans etc. Such factors are collected and analyzed to formulate human resource development plans that cover all necessary dimensions to the Bank's business operations amid fierce competition as well as aiming at upskilling of employees and reskilling of rotated employees to perform their duties with sustainable effectiveness and efficiency. In 2021, the Bank has focused on the 4 following dimensions of the development.

1. Strengthen Foundation

The strategic objective is aimed at raising the Bank as a learning organization with morality and supporting the Bank to build a zero-tolerance corporate culture. Therefore, the Bank has determined desirable behaviors according to the specified 5 moral identities - I-BEST, as well as developing employees' knowledge and understanding of morality and ethics in working through training such as the "Lesson Learned for Sustainable Krungthai" course - an online learning course for all levels of employees; the "Market Conduct" course through the 3T Plus - focusing on educating employees on product knowledge and market conduct guidelines to perform fair sales to customers in accordance with the basic rights of financial service customers and upgrading the service to the same standard in every branch; and the "Design Thinking" course which aims to develop employees on design thinking process in problem solving in order to close the gap of findings and improve the working process to prevent fraud and damages to the Bank and enhance the creation of corporate culture for good corporate governance - free from corruption (Zero Tolerance) and building a public trust for the Bank.

Nevertheless, the Bank has placed emphasis on knowledge development and the basic skills necessary for the job to support the changes that have occurred. For example, The Bank provided knowledge and understanding of the Thai Financial Reporting Standards (TFRS9), which is effective in Thailand on January 1, 2020 and affects the operations of the Bank through the "IFRS9 Quick-Fix and Model Enhancement" course, "Financial Reporting Standard IFRS 9 Impact on Financial Institutions" course, "IFRS9 Impairment Model Validation" course and "Workshop IFRS9 Impairment Model (Quick Fix + Enhancement)" course. These courses provide employees with knowledge and understanding of changes in financial standards and encourage them to work to the same standard more efficiently. "Understanding the Thai Overnight Repurchase Rate (THOR)" course provides employees with knowledge and understanding of a THOR-based loan and IRS transactions to hedge THOR interest rate risks. In addition, the Bank also continuously provided education on the Personal Data Protection Act to prepare for the announcement of enforcement for employees at all levels throughout the organization.

2. Leadership

The Bank focused on developing coaching & monitoring skill for executives at each level to inspire and foster a coaching culture, which is an important factor in raising engagement and employee performance, by organizing courses inside and outside the organization for the Bank's executives such as "Essential Coaching Tools for Leader" course, "Coaching for Leader Success" course, "Effective Coaching for Leaders" course and "One on One Executive Coaching" course. The Bank also provided skill development for executives to have a conceptual framework that is ready for change, able to manage a team and consistently develop the abilities and drive the potential of employees by applying tools as Design Thinking, OKRs, and Agile Way of Working to drive the team and important works in order to achieve the goals via training course as "Krungthai Transformative Leadership" course. In addition to training, there was also a Leader Guidebook for executives to study and use it as a practical guideline for effective and efficient work and team management.

3. Up-skill & Re-skill

The Bank has developed employees' knowledge and skills by learning new ways of working for more efficient operation including skill development to be able to work in new roles, leading to a better performance of the organization. With the determination of becoming digital banking, the Bank has established the skills necessary for human resource development in accordance with the Bank's policy. They are divided into 5 areas as follows:

1) Future Banking: The Bank has encouraged employees' development to have knowledge of programming and various programming languages to enhance skills to be able to create and write systems, including developing applications for all platforms with an emphasis on hands-on training which could be applied to work along with building a basic understanding and other related skill development to keep up with new technologies, e.g., UX, UI, Cloud Native Application and Docker, deploying sample application on Kubernetes platform, along with enhancing the knowledge and understanding of the use of Robotic Process Automation (RPA) technology in the Bank. The examples of such courses are "DevOps CI/CD with Jenkins & Docker" course,

"Test-Driven Development with Spring Boot" course, "Business Session Training" course, "Application Session Training" course, "Process Discovery Workshop" course and "RPA Hackathon" course etc.

2) Retail Banking: The Bank has enhanced knowledge about products, marketing and sales in line with digital banking by providing training courses, e.g. "Building Relationships with Customers in Lead and Sales System to Increase Sales" course, "ILP Refresh & Need Base Selling" course, "CPD for FP Module 3: After Sales Service" course, "Training for FP&FPE (Fund Products) Intermediate" course, "Training for FP&FPE (Fund Products) Advance" course, "Wealth Management Basic" course, "Wealth Management Intermediate" course "Financial Credit Master e-Solutions e-TDR" course for debt restructuring application, "Preparation to Develop Sales Performance for Branch Employees" course, "Knowledge about Credit Information" course, "Milestone to Reduce the Bank's Money Laundering Risk" project, "Protection Certified: Mastery of Protection 01" course, "Protection Certified: Mastery of Protection 02" course, "CPD Module 2: Protection, Retirement, Health & Rider" course and "Digital Marketing Certificate Program - DMP" course etc.

3) Credit & Core Business: The Bank has prepared employees for customer experience management to offer services beyond expectations and create effective engagement in the digital age. The examples of training courses are "Financial Analysis" course, "Credit Assessment" course, "Retail Lending I Principles and Practical Guidelines" course, "Retail Lending II Retail Lending Solutions" course, "Commercial Loans Business (CLB)" course, "Financial Accounting for Lenders (FAL) course, "Guidelines for Presenting Information for Approval under a Sustainable Debt Relief Measure (Bulk)" course, NPL Knowledge Sharing course, "Tracking Business through Financial Statements" course, "How to Read Financial Statements" course and "The Evolution of Money and Banking" course etc.



4) Cyber Security & Data Privacy: To support continual increase in digital banking transactions, the Bank has organized training on information technology security on an ongoing basis through various training courses from regulations, rules and related laws to the protection and security testing along with sending employees to attend external training for certification exams on various subjects such as Mobile Application/ Secure Coding, Application Programming Interface, Information Security and Cloud Security Professional. The Bank has also educated employees on the Personal Data Protection Act (PDPA), including building expertise in data protection. By joining forces with Technology Group and related departments. The Bank has raised security awareness and new data privacy laws related matters among the Bank's employees. The Bank also planned to provide knowledge about employee information management to employees in the Human Resources Group through various methods, including classroom training, E-learning and external training for the awareness of the importance and security of personal data e.g. "Strategies for handling personal information" course, "Annually Security Awareness for All SWIFT Personal" course, "Information Security Training" project, Security Awareness Training course, "Knowledge of Information Security Management System (ISMS)" course, "Cyber Risk and Change in the 4.0 Era" course, "Cyber Threats in the Form of Phishing E-mails" course, "Security of the Bank's Application and Internal System" course and "Security Awareness for SWIFT Users" course etc.

5) Data-Driven Organization: The Bank focused on the development of personnel's ability to analyze and use information to help in the decision-making process to increase business opportunities and operational efficiency, create value for customers, generate revenue or reduce costs. In addition to providing knowledge on how to use tools for analyzing basic data, there were also courses for employees who have a Tableau License such as "Tableau Desktop Advanced" course, "Tableau Preparation" course, "Tableau for Implementation" course, "Tableau Server for Explorer" course, "Creating Excel Macros for Basic Data Validation" course, "SQL for Data Analytics" course, "Data Engineer for Big Data in Financial Sector course etc. These were in line with the policy of using data-driven to drive organizations. The objective is to develop employees to be able to utilize existing banking information to benefit strategies and decision-making in matters related to the Bank's business operations.

4. Digital Banking

The Bank has aimed to develop employees' digital mindset & digital literacy skills and digital skills necessary to the operations, as well as having the ability to create innovations for the organization to satisfy the needs of various customer groups in the digital age. The "Krungthai Hackathon" project was held in the form of a virtual event where there were presentations of new ideas from 37 teams with mentors from leading organizations across the country as judges. This leads to brainstorming and creating a culture that encourages innovation to occur in the organization and teamwork skill development under a limited amount of time.

For digital knowledge, the Bank has organized training courses to develop digital tool skills, including supporting more digital working behavior, and disseminated knowledge for employees at all levels, working both in the Carrier and Speed Boat business models.

The Bank strengthened basic knowledge to enable employees to operate in line with the Bank's strategy towards becoming a digital bank through KM Content, which is the dissemination of knowledge within the organization in digital strategy and future banking through the Digital Knowledge Sharing platform, e.g., courses in Cryptocurrency, RPA, A/B Testing, Universal Basic Income (UBI), Zopa Peer-to-Peer Lending Platform and Text Analytics in Business. Moreover, the Bank has instilled cyber security awareness among employees, which will encourage the secure operation/use of technology, including preventing risks that may arise from the collection, use and disclosure of information such as the "Phishing Mail" course. In addition, there were activities and courses that promoted synergy between Carrier and Speed Boat models such as 22 X2G2X-related sessions to create mutual understanding among employees across the organization.

Examples of Training Course via E-learning System or Online Platform

in 2021, classified by System or Platform

No.	Course	Channel	Employee (Person)
1.	Business Strategic Plan	VDO Conference	18,795
2.	New Normal Economic Direction, Bank's direction and Work in the New Normal Era	Google Form	11,972
3.	How to use new features of Krungthai NEXT for Sep Release	Google Meet	10,248
4.	Credit Life Insurance Products	E-Learning	11,051
5.	Kick-off: 3T Plus Market Conduct Project	Youtube Live	10,915
6.	Understanding the Thai Overnight Repurchase Rate (THOR)	Zoom	277
7.	Situational Leadership Virtual Class	Microsoft Teams	268

After migrating classroom training to E-Learning during Jan - Dec 2021, the E-Learning courses accounted for 88.73% compared to the total number of courses.

No.	Types of training methods	Number of courses	Percentage
1.	E-Learning	1,016	88.73%
2.	Classroom	129	11.27%
Total		1,145	100.00%

Transferring the Bank's Knowledge to Society

Krungthai Bank offers regular opportunities for undergraduate and vocational students, including trainees, to undertake internships at the Bank. Before the Covid-19 outbreak, the Bank accepted approximately 70-140 students and trainees per year from universities and vocational colleges across the country. Students from various faculties and fields could apply for internships and choose to work at the head office or at a bank branch. The Bank also cooperates with public and private educational institutions especially universities in initiating projects related to human resource development to create cooperation and seek talents to work with the Bank in the future. As the Bank currently aims to strengthen the competitiveness in the digital banking business and support the Bank's role as a pillar of the national economy, two collaborative projects mainly related to digital technology and innovation were initiated as follows:

1. Krungthai - CITU Digital Co-Creation Initiative

The Bank cooperates with the College of Innovation Thammasat University (CITU) through an Innovative Partnership Agreement to support academic knowledge and job training through project-based learning and experiential learning as well as integrated learning. The Bank offers CITU undergraduate students the opportunity to work and participate in projects related to the Bank's digital transformation and business innovation. There was a total of 40 students participating in the program for 70 days of internships in 3 business units: Data Innovation, IT Innovation and the Global Transaction Banking Group. The Bank has also assigned mentors and advisors to guide and assist students throughout the project.



2. Krungthai Innovation and Digital Talent Resources

Krungthai Bank initiated Krungthai Innovation and Digital Talent Resources with the objective to develop a network of IT personnel through building relationships between the bank and the Student Edge program from leading universities. The Bank aims to cooperate with nearly 20 leading universities across the country such as Chulalongkorn University, Mahidol University, King Mongkut's University of Technology Thonburi, Chiang Mai University, Khon Kaen University, Prince of Songkla University, etc. with approximately 100 eligible participants from 3rd and 4th year undergraduate students studying in engineering, IT technology, innovative technology, digital technology, business analytics, data science and related fields. Krungthai Innovation and Digital Talent Resources project is divided into 3 sub-projects as follows:

1) Successful Universities Partnerships: Build partnerships with leading universities in Bangkok and other regions in which the Bank and universities will organize knowledge exchange and course development on technology and innovation.

2) Project Based Internship: To recruit potential students to join internships with Krungthai Bank and its affiliates in terms of project-based internships especially in Agile & Scrum, Product Discovery and Design thinking, UI/UX, DevSecOps, Blockchain etc.

3) Krungthai Innovation Scholarship: The Bank offers scholarships to qualified and potential students.

In 2021, The Bank's employees and executives are trained according to gender and employee level as follows:

Employee Training Information	2019	2020	2021
Average Training Hour (hrs./person/year)	73.30	109.81	105.46
Total Training Hour (hrs.)	1,507,459	2,322,766	2,102,850
Classified by Gender (hrs./person/year)			
Male	77.41	94.38	78.61
Female	71.55	116.49	116.65
Classified by Type of Employee (hrs./person/year)			
Employee	97.38	104.76	107
Executive	65.36	136.69	97.96

Training for Employee	Training (Course)			Number of Batch (Batch)			Trained Employee (Person)		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Internal Learning	399	213	51	1,097	485	167	74,479	30,635	12,549
External Learning	235	98	78	246	106	80	738	473	6,626
E-Learning	40	466	1,016	213	588	1,339	342,624	304,136	432,599

Additionally, for overall health and occupational health of employees, the Bank provided knowledge on occupational health and work environment through the "Committee of Occupational Safety, Health and Work Environment of the Workplace" course and the "Occupational Safety Officer at Supervisor and Executive Level" course. The Bank also supported the creation of a culture of using digital tools by working with various providers both internally and externally in providing knowledge through the ONE Krungthai application system so that employees can attend training anywhere, anytime. Such providers are the Thai Bankers' Association (TBAC), BrighterBee, SkillLane, YourNextU (SEAC), Voxy and Slingshot. There was an introduction to learning channels from leading educational institutions for employees for further education by linking the ONE Krungthai application to various learning platforms such as Mahidol University (Mahidol Mux), Chulalongkorn University (Chula MOOC), Prince of Songkla University (PSU MOOC) and Chiang Mai University (CMU MOOC) and other information tools. As a result, the Bank could develop the potential of its employees to support future growth and create efficient competitiveness.

Operations Related to Employee Engagement

The Bank has placed importance on taking care of its employees and focused on building engagement and commitment between employees and the Bank earnestly, therefore the employee engagement survey was conducted twice a year. The results of the survey will be analyzed and linked to business results which lead to the formulation of plans to strengthen and enhance participation in the overall picture of the bank, within the department and from different groups of employees to precisely improve the quality of work life of employees.

In 2021, the Bank developed a communication channel, the new ONE Krungthai application, to serve as a channel for employees to access information and participate in various activities of the Bank conveniently, swiftly, anywhere, anytime, as well as a tool to support employees' performance to be more efficient. The Bank has encouraged employees to behave in accordance with the moral identities and created cooperation between employees and the Bank through participating in various activities via the ONE Krungthai application, aiming it to be the main platform for building a modern image of the Bank reflecting the identity of Invisible Banking. Importantly, in this new ONE Krungthai application, there are contents related to Reward & Recognition added, such as Badge & Coins granted to employees who participate in the Bank's activities and behave in accordance with their identity, sending a Heart to show appreciation between supervisors and colleagues and showing appreciation through Leaderboard and Hall of Fame. Employees can redeem the coins earned from participating in activities through the Bank's ONE Krungthai application for the rewards they desire.

In 2021, 98.96%* employees took part in the survey. The result of the whole Bank placed at 90.80%, in which scores between females and males in 2021 and for the past four years are not different and achieves the Bank's goals. This shows that, despite the Bank being faced with the COVID-19 pandemic, all Krungthai Bank's employees do not give up and are fully committed to the Bank's goals.

Employee Welfare and Benefits

The Bank's welfare and benefits have been provided to all working locations: headquarters, business centers, regional offices and branches, including the Bank's workspaces in metropolitan and regional areas. The details of welfare are as below:

Remunerations and Welfares of Krungthai Bank's Employee Classified by Types	Permanent Employee	Contract Employee	Temporary Employee	Outbound
Economic Dimension				
Salary	•	•	•	•
Living expense	•	•	•	•
Overtime payment	•	•		
Welfare borrowing	•	•	•	
Welfare loan for housing	•	•	•	
Additional contributions for housing welfare loans	•	•	•	
Welfare loan for automobile or motorcycle	•	•		
Welfare loan for computer	•	•	•	
Special welfare loan	•	•	•	
Subsidy for employees whose working location is on island	•	•		
Life Safety and Security				
Subsidy for infirmity/death from working	•	•	•	•
Compensation for injuries, illness, infirmity or death from working	•	•	•	•
Compensation for infirmity not due to work	•	•	•	•
Fund for social cremation	•	•	•	•

Remunerations and Welfares of Krungthai Bank's Employee Classified by Types	Permanent Employee	Contract Employee	Temporary Employee	Outbound
Cremation	•	•		
Provident Fund	•	•		
Subsidy for child education	•	•	•	•
Subsidy for child	•	•	•	•
Subsidy for disaster or force majeure	•	•	•	•
Friend for friend club	•	•	•	•
Motivation				
Car allowance	•	•		
Business unit allowance	•	•		
Special remuneration for gratuity	•	•		
Special remuneration for long working tenure	•	•		
Special remuneration for working in 3 Southern Border	•	•	•	•
Remuneration for the branch that opens 7 days a week	•	•		
Uniform	•	•		
Health, sanitation and work environment				
Medical and dental expense welfare	•	•		•
Annual medical checkup	•	•		•
KTB Fitness Center	•	•	•	•
Recreation				
Employee welfare accommodation	•	•	•	•
Meditation	•	•	•	•
Sport and entertainment	•	•	•	•
Other facilities				
Shop by KTB Cooperative Co., Ltd.	•	•	•	•
Other Services e.g., service for obtaining Royal insignia, address change and HR administrative procedures	•	•	•	•
Welfare canteen	•	•	•	•

Remarks:

- Permanent employee means the employee who is appointed the status of the Bank's employee.
- Contract employee means the employee who has an employment contract from the Bank for a certain period of time.
- Temporary employee means the employee who is employed to work for the Bank temporarily or has a certain hiring period.
- Outbound means the employee who works as a Call Center receptionist/Telesales.

With an efficient resource management system, the Bank has become the second home for employees. In 2021, the Bank has the rate of return-to-work and the retention of employees after taking parental leave, (classified by gender), as follows:

Case of Leave	Male	Female	Total
Number of employees who are eligible to take a parental leave	5,545	13,392	18,937
Number of employees who have parental leave	56	19	75
Number of employees who return to work after the parental leave	55	17	72
The return rate and retention rate of employees who return to work after the end of the leave	98.21%	89.47%	96.00%
Number of employees who return to work after the parental leave and continue working for one year (Comparing 2020 to 2021)	64*	18**	82

* In 2020, 67 male employees took a paternity leave to help their wife look after their newborns and returned to work. 64 of them worked until 31/12/21 (3 of them resigned).

** In 2021, 21 female employees took parental leave and returned to work. 18 of them worked until 31/12/21 (3 of them resigned).

Remarks: - Parental leave is leave provided to care for newborns after maternity leave.
- Paternity Leave is leave provided to help wife care for their newborns.

Talent Attraction and Retention

The Bank has planned manpower and prepared personnel to comply with the 2-Banking Model strategic plan in order to drive towards sustainability. The Bank aims to recruit and retain high potential employees along with developing employees' skills and learning through proactive human resource management policies starting from building attraction and engagement with employees since they were in university to create opportunities for recruiting and selecting potential personnel in fields that are essential to drive future business. The Bank also aims to create a good corporate image to attract potential employees and focus on retaining high potential employees who could be the key force in driving the Bank towards digital banking. This is to prepare high potential employees to become successors respectively.

In 2021, the Bank has attracted potential employees to join the Bank in a proactive approach and has continued to increase recruitment channels for recruiting outstanding talent in the fields of Data Scientist / Data Analytics / Business Analyst / Developer / System

Analyst / Programmer / Tester / Security / Application Programming / Mobile Application / Big Data / Blockchain by cooperating with government and private agencies. For example, the Banks recruited high-potential personnel who received scholarships from government agencies, namely scholarship students for the Development and Promotion of Science and Technology Talents Project (DPST) and the National Science and Technology Development Agency (NSTDA) scholarship program. The Bank participated in the Tech Career Coaching 2021 which was a collaboration project between the Thai Bankers' Association Bank of Thailand, Office of the Securities and Exchange Commission (SEC), Office of Insurance Commission (OIC), Electronic Transactions Development Agency (OBEC), business organizations and Thai financial institutions. The Bank also cooperated with leading universities in the country to prepare and develop a network of competent and potential personnel under the Krungthai Innovation and Digital Talent Resources and KrungThai - CITU Digital Co-Creation Initiative. As a result, the Bank was able to achieve its recruitment goals according to the strategic plans.

For high potential employee retention, the Bank has studied information in Best Practice of national and international leading organizations to create a model for analyzing employee data and providing guidelines for proper employee care in both financial and non-financial aspects. The Bank has created a Talent Dashboard as a tool to track the progress of potential employees in various dimensions such as education data, experience, rotation data, performance appraisal results, career path data and compensation, etc. Such information will be a factor in determining individual development plans that are suitable for each employee and will be communicated and discussed with executives at various levels to set guidelines for retention and create engagement of each employee. From 2020 to the present, the Bank has developed and improved the retention process for high potential employees by considering various dimensions that affect the cooperation of the said employees in 6 dimensions as follows:



1. Leadership: The Bank focuses on creating activities that provide opportunities for high-potential employees to participate in important events or activities of the Bank together with senior executives. This is for employees to learn the job and receive policies directly from the management, such as job shadowing the executives to be able to work on behalf of executives in the future which creates an inspiration and the feeling of being appreciated to the employees.



2. Communication: The Bank implements activities to encourage two-way communication between high potential employees and high-level executives of the Bank, including Executive Inspiring Talk for executives to convey policies in the top-down approach and for high-potential employees to present various initiatives in the bottom-up approach.



3. Atmosphere: The Bank focuses on creating a cross function work model that creates the Agile culture by setting a rotation plan for high potential employees to have the opportunity to learn and rotate to work in each department of the Bank. There is a secondment where employees are assigned to work for affiliated companies to enhance their potential which helps employees develop a well-rounded skill and take on more responsibility (Job Enlargement). For example, high potential employees were transferred to work temporarily at Infinitas by Krungthai or were encouraged to participate in Hackathon for an experience in brainstorming for new ideas and innovations.



4. Total Reward: The Bank organizes the salary and salary structure of high potential employees to be appropriate in line with the market rate. There is also monitoring progress in the career path of high potential employees in order for them to have an appropriate progression consistent with their performance.



5. Opportunities: The Bank has assigned important challenging work or projects to high potential employees in order to constantly develop employee potential. There is a rotation plan for high-potential employees to learn and assist in various fields, as well as digital short courses by world-class educational institutions to enhance digital literacy.



6. Pride: The Bank encourages job enlargement and job enrichment for high potential employees (Talent) by allowing them to gather knowledge through podcasting and knowledge sharing to convey work experiences in a new work style and corporate culture or new digital knowledge to all employees of the Bank which helps drive organizational change including creating a proud admiration in order to retain the said employees in the future. Accordingly, the Bank sends e-congratulations cards on various occasions to high potential employees as a praise.

Along with recruiting and retaining high-potential employees, the Bank also strives to empower employees within the organization to develop digital and innovation capabilities, including applying digital knowledge and innovation to work that creates further added value for themselves, their affiliations and the Bank. This can be seen from the Krungthai Hackathon project, where the Bank aims to encourage employees to develop Outward Mindset and Design Thinking concepts to apply to creative thinking before presenting the interesting and practical business improvements respectively. In the meantime, the Bank joined the Harbour.Space@UTCC Scholarship Program for further education in the field of Digital Banking in an attempt to provide the scholarship employee the opportunity to develop skills in Digital Banking to be ready to drive the organization. This shall add up to the creation of learning opportunities, the potential development and intellectual capital enhancement.

Table: Number and ratio of new and terminated employees classified by age, gender and region

Employee Information	2019		2020		2021	
	New Employee (person)	Terminated Employee (person)	New Employee (person)	Terminated Employee (person)	New Employee (person)	Terminated Employee (person)
Number of Employees Classified by Gender						
- Male	386	417	128	296	202	519
Percentage	6.05	6.54	2.12	4.91	3.64	9.36
- Female	456	678	115	421	199	854
Percentage	3.09	4.60	0.81	2.96	1.49	6.38
Total	842	1,095	243	717	401	1,373
Number of Employees Classified by Age Range						
- Age < 30	294	162	45	70	110	126
Percentage	12.17	6.71	3.25	5.05	12.56	14.38
- Age 30-50	532	516	191	335	278	595
Percentage	3.98	3.86	1.39	2.44	2.05	4.38
- Age > 50	16	417	7	312	13	652
Percentage	0.30	7.81	0.14	6.03	0.29	14.57
Total	842	1,095	243	717	401	1,373
Number of Employees Classified by Working Area						
- Central Branches (Bangkok and Metropolitan)	802	629	241	365	399	720
Percentage	7.28	5.71	2.26	3.43	3.94	7.1
- Domestic Branches	40	464	2	350	1	651
Percentage	0.40	4.59	0.02	3.64	0.01	7.41
- Overseas Branches	0	2	0	2	1	2
Percentage	0	13.33	0	14.26	7.69	15.38
Total	842	1,095	243	717	401	1,373
Ratio of New Employees to Terminated Employees	0.77	1.00	0.34	1.00	0.29	1.00

Remuneration Management



Policy on Executives' Remuneration Management

The Nomination and Remuneration Committee has considered and proposed the appropriate remuneration for senior executives including the President to the Board of Directors for approval according to the "Performance Driven Organization" (PDO) policy.

PDO focuses on performance-driven organizations and is based on accuracy and fairness. Remuneration of senior executives and the President links to the Bank's short-term and long-term performance and is consistent with the performance of each executive. It is reasonably competitive with that of other companies, reflecting on being a sustainable bank. The performance indicators has been set in the Balanced Scorecard, including the Bank's performance against the performance of companies that are at the same level in all dimensions. This leads to long-term sustainable success under transparent criteria and the scope of responsibilities, which reflects the Bank's competitiveness when compared with the leading financial institutions in Thailand. The remuneration for executives consists of monetary compensation and other compensation, i.e., contributions to the provident fund on the part of the Bank and other benefits and welfare according to the Bank's regulations like other employees to promote good quality of life and create motivation in work. Thus, the remuneration is adjusted continuously to be appropriate.

In the year 2021, the Bank paid 25 top executives according to the definition prescribed by the SEC, consisting of the President, Senior Executive Vice President, Executive Vice President and First Executive Vice President, for 327,748,412 Baht in total.



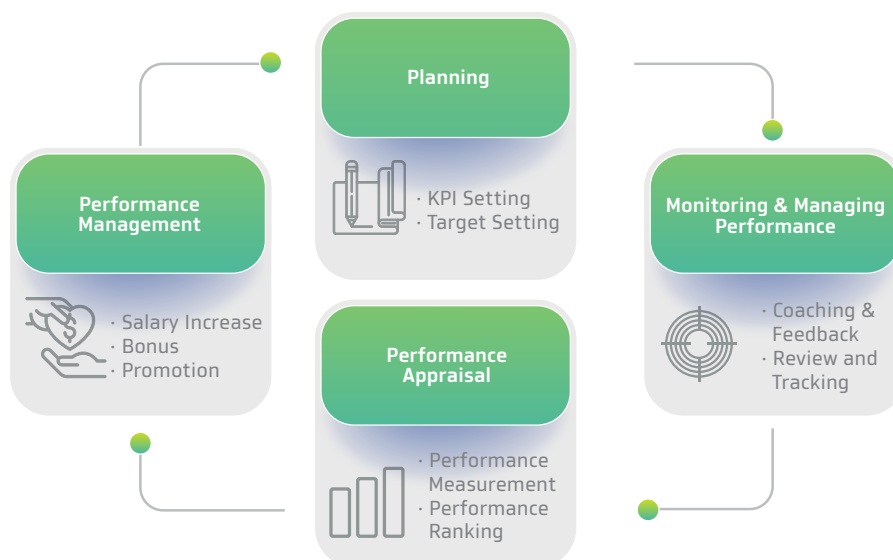
Employees' Remuneration

For employees' compensation, the Bank has implemented the "Performance Driven Organization" (PDO) policy. Employees will receive compensation in line with their performance. Moreover, the Bank ensures that employees' salary and benefits are appropriate to their position and responsibilities, compared to the Bank's peers. The Bank also provides various welfare that can meet employees' needs appropriately and considers increasing special adjustment during the year to high potential employees.

The Bank will pay the bonus in line with the previous year's performance of employees to encourage employees to continue their work determinedly and retain efficient employees to work with the Bank.

Employee Performance Appraisal

The Bank has systematic and continuous performance management to encourage employees to reach goals of the Bank, department and individual as follows:



1. Planning to determine performance indicators, goals and criteria used in the evaluation must be clear and comply with directions of the Bank's strategies. Key performance indicators (KPI) are used as a tool to set employees' work goals by having mutual agreement between supervisors and subordinates. This is a process that places emphasis on the involvement between supervisors and subordinates in driving employees to have higher performance.

2. Monitoring, providing suggestion and giving coaching & feedback: supervisors can monitor their subordinates' performance whether their performance progresses or subordinates reach their

goal in line with KPI. Moreover, supervisors are required to develop subordinates in order to encourage subordinates to work better by providing suggestions and coaching & feedback.

3. Performance appraisal is to measure job accomplishment compared with specified goals.

4. The link between results of the assessment has been used to consider financial and non-monetary rewards in order to motivate employees who have good performance and determination to work according to pay for performance principle to drive the organization to be a performance driven organization

Information	Percentage of Employees *		
	2019	2020	2021
Performance Appraisal			
Employees received performance appraisal	100%	100%	100%
Classified by Gender			
Male	100%	100%	100%
Female	100%	100%	100%
Classified by Type of Employee			
Employee	100%	100%	100%
Executive	100%	100%	100%

The Bank's Human Rights Guidelines in 2021 and the Promotion of Diversity and Equality in Employment

Diversity and Equality in Employment

The Bank has a policy of fair and equitable hiring without discrimination, providing equal and transparent opportunities for persons with knowledge and competence. The guidelines are as follows:

1. In Staff Regulation on Appointment and Employment of the Bank's Employees, equal opportunity of employment and qualifications are provided in accordance with qualifications of public enterprise employees. The Bank also has transparent recruitment by job advertisements and considers qualifications, knowledge, competencies, determination and positive attitude. In this regard, the committee is appointed to recruit and select the candidates to work with the Bank.

2. For job advertisements, the Bank respects human rights and provides gender equality for job application, including providing a special job position for the disabled. The Bank also gives importance to the disabled by formulating policies and guidelines on promoting and improving life quality of the disabled such as employment, career development fund and any help, including subsidizing as prescribed by law.

In 2021, the Bank complies with the Empowerment of Persons with Disabilities Act, B.E. 2560 (2017) under Section 33 by employing 1 disabled person, under Section 35(3) by subcontracting work or subcontracting services with the Thai Red Cross Society for 180 persons and under Section 35(4) by offering an internship to 22 persons (in proportion to the number of employees as of October 1 of every year).

3. The Bank has formulated guidelines for human resource management to comply with the policy towards becoming digital banking. Currently, there is no limitation in terms of gender, age, ethnicity, and different abilities which creates a perspective that is beneficial to the organization. There are also a variety of educational institutions, not limited to one institution, to obtain knowledgeable personnel with specialized expertise and a variety of abilities and professional skills, and from different backgrounds. This makes it possible to recruit personnel to meet the needs of each department and in line with the goals and important strategies in driving the organization in the digital era. There is also a personnel selection process to attract talented and good people to join the Bank and increase the Bank's potential through various projects such as the Management Trainee project, etc.





Guidelines to Prevent and Resolve Sexual Harassment or Harassment at Workplace

The Bank has established guidelines in order to prevent and resolve the problem of harassment or sexual harassment at work in order that personnel in all units regardless of their position is treated with respect and dignity and without harassment or sexual harassment at work. The Bank recognizes the importance of driving the prevention and resolution of harassment or sexual harassment at work to be clear and concrete which everyone has a responsibility to act and follow. The Bank has created and maintained a work environment free from harassment or sexual harassment by raising awareness, knowledge and understanding, establishing preventive measures and dealing with problems that arise and taking action promptly with complaints of harassment or sexual harassment including providing the environment and measures to reduce the risk of sexual harassment/harassment.

Sexual harassment or harassment is any compulsive sexual act or behavior, use of power with unwelcome verbal conduct text, gestures, images, electronic documents, or sexually explicit materials or to do something in the same way that is likely to cause someone else to receive trouble, embarrassment or to feel insulted. This includes stalking, harassment or any act that creates a sexually unsafe atmosphere, especially creating conditions which affects hiring, recruiting, or appointment; or any other impacts on the victim in both public and private agencies, including educational institutes.

Practice guidelines towards Employees

The Bank has a policy to continually develop employees' potential and encourage employees to advance their careers, including taking care of a safe working environment, providing employees the rights and welfare facilities to have a good quality of life and be able to perform work without affecting the body and mind. The Bank respects the rights and freedoms of employees to form a collective bargain and provides employees systematic channels for receiving complaints and recommendations. The complaints are managed appropriately and remedies will be equally provided in the event of human rights violations in accordance with applicable laws and related regulations.

Rights to Association and Collective Bargaining

Long-term Operational Goals for 2024

The Bank and the Labour Union work together to drive the organization to be a leading financial institution in all dimensions above its competitors, which is part of the Bank's key strategy, "Best Place to Work", and without any conflict (zero labor dispute).

Operational Goal in 2021

The Bank and the Labour Union continue to have good labor relations with each other without conflict (zero labor dispute) resulting in unity within the Bank as well as joining forces in all activities of the Bank to drive the organization towards sustainable growth.

Performance in 2021

The Bank has consulted with the Labour Union with good labour relations without labor disputes within the Bank (zero labor dispute).

Krungthai Bank gives rights and freedom and provide opportunities for all employees to participate and play a role in expressing opinions by allowing the Labour Union to act as a representative for negotiating agreements, consulting to jointly solve various problems in order to improve work efficiency which will be beneficial to employees and the Bank without conflicts within the organization as well as focusing on building good relationships between employees and the Bank.

In 2021, there are 2 labor unions, namely Krungthai State Enterprise Labour Union with 13,542 members and Krungthai Bank Network Labour Union with 4,025 members. The total number of members is 17,567 people, representing 92.77% of the total number of employees. The Bank provides opportunities for labor unions to suggest ways to develop and improve the operational efficiency of the organization focusing on participation and expression of opinions in the form of a constructive Joint Consultation Committee as well as managing to solve all problems until the completion of all matters by taking into account the benefits of the Bank within the framework of the applicable law. In addition, the Bank adheres to justice and fairness, and having no discrimination against race, religion, gender and friendship resulted in the Bank's good labour relations without conflict. No claim from the Labour Union was filed. The data during 2019-2021 is shown in the table below:

Negotiation with the Labour Union (Labour Dispute)	2019	2020	2021
Number of negotiations (Labour Dispute)	0	0	0
Number of solved negotiations (Labour Dispute)	0	0	0
Number of negotiations (Labour Dispute) in process	0	0	0

Krungthai Bank realizes the importance of the quality of life of employees. Therefore, it focuses on employees to work under a good environment without worry. The Bank provides various channels for employees to voice their opinions and complaints as follows:

- E-mail : Whistle@krungthai.com/HR.care@krungthai.com
- Hotline : 0-2208-8887/E-Mail: hr_hotline@krungthai.com/App krungthai >> Tools >> Hotline

The Discipline and Employee Relation Department is the center in receiving suggestions and complaints, providing advice and recommendations to employees and cooperating with other units involved in the issue in order to strengthen the bond between the Bank and employees.

Occupational Health and Safety in Workplace

Long-term Operational Goals for 2024

- Create a safety culture of the organization
- Zero Accident
- The Bank is the second home

Operational Goal in 2021

- Occupational health and safety case that is punished or fined by government agencies = 0
- Total Recordable Injuries Rate (TRIR) ≥ 1.00
- Lost Time Injuries Frequency Rate (LTIFR) = 0
- Occupational illness rate = 0

Performance in 2021

- Meet the specified goals
- Occupational health and safety case that is punished or fined by government agencies = 0
 - Total Recordable Injuries Rate (TRIR) = 0
 - Lost Time Injuries Frequency Rate (LTIFR) = 0
 - Occupational illness rate = 0

Krungthai Bank recognized the importance of health and safety at work for the employees and all stakeholders, including a working environment with no danger and risks. Therefore, the Bank has set the operation goals related to occupational health and safety, as well as security policy, safety vision, safety mission as the framework and approach of the security management process. In this regard, the Bank has adhered to compliance with laws and safety standards, leading to the creation of a "Corporate safety culture" and making employees feel that "the Bank is their second home."

Safety Summit

The Bank's Safety Summit is divided into 3 steps as follows:



- The Bank complies with law and standard on safety/not to be punished or fined by government agencies.
- Build up good image of the Bank and present that the Bank gives importance of safety.



- Executives and employees have safety awareness.
- Executives and employees perform their duties with safety/ Zero Accident.

Safety Culture

This is in line with the Safety Thailand policy

Nevertheless, to achieve the goal "The Bank is the second home", the Bank implemented the Krungthai Safety Together Project covering operations in 3 aspects under the 3 Safety Summits, namely law, knowledge and workplace. The Bank aims to focus on taking care of employees' health and create appropriate, safe, risk-free work environments in order to enhance efficiency in working and create a good quality of life for all employees. The project has 4 missions as follows:

1. To educate and raise awareness of safety at work for all employees throughout the organization.
2. To assess and control various hazards that affect the health of all employees throughout the organization and those in contact with the Bank
3. To keep work environment safe and appropriate; and
4. To encourage employees throughout the organization to have good physical, mental, emotional, and social well-being, including working under the 6 Safety Value as follows:

S A F E T Y

Sustainability
Sustainable safety

Awareness
Awareness of safety

First
Safety first

Environment
Safe environment

Together
Safety together

You
Safety start with "You"

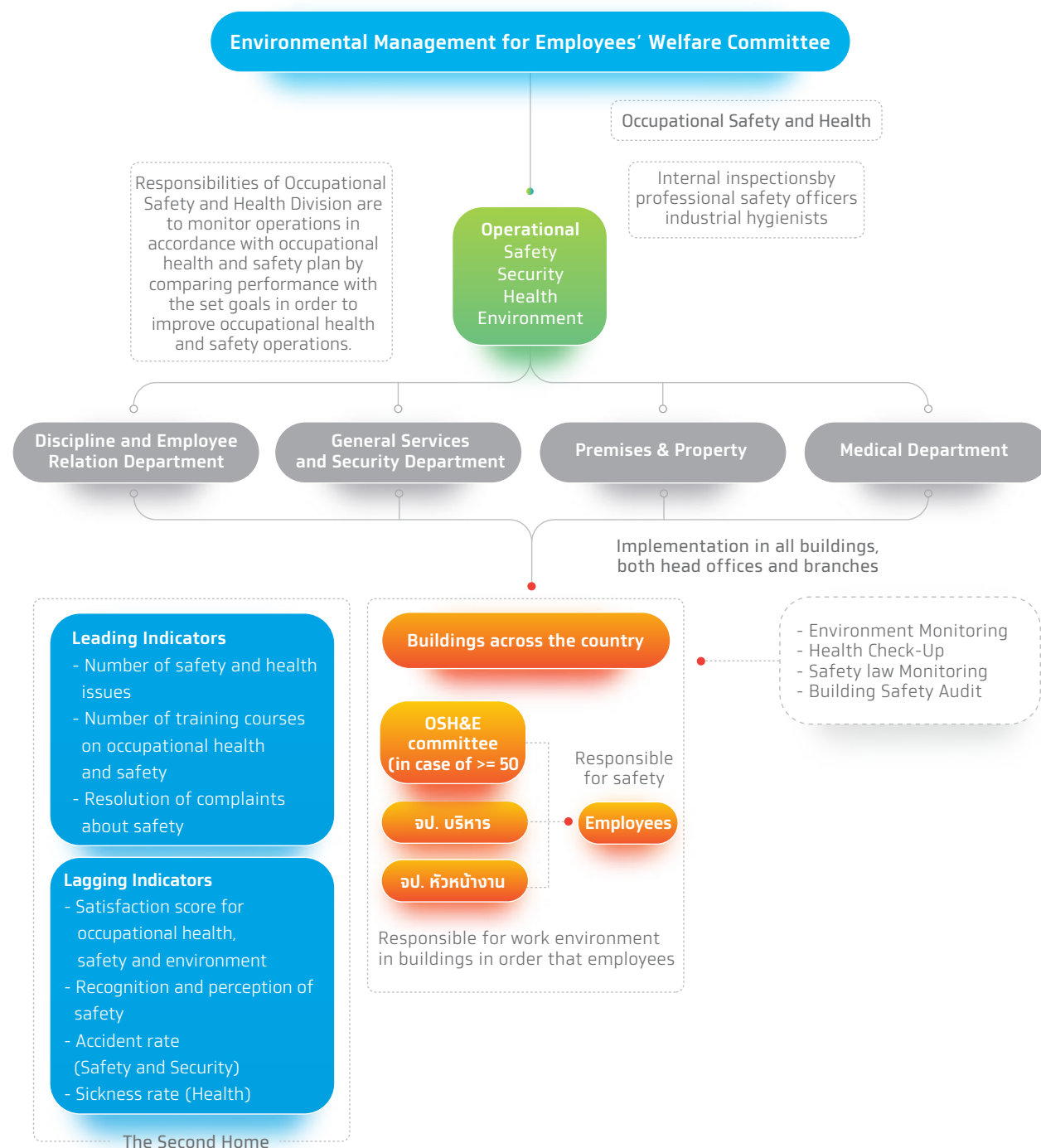
The Bank's Occupational Health and Safety Operation Structure and the Bank's Safety Committee

Position/Working Group	Responsibilities
President	The President announces and delivers safety policy to all employees in an attempt to make them join in driving the operational of occupational health and safety. This is to ensure that agencies in the private and public sector acknowledge that the top executives of the Bank have strong determination to take good care and uplift the quality of life of employees, especially to care for a working environment that is safe and appropriate for working. Additionally, the President aims to present a positive image and become the leader in safety in the workplace for the Bank accordingly.
21 Members of the Environmental Management for Employees' Welfare Committee (0.1%)	The Environmental Management for Employees' Welfare Committee consists of executives from all Groups assigned to perform duty in reviewing the Bank's occupational health and safety management system and communicating safety operations to all employees in their Group.
KTB - SSHE (KTB - Safety, Security, Health and Environment)	KTB - SSHE (KTB - Safety, Security, Health and Environment) is the work group for overseeing safety, security, health and environment of the entire Bank, which has various departments taking part in the respective operations. The work group consists of the Discipline and Employee Relation Department, Premises & Property Management Department, General Services and Security Department and Medical Department. The KTB-SSHE operations are based on providing equal occupational health and safety treatment to all employees with the same standards throughout the organization.
Occupational Safety, Health, and Environment Committee (OSH&E)	The Bank appointed the Occupational Safety, Health, and Environment Committee of each building. The committees consist of the representatives of employers, namely the Bank's staff in the management level, and representatives of employees, namely the Bank's staff in the operational level. The ratio of committee members must comply with applicable laws, so that employees' safety and sanitation in each building nationwide is under control and supervision. (The meetings of the committee were held on a monthly basis.)
Safety Officers from the Management and Supervisor Level	In 2017-2020, the Bank provided training courses and assigned the safety officers in the management level and supervisor level to encourage, promote and monitor safety operation in compliance with KTB-SSHE plan as well as supervising employees to follow the safety regulation and guideline. They also help to promote and support the Bank's various safety activities.
Employee	Employees are obliged to cooperate in implementing projects/ programs/safety activities related to safety, occupational health and work environment. Additionally, employees should help to supervise, monitor the environment, and share opinions on how to improve a safe working environment, leading to the Bank's operational goals for safety.

*As of December 2021, Krungthai Bank PCL has 19,945 employees.

For the safety of employees' health and general occupational health, the Bank provides knowledge on occupational health and work environment by organizing training through courses: the "Committee of Occupational Safety, Health and Work Environment of the Workplace" course, the "Occupational Safety Officer at Supervisor and Executive Level" course and the "Basic Fire Fighting" course, totaling 6 batches, in which there were 281 participants.

Implementation of safety operating guidelines to operate throughout the Bank



Agreement on Health and Safety Covering Labour Union Agreement

The Bank's health and safety operation has followed the Occupational Safety, Health and Environment ACT B.E. 2554 (2011). The Bank formulated health and safety benefits, for example, organizing annual health checkup and compensation for disability/death as a result of a work-related injury or diseases, making the workplace a safe environment, etc.

Operation in 2021

The Bank has promoted the transfer of policies to the implementation of various departments. The system is standardized across the organization: headquarters, regional offices and branches through KTB-SSHE (KTB - Safety, Security, Health and Environment). Different actions are taken according to the risks that may arise in each workplace or working environment to create a suitable, safe and risk-free working environment



Activities/Projects to Promote Health and Good Quality of Life in 2021

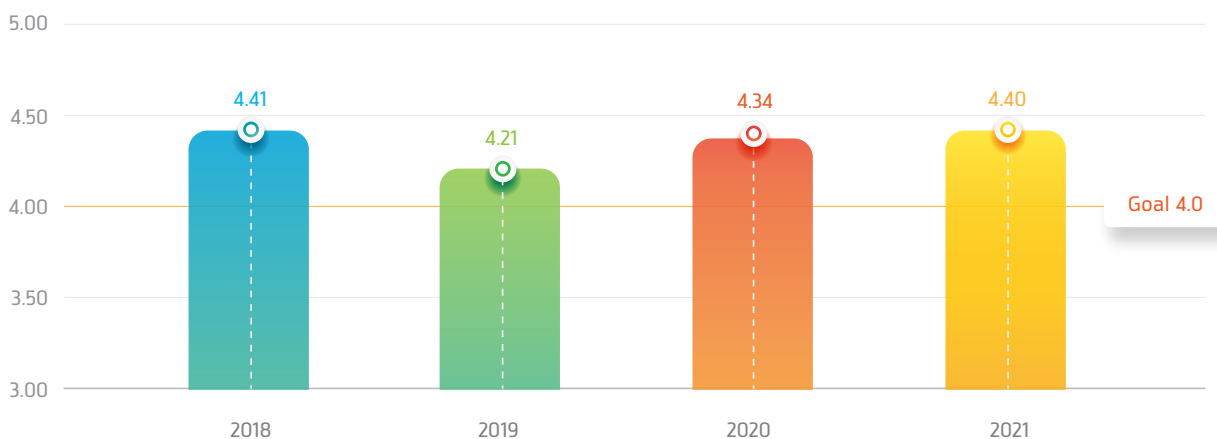
Activity/ Project	Detail	Training/Communication Channel
Flexible Working	<ul style="list-style-type: none"> - The Bank adopts a flexible operating approach, a new work style that responds to the current situation by allowing some groups of employees to work from their residences or co-working spaces as appropriate. - The Bank has transformed to work with the New Normal by using technology for receiving and delivering work and video conference meetings through applications such as Hangouts/Meet. 	<ul style="list-style-type: none"> - Krungthai Intranet - E-mail>Hr News - Performance Management under "Flexible Working" Manual
Flexible Hours	<p>The Bank allows employees to work no more than 48 hours per week, giving employees the opportunity to choose 3 working hours as follows:</p> <ul style="list-style-type: none"> • 7.45 - 16.45 hrs. • 8.00 - 17.00 hrs. • 8.30 - 17.30 hrs. 	<ul style="list-style-type: none"> - Krungthai Intranet - Work Regulations - Orientation for new employees
Health tips: PILATES for Health	Communication in the form of VDO Clips for employees to exercise to strengthen the core muscles, increase the flexibility of the trunk, arms and legs muscles and increase the range of motion of the joints of the arms and legs.	<ul style="list-style-type: none"> - E-mail>Health Tips
Health Checkup	Annual health checkup, chest X-ray and influenza vaccination services.	<ul style="list-style-type: none"> - Krungthai Intranet - E-mail>Hr News - Work Regulations - Orientation for new employees
Employee welfare canteen	Serve delicious, nutritious, clean and cheap food to the employees.	<ul style="list-style-type: none"> - E-mail>Safety Together
Sports Club	The Bank encourages the establishment of various sports clubs for employees to exercise, such as cycling clubs, shooting, football, etc.	<ul style="list-style-type: none"> - Krungthai Intranet - E-mail
Online Meditation	<ul style="list-style-type: none"> - The Discipline and Employee Relation Department invited employees to join the online meditation course "Mind Retreat Program" supervised by Phra Thanadit Dhammananto, Piyapodok Dhammastan, Lamphun Province with the objectives to encourage employees to exercise the right to take annual leave and train their minds to practice mindfulness for everyday life. The program was free of charge. There were 4 training sessions as follows: <ul style="list-style-type: none"> Batch 1: 25-27 August 2021 Batch 2: 22-24 September 2021 Batch 3: 11-15 October 2021 Batch 4: 9-11 December 2021 - Online New Year's Uplifting Course between 22-24 December 2021, supervised by Pra Maha Wuttichai Watchiramethee, Chertawan International Meditation Center, Huai Sak Subdistrict, Mueang District, Chiang Rai Province. 	<ul style="list-style-type: none"> - E-mail>HR Hotline by the Discipline and Employee Relation Department

Activity/ Project	Detail	Training/Communication Channel
Annual Leave	<p>The Bank provides employees who have worked for a continuous period of 1 year, counting from the first day of employment, to be entitled to 15-days of annual leave per year. Annual leaves that have not been exercised in that year cannot be accumulated with subsequent years. However, in the event that the employee has the remaining annual leave in that year, it can be carried over until March 31 of the following year. The old annual leave that has been accumulated shall still be used but the employees shall exercise all the accumulated annual leave within 3 years.</p>	<ul style="list-style-type: none"> - Krungthai Intranet - Work Regulations - Orientation for new employees
Ordination Leave or Religious Leave	<p>Employees who have worked for 3 years or more and have never used the right of ordination leave or leave to perform Hajj, the right to leave with full salary/wage is granted as follows:</p> <ul style="list-style-type: none"> • Leave for ordination or performing religious activities, 90 days leave can be taken (including holidays that fall during the leave). • Taking a full-time ordination leave during the Buddhist Lent Festival or leave to perform the Hajj ceremony in Mecca, Saudi Arabia, employees can take leave for no more than 120 days (including holidays that fall during the leave). Employees are entitled to leave for meditation once a year, but not more than 10 working days. 	<ul style="list-style-type: none"> - Krungthai Intranet - Work Regulations - Orientation for new employees
Maternity leave	<ul style="list-style-type: none"> - Maternity leave can be taken on, before or after the day of giving birth. The total leave days must not exceed 98 days (including holidays that fall during the leave). The maternity leave shall include leave for prenatal exams. <ul style="list-style-type: none"> • In the case of employees who start working from January 1, 2022 onwards, the Bank will pay wages during maternity leave equal to wages on working days throughout the period of leave, but not more than 45 days according to the law. The employees shall be granted the rights in accordance with the law on social security and/or the law on compensation, as the case may be. • In the case of employees started working before January 1, 2022, the Bank will pay wages during maternity leave for 90 days but only in the amount of the difference from the amount to which the employee is entitled to receive under the law on social security and/or the law on compensation in the case of receiving allowance from the Social Welfare Fund. - The Bank will make salary/wages advance payment that employees are entitled to receive under the law on social security and/or the law on compensation in the case of receiving allowance from the Social Welfare Fund. The Bank will pay the employee the full salary/wage for a period of 90 days. At the end of the maternity leave, the Bank will average the amount of excess received by the employee and equally deduct it from 3 salary/wage payments until the full amount is refunded to the Bank. - In the event that the employee wishes to take additional maternity leave, the Bank allows additional maternity leave of no more than 150 working days without the right to receive salary/wage during leave. - Male employees are entitled to one paternity leave within 90 days from the date of the child's birth. The employees can take leave no more than 15 consecutive working days to take care of their children and wives. If the leave is taken within 30 days from the date of the child's birth, the employees will receive salary/wages during leave. If the leave is taken after 30 days from the date of the child's birth, the employees will not receive salary/wages during leave. Unless the President considers to pay salary/wages as appropriate on a case-by-case basis. 	<ul style="list-style-type: none"> - Krungthai Intranet - Work Regulations - Orientation for new employees

Activity/Project	Detail	Training/Communication Channel
Lactation Corner	The Bank provides areas and facilities for employees who are nursing mothers.	- E-mail>Safety Together
Management of PM 2.5	The Bank takes care of its employees by allowing employees who are at high risk from the impact of the PM 2.5 as follows: - Employees who are pregnant or have congenital diseases that require avoiding exposure to dust are allowed to work from home or residence.	- E-mail>Hr News - Internal Orders
Non-smoking area	To protect the health of non-smokers - The Bank has installed a smoke-free zone sign in the head office building, branches, and ATMs. - Proceed to remove smoking equipment or facilities from the Bank areas such as ashtrays, tables, and chairs for smoking. - Smoking is prohibited inside the Bank's area.	- E-mail>Safety Together

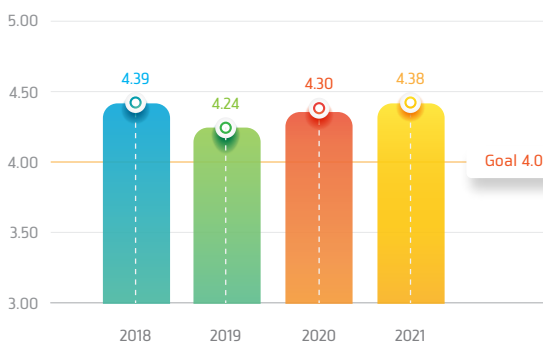
Overall satisfaction score in 2021

Overall Satisfaction Score for Work Environment of the Bank

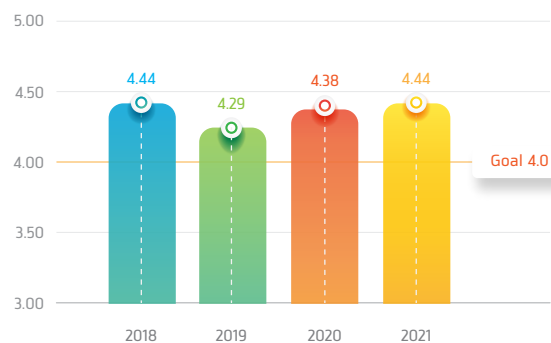


SAFETY

Satisfaction score for occupational health and safety



Satisfaction score for standard in fire alarm system



SECURITY



ENVIRONMENT



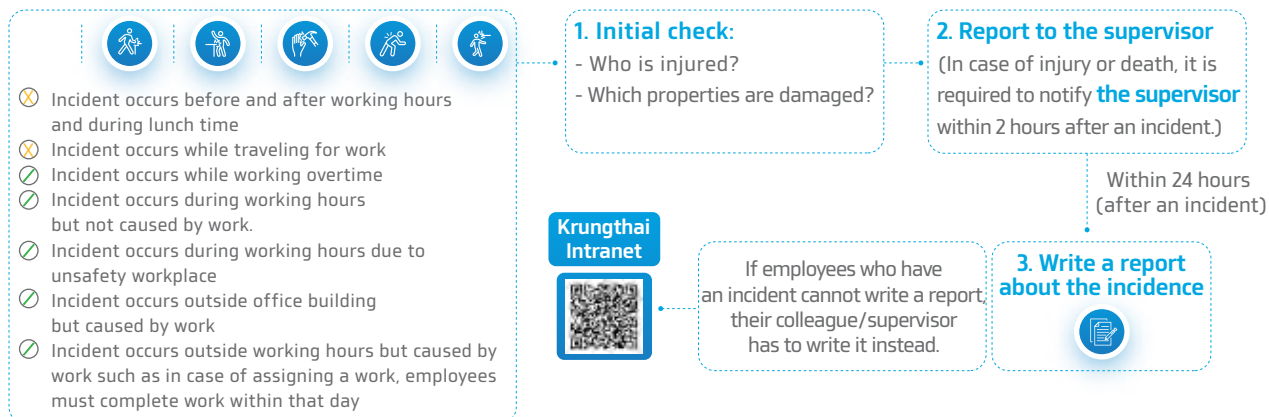
Number and rate of work-related accidents of employees in 2021

The data is classified by working area and gender differences, covering the Recordable Injuries Rate ranges from work-related first-aid injuries to fatal injuries.

Indicator	Headquarters (departments, business offices, regional offices)			Nationwide Branches			Cash Inventory Management Centers Mint Inventory Management Centers			Three Southern Border Provinces and adjacent areas			Total		
	F	M	Total	F	M	Total	F	M	Total	F	M	Total	F	M	Total
1. Number of persons injured at work (person)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Number of accidents resulting in working day lost (person)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Total Recordable Injuries Rate: TRIR: 1,000,000 working hours	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Lost Time Injuries Frequency Rate: LTIFR: 1,000,000 working hours	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

The Bank has applied criteria for recording data, reporting accident statistics and the guidelines as in accordance with the applicable laws.

Process of Reporting an Incident



Performance in 2021

Indicator	2017	2018	2019	2020	2021
Occupational health and safety case that is punished or fined	0	0	0	0	0
Total Recordable Injuries Rate: TRIR: 1,000,000 working hours	0.11	0.07	0.09	0.02	0
Lost Time Injuries Frequency Rate: LTIFR: 1,000,000 working hours	0	0	0	0.02	0
Occupational illness rate	0	0	0	0	0
Number of safety media (issue)	35	35	38	54	37
Number of health media (issue)	44	44	44	42	29
Number of safety training courses (batch)	37	22	25	6	6
Results of Indoor Air Quality (IAQ) measurement	Passed the standard				

Absentee Rate	2017	2018	2019	2020	2021
Goal	2.00	2.00	2.00	2.00	2.00
Performance	1.02	1.24	1.05	0.77	0.79

Stakeholder Engagement

The Bank has realized the importance of various groups of stakeholders, both inside and outside the organization that directly and indirectly affects the operations of the Bank both in terms of economy, society and environment. Considering primary and secondary data in order to ensure appropriate, fair, and effective treatment, the Bank analyzes and prioritizes stakeholders as follows: 1. Employees, 2. Customers, 3. Shareholders, 4. Regulators, 5. Suppliers and 6. Society. Stakeholder treatment has been designated as part of the Bank's good corporate governance policy and the code of business conduct, which were disclosed to the public through various media. The Bank believes that sustainable growth must come from creating mutual benefits in accordance with expectations of all groups of stakeholders. Previously, the Bank has taken related actions as follows:

Procedures	Frequency	Requirements	Operational Guidelines
Employees			
<ul style="list-style-type: none"> - Open to suggestions, problems and complaints from employees through 3 channels; direct email to the executives, HR Care and HR Hotline - Employee engagement survey - Performance appraisal - Employee trainings and development - Meetings and seminars with employees - Fraud report through Whistleblowing 	<ul style="list-style-type: none"> - Open for suggestions throughout the year - Employee engagement survey: twice a year - Performance appraisal: once a year 	<ul style="list-style-type: none"> - Income, benefits, and welfares - Inspiration for work - Interesting and valuable work - Work-life balance - Learning and career path opportunities - Recognition - Environment and work facilities 	<ul style="list-style-type: none"> - Fair and appropriate treatment to employees - Create an atmosphere for employees to participate in giving useful opinions - Organize engagement activities for employees - Promote health and well-being of employees by providing facilities and activities - Provide training plans for employees and develop their career path - Ensure safe and hygienic work environment for employees

Procedures	Frequency	Requirements	Operational Guidelines
Customers			
<p>Satisfaction survey and corporate image survey</p> <ul style="list-style-type: none"> - On-site visits to interview customers to find pain points or opportunities to develop products or improve processes - Customer engagement survey - Open channels for receiving customer complaints - Meet with customers to offer financial products and services - Online communication - Organize seminars to provide financial and business knowledge to customers 	<ul style="list-style-type: none"> - Satisfaction and corporate image survey: twice a year - On-site interviews with customers: 1-2 times a year - Customer engagement survey: throughout the year - Customer Complaint Service Survey: Year-round, 2-4 visits per year - Send marketing email to customers who are interested in receiving business knowledge, news/activities: once a month - Promote credit products through online advertising: throughout the year - Communicate new products or services to the public via online media 	<ul style="list-style-type: none"> - Financial products and services are suitable and meet the needs of each group of customers - Receive convenient and fast service, as well as a suitable credit limit. - Receive proper services and deal with complaints effectively - Wish to participate in activities/ receive news, knowledge and products information of the Bank regularly - Communicate with customers to get correct and beneficial information, including opening to suggestions 	<ul style="list-style-type: none"> - Develop and offer products and services that meet the needs of each customer group - Improve process to be fast and meet the needs of customers - Handle complaints as specified by SLA - Deliver news and products information to customers via SMS/email - Publicize loan products via online advertisement to target groups - Registration is open for those interested in products through the Bank website: https://krungthai.com/th/content/sme - service with willingness and provide accurate information to build customer trust. Being up-to-date, easy to contact with, and allows customers to evaluate the services of its employees
Shareholders			
<ul style="list-style-type: none"> - Organize the Annual General Meeting of Shareholders in order for shareholders to understand the Bank's policy and answer inquiries at the meeting - One-on-one meeting & conference call with investors - Roadshow meetings with shareholders - Meeting of analysts and institutional fund managers in the country - Disclosure of important information, news and financial information through the Bank website - Meeting of analysts and institutional fund managers in the country - Roadshow meetings with investors 	<ul style="list-style-type: none"> - Organize the Annual General Meeting of Shareholders: once a year - Face-to-face interview: throughout the year - Travel to meet shareholders and investors: throughout the year - Analyst and fund manager meeting: quarterly basis 	<ul style="list-style-type: none"> - Good and sustainable returns - Transparent disclosure 	<ul style="list-style-type: none"> - Dividend payment is appropriate - Operate the business in accordance with the principles of good corporate governance, and strictly comply with the Code of Business Conduct. - Disclosure important information and financial information on a regular basis through various channels such as gatherings and meetings via Bank websites

Procedures	Frequency	Requirements	Operational Guidelines
Regulator			
<ul style="list-style-type: none"> - Meeting to acknowledge policies and regulatory guidelines - Receiving audit from regulatory agencies - Conduct a report to submit to regulatory agencies, and get feedback 	Throughout the year according to the time frame of each business unit	<ul style="list-style-type: none"> - Business operations are in compliance with the laws, rules, and the effective management - Security of the Bank's work system - Transparency of the organization and its work system - Provide fair service to customers 	<ul style="list-style-type: none"> - Adhere to assessment principles of the Bank, both in the form of self-assessment and award criteria in various fields to improve the process to be efficient - Stipulate Code of Conduct for fair and transparent business operations - Strictly comply to the Bank's regulations - Take suggestions, observations, and feedback from regulatory agencies to modify and improve work processes to meet international standards.
Partners			
Open to suggestions, problems, and complaints, through the merchant registration system on the Bank website www.Krungthai.com	Available all the time	<ul style="list-style-type: none"> - A clear procurement policy from the Bank - Cooperation and coordination to achieve mutual success according to the set goals - Fair, transparent, and verifiable procurement 	<ul style="list-style-type: none"> - Stipulate the clear procurement regulations and policy, which provides complete information - Execute the fair, transparent, verifiable procurement - Comply with commercial terms and comply with contracts - Refrain from accepting the gratuities and individual or group invitations for which the partner pays
Society			
<ul style="list-style-type: none"> - Open to the community's opinions through the various CSR activities organized by the Bank, including collecting results from the activities appraisal 	<ul style="list-style-type: none"> - Open to suggestions from communities in every activity throughout the year 	<ul style="list-style-type: none"> - Achieve a better quality of life, whereas the community is well-administrated, gains financial literacy, and has standardized quality products and services. 	<ul style="list-style-type: none"> - The Bank has conducted on-site visits to communities to find out the needs as follows: <ol style="list-style-type: none"> 1. Knowledge training 2. Study visit 3. On-site visits with specialist to conduct a development plan 4. Organize activities for development and practical experience 5. Performance Assessment

Social and Environmental Sustainability

Change the community for sustainable growth. Encourage the use of local materials to develop eco-friendly products and increase income for the villagers. Enhance the capital allocation guidelines. Respond to the challenges of climate change while reducing the risks that will occur to the environment. Take into account the long-term impact on consumers by elevating sustainability operations to be a part of the green business credit review process.



Sustainable Banking

Courage to change to support low-carbon business for the sustainable development of Thailand

Environment, social, and governance risk management (ESG) is divided into 3 aspects as follows:

1. Policy: The Bank stipulated responsible lending policy to focus on granting loans to businesses that emphasize on environmental, social responsibility and good governance. The Bank also ensured the efficiency and effectiveness of risk management to maintain public confidence. A risk management guideline was required for all relevant departments within the Bank to implement practically in business operations for controlling or preventing risks from the aforementioned impacts and creating the highest benefits for all stakeholders.
2. Compliance: The Bank strictly complies with Responsible Lending policy and process.
3. Information Disclosure: The Bank has disclosed information to the public in Annual Report, Sustainability Report and on the Bank's website.

Guidelines on Responsible Lending for Environment and Society and Good Governance

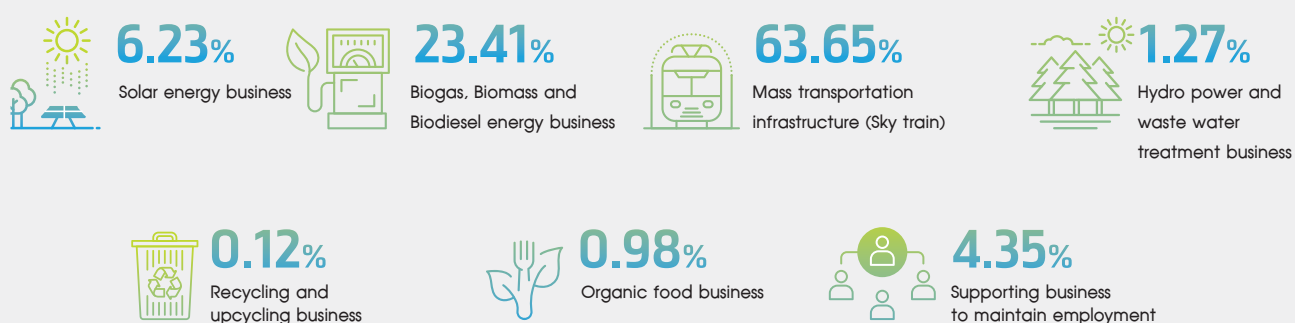
The Bank has adopted the framework and concept of Sustainable Development at an international level together with adapting the Bank's identity through integrating ESG principles operations to conduct Responsible Banking services and operations. In this regard, the Bank established an effective loan approval process and risk management guidelines, starting from customer screening, credit review process that covers environmental, social and governance risks, and processes for assessing, controlling, monitoring risks.

The Bank supports lending to businesses or industries with potential as determined by the Bank, which is in accordance with the environmental, social and governance goals (Inclusion List). The lending process is in line with the country's strategic plan under the Bio-Circular-Green Economy (BCG Model). For example, those loans include Green Lending, energy conservation loans, loans for entrepreneurs with good governance, loans that help create jobs and improve quality of life and the overall economy of the country, SMEs loans, research and innovation loans, and loans

for employment. The Bank shall not provide loans for any businesses or persons in the Exclusion List. In the lending process, appropriate risk identification, assessment, control, monitoring and management are conducted in order to prevent any damage that may occur to the Bank in the future.

At present, financial institutions play an important role in sustainable development in various dimensions. Climate change is the main focus on the global scale as the world is in transition from the fossil energy industry to clean energy. Financial institutions can play an important role in financing businesses related to clean energy and transforming businesses, such as clean energy businesses, public transport infrastructure, wastewater treatment technology, recycling and upcycling businesses, organic food businesses or other businesses that have been affected by COVID-19 and in need of liquidity to maintain employment.

In 2021, the Bank provided financial support for sustainable development for a total of over 10 billion Baht according to the following proportions:



In addition, Krungthai Asset Management Public Company Limited has also offered 4 funds with a policy to invest in equity securities of companies with outstanding environmental, social and good governance in proportion to or close to the weights that are components of the index. This includes stocks that are in the process of entering or exiting as constituents of the index to be able to generate returns that are close to the Thaipat ESG Index (TR). In 2021, details are as follows:

Fund	Net Asset Value (Baht) as of December 31, 2021
Krungthai Korkarndee ESG Fund (Class A) (KT-ESG-A)	178,969,962
Krungthai Korkarndee ESG Super Savings Fund (KTESGS-SSF)	237,533,940
Krungthai Korkarndee ESG Super Savings Fund (Super Savings Fund Extra)	428,548,962
Krungthai Korkarndee ESG RMF (KT-ESG RMF)	142,477,619
	987,530,483

Additionally, there are 3 offering funds with a policy to invest in only one fund of Schroder ISF Global Climate Change Equity Fund (master fund) in USD currency. The investment objectives focus on generating returns from investment growth through equity investments or equity-related securities of global companies whose fund manager considers to benefit from promoting climate change issues or limiting the impacts from climate change. In 2021, details are as follows:

Fund	Net Asset Value (Baht) as of December 31, 2021
KTAM Global Climate Change Equity Fund (Class A) (KT-CLIMATE-A)	2,285,920,613
KTAM Global Climate Change RMF (KT-CLIMATE RMF)	81,173,338
KTAM Global Climate Change Equity Fund (Super Savings Fund)	25,140,156
	2,392,234,107

The Bank also offers products and services with ESG principles to the public as follows:

Krungthai “iSTOXX® Global Transformation IXGTRSND Index Linked Note”

iSTOXX® Global Transformation IXGTRSND Index Linked Note are debentures issued by Krung Thai Bank Public Company Limited in Baht currency with a period of 5 years. The Bank protects capital when holding until maturity. The debentures require a minimum investment of 5 million Baht and are offered to institutional investors and high net worth investors with annualized returns. Krungthai iSTOXX® Global Transformation Select 30NR Decrement 4.5% Index is a stock index developed by iSTOXX of Germany. It selects innovation stocks with strong global growth prospects and outstanding ESG scores with a 72.98% participation rate to provide greater returns opportunities. However, investors do not have to bear the loss incurred from these stocks. Investors shall receive principal every year, at the rate of 1% per year in order to maintain cash flows throughout the term.

The debentures are intended to be invested in 4 main future business trends as follows.

1. Connected World: With 5G system, Cloud Computing, Video Gaming
2. Industry Innovation 4.0 or Internet of Things: These innovations have played a role in daily life of people, such as the use of AI (Artificial Intelligence) in devices, applications or social media, etc.
3. Sustainable Growth: For example, electric vehicles as alternative energy
4. Better Healthcare: The majority pays more attention to healthcare after the spread of Covid-19. Technology has been adopted in inventing vaccines, providing medical treatment, disease prevention to keep the world's population healthy with higher well-being. The examples of those health-related innovations include Biotech, robotic surgery, etc.

Exclusion list of businesses that may have negative impacts on the environment and society or businesses lacking good governance which the Bank will not lend or provide financial support

The Bank attaches great importance to environmental, social issues, and corporate governance. It is cautious in providing financial support to businesses that can cause significant environmental, social, corporate governance impacts. The Bank will not provide any financial services to the following businesses in the exclusion list.



1. Businesses that are at risk of damaging the environment and natural resources:

- Projects that damage the environment or invade, destroy or affect the condition of mangrove forest areas.
- Businesses that have significant impacts on the environment and society, such as the production of pesticides, production of radioactive materials, production of substances that destroy the atmosphere and are contrary to the law or international convention/agreement.

2. Businesses that are at risk of causing social impacts:

- Illegal businesses or businesses that are contrary to morals or good corporate governance, such as gambling/casino businesses or pornography businesses
- Hoarding businesses or businesses related in the way of hoarding products to corner the market affecting economic stability or contrary to announcements or regulations of government agencies or related regulatory agencies.
- Arms and armaments businesses or businesses related to weapons of war (except for those of Thai government agencies or for distribution to Thai government agencies)
- Personal loans for a person who is deemed guilty by The National Anti-Corruption Commission (NACC), a person who use influence peddling, a person ordered by the court to be a quasi-incompetent person or incompetent or a social pariah.



Sector Limit by industry

The Bank has a policy to manage risk concentration from lending, investment, and contingent liabilities or transactions similar to lending to debtors and debtor groups in accordance with the regulation of corporate customers as specified by the official. Besides, the Bank has set a maximum transaction volume for each type of business (Sector Limit) and a maximum transaction volume for each country (Country Limit) in order to diversify risks and prevent significant concentrations of credit. The risks are closely monitored and reviewed annually.

Meanwhile, the Bank monitors the risks of counterparty countries by setting a maximum limit to control the risks in transactions between the Bank and foreign banks and a limit to lending, investment and contingent liabilities for customers or counterparties who are domiciled in different countries. It also controls the risk by requiring business units to report the total of credit limits used at the end of every month to ensure that it is within the specified maximum limit. Lastly, the Bank also implemented a credit rating process for counterparty countries by referring to leading international credit rating agencies.

Climate Change Impact Assessment

The Bank's assessment of the impacts from climate change or natural disasters can be considered in 2 dimensions, namely risks in work and business operation of the Bank and risks that may affect the customers' ability to operate business and pay debts. Details are as follows:

The Bank assesses business impacts, both monetary and non-monetary impacts, in case of a disaster that prevents the Bank's core business operations from operating normally. The Bank set forth Business Continuity Management Policy, which has been approved by the Board of Directors. The policy is reviewed annually in an attempt to suit with the changing environment. Furthermore, the Bank also established a Business Continuity Plan (BCP), as well as regularly reviewed and tested the plan according to the specified period to ensure that the Bank is ready to cope with disastrous events and able to operate the business within a reasonable period of time. In this regard, the Bank has followed up on news about disasters on a regular basis in order to be able to cope and manage crises in a timely manner.

As for risks that may affect the customers' ability to operate business and pay debts, the Bank regularly monitors the situation and assesses the risks from climate change. In the event of a natural disaster, the Bank will assess the impact on the regional level, industry level, and on each customer by notifying the business units responsible for taking care of the customers to closely monitor the situation. Surveillance, impact reports and damage surveys are conducted so as to consider providing remedial measures to help customers or adjust the risk level of customers or industry or region. Monitoring shall continue until the situation improves further.

Analysis on Likelihood, Impact, Financial Risk (Loan portfolio) and the Bank's risk from Climate Change

Climate change affects the economic sectors around the world. However, it has created opportunities for the Bank's financial sector and has given customers access to new markets, product innovation and more services. Analysis of climate change is conducted so that all relevant sectors, including business, finance, government, and public sectors are aware of the impact of climate change. The Bank conducted the analysis by relying on the following relevant risk factors.

1. Risks and opportunities related to climate change compared to the Bank's strategic plan.
 2. Risks and opportunities from climate change which affects the Bank's customers.
 3. Establishing risk management guidelines that outlines operational guidelines and/or investments necessary for the Bank to adapt to climate change.
 4. Establishing credit portfolios management guidelines for customers in the industry sector/region that have been negatively affected by or have been under situations related to climate change factors through the Bank's policy / monetary policy of the government agencies to provide help by specific loan measures.
 5. Establishing banking sector supervision guidelines on risk management and information disclosure related climate and environmental changes.
 6. Climate change risks and opportunities including the impact on the business sector caused by 2 risks, physical risk and transition risk.
- Additional risk factors to be considered include legal & compliance risk, IT risk, market risk, reputation risk, and emergency risk, etc.

Social and Environmental Projects

Based on the Krungthai Bank's vision - Growing Together for Sustainability, the Bank aims to grow with all sectors of society in a sustainable way. In particular, the Bank connects ESG (Environmental, Social and Governance) principles with the Sustainable Development Goals (SDGs), by linking the business framework to help reduce poverty, improve the economy, quality of life, and make the community, society, have a better living. The implementation of such connection has been carried out through various projects of the Bank as follows:

Krungthai: Go Local, Grow Local Project

Long-term Operational Goal for 2024

40% of all communities receive an award or recognition.

Operational Goal for 2021

40% of 10 communities receive an award or recognition.

Operational Result 2021

- 7 Communities received the CBT Thailand Standard Award:

1. Ban Mae Kampong Community, Chiang Mai Province
2. Ban Khok Krai Community, Phang Nga Province
3. Ban Laem Subdistrict Community, Suphanburi Province
4. Ban Sanuan Nok Community, Buriram Province
5. Tha Ma-O Community, Lampang Province
6. Ban Dua Community, Nong Khai Province
7. Takhian Tia Community, Chonburi Province

- 3 Communities received Kinnaree Award:

1. Takhian Tia Community, Chonburi Province
2. Ban Laem Subdistrict Community, Suphanburi Province
3. Ban Sanuan Nok Community, Buriram Province

In 2021, 70% of the community out of 10 communities received an award or recognition.

Krungthai: Go Local, Grow Local Project (Krungthai Loves Communities) was initiated in 2019. The project is in line with the national economic development plan in building a strong community where people in the community come together to brainstorm and participate in setting guidelines and activities based on the self-reliance principle. The project aims to reduce external dependence of each community by mainly considering their existing potential, resources, wisdom, way of life, culture and local environment according to the Bank's mission to create a Sustainable Society. The project is executed in accordance with CSR guidelines of 3Cs STRATEGY.

1) COMMUNITY ACADEMY - Create and extract unique features of products and services in the community to modernize, improve the packaging and use the knowledge that is the root of the community to add value to the products.

2) CONTENT MULTIMEDIA - Create a story of experience in products and services that are full of sincerity and senses of traditions or tell the stories of traditional folk wisdom and knowledge from generation to generation to communicate to customers.

3) COMMERCE OMNICHANNEL - Explore the product distribution channels with store and financial management by using a platform or network of the Bank's partners to distribute products.

In this regard, the Bank has developed the communities by focusing on local products and services/tourism of the community, as well as supporting and encouraging communities to attain sustainability. In 2021, there were 10 communities under the Bank assistance as follows:

Ban Laem Subdistrict Community, Suphanburi Province

Ban Laem Subdistrict Community, Bang Pla Ma District, Suphan Buri Province has 1,297 households and 4,800 population. It is a cultural tourism community located along the Suphan River (Tha Chin River). The community's cultural history dates back to the Rama V period when the former King visited Suphanburi. The community's Chak Phra Len Pleang ritual and River Alms Offering ritual are notable traditions in the western central region. Interesting activities for tourists include taking a boat ride to pay respect to the temples along the Suphan River, visiting the Sufficiency Economy hybrid plantation farms, and taking a boat ride to explore the riverside community, learning how to make traditional Thai food and desserts, and weaving carps from water hyacinth.

Product development supported by the Bank

- Promoted the use of financial service
- Created labels/logos for community products
- Public relations through the Bank's channels
- Exhibited products developed by the Bank at the OTOP Thai Fight Against Covid-19 Fair at Muang Thong Thani on December 18-26, 2021.

Customer Prosperity

PRODUCT

TRAVEL

Supports Financial & Marketing

Development of services/tourism supported by the Bank

- Improve visibility
- Renovated toilets at the community center for people with disabilities and the elderly
- Composed and taught folk songs and helped with folk costumes, and musical instruments.
- Funded equipment used in tourism such as life jackets, amplifiers, etc.
- Promoted the use of financial service
- Made a short film clip "Choi takes a tour. Let's have fun at Ban Laem Community" with 9.3 million views.

Awards received

- The 13th Kinnaree Award by Thai Tourism Industry in 2021, Tourist Attractions Community category, Local Tourist Attraction Type.
- The 12th Kinnaree Award in 2019, Tourist Attraction Community category
- Thai Standard Community-Based Tourism (CBT) Award
- ASEAN Community-Based Tourism Award
- ASEAN Standard Homestay Award, Amazing Thailand Safety & Health Administration (SHA)

Ban Sanuan Nok Community, Buriram Province

Ban Sanuan Nok Community, Buriram Province is a local Khmer community with a population of 618 people (155 households). The community is well known for its tourism management of the province and its unique weaving style inherited from ancestors of the community. Later in 2013, the community development agency came to promote the village as "Silk Tourism Village", making the community stronger and increasing income from tourists in various forms, including study tours, homestays and purchasing products in the community.

Product development supported by the Bank

- Improved product packaging
- Promoted the use of financial service
- Public relations through the Bank's channels
- Exhibited products developed by the Bank at the OTOP Thai Fight Against Covid-19 Fair at Muang Thong Thani on December 18-26, 2021.

Development of services/tourism supported by the Bank

- Promote the community to receive tourism awards
- Made a short film clip "Tor Rak.... at Ban Sanuan Nok" with 6.2 million views.

Awards received

- CBT Thailand Awards 2020
- Target communities in the Sustainable Community-Based Tourism Development of Thailand (DASTA) 2019
- Excellent Award, The 13th Kinnaree Award by Thai Tourism Industry in 2021, Tourist Attractions Community category, Local Tourist Attraction Type.
- SHA Tourist Safety & Health Standards, 2020
- 1st Prize of Provincial Level, Woven Community Enterprise Award
- 2nd Prize of District Level, Woven Community Enterprise Award
- 5-Star Silk Standard Award, Provincial level
- Best Silk Reeling, National Level
- Golden and Silver Royal Peacock Logo to Certify the Quality of Silk by The Queen Sirikit Department of Sericulture
- 5-star OTOP Silk Product Standard by the Community Development Department.
- SHA Tourist Safety & Health Standards, 2020
- CIV Standard of the Ministry of Industry
- Community-based Tourism Model of the Tourism Authority of Thailand, one of 10 of the Northeastern regions of the Village Tourism 4.0 Project



Baan Mae Kampong Community, Chiang Mai Province

Baan Mae Kampong Community, Moo. 3, Huay Kaew, Mae On, Chiang Mai, with a population of 354 people (154 households), is a community surrounded by abundant natural resources. It is a natural resource conservation area and is famous for ecotourism and homestay accommodation.

Product development supported by the Bank

- Developing products to pass FDA standards
- Promoting the use of financial service
- Improving product packaging
- Bringing various products developed by the Bank to exhibit at the OTOP Thai Fight Against Covid-19 Fair, Muang Thong Thani, December 18-26, 2021.

Development of services/tourism supported by the Bank

- Improving the visibility
- Continuous improvement to receive tourism awards
- Encouraging Baan Mae Kampong Community to be qualified for the Global OTOP project and joining as a consultant in the project.
- Making a short film "Miss him? Let's Go to the Mountain." with a total of 6 million views.

Awards received by the community

- CBT Thailand
- FDA Standard
- Homestay Standard



Ban Khok Krai Community, Phang Nga Province

Ban Khok Krai Community, with a population of 1354 people (320 households), is a coastal community and adjacent to the Marui Canal. It is rich in natural resources, mangrove forests, and a variety of natural attractions such as hot mud, Don Hoi Talab, a cast of soldier crabs and a community of ancient people. It is also a source of seafood and one of the largest oyster farming sites in the south with well-known community products of Phang Nga Province.

Product development supported by the Bank

- Promoting the use of financial service
- Improving product packaging
- Improving the community product development center
- Publicizing products through various channels of the Bank
- Providing training and funding for research on new products (Oyster Shell Lotion and Oyster Shell Sunscreen)
- Bringing various products developed by the Bank to exhibit at the OTOP Thai Fight Against Covid-19 Fair, Muang Thong Thani, December 18-26, 2021.

Development of services/tourism supported by the Bank

- Improving the visibility
- Improving the local fishery learning center (Oyster Farm, Crab Bank)
- Building toilets
- Improving tour boats
- Making a short film "Heartbroken tourism at Ban Khok Krai" with a total of 14.8 million views.

Awards received by the community

- DASTA Awards 2019, Community-Based Tourism 2019, 2nd Best Development Level
- DASTA Awards 2019, Community-Based Tourism 2019, Outstanding Development Level
- CBT Thailand Award 2020
- OTOP village for tourism
- Creative Industry Village: CIV



Baan Duea Community, Nong Khai Province

Baan Duea Community is a community along the Mekong River with a population of 680 people (120 households). The community still preserves its folk arts and culture. It was the venue for "Travel Mekong River, Watch the Moon, Learn the Culture along the Mekong River with Baan Duea" with activities such as making (weaving) a bird from palm leaves, riding a tricycle around the city and taking a boat to pay homage to Buddha images.

Product development supported by the Bank

- Online distribution channel
- Bringing various products developed by the Bank to exhibit at the OTOP Thai Fight Against Covid-19 Fair, Muang Thong Thani, December 18-26, 2021.
- Promoting and developing processed products, teaching sewing dyed cloth from figs and processed products from figs.
- Developing and teaching sewing dyed fabric from figs together with Udon Thani Rajabhat University
- Promoting the use of financial service

Development of services/tourism supported by the Bank

- Publicizing tourism in the community
- Receiving the Amazing Thailand Safety and Health Administration (SHA) 2021 and receiving the CBT Award 2021
- Improving the visibility / improving the check-in point
- Organizing training for knowledge by the Department of Tourism
- Organizing trainings by the Designated Areas for Sustainable Tourism Administration (DASTA)
- Making a visitor book
- Improving community shops, improving the reception area for tourists to enhance tourism.

Awards received by the community

- Amazing Thailand Safety and Health Administration (SHA) 2021
- CBT Thailand Award 2021

Tha Ma-O Community, Lampang Province

Tha Ma-O community, with a population of 903 people, 419 households, is an old community in Lampang since the establishment of Khelang Nakhon where people of different nationalities had lived together, resulting in a perfect blend of cultures. There are a lot of tourist attractions and historical and cultural learning spots, such as Wat Pratu Pong, which is more than 100 years old, the ancient city wall Ku Chao Ya Suta, etc. In addition, visitors can taste many unique foods such as Hang Lay Curry, Khao Pan and Khanom Wong. There are also tram riding and cycling activities to explore the way of life in the old town, Hang Lay Curry cooking class by a community chef, PhayaYorFlag making class as well as products from the community such as Balachaung roasted chili paste with shrimp and various processed herbs.

Product development supported by the Bank

- Promoting the use of financial service
- Publicizing products through various channels of the Bank
- Providing online marketing training

Development of services/tourism supported by the Bank

- Organizing local arts and culture training
- Producing a video clip introducing important tourist attractions of the community in 3 languages
- Improving the visibility

Awards received by the community

- Award for a tourist attraction that conveys Lanna arts and culture to youth
- 1 of the 7 must-visit markets and cultural road, Department of Internal Trade, Ministry of Commerce
- Design Excellence Award 2020 (Graphic Design Products)
- Honorary Award “Wattanakhunathon” which is a national award from the Ministry of Culture
- Excellent Community-Based Tourism Standards Award, CBT Thailand



Takian Tia Community, Chonburi Province

Takian Tia Community is a strong community with unity. Most importantly, the villagers try to preserve the community's traditions and way of life by conserving the last “coconut plantation” of the eastern region. “Coconut” used to be the main economic crop of the people of the East. However, when prosperity came, the coconut plantations began to disappear from the area. At present, Takian Tia Community is the only and last coconut plantation of the eastern region.

Product development supported by the Bank

- Improving product packaging
- Developing the product to get a registration number
- Publicizing products through various channels of the Bank
- Promoting the use of financial service

Development of services/tourism supported by the Bank

- Encouraging the community to receive tourism rewards
- Providing 14 tents and 15 parasols

Awards received by the community

- CBT Thailand Awards 2020-2022
- Target communities in the Sustainable Community-Based Tourism Development of Thailand (DASTA) 2019
- Rural Tourism Award 2020
- Friendly Design Awards 2019
- The 13th biannual Thailand Tourism Awards 2021 (Kinnaree Award): Thailand Tourism Awards (Outstanding), Attraction category, Local and Community sub-segment
- Amazing Thailand Safety and Health Administration (SHA) 2020



Ban Suan Durian Community, Songkhla Province

Ban Suan Durian Community is an outstanding and unique tourist attraction. It is located next to Songkhla Lake. Therefore, its seafood is very famous, such as chewy dried squid with a unique taste that villagers can catch from Songkhla Lake. It could be eaten with rice or as a snack. Ko Yo Hand-woven Fabric is also a famous local product. It has long been famous for its beautiful colors and is considered a symbol of Southern folk craftsmanship and the great product that can be used in various occasions.

Product development supported by the Bank

- Promoting the use of financial service
- Publicizing products through various channels of the Bank

Development of services/tourism supported by the Bank

- Organizing trainings for knowledge by the Department of Tourism
- Opening bank accounts
- Organizing trainings by the Designated Areas for Sustainable Tourism Administration (DASTA)
- Making a visitor book

Awards received by the community

- CBT Thailand - Department of Tourism Thailand

Nang Lae Subdistrict Community, Chiang Rai Province

Nang Lae subdistrict area, with a population of 11,377 people (5,419 households), is famous for processed Nang Lae and Phu Lae pineapples. In addition, there is a one-day tour program in Nang Lae Subdistrict, including healing the body with traditional medicine at



Hong Hom Phaya - Hong Ya Mor Muang Lanna (Lanna medical treatment), visiting rice terraces, visiting Thawan Duchanee's museum, admiring Somluk Pantiboon's Doi Din Daeng Pottery, visiting Nang Lae Nai Waterfall, learning yoga from an Indian teacher, visiting Thung Kiang Doi Cafe including watching the Lanna cultural performances, folk music and dance.

Product development supported by the Bank

- Creating labels/logos for community products
- Improving product packaging
- Publicizing products through various channels of the Bank
- Supporting various researches together with Mae Fah Luang University, such as increasing the value of pineapple leaf waste
- Promoting the use of financial service

Development of services/tourism supported by the Bank

- Improving the learning center of ancient Lanna medical treatment (Hong Hom Phaya Hong Ya Mor Muang)
- Improving the visibility / improving the check-in point at rice terrace
- Improving the visibility / improving the check-in point at Sufficiency Economy Center
- Updating signs, tourist map and information of Nang Lae Subdistrict Community
- Improving the signboard for the community shop
- Improving the information boards for various learning centers in the community

Awards received by the community

- Sustainable Tourism Management Standard: STMS (DASTA) 2021

Koh Tao, Better Together Project (Koh Tao Community, Surat Thani Province)



Krungthai Bank cooperated with the UNDP and Raks Thai Foundation to launch the Koh Tao, Better Together, a crowdfunding campaign. Donation can be made via E-Donation QR code of the account "Raks Thai Foundation, UNDP and Krungthai Love Koh Tao" to help the local islanders affected by COVID-19 such as the boat drivers to collect marine debris and clean the beaches on Koh Tao, together with instilling them the awareness of environmental conservation for 4 months from December 1, 2020 - March 31, 2021. Additionally, Big Cleaning Day activities were organized to prepare for tourism and to restore the economy in Koh Tao to be active again. The Bank also arranged activities to cultivate and raise awareness for the students of Baan Koh Tao School by providing financial knowledge and introducing the Bank's financial products and services to make the community familiar with the use of technology, including opening 128 savings accounts, 142 Tung Ngern applications, 89 Krungthai NEXT applications, 47 Line Connex accounts, 56 PromptPay accounts, and 32 ATM cards. The implementation of this project has enabled the Bank to win the international Best Practice (Emerging Market) award in the category of Great Practice at the Global Corporate Sustainability Awards: GCSA 2021, Taiwan which is an international award from the largest sustainability conference in Asia.

Business Benefits	Social and Environmental Benefits
<ul style="list-style-type: none"> Enhanced good relationship between community and company through project activities. Received positive returns from the media, community and society measured by public relations value. Promoted the use of financial technology (Financial Service) and offered the Bank's products and services. 	<ul style="list-style-type: none"> Generated income from selling community products through various service channels of the Bank with up to 104,000 beneficiaries. Promoted the tourism industry in the community through the production of video clips with a total of 36.3 million views

Krungthai Loves Environment Project

Krungthai Loves Environment Project was initiated in 2020 under the campaign "Krungthai RELIFE: Change, Restore, Revive Life". The central idea of the project focuses on changing the behavior of employees to buy less in order to reduce the amount of food waste with a recycle process that is non-toxic to the environment. As a result, Inno Waste machine, a food waste processing machine into soil, was used to recycle food waste from Vayupak Room, Headquarters Building. In 2021, the Bank can eliminate 100% of the actual amount of food waste of 1,470 kilogram. 441 kilogram of soil was distributed to employees and local communities to plant vegetables and trees. Moreover, greenhouse gas emission was reduced by 3,719.10 kgCO₂e.

Krungthai Loves Smart University Project

Krungthai Loves Smart University Project is a project for providing financial knowledge through various activities to encourage the youth to be aware of the importance of saving, financial discipline, and financial literacy skills. This will help them to spend responsibly and can also prevent debt problems or financial threats. The project emphasizes on transferring financial knowledge to students in universities in Bangkok and other provinces in order to cultivate and lay a foundation of knowledge and understanding in money management for preparation in financial planning for the future of the first-jobbers. The Bank's staff went to 20 universities to provide financial knowledge to 2,795 students with 37 of the Bank's employees participating as lecturers. From the implementation of the project, students gain knowledge in finance by 79.20%.



The Support to Friends in Need (of “Pa”) Volunteers Foundation of Thai Red Cross Society

The Bank had signed a MOU with the Friends in Need (of “Pa”) Volunteer Foundation of the Thai Red Cross Society, on Wednesday, October 31, 2018. The Foundation opened a Krungthai Bank account named Friends in Need (of “Pa”) Volunteer Foundation of Thai Red Cross Society with account number 000-0-60128-4.

The Bank supported the operations of the foundation in many aspects, for example, providing survival bags, opening for donations and helping publicize activities of the foundation through the Bank’s channels. In 2021, Krungthai Bank supported the Friends in Need (of “Pa”) Volunteers Foundation of Thai Red Cross Society as follows:

- Friends in Need (of “Pa”), Friends Don’t Leave Each Other Project: The Bank donated 100,000 Baht, with a total of 131,700 beneficiaries.
- Community Disaster Warning Project: The Bank donated 1,082,850 Baht to the community of Mae Pool Sub-District, Laplae District, Uttaradit Province, with a total of 9,284 beneficiaries.
- Supporting the operations of the Foundation for the Friends in Need (of “Pa”) Fair 2021 by donating 500,000 Baht.
- Participating as a committee for organizing the Friends in Need (of “Pa”) Fair 2021.
- Offering content and video clips of the Bank’s product that were useful to the public to be broadcasted in the Friends in Need (of “Pa”) Fair 2021.

Krungthai Loves Education Project: Providing the Krungthai Weaving Dream Scholarships for University Graduates

Krungthai Loves Education Project was initiated in 2009. Under this project, the Bank provided scholarships for students, who were well-behaved, had the highest GPA during high school and could pass the entrance examination to study at the leading state universities as specified by the Bank. The Bank provided scholarships for such students until they graduated with a bachelor’s degree (normal program). Each school received 1 scholarship with 50,000-Baht per year. In 2021, the Bank granted a total of 83 scholarships, amounting to 4,150,000 Baht. As seen in the implementation of the project, the Bank attaches great importance to education by granting 678 scholarships from 2009 to 2021, totaling more than 145 million Baht.

Krungthai Loves Persons with Disabilities Project

Krungthai Loves Persons with Disabilities Project is a project about the employment of people with disabilities to work at the organization (Section 33), contributing money to the Fund for Promotion and Development of Life Quality of Disabled Persons in accordance with the number of persons with disabilities who are not employed (Section 34), offering concession in 7 ways (Section 35) as follows: (1) granting concession (2) arranging a place to sell goods or services (3) subcontracting work or outsourcing services (4) internship (5) provision of equipment or facilities (6) provision of a sign language interpreter (7) any other assistance. According to the Persons with Disabilities Empowerment Act, B.E. 2550 (2007), the establishment shall hire persons with disabilities at a rate of one percent of the number of employees as of October 1 of each year. In 2021, Krungthai Bank joined the Thai Bankers Association in subcontracting services with the Thai Red Cross Society for 180 disabled persons, totaling 20,564,100 Baht. The Bank joined the Thai Chamber of Commerce Thai Chamber of Commerce Foundation and the COERR Foundation in training to create occupations to promote the quality of life for 22 people with disabilities, totaling 2,513,390 Baht.

Krungthai Loves Yaowarat Project

Krungthai Loves Yaowarat Project is a project to promote art creation, cultural tourism, community-based tourism by opening the Krungthai Art Gallery to organize activities to promote and support learning through activities for people in the community and the general public to participate in. The Bank cooperated with Phra Nakhon District Office and Samphanthawong District Office in the development of Khlong Ong Ang Walking Street to be a model for other areas in various aspects such as the improvement of the quality of life of the people in the community along with the development of environment, safety, and arts and culture that corresponds with the landscape of the city and the lifestyle. The Bank will improve the visibility in accordance with the way of life of the people in the Khlong Ong Ang Walking Street community and c the Bank’s Corporate Identity, shop awnings, entrance-exit signs, road signs, check-in points, vendor’s aprons, etc., which could promote the image of the Bank. In the meantime, the Bank could build good relations with government agencies, namely Phra Nakhon District Office and Samphanthawong District Office, including people in Khlong Ong Ang community. In 2021, Khlong Ong Ang Walking Street won the 2020 ASIAN TOWNSCAPE AWARD from UN-Habitat Fukuoka, becoming 1 of 6 countries that has been selected as a model of the Landscape Improvement Project.

Financial Literacy to Society

In 2021, the Bank aimed to encourage its customers, general public, and its employees to have knowledge and skills in financial planning and management for business or everyday life under Covid-19 situation both in present and in the future. The project focuses on promoting financial literacy online with more than 35,000 participants. The details are as follows:

Target Group	Project	Participants/Activity
SMEs and general public customers	"Open up the Country, More Opportunities for Your Business" Online Seminar To strengthen knowledge for customers and SME entrepreneurs in driving Thai society and helping to unlock the economy back to normal. The Bank's executives and members of the business network joined in sharing knowledge and experiences in doing business on the following issues: <ul style="list-style-type: none"> • Analysis of SME opportunities in 2022 • Mind X Change Marketing • Overcoming crises to catch up with new opportunities Besides, there is also Tung Ngern application, digital innovation that increases business efficiency. The application helps entrepreneurs to receive money easily, conveniently, and safely, create business opportunities from government projects, such as "Half-Half", "We Travel Together", "Ying Chai Ying Dai" (the more you spend, the more you get), and provide the opportunity to increase sales channels through cooperation with the Bank's partners.	456 Participants
	Financial and Investment Management and Solving Public Sector Debt Problems Solving. To enhance knowledge and understanding of financial and investment management, including debt problems solving.	100 Participants
	Savings and Investments Knowledge, Financial Discipline Building, Financial Planning for Future, and Debt Management To enhance knowledge and understanding of investment, financial planning including debt problems solving.	200 Participants
	Decoding: Good Health and Stable Financial Health To educate about the use of insurance products as tools for risk management in daily life and to give advice about asset management guidelines according to the customer's objectives of future money use.	2,334 Participants in 10 seminars across the country
	"Krungthai iSTOXX Index Linked Note Roadshow" Online Seminar To provide knowledge about the product, build a good relationship with customers, generate income for the Bank. The seminar was held for high-asset customers.	50-100 Participants
	MPC Trend Online Seminar To educate institutional customers (FI) about economic direction at the end of the year 2021.	100-200 Participants
	Global Economic Outlook & FX Hedging Tools for Exporter Online Seminar To provide knowledge about the Thai economy situation and information on FX Hedging tools for customers in export business and to build a good relationship with customers.	100 Participants
	Global Economic Outlook & FX Hedging Tools for Importer Online Seminar To provide knowledge about the Thai economy situation and information on FX Hedging tools for customers in export business and to build a good relationship with customers.	100 Participants
	"MPC Meeting Direction, Cut of Hold" by Krungthai Online Seminar To build good relationships with customers and provide knowledge about the overall Thai and world economy, including forecasts of monetary policy and interest policy from the Monetary Policy Committee and the FED.	15 Participants

Target Group	Project	Participants/Activity
University Students	Krungthai Smart University Project To build good relationships with customers and provide knowledge about the overall Thai and world economy, including forecasts of monetary policy and interest policy from the Monetary Policy Committee and the FED.	<ul style="list-style-type: none"> • 2,795 Participants from 20 Universities • 37 Krungthai Bank employees participated as a speaker to provide financial knowledge to students. • 79.20% of the students were equipped with financial knowledge from this project.
	Bansomdetchaopraya Rajabhat University "Life Skills Training" To develop digital world skills in the New Normal era for 2nd and 3rd year students	4,000 Participants
	Burapha University: "Financial Training for Personnel" To provide knowledge on finance and investment for financial planning to keep up with the current economic situation.	100 Participants
Government agencies	Royal Thai Army: Seminar on "Thai Army and the use of Krungthai Corporate Online" at Krungthai Bank Training Center Khaoyai 1. To report the results of Krungthai Corporate Online use to the Finance Department executives of the Royal Thai Army. 2. To collaborate in order to brainstorm opinions on the conversion to electronic transactions via Krungthai Bank.	80 Participants
	Royal Thai Army: New Functions of PTM System Training (3 Sessions) Provide knowledge and answering questions about new functions of PTM system via Zoom	500 Participants
	Royal Thai Army: Training on How to Use Tung Ngern Application for ATK Distribution via online system (27 Sessions) Training on Tung Ngern application use and explaining the overview of the project.	Approximately 100 participants per session (A total of 2,700 participants)
	Royal Thai Army: Training on the Use of COVID-19 Vaccination Process via Online System (3 Sessions) Provide knowledge about the use of COVID-19 vaccination system.	70-100 Participants
	Royal Thai Navy: Academic Seminar on "The Use of New GFMS System for Royal Thai Navy" at Krungthai Bank Training Center Khaoyai To build relationships and opportunities to extend services by preparing the personnel for the use on New GFMS system.	80 Participants
	Defence Finance Department: Academic seminar on "Digital K Corp Management" Training to provide knowledge to the executives of the department and to build a relationship between the Bank and the department.	65 Participants
	Tourism Authority of Thailand: Seminar on We Travel Together Project Phase 3 for Hotel Owners Training to provide knowledge for hotel owners about the details of We Travel Together Project Phase 3 and the use of the Bank's tools.	150 Participants
	Department of Business Development: Seminar on Measures to Help Restaurant Owners according to the "Loan Matching" Project of the Department of Business Development Presenting the Bank's measures to provide assistance in the form of Krungthai Happy Franchise Package to franchise customers, both franchisors and franchisees.	200 Participants

Target Group	Project	Participants/Activity
Employees	<p>Sustainable Krungthai Project: Solution Package in Building Financial Discipline for Employees</p> <p>To strengthen knowledge for customers and SME entrepreneurs in driving Thai society and helping to unlock the economy back to normal. The Bank's executives and members of the business network joined in sharing knowledge and experiences in doing business on the following issues:</p> <ul style="list-style-type: none"> • Analysis of SME opportunities in 2022 • Mind X Change Marketing • Overcoming crises to catch up with new opportunities <p>Besides, there is also Tung Ngern application, digital innovation that increases business efficiency. The application helps entrepreneurs to receive money easily, conveniently, and safely, create business opportunities from government projects, such as "Half-Half", "We Travel Together", "Ying Chai Ying Dai" (the more you spend, the more you get), and provide the opportunity to increase sales channels through cooperation with the Bank's partners.</p>	21,069 Participants

In addition, the Bank provides financial literacy for all customers and the general public on its website (www.krungthai.com) in the Financial Partner column, which is easy to understand. It is divided into various categories: lifestyles, savings, house, insurance, loans, financial planning and retirement planning, tax knowledge. The Bank also publishes financial literacy contents through the Krungthai Care Facebook fan page constantly.

Environment Management

Business operations in the financial sector may not have a direct negative impact on the environment. Krungthai Bank, as a responsible financial service provider, recognizes the importance of taking care of the environmental impacts that may arise from the bank's business operations. Therefore, the Bank has pushed for positive environmental impacts through internal environmental management and contributed to environmental management in the organization. The Bank has stipulated that environmental conservation is a part of the organization's operations and energy conservation is regarded as the responsibility of all levels of management and all employees to cooperate in implementing appropriate energy management. The Bank also believes that good environmental management will reduce costs and financial risks that may arise from violating the law and/or environmental requirements as well as helping to improve environmental performance at both the corporate and national level to be more effective and to respond to the United Nations Sustainable Development Goals.

Long-term Operational Goals in 2024

The Bank sets environmental targets by reducing the amount of electricity and water consumption, amount of food waste, employees' commuting, and greenhouse gas emissions by 7% within 2024 as compared to data from 2020 as a base year.

Long-term Operational Goals in 2021

The Bank sets environmental targets by reducing the amount of electricity and water consumption, amount of food waste, employees' commuting, and greenhouse gas emissions by 5% within 2021 as compared to data from 2020 as a base year.

Operational Result in 2021

The Bank reduced

- Electricity consumption by 11.09 %
- Water consumption by 14.78 %
- Food waste by 193.79 %
- Employees' commuting by 41.48 %
- Greenhouse gas emissions by 8.59%.

by comparing data from 2020 as a base year.

Note: Due to the COVID-19 pandemic situation and the Bank's Work from Home (WFH) policy, the Bank's energy and resource consumption has been significantly decreased.

Efficient use of resources

Financial sector is one of the businesses that consumes resources to a large extent, such as electricity consumption, water consumption, employee business trips, waste and disposal generation, paper consumption. The Bank expects all employees to participate in the implementation of energy management within the organization for maximum efficiency and effectiveness in reducing the amount of greenhouse gas emissions to the atmosphere and reducing the Bank's expenses.



Management Guideline

- Establish an energy conservation policy for all employees to participate in the implementation of energy management within the organization. The purpose is to maximize the efficiency in the implementation and effectiveness of continual and sustainable energy conservation.

- Establish an "Energy and Technology Conservation Committee" to be a working group to promote, control and supervise the implementation of energy conservation, and apply new technologies or innovations with this matter. The Committee shall provide energy and technology management in various fields for proper use, efficiency and maximum benefits.

- The Bank's buildings with the energy management scheme are namely the Nana Nuea Building, Sukhumvit Building, Sri Ayutthaya Road Building, Suanmali Building, Pibulsongkram Computer Center and Krungthai Bank Training Center at Khao Yai. All buildings are controlled accordingly under the Royal Decree on Designated Buildings B.E. 2538 (1995), which must comply with the Conservation Promotion Act (No.2) B.E. 2550 (2007) and Ministerial Regulation Prescribing Standard, Criteria, and Energy Management Procedures B.E. 2552 (2009).

- Establish guidelines and goals for managing energy, resources and the environment in line with international standards through respecting and complying with international laws and agreements, and promoting the Sustainable Development Goals.

- Committed to environmental conservation, efficient and efficient use of resources and energy to reduce waste, while reducing the emissions that will affect the environment, and reduce greenhouse gas emissions and mitigate Climate Change Risk.

- Aim to reduce the use of chemicals, and establish a waste management system based on the concept "Zero Waste Management" to reduce environmental impact.

- Communicate, publicize and provide information on efficient and cost-effective use of energy and resources as well as the environmental conservation in order to build awareness and understanding among employees at all levels, including customers and stakeholders.

- Assign executives and employees at all levels to take responsibility and cooperate in promoting and implementing policies and measures on resource management and environmental protection, efficient use of energy and resources, and environmental conservation.

Summary of Operating Results in 2021

Electricity/Energy

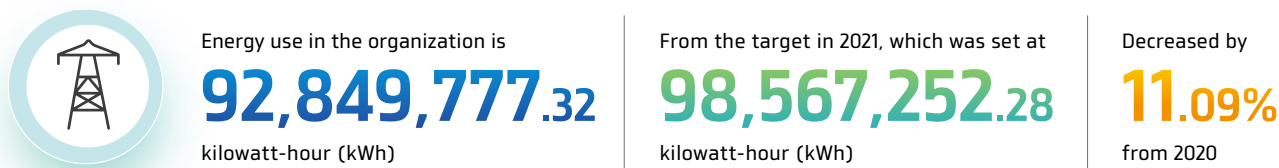


Table: Overall Electricity Consumption During 2019-2021

Unit	2019		2020		2021	
	kWh	GJ	kWh	GJ	kWh	GJ
Electricity consumption	103,310,040	301,916.14	103,755,002.40	373,518.01	92,849,777.32	334,259.20
GHG Emissions : (TonCO ₂ eq)	60,136.77		60,395.79		55,579.68	

*Note: 1 kWh is equal to 0.0036 GJ. Electricity consumption of 1 kWh is equal to the Emission Factor 0.5986.

Reference: Emission Factor from <http://thaicarbonlabel.tgo.or.th>

The Bank has carried out the projects to continue promoting the participation of all executives and employees as part of reducing energy consumption through the following projects:

1. LED Light Bulbs and Air Conditioners Changing

This project was carried out with the purpose to reduce the Bank's impact on the environment and increase the efficiency of resource usage within the Bank.

- 1.1 Changing to LED Light Bulbs increases the efficiency in reducing electricity consumption. In 2021, the Bank switched to 2,001 LED light bulbs in 23 branches, resulting in the Bank reducing the impact on greenhouse gas emissions and saving electricity costs.
- 1.2 Choosing No.5 air conditioner and choosing R32 refrigerant, which is environmentally friendly and reduces greenhouse gas destruction. In 2021, the Bank chose No.5 air conditioner and changed the R32 refrigerant for 77 units in 45 branches. As a result, the Bank can reduce the impact on glass emissions and save electricity costs.

2. 60+ Earth Hour 2021

60+ Earth Hour Project is a collaboration project between Bangkok Metropolitan Administration, Foundation for Environmental Education for Sustainable Development (FEED) and WWF Thailand. The Bank's representatives attended the project's meeting to acknowledge the policy and promote the project within the Bank, asking for cooperation to turn off the light for one hour on the designated date and time. In 2021, the project was scheduled on Saturday, March 27, 2021, between 20.30 – 21.30. In addition, the Bank invited its customers and the general public via Facebook: Krungthai Care to join in turning off the lights for 1 hour to help reduce global warming problems and use energy efficiently and sustainably.

3. Establishment of Guidelines for Efficient Energy Conservation.

- Set air conditioners' temperature at 25°C – 26°C
- Reduce the use of air conditioners by at least 1 hour a day or as needed for customer services and work.
- Place heat-generating appliances, e.g., water boiler, refrigerator, etc., outside air-conditioned rooms.
- Perform annual maintenance on air conditioners
- Turn on the lights only where needed and turn off the lights as soon as they are no longer needed.
- Turn off and unplug electrical devices when they are not in used, e.g., printers, photocopiers, etc.
- Turn off computer monitors when not in use. Set the display to turn off if there is no activity for 15 minutes.
- Set up an Energy Conservation Team in each business unit to oversee energy usage within the business unit.
- Press either the up or down button. Do not press both buttons at once.
- Use stairs in case of going up/down one story. Encourage employees to use stairs instead of elevators.
- Consider shutting off elevators after working hours or during holidays.

General Waste Management



Amount of non-hazardous waste disposed of by scientific method

441 kilograms (kg)
(processing food waste into quality soil)

From the target in 2021 set at

26,600 kilograms (Kg)

Reduced by

193.79%
from 2020

Amount of Food Waste in 2020-2021

Unit	2020	2021
Food Waste Kilograms (kg)	3,690	441

*Note: The amount of food waste is from the Krungthai Bank's cafeteria only.

The Bank has continued to promote the participation of all executives and employees in reducing food waste through the following projects:

1. Krungthai Loves Environment Project

Krungthai Loves Environment Project was initiated under the campaign "Krungthai RELIFE: Change, Restore, Revive Life". The main idea of the project focuses on changing the behavior of employees to buy less in order to reduce the amount of food waste with a recycle process that is non-toxic to the environment. As a result, Inno Waste machine, a food waste processing machine into soil, was used to recycle food waste from Vayupak Room, Headquarters Building. In 2021, the Bank can eliminate 100% of the actual amount of food waste of 1,470 kilogram. 441 kilogram of soil was distributed to employees and local communities to plant vegetables and trees. Moreover, greenhouse gas emission was reduced by 3,719.10 kgCO₂e.

2. Install Separate Types of Waste Bins

At the Head office buildings and the main offices to separate waste according to the 3R approach - Reduce, Reuse, and Recycle.

3. Support the Procurement of Environmentally Friendly Products and Services.

The Bank considers using environmentally friendly materials made from an environmentally friendly production process. Employees were encouraged to reduce and stop using single-use plastics and use other materials instead. In 2021, the Bank uses Bio-Polyethylene terephthalate (Bio-PET) to produce 110,000 water bottles. Bioplastic is a plastic mixed with natural components. Consequently, the use of PET in the production of plastic bottles is reduced and the bottles can be recycled 100%.

Water Consumption



Water consumption within the organization is

419,961

cubic meters (m³)

From the 2021 target, which is set at

462,678

cubic meters (m³)

Reduced by

14.78%

from 2020

Table: Tap Water Consumption in 2019-2021

Unit	2019	2020	2021
Water Consumption (m ³)	116,394	487,029	419,961

From the table of tap water consumption in 2019-2021, it can be seen that the year 2019 is the water usage data of the two head office buildings (Nana Nuea Building and Sukhumvit Building) only. Whereas, for the years 2020-2021, it is the number of water usage accumulated from offices across the country and has a tendency to decline accordingly.

The Bank has carried out projects to continue promoting the participation of all executives and employees as part of reducing water consumption through activities as follows:

1. Establish Guidelines for Efficient Water Consumption

- Use water for an appropriate amount and turn off the faucet tightly after each user.
- Perform water system leak detection
- Attach signs to encourage water saving to wash basin areas and on the inner side of toilet doors and pantry doors in Head Office buildings and main office buildings

2. Renovated the wastewater treatment pond and drain

of Nakhon Phanom City Hall as well as improving wastewater treatment system (media structure) in the Bank's Training Center at Khao Yai in order to prevent pollution and waste caused by business operation. In 2021, the Bank developed a conceptual design of a wastewater treatment system in order to improve the wastewater treatment system of the Nana Nuea Building before discharging to public water sources in order to meet the water treatment standard of government agencies.

Amount of Greenhouse Gas Emissions



The amount of greenhouse gas emission of the organization is

56,256.95

TonCo₂eq

From the 2021 target, which was set at

58,244.32

TonCo₂eq

Reduced by

8.59%

from 2020

Table of Greenhouse Gas Emissions

No.	List	Unit	Emission Factor	Actual Consumption in 2021	Amount of greenhouse gas emissions in 2021 (TonCo ₂ eq)
Scope 1					
1	Employees' road commuting that involves the Bank's business (diesel/solar fuel consumption)	Kilogram (Kg)	0.3522	63,229.44	22.26
Scope 2					
2	The Bank's electricity consumption	Kilowatt-hour (kWh)	0.5986	92,849,777.32	55,579.68
Scope 3					
3	Consumption of water from the Metropolitan Waterworks Authority	Cubic meter (m ³)	0.7948	196,970.00	156.55
4	Consumption of water from the Provincial Waterworks Authority	Cubic meter (m ³)	0.2843	222,991.00	63.39
5	Amount of paper consumption (Slip)	Kilogram (Kg)	2.93	148,109.56	433.96
6	Amount of food waste	Kilogram (Kg)	2.53	441	1.11
Total amount of greenhouse gas emissions (Scope 1 + Scope 2+ Scope 3)					56,256.95

Note: Only employees' road commuting that involves the Bank's business were calculated. In 2021, the diesel/solar fuel consumption amounted to 76,180.05 liters, equivalent to 63,229.44 kilograms. (1 liter of diesel/solar fuel is equivalent to 0.83 kg).

Reference: Emission Factor from <http://thaicarbonlabel.tgo.or.th>

The Bank has carried out activities to continue promoting the participation of all executives and employees in reducing greenhouse gas emissions as follows:

1. Establish effective guidelines

- Drive with a constant speed not more than 90 km/h.
- Perform car check-up at the specified time.
- Carpool if traveling in the same direction and always plan the route before traveling.

2. Reduce Carbon through Work from Home Policy

The Bank has announced a Work from Home policy that plays a part in helping to reduce greenhouse gas emissions caused by commuting compared to working in an office setting. In 2021, employee road commuting for the Bank's business was decreased.

- Generated greenhouse gas by 22.26 tonCO₂
- From the 2021 target, which was set at 32.21 tonCO₂
- Reduced by 41.48% from 2020.

3. "Shred 2 Share: Safety for Information, Care for Society and Environment"

The Bank participated in "Shred 2 Share: Safety for Information, Care for Society and Environment", an environmentally friendly document destruction project, together with over 64 partners. The campaign encourages employees to safely shred and recycle disposed documents by using methods that meet international standards. In 2021, there were 12.29 tons of documents destroyed by an eco-friendly method, reducing the amount of carbon dioxide (CO₂) by 3.19 tons, the use of coal by 1.35 tons and the use of water by 614.35 cubic meters.

From 2010 to 2021, the Bank had 785.93 tons of documents destroyed by environmental treatment, reducing the amount of carbon dioxide (CO₂) generation by 205.36 tons, the use of coal by 86.46 tons, and the use of water 37,385.99 cubic meters.

Data Sheet for Documents Destruction by Eco-Friendly Method of Krungthai Bank Head Office in the Shred 2 Share Project

Year	Quantity of document (ton)	CO ₂ emission reduction (ton)	Coal use reduction (ton)	Water use reduction (m ³)
2010	54.72	14.23	6.02	2,737
2011	55.86	15.34	6.12	2,793
2012	62.13	16.38	6.93	3,150
2013	62.66	16.29	6.83	3,133
2014	69.94	18.18	7.69	3,496
2015	68.44	17.79	7.53	3,422
2016	86.55	22.50	9.52	4,328
2017	57.62	14.98	6.34	2,881
2018	63.27	16.45	6.96	3,163
2019	77.26	20.09	8.50	3,863
2020	76.11	19.78	8.37	3,805.64
2021	12.29	3.19	1.35	614.35
Total	785.93	205.36	86.46	37,385.99

The Bank's objective of continuous participation in the Shred 2 Share Project is to incorporate in its business operation the benefits for society and environment by recycling disposed documents. Considering the Bank's document destruction together with the reduction of CO₂ emission, coal use and water use, it is found that the Bank has successfully reduced pollution, which is the cause of climate change. Additionally, some of the paper can be reused.

Meanwhile, the Bank has implemented social and environmental responsibility operation including:

- The Bank reviewed its business continuity policy to ensure that it covers environmental changes such as natural disaster (flood). It categorized the severity of the incident and divided the flood response plan into 3 phases by the level of severity and impacts, in order to guarantee business continuity.

- The Bank has been participating in the TBCSD Green Meeting Project since 2007. The project is organized by Thailand Business Council for Sustainable Development and Thailand Environment Institute. As a result, Krungthai Bank applies the Green Meetings guideline to meetings within the organization.

4. Internal Digitization-Paperless Branch

The Bank aims to optimize its internal resources management through the Internal Digitization-Paperless Branch Project. It was one of the strategic plans to manage material with a policy to reduce the use of paper. The plan was approved by the Board of Directors in October 2017. The Bank strived to reduce the amount of paper consumption by 50% between 2018-2022.

Table of Amount of Slip Usage Between 2018-2021

Paper (Slip) Usage	2018	2019	2020	2021
Kilogram	461,302.19	300,471.57	231,374.04	148,109.56

From the table of paper consumption (slips) between 2018-2021, it can be seen that paper consumption (slips) tends to decrease after the implementation of the project.

Building Employee Awareness

Through the Green Pass program, the Bank is committed to raising awareness and understanding amongst its employees about its environmental, social and governance principles (ESG) for sustainable growth. In detail, the Bank offers knowledge on CSR, CSV, and how to contribute to environmentally-friendly businesses in order to create understanding with employees through internal communication channels. Furthermore, it also creates engagement with employees by encouraging them to participate in answering questions through the ONE Krungthai application during 1 August - 31 December 2021 with the purpose to acknowledge employees' knowledge and understanding on such matters. After the project was completed, it was found that more than 10,000 employees participated in answering questions with the number of correct answers accounted for 88.58%, reflecting that those employees understand ESG business practices for sustainable growth. Nevertheless, the Bank has also carried out other projects and campaigns to continuously create awareness with employees accordingly,



About This Report

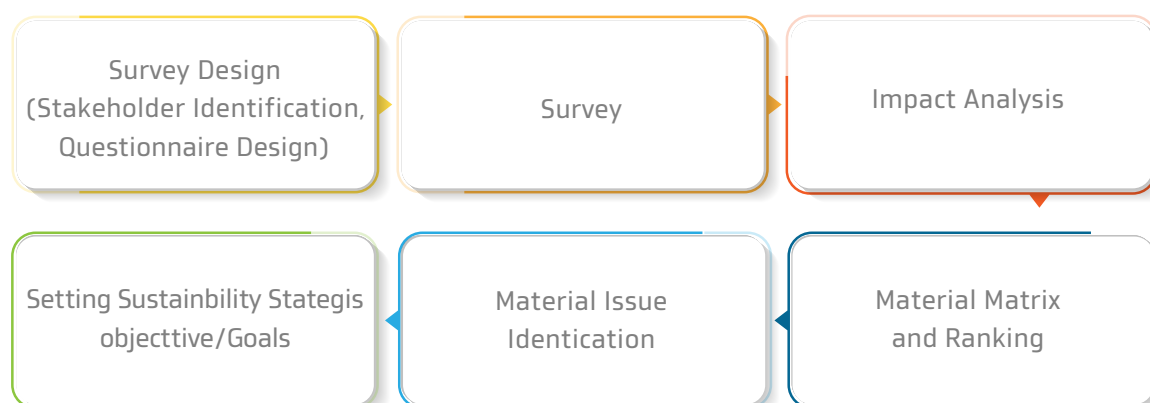
Krungthai Bank has been preparing a sustainability report to disclose sustainability guidelines to stakeholders annually since 2006, and the latest edition is the 2020 edition. This year, the Bank has adopted the Global Reporting Initiative, Standard Edition as a framework for disclosure of its operations at the core level, covering its sustainability performance from January 1 to December 31, 2021.

Materiality Analysis

The Bank has a process for defining key sustainability issues that can be used to formulate sustainability development plans in three dimensions as follows:

- Step 1 Design a survey of a sample of stakeholders on the impact of factors on the sustainability of the Bank in each dimension.
- Step 2 Conduct surveys through various channels to reach all types of stakeholders, except for the Board of Directors, who will take part in the formulation of sustainability development plans through the formulation of corporate strategies that will be conducted based on the results of a survey of sample groups on these key sustainability issues.
- Step 3 Use the data obtained from the surveys to perform an impact analysis.
- Step 4 Create a materiality matrix that can be used to rank key sustainability issues for the Bank.
- Step 5 Determine the Bank's key sustainability issues based on materiality matrix ratings.
- Step 6 Use the results from Step 5 to conduct the Bank's sustainability plans.

Process of Material Issue Identification and Sustainability Strategic Planning



The survey results can be classified by types of sustainability issues according to the Bank's three sustainability dimensions as follows:

	Impacts	Dimensions
Internal	Bank	Economic Sustainability Operational Sustainability
External	Economy Environment Society	Environmental & Social Issues

Sustainability priorities are categorized into 3 levels:

1. The high level is sustainability issues, affecting the Bank, the economy, society, and the environment more than any other issue significantly.
2. The medium level is sustainability issues, affecting the bank or having a moderate effect on the economy, society, and environment.
3. The low level is sustainability issues, affecting the bank or affecting the economy, society, and environment but less so than other issues.

The stakeholder groups are categorized according to their interest in the Bank's policies and their ability to guide the Bank's operational policies as follows:

1. Stakeholders within the Bank who have a stake in the Bank's policies and are interested in and directly related to the Bank's policies, including employees and subsidiaries of the Bank.
2. Stakeholders outside the Bank who have a stake in the Bank's policies are interested in and affected both positively and negatively by the Bank's policies, including business partners, customers, and competitors.
3. Stakeholders within the Bank who can direct the Bank's operational policies, such as executives.
4. Stakeholders outside the Bank who can indirectly guide the Bank's operational policies, such as shareholders and regulators of financial institutions.

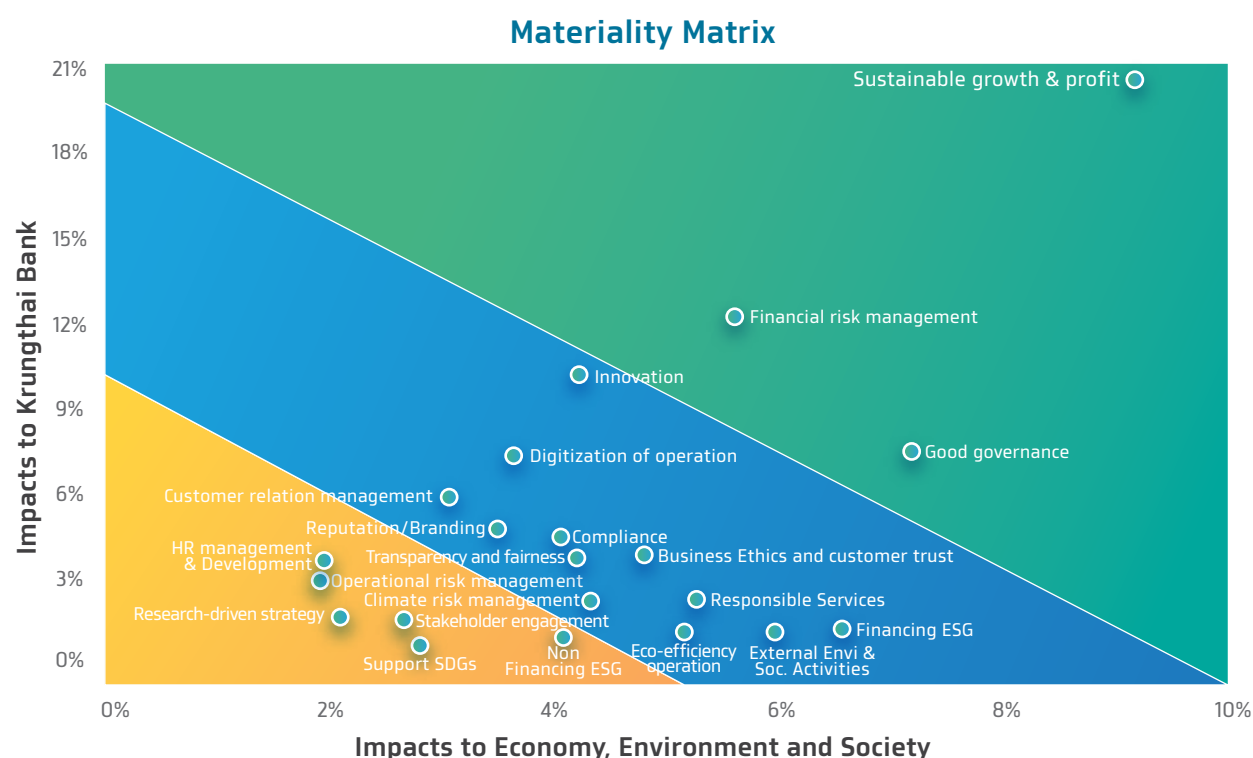
Rank of the key issues affecting the Bank's sustainability according to the opinions of stakeholders

Sustainability factors at a high level are sustainable growth and profit, risk management, and good governance, respectively.

Sustainability factors at a medium level are innovations, digitization of operation, customer relation management, business ethics and customer trust, compliance, reputation/branding, transparency and fairness, financing ESG, responsible services, external environment and social activities, climate risk management, eco-efficiency operation, respectively.

Sustainability factors at a low level are human resource management and development, no financing non-ESG, operational risk management, stakeholder engagement, respectively.

Results of a stakeholder poll on the impact of several factors on the Bank's sustainability



In this regard, the scope of information disclosure in each issue has been determined according to the impact area (or expected to happen) as follows:

- Within Organization: Krungthai Bank PCL. and 6 subsidiaries of KTB Group, namely Krungthai Law Co., Ltd., KTB General Services and Security Co., Ltd., Krungthai Asset Management Pcl., KTB computer services Co. Ltd, KTB Leasing Co., Ltd., and KTB Advisory Co., Ltd.
- Outside Organization: Customers, society, shareholders, trading partners and regulators

SUSTAINABILITY ISSUES ACCORDING TO GRI (102-47)	Aspect Boundary											Topics presented in the report
	Within Organization (103-1) (KTB/KTB Group)						Outside Organization (103-1)					
	KTBLAW	KTBG5	KTAM	KTBCS	KTBL	KTBA	Share holders	Customers	Partners	Society	Regulators	
Economic Sustainability												
Sustainable Growth & Profit	●	●	●	●	●	●	●	●	●	●	●	Sustainable Growth and Profit
Resilience/Financial Risk Management	●	●	●	●	●	●	●	●	●		●	Risk Management
Customer Relation Management	●	●	●	●	●	●	●	●				Customer Relation Management
Innovation and Research-driven Strategy	●	●	●	●	●	●	●	●		●	●	Research and Innovation
Operational Sustainability												
Governance	●	●	●	●	●	●	●	●	●	●	●	Corporate Governance Operation
Regulation Compliance	●	●	●	●	●	●	●	●	●	●	●	Corporate Governance Operation
Operational Risk Management	●	●	●	●	●	●	●	●	●		●	Risk Management
Eco-Efficiency Operation	●	●	●	●	●	●	●	●		●	●	- Energy Management - Climate Change Risk Management - Material Management
HR Management & Development	●	●	●	●	●	●					●	Human Resource Management
Stakeholder Engagement	●	●	●	●	●	●	●	●	●	●	●	- Stakeholder Engagement - Supply Chain Management
Digitization of Operation	●	●	●	●	●	●	●	●	●	●	●	- Digital Operations

SUSTAINABILITY ISSUES ACCORDING TO GRI (102-47)	Aspect Boundary											Topics presented in the report
	Within Organization (103-1) (KTB/KTB Group)						Outside Organization (103-1)					
	KTBLAW	KTBGS	KTAM	KTBCS	KTBL	KTBA	Share holders	Customers	Partners	Society	Regulators	
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Transparency and Fairness	•	•	•	•	•	•	•	•	•		•	Corporate Governance Operation
Business Ethics and Customer Trust	•	•	•	•	•	•	•	•	•		•	Corporate Governance Operation



CONTACT FOR MORE INFORMATION ABOUT THE REPORT

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ความคิดเห็น**ของคุณ**
สำคัญต่อการพัฒนาของเรา






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Krungthai Care