



SUSTAINABILITY REPORT 2018

TISCO FINANCIAL GROUP PLC.



Content



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Message from the Group Chief Executive



"At TISCO we believe that strong sustainable growth result from the conducted business with responsibility towards all stakeholders under the good governance parallel with contributing to the value creation for society and environment."

With disruptive technology driving global development and rapid progress, Year 2018 was a year full of challenges for all businesses. Financial institutions had to work hard in adopting advanced technology to create and offer innovative services through digital and mobile platforms to better serve customers' changing needs and behaviors and support the development of a cashless society. Commercial banking businesses have also been affected by rules and regulations that pressure them into being truly transparent in offering financial services and products for customers' benefits. At the same time, these same banks have to be prepared for emerging risks and crises, such as cybercrime, climate change and the ageing society, all of which have an impact on human resource management and corporate strategies.

Amid these challenges, TISCO has been strongly committed to building strength from inside. We have strengthened our corporate values, carefully operated our business, continuously developed the capabilities of our human resources and operations created values to society in all aspects including environmental management, social responsibility and responsible business undertaking towards all stakeholders under the environmental, social and governance (ESG) principle, and been well prepared to handle crises and emerging risks. These factors have contributed to our enhanced competitiveness and are behind our strategy for sustainable growth.

Thanks to our commitment to business ethics, internationally accepted corporate governance principles and a corporate sustainable development direction, TISCO was recognized as one of the top 50 listed companies with the highest ASEAN CG Scorecard by ASEAN Capital Markets Forum in 2018. TISCO was also selected by the Stock Exchange of Thailand to be in the list of Thailand Sustainability Investment (THIS) for the second consecutive year and received "Excellence" and "Most Improved" levels for Sustainability Report Award from Thai Listed Company Association for outstanding disclosure of information in accordance with international standards and for integrating sustainable development activities within TISCO's operations in a concrete manner. Such awards and accolades are of real pride to us and confirmed the level of confidence that has been placed in us by our partners and customers throughout the years.

TISCO has also been committed to developing and delivering values to stakeholders. The key strategies that have proved essential to driving our success in the past year will be continued and become more intense in the next three years are service quality focus, business expansion to reach middle-income customers and those preparing for retirement, sales team development, cost management, cooperation between business units and partners, efficiency improvement in service offering through digital platforms to expand our customer base and better respond to the different lifestyles and changing needs of our customers, expansion of retail loans to cover customers nationwide and offering greater opportunities for low-income earners and communities to have access to funding.

In 2018, TISCO formulated a 3 - year plan under the Sustainability Framework. This features three main sections : 1) To be a responsible leader in the financial product market; 2) To be a responsible financial institution under good governance principles; and 3) To support social development and environmental conservation with responsibility. TISCO has prioritized activities to concretely support in-process sustainability development, covering environmental, social and governance (ESG). At the same time, we have supported the United Nations' Sustainable Development Goals (SDGs).

In year 2018, the Company has improved its corporate governance policy, formulated and reviewed its sustainable development policy and operational process to best address the corporate governance principles for financial institutions and Market Conduct regulation issued by the Bank of Thailand. We have reviewed our practice guidelines for product sales and services and communicated the improved guidelines to all our employees for them to adopt and practice accordingly. We have closely monitored their implementation to ensure that our customers receive the right treatment, choose the right financial products, and receive the services and products that directly meet their needs and in a transparent and fair manner.

TISCO placed importance on securing privacy of customer data and prevention of cybercrimes. IT Risk Management and the IT Risk Management Committee were established in 2018 to increase efficiency in supervision of risk management according to the effective Three Lines of Defense principle. We have exchanged technical data on cyber threats with experts in Thailand and overseas and continuously developed our human resources to efficiently increase corporate capability in cybercrime prevention and handling.

TISCO has a positive view of disruptive technology while acknowledging that it affects the overall banking industry. We have sought opportunities to collaborate with FinTech companies to build synergy in implementing technology that enhances operational efficiency, saves time and costs, while helping our customers to have convenient access to financial products and services and to better meet customers' needs. At the same time, we can continue to maintain a balance between the benefits from new technology and possible risk.

In driving the entire organization towards sustainability, TISCO Group believes that human resources play a key role. We therefore have set the goal of creating a "Happy Organization". We believe that happy employees will be able to pass on the happiness to the public. TISCO thus focuses on bonding strong relationships with our employees, knowledge development, fair and equal career advancement opportunities, and a good working environment. TISCO has also prepared a plan enabling us to handle possible impacts from the arrival of an ageing society. As part of this plan, our employees have a choice to save more through a provident fund. Succession plans have been drawn up for managerial and

operational continuity. We encourage learning and knowledge transfer between employees of different generations to allow them to recognize and value different opinions and views and adopt or apply different knowledge and experience for the benefit of the organization.

TISCO values its contribution to the betterment of the society. We encourage our employees to use their knowledge and expertise in a creating positive impact on social development. One of the key activities TISCO has continued over the years is the financial literacy education program called “Smart Saving, Smart Spending”, which promotes financial discipline and reduction of dependence on loan sharks. The program has been implemented in parallel with the promotion of the “Somwang Ngern Sang Dai” retail loan business. In 2018, as many as 19,771 individuals participated in these programs. TISCO has also supported social development in many areas, such as donating part of its income from product sales to support cancer treatment research (TISCO Pay It Forward program) and donating part of the TISCO ESG Mutual Fund’s management fee to organizations committed to social contributions.

TISCO has been committed to promoting environmental responsibility and has integrated environmental impact management within its operations. The company has instilled environmental responsibility in its employees and initiated projects in which employees can participate, such as tree growing project which has been continued for 28 consecutive years, the “3 Challenges - Foam Food Container Free, Garbage Separation, Plastic Free” campaign that has proven effective in changing behaviors of TISCO’s employees, employees’ families, tenants in its building, shops and the community surrounding TISCO Building, and the “Care the Bear” project aimed at reducing greenhouse gases emissions. We have applied the knowledge received from the Stock Exchange of Thailand to our own seminars and transferred this knowledge to participating youth nationwide who joined our financial literacy camps.

All the activities and their results have been collated and are published in the “Sustainability Report 2018”. Key content in the report includes information about the company, management direction, sustainability and materiality topics covering economic, social and environmental activities. The report also highlights the relations and value creation for all stakeholders and connects the activities with the UN Sustainability Development Goals (SDGs). In 2019, TISCO is moving towards its 50th anniversary. As a sustainable financial institution, we will continue to enhance our operational capability in parallel with contributing to the value creation for society to bring greater success to all stakeholders. More importantly, all of these must be undertaken based on ethics and responsibility according to our intention to **“Wealth of Possibilities”**.



Suthas Ruangmanamongkol
TISCO Group Chief Executive

Vision Mission and Values

Vision “Wealth of Possibilities”

Mission

“TISCO is a quality growth organization with strong customer priority, committed to deliver value financial services with mastery and professionalism. Our promise is to provide financial services that address customer needs in all geographies, with focus on creativity of new financial solutions, and providing of guidance and advice to create financial opportunities for our customers at different stages of their lives. Continuous human capital development and leading-edge technological investments are key to our efficiency and reliability of service. TISCO also adheres to the cultures of integrity, fairness, and transparency, that create sustainable value to our customers, shareholders, people and society.”

Values



Customer Priority

Customers are our primary focus. Their needs are our priority. We derive a professional and practical solution that fulfills our customers’ requirements.



Mastery

Our staff is obligated to continually learn and develop themselves, striving for outstanding capability and skill to maximize customer satisfaction.



Integrity

All of our employees conduct themselves with honesty and follow a code of ethics of the highest standards.



Creativity

Our expertise is not only dependent on knowledge and experience, but is also founded on our creativity. We provide advice that is not only accurate, but also creative to help them see all financial possibilities they have.



Reliability

The organization creates added value in our financial services through the professional skills and reliable performance of our team.



Guidance

Because our staff members have a wide range of financial expertise, we provide our customers with the best financial advisory in a friendly and open-minded way, understanding what exactly they need so we can help them achieve their goals.

About TISCO

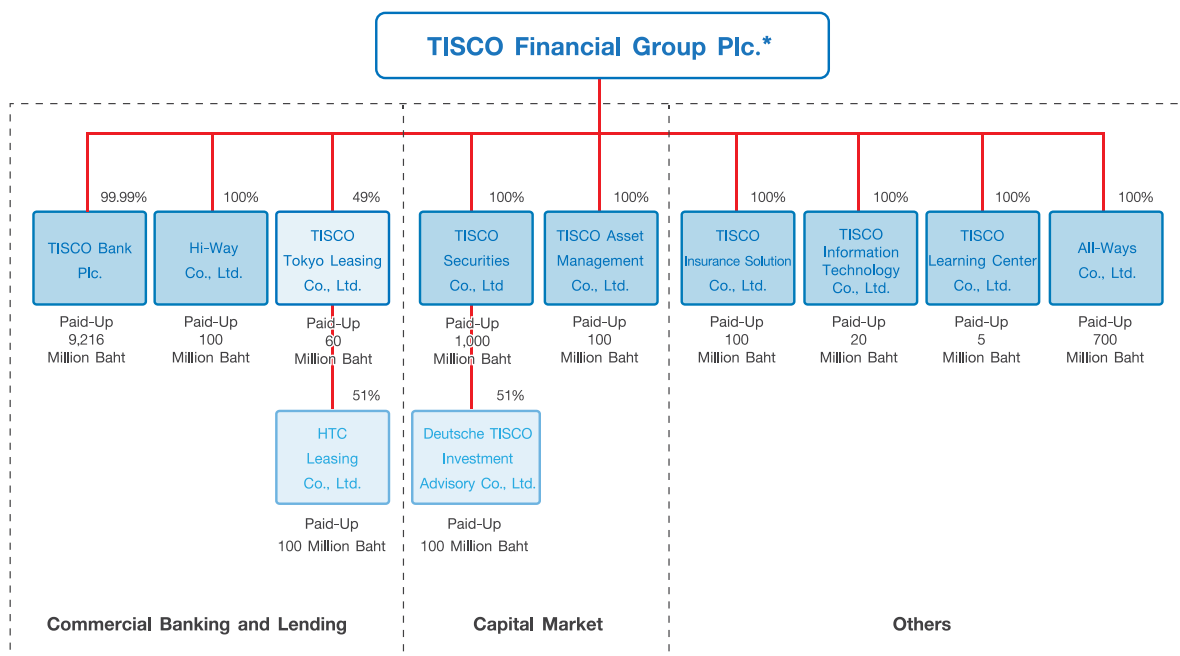
Established in 1969, TISCO is the country's first finance company, providing financial and investment services that include investment banking, provident fund management, hire purchase loan and securities business. TISCO is one of the founders of the Stock Exchange of Thailand and became a listed company in 1983. In 2004, it was upgraded to commercial bank status, TISCO Bank Public Company Limited. The company underwent a shareholding restructuring to become a complete holding company through the establishment of the TISCO Financial Group Public Company Limited ("TISCO") in 2009, which become parent company of the group in substitution of TISCO Bank. As the parent company of all companies under TISCO Group, the company plays a key role in formulating centralized policy with enterprise wide adoption and overseeing the operations of the Group's bank and subsidiaries. Thanks to this shareholding structure, TISCO has increased efficiency in the Group's risk management, reduced operational redundancy, supported business expansion, increased competitiveness and promoted value creation to stakeholders in a more sustainable manner.

Throughout the past 50 years, TISCO Group has been strongly committed to increasing value for all customer groups. The company develops and offers new financial products and services that also take account of social and environmental impacts, increase opportunities and give customers' access to high-quality financial services that better answer their changing lifestyles throughout their lives, while also promoting a long-term relationship with customers.

TISCO Financial Group Public Company Limited operates as a holding company or a parent company with the responsibility for formulating business policy and overseeing the operations of all subsidiaries under "TISCO Group", as follows :



Note : ⁽¹⁾ Not included in the consolidated statements in accordance with Thai Accounting Standard



*Listed in The Stock Exchange of Thailand

TISCO is committed to creating value for all customer groups by offering the best possible products and services, expanding customer access to such services, and creating new business opportunities. These activities have enabled TISCO to meet the changing needs of customers and bond with customers in long-term relationships. New and varied products are developed to better address different lifestyles and needs at different stages of life. Being client centric, TISCO has restructured and regrouped its businesses to cater to three groups of customers as follows :

Retail customers	Corporate customers	Wealth and Asset Management
<ul style="list-style-type: none"> • Retail loan <ul style="list-style-type: none"> - Hire purchase loan - Housing loan - Consumer loan • Small and medium Enterprises (SMEs) loans (e.g. Floor Plan loan, long-term loans, financial lease, etc.) • Life and non-life Bancassurance 	<ul style="list-style-type: none"> • Corporate loan <ul style="list-style-type: none"> - Working capital loan - Project finance and long-term loan - Other commercial loans - Issuing of the Bank Guarantee and AVAL - Financial advisory services and other lending services - Custodian service • Investment banking services • Corporate insurance services 	<ul style="list-style-type: none"> • Private banking service • Deposit for retail customers • Securities brokerage for individual and institutional investors • Asset management <ul style="list-style-type: none"> - Provident fund - Private fund - Mutual fund • Financial management services • Life and non-life Bancassurance • Mutual Fund Agent and Open Architecture

Retail customers

TISCO provides retail loans, life and non-life insurance services to retail customers. Retail loans focus on hire purchase loans, housing loans and consumer loans. Auto loans are provided by TISCO Bank Public Company Limited and TISCO Tokyo Leasing Company Limited. Motorcycle loans are provided by Hi-Way Company Limited. Housing Loans are provided by TISCO Bank Public Company Limited by having new dominant product called the “Mortgage Saver” program under which customers can pay more than the amount of the fixed monthly installment to reduce the interest burden, be able to withdraw the excessive installment payment whenever needs. This helps customers optimize their cash management and shorten the period to complete house ownership as well as better address different customers’ demands. For consumer loans operated by TISCO Bank Public Company Limited and Hi-Way Company Limited, the key product is Loan Against Auto License under the name of “TISCO Auto Cash”, which provides loans to individual customers and juristic entities who own the debt-free auto-license books of cars, trucks and motorcycles. Major strengths are fast approval and disbursement. Customers receive fast loans without transferring lien on titles and are able to utilize vehicles as usual. TISCO Auto Cash has been quickly expanded through branches nationwide under the “Somwang Ngern Sang Dai” brand. For SMEs, TISCO offers various loans, including floor plan loans, long-term loans, and financial lease loans for commercial purposes, such as trucks, buses, machinery and medical equipment.

Key features “TISCO Auto Cash”



1. Rapid approval



2. Speedy cash receiving



3. Without transfer
of auto license book



4. Vehicle can be
used as normal

Mortgage Saver Loan

Over Repayment is now available for withdrawal

Match all your styles of repayment in order to own your home faster

<ul style="list-style-type: none"> <li style="margin-bottom: 10px;">✓ Easy to repay, Low charge <li style="margin-bottom: 10px;">✓ Maximum Loan to Value of 100% 	<ul style="list-style-type: none"> <li style="margin-bottom: 10px;">✓ Maximum tenure of 30 years <li style="margin-bottom: 10px;">✓ Can withdraw cash you paid in excess of dues
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The conditions are as specified by the Bank.

“Open Architecture”



- Quality of mutual fund and insurance product



- Meet customer needs



- Products offering by any company

In addition to the retail loan business, TISCO Bank Public Company Limited and TISCO Insurance Solutions Company Limited provide services as insurance brokers for both life and non-life insurance. With a commitment to selecting and developing life and non-life insurance products that best address customers’ needs and risk level, TISCO has opened opportunities for leading insurance companies with a strong financial position and different expertise to become its business partners. This allows TISCO to select and develop diverse products that suit and are worthwhile for different customers. TISCO also adopts an [Open Architecture](#), enabling it to sell insurance policies for all insurance companies and of different types, ranging from such non-life insurance like car insurance, fire insurance, natural disaster insurance, and business insurance, to life-insurance, including auto-loan protection, savings-type insurance, pension insurance, unit-linked insurance, health and critical illness insurance.

Corporate customers

TISCO provides loans and related services to corporate customers or large groups of companies for business purposes. Examples are guarantees, aval, advice on loans and debt restructuring, and custodian services. The group also provides extensive financial advice and investment banking to medium to large corporations. These services cover acting as financial advisor and underwriter of all kinds of securities including equity instruments, debt instruments, hybrid instruments, advice on merger and acquisition, state enterprise privatization, loan seeking and financial restructuring.

“Top Advisory House”



- Offers full range of financial and investment advisory services both for savings and investments by authorized marketing officers

Wealth and Asset Management

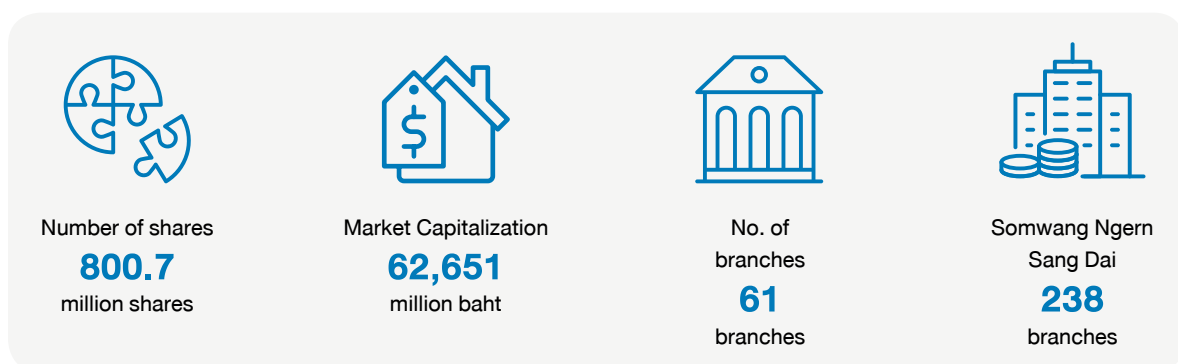
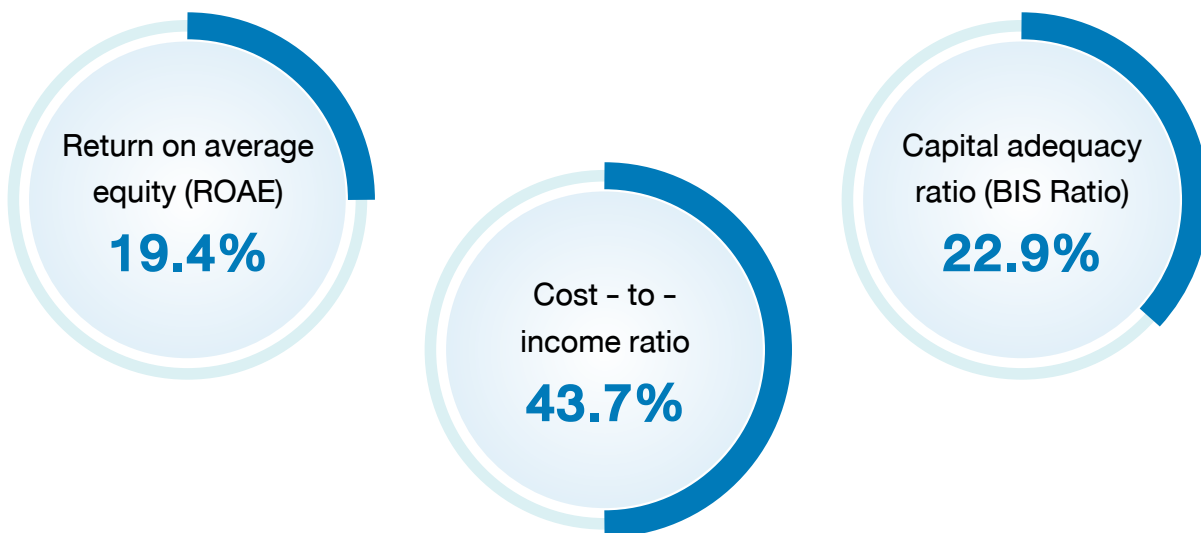
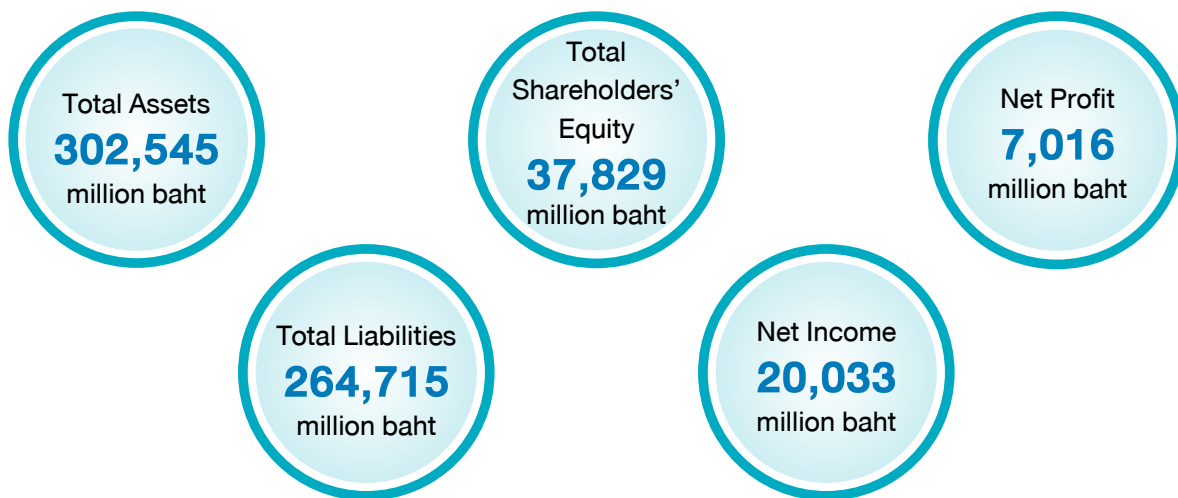
TISCO acts as the financial and investment advisor through an authorized marketing team. With the goal to become the [“Top Advisory House”](#) for wealth management, both for savings and investments, TISCO initiated the “TISCO Wealth” brand to provide services to three groups of customers depending on their deposit, fund and investment port values – TISCO Premium (1 - 5 million baht), TISCO Platinum (5 - 20 million baht) and TISCO Private (20 million baht up). TISCO also provides other services including investment banking, retail deposit, stock brokerage and fund management. In addition, TISCO provides mutual fund selling agent, operated by TISCO Bank Public Company Limited, covering advice and mutual fund offerings under open architecture where customers can choose to invest in any of the 11 asset management companies. TISCO also selects, recommends and trades in more than 500 funds from several companies. Apart from product offering, TISCO has provided analysis and investment strategies in different situations to give customers consistent returns and investment choices as well as investment plans. With high-quality and efficient services and expertise in financial advice, TISCO can satisfy its customers with excellent services and long-term investment returns thanks to its experienced professional team and strong commitment to become the Top Advisory House.

In 2018, TISCO Group continued to develop products that address different customers' lifestyles and needs in different phases of life. TISCO Bank has focused on marketing extensive financial and investment products, including introducing a new deposit product, TISCO My Savings, to attract retail customers. TISCO My Savings is a savings account that pays interest higher than the other savings account in every month. Customer can deposit, withdraw and transfer every day, no chargeable free for bill payment and transfer fund through mobile banking application, and also with free of charges for inter-region deposits and withdrawals when making transaction via the bank branches or ATM. The bank has also developed its TISCO Mobile Banking application to support payment via the THAI QR Code and bill payment through PromptPay, providing maximum convenience for mobile application users for making prompt payment for any purchase and transaction made at shops using the Thai QR Code or for bill payment through PromptPay at all banks.

For its insurance broker service, TISCO has cooperated with business partners in developing health insurance that best addresses different customers' needs, including health insurance (trade name "My Care Smart"), and accident insurance for the elderly (trade name PA A - Ma) providing protection until the age of 100, which is good for older people and allows customers to benefit from tax reductions. In addition to development of insurance products, TISCO Bank Public Company Limited was appointed by Ford Sales and Service (Thailand) Company Limited and business partners as Ford's official insurance broker offering the "Ford Ensure" service to all new Ford customers. The service is a collaboration between TISCO Bank Public Company Limited, Ford Sales and Service (Thailand) Company Limited and leading insurance companies and offers first-class insurance to customers, under which customers will have access to auto paint and repair services at authorized centers certified by Ford, as well as other special privileges.

For its stock brokerage service, TISCO Securities Company Limited has developed and introduced TISCO Guru Plus on mobile phone, an extension of the TISCO Stock Scan program. The application is a smart tool to help investors find outstanding stocks that best suit their needs and lifestyle. The application includes a model portfolio function and real-time analysis, and allows customers to customize notifications to suit their needs. Customers can also keep updated from TISCO Securities Company Limited through Line Application : @TISCOeResearch, which is a fast and comprehensive information channel.

Key summary as of 31 December 2018





Key summary as of 31 December 2018



Note : Not including Directors and temporary employees



Employees categorized by type of employment contract

	Permanent Employees	Contract Employees	Total
	1,458	127	1,585
	1,510	179	1,689
	1,555	182	1,737
	2,481	116	2,597
	2,653	254	2,907
	2,764	336	3,100

■ 2016
■ 2017
■ 2018

- Notes :**
- 1) Permanent employee means employees at all levels, ranging from employees at management level, supervisors and operational employees perform various duties such as chief operating officer, president, managing director, function heads, other permanent employees
 - 2) Contract employee means those hired by TISCO to perform special tasks whose contracts have clear start and end dates or project-based tasks with a clear completion date or goal or employment under seasonal projects. The tasks must be completed within two years and both employer and employee sign a contract at the start of the employment.
 - 3) In 2018, the company updated employee data for the past three years. Number of employees mean permanent and contract employees.

Number of employees by areas

	Headquarters	Bangkok and perimeter areas	Provincial areas
	1,131	101	353
	1,190	88	411
	1,224	115	398
	1,697	300	600
	1,869	323	715
	1,947	412	741

■ 2016
■ 2017
■ 2018

- Notes :**
- 1) In 2018, the company updated employee data for the past three years. Number of employees means permanent and contract employees
 - 2) Not including Directors

Number of trainees

2016	2017	2018
15	37	45

Note : Number of trainees for the year does not include temporary employees

Membership of other associations and networks

TISCO has participated as a member of various business and social organizations, associations and networks and has adopted and implemented policies, practices and standards within the company to sustainability drive promotion activities.

Organization, association and network

- 1) Thai Listed Companies Association
- 2) Thai Investor Relations Club, Thai Listed Companies Association
- 3) CSR Club, Thai Listed Companies Association
- 4) Thai Company Secretary Club, Thai Listed Companies Association
- 5) Thailand's Private Sector Collective Action Coalition Against Corruption
- 6) Partnership Against Corruption for Thailand (PACT)
- 7) Thai Bankers' Association
- 8) CSR Club of the Thai Bankers' Association
- 9) Compliance Club, The Thai Bankers' Association
- 10) Bank IT Club, The Thai Bankers' Association
- 11) Human Resource Development Club, The Thai Bankers' Association
- 12) Thai Bond Market Association
- 13) Investment Banking Club, The Association of Thai Securities Companies

General Information



Company's Name

TISCO Financial Group
Public Company Limited



Head office address

48/49 TISCO Tower,
21st Floor, North Sathorn Road,
Silom, Bang Rak, Bangkok
10500



Industry

Finance and Banking



Type of business

Listed company
on Stock Exchange of Thailand



Company Registration Number

0107551000223



Business area

Thailand



Telephone 0 2633 6000

Facsimile 0 2633 6800

Website www.tisco.co.th

Sustainable Development by TISCO Group

Sustainability Operation Structure

TISCO Group has designed a clear sustainability operation structure to support concrete implementation of sustainable development and to reinforce TISCO's Sustainable Development Policy approved by the Board of Directors of TISCO Financial Group Public Company Limited. The TISCO Sustainable Development Policy has been clearly laid out as a management guideline to ensure sustainable development in the long run for the group and for the public at large. It has also been designed to create greater and more sustainable benefits to all stakeholders within and outside the group. The policy reflects the corporate values, vision, mission and long-term strategy. The four strategies for sustainable development are centered on the economy, society, good governance and the environment, all of which are integrated with TISCO Group's operations. At the same time, the group is focused on creating good return on investment and long-term stable growth. The policies are as follows :

- 1) **Adhere to risk management and corporate governance at all levels of operations** and support the anti-bribery and anti-money laundering practices
- 2) **Focus on long-term performance** and create values for all stakeholders, including society and communities in a sustainable manner
- 3) **Operate business with environmental responsibility**, promote resource optimization and support environmentally friendly business operations
- 4) **Promote a secure and happy society** by promoting financial literacy, access to necessary financial services for improved quality of life, designing products with consideration of customers' needs and benefits, and ensuring career development and a pleasant work place environment for employees following the "Happy Organization" concept

TISCO also participates in driving the Sustainable Development Goals : SDGs and has incorporated these into the group's sustainable development goal.

Under this policy, the TISCO Group's CEO is assigned to formulate related strategies and drive successful implementation of related projects and activities. The Corporate Governance Committee is responsible for overseeing sustainable development practices, providing advice and recommendations related to sustainable development that correspond to the corporate governance principle and the current sustainable development standard, according to industry's best practice. The Sustainable Development Unit-Governance Office is responsible for formulating the implementation plan under the TISCO Sustainability Framework, monitoring and reporting to the Corporate Governance Committee the implementation results of sustainable development activities approved by the Management Committee. The Sustainable Development Strategy is part of the business strategy that all companies under TISCO Group have to adopt and implement in accordance with the group's sustainable development direction.

To support the Group CEO in driving sustainable development across all units within the organization, the Sustainable Development Working Group was appointed by the TISCO Group CEO on 1 June 2017. The Senior Executive Vice (President-Risk) and Financial Control and the Executive Vice President-Governance Office jointly chair the working group. Members of the working group comprise heads and/or representatives from 7 units including Enterprise Risk Management, Planning and Budgeting, Sustainable Development, Corporate Secretariat Office, Corporate & Marketing Communications, Human Resources, Corporate Services and other units as later assigned. A representative from the Sustainable Development Unit acts as the secretary to the Working Group.

Sustainability Structure of TISCO Group



Board of Directors

- Formulate the Sustainable Development Policy
- Monitor business performance to ensure the business goal achievement

CG Committee

- Oversee the Sustainable Development Practices in alignment with the principles and standard

Group CEO

- Integrate the Sustainability Framework into the Corporate Strategy
- Monitor the overall performance to ensure the achievement of the plan

Management Committee

- Supervise the business operation activities under SD Framework in alignment with the corporate strategy

Sustainable Development Working Group

- Formulate the SD Roadmap and initiatives under the Sustainability Framework
- Lead implementation of the Roadmap with all relevant function

Companies within TISCO Group

- Responsible to implement according to the plan
- Tracking performance

The Working Group is responsible for drawing up an implementation framework (Sustainable Development Framework) based on the Sustainable Development Policy and corporate strategy. The Sustainable Development Framework must be submitted to the Management Committee for consideration and approval to ensure that the framework covers materiality topics that lead to sustainable development. The objective of the sustainable development implementation framework development process is to ensure cooperation with and participation of all stakeholders in moving toward sustainable development and maintaining good practice of the industry. This will further develop and increase efficiency in TISCO Group's sustainable development activities.

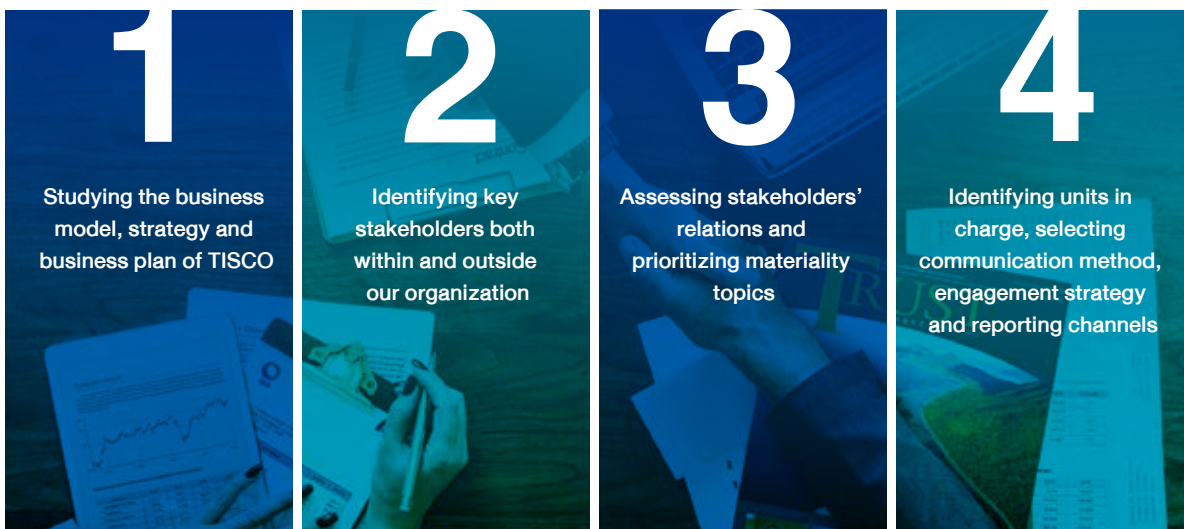
Starting from the framework approved by the Management Committee, the company is able to draw up a Sustainable Development Roadmap that fully addresses the sustainability strategy, activity plan details, key performance index and activities. The roadmap provides guidelines for monitoring the success of the implementation. Sufficient data and information will be collected for reporting and public disclosure.



Stakeholder Engagement

To TISCO, stakeholder engagement is a crucial part of product and service development because it enables us to recognize the expectations, interests, concerns and feedback of stakeholders both within and outside our organization. Opinions and recommendations from stakeholders are extremely important to the development of our work processes, products, services and practices that effectively respond to stakeholders' expectations, as well to the development of our business approach towards social and environmental sustainability under TISCO's effective and efficient management of limited resources.

TISCO has accorded importance to the development of stakeholder engagement approach for the purposes of communicating and hearing stakeholder's feedbacks in an efficient manner. The approach comprises four important steps: (1) Studying the business model, strategy and business plan of TISCO; (2) Identifying key stakeholders both within and outside our organization; (3) Assessing stakeholders' relations and prioritizing materiality topics; and (4) Identifying units in charge, selecting communication method, engagement strategy and reporting channels suitable for each group of stakeholders.



We classify key stakeholders into six groups: shareholders, employees, regulators, customers, business partners and the community and society. The table below shows the communication process, frequency of communication, stakeholders' expectations and implementation of each group of stakeholders.



Shareholders

Institutional investors / Retail investors

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> • General and extraordinary shareholders' meeting • Analyst meetings • Investor roadshows and TISCO meetings with institutional investors and analysts • Teleconference with institutional investors and analysts • Information disclosure via SET Portal of the Stock Exchange of Thailand, printing media, and TISCO website • Inquiry handling by Investor Relation Unit 	Annually Quarterly Regularly Regularly Regularly Regularly	<ul style="list-style-type: none"> • Strong performance and sustainable growth of TISCO • Reasonable return on equity and dividend policy • Transparent and fair business practices • Efficient risk management • Equitable and timely access to TISCO's accurate information and updates • Opportunities for all groups of shareholders to propose issues deemed important and worthy of being agenda items at shareholders' general meetings, as well as to nominate persons for appointment to the TISCO Board of Directors 	<ul style="list-style-type: none"> • Business practices that are in accordance with TISCO's corporate governance and risk management policy • Business operations that embrace risk-adjusted returns model to maintain favorable shareholders' return rate • Disclosing accurate and proper information to shareholders and investors • Inviting shareholders to annual general meetings and creating opportunities for them to express opinions/make recommendations at the meetings • Ensuring that shareholders' meetings are smooth, efficient, and favorable to the exercising of shareholders' rights • Disclosing information on shareholders' rights to propose meeting agenda and nominate persons for appointments to the TISCO Board of Directors via TISCO website
Reports <ul style="list-style-type: none"> • Annual report • Form 56-1 • Sustainability Report • Management Discussion and Analysis • News release to SET 	Annually Annually Annually Quarterly Regularly		



Employees

Permanent Staff / Contracted Staff / Part-time Staff

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> Monthly meetings of executives at all levels Training for employees at all levels Staff Newsletters Employee relations activities Employee engagement survey TISCO HR Helpline Communication programs to instill knowledge, value and corporate culture for new employees Mid-level Management Communication Direct communication from Top Management to Mid-level Management 	<p>Monthly</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p> <p>Annually</p> <p>Regularly</p> <p>Regularly</p> <p>Weekly</p> <p>Monthly</p>	<ul style="list-style-type: none"> Career advancement Remuneration, welfare and other fringe benefits Knowledge and expertise development opportunities Work-life balance Attention to employees' opinions Being recognized/valued Good and safe working environment Fair, non-discriminatory and respectful treatment of employees 	<ul style="list-style-type: none"> Treating employees fairly, place importance to human resource management/ development, and giving fair career-advancement opportunities Providing appropriate remuneration and other benefits, and improving welfare in response to employees' needs, particularly in regard to occupational health and safety Designing learning platforms on leadership and professional skills, widening the reach of learning opportunities through IT Promoting health and wellness among the workforce through the regular arrangement of sports and recreational activities Improving work environment based on the principles governing occupational health and safety Operating various channels to gather employees' opinions, for example via annual surveys on employee satisfaction, online platform, complaint-submission channels, etc. Pursuing "Happy Organization" mission through a promotion of good relationship building within units, focusing the appreciation and value giving to colleagues through various appreciation expression channels
Reporting <ul style="list-style-type: none"> Monthly Human-Resource Management reports Annual report Form 56-1 Sustainability report 	<p>Monthly</p> <p>Annually</p> <p>Annually</p> <p>Annually</p>		



Supervisory Authorities

Bank of Thailand / Securities and Exchange Commission (SEC) /
 Stock Exchange of Thailand (SET) / Anti-Money Laundering Office /
 Office of Insurance Commission

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> • Communicate through Compliance function and Regulatory Reporting unit • Related activities such as examinations conducted by regulators, discussions between the management and regulators on important issues etc. 	Regularly Regularly	<ul style="list-style-type: none"> • Integrity, transparency, and social and environmental responsibility • Business operations that comply with applicable laws and regulations 	<ul style="list-style-type: none"> • Developing business policies and guidelines in compliance with applicable laws and regulation • Establishing Compliance function to liaise with internal units and regulators • Setting up Regulatory Reporting unit to compile required regulatory reports • Preparing data and resources for regulators' examinations and inspections
Reporting <ul style="list-style-type: none"> • Form 56-1 • Sustainability Report • News release to SET • Regulatory reporting 	Annually Annually Regularly Daily/ Monthly/ Annually		



Customers

Retail customers / Corporate customers / Wealth and Asset Management customers

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> • Meetings with individual customers • TISCO Contact Center • Site visits to corporate customers • Training and seminars arrangement on economy, finance and investments for customers • Channels to get feedbacks and complaints from customers • Public Relation via various channels such as press releases, TISCO website, and mobile application 	<p>Regularly</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p>	<ul style="list-style-type: none"> • Products that are appropriately priced, with full and complete information disclosed • Responsive products to the customers' needs • Service excellence • Convenient access to financial products and services • Received timely and appropriate financial literacy and investment advice • Be educated in regard to prevention of financial crimes • On-time interest payments and repayments • Securing customer information • Listening to customers' problems, if any, and providing solutions or remedial actions • Equal treatment for all customers 	<ul style="list-style-type: none"> • Expanding product ranges in response to customers' needs • Complete and accurate disclosure of product information • Constantly improving salesforce's capabilities in regards to financial literacy and service to customers • Increasing channels to access various financial products and services • Organizing training and seminars to educate customers and provide financial and investment knowledge • Listening to customers' feedback and complaints via various channels including sales staff, TISCO Contact Center, and email • Surveys on customer satisfaction with TISCO Contact Center • Compliance with contractual obligations to creditors, depositors, and debenture holders • Announcing policies on Information Security Policy and Data Classification Guideline for staff to strictly comply with
Reporting <ul style="list-style-type: none"> • Annual Report • Sustainability report • Product catalogues • Economic analysis/ equity research paper • Investment advice 	<p>Annually</p> <p>Annually</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p>		



Business Partners

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> • Meetings with business partners • Assessments of business partners' satisfaction assessment 	<p>Regularly</p> <p>Regularly</p>	<ul style="list-style-type: none"> • Transparent and fair selection of business partners • Equal and fair treatment for all business partners • Compliance with contractual obligations • Long-term relationships • Fair price and corruption-free in procurement process 	<ul style="list-style-type: none"> • Giving equal access to accurate, clear and adequate information • Declaring Supplier Code of Conduct and Anti-Corruption Policy and operating business in compliance with defined policy • Meeting with business partners to gather recommendations and complaints • Assessing business partners' satisfaction



Community and society

Communication Process	Frequency	Stakeholders' Expectations	Implementations
Channels & Activities <ul style="list-style-type: none"> • Surveys on community needs / public needs • Engaging communities in social activities • Addressing materiality social topics • Promoting financial literacy through: <ul style="list-style-type: none"> - "TISCO Financial Camp" for youth and teachers - "Smart Saving, Smart Spending" for communities nationwide 	<p>Regularly</p> <p>Regularly</p> <p>Annually</p> <p>4 times per year</p> <p>At least one educational activity / at least one follow-up event for each branch</p>	<ul style="list-style-type: none"> • Ethical business operations with social & environmental responsibility • Giving support and sharing for the purpose of improving social lives • Offering financial literacy so that people can choose financial products/services best suited to their daily lived 	<ul style="list-style-type: none"> • Responsible business operations that are on par with international standards • Taking part in social development, environmental protection and energy saving • Conducting CSR activities on a regular basis to respond to communities' needs such as financial literacy programs, scholarships and school development • Encouraging staff's participation in CSR activities and volunteer works
Report <ul style="list-style-type: none"> • Annual report • Form 56-1 • Sustainability report 	<p>Annually</p> <p>Annually</p> <p>Annually</p>		

Material Topics and Boundaries

TISCO Group has a clear process for designing material topics. All matters that internal and external stakeholders view as important and those likely to become material topics for the industry, international standards or mega trends are prioritized. The purpose is to ensure that the material topics best address stakeholders' concerns, have value creation and positive impact on the company and its stakeholders.

Boundaries of Topic

Within Organization Boundaries

TISCO Financial Group Public Company Limited

- TISCO Bank Public Company Limited
- TISCO Securities Company Limited
- TISCO Asset Management Company Limited
- Hi-Way Company Limited
- TISCO Insurance Solution Company Limited
- TISCO Information Technology Company Limited
- TISCO Learning Center Company Limited
- All-Ways Company Limited
- Deutsche TISCO Investment Advisory Company Limited
- TISCO Tokyo Leasing Company Limited⁽¹⁾
- HTC Leasing Company Limited⁽¹⁾

Outside Organization Boundaries



Shareholders



Customers



Regulators



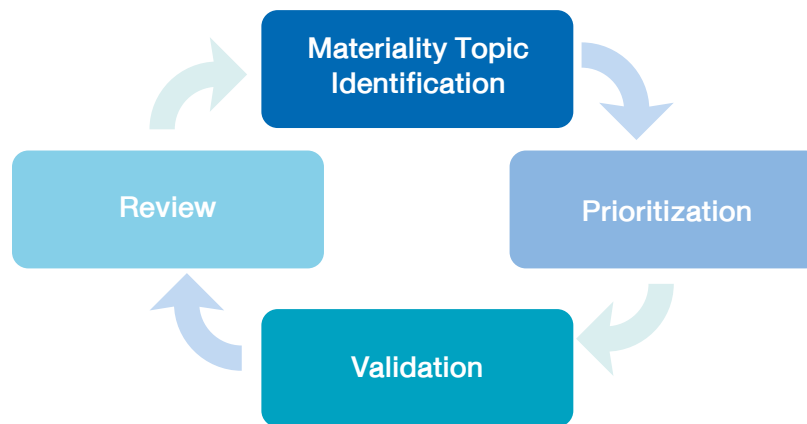
Business Partners



Community and Society

Note : ⁽¹⁾ Not include in the consolidated statements in accordance with Thai Accounting Standard

The materiality topic design process is as follows :



1) Materiality topic identification

In process of identifying materiality topics aim to consider sustainability related issues that may influence TISCO Group's capability in operating business to gear toward a proper sustainable development strategy and review the adequacy of information disclosure in the Sustainability Development Report. The process is as follows :

- Collecting all sustainable materiality topics
 - Reviewing all materiality topics in 2017 and considering whether they remain topics materially to the company and stakeholders for 2018
 - Studying the sustainable trend related to the TISCO's business comparable to those financial business industry view as materiality topics, topics those are international concerns
 - Material topics collected from outsiders, such as information gathering through a survey of customers' or target customers' opinions on product and service innovation development, a study of topics considered important by supervisory authorities through rules and regulation implementation, material topics related to sustainability that the management considers as important, are collected from meetings on material topics
- Screening of all topics collected, and preparing a questionnaire for each of the stakeholder groups
- Identifying the management and heads of different functions who will represent different stakeholders, including shareholders, employees, regulators, customers, business partners, community and society
- Having the management and heads of different functions answer the questionnaires on behalf of each stakeholder. Topics are prioritized based on the viewpoints of the stakeholder group represented by the management and heads of function

2) Prioritization

Prioritizing material topics enables the company to formulate an appropriate operation plan that addresses the key concerns of stakeholders in the right order. In prioritizing 2018 sustainable development matters, 18 topics have been identified and prioritized by

- Analysis of responses from the survey
- Prioritizing of material topics received from the representatives of each stakeholder. Priority is set in 3 levels - low, medium, and high. The two axes of priority consideration are :
 - Horizontal axis : sustainability related topics that are important to TISCO Group
 - Vertical axis : sustainability related topics that are important to stakeholders

3) Validation

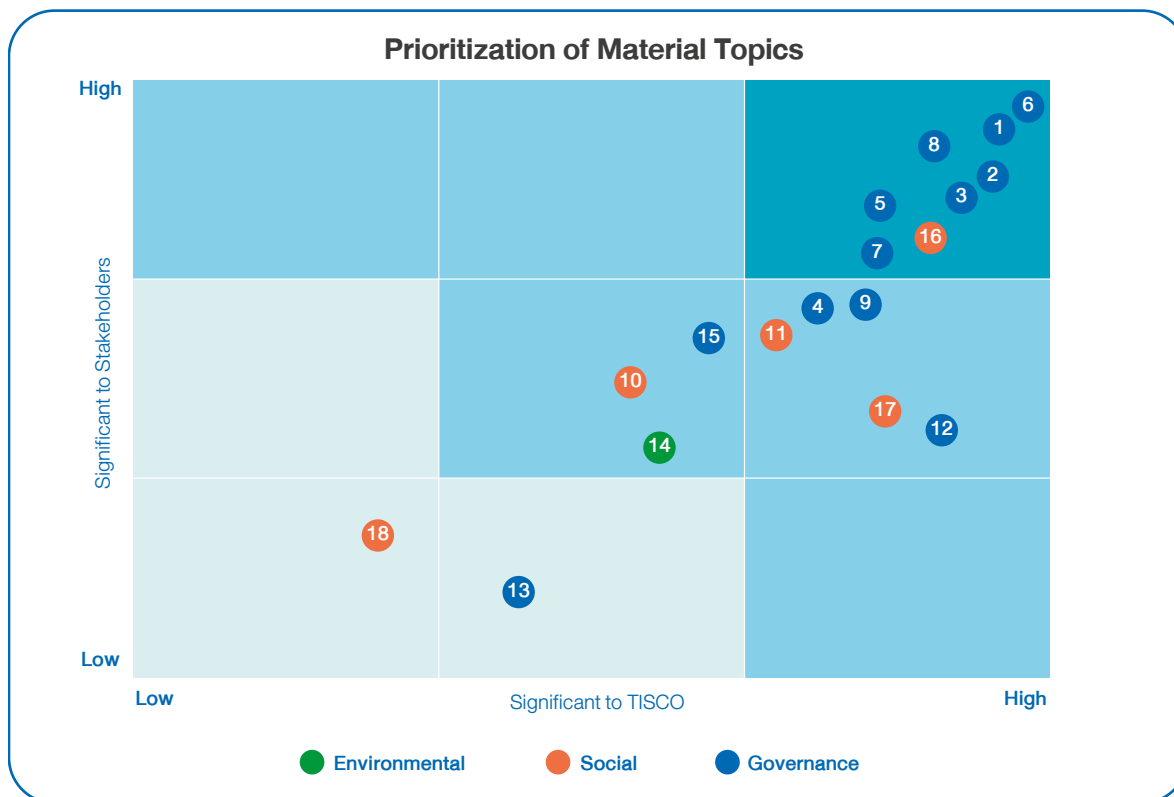
Validation is a process implemented to confirm that the prioritized materiality topics are important to each stakeholder and given the right priority. The result of the prioritization is presented to the Sustainable Development Working Group for consideration based on related factors, including each stakeholder group's opinion, completeness of the content, comprehensiveness of information disclosure, and the collection of desired operating performance. The completeness of the sustainable development is considered before submission to the Management Committee and the related committee governing the sustainable development for consideration and approval. Validated materiality topics approved by the Management Committee and related committees will be applied for formulating sustainable roadmap or revised accordingly as deem appropriate.

4) Review

Materiality topics, content and recommendations received after the previous report was published will be reviewed once again to determine whether the topics remain the materiality topics valued by stakeholders and whether the order of priority has changed. Such information will be integrated with the first stage of the materiality topic identification and considered for content improvement in the next report.

Materiality topic prioritization

According to the materiality topic identification in 2018, there were 18 topics important to TISCO and all stakeholders identified with the following priority based on their significance to TISCO and stakeholders.



Material Topics significant to All Stakeholders

- | | |
|---|--|
| 1 Corporate Governance & Business Ethics and Code of Conduct | 10 Financial Inclusion |
| 2 Business Performance & Growth Capability | 11 Financial Literacy |
| 3 Risk Management & Business Continuity | 12 Responsible Lending and Investments |
| 4 Financial Product with Environmental, Social and Governance (ESG) Factors | 13 Climate Risk Management |
| 5 Customer Centric | 14 Environmental Management of TISCO Group |
| 6 Customer Data Security and Privacy | 15 Sustainable Supply Chain Management |
| 7 Customer Relationship Management | 16 HR Development and Employee Well-being |
| 8 IT Risk and Cyber Risk Management | 17 Labor Rights, Diversity and Equal Opportunity |
| 9 Innovation Management | 18 Human Rights |

Out of the 18 materiality topics, most are derived from the topics identified in the previous report and have been continued according to the sustainability roadmap. This includes the development and improvement of the operation plans giving in roadmap to better suit the level of their importance to the company and stakeholders. In addition to sustainable development topics improved and updated in the previous report, the 2018 report covered 2 additional topics - Innovation Management and Human Rights. In terms of innovation management, TISCO Group has formulated plans and additional measures in 2018 and reports their implementation in this report. TISCO Group is studying the human rights-related topics and will incorporate the results into its policy and monitoring process, and is, therefore, not yet presenting such topics in this report. The sustainable development matters that are identified according to GRI covers 20 areas as follows :

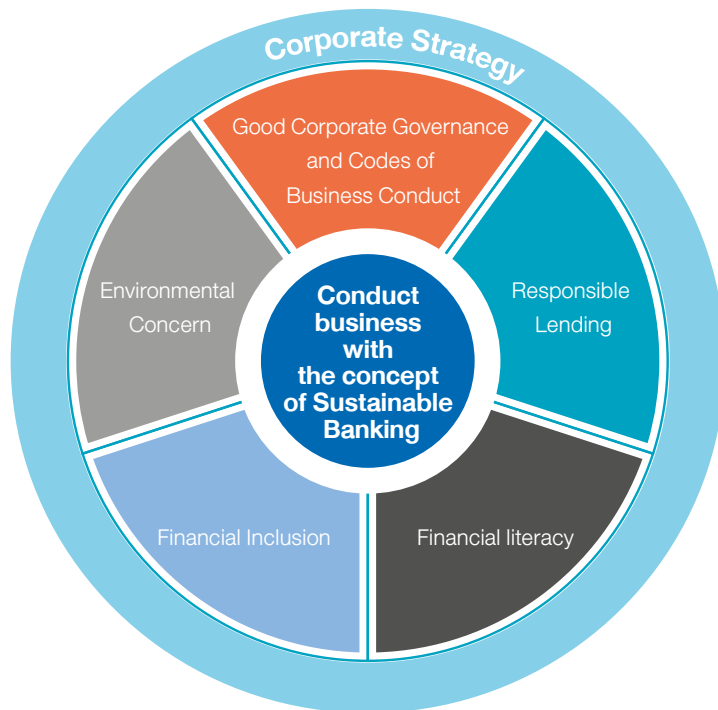
Materiality Topics

Materiality Topics	Materiality Topics according to GRI	Boundaries		Page
		Internal	External	
Customer Data Security and Privacy	Customer Privacy	All companies in TISCO Group	Customers	28-30, 73-77
Corporate Governance & Business Ethics and Code of Conduct	Anti-Corruption	All companies in TISCO Group	All external Stakeholders	83-84, 86-91
IT Risk and Cyber Risk Management	Cybercrime Prevention *	All companies in TISCO Group	Customers	70-77
Business Performance & Growth Capability	Direct Economic Value Generated and Distributed	All companies in TISCO Group	All external Stakeholders	Annual Report
Risk Management, Business Continuity & Climate Risk Management	Risk Governance Framework	All companies in TISCO Group	All external Stakeholders	70-77
Customer Centric	Marketing and Product Labeling	All companies in TISCO Group	Customers	33-40, 49-68, 115-119
HR Development and Employee Well-being	Employment	All companies in TISCO Group	-	98-100
	Occupational health and safety			104-108
	Training			108-110
Labor Rights, Diversity and Equal Opportunity	Diversity and equal opportunity	All companies in TISCO Group	-	28-30, 66-68, 97-100, 104
	Non-discrimination			Customers, Suppliers 49-63, 83-84, 92-96, 115-119
Customer Relationship Management	Customer Satisfaction	All companies in TISCO Group	Customers	49-68
Innovation Management	Innovative Financial Product Development *	All companies in TISCO Group	Customers, Community and Society	33-40
Financial Product with Environmental, Social and Governance (ESG) Factors	Economic outcome	All companies in TISCO Group	Shareholders, Customers, Community and Society	40-48, 69, 85
Responsible Lending and Investments	Financial product portfolio	TISCO BANK Public Company Limited TISCO ASSET Company Limited	Customers, Community and Society	40-48, 69, 115-119
Financial Literacy	Local community	All companies in TISCO Group	Community and Society	58-63, 115-128
Sustainable Supply Chain Management	Greening the Supply Chain	All companies in TISCO Group	Suppliers, Community and Society	92-96
Financial Inclusion	Indirect economic outcome	TISCO Bank Public Company Limited Hi-Way Company Limited	Customers, Community and Society	33-40, 115-119
Environmental Management of TISCO Group	Emission	All companies in TISCO Group	Community and Society	134-136, 143-145
	Energy			134-136, 138-142
	Material			134-138
	Waste			134-136, 142-143
Human Rights	Not reported	-	-	-

Note : * This is a new Materiality Topic, in addition to GRI Standards and GRI-G4, financial service sector.

TISCO Sustainability Framework

Guided by its commitment to pursue sustainable growth via development and business operations that resonate with its vision, strategy and goals, TISCO Group has pushed for concrete sustainability guidelines and processes in its organizational development. The Group has also integrated sustainability with its organizational strategies.



TISCO Group has laid down a Sustainability Framework for the formulation of sustainability roadmap. Included in the framework are sustainability topics to which stakeholders have accorded importance. When TISCO Group identifies Environmental, Social and Governance (ESG) topics, it engages the representatives from relevant functions related to sustainability topics in the review process, thus creating a sustainability context that can truly support its missions and drive sustainable development with increasingly improved efficiency.

Approved by TISCO Group’s Management Committee, the TISCO Sustainability Framework has been the basis for formulating the three-year Sustainability Roadmap that has been regularly reviewed and revised. The roadmap applies to all companies in the TISCO Group. The TISCO Sustainability Framework and Roadmap are crucial guidelines that drive the TISCO Group towards sustainable development in a concrete manner. The essence of Sustainability Framework and its key sustainability topics are as follows :



1) Marketplace

- Upgrading financial products that are environmentally friendly, socially responsible and uphold good governance
- Creating customer satisfaction and acceptance
- Risk Management

2) Workplace

- Corporate governance
- Compliance with good governance principles and delivery of fair customer services
- Guidelines on new products & new work processes
- Anti-corruption
- Environmentally friendly supply chain
- Responsibility towards employees

3) Community & Environment

- Economic promotion & comprehensive access to financial services
- Promotion of social well-being
- Environmental management

Guided by the aforementioned sustainability framework and roadmap, TISCO is committed to pursue 12 of the Sustainable Development Goals (SDGs) that were ratified by 193 United Nations country members in September, 2015. These goals are : (1) No Poverty; (3) Good Health and Well-Being; (4) Quality Education; (5) Gender Equality; (7) Affordable and Clean Energy; (8) Decent Work and Economic Growth; (10) Reduced Inequalities; (11) Sustainable Cities and Communities; (12) Responsible Consumption and Production; (13) Climate Action; (16) Peace, Justice, and Strong Institutions; and (17) Partnerships for the Goals. In pursuit of these SDGs, TISCO has conducted its business operations and various activities in a way that benefits both society and the overall environment.



SUSTAINABLE DEVELOPMENT GOALS



Summary of Key Sustainability Achievements in 2018



1) Marketplace

- Adjusting products and service channels in response to customers' lifestyles such as Chatbot Nong Somwang, My Car My TISCO, MyPVD, My Fund
- Support on the government project -National e-Payment
- Launching "TISCO Global Sustainable Equity Fund"
- Supporting environmentally friendly energy businesses
- Implementing a project to raise funds for Ramathibodi Hospital's research into and treatment of serious diseases

2) Workplace

- Improving quality of customer services
- Enhancing IT risk management;
- Enforcing Supplier Code of Conduct and upgrading ethical practice through suppliers (88% of suppliers signed acknowledgement)
- Employee retention rate at 92%, with employee resignations dropping by 9.81% from previous year

3) Community & Environment

- Banning foam food containers at TISCO Tower
- Reducing carbon dioxide-emissions at four events by 7,603.82 kgCO₂e
- Energy-saving projects
 - Replacing LED light bulbs to be postponed, with completion of installation scheduled in Q1/2019
 - Install Motion Sensor devices inside restrooms
- Implementing Smart Saving, Smart Spending Program in 67 provinces; and
- Conducting financial camps for four batches of participants, covering 77 provinces, and spreading knowledge to 61% of communities



Upgrading Financial Products based on Environmental, Social and Governance (ESG)

Shareholders | Employees | Customers | Business Partner | Supervisory authorities | Community & Society

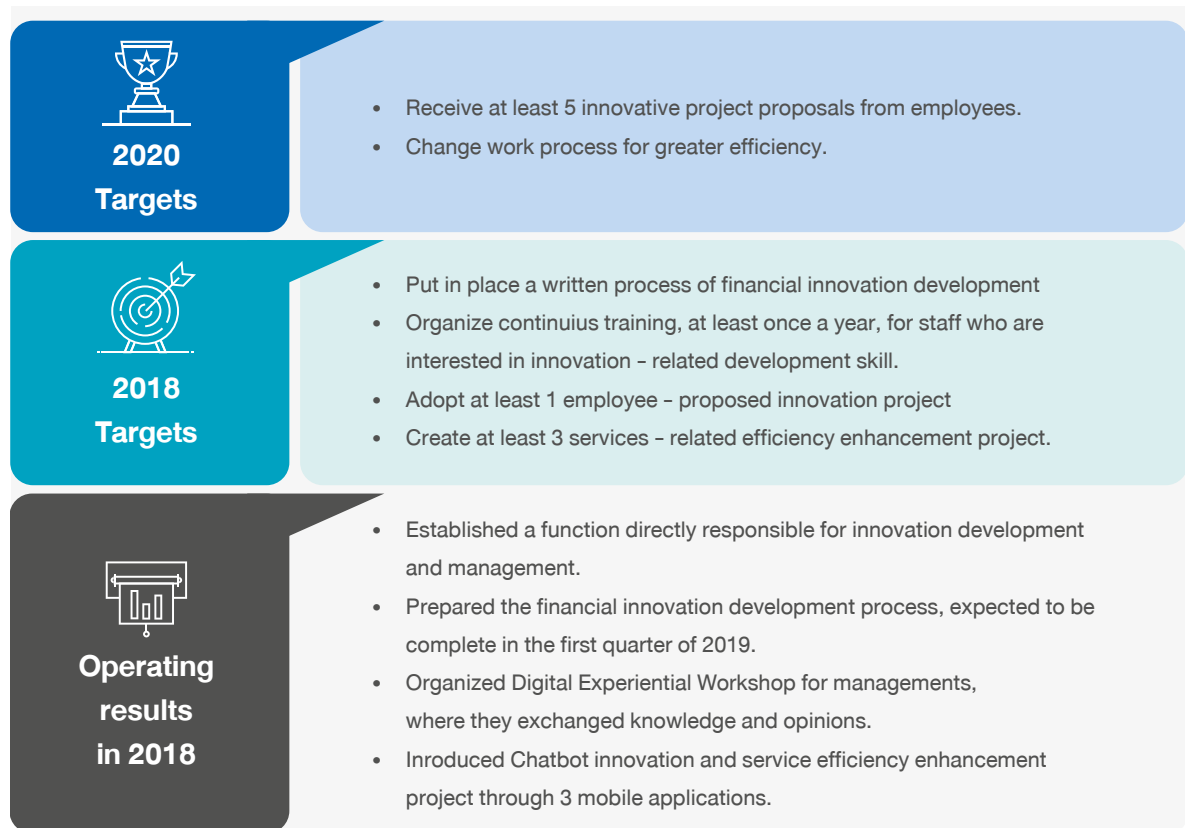


- Innovating Financial products with concern for ESG
- Promoting customer satisfaction and recognition
- Risk Management

Innovating Financial products with concern for Environment, Society and Governance

TISCO Group has continuously innovated financial products and services with an emphasis on broad positive impacts on the environment, society and governance (ESG). New concepts and knowledge have been applied and improved to create financial innovations that contribute value to both the organization and to society. The innovation pattern is not limited only to the employment of organizational competencies, but also placed importance on the innovation development in collaboration with specialized stakeholder for betterment of effectiveness and efficiency, knowledge development and creation of mutual benefit to the organization and society. This results to create financial products that address stakeholders' preferences and raise the ratio of products that take into account ESG impacts, such as environment-friendly energy loans, accessibility to financial services via digital channels, socially responsible investment, and raising added value from new ESG-related financial products.

Under the Sustainability Roadmap approved by the Management Committee, TISCO Group manages environmentally concerned financial innovations and products as follows:



1) Creating innovative financial products

Disruptive technology has a significant impact on Thailand's financial industry and financial conglomerates including financial institutions. However, TISCO Group believes that disruptive technology offers the group business opportunities, particularly in collaborations with FinTech companies. The strengths of each party can be synergized for mutual benefit. Such collaborations will transform the business model and the approaches to introducing new products and services and enhance efficiency in satisfying customer needs and their lifestyles. Meanwhile, the group is concerned about the balance of benefits and possible risks that the new technology will bring.



Innovation Management

TISCO Group has continuously placed importance on innovation management and continuously promoted an organizational creativity culture, chiefly to develop and encourage internal business innovations and the application of modern technology that satisfies market demand and customer preferences. Listed below are some of the activities aimed at promoting an organizational creativity culture, undertaken in 2018 :

- 1) Workshop on Digital Experiential, serving as a stage for managements to exchange views on digital technology currently in use and which will shape the organization's strategy in product development or service patterns in line with changing technology and consumer lifestyles.
- 2) Executive Trainee Development Program to enhance the knowledge, skills and capabilities of selected talents and prepare them for executive roles. Attendees were encouraged to present their ideas for improving or introducing financial products or services in line with today's digital technology and changing consumer needs as well as methods to improve the work process for greater efficiency. The topics were recommended by the group's executives in core business areas and screened by high-level executives, to spark new ideas related to financial products, service development or work-process improvement. To promote the organizational creativity culture, the

attendees' ideas were presented to other participants under the observation of high-level executives. Their ideas were also presented at corporate meetings for management attendance for review and discussion on whether these ideas could give birth to new financial products or services.



3) A function was established to directly handle the development and management of organizational innovation. Its task covers digital technology application, work process development, and the development of products and/or digital service channels that match the lifestyles of customers, such as website, applications for various devices, and social media channels.

In addition, TISCO Group places emphasis and determination on the modernization of its information technology system for stability and security as part of its goal to become a Digital Banking organization. The IT system has been readied to support business expansion in accordance with organizational strategic plans. An open application programming interface (Open API) has been prepared for connection with the systems of business collaborators considered as having adequate security. Such connections will pave way for the development of new nancial products or services.

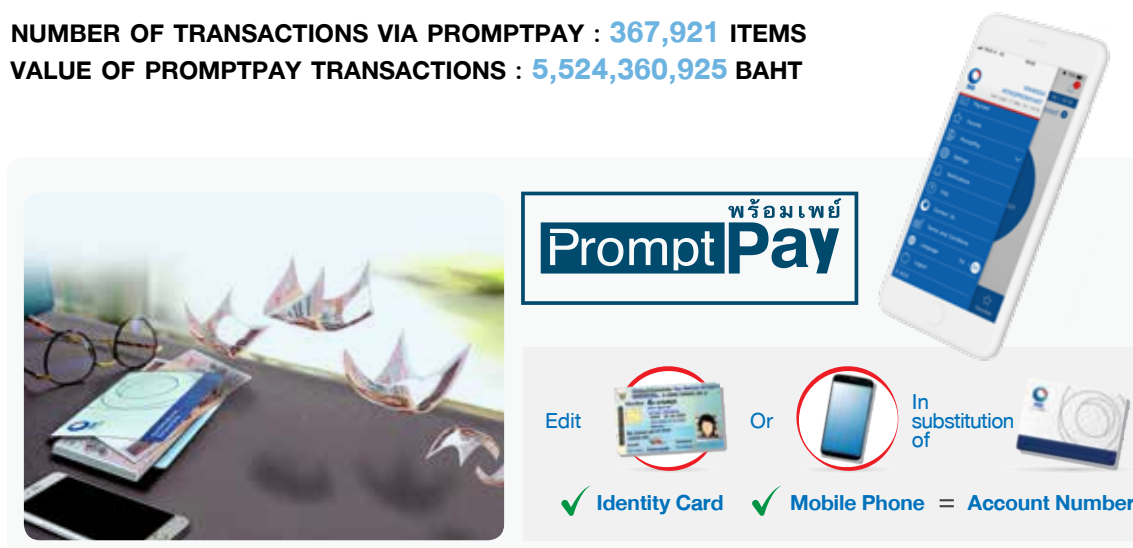
As today's consumers adopt digital lifestyles, are influenced by digital technology and demand more digital services, TISCO Group has developed and appropriately applied technology. Such technology may be created internally or under collaboration with specialized business partners or outside stakeholders, to introduce financial products or services as well as service channels that meet customer preferences and offer greater service convenience while ensuring an adequate security system.

Financial products and services

- Designing products for a cashless society

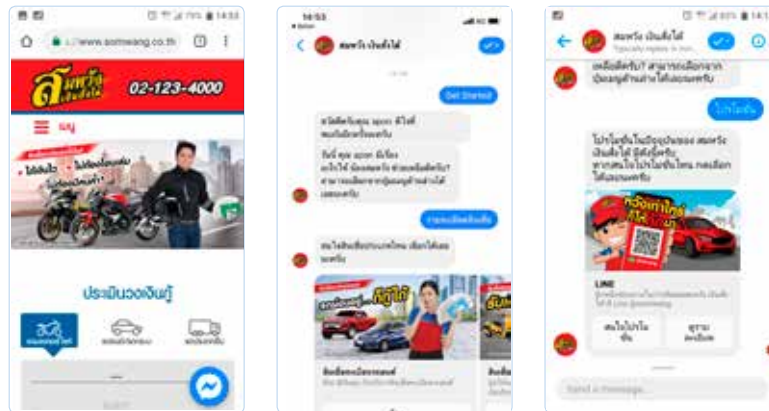
TISCO Bank recognizes and supports the Finance Ministry's and Bank of Thailand's strategy to lead Thailand towards a cashless society. Under the National e-Payment project, we strive to adopt digital technology in servicing customers. Our efforts include PromptPay service via a mobile application and a QR bill payment service. Activities undertaken in 2018 are as follows :

NUMBER OF TRANSACTIONS VIA PROMPTPAY : 367,921 ITEMS
VALUE OF PROMPTPAY TRANSACTIONS : 5,524,360,925 BAHT



- Chatbot (Somwang)

To facilitate customers' queries on TISCO Group's products and services anywhere and anytime, the group introduced the Chatbot that links with the group's website and social media channels. The Chatbot is accessible and responds well to the lifestyles of customers and consumers in general. The facility also supports after-sales services and is able to provide preliminary information on particular products or services. It can record service problems and forward such problems to relevant officers, to promptly assist customers and users or solve their problems.



Operating result The number of customers seeking product information increased by 87% after Chatbot was activated in the fourth quarter of 2018.

The services provided by the Chatbot increase accessibility to the group’s financial products or services and provide users with preliminary information as requested. The program also increases TISCO Group officers’ service efficiency and readies them for business expansion and a greater number of customers.

- **Mobile phone or tablet application**

TISCO Group has introduced a mobile phone or tablet application to facilitate customers’ checking of their personal information.

- **Mobile Application for Auto Hire Purchase Loan My Car My TISCO**

Mobile application for auto hire purchase loan namely My Car My TISCO, was introduced to serve TISCO Group’s hire purchase customers. Offering greater speed and convenience, the application allows them to check loan details via their own mobile phones or tablets.



Operating result The number of customers contacting the Contact Center for queries on installments and other services dropped 5% on average.

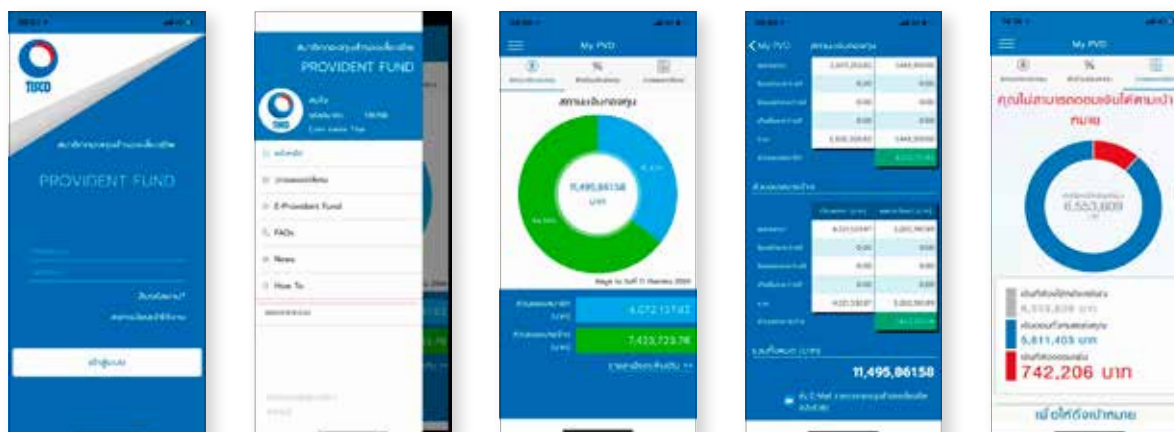
The application comes with a feature that can enhance the group’s after-sales services; for instance, monthly installment alert or detailed monthly statements. Customers can get the information from their gadgets 24 hours a day, without having to contact the Contact Center. The application also features a barcode that customers can show at the payment counter as a replacement for bill payment forms. Customers can also use the application to conveniently obtain information on TISCO Group’s financial products or services as well as privileges occasionally offered.

- **Mobile Application for Investment (TISCO My Fund)**

A mobile application, namely TISCO My Fund, was introduced to respond to the greater use of mobile phones by customers. The application facilitates executing mutual fund transactions with TISCO Asset Management Co., Ltd. The application development kicked off in late 2018, to initially help customers check their order status and investment portfolio. In 2019, more functions will be added, to allow customers to switch funds and check transaction history. They can be alerted to information on investment products and privileges (if any). The application is expected to be completed and fully functional within the second quarter of 2019.

- **Mobile Application for Provident Fund (MyPVD)**

MyPVD is the mobile application that facilitates the provident fund members for self-checking their portfolio. Provident fund members can use the application to see their contributions in PDF format and receive information alerts from TISCO Asset Management Co., Ltd. The application allows switching between languages and serves as an additional service channel on top of the website of TISCO Asset Management Co., Ltd. In 2019, TISCO Group plans to improve the registration function to ease the registration process with more convenience.



- TISCO Guru Plus application

TISCO Guru Plus is the stock scanning application for all types of investors, whether amateur or expert. The mobile application helps investors select stocks that match their investment appetites, based on the stocks' track records and TISCO Securities Co., Ltd.'s market analysis. Investors are alerted when their selected stocks' price moves or hits the set target, just as if they were receiving 24-hour assistance from personal analysts and marketing officers responding their lifestyles and behaviors.



After the launch late 2018, the number of registered users is expected to account for 10% of total customers within a year and within 5 years, 90-95% of all customers will switch to use electronic transactions.

				
Recommend outstanding stock	Suit for all investor types	Real-time show stock price	Track performance of simulated model portfolio	Access to every research
Predict from foreseeable information and make analysis by TISCO Guru Team	Both for beginners, fundamental investors and technical investors	Prompt for trading through TISCO eTrade or Streaming Application	Through the advices of TISCO Guru and TISCO Smart Tactic	Easily and conveniently reach to TISCO researches

TISCO Guru Plus has 6 key functions :

- 1) Smart Scan for beginners with a formula designed by TISCO gurus to pick attractive stocks through fundamental and technical approaches
- 2) Advance Scan for experts that screens stocks according to customers' criteria, supported by financial results, financial ratios and technical information
- 3) Model Portfolio, the investment portfolio simulation by TISCO guru (updated on weekly basis), and Smart Tactics (top monthly picks) for being beginners' investment guidelines
- 4) TISCO Research that compiles TISCO Securities Co., Ltd.'s analyses on investment strategies, techniques and company analyses
- 5) Alert Settings that alerts customers whenever the value or volume of their selected stocks hit the desired levels as well as when the stocks file information to the Stock Exchange of Thailand
- 6) Single sign on that allows placing trading orders immediately after log in.

2) Promotion of Sustainable Capital Market

Socially Responsible Investment

2.1) TISCO ESG Investment Fund for Society (TISESG)

For more than five years, TISCO Asset Management Company Limited has integrated the Socially Responsible Investment (SRI) approach with its investment analyses to be supportive information for investment decision making in compliance with the Environmental, Social and Governance (ESG) Investment Policy and the Securities Exchange Commission's Investment Governance Code. TISCO Asset Management Company Limited has done this in the firm belief that good ESG management is the beginning of and crucial to listed companies' long-term and sustainable profitability. SRI is now a growing trend among institutional investors across the world and with so many such investors taking account of ESG when making investment decisions. Various organizations have also compiled ESG indexes as one factor for investment decision making. Stock markets as well as their supervisory authorities in many countries, Thailand included, have introduced measures to promote the transparent and auditable disclosure of sustainability information that are up to acceptable standards. Measures to encourage investors to consider ESG before making investments have also been introduced. All these moves have been carried out to reduce the risks of investing in companies that lack good governance, are socially irresponsible and/or cause environmental damage. Poor ESG adversely affects the sustainability and operating results of companies in the long term.

ESG-based analyses

01



Categorization of securities based on ESG criteria

02



Assessments and reports

03



In-Depth Securities Screener

04



ESG-based portfolio management

05



Constant monitoring, reviews and portfolio adjustments

ESG-based analyses can be summarized as follows:

- 1) Categorization of securities based on ESG criteria: Threats and opportunities related to ESG are identified for each industry, namely environmental aspect (such as climate change, the use of natural resources and waste management), social aspect (such as human resource management and product safety), and governance aspect (such as governance and business ethics). Fund managers, moreover, may consider not investing in some specific businesses such as those related to alcoholic beverages, tobacco or weapons of war.
- 2) Assessments and reports on ESG-based investment process: The assessment results and revealed information are used for making investment decision. For example, for the case of the companies those do not have any serious ESG threats, investment-management teams will retain list of such companies as investment universe securities.
- 3) In-Depth Securities Screener: Securities in the investment universe are analyzed based on fundamental factors, profitability, financial situation, market value and liquidity, and direct access to company information via company visits and meetings with their executives.
- 4) ESG-based portfolio management deploys additional strategies as follows:
 - Best-in-Class Selection: This strategy applies to the securities of the company that demonstrates best ESG performance/management when compared with others in the same industry. For example, this company may successfully improve environmental costs by curbing power/water consumption or opting for alternative energy. Or, this particular company may demonstrate greater staff productivity or higher sales per staff after it conducts more competency development training. Also, this company may deliver better governance performance on the basis of CG Scoring, which is assessed by the Thai Institute of Directors (IOD).
 - Active Ownership: On top of investment topics, fund managers have the duty to inquire about or monitor ESG performance of the companies in which they invest. Fund managers thus exercise their rights as shareholders in voting on companies' agendas and expressing opinions for company development. For example, fund managers cast their votes at shareholders' meetings. If ESG risks emerge over any particular incident, fund managers meet with executives of companies involved for explanations and solutions.

- **Thematic Investing:** Fund managers may choose a specific theme for investments based on ESG factors. For example, they may go for alternative-energy businesses to be kinder to the environment. They may invest in public-utility businesses for improved life quality. Investments may also go specifically to hospitals or pharmaceutical firms to promote health and welfare required by people in times of illnesses. Fund managers may support income generation in local communities via businesses that use local materials.
- **Impact Investing:** Fund managers may invest, directly or indirectly, in companies supporting projects that will make positive impacts on the environment, society or communities. Such investments, while not generating high rates of financial returns, offer huge benefits to communities. For example, if Company A lends tools and capital to farmers' groups for growing tea or crops in place of opium, this constitutes impact investing.

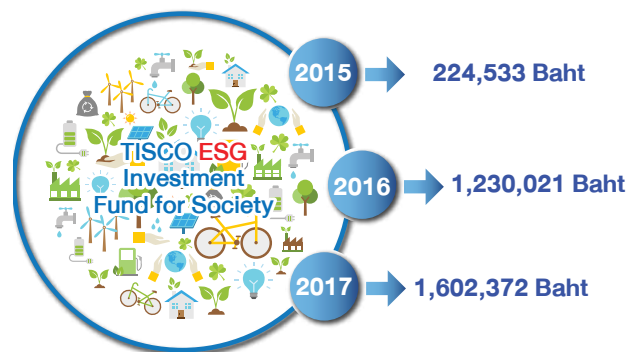


- **ESG Integration Analyses:** Most fund managers in the world use this approach in their fund management. Taken into account are all ESG factors. ESG risks, after all, affect all aspects of companies' operations. Operating results of companies vary, depending on the level of risks and volatility involved. Valuation by fund managers for each company therefore differs.
- 5) **Constant monitoring, reviews and portfolio adjustments:** This process includes reviews of ESG securities in the investment universe. If any company in the universe faces external risks that may affect its ESG performance or plunges under three-star ratings based on CG Scoring (as conducted by the Thai Institute of Directors), investment teams must classified the said company as ESG Watch List. For this case, investment team shall gather related information, meet executives of the said company, and conduct careful analyses before deciding to invest in such a firm.

In 2019, TISCO Asset Management Company Limited will have used investment capital from six founding members of the “TISCO ESG Investment Fund for Society⁽¹⁾” namely TISCO Group, BTS Holdings Public Company Limited, Minor Group Public Company Limited, LPN Development Public Company Limited, Khon Kaen Sugar Industry Public Company Limited, and Nam Seng Insurance Public Company Limited on “Philanthropic Investments” for four consecutive years. This fund aims to constantly generate good returns on investment through the ESG investment approach. Apart from delivering benefits in term of return on investment to unitholders, the fund has also allocated parts of its management-fee income and returns on investments to CSR (Corporate Social Responsibility) activities in line with the aspiration of each organization involved and in a way that creates positive impacts on society on a continued basis.

In 2017, TISCO Asset Management Company Limited allocated 50 percent of its management-fee income from TISCO ESG Investment Fund for Society-D (TISESG-D) or the amount of 1,465,804.82 baht to two organizations dedicated to social causes, namely the TISCO Foundation and the Thaipat Institute. After receiving the money, the Thaipat Institute distributed it to foundations and organizations that work for the benefits of the society.

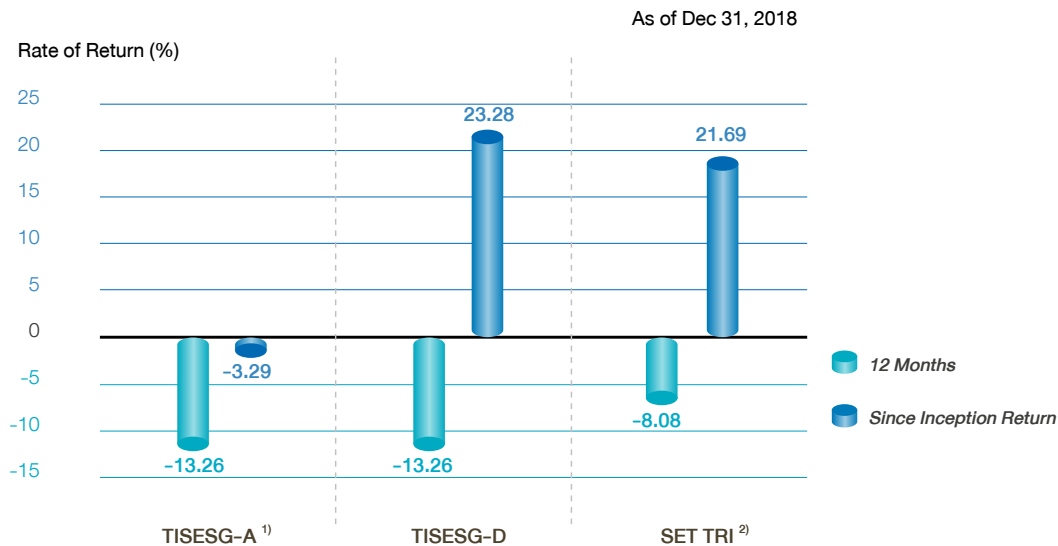
Offering retail investors an investment alternative for good and sustainable returns together with an opportunity to financially support organizations working for social benefits, TISCO Asset Management started offering units of TISCO ESG Investment Fund for Society-A (TISESG-A) to the public since 1 September 2017. This fund has a policy to allocate 40 per cent of its management-fee income to organizations that work for social causes. During the 2017 accounting period (1 September - 31 December 2017), this fund handed over 136,567.82 baht to the TISCO Foundation in response to this policy. The aggregate allocated management-fee income contributed to charities in year 2018 were 1,602,372.64 baht. Financial support given in 2017 by the fund for the benefit of society marks the third time such donations have been made since the establishment of the fund. During its first three years, the fund donated 3,056,927.05 baht for charity.



- Notes :** ⁽¹⁾
- 1) Abbreviation for the fund has been changed from TISESG-S to TISESG.
 - 2) The fund offers two types of units.
 - 2.1) Type A or TISESG-A is for investors mainly interested in total return.
 - 2.2) Type D or TISESG-D is for investors mainly interested in dividends.

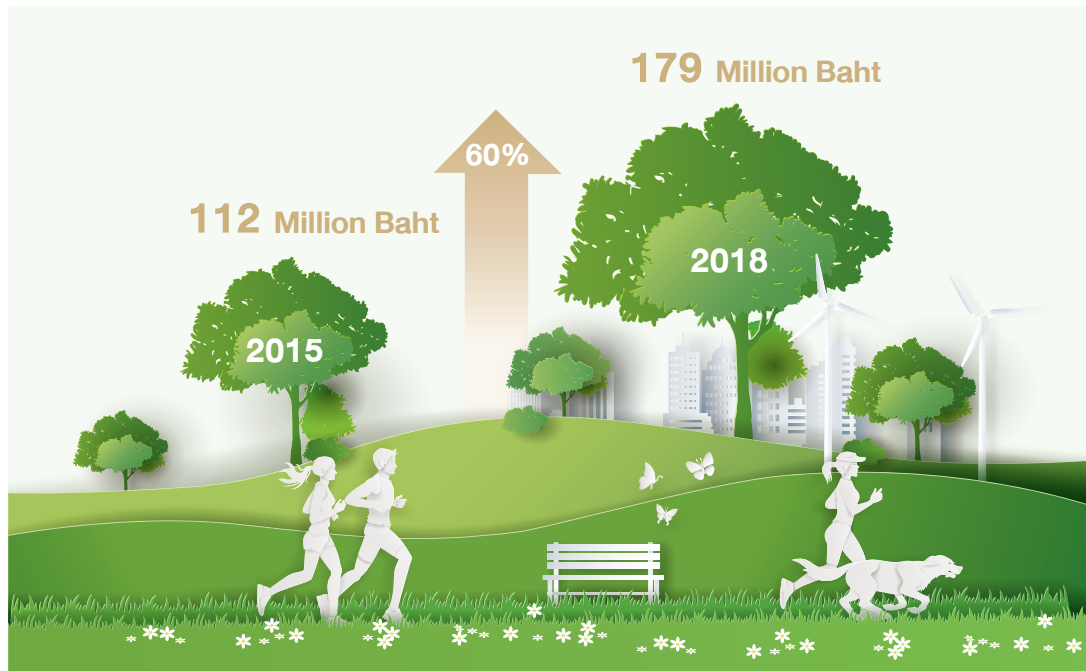
Regarding operating results of TISCO ESG Investment Fund, TISESG-A and TISESG-D are compared against the Total Return Index of the Stock Exchange of Thailand (SET TRI). As of December 31, 2018, the comparison's results are as follows :

Performance of TISCO ESG Investment Fund for Society



Notes : ¹⁾ TISESG-A was established on 1 September 2017
²⁾ SET TRI or Total Return Index of Stock Exchange of Thailand as of December 31, 2018

To further promote socially responsible investments and to give investors a greater range of choices for sustainable good returns in long term, TISCO Asset Management Company Limited has set up the “TISCO Global Sustainable Equity Fund” and offered its units to investors from 24 September 2018. This fund invests in securities across the world based on ESG criteria. Securities chosen by the fund have created positive impacts in society and contributed to sustainable global economic development. The investments of this fund are made through at least two foreign mutual fund(s) and/or foreign exchange traded fund(s). The TISCO Global Sustainable Equity Fund is outstanding in that its fund manager can select funds with good performance and update investment portfolios to best respond to a changing situation. Net Asset Under Management (AUM) of TISCO ESG Investment Fund for Society as of December 31, 2018 was valued approximately 179 million baht regardless TISCO Global Sustainable Equity Fund. The target to expand Asset Under Management of TISCO ESG Investment Fund for Society including TISCO Global Sustainable Equity Fund is aimed to reach 700 million baht within 2020.



The above information shows that TISCO aims to deliver good returns to investors; encourages asset management firms to always take into account investors' sustainable and long-term benefits; motivates listed companies in ensuring transparency, good governance as well as social and environmental responsibility; promotes socially-responsible businesses, and upgrades the capital market based on the concepts of ESG and sustainable capital market. TISCO, moreover, has extended financial support to organizations that implement projects and activities with environmental and social value.

2.2 TISCO Global Digital Health Equity Fund – TGHDIGI

Investment in technology and healthcare businesses is a growing mega-trend around the world. Businesses in these sectors, after all, have high-growth potential. The healthcare sector looks set to benefit directly from the emergence of aging societies across the globe. Technology businesses, meanwhile, have already become part of peoples' daily lives and of various industries including the medical industry that now embraces innovations in disease prevention and healthcare for people of all groups and genders. Investing in “mega-trend” businesses usually offers very good returns over the long term though it also comes with a higher rate of standard deviation. To present another investment alternative in terms of opportunities for good returns in the long run, TISCO Asset Management Company Limited launched the TISCO Global Digital Health Equity Fund (TGHDIGI) in the first quarter of 2018. Different from other funds that invest in technology and healthcare businesses, TGHDIGI is **Thailand's first Digital Health Fund**. It plans to invest in three main areas, namely 1) research & development (20%); 2) medical treatments (50%); and 3) increase in treatment efficiency (30%). Putting more than 85 per cent of its investment in the United States, TGHDIGI

has used hedging to prevent risks from currency exchange. Investors in THGDIGI are also contributors to the cause of giving cancer patients access to quality medical services. For every 100,000 baht investment in THGDIGI between 14 February 2019 and 31 October 2019, TISCO donates 100 baht front-end fee to the CU Cancer Immunotherapy Fund.



3) Lending to environmentally friendly energy businesses

Energy resources are essential as they are utilized in the consumption and production of various products. They are also an important factor in the development of businesses and industries in every country. Demand for energy continues to increase even as the availability of fossil fuels declines and will eventually be depleted. These include petrol, coal and natural gas. In 2018, with an ongoing expansion in economic growth, Thailand saw an increase in energy consumption and a corresponding negative impact on the environment. The use of such fuels also contributes to global climate change.

TISCO therefore has placed importance on supporting energy businesses that are friendly to the environment. The goal is to encourage production and reserves of energy sufficient for domestic consumption, as well as reduce the natural resources used and the impacts of polluting fuels on the environment and natural ecological system, thus mitigating negative impacts on climate change. We aim to become a bank specializing in providing consultation to operators of renewable/alternative energy power plants. We also offer loans to these projects. In granting loans to operators of renewable/alternative energy power plants, TISCO takes into consideration the following risk factors:






- Risks involving construction of a renewable/alternative energy power plant, in terms of duration, investment and technology of the machinery used in electricity generation;
- Risks regarding raw materials for biomass power plants;
- Fluctuations in weather and nature patterns that affect power plants relying on sunlight, hydropower and wind power;
- Impacts on the community in which the project is located, during the construction and after the construction is completed;
- Protests by local residents/citizens living in the area where the project is located, which may adversely affect the project's implementation.

Business operators seeking loans are required to produce a report on the study of the project's feasibility, its technical details and financial estimates. Such a report must be verified by an independent specialist in the energy sector approved by the Bank. The operators are required to convince the Bank that they have sufficient measures to acquire raw materials for a biomass power plant, and to ensure that changes in the weather/nature that may affect operations of a power plant relying on sunlight, hydropower or wind power have no significant effect on its operation. Moreover, legal procedures must be followed in their entirety in applying for a license to operate an energy business and the license must remain valid after the project's construction is complete. The operators must follow up on the progress of the construction to determine whether it is in line with the milestones set in the project plan and construction cost estimation. These measures are aimed at ensuring that the operators obtaining loans comply with all relevant laws in applying for a permit to construct a power plant and to run an energy business properly. The operators must obtain the necessary permit to run an energy business, as required by law. They must also be capable of ensuring the project's construction is completed as scheduled as well as their ability to repay the loans within the stated time frame. In case of any complaint against them from those affected by their project, the operators (debtors) are required to explain in full detail and/or submit guidelines for dealing with the conflict. The Bank will have the debtors delay the periodic drawdown loans until the Bank approves their methods in dealing with the complaints.

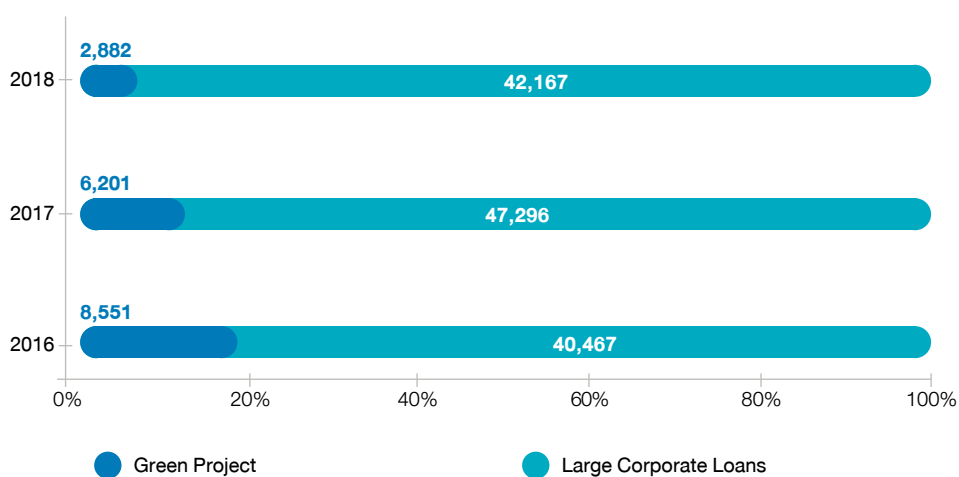
TISCO has extended loans to large corporations in the energy sector operating projects that are friendly to the environment. Among the projects financed by TISCO are those involved in renewable energy that is clean and friendly to the environment, and projects capable of mitigating impacts from climate change. These include solar farms, waste-heat and refuse-derived fuel power plants, wind farms, hydropower plants, biomass power plants, and alternative energy projects. These are projects that rely on energy sources replacing traditional fossil fuels. In 2018, loans extended to projects involving renewable/alternative energy are still performing satisfactorily. Good ties with customers have been maintained. Studies have been conducted regularly with the goal of meeting demands for different financial services among groups relevant to large corporations.

In order to support the government policy of encouraging the use of alternative and renewable energy, and to comply with the Company's Sustainable Development Policy and Sustainable Development Framework, TISCO in 2018 extended loans amounting to 2,882 million baht to energy projects friendly to the environment. The portion of debtors' outstanding balance for green projects is 6.4 per cent of the loans extended to large corporations. Details of the projects are shown in the table below.

Portfolio of loans extended to green projects

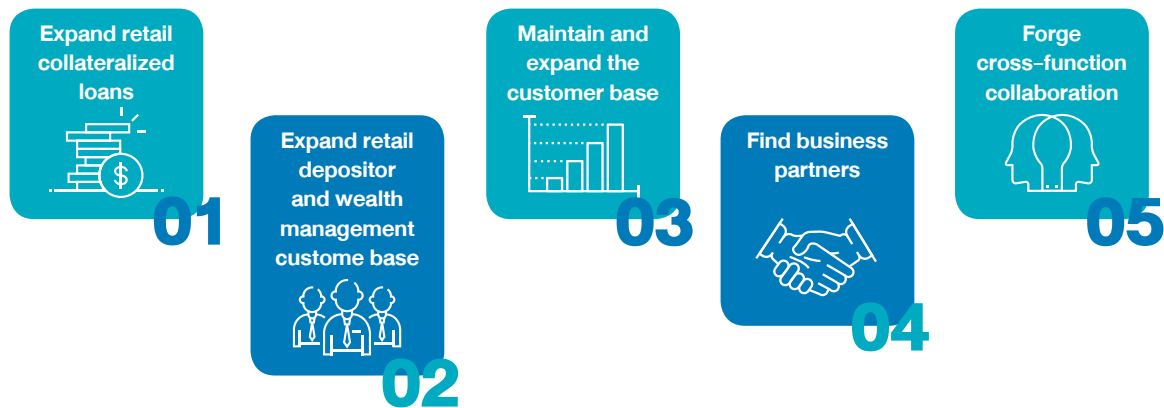
Project type	Outstanding balance (million baht)		
	2016	2017	2018
 Solar power stations	3,721	3,312	2,882
 Waste-heat and refuse-derived fuel power plants	984	0	0
 Wind farms	1,318	0	0
 Hydropower plants	2,508	2,889	0
 Eucalyptus seedling nurseries	19	0	0
Total outstanding loans	8,551	6,201	2,882

Share of Green Loans within TISCO's Large Corporate Sector Loans



Promoting customer satisfaction and recognition

TISCO is committed to providing financial services that meet customer demands and service trends. The strategies and business plans are comprehensively plotted 3 years ahead and reviewed annually to allow for adaptation to changes. In completing the business plans, TISCO takes into account business conditions such as economic conditions; domestic and international politics; internal factors like strengths, weaknesses, opportunities, threats and critical success factors; and priority issues. The Management defines the annual corporate theme based on the relevant factors and draws up a corporate strategy map that matches the organization's vision. The corporate strategic plans focus on the following areas :



- 1) Expand retail collateralized loans under the "Somwang Ngern Sang Dai" brand in all regions nationwide via the group's branches, to offer communities access to financial products.
- 2) Expand retail depositor and wealth management customer base. Offer financial products or services along with financial planning consultation and retirement planning services for upper middle-income working-age people who sit on their savings and investments, considered particularly important as Thailand moves toward an ageing society with more people arriving at retirement age.
- 3) Maintain and expand the customer base through financial services that answer their needs and offer them added value.
- 4) Find business partners who can help expand the customer base and introduce new access to services.
- 5) Forge cross-function collaboration to expand the pool of potential customers; offer products to the customers of other business functions to respond to customer's lifestyle and better serve diversified needs; and expand digital service channels that satisfy target customers' digital lifestyles.

In addition to offering the best products and services, TISCO lays down a solid foundation and is supported by an organizational structure ready to adapt to changes.

Based on the Customer Priority corporate value, TISCO strives to design financial products and services according to diverse customer preferences. The products and services are clearly presented with complete and sufficient information, so that customers can thoroughly understand the information and conditions of the particular products and services and consequently choose the products and services that match their needs. Ethical practices are taken into account in providing financial services while the group respects industry practices, laws and good governance practices including Market Conduct regulation and Investment Code. TISCO also offers e-Service channels as well as a Contact Center ready to provide information and receive complaints, to assist customers and solve their problems. Aside from the product and service offering process, TISCO places great emphasis on customer privacy, information technology security, information accuracy and personal information safeguard to prevent wrongful use of customer information. TISCO also promotes financial education and dispatches important information so that customers at all levels correctly understand the benefits of financial products and choose the products correctly and appropriately. TISCO has adopted the following management approaches :

Customer relationship building policy

TISCO classifies business structure and personnel according to customer groups, namely corporate, retail, wealth and asset management, allowing it to define business strategy and targets specifically for the needs of each group. Skilled personnel are allocated to serve each group and to present financial products and services that meet the different expectations of each group in a comprehensive, appropriate and efficient manner. For the wealth and fund management pillars, TISCO has set its sights to become the top advisory house which provides financial planning consulting services through branch officers, authorized marketing officers along with products/services offering that meet customers' changing needs and lifestyles.



It is also set to educate customers and provide consulting services via a diverse range of channels for customers' accessibility to key information and maximum benefit. The channels include training and seminars, group seminars at bank branches, and the dissemination of financial and investment analyses through customers' e-mails. The analyses are also published on social media and the website.

Great economic uncertainties, both internal and external, coupled with various loan demands for business expansion from corporate clients have forced nearly all financial institutions to place emphasis on corporate banking clients. Amid intensifying competition, TISCO differentiates itself through the offering of "Total Solution" financial services. The business group is manned by experienced and specialized personnel. Collaboration between the strategic planning, analysis, lending and investment banking teams is assured through a flexible organizational structure. These teams work closely with clients so as to understand real needs. They succeed not only in addressing clients' specific demands but also in mutually understanding the clients' objective through joint brainstorming sessions. Thorough understanding allows the bank to offer financial products or services suited to particular circumstances which satisfy clients' needs and provide a quick and flexible solution to corporate clients. The strategy has resulted in trust from "lifetime partners" like PTT Group, BITEC, TPI Polene, VGI Group, Namyong and BCPG, which have continuously sought advice and assistance from TISCO. The Total Solution ensures flexible operations, allowing adjustments to different situations and circumstances. On the table are customized products which are analyzed and designed exclusively for a particular client. TISCO takes pride in the customized products. Its biggest pride to date was the product designed for BCPG Public Company Limited, a solar power company to which TISCO Bank Public Company Limited acted as the financial advisor and a co-underwriter for its initial public offering. Thanks to the well-designed solution, BCPG Public Company Limited won the "Best IPO Award" from the Asset Triple A Country Awards 2016, organized by The Asset, a leading financial magazine in Asia. BCPG also won "Renewable Energy Deal of the Year, Thailand" from the Asset Triple A Asia Infrastructure Awards 2017 for Thailand's largest-ever loan syndication for a renewable energy business. TISCO acted as the financial advisor.

Product development and market communication

In developing financial products or services and new financial service channels, TISCO surveys customer demands and studies market information as well as related risk factors. On top of that, TISCO takes into account the customers' receiving benefits from applying financial products or services as well as the new product or service's impacts on environment, social and governance (ESG). The launch of new products/services/service channels and work process is reviewed by relevant business units and approved in line with the organization's New Business Operating Guideline. This is to ensure the delivered financial products and services, the offering process as well as messages to customers are appropriate, clear, fair, sufficient for their decision-making, not misleading and compliant with laws and regulations. To limit intrusion of customers' privacy, TISCO has a process in place to seek customers' consent prior to sending them marketing messages or offering them any financial products.

In 2018, TISCO devised a system to support marketing officers' presentations of updated information on fund and deposit products, aside from the provision of investment advice that suits each client. The system analyzes investors' investment behavior and their acceptable risks under various circumstances and with appropriate assumptions. Investment plans are then designed for each investor, to ensure he/she receives complete, accurate and sufficient information before making an investment decision.

TISCO is the first and only bank to launch the "Open Architecture" platform where customers can shop for funds and insurance products from several companies in one place. The platform provides customers access to quality mutual funds and life/health insurance products, helping them create and protect wealth. The service addresses the 3 prime goals of wealth management customers-yield, protection and retirement. The service continued in 2018 and TISCO added more funds to the pool to offer more investment choices that can generate better yields and truly meet customer expectations.

To date, a number of quality funds are on offer at "the Fund Stop Service" at all TISCO bank branches nationwide. The funds are curated by 11 participating asset management companies: TISCO Asset Management Company Limited, UOB Asset Management (Thailand), Krung Thai Asset Management, Krungsri Asset Management, Aberdeen Standard Asset Management (Thailand), Manulife Asset Management (Thailand), TMB Asset Management,



SCB Asset Management, Kasikorn Asset Management, MFC Asset Management, and One Asset Management. The platform leverages TISCO's strengths in global wealth advisory services. The diverse mutual funds from 11 asset management companies complement TISCO's service range, efficiently satisfying all risk appetites.

As one of the industry's top research houses, TISCO is also strong on providing investment strategies. The analyses and strategies prepared by the TISCO Economic Strategy Unit (TISCO ESU) as TISCO House View are recognized for their accuracy and reliability. Thanks to analyses and advice that cover all investment dimensions, TISCO ably generates the expected returns for customers in a short period. Aside from recognized stock analyses, TISCO is one of the few houses to present separate wealth management reports. The reports highlight the investment strategies for all types of assets including stocks, debt instruments, gold and mutual funds, to facilitate asset allocation.

With respect to insurance products, the Open Architecture platform serves as a pool for life insurance, health insurance and non-life insurance products. TISCO collaborates with insurers specialized in each segment in developing products that offer appropriate and value-for-money coverage. **Participating insurers are subject to 4 criteria** : (1) Financial stability to guarantee long-term customer protection and brand credibility; (2) Expertise in their respective areas to ensure the products meet customer demands; (3) Continuous training by agents who have a deep understanding of products; and (4) After-sales service team who is ready to serve customers. The open platform allows TISCO to select and develop products with proficient partners that meet customer expectations in terms of coverage and value. Customers are assured that they will win the best available coverage and privileges. TISCO is also backed by a professional after-sales team, ready to advise customers on getting the best and fair benefits to which they are entitled.

Criteria of Participating insurers selection



1. Financial stability



2. Insurance expertise



3. Understanding of products



4. After-sales service

Aside from vehicle and accident insurance products as well as auto-loan protection products which provide principal protection for the bank's car loan customers, TISCO strives to develop products for health and severe illness protection in recognition that exorbitant medical expenses may not be fully covered by customers' employers or the government. "TISCO Pay it Forward" was launched to allow customers with the "TISCO Zero Cancer Plan (ZCP)" policy to pass on benefits to their friends and society. Under the project, which is supported by TISCO's desire to become a health insurance adviser for customers' quality of life and its wish to create opportunities for others, the cancer policy offered a Baht 100 discount for the next buyer. Meanwhile, TISCO Bank Public Company Limited subsequently contributed Baht 100 per policy or a minimum of Baht 1 million to fund the Ramathibodi Foundation's research and treatment development into serious diseases. To reach as many people as possible, TISCO ran the project for a full year. Once it ended on 31 August 2018, TISCO Bank Public Company Limited delivered the contribution worth 1,900,100 Baht to the Ramathibodi Foundation. New health insurance products will be continuously developed in 2019, along with life insurance that allow customers to live healthily in their retirement. TISCO also plans to further support the Ramathibodi Foundation's R&D into serious diseases.



Exclusive Protection from TISCO Wealth



TISCO My Wish Saving (Life Saving Insurance)

- Short term saving for 2 years, 5 years, 7 years*
- Long-term coverage
- Eligible for a tax deduction of up to 100,000 baht
- Cash return during the contract term not subject to tax
- Emergency Medical Evacuation 24 hours

*In compliance with coverage plan



TISCO My Wish Retirement (Retirement Insurance)

- Facilitate your financial planning after retirement
- Receive pension every year
- Guaranteed pension covering 15 years, 20 years*
- Eligible for a tax deduction of up to 300,000 baht according to Revenue Department's regulation
- Emergency Medical Evacuation 24 hours

*In compliance with coverage plan



TISCO My Care Supreme (Health Insurance)

- Covering IPD and OPD expenses (Package)
- Maximum protection per year up to 24 million baht*
- Covering Emergency Accident, Childbirth, Physical Therapy, Stem Cell, Organ Transplantation, Hemodialysis and Alternative Medicine*
- Insurable age from 15 days – 60 years

*In compliance with coverage plan



Zero Cancer Plan (Cancer Insurance)

- Stable premium with renewal up to 70 years
- 100% of insurance received if founded
- Medical expense up to 1,000,000 baht*
- Compensation for repeated cancer diagnosis for 10,000 baht (Full payment)
- Travel compensation for medical treatment 500 baht/time (Up to 10 times)

*In compliance with coverage plan



PA A-Ma (Senior Accident Insurance)

- Covering Life + Medical expense + Compensation for hospitalization
- Long-term up to 100 years old
- Stepped premiums don't increase with age
- No medical checkup and health questions
- No advance payment, just present PA Card
- Covering wheelchair expense
- Postoperative care service up to 7 times



TISCO My Care Smart (Accident Insurance)

- Provide coverage for various demanding with the sum insured of up to 5,000,000 Baht , covering package per year and each time
- Discount of premium greater than 50% if selected to claim the excess from medical welfare*
- No claim refund return up to 10%
- No reject the renewed policy that is claimed
- No medical checkup is required, just medical declaration
- No advance payment required for networked hospitals and clinics

*In compliance with coverage plan

As the top advisory house, TISCO has continuously enhanced its advisory excellence to set new industry standards. Emphasis is placed on selling quality and to equip staff with consultative skills so that they are ready to provide investment advice in all channels. All marketing officers of TISCO Bank Public Company Limited have received single licenses and by the end of 2019 TISCO has set itself the goal of having Certified Financial Planning (CFP) accreditation and Associate Financial Planner Thailand (AFPT) accreditation at all branches nationwide. Tentatively within 2019, the digital banking service via mobile application will be extended to cover mutual funds, which will help expand business and our reach to more retail customers.

TISCO places importance on the provision of information and marketing communication channels. Various channels are available, promising quick access to key information on products and services: Customers can seek such information from marketing officers, branch officers, the Contact Center, social media outlets, TISCO Bank’s website, and TISCO Group’s corporate website. In 2018, TISCO received no complaints on possible violations of marketing communication rules.

Educating Financial Literacy to Customers

TISCO has promoted customers’ financial literacy by educating its customers in regard to important financial knowledge and the benefits of various financial products. Efforts to promote financial literacy have been undertaken for customers at all levels and across all age groups with the aim of ensuring they are all able to make financial plans, understand financial products and make appropriate choices. In 2018, TISCO conducted the following key training sessions.

TISCO Securities Company Limited

Private Client Group

Financial Knowledge via Training				
Topic	Number of Time (s)	Details	Target Groups	Number of Participants (People)
TISCO Monthly Guru Updates 2018	11	Economic updates & overview of stock market and current investment situation	• Retail customers	1,000
Technical Analysis Seminar by ASPEN	4	Teaching technical analyses, led by ASPEN specialists	• Retail customers	400
TISCO Exclusive Talk by SEAFCO Public Company Limited / Chememan Public Company Limited (CMAN)/ Siam Future Development Public Company Limited (SF) / Thai Vegetable Oil Public Company Limited (TVO) / Minor International Public Company Limited (MINT) / Do Day Dream Public Company Limited (DDD)	6	Company overviews, Q&A session for interested investors	• Retail customers	600

TISCO Securities Company Limited

Private Client Group

Financial Knowledge via Training				
Topic	Number of Time (s)	Details	Target Groups	Number of Participants (People)
TISCO, SET identify path to wealth, regional level : Year 4	4	Economic overview updates, investment trends related to stock/ funds and fundamental analyses of stock	• Retail customers	1,000
Annual seminars and Thank-You party for customers of provincial branches	4	Economic overview updates & investment trends related to stock	• Retail customers	240
Special seminar on screening outstanding stocks in late 2018 by Mr. Viwat Techapoonpol	1	Economic overview updates & investment trends related to stocks in the latter half of 2018, at Thonglor branch	• Retail customers	50
Seminar by Thai Value Investors Speaker : Mr. Apichat Poobunjirdkul	1	Teaching fundamental analyses of stock	• Retail customers	120
TISCO Exclusive Dinner Talk By Ajarn Katha	2	Horoscope, feng shui, and investment directions update	• Large customers	80
TISCO Exclusive Dinner Talk 2018	1	Technology Disruption & insights into rising star stocks in business groups	• Large customers	120

Giving Financial Knowledge via Digital Channels					
Topic	Number of Time (s)	Details	Frequency	Target Groups	Number of Participants (People)
Portfolio management based on techniques to find quality stock and various appropriate tools/ by TISCO Securities Company Limited	1	Fundamental analyses for stocks based on tools developed by TISCO Securities Company Limited to respond to the needs of all groups of investors.	1 time	• Retail customers	50
Daily investment advice by TISCO Guru Technical	69	Economic updates & current overview of stock market and investments	5-6 per month	• Retail customers	70,000
TISCO Monthly Guru Updates 2018	12	Monthly economic updates & overview of stock market and investments	1 per month	• Retail customers	4,000

TISCO Asset Management Company Limited
Mutual Funds & Private Funds Business

Financial Knowledge via Training				
Topic	Number of Time (s)	Details	Target Groups	Number of Participants (People)
Manager Talk seminar	7	Economic updates, global stock/ investment assets overviews, recommendations on interesting funds, and advice on funds in which customers have now invested; experts from Economic Strategy Unit, TISCO Financial Group Public Company Limited invited to provide knowledge and briefing on the global economy.	<ul style="list-style-type: none"> • Private banking customers • Customers interested in fund investments 	300
Manager Talk On Tour seminar	4	Economic updates, global stock/ investment assets overviews, recommendations on interesting funds, and advice on funds in which customers have now invested.	<ul style="list-style-type: none"> • Private banking customers • Customers in provincial branches who are interested in investing in funds 	240
Invest now seminar, held in collaboration with TISCO Securities Company Limited	4	Economic updates, global stock/ investment assets overviews, and recommendations on interesting funds in that situations	<ul style="list-style-type: none"> • Private banking customers • Customers in provinces with potential and interest in fund investments 	900
Seminar held in collaboration with Prudential Life Assurance (Thailand) Public Company Limited	1	Recommendations on interesting funds in that situations	<ul style="list-style-type: none"> • Customers who are interested in unit-linked life insurance 	30

TISCO Asset Management Company Limited
 Provident Fund Business

Financial Knowledge via Training				
Topic	Number of Time (s)	Details	Target Groups	Number of Participants (People)
Seminar on "Habits that raise risk of coronary disease"	1	Healthcare tips for coronary disease prevention, related risk factors, symptoms that require medical attention, healing, medical treatment cost and risk prevention.	• Members of all ages/ gender groups	80
"TDEM Wealth Expo" - Investing in good stock based on Value Investing (VI) approach"	1	Value Investing (VI) basics for people who are interested in this investment approach but don't know how to get started, with Mr. Atip Keeratipish from Stock2Morrow as speaker.	• Members of all ages/ gender groups	80
"Happy Money, Happy Retirement" seminar	1	Financial planning, retirement planning and provident fund	• Members of all ages/ gender groups	100
Investments based on Employee's Choice approach for retirement planning	114	Importance of savings and retirement planning, and how to make appropriate investments based on one's risk tolerance level and desirable rate of returns purposed for savings for life after retirement	• Members of all ages/ gender groups	6,021
Smart Saving, Smart Spending	1	Debt management & awareness of financial threats	• Members of all ages/ gender groups	70
Happy Retirement	1	Planning & investments for life after retirement	• Members of all ages/ gender groups	50
Tax & Investments	1	Tax Management with LTF, RMF	• Members of all ages/ gender groups	40
Seminar on "Financial Planning for Salaried People"	7	Financial-planning techniques, importance of savings, how to select appropriate investment products to achieve one's retirement goals, and additional information for members of provident funds	• Members of all ages/ gender groups	300
Seminar on "Savings Will Change Your Life"	1	Investment knowledge	• Members of all ages/ gender groups	50

TISCO Asset Management Company Limited
Provident Fund Business

Financial Knowledge via Training				
Topic	Number of Time (s)	Details	Target Groups	Number of Participants (People)
Seminar on "Bright Financial Planning in the Style of the New Generation"	2	Income - expense management techniques & investments for growing savings and better-returns opportunities in pursuit of life goals and life after retirement	<ul style="list-style-type: none"> New-generation people (aged under 35) 	200
Seminar on "Value Investing Basics for Stock"	1	Content designed for people interested in Value Investing (VI) but clueless about how to start due to the lack of knowledge or solid understanding of VI approach	<ul style="list-style-type: none"> New-generation people (aged under 35) 	93
Seminar on "What will we get from social security fund during retirement?"	1	Social-security benefits for retirees with practical advice for employees/ fund members / Ajarn Pranee Suksri, director of academic-information distribution, the Office of the Administrative Court, as speaker	<ul style="list-style-type: none"> Human-resources officers Employers' representatives and fund members Fund committee 	148
Seminar on "Good & Happy Life 55+" Season 4: Colorful Life, Happy Every Day Till Retirement	1	<ul style="list-style-type: none"> Investing with retirement benefits : provident fund, mutual fund, and insurance Taking care of your emotional health during your retirement by Manarom Hospital's psychiatrists "What will you get from social-security fund on your retirement?" by Ajarn Pranee Suksri, director of academic-information distribution, the Office of the Administrative Court 	<ul style="list-style-type: none"> People who are going to retire in the next two years (2018-2019) 	120
Talk on "Financial Management after Retirement"	1	Where will your money come from in your retirement? And how to manage it?	<ul style="list-style-type: none"> People who are going to retire in the next five years (2018-2023) 	40
Seminar on "Financial Management after Retirement"	1	Financial-management techniques & tips for happiness once retired	<ul style="list-style-type: none"> People who are going to retire in the next five years (2018-2023) 	43
Seminar on "fund tax and investments for retirement"	4	Tax knowledge for fund members and appropriate investment choices	<ul style="list-style-type: none"> People who are approaching retirement 	100

TISCO Asset Management Company Limited
Provident Fund Business

Giving Financial Knowledge via Digital Channels					
Topic	Number of Time (s)	Details	Frequency	Target Groups	Number of participants (People)
"Lottery Index" Savings	1	Fun Saving Techniques based on calculation against returns from government-lottery purchases	1 per week	<ul style="list-style-type: none"> General customers Provident fund members Salaried people 	<ul style="list-style-type: none"> 10,000 LINE users 30,000 Facebook users
Things fund members must know	1	Things one must know before, during and after being provident fund members			
Tax privileges from PVD	1	What tax privileges do provident fund members receive?			
Savings for Smart Retirement	1	Buying with discounts, and allocating discounted amount as savings			
Regular Income for Retirees!!	1	How to constantly save your money			
Open the Treasure Trove: Retirement Annuity for Retirement Treasure	1	Retirement Annuity			
Poverty is Scary. But Scarier is Being "Poor" when "Old".	1	Make Preparations for Life after Retirement			
Cycle of Salaried People	1	Working 30 Years to Spend over the Age of 60			
Which type of risk manager are you?	1	Types of risk management in living			
Life Insurance : Choose the Right One to be Worry-Free	1	How to select life-insurance products from the plethora of choices available			
Power of Accumulated Interests, Savings to Become Millionaire	1	Comparison on savings amounts at retirement when saving starts at different times.			
New Investors : "Go DCA to Get Rich without Anxiety"	1	Knowledge of Dollar Cost Average			
Turbo Savings via Provident Fund (PVD) Ep. 1 and 2	2	PVD-Based savings tips to meet your goals quickly			
Install Your Life Navigator by Setting Your Goals Ep.1 & Ep.2	2	Setting your life goals for retirement plans			

TISCO Asset Management Company Limited
Provident Fund Business

Giving Financial Knowledge via Digital Channels					
Topic	Number of Time (s)	Details	Frequency	Target Groups	Number of participants (People)
Turn your favorite coffee into millions of baht	1	Saving money by not buying coffee or reducing coffee purchases	1 per week	<ul style="list-style-type: none"> General customers Provident fund members Salaried people 	<ul style="list-style-type: none"> 10,000 LINE users 30,000 Facebook users
Everyone has to pay bills and all...	1	Despite the many expenses we have, we can enjoy a good life even in retirement if we prioritize savings and investments.			
Does everyone have enough cash?	1	Preparations for adequate reserve fund			
True love won't crumble under the weight of debts Ep.1 and Ep.2	2	Debt Management			
Why cost of living skyrockets and everything becomes expensive?	1	What should we do if we know product prices will keep rising?			
There is no need to wait for gifts from anyone	1	Savings tips for your goals, such as the goal to make an overseas trip			
No worry when it is time to leave your beloved behind	1	How much should you prepare to guarantee that your beloved will be able to live the life he/she wants?			
Saving 1 baht Every Day for Charity	1	Savings for society			
Tips for Early Retirement	1	Tips to accumulate retirement savings quickly			
How do banks check your credit rating?	1	Basic criteria banks use in reviewing loan applicants' credit record			
How to transfer money safely online in the 4.0 era?	1	Safe ways for money transfers			
Rent or Buy that is suitable for us?	1	Methods for deciding on whether to rent or buy a house			
Which type of investments offer the highest returns?	1	Statistics of different returns from each type of asset in the long run			
How to prevent data theft amid changing technologies?	1	Prevention of electronic-data thefts			

TISCO Asset Management Company Limited
Provident Fund Business

Giving Financial Knowledge via Digital Channels					
Topic	Number of Time (s)	Details	Frequency	Target Groups	Number of participants (People)
“Life is full of uncertainties”: It’s best to boost preparedness to deal with the unexpected	1	Managing risks with insurance that covers accidents	1 per week	<ul style="list-style-type: none"> • General customers • Provident fund members • Salaried people 	<ul style="list-style-type: none"> • 10,000 LINE users • 30,000 Facebook users
“Retirement Savings” - Something You Must Have	1	Calculating the amount of money you will need on retiring from work			
Living a life of luxury when social- media posts can trigger big credit-card debts	1	How to manage credit card spending			
Life is about water bills, electricity bills, food bills...So, what do you have in life now?	1	Short film from "Solving problems before you get old" short film contest : https://goo.gl/VGdLG4			
Big Debts & Being Poor	1	How to get rid of debts			
When Prasert dies, who will get his provident fund (PVD) benefits?	1	How a provident fund pays beneficiaries in the event of members’ deaths			
Noting your income and expenses & Keeping records of them to prevent money from going missing	1	Benefits of recording income/ expenses with the help of an application			
How can salaried people keep the passion of “saving”?	1	Benefits of saving money via Provident Fund (PVD)			
“Double Benefits” from “RMF”	1	Tax privileges, conditions, and cautions about “RMF”			
“Reducing Income Tax Amount at Last Minute with LTF”	1	Tax privileges, conditions, and cautions about “LTF”			
Recognizing Threats...to Avoid Becoming Victims	1	Being aware of financial threats for safe retirement savings			
Worry-Free Travelling with Travel Insurance	1	Tips on how to select travel insurance from the plethora of choices available, each with different coverage			
How best to use your “bonus”?	1	Planning how to spend your bonus			

Customer Service Development at Contact Center

One of TISCO Group's corporate strategies is to increase customer satisfaction by improving all areas of its services, including contact center services. TISCO Contact Center is committed to constantly increasing its efficiency and maximizing customer satisfaction. In 2018, TISCO Group's Contact Center implemented its plan to deliver convenient and faster services to customers in responding customers' needs. The plan covered two areas as follows:

1) Improving Customer Service Delivery System : As customer behaviors and how they use a service are changing, with a growing preference for self-service, non-voice channels over voice service ones, TISCO Group came up with a plan to develop chatbots and Line Connect so as to decrease customers' wait times and abandon rates, as well as shorten call queues for customers waiting to receive services from contact center agents. The ultimate goal was to deliver faster services to customers.

- **Chatbot Systems :** The systems have been developed in line with the plan to increase the Contact Center's scope of services. Relying on simulated conversations between customers and staff, chatbot development aims to prepare automatic text messages to provide information or answer inquiries received in real-time. Two chatbot systems have been developed under the plan: Rule-Based Chatbot and Artificial Chatbot (AI Chatbot).

Rule Based Chatbot respond to customers' text conversations and inquiries by detecting preprogrammed keywords from the text conversations. If the conversations contain the keywords, the chatbot will reply with programmed messages or with links that contain the information requested.

Artificial Chatbot (AI Chatbot) are based on Rule-Based Chatbot. Integrating artificial intelligence and machine-learning technologies, AI Chatbot can learn from varied chat conversations distorted from the pre-programmed keywords and able to interact with customers even when the chat conversations do not contain pre-programmed keywords. They can therefore provide more comprehensive information services for our customers. Under the plan schedule, the Contact Center will launch chatbot on multiple platforms such as Facebook Messenger, LINE Official Account and other applications in the future within the scope approved. The goal is to increase the efficiency of the Contact Center and allow it to give information to customers or answer their questions with higher accuracy and at a faster speed.

- **LINE Connect Systems :** Data shows nearly half of the Thai population or more than 30 million people use the Line application and use it, on average 70 minutes each day. With these statistics in mind, TISCO Contact Center plans to develop the Line Connect system as an additional channel for efficiently providing information to customers. Under the plan, the Line Connect system will be used not just as a marketing communication tool to constantly update customers about product information and promotions, but also as a channel for customers to access their own information and the service they want. Line Connect, for example, will be able to display installment amount, show installment payment information, and handle requests for related documents. Customers will be able to get payment receipts and request other documents via LINE Connect tracking services.

LINE Connect development has integrated AI Chatbot so as to generate automatic replies to frequently asked questions, providing customers with the answers they have requested in no time.

2) Development of Contact Center's Staff : The Contact Center has also implemented a plan to constantly improve the service quality of the Contact Center's staff with the aim of ensuring that the services meet the standards expected and respond well to customers' needs. The plan covers:

- **Regular training** to upgrade staff knowledge particularly in relation to TISCO Group's financial products and services as well as applications serviced by TISCO Group.
- **Changing the service-delivery format**, with staff shifting their role as “answerers” to “service consultants”. This includes training staff to use easy-to-understand language so that they can effectively explain to customers how to use TISCO applications.
- **Regular performance evaluations** using clear key performance indicators (KPIs) and feedback. These KPIs include :
 - **Quality Scores** : Quality is assessed through random checks of customer calls by Quality Assurance staff. Contact Center's staff must show understanding of products and work process, possess problem analyzing skills and be able to spot areas for improvement.
 - **Customer Satisfaction** : Customer satisfaction is measured by satisfaction scores. Customers rate each call using Interactive Voice Response (IVR). Customers can rate the call before they hang up the phone or through call IVR.

From 2019, TISCO's Contact Center has increased the frequency of customer satisfaction checks from 15 percent to 25 percent of all calls to acquire more accurate information that truly reflects quality of service.

- **Abandon rate** : This indicator is calculated from the percentages of customers who abandon the calls (abandon rates).
- **Complaint Rate** look at complaints related to execution errors of staff.
- **Providing feedback for service improvement** includes providing advice for staff based on their customer satisfaction scores ranging from 5 for most satisfactory to 1 score for least satisfactory. The calls that are rated 1 by the customers will be inspected by the Quality Assurance staff for mistakes. The Contact Center's staff involved will be given feedback and advice on how to improve the quality of services.

In 2018, the average service score was 4.77. This can be interpreted as 95.5 percent of customers who called were satisfied with the Contact Center's services. The figures were consistent with the average quality service score for the Contact Center's staff, which stood at 93.15 percent. Through the investigation of calls that were rated 1 or least satisfactory, the inspections showed some of the callers might have pressed 1 by mistake or in the incorrect belief that 1 represented the most satisfactory level. This assumption was made after TISCO looked into these calls and found that there was nothing wrong or any room for improvement.

The performance and service quality assessment are analyzed and used to plan service improvement such as by providing training or coaching to improve the service quality.

Complaint-Receiving and Handling Process

Aside from proactive actions for Contact Center service development, TISCO Group also pays serious attention to complaint management. TISCO Group has improved the efficiency of its complaint management on a continued basis, with channels created for customers to lodge complaints, staff assigned to consider and resolve the complaints, and clear process on how to follow up on the complaints. Customers are informed of the actions taken in response to their complaints within time frame specified in the service level agreement (SLA). All complaints are analyzed to identify causes of problems and develop guidelines to improve the service quality. The outcomes are summarized and reported to relevant executives and sub-committees to consider and make suitable adjustments to improve the efficiency of the procedure. In 2018, TISCO Group introduced a plan to improve the process and system of receiving and handling complaints as well as of compiling complaint reports. The plan will be completed by the second quarter of 2019.

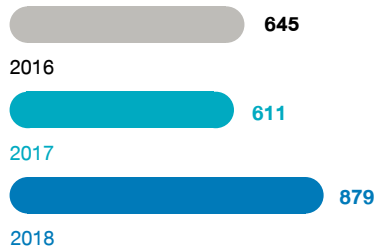
Feedback & Complaint Channels

Channel 1	Make a complaint at the Head Office or any branch by informing the staff about the complaint in person or submitting a complaint form
Channel 2	Submit a complaint letter to Compliance Office TISCO Financial Group Public Company Limited 48/49 TISCO Tower, 21 st Floor, North Sathorn Road, Silom, Bang Rak District, Bangkok 10500
Channel 3	Contact our contact center via telephone or fax Tel: 0 2633 6000 Fax: 0 2633 6800 E-mail: webmaster@tisco.co.th
Channel 4	File a complaint at TISCO Bank's website www.tisco.co.th

TISCO has set its service-level agreement (SLA) on the time frame for receiving and handling customer complaints regarding financial services as follows :

Receiving and handling of complaints	Time frame of Action
1) Complaint acknowledgement <ul style="list-style-type: none"> Complaints received via Contact Center Tel : 0 2633 6000 Complaints made directly to staff at the Head Office or at TISCO Bank branches Complaints submitted on our website: www.tisco.co.th Complaints submitted via e-mail to webmaster@tisco.co.th Complaint letters delivered by postal services 	Immediately Immediately 1 business day 1 business day 7 business days
2) Providing information of outcomes and progress on resolving issues for all channels <ul style="list-style-type: none"> TISCO resolves the issues of concern or informs the customers about the progress and estimated time required to handle the issue should it not have already been resolved. 	15 business days

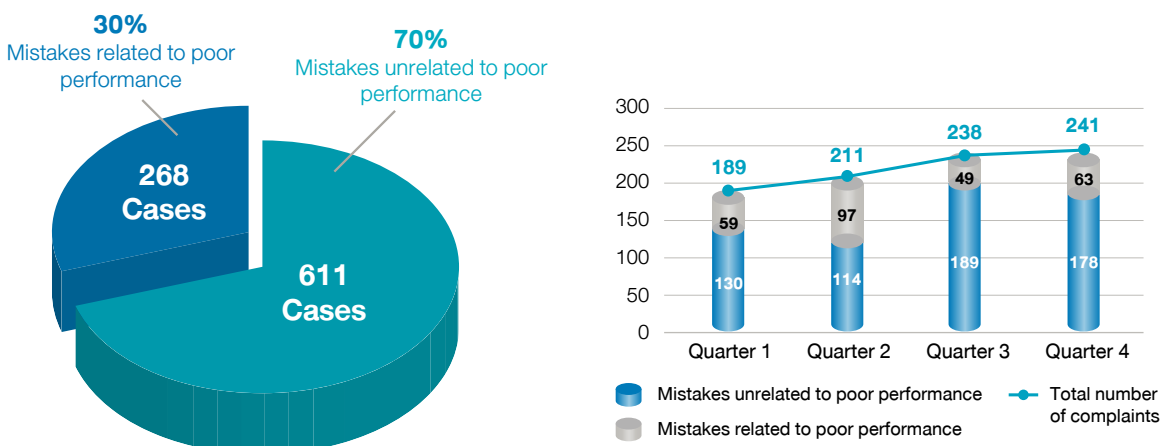
Number of Complaints received



In 2018, the Contact Center received 879 complaints in total, up by 44 percent or 268 complaints on the previous year. The increase was due partly to changes in customer behavior and higher expectations of services. In addition, in the fourth quarter of 2017, TISCO Group acquired the retail banking business of Standard Chartered Bank Public Company Limited. On top of that, during the year 2018, TISCO also transferred personal loan portfolios and credit card business to Citibank N.A.(Bangkok Branch), which resulted in a significant increase in complaints about information, customer services, and document delivery.

After examining these 879 complaints received through contact center, TISCO found 268 complaints or 30 percent related to execution error of staff.

Customer complaints overview in Year 2018



TISCO Group resolved 868 complaints within the time period specified in the SLA. However, there were a total of 11 complaints, all filed in the first and second quarters, that took more time to resolve than the period stated in the SLA. All these complaints have already been settled and their outcomes reported to the customers. In the third and fourth quarters of the year, all complaints were handled within the time limit specified in the SLA.

In order to enhance the quality of our services, TISCO has analyzed all the complaints to find the root cause of the issues, especially where these are the result of mistakes by staff. The analysis may be useful to efforts to improve work process, work system, and training programs to make the staff understand more about the products and services. It is also used in employee performance evaluation. The goal is aimed to encourage staff to be mindful of previous mistakes to reduce the incurred repeated complaints or errors. Complaints received during the past year were also analyzed and used to enhance services. An analysis of complaints received in 2018 shows that the majority of the complaints are grievances related to information and customer services such as failure to provide adequate information. Taking note of the complaints or feedback from customers, TISCO not only takes action with the staff involved but also closely examine issues to determine if they are related to any specific product or service. Results of the analyses allow us to design specific training to make our staff understand more about that service and product. TISCO has used the results to plan training to promote better understanding of the particular service or product. Also, if the analysis shows a large number of same or similar complaints, some control measures such as random checks and close supervision of outsourcing services may be introduced to closely oversee specific external service providers. Complaints those caused from execution error are handled individually and may be resulted to the appropriate process improvement.

Risk Management

Under the situation of business and financial diversity, TISCO Group places the greatest importance on the management of enterprise risks. We take into consideration the balance between the desire to expand business and the appropriate returns on the risks involved. Standard tools are developed for the management of risks using internal models that are in line with business practice principles and relevant regulations. TISCO Group allocates existing capital funds effectively for business expansion, with the main goal of increasing value for the shareholders while also taking account of level of risk. In addition, since 2009, TISCO Bank Public Company Limited has improved its risk management system to meet the requirements of Regulations on Capital Supervision in accordance with the Basel II - Internal Ratings Based Approach (IRB) standard. The Bank has also complied with the Basel III standard since January 2013 onwards.

TISCO Group sets the objectives, structure and enterprise risk management policy in a clear and suitable manner and appropriate improvements are made regularly and whenever needed. In the past year, TISCO Group has conducted a study on how to improve the Risk Governance Framework, as part of the improvement of enterprise risk management policy and the company's risk governance structure. The goal is to upgrade the balance mechanism to ensure there is sufficient control, supervision and examination, as well as create a Risk Culture within the organization. This is in line with the regulations of the Bank of Thailand on good governance by financial institutions. We are in the process of establishing a Risk Oversight Committee to deal with risk management under the good governance framework, and also to cover additional important risks. Moreover, there needs to be improvement in the risk management policy in order to cover the environmental, social and corporate governance (ESG) risks as well as emerging risks to cope with the rapid social and environmental changes of today.

All the risk management activities have the main goal of building awareness about risks, responsibility for the risks, the ability to manage risks throughout the organization, and maintaining the good governance standard. This also covers emerging risks that will come into existence in the future. These are taken into consideration when setting the strategies and action plans for business operations. Moreover, we are well aware of our role in supporting the process of creating good values for society. For instance, TISCO Asset Management Company Limited took part in the recognition of good governance principles for investment for institutional investors, or I-Code. The principles were announced by the Securities and Exchange Commission (SEC) as the standard for institutional investors, with the goal of encouraging them to invest responsibly. The principles call for institutional investors to take into consideration the importance of the environment, society and corporate governance. Moreover, TISCO Asset Management Co., Ltd. adopted the anti-corruption practice in its business operations. The certification of members and/or the declaration of members in the Private Sector Collective Action against Corruption, or CAC has become a factor in the consideration for investment.

Efficient allocation of resources based on an acceptable level of risks when compared to the best returns has contributed to TISCO Group's success and competitiveness. TISCO Group aims to bring about maximum returns while taking into consideration the risks to shareholders in the long term.

Structure and process of risk management

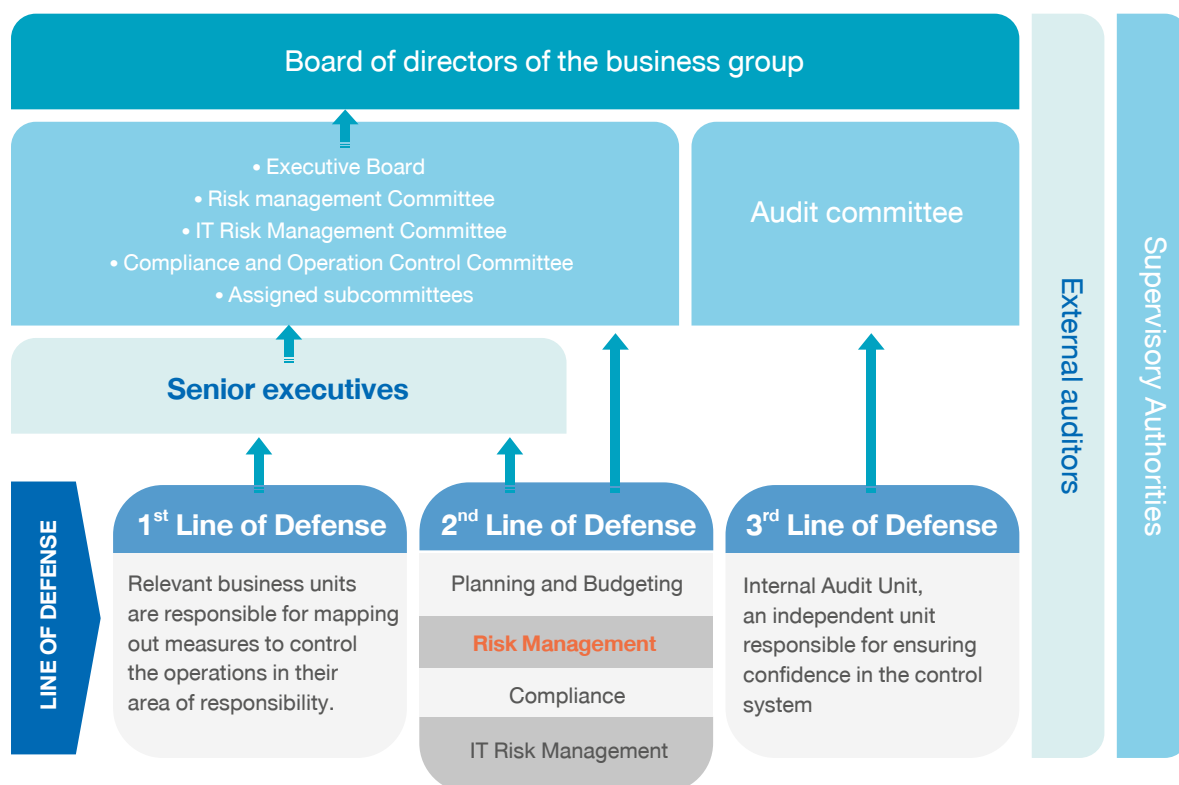


To comply with the policy and goals of enterprise risk management as a whole, the Boards of Directors of TISCO Financial Group Public Company Limited and of TISCO Bank Public Company Limited assume responsibility for supervising risks and the internal control system for the entire TISCO Group. The executive boards have been appointed by the Board of Directors to take care of issues related to strategic risks, overall corporate risks and transactional risks of each risk category. Senior executives and each business working group have the duty of managing risks in relation to strategies for the entire organization and for individual lines of business. They are supported by the Planning and Budgeting Function.

The Risk Oversight Committee consists of specialists with expertise in risks relating to financial institutions. Their duties are to consider and set the policy framework and risk management strategy for TISCO Group in a complete and inclusive way. We are now in the process of establishing the committee, and it is expected that this will be completed in 2019. There will be a Risk Management Committee responsible for carrying out the management under the set policies, which will be supported by the Enterprise Risk Management Function, Risk and Business Analytics Function, and Operational Risk Management Unit. As for the supervision of transactional risks, responsibility will fall to the specific committee and authorized personnel. These include the Credit Committee, Problem Loan Committee, and Compliance and Operation Control Committee. The supporting functions include Credit Control Function, Compliance Function, Risk Management Function and Legal Office Function.

In 2018, TISCO set up the IT Risk Management Committee and IT Risk Management Function to oversee the use of technology and ensure that it is in line with the strategies, nature of business, volume of financial transactions and complexity of the technologies, as well as the risks involved. These are considered part of enterprise risk management as a whole. They are compatible with the regulations set by the Bank of Thailand with the goal of ensuring good governance among financial institutions, maintaining security and management of risks regarding information technology in an appropriate manner.

TISCO Group's enterprise risk management enables efficient control and supervision of risk management in its entirety. This leads to sustainable value for stakeholders, customers and society in accordance with business objectives. The enterprise risk management is connected to the implementation of strategic plans with regard to the preventive and control measures in the three lines of defense. These form the main structure of risk management. In addition the risk management system is constantly being developed to ensure financial sustainability.



In managing risks, TISCO Group specifies five major areas of risk factors. These are: 1) strategic risks; 2) credit risks; 3) marketing risks; 4) liquidity risks; and 5) operational risks. Under the operational risks, information technology risks are separated for particular consideration and management in order to underline the significance of technology in business operations today. Overall, all areas of risks for TISCO Group are manageable, and the organization has a strong capital status for further business expansion in the future. The Group has undergone assessments on various areas of risks under the guidelines of the Bank of Thailand and other relevant supervisory authorities. TISCO Group also has methods for managing and dealing with risks that are appropriate to different kinds of risks.

Each of the businesses is regarded as "Risk Owner" of its respective risks, and has the responsibility to manage the risks within their area of business, in compliance with the policies and guidelines set by the Risk Management Committee and all specific committees. The business operations have also been carried out within the risk limit set by the Risk Management Committee. Any new business launchings are required to be thoroughly made analysis in term of business and all relevant risks prior being approved by Risk Management Committee. Each month, items of significance are reported directly to the Executive Board for their acknowledgment. The entire risk management system is checked by the Audit Committee,

which reports directly to the Company's Board of Directors, to ensure increased efficiency for enterprise risk management as a whole.

Promoting the corporate culture of risk management

In addition to the structure and efficient risk management process, TISCO Group also places importance on the promotion of the corporate culture of risk management among the directors, executives and employees at all levels and achieves this through corporate communications, training and inclusion of risk management in corporate values.

Communications

There are many channels of communications, including websites and posters to disseminate policies and rules regarding risk management. There is also a channel of communication between the executives, employees and the business units responsible for risk management to ensure that all those involved are well informed about the situation and the suitable responsive measures in case of an emergency.

Training

- **The Board of directors** receives training through external courses and seminars, with a focus on corporate governance, overall risk management and prevention of fraud, among others.
- **Senior executives** are provided with knowledge about new or amended rules and newly improved guidelines on risk management through meetings with subcommittees, such as Risk Management Committee, Compliance and Operation Control Committee and Technology and Infrastructure Committee etc..
- **Employees** receive various training courses through the Learning Management System (LMS) and seminars on such matters as relevant regulations and laws, operational risk management and prevention of fraud. A total of 4,785 employees participated in such training courses in 2018.

Construction of corporate values on risk management

TISCO Group's guidelines on risk management call for all responsible units to manage and deal with the risks within their own units. They are encouraged to build the values of assuming common responsibility in managing the risks faced by the organization. The Risk Management Function has the duty to oversee and supervise the management of risks in different areas in order to ensure that overall the organization has appropriate measures on risk management in line with the policies set by the organization. Moreover, With an aim to build awareness and encourage participation in risk management among employees, TISCO Group incorporates the ability to manage and deal with risks with the Key Performance Indicators (KPIs) used in the evaluation of employee performance. This is particularly true for the units involved with customer services. For example, there is a requirement for consideration of the quality of credit and provision of fair service as a KPI in the evaluation of employees working in Retail Loan business. And there is a requirement for consideration to be taken of the number of execution errors that occur while carrying out work or providing service to customers as part of the KPIs when considering remunerations for employees in the securities businesses. Also, in order to build good values in implementing tasks and participating in risk management within the units, TISCO Group rewards outstanding employees every month, with the focus on those who pay attention to quality and are careful in preventing mistakes. The goal is to create awareness and encourage enthusiasm among the employees. The award winners can serve as good role models for their colleagues within the organization.

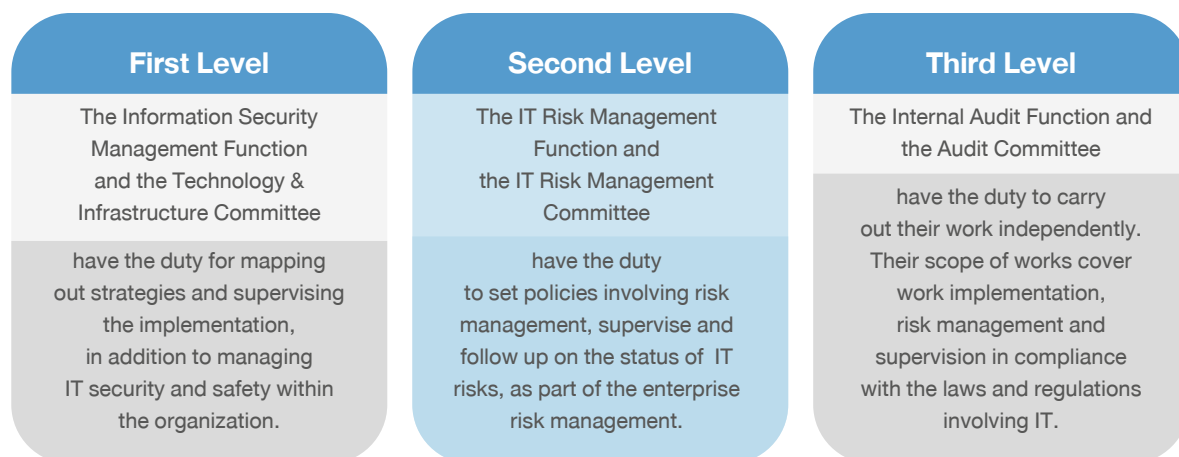
Protection of customers' personal information and prevention of cyber crimes

Information technology is today an essential infrastructure for organizations to undertake their work, develop products and provide their service channels. In order to improve efficiency and respond to customer demands in a complete and faster way, an appropriate process of managing risks involving information technology and cyber threats is required. This is to ensure services can be delivered in a safe and confident manner.

TISCO places great importance on maintaining information security. We have a centralized policy regarding IT for enterprise wide adoption. Controls are in place in access to data and data migration and careful checks are made at every step. The goal is to manage the data and the IT system in a safe manner, and to ensure the continuity of business operations. Moreover, we have modern measures to prevent cyber-attacks that are in line with international standards. These measures are adjusted as and when needed to comply with the strategy and business operations. The goal is to prevent customers' personal information from being leaked or misused by unauthorized individuals.

Structure of information technology management

TISCO sets the structure of the information technology management in a way that suits the supervision and management of risks. The structure is in line with the principle of responsibility, which can be divided into three lines of defense:



TISCO also collaborates with other financial institutions, outside agencies and experts both inside and outside the country. We exchange with them technical information regarding cyber-threats. And we also improve the skills of our personnel through the Thailand Computer Emergency Response Team : ThaiCERT for Banking Sector and Capital Market Sector. The goal is to improve the ability to prevent and respond to cyber-threats in an efficient manner.

Important Information Technology Policies

TISCO sets policies, guidelines, standards and procedures regarding information technology and the safety and security of data and the applications. Among them are:

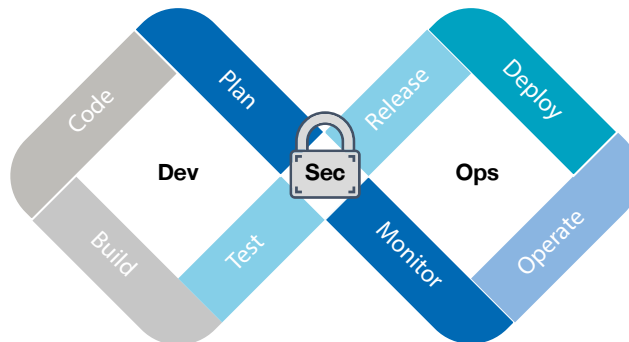
- Information Security Policy
- IT Acceptable Use Policy
- Data Classification Guidelines
- BCP Cyber-Attack Guidelines
- Risk Management Policy and Guidelines

Construction of cyber-security for the IT system

TISCO designs and develops its technology platform on the concept of “Modern, Secure & Resilient” in order to achieve an IT system that is modern, secure and highly stable. The main processes of implementation are given below.

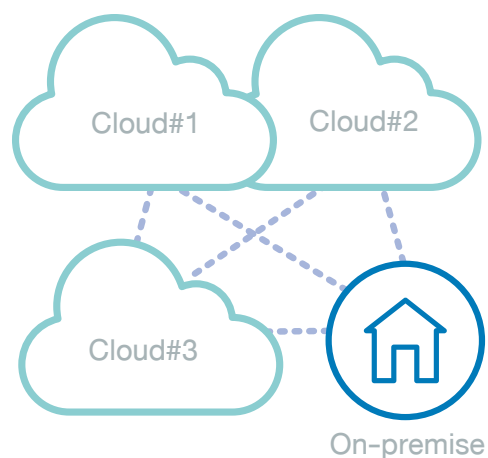
1) Preventive measures

- Installing an IT security management system for the Bank of Thailand Automated High-value Transfer Network (BAHTNET) and Imaged Cheque Clearing and Archive System (ICAS), under the standard of ISO/IEC 27001 Information Security Management System
- Developing Security Policies and Guidelines for implementation adapted to modern technology and which comply with internationally acceptable good practices
- Setting layered security measures that cover the entire network, servers, applications and devices
- Encompassing security at every stage of system development and implementation of IT, under the DevSecOps Philosophy for Agile & Secure results



2) Detective measures

- Tracking cyber-threats and issuing warnings about security vulnerabilities regularly, in order to enhance preventive measures and ensure that timely improvements can be made
- Technologies for Cloud Computing, Artificial Intelligence & Machine Learning, and Automation are adopted to help expand capacity in detecting any suspicious incidents and cyber-attacks

3) Responsive measures

- Using a cloud-computing IT structure with Multi-Site/Multi-Region (Singapore & Tokyo) capability. This type of structure is highly flexible and automatically scalable. It can also be adjusted quickly in case of emergency.
- Preparing to deal with emergencies in terms of contingency plans and necessary tools

In addition, TISCO continuously builds awareness and improves the skills of those implementer through the Continuous Security Education & Awareness Program. This is designed to help employees at all levels have the necessary knowledge and understanding, which enables them to be vigilant for cyber-threats that affect the organization and themselves. The key measures are:

- Organizing training for the board of directors, senior executives and function heads so that they are aware of the trends in cyber-threats, particularly those involving the financial sector.
- Building knowledge and awareness regarding cyber-threats, as well as regularly distributing information about policies, guidelines, steps of implementation and threats to IT security through training courses conducted by experts, e-learning system, e-mails and posters, among others.
- Holding annual exercises in preparation for possible cyber-attacks (Cyber Drill) to help the IT and business personnel prepare to cope with cases of emergency.

TISCO also places importance on cyber-threats that target users. We therefore communicate with our customers through different channels, such as the Bank's website and social media. The goal is to help the customers become aware of the perils so that they can use financial technology safely.

An assessment and examination in 2018 found no complaints involving the safety of customer data, misuse, loss, intervention or falsification of data, nor any unauthorized access to the data.



Business Continuity Management

TISCO Group is a group of businesses that provides financial services to customers. Operation of business without interruptions or impacts on our customer services is considered as being of the utmost importance by TISCO Group. TISCO has set up a working group called the Crisis Management Team to consider measures to deal with possible crisis and manage problem-solving in times of crisis. TISCO has also appointed a Business Continuity Management (BCM) Team to which it has assigned responsibility for assessing the situation, supervision and management to ensure business continuity. The team is required to tackle problems, coordinate with relevant parties both inside and outside of the organization whenever disaster occur until business resume to normal operation. Moreover, the reporting of any information that may impact TISCO Group's business operations shall be escalated to the relevant committees as well as to the Company's board of directors as the case may be.

TISCO developed a Business Continuity Plan (BCP) in order to cope with any incidents that may occur and affect the employees, access to the working premises, and business operation. The Company requires that the units responsible for providing services about financial transactions prepare a BCP that enables them to serve customers without interruption. A further requirement is for a management process that allows recovery of critical systems so that they are ready to be used within a predetermined time frame. TISCO is also aware of possible impacts on the safety of employees, customers, business partners and other relevant individuals and has formulated an Emergency Plan as part of the Business Continuity Plan.

The plan outlines measures in dealing with different forms of emergencies caused by internal and external factors. These include sickness, epidemic and natural disasters such as flooding or earthquake. The main goal is to maintain safety and reduce the risk of any loss that could occur.

TISCO Group organizes regular tests in line with the plan to maintain uninterrupted business operations. The goal is to help the relevant units be well aware of and understand their roles, duties, and responsibilities, as well as what should be done in cases of emergency. In addition to preparing readiness for uninterrupted business operations, TISCO Group is also aware of possible damage that may affect the economy directly or indirectly, due to natural disasters caused by rapid climate change. The Group has an insurance policy covering risks from natural disasters, in order to cushion possible negative impacts to the organization. The insurance policy, which covers various kinds of damage, has a coverage of sum insured about 550 million baht.



In today's world, cyber-threats are contributing to increased risks that may cause damage to the organization's business operations in terms of monetary value and corporate reputation, as well as to other types of impact. In order to build awareness, avoid and reduce the possibility of negative impacts from cyber-threats, we have regularly reinforced the knowledge and understanding of our personnel regarding the different forms of such threats. This is carried out through seminars, announcements in different areas of our premises, as well as information distributed on the corporate websites. In addition, TISCO conducts studies on cyber-crimes, and continuously follows up and evaluates the risks involving information technology and cyberspace. The goal is to improve the quality and efficiency of the methods we manage and deal with the risks. We aim to strengthen security measures and we have plans to handle cyber-threats of different kinds. We also have a plan for appropriate communications both within and outside of the organization. In 2018, TISCO Group held tests on the corporate preparedness for dealing with cyber-threats. The Cyber Drill involves simulation of situations and testing of the preparedness in terms of both technical and business sides. Participants included senior executives, heads of the functions involved, and the units responsible for contacting, taking care of or providing news and information to customers and outsiders through various public media. Also taking part in those tests were IT officials and members of the Incident Response Team who have to tackle cyber-threats. The goal is to enable all the relevant units to be prepared for and aware of the measures to properly handle cyber-threats whenever these should appear.



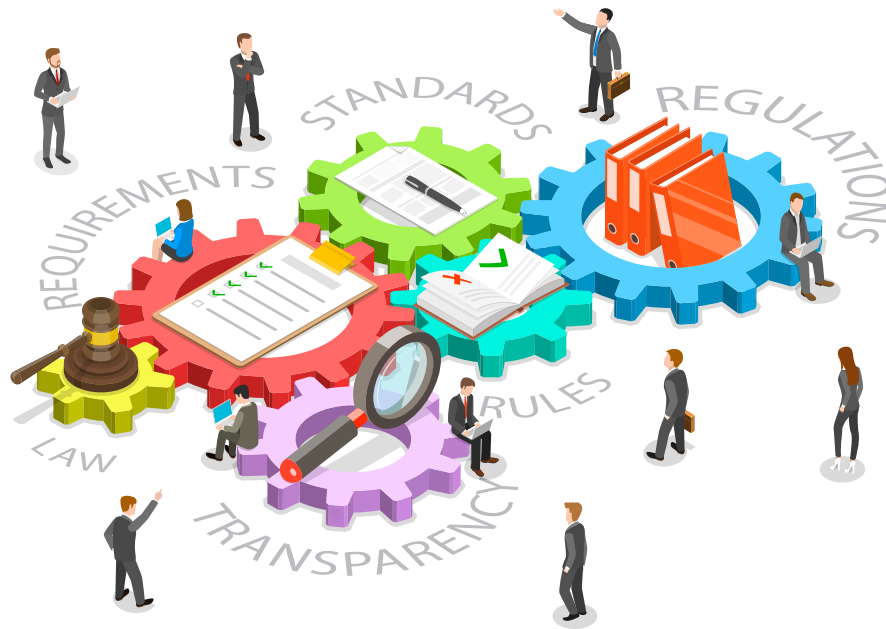
Being a Responsible Financial Institute with Outstanding Governance

Shareholders | Employees | Customers | Business Partner |
Supervisory authorities | Community & Society



- Good Corporate Governance
- Code of Business Ethics, Corporate Governance for Financial Institutions and Market Conduct
- New product and operational process development
- Anti-Corruption
- Environmentally friendly supply chain
- Responsibility towards Employees

Good Corporate Governance



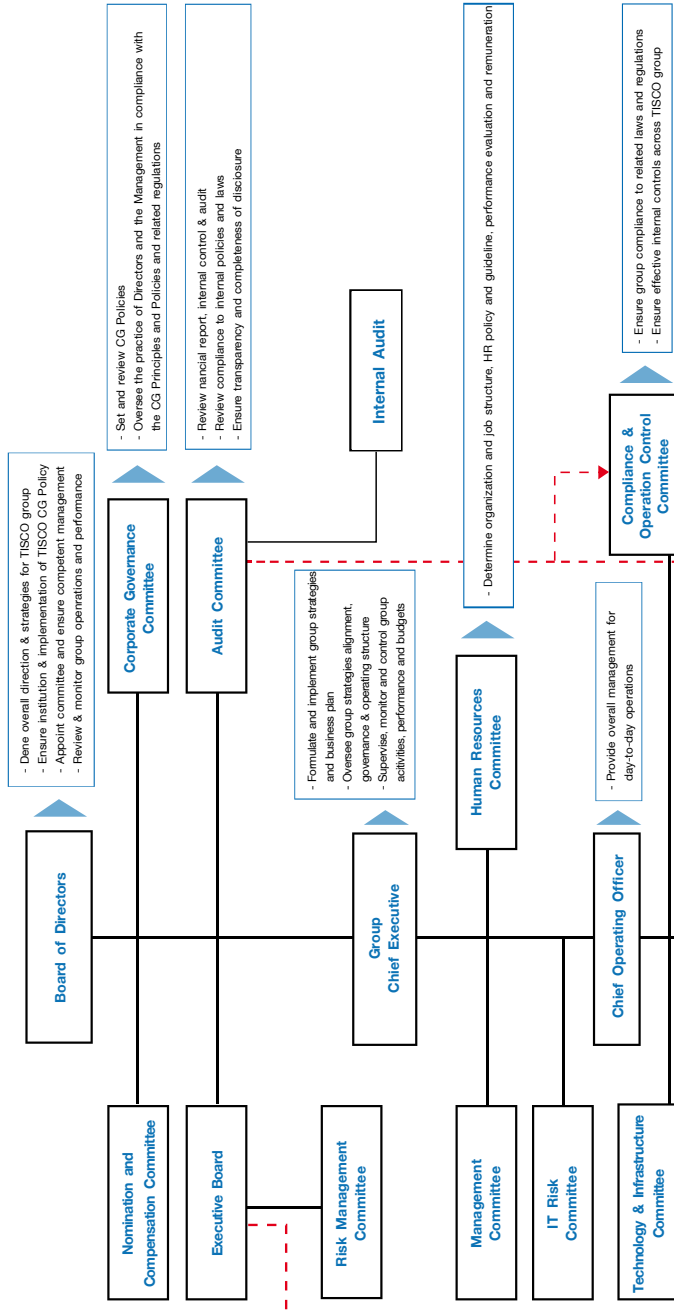
TISCO Group is strongly committed to conducting business that promotes mutual and sustainable growth in both the business sector and society. In the belief that good corporate governance strengthens confidence and reliability among all stakeholders, including shareholders, employees, regulators, business partners, communities and society at large, TISCO conducts its business based on the corporate governance principle, related laws, regulations, rules, business ethics, the corporate governance policy and standard guidelines, market conduct and the anti-corruption policy. The company's Board of Directors plays a significant role and responsibility in ensuring integrity, transparency, fairness, accountability and ethics in our business operations and governance.

In 2018, the Board of Directors approved TISCO Group's Corporate Governance Policy, including the Code of Ethics for Employees and Directors. The Corporate Governance Committee has reviewed the policy thoroughly to ensure that it is in line with the changing corporate governance principles and regulations, namely the Corporate Governance Principle for Listed Companies 2017 issued by the Securities and Exchange Commission, the Corporate Governance Principle for Financial Institutions issued by the Bank of Thailand, and the Code of Ethics for Commercial Banks 2016 issued by Thai Bankers' Association, as well as related laws and local and international corporate governance guidelines.

Governance Structure

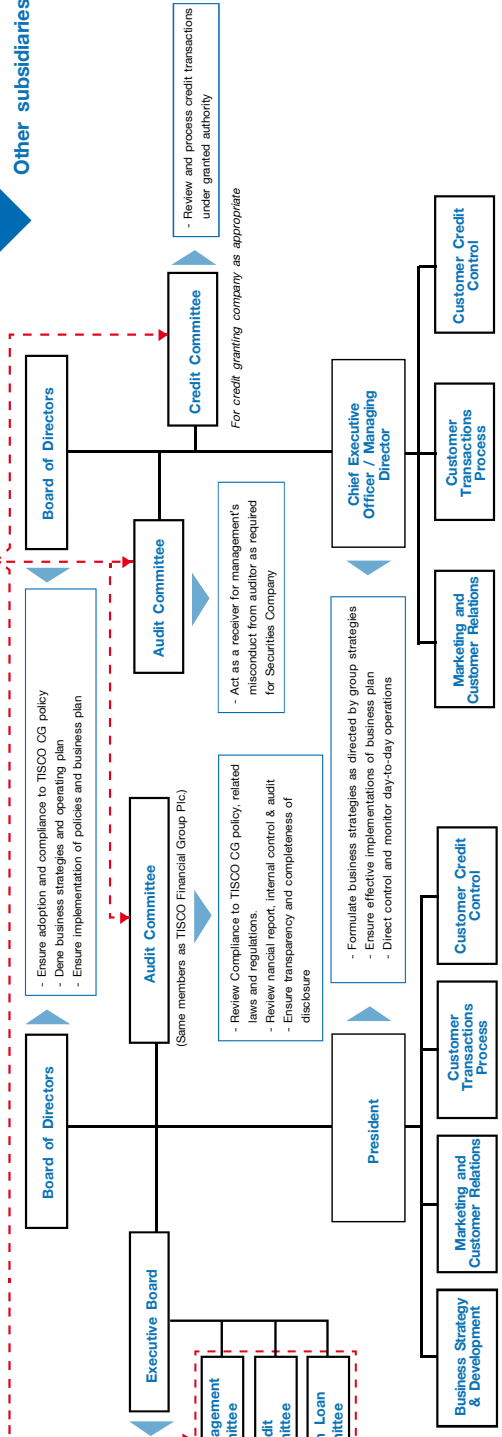
TISCO Financial Group Plc.

- Formulate policy & criteria for nomination of directors and top management
- Nominate candidates for directors, members of committees appointed by Board, and Top management (holding & bank)
- Establish remuneration policy for directors and employees
- Ensure good governance in nomination and compensation practice
- Establish TISCO CG Policy
- Determine group business strategies and business plan
- Oversee, monitor and control group operators
- Appoint board and management of subsidiaries
- Determine group risk management policies and strategies
- Supervise, monitor & control group risk management activities
- Ensure effective RIM systems across group
- Formulate group business strategies, direction and policy
- Ensure group operators align with business plan and CG Policy, and resolve their conflicts
- Determine Group IT Risk Management Policy in line with Enterprise Risk Management
- Oversee IT strategy and monitor IT risk status and key projects
- Formulate and implement group IT strategies
- Supervise, monitor & control group IT activities



TISCO Bank Plc.

- Oversee and monitor business operations in accordance with TISCO CG policy
- Ensure adoption of group risk policies and strategies
- Supervise, monitor & control implementations of group risk policies and strategies
- Ensure adoption of group credit & problem loan policies and strategies
- Supervise, monitor, control implementations of group credit & problem loan policies and strategies



TISCO Group concentrates on establishing an independent, transparent, and accountable corporate governance structure for the full benefits of TISCO and its stakeholders. The Board of Directors has played a crucial role in ensuring that the company's operations correspond to the Corporate Governance Principle for Listed Companies 2017, the Corporate Governance Principle for Financial Institutions, and the Code of Ethics for Commercial Banks 2016, as well as other best practices. The Board of Directors is responsible for reviewing the corporate vision, mission, core values and strategies on a yearly basis, approving important matters related to the group's financial business direction and policy, the annual business plan and budget, and supervising and monitoring management in effectively implementing the policy and business plan in compliance with related laws, regulations, and the shareholders' meeting resolution.

The Board of Directors has appointed 4 committees, namely Executive Board, Audit Committee, Nomination and Remuneration Committee, and the Corporate Governance Committee, to scrutinize and monitor significant matters, to closely govern the company's operations, to report regularly to the Board of Directors, and to maintain the balance of power and protect the rights of shareholders. The committees are as follows:

The Board of Directors is responsible for performing its duties to the best benefit of the company and stakeholders. The responsibility of the Board of Directors and the management is clearly separated. The Board of Directors formulates corporate policies and ensures TISCO Group operates in accordance with the policies, directions and business strategies set earlier in compliance with laws and ethics. To ensure transparency and balance of power with the management, the Chairman of the Board and the Group CEO are held by different individuals and both have clearly defined roles and responsibilities. The Board of Directors comprises members with different knowledge, capability, expertise and experiences that will bring the best benefits to TISCO Group. In 2018, the Board of Directors comprised 11 members, including 6 independent directors, 2 non-executive directors, and 3 executive directors. Of them, 5 are women and 6 are men.

The Executive Board is responsible for considering and presenting strategic plans, reviewing these and ensuring that the business plan and budget of the financial business group can bring about good performance and sustainable growth. The committee has to take into consideration the current and future risks when managing the company in accordance with the corporate vision, mission, and business ethics. The committee is also responsible for reviewing and approving loans, debt adjustment and investment plan.

The Audit Committee independently performs its duty in governing and reviewing financial reports, Overseeing internal controls, and auditing, including ensuring effective operation in accordance with policies, related laws, regulations, and business ethics.

The Nomination and Remuneration Committee is responsible for formulating policy and criteria in deciding directors' remuneration, that of the Group CEO, and its top executives, in order to create long-term value to the company. The committee is also responsible for overseeing the policy and criteria for the nomination of directors and top executives, reviewing the independence of directors, and ensuring that the selection process complies with related laws, company's regulations, corporate governance principles and related rules and regulations issued by regulatory bodies. The Board of Directors also assigns the Nomination and Remuneration Committee to nominate, select and screen individuals with appropriate qualifications for consideration and appointment by the Board of Directors or the shareholders' meeting. Key areas of consideration range from knowledge, capabilities and skills to expertise and experience related to TISCO Group's business strategies. The committee shall perform its duty without discrimination on gender, age, race, nationality, religion, and marital status. The company has also adopted the Board Skill Matrix for assessment of directors' qualifications, which is regularly reviewed and updated.

The Corporate Governance Committee is responsible for governing, reviewing and improving both policy and practice guidelines for TISCO Group's corporate governance to best address national and international corporate governance principles and sustainable development. The committee has to ensure that all operations are implemented within the legal framework and regulations issued by regulators, such as the Bank of Thailand, the Stock Exchange of Thailand and the Securities and Exchange Commission. Interested persons may find more information about corporate governance policy, the operation manual and the code of ethics for commercial banks at the company's website, www.tisco.co.th.

Code of Business Ethics, Corporate Governance for Financial Institutions and Market Conduct

To demonstrate our commitment to conducting business with transparency and clarity as well as to maintain the same standard practices as TISCO Group, TISCO has integrated the code of business ethics into the Code of Conduct for Employees and the Code of Conduct for the Board of Directors. The company encourages all employees to embrace corporate governance principles by including this topic in the new employees' orientation program and by preparing self-learning media as part of the Learning Management System (LMS) and seminars. This reminds directors, executives and employees to be aware of and prevent any conduct that breaches the company's rules, regulations and restrictions and which might damage corporate reputation. In addition, the Board of Directors has assigned the Corporate Governance Committee to be responsible for formulating and reviewing the Code of Conduct for Employees and the Code of Conduct for the Board of Directors on an annual basis.

Code of Conduct for Employees

1. Perform duties with honesty and fairness, refrain from abusing one's power for the benefit of oneself or any specific group
2. Be careful to conduct business as a professional should act in the same situations
3. Comply with related laws and regulations, and refrain from helping others in breaking the laws, regulations, and ethics
4. Maintain accuracy and completeness of financial information, reports, and other information, and do not conceal information from assigned auditors or regulators
5. Keep information of TISCO Group, customers, and colleagues confidential and do not use such information for personal interest or disclose it to outsiders without permission
6. Protect TISCO's benefits, avoid situations that may cause conflict of interest, and avoid conflicts of interest for the maximum benefit of TISCO Group and customers
7. Providing political support or financial support to government officials is prohibited under the company's regulations
8. Solve problems, and report results of solutions to customer complaints using the highest standard of practice
9. Offer the products and services that best address customers' need with transparency and clear content
10. Take a zero tolerance approach to corruption and prohibit directors, executives and employees from receiving or offering bribes in any form in all activities under the company's control
11. Perform in accordance with the laws and industrial standards related to occupational health, safety and environment of employees and outsiders who may be affected by business activities
12. Operate business with respect for human rights
13. Respect the freedom, equal opportunities and equitable treatment of employees, customers, partners and outsiders
14. Take appropriate care of, protect, and use the company's assets
15. Respect, protect and do not infringe on copyright and intellectual property of TISCO and others

16. Treat and protect the right of creditors with integrity and fairness
17. Perform duties according to the code of ethics
18. Do not work, conduct business, or get involved with external activities that may cause conflict of interest or become an obstacle to one's ability to perform one's duty or which affect one's performance
19. Maintain a good relationship with the general public
20. Immediately report any act that breaches relevant laws or code of ethics, or threats according to the strict whistleblowing process, maintain confidentiality and protect whistleblowers from being threatened
21. Any illicit activity or action considered to breach the code of ethics, laws and regulations will be subject to investigation and disciplinary punishment based on fairness and without discrimination

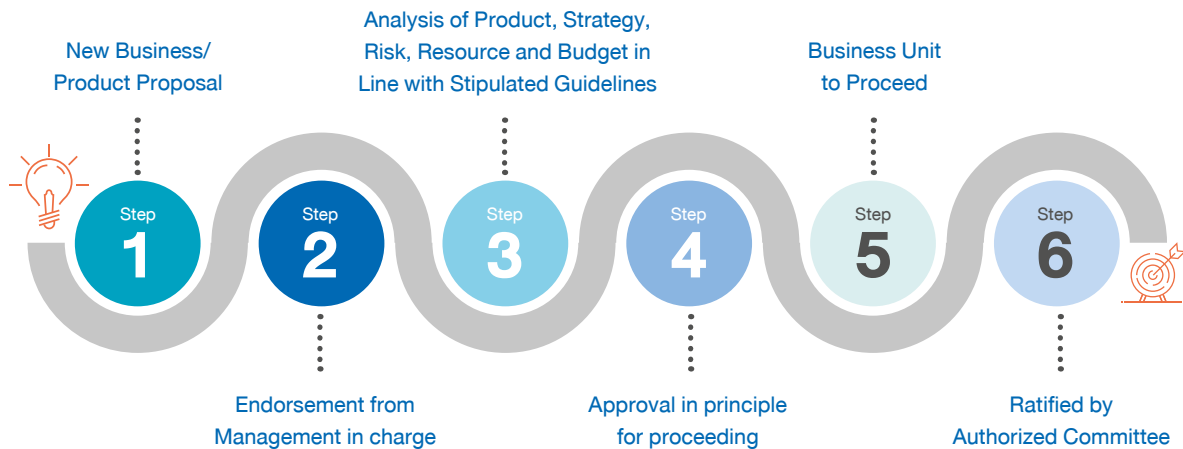
TISCO's Board of Directors must also strictly respect and embrace the Code of Conduct for Directors as stated in the Corporate Governance Policy.

In 2018, TISCO Group revised its corporate governance policy to better correspond to the Corporate Governance of Financial Institutions issued by the Bank of Thailand. The Board of Directors is fully aware of and gives great importance to such principles, and has assigned the relevant committees to regularly study and present reports and plans to the Board of Directors within the predetermined timeframe according to the requirements of the Bank of Thailand.

TISCO also regards the Bank of Thailand's Market Conduct criteria as of great importance, as well as conducting business with responsibility and in line with the corporate culture of providing fair services in terms of both price and condition. TISCO has therefore prepared operational plans and guidelines that form the basis for policy review and improvement. Operational direction has been clearly laid out for the entire group, especially on products and services, covering pre-sale, sales and after-sales. Close monitoring has been implemented to ensure that such criteria and guidelines are met. In addition, the company has clearly assigned responsible persons to take care of implementation of business activities and ensured that the 3 Lines of Defense mechanism is in place, allowing the company to monitor, control and prevent possible risks to ensure that customers receive and choose the products that best address their needs and are fair.

New product and operational process development

In the belief that innovation for sustainable development and growth is of the utmost importance, TISCO has continuously improved our new product development process. In 2019, the company will consider business impacts on the environment and society, as well as good governance in new product development processes. To adhere to supervision processes as stated in the risk management policy, in launching any new business, and product development, as well as new business processes and channels, the consideration and approval procedures from related business functions are clearly laid out in accordance with TISCO Group's risk management policy.



Once new products or operating process plans are approved by the responsible Management in charge and relevant authorized persons including the Chief Finance Officer or Corporate Governance Officer, the plans are deemed to be approved for implementing. However, before any new product is launched on the market, the responsible business shall ensure full compliance with risk management and immediately seek approval when credit-related issues arise in line with the credit approval process.

The Enterprise Risk Management Function, Operational Risk Management Function and IT Risk Management Function are responsible for scrutinizing risk management directions and ensuring that they apply to new products, business, or operational processes according to best practice on business operations and IT operations. The responsible units will have to propose the risk management direction to the Risk Management Committee or the Compliance & Operation Control Committee for rectification.

In cases where the new business, new products or new operational processes involve credit-related issues, the responsible business unit must submit recommendations to the credit supervision unit. A Credit Committee meeting will be called to consider credit approval and direction. The new business will be approved and confirmed by the Risk Management Committee or the Compliance and Operation Control Committee in acknowledgement.

Anti-Corruption



Corruption is a threat that harms any country's economy, social well-being and culture. It becomes a serious obstacle to national development and causes income disparity. In recognition of such impacts on the country, the government has introduced many measures to control and supervise both government and private sectors and has encouraged them to integrate various solutions in different formats across all sectors.

Throughout its years in the financial industry, TISCO has remained strongly committed to operating our business with transparency. We have strictly adhered to corporate governance and anti-corruption practices and encouraged employees to embrace integrity in performing their duties, which is stated as one of the corporate values and is contained in the employees' manual. In 2010, TISCO signed a letter of intent to participate in the Private Sector Coalition of Anti-corruption (CAC) and became one of the first listed companies to be certified by CAC on 8 October 2013. The company was recertified for another three years on 16 August 2016. In 2018, TISCO was preparing the recertification for one more term.

In conducting our business, TISCO is determined to support the concrete implementation of anti-corruption practices within the organization and remains aware that corruption can occur in any part of the company. To minimize this risk, TISCO has created the right corporate environment that promotes effective internal control. This includes integrating integrity and work ethics as part of the corporate values to instill commitment to honesty and sincerity among all employees, ensure balance of power within the reporting and authorization process, and state clear responsibility corresponding to the nature of jobs that drive the entire company to achieve corporate goals. In addition to creating an environment that promotes internal control, TISCO has set clear Anti-Corruption policy and guidelines, which also include regular efficiency reviews of the related policy and guidelines that correspond to the best practice of the industry. The essence of such policy and practice guidelines has been clearly communicated to the

management and employees through various channels, such as through the corporate computer network, electronic training media and employee meetings in cases of major changes. A test on the understanding of anti-corruption practices forms part of the compulsory KPI in employees' annual performance review. All employees must take the test and must achieve a full score of 100 percent. In 2018, the company held seminars for directors and group management. Speakers from outside were invited to share knowledge and understanding or exchange opinions on directors' roles in making a corruption-free organization. Statistics on attendance for TISCO Group directors, executives and employees participating in such seminars and/or trained through other channels are as follows :

Participants	Number of Participants	Percentage
Board of Directors	7	64
Employees by Rank		
Management Level	104	86
Non-management Level	4,681	99
Employees by Business		
Retail	3,018	99
Corporate	52	100
Wealth and Asset Management	1,048	98
Corporate Support	667	98

Note : Communication or training for directors, executives and employees are conducted through electronic channels (e-Learning), and meetings or seminars to promote opinion sharing

In communicating with business partners about TISCO Group's intention to fight against corruption, the group has delivered to individual partners the group's Supplier Code of Conduct, a section of which covers anti-corruption practice. The group also asks vendors to sign a document acknowledging the Supplier Code of Conduct and participate in adopting the practice. In 2018, the delivery of Supplier Code of Conduct to active vendors is as follows :

Detail of delivery and signed adopting the Supplier Code of Conduct

Number of active vendors by Center Unit	267 items
Number of Supplier code of conduct delivered to vendors	237 items
Delivery rate	88%
Number of vendors signing the document	179 items
Signed document against delivery number	75%

TISCO has the intention to deliver the Supplier Code of Conduct to all active vendors. The Supplier Code of Conduct was delivered to new vendors that started doing business with TISCO in Q3/2018 and all have to sign to acknowledge the code. The action is a compulsory step in registering a new vendor. The company also delivers the Supplier Code of Conduct to all existing vendors. However, 30 vendors could not be contacted, representing 11 percent of the total number of active vendors, because of a change in contact person. TISCO is now working with these vendors to identify the new contact persons. As of 31 December 2018, the total number of vendors who had already signed and acknowledged the document is 179 items, representing 75 percent of those to whom the total document was delivered. It is expected that the document will be signed and returned in 100% within the second quarter of 2019.

TISCO has laid down a corruption risk management framework and risk management flow as described in the chart below.



Organizational Culture / Learning / Whistle Blowing and Complaint Mechanism

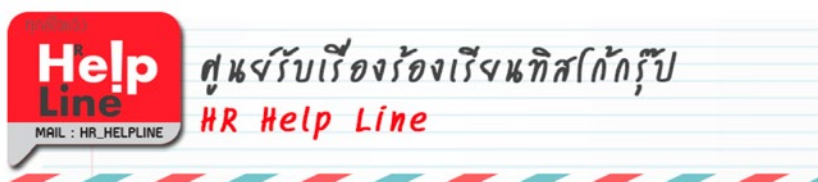
Corruption risk management

The corruption risk management framework comprises the following main activities :

1. TISCO Group executive's commitment and intention to fight against corruption and disclosure of such intention to the public, vendors and other stakeholders via different channels
2. Creating a corporate culture where employees are committed to performing their duties with integrity and which provides for a Whistleblowing Policy and clear practice guidelines on complaint receipt and management in writing. Complaints will be investigated and information about the complainant will be kept confidential.

Complaint receiving channel for employees


(communicate through corporate computer system)



Complaint receiving channel for outsider

(communicate through corporate website)

Channels for receiving clues or suspicion on incompliant practices of Business Code of Ethic and Anti-Corruption Policy,



TISCO Group provided channels for stakeholders to raise any serious concerns or suspicion they may have about the incompliant practices of business ethics and anti-corruption policy as follow;

- Channel for filing complaints or reports of improper activities could be filed by sending the letter to **Chairman of Audit Committee or Compliance Function** at 48/49 TISCO Tower, North Sathorn Road, Silom sub-district, Bang Rak district, Bangkok 10500.
- Channel for placing the queries in regard to corruption or operating measures in regard to anti-corruption could be filed through the Governance Office via email address tisco_cs@tisco.co.th

3. Making corruption risk assessment an integral part of operational risk assessment to assess risks in the area or business unit that may involve risks or have opportunity to experience risks; providing risk treatment plan to prevent or mitigate such risks. The process is planned on a yearly basis and the assessment result is reported to the relevant committee for consideration.

In 2018, TISCO Group assessed risks that may lead to corruption by considering functions that may involve risk, such as jobs related to facing clients and procurement. The company assessed 53 functions, representing 60% of the total functions. No event or operation where employees are involved with corruption was found.

4. Formulating anti-corruption policy and practice guideline for operation and supervision by directors, executives and employees. The company has collected all the practices and guidelines designed to prevent or mitigate the possibility that the company is used as a corruption tool. TISCO has also formulated practice guideline for vendors or business partners, provided a whistleblowing channel, communication and training, guidelines on public disclosure of the company's intention to fight against corruption, reporting to high level executives, investigating, and assuring clean operation to ensure that executives and employees can best respond to different situations. All the guidelines and process are regularly reviewed and updated.
5. Communicating with all employees on the practice guidelines on anti-corruption and reporting corruption as well as the whistleblowing channel.

Additional guidelines for prevention of involvement in corruption

In addition to corruption risk management, TISCO Group has taken other measures to prevent involvement with corruption in 2018 as follows :

1. Prepare learning media to maintain awareness on corporate core values which include honesty and integrity. Employees are encouraged and reminded to be aware of and adhere to honesty, integrity and the highest ethical standards in performing their duties and servicing customers. Such values are instilled in all TISCO employees from day 1 and throughout their employment period.
2. Regularly review anti-corruption practices and ensure that these correspond to risk assessment results, and set clear employee penalties for corrupt actions
3. Formulate Whistleblowing Policy and provide channel for reporting clues or complaints both for outsiders and employees. The available reporting channels for outsiders are communicated through corporate website
4. Directors and executives express their intention to fight against corruption through regular participation in related activities held by other organizations, associations or collaborative groups that fight against corruption. Year 2018 was the 8th year that TISCO collaborated with private sector to express intention to fight against corruption, In regard to the participated activity in 2018, TISCO participated in the private sector's anti-corruption activities, such as the "International Anti-Corruption Day (Thailand)"
5. Review and ensure effective procurement process with effective control system to mitigate risk of corruption. Procurement activities are centralized and high-value projects must be scrutinized by a designated committee who considers the reasonableness of price and conditions. The company also communicated the Supplier Code of Conduct, asking each vendor to sign the document to acknowledge and implement it before the procurement process starts.

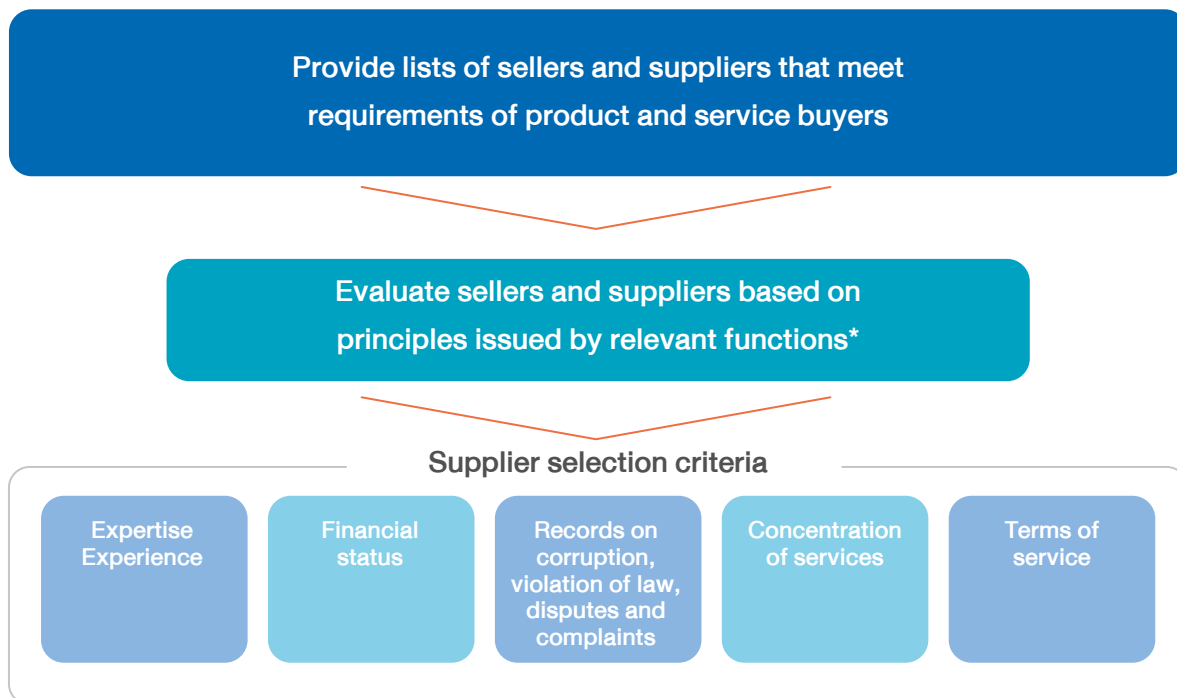
6. Prepare and improve practice guidelines on receiving gifts. Employees are not allowed to receive gifts or offerings in any form from customers, vendors and business-related persons on any occasion. In the event that the company cannot refuse to accept the offer of gifts, such gifts will be donated to charitable organizations, or the TISCO Foundation. TISCO published a “no gift policy” during the 2019 New Year Festival on its website and sent a letter to customers, vendors and other stakeholders asking for their cooperation in not offering gifts to employees and executives.
7. Disclose anti-corruption activity assessment result. TISCO’s current assessment is level 4, meaning it is a certified member of the Private Sector Coalition for Anti-Corruption. The company is preparing to upgrade to level 5 which requires public communication with vendors and stakeholders on anti-corruption practice.
8. Securities and Asset Management subsidiaries have cooperated well with other organizations in anti-corruption practices, and strictly followed the I-Code. TISCO Securities Company Limited disclosed the progress of corruption prevention assessment of listed companies in an analysis for investors to study and consideration. TISCO Asset Management Company Limited published the assessment of anti-corruption practice progress of the investees in fund fact sheet. The assessment and its position as a member of the CAC are used as a one of considering factor in making decision on investing in funds under the company’s management.

Details of the policy are published on the company’s website, under the corporate governance section. Stakeholders can therefore have equal access to the company’s anti-corruption policy. (For more information about TISCO Group’s Anti-corruption Policy, please visit at <https://www.tisco.co.th/th/sd/csr/goodgovernance.html#anticorp>).

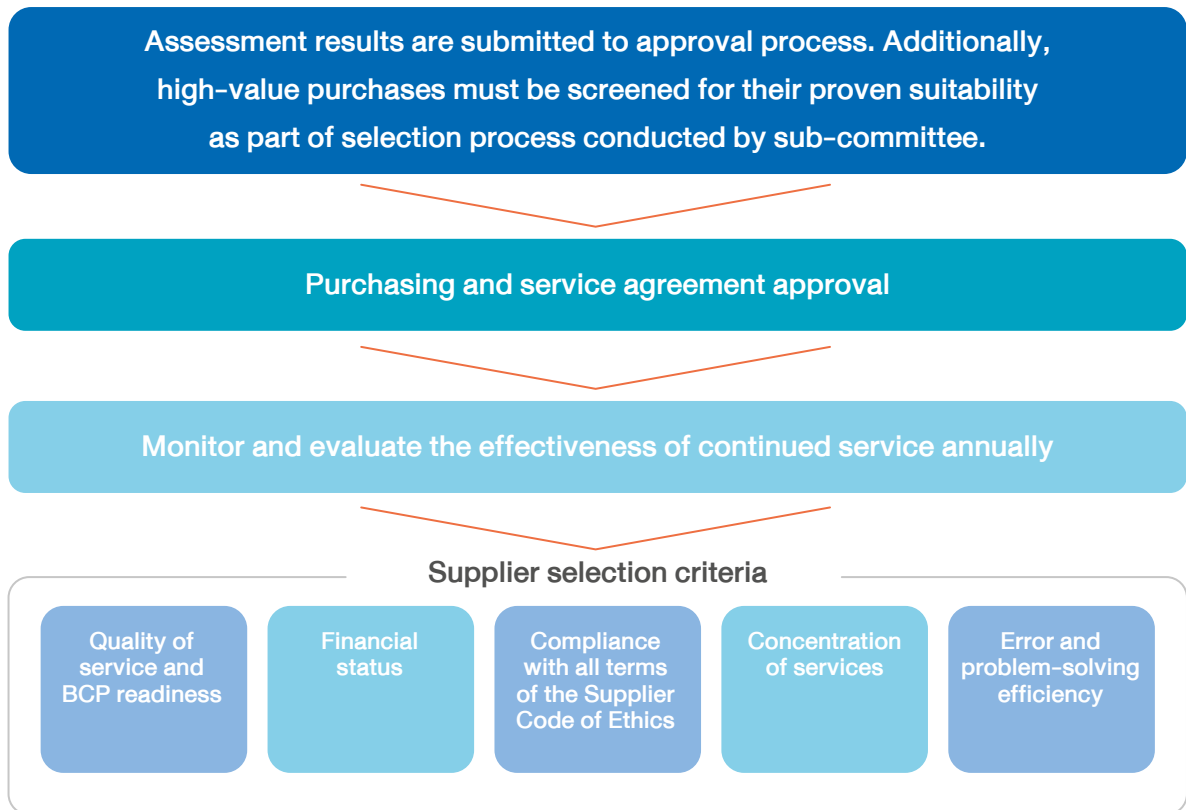
Environmentally friendly supply chain

In line with its commitment to operate business responsibly following corporate good governance principles that recognize the importance of social and environmental impacts and help move the company towards sustainable growth, TISCO Group has strengthened and extended its approach to sustainable development to its suppliers and outsourcers (referred to henceforth as suppliers). In addition to driving and empowering its suppliers to adapt to sustainable business practice that can build continued business cooperation with TISCO Group, the objective of the operation aims to mitigate and prevent risks to the company's reputation and operational practices both directly and indirectly. The supplier management process ranges from acquiring, supplier selection, screening, purchasing/hiring approval as well as monitoring the supplier operational assessment.

In 2018, as a result of the procedures introduced to streamline purchasing efficiency, TISCO Group centralized a product and service procurement system for both Non-IT and IT outsourcing. Under this system, procurement process regulations ensure transparent and fair practices with suppliers. An operation control process and control system has also been implemented to ensure operations are conducted within the approved budget. The end result is a practice that is effective, cost-saving, efficient and target-hitting and protects corporate resources from risk of fraud, damage, loss and mismanagement. The process of procurement selection includes;



* Supplier may not engage in acts of corruption, illegal business, disputes or complaints in relation to violating the law, must not abuse illegal workers, and must act with other suppliers with transparency and fairness. Additionally, occupational health is implemented inside the establishment to ensure environmental conservation and support compliance with the protection of human rights in line with applicable laws of every country and ratification of the treaty with which each country must comply under their obligations to the treaty.



The result of the annual supplier assessment plays a significant role in the decision-making on continuing the service agreement. The strictness of criteria for consideration of continued service varies based on the level of importance of services provided by the outsourcer. (Based on the classification of service types specified in the Bank of Thailand’s notification)

Operational Outsourcing can be divided into

- Strategic Function
- Non-Strategic Function
- Non-Material Function

IT Outsourcing can be divided into

- Critical IT Outsourcing
- Non-Critical IT Outsourcing

Supplier classification

TISCO Group has classified types of suppliers based on the level of importance in each category of product and service supplier. Level of importance is classified based on the quantity of annual purchasing. In addition, the types of outsourcing are classified based on the regulations specified in Bank of Thailand’s notification on the issue of outsourcing.

Details of Number of Suppliers and outsourcer

	Number of non-IT suppliers (item)			Number of IT suppliers (item)		
	2016	2017	2018	2016	2017	2018
Supplier	102	116	119	127	120	123
Outsource	127	132	147	14	13	17
Total	229	248	266	141	133	140

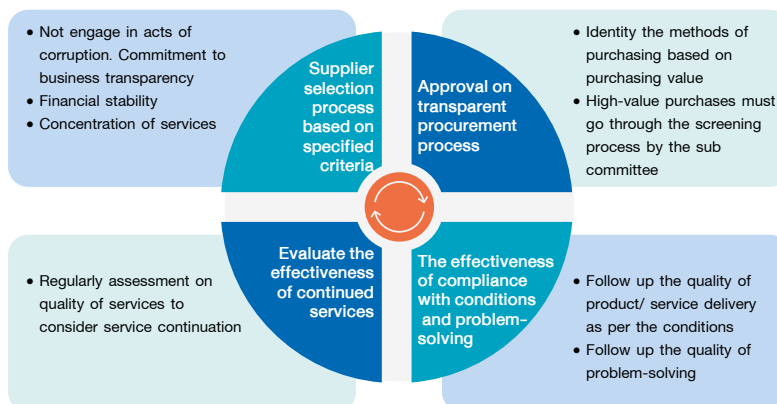
Details Classified by Type of Products and Services

	2018		
	Non-IT (supplier)	IT (supplier)	Total
Products and Services (Suppliers)			
Classified by purchasing frequency or purchasing value with suppliers	service provided every 1-2 months -23 service provided every 3-6 months - 81 service provided once a year -15	> 10 million baht - 10 1-10 million baht - 47 < 1 million baht - 66	242
Outsource			
Classified by Bank of Thailand's principles	Strategic Function - none Non-Strategic Function - 17 * Non-Material - 130 *	Critical Outsourcing - 6 Other Outsourcing - 11	164
Total			406

* Services that are not included in central office's scope of responsibility with the exception of housekeeping, building security guard services

Supplier Risk Management

TISCO Group has established a supplier risk management process that ranges from supplier selection process and approval process to the follow-up of service quality and the assessment of service effectiveness.



In addition, the company applies an outsourcing risk management process to monitor outsourced activities for both operational and IT technological assessment every year. This includes monitoring direction of net risk from outsourcing in order to identify level of risk for outsourcing and conducting risk management to an acceptable level.

Operational practice

In 2018, TISCO Group established a Supplier Code of Conduct as a guideline for suppliers that operate with the TISCO Group, enabling them to conduct business with integrity, respect for human rights, equal and fair treatment of labor and compliance with safety standards including occupational health and environment. The regulations can be divided into three categories, namely :

Category 1 Business Integrity

- Honesty and Ethics
- Gifts or entertainment
- Anti-corruption practice




Category 2 Responsible Business Practice

- Respect of Human and Labor Rights
- Occupational Health and Safety
- Confidentiality
- Respect of Intellectual Property Rights

Category 3 Social Responsibility

- Compliance with the law, regulations, rules and standards in relation to the environment
- Environmentally friendly and conscious business practice and pollution prevention
- Collaboration in environmental conservation and natural resources efficiency

In line with the Sustainable Development Roadmap, a clear purpose has been established for supply chain management as given below.

 <p>Long-term goals in 2021</p> <ul style="list-style-type: none"> • Achieve 100% of suppliers receiving and acknowledging the Supplier Code of Ethics • Encourage integration of the conditions specified in the Supplier Code of Conduct with agreements on Conduct of services made with major suppliers • Suppliers are required to undertake self-assessment according to the Supplier Code of Ethics 	 <p>Goals in 2018</p> <ul style="list-style-type: none"> • Initiate the Supplier Code of Ethics • Improve the screening principles/supplier assessment by integrating conditions specified in the Supplier Code of Conduct • Achieve delivery of the Supplier Code of Conduct to at least 50% of TISCO's suppliers 	 <p>Performance results in 2018</p> <ul style="list-style-type: none"> • Establish the Supplier Code of Conduct and distribute via the company's website • Achieve delivery of the Supplier Code of Conduct to 237 suppliers (88%) • Signed and agreed by 179 Suppliers (75%)
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In 2018, TISCO Group delivered the Supplier Code of Conduct to 237 suppliers or 88% of the total 267 suppliers that are still in the process of being contacted or currently providing services. The above-mentioned number of suppliers includes new suppliers hired during the latter part of 2018. All new suppliers from Q3/2018 have agreed to and signed the Supplier Code of Conduct. Additionally, the delivery of the Supplier Code of Conduct is set to go to current suppliers for their agreement. However, some suppliers have employed new coordinating officers. As of 31 December 2018, 30 suppliers (11%) had no contact. Updating of the names of new coordinating officers is scheduled for completion within Q2/ 2019 thus encompassing 100% of suppliers

TISCO Group recognizes the importance of energy efficiency and the use of environmentally friendly products and equipment. Not only does it continuously work towards the improvement of the corporate operation process to achieve paperless business practice alongside an effective electronic system and customer service digitalization, but TISCO Group also takes into account the significance of energy efficiency and eco-friendly purchasing processes. In this respect, guidelines have been set for internal controls in the procurement system including the purchase of office equipment and products that are themselves environmentally friendly. In 2018, TISCO Group prepared to make a purchase of employee uniforms to mark TISCO Bank's 50th anniversary. The purchase focused on a type of cool-mode uniform that is breathable and ideally suited to air-conditioned rooms where the temperature is set at more than 25 degrees Celsius thanks to a fabric that improves vaporization of sweat and pulls heat from the body, helping to keep the wearer cool. This means it is unnecessary to set air conditioning at a low temperature to cool down the interior of the building, which in turn helps lower electricity consumption and reduce Co₂ emissions, both directly and indirectly. Additionally, the fabric used in the uniform is more durable and longer-lasting than other fabrics found on the market, which helps promote the efficient use of resources. It requires very low maintenance, for instance, no ironing needed after washing, thus saving even more. Washing too is easy resulting in saving water resources.

In the area of office equipment, in 2018 TISCO Group replaced existing photocopiers with multi-function copiers that can scan, print, copy and send faxes. This leads to improved operational effectiveness. The machine's multi-function properties and increased energy efficiency allows for automatic receipt of print data from computers and faxes while in low-power Sleep Mode and can also be programmed for printing at low input times. This results in a massive reduction of paper consumption, allows for the receiving and sending faxes via online without a need for paper while also reducing the amount and cost of wasted printing ink.

Responsibility towards Employees



TISCO believes that people are valuable and important resources that drive organizations towards achieving their vision of “Mastery in Wealth of Possibilities” and being an organization of growth with quality. A general human resource policy was prepared for all companies within the group to ensure the same standard practice. TISCO is of the opinion that it is important to take good care of its employees by developing their knowledge and skills, providing them with good benefits and remuneration, and ensuring good occupational health, safety and environmental standards. Adhering to TISCO’s human resource framework based on corporate values, TISCO emphasizes instilling the right attitude and behaviors in its employees, which results in enhanced corporate success and a happy organization. At the same time, TISCO has adopted a decentralized management system, allowing different departments to prepare and implement customized activities that best suit the nature of their work for maximum operational efficiency, continuity of work and competitive advantages.



2018–2020 Goals

- Overall satisfaction : 8% or higher
- Retention rate : > 90%
or above average
- Training attendance : >80%
- E-learning : 100%



2018 Result

- Overall satisfactory : 7.90%
- Retention rate : 92%
- Training attendance : 95%
- E-learning : 100%

Performance

Giving employees the opportunity to learn and develop themselves in their work is crucial to promoting efficiency and creating better performance, while also making for a happy workforce. In 2018, TISCO encouraged its employees to learn more so as to better respond to the corporate plan and Market Conduct regulation issued by the Bank of Thailand. Average training totaled 33 hours per person per year, an increase of 54 percent from the previous year. Employees' training attendance rate is 95 percent (excluding online training which achieves 100 percent attendance). When considering employee satisfaction factors, employee retention rate remains high at 92 percent. The satisfaction score on different factors is 7.9 against a maximum score of 10.

Employment

TISCO's employment policy is drawn up to support the nature of business and to maintain corporate culture. The Human Resources Function is responsible for finding the right tools for opening applications and recruiting employees. Executives of specific functions are responsible for making employment decisions. In the selection process, the company considers **three competencies**-organizational core competencies, functional competencies and leadership competencies. The company has a policy not to hire close relatives or family members of its directors, executives and managerial officers, which complies with the corporate governance principle.

TISCO also values the disabled and has hired disabled individuals in line with the Promotion and Development of Quality of Life of People with Disabilities Act, B.E. 2550, and Amendment (2nd) B.E. 2556, Section 33. The company hired four permanent and contract employees alongside 45 disabled people according to Section 35. The company recruited 20 disabled people through Thai Red Cross Society, and 25 people through Tambon Health Promoting Hospitals. Most of them have hearing and movement disabilities and are hired as officers in the registration and general service areas. TISCO also plans to hire more disabled individuals in 2019.

Employment Criteria



Organizational
Core Competencies



Functional
Competencies



Leadership
Competencies

TISCO also has a policy to promote and transfer employees within the organization to fill vacancies. Selection criteria are based on the ability, continuity and operating efficiency that supports corporate goals. The company has a policy to offer long-term employment. The employment will be terminated only if the person goes against TISCO's business principles, business ethics, retires, resigns, or has undesirable behavior as stated in the corporate regulations TISCO has registered with the Ministry of Labor. In the event that TISCO is unable to maintain the business unit, it will take appropriate action to avoid unemployment and to comply with related laws. Meanwhile, the company will do its best to minimize such impacts on its employees.

Statistics on changes and number of employees by age, gender and other diversity factors are as below :

Changes in employees

Criteria Composition Staff	New Hire						Exit					
	2016		2017		2018		2016		2017		2018	
	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%
Change in number	480	11.48	944	20.54	915	18.92	413	9.88	356	7.75	338	6.99
Gender												
• Male	193	4.62	349	7.59	272	5.62	172	4.11	145	3.15	126	2.60
• Female	287	6.86	595	12.95	643	13.29	241	5.76	211	4.59	212	4.38
Age Range												
• Age < 30 years	368	8.80	543	11.81	555	11.47	214	5.12	163	3.55	156	3.23
• Age 30-50 years	108	2.58	380	8.27	348	7.19	192	4.59	189	4.11	173	3.58
• Age > 50 years	4	0.10	21	0.46	12	0.25	7	0.17	4	0.09	9	0.19
Work Location												
• Head Office	286	6.84	604	13.14	656	13.56	287	6.86	250	5.44	225	4.65
• Bangkok and Metropolitan Region	52	1.24	116	2.52	74	1.53	36	0.86	29	0.63	40	0.83
• Provincial branches	142	3.40	224	4.87	185	3.82	90	2.15	77	1.68	73	1.51

Notes :

- 1) From 2016-2018, employee data were updated. Number of employees means permanent and contract employees.
- 2) Number and resignation rate does not include retirement, early retirement, death, not qualified, disclaim, contract termination and termination of all kinds.
- 3) Percentage in the table is calculated against full number of employees in each year.

Compensation and benefits

TISCO's policy is to offer attractive and fair compensation. Taking account of the fact that the aging population is growing and the average lifespan increasing, TISCO has promoted long-term savings and a retirement plan for employee's enhanced financial health. TISCO has provided mixed compensation to better address individual job and labor supply. Our compensations are :

Short-term Benefits : Salary, wage, bonus, fixed and variable incentives, rewards (two types-(1) remuneration giving according to role and responsibility, and (2) remuneration giving according to performance) and social welfare.

Retirement Pension and Other Long-term Benefits : The Provident fund was established according to the Ministerial Regulation No. 162 (1983) and registered according to the Provident Fund Act B.E. 2530 on 21 June 1990 under "Registered TISCO Employee Provident Fund". Participating employees will receive the money when they leave the fund. Employees will contribute to provident fund by deducted from their salaries at the same rate as TISCO's contribution of 5, 10 or 15 percent maximum depending on employees' decisions. Provident fund members can change their deduction condition once a year. The Fund established a committee made up of representatives elected by members and appointed by employer. The committee term is two years and committee members who leave the office at the end of the term can be elected or appointed back as the case may be. The committee has the role and responsibility to supervise the fund management and formulate an investment policy on behalf of the employees.

TISCO aim is for its employees to have appropriate investment plans at different stages in life until they retire. This provides employees with more investment choices and helps them receive good returns appropriate to their risk appetite. Therefore, the company educates its employees on financial knowledge and has a policy to increases investment options for employees (Master Fund Policy). TISCO Provident Fund members will then be able to choose the option that best addresses their needs. The Master Fund Policy comprises four policies-debt instrument, hybrid, equity and foreign investment. Members can choose investment policy which has varied investment proportion up to 15 options. The employees can change their investment policy twice a year. When combined with other long-term benefits, such as long-service rewards, compensation paid when the employee leaves the company and other plans, TISCO employees will have appropriate savings to support their retirement that corresponds to the aging society trend.

“Effective Financial Management is Real Security in Life.”

If we have little money, spend less. Save before spending. Think more before you buy things. Buy only necessary things not things you want. Luxury goods make you happy temporarily but then you will have to worry later. For credit card users, if you are not disciplined, don't ever use it.

Khun Boonchoo Kongkachuichai

TISCO Financial Group Public Company Limited

Employment period : 30 years, 3 months

TISCO uses a competitive benchmarking method in determining employee salary. The payment structure is made clear and takes into consideration the nature of the job to ensure that the compensation is appropriate, addresses market conditions and is flexible enough to appropriately reward specialist and general employees for their performance, expertise and capability. In determining compensation, the company refers to external compensation rate and TISCO's fair treatment regulations as per the criteria. In 2017, TISCO developed an application called MY HR, enabling employees to check the medical budget balance, history of medical fee reimbursement, and follow up on the latest announcements and news from HR department. In 2018, the application was further improved with added features, such as an internal telephone directory, personal information and benefits.

Staff Welfares for TISCO's permanent and contract employee are as follows :

TISCO Group Welfares	Welfares by Employment Category	
	Permanent	Contract
Medical fee	✓	-
Annual physical check up	✓	✓
First aid room	✓	✓
Compensation fund	✓	✓
Life insurance and accident-related medical coverage	✓	(For jobs with frequent outside working)
Funeral assistance	✓	✓
Provident Fund	✓	-
Financial support for license application for specific professional jobs	✓	✓
Loans and fund sourcing for employees	✓	-
(1) Car hire purchase benefit		
(2) Motorcycle hire purchase benefit		
(3) Housing loans or house renovation, and repair		
(4) Emergency loans		
(5) Loans to relieve burden of living		
Education fund	✓	-
Long service reward	✓	-
Uniform (polo shirt, suit, jacket)	✓	✓

Female employees can take 90 days of maternity leave, including holidays during the leave period, and receive no more than 45 days in case of normal delivery. In case of caesarean section, employees will receive normal pay for no more than 60 days. Pregnant employees also have the right to ask for job temporary or permanent job rotation before or after delivery, by presenting a medical letter confirming that the person cannot perform the same job. TISCO will consider job changes to suit the person's condition, which complies with the Children's Right and Business Principles issued by UNICEF, The United Nations Global Compact and Save the Children. Such standards and regulations are prepared to ensure the safety of expecting mothers and that children receive appropriate care from the mother.

Statistics on retention rate of employees after maternity leave

Maternity Leave Cases	Number of Employees (People)		
	2016	2017	2018
Number of employees with maternity leave right	2,597	2,907	3,304
Number of employees exercising right of maternity leave	86	106	104
Number of employees returning to work after maternity leave	84	106	104
Number of employees returning to work after maternity leave and continuing to work 12 months thereafter	84	78	98
Return to Work Rate ⁽¹⁾ upon end of maternity leave (%)	98	100	100
Retention Rate ⁽²⁾ post maternity leave and continuing to work 12 months thereafter (%)	83	93	92

Notes :

⁽¹⁾ Return to Work Rate = (Number of employees returning to work after maternity leave/ number of employees exercising the right to maternity leave) x100

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

TISCO has provided for the establishment of an employee benefit committee responsible for overseeing employee benefits for the parent company and subsidiaries. The committee comprises 10 members, including 5 employer's representatives selected by the employer and five employee representatives nominated by the employees. The committee is responsible for proposing benefits and welfares for employees. The committees of the entire TISCO Group convene regularly to discuss related matters and ensure that the group has taken care of all employees in an appropriate and fair manner. Employees eligible to be committee members represent 99 percent of the total employees.

Non-discrimination practice

TISCO provides full opportunity for employees to progress in their career with the company by considering their performance, capability and competency that support the company's values. Equitable treatment is ensured across the entire organization.

The company also considers equitable treatment in business operations. Clear direction has been laid out to prevent discrimination against customers, vendors and partners. For example, employees with the authority to make decisions are prohibited from servicing customers with whom they have a relationship to prevent conflict of interest or collusion. Business partners and vendors are selected through a transparent and fair selection process. In terms of procurement, TISCO Group has a clear policy and practice guidelines and has set up a procurement committee to scrutinize and ensure that procurement is fair and appropriate. In 2018, the company received no complaint about discriminatory treatment.

Occupational health and safety

TISCO Group has formulated Occupational Health, Safety and Environment Policy and practice guidelines for use by employees, external service providers working within TISCO's premises and visitors to ensure good health and safety. This complies with the Occupational Health, Safety and Environment Act B.E. 2554 and the Ministerial Regulation on Occupational Health, Safety and Environment B.E. 2549.

The Occupational Health, Safety and Environment Committee is responsible for considering related policy and plans, including safety outside the workplace, to prevent or mitigate risk of accident, harm, injury and inconvenience from work or unsafety workplace, reporting and making recommendations on workplace safety and standard improvement, considering related projects and training relating to workplace safety, assessing implementation of occupational health and safety practice, and reviewing statistics on workplace accidents at least once a month. Once a year, the committee shall report to the company's implementation results, identification of problems, obstacles and recommendations on committee performance improvement. The committee comprises the chairman, who is a senior executive representing the employer, manager-level employer's representative, employees' representative, and with a professional safety officer or executive-level employer's representative serving as the member and secretary of the committee. Operational-level employees can participate in this committee and at present represent 89 percent of the total number of employees (operational-level employees eligible to become committee members include permanent and contract employees.)

Occupational Health, Safety and Environment Committees established under the company's resolution

Company Name	Executive Level employer's representative	Management Level employer's representative	Employee representative	Secretary	Total (people)
TISCO Financial Group Public Company Limited	1	2	3	1	7
TISCO Bank Public Company Limited	1	28	5	1	35
Hi-Way Company Limited	1	4	5	1	11
TISCO Securities Company Limited	1	2	3	1	7
TISCO Asset Management Company Limited	1	2	3	1	7
TISCO Insurance Solution Company Limited	1	2	3	1	7
TISCO Information Technology Company Limited	1	2	3	1	7
Deutsche TISCO Investment Advisory Company Limited	-	-	-	-	-

Note : Information shown above is the composition of the Safety, Occupational Health and Working Environment Committee of the company which has the employees more than 50 people.


Occupational health, safety and environment is the shared responsibility of all employees. It is, therefore, important for all employees to understand and participate in performing their duty according to the right safety procedure, which will reduce risks possibly harm to themselves and others. TISCO requires all new employees to take e-learning on accident prevention and workplace safety through TISCO LMS system. This training is an important condition for probation consideration. All accident prevention knowledge is published in various channels, including HR News, Safety Together, Health Tips, Health Alert, Knowledge management systems, and related projects, such as workplace investigation using ergonomics tool, risk assessment and workplace environment.



2018–2020 Goals

- Sick leave : no more than 3 days per person per year
- In-patient : no more than 8% per year





2018 Result

- Sick leave : 3.2 days per person per year
- In-patient : 7.9% per year

Operating Result

Workplace injury, occupational diseases and death statistics showed that there was no death related to work in 2018. However, 73 were injured or reported work-related illness as follows :

Type of injury, number of death caused by work related factor during the year 2018		Number of reported case		Number of lost day	
		Male	Female	Male	Female
Injuries					
• Minor wound	Head Office	4	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	1	-	4	-
Occupational Diseases					
• Hearing	Head Office	9	-	-	-
	Bangkok and Metropolitan Region	9	6	-	-
	Provincial Branches	-	-	-	-
• Musculoskeletal Strain	Head Office	2	1	-	-
	Bangkok and Metropolitan Region	-	2	-	2
	Provincial Branches	1	-	-	-
• Sight	Head Office	31	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-
• Lung	Head Office	7	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-
Fatalities					
• Work related cause	Head Office	-	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-

Occupational Health and Safety Information

Items	Unit	Jan-Dec 2018					
		By gender		By Location			Total for the Group
		Male	Female	Head Office	Bangkok and Metropolitan Region	Provincial Branches	
Injury Rate (IR)	Person per work hour : 200,000 hours	0.07	0.04	0.00	0.21	0.11	0.05
Lost Time Injury Rate (LTIR)	Person per work hour : 200,000 hours	0.07	0.00	0.00	0.00	0.11	0.02
Lost Day Injury Rate (LDIR)	Lost day per work hour : 200,000 hours	0.28	0.00	0.00	0.00	0.43	0.10
Occupational Disease Rate (ODR)	Person per work hour : 200,000 hours	4.02	0.38	1.90	3.51	0.11	1.68
Absentee Rate (AR)	%	1.06	1.28	1.44	0.79	0.74	1.20
Number of Sick Leave	Day	4,862	10,391	11,859	1,173	2,221	15,253
Number of working hours leave from the illness unrelated to work	Day X 7.30 hours	35,493	75,854	86,571	8,563	16,213	111,347

Notes :

- 1) The number is calculated based on International Labor Organization (ILO) : ILO-OSH 2001 standard.
- 2) Lost time injury means any injury that causes at least one day's absence (Starting from the day of accident).
- 3) Lost Time Injury Rate (LTIR) started presenting disclosure in 2018.
- 4) Lost day injury rate, earlier called "Lost Day Rate".
- 5) Work hour calculation is based on employee self-service time record of permanent and contract employees from January to December 2018. Work hours, including overtime working hours, total number of employees resigning during the year, are calculated based on actual work hours during employment period.

TISCO is seriously concerned by threats or dangers caused by attacks and violence caused by malicious person including bank robbery, rallies and terrorist actions, and therefore prepares safety measures, including space access control which covered space classification, visitor registration when contacting controlled area, enter and exit rights and control through access control system, and security guards. The company also installed panic alarm and closed-circuit TV system and prepared an emergency plan which is used for the guidelines for the BCM team, employees and visitors. The objectives of such plan are to protect employees' lives, and reduce possible loss.

TISCO also places high importance on the prevention of money laundering and requires thorough reviews of Know Your Customer (KYC) and Customer Due Diligence (CDD) of each business unit, customers' transactions that is complicated or unreasonable or cannot be explained by economic theory, or suspicious transactions. Business units involved in such transactions must report the transaction to the Anti-Money Laundering Office according to the Money Laundering Prevention and Suppression Act. This measure has been introduced to prevent any person to use TISCO's business as a channel for money laundering or in support of terrorist activities.

Human resources management

Committed to being a learning organization, TISCO has a policy to promote the development both in accordance with the corporate and individual employee requirement in such a way that this supports continuous self-learning. In designing the human resources development plan, the company considers 3 major competencies

- 1) General competency;
- 2) Business and specific knowledge; and
- 3) Management skill based on the specific competency required to efficiently perform the job. At the corporate level, the Human Resources Function is responsible for human resource development planning to build necessary competency required to perform duties, promote corporate culture, and educate and develop skills that will enhance corporate competitive advantages. At the business level, the Human Resources Function is responsible for drawing up technical recommendations on learning and employee development processes that promote effective learning that will increase value to the entire business. In addition, the department is responsible for recording each of TISCO business unit's knowledge, skills and competency.

TISCO values the development of skills needed for the future. In 2019, the company will study and develop future skills plans for employees in all functions across the entire organization to prepare employees for the implementation of current business plan and for future changes.

“Build opportunity by continuous self-development”

I have learned many new things from work and customers’ business. It’s like gaining new knowledge every day and makes me a well-rounded person and encourages me to always push myself to learn new things. This is very important for work no matter which area. If we are one step behind others, that’s a lot of opportunity lost. When we are knowledgeable and have more experience, the benefits are to ourselves and our work.

Khun Papassorn Attachinda

TISCO Bank Public Company Limited

Employment period : 31 years

TISCO Learning Center Co., Ltd. was established to design a human resource development plan at all levels and prepare learning courses to enhance corporate competitiveness. The objectives are to promote leadership, enable employees to perform their duties to their best capacity for improved productivity, and to drive strategic progress to meet the corporate target. In addition to employees’ training, TISCO assesses employees’ competency, knowledge, work performance, leadership and compliance with corporate values. The number of employees assessed accounts for 100 percent of the staff. The assessment results are fed back to employees for further self-development.

TISCO uses the results of these assessments of employees’ performance to identify those who need training. Skill enhancement programs are prepared to help employees with lower-than-average scores to improve their performance under close supervision and coaching from their supervisor. Individual development plans are also prepared. When the employee’s performance meets corporate expectations, the company takes this to another level to boost employees’ satisfaction at work, resulting in an improved workplace environment and overall corporate achievement. However, in the event that an employee continues to have below-average performance, the Human Resources Function is responsible for providing advice to the related function and employees to improve the person’s performance or change the person’s job to better suit his/her capabilities, qualifications and interest.

TISCO Human Resource Development Courses

<p>Employee development for enhanced corporate competitiveness project to support business strategy</p> <ul style="list-style-type: none"> • Customer Relations Officer Development Program • Branch Banking Service Officer Development Program • Hire Purchase Officer Development Program • Hire Purchas Manager Development Program • Retail Marketing Officer Development Program • Operation Manager Development Program • Branch Manager Development Program • All Finances and Direct Sales Officer Development Program • Customer Service Development Program • Dealer Account Officer Development Program • Somwang District Manager Development Program • Profession Development Program of Investment Consultant and Investment Planning 	<p>Executive Development Programs</p> <ul style="list-style-type: none"> • Middle Management Program • First Manager Program • Management Trainee Program 	<p>Specic Skill Training</p> <p>To prepare Learning Roadmap to best support business goal of each unit</p>
	<p>Corporate Value and Culture Program</p>	<p>Knowledge Management Program</p> <p>Collecting and transferring knowledge from experts, highly experienced senior employees, and retirees to other employees</p>
	<p>Knowledge Management and e-Learning System</p>	

Average hours of training per person per year

Training details	2016	2017	2018
Average hours of training (hours/person/year)	22.30	21.55	33.34
Average hours of training by gender (hours/person/year)			
Male	18.44	20.83	31.59
Female	24.66	21.97	34.32
Average hours of training by position (hours/person/year)			
Management Level ⁽¹⁾	94.81	31.10	50.98
Non-management Level ⁽²⁾	20.33	21.30	32.89
Average hours of training by business (hours/person/year)			
Retail Banking	16.20	17.23	28.72
Corporate Banking	14.99	13.47	17.20
Wealth and Asset Management	39.95	31.80	47.82
Corporate Support	20.44	24.06	32.50

Notes : From 2016-2018, changes were made in employee data used for calculation base

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

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

Succession plan

Business and operational continuity results from a clear succession plan for employees in key positions. The management and function head will work together to analyze and identify positions that need a clear succession plan, and define the qualifications of the successor. The selection process and readiness assessment of the potential successors must be included in the succession plan. The plan is reviewed on a yearly basis and every time the corporate structure is reorganized.

Happy Organization Creation

TISCO aims to create a “Happy Organization” and therefore communicates corporate values focusing on employee relationship, knowledge development, career growth opportunity and good work environment. Recognizing that human resources are important resources, TISCO believes that employees who are happy working will pass on the happiness to others in society. More importantly, TISCO aims to nurture smart and ethical development in its staff and enable them to grow together with TISCO’s financial and banking business. TISCO’s key directions to develop a happy organization are as follows :

1) Happy Health : Good care for employees’ health and work life balance

TISCO holds activities to promote employees’ health and encourages them to take good care of their health and manage work-life balance well. The company encourages employees to participate in stress-releasing activities during work hours, such as stretching and relaxing their muscles every 90 minutes, and after work through Walking and Running for Health project as well as taking part in the football competition which is held nationwide every year and attracts many employees. In 2018, a total of 3,935 employees participated in both activities.

2) Happy workplace and relationship : Creating pleasant work environment, focusing on happiness and good relations between the management and employees, team work, and promoting self and others’ value

Since employees spend approximately 7.5 hours per day together at work, the office is comparable to their homes. TISCO therefore promotes a pleasant and relaxing atmosphere in the workplace and strengthens relationship between supervisors and subordinates as if they were family members who care and look after one another. Employees at all levels can work and learn from high-level executives, enjoy close cooperation and nurture good relations through various projects that promote participation. TISCO has also organized activities for employees to show their appreciation towards one another for in-depth understanding and for them to realize the value of their colleagues and their own.

TISCO Group regularly looks at employees' satisfaction and bonding level with the organization through surveys conducted by both internal units and a third party. The assessment results are used to improve the company and promote the "happy organization" concept. In the survey conducted on 3,415 samplings, the satisfaction score was 7.92 out of a maximum score of 10. Meanwhile teamwork and work environment satisfaction were as high as 8.11. Satisfaction on knowledge sharing and work process earned 8.13 points. In addition, 90 percent of the participating employees said 96 percent of employees were happy with TISCO corporate culture and trusted their colleagues who later became close friends. The survey also showed that 87 percent of total employees have a good relationship with their supervisors.

TISCO also hired Aon Hewitt (Thailand) Co., Ltd., to conduct an employee loyalty survey by comparing the result with other companies conducting similar surveys. A total of 4,632 employees, 99 percent of the staff, participated in the survey. The results showed that employee's loyalty was 81 percent. However the employees' satisfaction survey results reflected a lower-than-expected level. Human Resources Function will thus arrange activities to identify specific issues, such as focus group interviews. The results will be reported to the company and used to frame guidelines for human resource activities in the future.

“Do your best” and “Create bonding” – the secrets to success

We have to do the job in front of us to the best of our capabilities. I dedicate myself to the work assigned to me. The greater my dedication, the more experience and skills I gain. When the opportunity comes up, people will realize that I can do it. Building good relationships with other units will make it easy to work. Good communication helps a lot. When you have good idea, speak out. If you don't speak, no one knows how good you are.

Khun Yuthika Sontayanawin

TISCO Financial Group Public Company Limited

Employment period : 38.5 years

3) Happy culture : Working in an organization by building and promoting strong corporate values and integrated into human resource management process

TISCO emphasizes building and promoting strong corporate values, friendliness, and professionalism. Such values are transferred from senior employees to their juniors to create emotional bonding between employees and corporate culture and values, leading to sustainability. New employees will learn the corporate culture directly from their immediate supervisors from day 1 at work. The six corporate values are integrated into the human resource process and communicated to employees through various channels. Employees' activities are designed to incorporate corporate values. In addition, corporate values are included in direct and indirect training programs, ranging from orientation to skills

development that inspires employees to be aware of and understand corporate values. The company also rewards employees for strictly adhering to TISCO corporate values and become outstanding employees. The corporate value survey, which is conducted every year, found that 97 percent of employees have the desired behaviors, which are key to reflecting corporate values.

“Care and dedication are key to success”

Some may not be so smart but if you care and are dedicated, your work will be good. When you are not successful, don't give up. At least when you start working, you will gain experience. Don't forget to learn from your mistakes and do better next time. One day, you will be an excellent worker and become successful.

Khun Woranuch Supaiboonpipat

TISCO Bank Public Company Limited

Employment period : 31 years

TISCO is open to listening to its employees. Everyone within the organization has the opportunity to participate in all activities and air their views through various direct and indirect channels, such as meeting with executives, email, announcements, websites, social media and activities attended by high-level executives. The Group CEO and the management team will rotate to visit different departments and provincial branches. New employees have the opportunity to meet with high-level executives to encourage transfer of corporate culture to the younger generation. A staff party is held every year as a reward for employees' dedication to the company and to strengthen confidence and relationships between people within the organization.

Additional channels have been created to promote communications between executives and employees. The “HR Help Line” has been established, comprising five members who are heads or representatives of different functions, including the Governance Office, Corporate Compliance Function, Human Resources Function, HR Services unit and Operational Risk Management Function. This is a channel where employees can make recommendations, file complaints or report any actions that are not transparent, corruption or fraud, and report on unfair treatment of labor. The name and details of the person who lodge the complaints give information on such fraudulent acts will be kept confidential. The reporting process is strictly carried out to ensure that related persons and employees will be treated with fairness and transparency. Employees can report through HR Help Line and submit a letter or email via hr_helpline@tisco.co.th or call the number provided on the corporate Intranet. In 2018, there were no reports or complaints from employees on such mentioned matters.

Thanks to its continuous caring treatment of employees, the company has a large pool of experienced employees. In 2018, TISCO has 653 employees with 5-10 years in service, 71 employees with 15-20 years working at TISCO, 59 persons with 25-30 years in service, and 8 people aged between 35-40 years. This reflects the company's success driven by creating of a “Happy Organization”.



Responsible Contributions to Society & Environment

Shareholders | Employees | Customers | Business Partner | Community & Society



- Strengthening the Rural Economy and Promoting Financial Inclusion
- Promotion of Social Well-being
- Environmental impact management

Strengthening the Rural Economy and Promoting Financial Inclusion

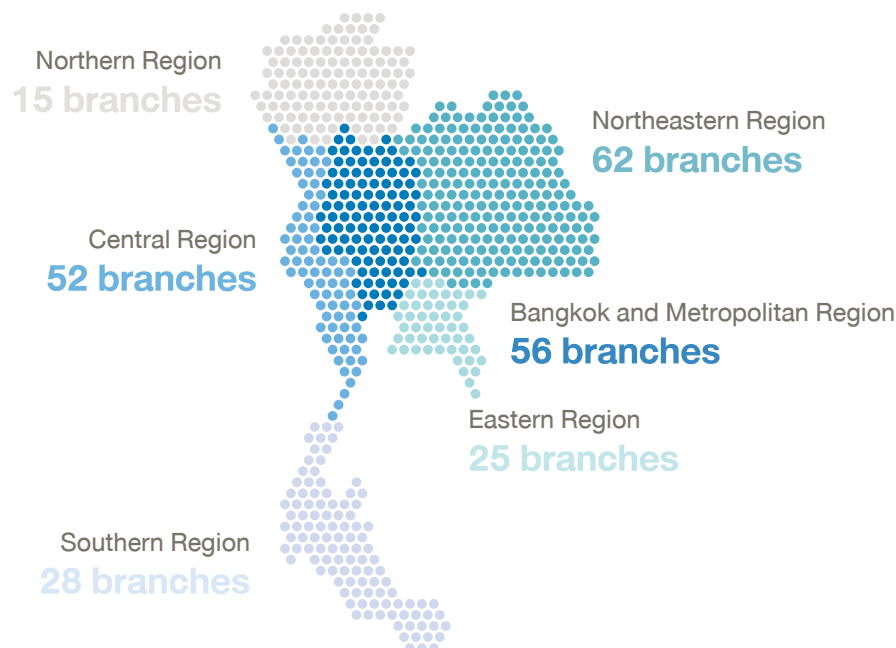


To develop and upgrade growth of community-based economic, it is essential to provide their residents with thorough access to funding sources, particularly for communities far away from urban areas. Thorough access also applies to low-income earners who need revolving funds to earn their livelihoods or daily necessities. In recognition of this need, TISCO has developed financial products designed to improve opportunities for both local communities and low-income populations to access funds. In support of the government’s policy, TISCO encourages community enterprises to access to available funding sources to help them improve their production, access the latest technologies, and improve the necessary infrastructure, all of which are important factors in the development of the national economy. TISCO is also taking part in promoting the United Nations’ Sustainable Development Goals (SDGs), particularly the eradication of poverty, the first goal (SDG1); promoting sustainable economic growth, productive employment and decent work for all (SDG8); and reduction of inequalities (SDG10). In this regard, TISCO offers secured retail loans to low-income people who need revolving funds for their daily necessities. The product has been available since 2012 under the brand “Somwang Ngern Sang Dai” (also known as “Somwang”) provides loan against vehicle registration for all kinds of vehicles, from two wheelers to 12 wheelers, including passenger cars, pickup trucks and motorcycles. Somwang also offers financing for small-scale businesses and a refinancing service to customers who need cash, emergency loans, speedy loans and revolving loans for their businesses. The focus is on serving retail customers in the provinces who are unable to access to funding sources. Somwang offers a variety of products to meet individual demands and different limitations. The business is operated by Hi-Way Company Limited, a company under TISCO Group.

TISCO holds the view that in addition to helping low-income earners access a funding source more easily, Somwang business also benefits Thailand’s economy and society in many ways. These include :

- Bringing loans outside the system back into the system; reducing the number of loan sharks who charge prohibitive interest rates beyond the legitimate rate; offering fair interest rates and services to customers under the Market Conduct principle, in line with government policies on resolving the problem of usury and loan sharks, unfair sale and forced sale, unscrupulous pitching of products that may cause misunderstanding, sale offers that may disrupt privacy, unfair pricing and agreement terms, as well as disclosure of customers’ personal information without their consents
- Helping people to have more revolving funds, and this contributes to stimulating consumption and investment in the Thai economy.
- Upgrading financial literacy and encouraging financial discipline of community residents through personnel with expertise and experience. Prospective customers seeking loans from the Company obtain advice about financial management before products suitable to individual customers are proposed.
- Increasing local employment and redistributing income to local communities by employing new staff members, hiring producers/contractors, and purchasing materials from local communities

The Company aims to open the 300th branch of its “Somwang” business in 2019. This will not only offer greater opportunities, particularly to low-income earners, to access funding but do away with the need to travel long distances to receive funds at a fair interest rate. Through the loan, they can be assured that their businesses have sufficient revolving funds to continuously grow their businesses. There are three kinds of branches : Full Branches, Mini Branches and Micro Branches. These are designed to suit the different areas and ensure easy access for residents of the communities involved. The number of branches has increased by 50 since 2017. By the end of 2018, 238 branches were offering loan services nationwide. Below is the distribution of branches in all regions of the country :



The policy of extending credit to small-scale customers with collateral calls for consideration of their ability to repay debts, their spending behavior and the purpose of their loan application. The goal is to ensure compatibility with the sustainable community development concept. For example, we examine whether the loan requested is for running a business or for education, both considered as purposes for the development of life quality and knowledge. Those purposes can in the end lead to the development of the communities involved. Moreover, we have a policy of extending credit for old customers or existing customers with a good record of repayment through installments. Those customers are entitled to higher loan amounts or lower interest rates, in line with their responsibility in repaying their debts. As a result, old customers are able to access a source of cheaper funds involving large sums of money. The policy also helps to create a discipline of debt repayment. The Company has set a goal of extending credit to customers in Thailand and maintain them within the portfolio in the amount of 18,500 million baht in 2019. In 2018, the Company saw continued growth in lending, with an increase of 39.9% compared to a year earlier. The volume of newly extended credit increased by 40.9%.

Secured Retail Loans, under the brand “Somwang Ngern Sang Dai”

Unit : Million Baht

	2016	2017	2018	% growth
Secured Retail Loan Outstanding	7,215	10,236	14,323	40
Newly extended credit	5,093	7,446	10,489	41

In expanding the “Somwang Ngern Sang Dai” business to all regions of the country, TISCO sees the importance of educating the general public in matters related to financial affairs. This can serve as a tool to help customers decide on financial products that are best suited to their needs and the level of risk. The service also prevents them from falling prey to loan sharks. Customers can apply their knowledge of financial management to matters involving their careers and families. TISCO has organized financial literacy activities as part of its “Smart Saving, Smart Spending” Program through TISCO branches throughout the country. The program has been organized in parallel with loan extensions since 2014. Branch officials act as organizers and as instructors providing knowledge to the participants. The content of financial literacy provided is carefully reviewed to suit different target groups and the format of activities is continuously improved. The content is divided into three main subjects : Saving before spending; having discipline and understanding debts; and being aware of financial threats. The goal is for the participants to apply the knowledge in their everyday situations. In 2018, “Somwang Ngern Sang Dai” managed to meet the targets in organizing the activities. See page 126

TISCO also places importance on upgrading the quality of life of community residents. This is done by creating jobs and redistributing income to communities through the Somwang Ngern Sang Dai business. We have a policy of hiring local residents and employing local resources as much as possible and have set our target at 95 percent. We attempt to avoid using resources from head office in order to genuinely redistribute income to local communities. The Company hires local residents as employees using a fair selection process. These employees undergo assessments of their capability and experience in line with TISCO’s guidelines for personnel employment. Employees hired under Hi-Way Company Limited receive equal remuneration and other benefits no matter the area. Moreover, the Company employs

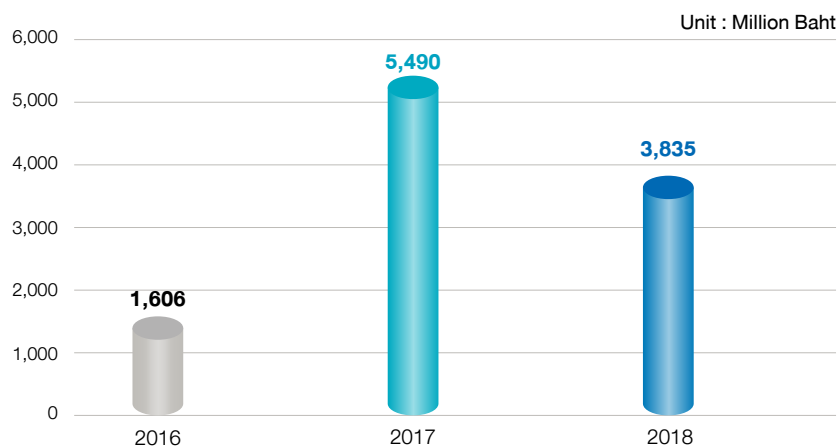
independent producers of media and other equipment from the local communities and nearby areas. They are selected in line with basic provisions, including their honesty record, legal registration and the fact that their businesses do not threaten society or the environment. Resources in the local communities are used in running the businesses. As a result, the employment rate in the local communities has increased and more income has been redistributed to their residents. In 2018, Somwang Ngern Sang Dai business hired local residents and helped redistribute income to local communities, as shown in the table below.

Rate of employing locals and redistributing income to communities from “Somwang Ngern Sang Dai” business

	2016	2017	2018
Rate of employing local residents	90%	95%	95%
Rate of hiring local producers	80%	80%	80%
Rate of using local resources	90%	95%	95%

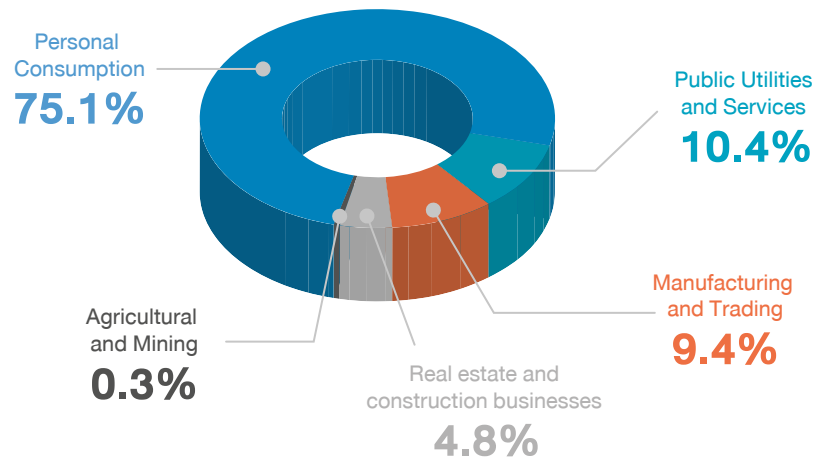
TISCO Bank Public Company Limited works with the Thai Credit Guarantee Corporation (TCG) in offering financial products in the form of micro-finance. The goal is to support operators of small and medium-sized enterprises (SMEs) with potential but who lack collateral or have insufficient collateral. TCG offers a helping hand through a mechanism of credit guarantee. This product is designed to meet the demand for revolving capital to fund a business at a fair interest rate. In addition to providing an opportunity to create income and boosting business efficiency, micro-finance also serves as an important push in the development of small and medium-sized industries in order to achieve the targets set in the 12th National Economic and Social Development Plan (for the years 2017 to 2021). As a result, the businesses involved can enjoy increased competitiveness both in their respective industrial market and at the national level. As of the end of 2018, the volume of credit totaled 3,835 million baht.

Loan Amount Guaranteed by the Thai Credit Guarantee Corporate (TCG)

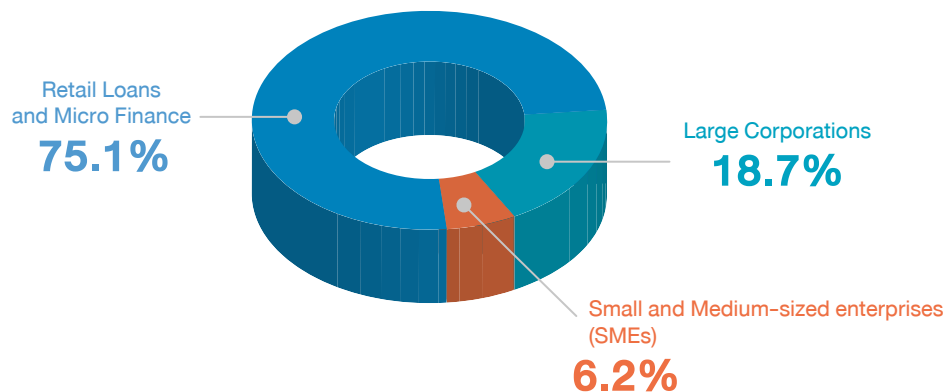


TISCO's credit services are also provided to other groups of customers so that a large scope of our customers can enjoy the benefits. The services are able to meet the various demands of customers in different industries. As of the end of 2018, the volume of credit extended to all our customers totaled 240,654 million baht. Of these, 675 million baht (0.3 percent) was the credit extended to the agricultural and mining sector; 22,527 million baht (9.4 percent) for manufacturing and trading; 11,639 million baht (4.8 percent) for real estate and construction businesses; 25,011 million baht (10.4 percent) for public utilities and services; and 180,803 million baht (75.1 percent) for personal consumption. By business size, 180,740 million baht (75.1 percent) of the credit extended was to retail loan and micro-finance; 45,049 million baht (18.7 percent) to large corporations; and 14,866 million baht (6.2 percent) to small and medium-sized enterprises (SMEs).

Percentage of Loans (By Industry)



Percentage of Loans (By Business)



Promotion of Social Well-being

TISCO believes that promoting financial literacy is very important to raising financial knowledge thoroughly to people in society as it enables people to apply financial knowledge beneficially for their daily lives, especially in making the right decisions when choosing financial products and services. This enables them to plan, build and strengthen financial security and quality of life of their families. TISCO has designed various educational programs for different target groups, from children and youth who need to build immunity in personal financial management for their living as well as to teachers and the general public. Such courses are important in helping reduce financial problems while assisting people to efficiently manage and plan their financial and debts as well as efficiently prepare a retirement plan. TISCO aims to expand financial literacy as far as possible through voluntary staff and at all branches nationwide. Our expectation is to further expand financial knowledge from schools to communities.

TISCO has also introduced social activities to strengthen the macro-economy by promoting investment at the community level, especially in terms of infrastructure development, educating financial literacy, providing educational opportunities and supporting hospital development. Major activities are as follows :



1. Financial Literacy



2. Educational Opportunity



3. Hospitals and other Social Development

1. Financial Literacy

TISCO aims to promote financial literacy as part of building a healthy and strong society, which contributes significantly to the enhancement of the overall Thai economy. The project is driven by a working group comprised of voluntary staff with expertise in course design and coaching. Activities are regularly organized on a yearly basis. Different courses are designed to suit different target groups. Education programs introduced are as follows :





Financial Education for Children and Youth

TISCO has tested the courses since 2012 and continuously improved the programs and activity format. The program has been expanded to also include financial literacy topics for the community and classified in 2 activities.

Financial Literacy Camp for High Schoolers



Format : Educational and fun learning program, allowing young people to learn more effectively



Concepts : Saving first, spend later to build financial discipline



Objectives : Promoting financial knowledge, raising awareness among youth of the importance of financial management, providing them with skills that can be applied in daily life, promoting learning opportunities outside the classroom, encouraging them to share their knowledge with others after program ended through various activities through coaching by their advisors who also act as role models and campaigners.



Course : Based on the “Smart Money” Course initiated by Stock Exchange of Thailand in cooperation with the Bureau of Academic Affairs and Educational Standards, Office of the Basic Education Commission but with the addition by TISCO of the modern concept of financial management. The focus is on saving, smart and responsible spending, such as preparing personal budgeting, keeping income and expenditure records, various saving techniques, compound interest calculation, understanding of advertising tricks and of loan sharks. TISCO also hosted a teacher training program in parallel, covering such in-depth content such as financial planning, debt management, retirement planning and interest calculation.



Period : Regularly arranged on yearly basis, with four courses per year, during the school break, 4 days-3 nights, at TISCO Bank Public Company Limited’s headquarters, North Sathorn Road



Application : In each course, 40 teams, 3 people each are recruited. Each team comprises 2 high-school or vocational school students and one teacher by allocating quota for activities into five regions - 1) Bangkok and Metropolitan Region, 2) Northern Region, 3) Central Region, 4) Eastern and Northeastern Region, and 5) Western and Southern Region. Schools in the 3 southernmost provinces are also given special opportunities to join. Recruitment decisions are based on applicants’ answers on the application forms about their financial interest, saving and how they will share the knowledge with others. This is to ensure that participants will be able to drive financial literacy promotion in their communities by organizing various activities.

Financial Knowledge Promotion Activities



Format : Open opportunity for young people to create financial knowledge promotion activities and financial plans in their own way and according to their interest, which also correspond to the specific needs of their communities.



Objectives : Enabling participants to apply the knowledge learned in the course to their daily life and to share it with family, friends and others in order to create concrete changes in people's perception and behavior.



Period : Participants are encouraged to run continuous activities for 4 months after the financial literacy camp, prepare and submit a report on the follow-up activities as part of a contest.



Criteria : The contest committee considers the follow-up activity report based on the criteria set earlier. The entries are presented to the judges, showing how people's perception of and behavior in saving, spending, and financial discipline have changed after joining the activities. The report must also demonstrate the project's continuity and sustainability. The winner will receive scholarship, a trophy for the school, and certificates for the individual participants. TISCO has organized the contest to increase public access to financial literacy and to show appreciation to the participants for their cooperation in promoting financial knowledge.



2018 Goals

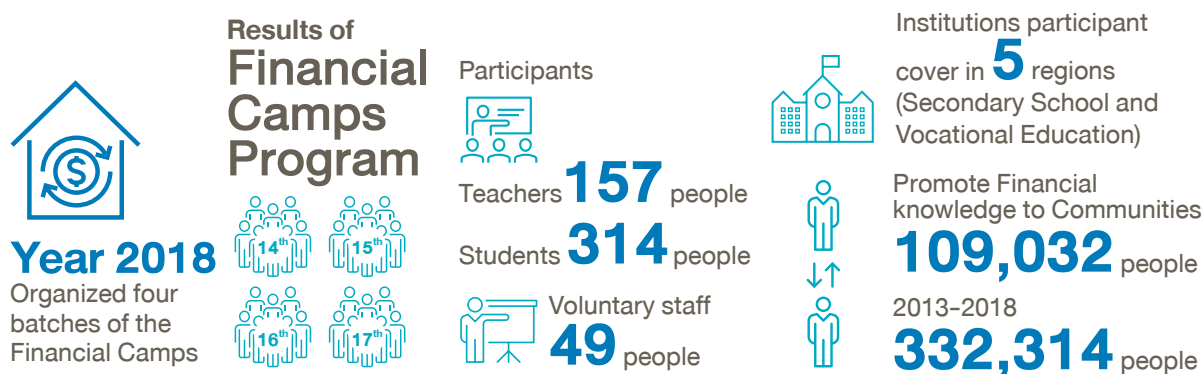
- Organizing of the Four batches of the Financial Camps
- Expand to the Vocational Education cover five regions nationwide



Overall result

In 2018, TISCO held 4 camps - Camp No. 14, No. 15, No. 16 and No. 17, with 102 educational institutes, 157 teachers and 314 students participating. The camps successfully promoted financial literacy among high school and vocational education students across all 5 regions and 18 educational institutes. A total of 49 TISCO voluntary staff participated as coaches ; 16 of them were new to the program.

In 2018, Three follow up activities No. 13, 14 and 15 were held with 71 entries from schools and educational institutes submitted to the contest, representing 61% of the total number of participating schools and educational institutes. As a result, the activities were able to promote financial knowledge to 109,032 persons in the participants' communities.



Over the past 6 years, TISCO has constantly developed and expanded our activities thanks to the true passion of our voluntary staff. Since its launch, the project, through the 16 camps held, has promoted financial literacy among 332,314 individuals and has raised awareness among the general public on savings, instilled correct understanding, perception and values related to financial management and personal financial planning, and enabled them to apply the knowledge in their daily lives.

TISCO Financial Literacy Camps		No. of Students		No. of Teachers		No. of Schools		Provinces
		High school	Vocational school ⁽¹⁾	High school	Vocational school ⁽¹⁾	High school	Vocational school ⁽¹⁾	
2013 - 2017	1 st - 13 rd	978	26	333	13	371 ⁽²⁾	10	77
2018	14 th (8 - 13 Mar)	60	16	30	8	30	8	29
	15 th (25 - 30 Apr)	62	16	31	8	31	8	26
	16 th (8 - 15 Oct)	62	18	31	9	31	9	30
	17 th (17 - 21 Oct)	62	18	31	9	31	9	29
	Total in 2018	246	68	123	34	77 ⁽²⁾	25 ⁽²⁾	52 ⁽²⁾
Grand Total		1,224	94	456	47	448⁽²⁾	35⁽²⁾	77
		1,318		503		483⁽²⁾		

Notes : ⁽¹⁾ Vocational school students were first accepted to the TISCO Financial Literacy Camp in 2017.

⁽²⁾ Number of participating schools : in case of the same school joining activities in different batches, it is counted as 1 school only.

After-Camp Add-on Project Contests		No. of Projects	Proportion of Schools participating in the contest (%)	No. of targeted participants (People)
2013 - 2017	1 st - 12 th	245	53	223,282
2018	13 th	25	63	33,966
	14 th	23	61	23,276
	15 th	23	59	51,790
	Total in 2018	71	61	109,032
Grand total		316	58	332,314

Examples of interesting After-Camp Add-on Projects

“Smart Kids : Think for Savings Camp”

The camp started out by training 58 people to plan and regularly save their money. Seeing the success of this pilot group, the pioneers initiated other camps, including the “Smart Kids, Savings for Youngsters”, the Piggy Bank Story, and a campaign to encourage students to save regularly with the help of school banks. All activities aimed at changing participants’ perceptions and behaviors about savings. Throughout the project, social media have been used as a tool to disseminate and raise awareness on financial knowledge to as many as 8,742 young people, school staff, parents and people in nearby communities ...[The project was initiated by Singhaburi School in Singh Buri province that won the grand prize for the Follow-up Activity Contest during Camp No. 13 and a compliment award in Camp No. 15.](#)



“1+5 Savings”

When a small spot of saving idea that most people ignore is noticed, a big idea is initiated. In this activity, parents of kindergarten kids were advised to give their children one 5-baht coin and five one-baht coins instead of a 10-baht coin. Children were then advised to keep as many one-baht coins as they wished for their savings before they left home every morning. At college level, a campaign was introduced to promote savings and expense cutting, preparation of income and expense records, and eating at the canteen to save money. The activity was later expanded to adult in the “Happy Retirement” campaign. Villagers were encouraged to participate in this saving project for three months and close monitor resulted in effective savings...[The project was introduced by Chiang Mai Vocational College who won the second prize at the Follow-up Activity Contest during Camp No. 13.](#)

“Smart Spending : Discipline Your Money”

The activity is an extension of the 4 principles - create leaders, create knowledge, create income, create financial discipline - that can actually change people’s behaviors, not only of themselves but also their families. Out of 657 participating students, teachers, school staff and villagers, 493 started to prepare their own income-expenditure record, representing 75.04%. Meanwhile, 80% of participants started saving. Another key activity is the “Plain Water, Lunch Box, Not Taking Drugs Can Save You Money” activity that helped the target group to embrace savings and responsible spending behavior...[The monitoring of saving results at Sai Kaew Wittaya School, Kantraram School and Ban Thamnop School showed a rising trend. Sai Kaew Wittaya School won the first runner up prize in contest No. 14.](#)



“Ohm! Savings Ohm!”

The project introduced the 4-piggy-bank technique, which was developed from the six-Jar technique, to the target groups including students, school staff and villagers. Participants were trained to prepare income and expenditure records in either print or online format, depending on each participant’s preference. Social media were used to remind participants of daily savings, and effectively monitor the result. Within 30 days, 3,677 participants saved a total of 4,065,330 baht, or an average of 1,105 baht per person. The project also held educational activities in kindergartens, primary schools, high schools and vocational extension schools in Sri Songkhram District...[The project was initiated by Saha Ratrangarit School, Nakhon Phanom province which won the grand prize during contest No. 14.](#)





“Continue and Pass On”

The number of students participating in the saving program increased from 3.12% in the second follow-up activity to 72.32% in the 15th activity. The saving concept has been integrated into all activities and with parents’ involvement, such as Wai Kru Day, Sports Day, Chalad Sue Prayad Chai (Smart Buy, Smart Saving), Sast Pra Racha Soo Kan Pattana Ti Yangyuen (King’s Philosophy for Sustainability) and the reduce spending-increase income activity.

The project also created comics, a short play and simple songs with content centered on saving, people’s daily spending corresponding with the behaviors of target groups. The media were distributed online, raising public awareness. The activity series was later expanded to 16 other schools in Songkhla and six neighboring provinces, namely Satun, Nakhon Si Thammarat, Patthalung, Pattani, Surat Thani, and Trang. Activities were also introduced in nearby communities...The project was initiated by [Hatyai Wittayalai School, Songkhla](#), which won the grand prize in contests No. 4, 8, 10, 12 and 15, the first runner up prize in contest No. 5 and the second runner up prize in contest No. 2.



“Every Day Saving : Building the Future”

The camp encouraged students, their families and their community to continue saving for at least 3 months. As a result, 1,216 saving accounts were opened, and the total amount saved reached 372,757 baht in 4 months. The camp held various activities to increase income and reduce expenses, such as a campaign against the purchase of lottery tickets and alcohol, a campaign to reduce the purchase of drinking water and a campaign to help the people reduce costs of water supply, electricity and telephone. At the end of the campaign, the target audience observed real changes in their behavior. Each activity helped save more than 10,000 baht in expenses...[Huay Nam Hom Wittayakarn School, Nakhon Sawan](#), won second runner up prize in camp No. 8 and 15, won the compliment up prize at camp No. 11, and won the compliment award at camp No. 9.

“Easy Saving, No Payment, More Income”

This activity aimed to train new leaders. In cooperation with government organizations in Sawang



Daen Din District, this camp continued various activities and created corporate practice that promotes financial discipline based on the “Save 10% before spending and reduce expense” concept. A total 573 of 604 students, teachers and school staff, or 94%, participated in the activity. Students, teachers, school staff and other primary schools and residents of Don Kueang Municipality followed suit and successfully reduced unnecessary expenses, such as games, lottery tickets, cigarettes, and sweetened drinks, by 10-1,000 baht per month. This has also raised awareness among the target group of the income increase as a result of less spending. By integrating this activity in camp no. 7-13, a total of 6,063 persons have participated in this activity...[Waeng Pittayakom School](#) won the grand prize at camps No. 7, 9 and 11 and won the second runner up prize in camp No. 13.

Through continuous support for schools and vocational colleges in carrying out these extensive activities, in 2018 the project became clearer in breadth and scope. Schools nationwide have received prizes from the project, meaning that new and creative ideas, network expansion, continuous activity arrangement help create perceptions and behavioral changes. Those resulted from cooperation and sacrificing of students, teachers, local government organizations, and communities as well as TISCO voluntary employees which were key success factors lead to the betterment of the society in the long run.



Financial Literacy Education Activities in Communities

TISCO has expanded its financial literacy education programs by organizing the “Smart Saving, Smart Spending Program” at all its branches nationwide. Since 2014, the program content, covering 3 main areas - save before spend, debt management and financial threat, as well as the program format have also been regularly upgraded and adjusted to better suit each target group. Additionally, the household spending and income records have been monitored at least for 3 months to assess the effectiveness and encourage sharing of saving and spending experiences and learning that will lead to a self - sufficient lifestyle. TISCO has also prepared media and income-expenditure record books for free distribution at TISCO branches nationwide.



2018 Goals

- Educating 20,000 people comprehensively covering branches nationwide
- Encouraging people to participate in household income-expenditure recording for at least 3 months and encouraging them to share their experience in saving and financial planning



Result

In 2018, TISCO branches nationwide held 160 financial literacy education activities covering 67 provinces, and extending opportunities to 19,771 people. The assessment through the simple questionnaires showed that the participants’ knowledge and understanding of the lesson was 87%. TISCO has collected 17,949 questionnaires, representing 91% of the total participants. Branches have also conducted 57 monitoring activities and found that 1,800 families regularly kept household income-expenditure records for 3 months. The number of people attending the experience-sharing session on the benefits of household income-expense recording was 6,548.



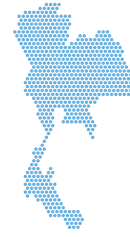
Result of the
Financial Literacy Education Activities in Communities
Year 2018



Activities
160 times



Participants
19,771 people



Areas
67 provinces



Follow-up activities
57 times



Household income-expenditure records for 3 months
1,800 people



Year	Activities					TISCO Branches	Provinces
	Educating		Monitoring				
	No. of activities (times)	No. of participants (persons)	No. of activities (times)	No. of participants (people)	No. of people doing household income-expenditure record		
2014 - 2017	463	94,862	-	-	-	133	68
2018	160	19,771	57	6,548	1,800	200	67
Total	623	114,633	57	6,548	1,800	202⁽¹⁾	71⁽¹⁾

Note : ⁽¹⁾ Number of branches in each province. Where the branch and province have earlier been recorded, they will be counted only once.

Examples from Follow-up Activity

"We first started with how much we earn this month. Then we have to allocate the money and keep some for saving. If I receive less money this month, then having 500 baht for saving is good enough. We have to ensure that we have enough to spend in each month. In fact, keeping the record is not difficult. Simply do it in the evening. If I forget, I'll do it in the morning. I hope everyone tries so that they know how much they have spent and how much they can save."

General Contractor in Khlong Sam, Khlong Luang District, Pathum Thani

"When I get paid, I record. When I pay, I record. Buying rice, fish, having debt, I record all of it. At the end of the month I add them all up. Then I can see how much I earn and how much I spend, whether I receive more than I pay or whether I pay more than I receive. It's a way of learning for improvement in the following months."

a farmer, Tha Sai Luat Sub-district, Mae Sot District, Tak

"After I received this book, I recorded more frequently. My friend invited me to 10 events in a month but I went only once. I chose to go to only the important events because I have more financial burdens. This prevented me from experiencing financial loss. ... I have observed a great improvement. I have saved at least 500 baht per month for my children. If I have a bigger surplus in a month, then I will deposit more."

an office worker, Bang Pakong District, Chachoengsao

"I had rarely watched my income and expenses. I used to think that the money was in my wallet. When I wanted to use it, I simply picked up the wallet and spent it. If I don't spend, then the money stays in my wallet. But when Somwang advised me to try recording my income and expenses in a book, I tried and discovered that most of my daily spending was unnecessary. I have learned and improved in the following months and found more money in my wallet. However, there is some unexpected spending in some months, it depends. Personally, I think if I allocate the money into 3 parts, then I should allocate 20 baht for meals, 10 baht for other expenses and another 5 baht for my entertainment..."

a village health volunteer, Huay Pong Sub-district, Kok Samrong District, Lopburi

"In the past, I had no record, no information. Now, when I do the income-expenditure record, I know my income and my expenses and how much is left. I now realize what is necessary and what is not. ... I have a bit more money, although not much, but this encourages me to look back and see I used to spend a lot on alcohol and cigarettes... In the past I paid for what I wanted. In the end, I had to borrow money. ... Now, I have more savings. It's a good way of learning."

a seller, Pak Kwae Sub-district, Mueang District, Sukhothai

"Keeping the household income-expenditure record helps me see how much I spend this month. Then I have to think on which items I have to spend less. For example, I go to the salon this month then I won't next month. I can wash my hair at home and save 200 baht. Keeping the income-expenditure record is very good. Everyone should do it."

a farmer, Sakhu Sub-district, Phra Saeng District, Surat Thani

"In fact, doing the income-expenditure record does not help us save more. But it reminds us of what we have spent on each day. Sometimes, we don't know because when we have money, we spend it all. ... From no attention to saving, I have changed. After keeping such records, when I noticed that I overspent, I would spend less later. For example, I bought 3 cups of coffee then I cut it down to 2 cups. I think everyone understands this point. The record helps us see what we spend on. The entire family will see it too. This is great."

a village health volunteer, Ban Kae Sub-district, Kantarakal District, Sri Saket

TISCO has cooperated with Thai Bankers' Association and its network in organizing financial literacy activities. We participated as a working group in "Money Literacy for New Generation" and assigned speakers to coach university students in Bangkok and suburban areas and also to salaried person in private organization, such as Siam Concrete Co., Ltd. and Ford Motor Company (Thailand), on financial management, including debt management and income-expenditure recording.

2. Educational Opportunity

TISCO Group has extended educational opportunities to children, enabling them to continue their studies until they complete an undergraduate course and find a job to take good care of their family. The project also promotes the philanthropic spirit by turning a receiver today into a future donor, which will reduce school drop-out rate due to financial limitations. TISCO also understands that facilities, learning aids and equipment are very important and therefore, provides financial support for education. This support covers 2 areas - scholarships and a school development fund.

Scholarships

TISCO grants scholarship on a yearly basis through TISCO Foundation. The scholarships have no binding condition. TISCO grants both new and continuous scholarships for students until they finish their university studies. In applying for the scholarship, teachers will help select eligible students and obtain approval from the headmaster. Interested persons can apply online and in person. The criteria are as follows :

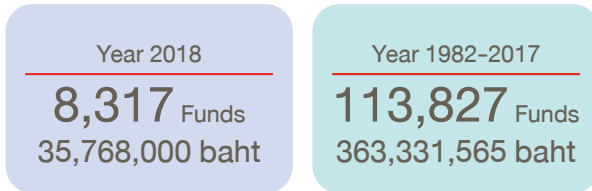
(1) New scholarship : TISCO considers the applicant's family background, whether the applicant lives with parents, the housing condition, parents' employment and burden, number of family members and siblings in the family, health condition of the people in the family, parents' income, debts, number of dependents, vehicles and the applicant's behavior.

(2) Continuous scholarship : TISCO mainly considers the applicant's behavior and ability to manage the scholarship appropriately.

For both scholarship types, TISCO considers whether the applicants also receive loans from the Student Loan Fund or other organizations. The applicants must have no less than 1.5 GPA. TISCO also monitors the scholarship awardees on yearly basis by visiting their homes and collecting information which is used for improving scholarship and expense management in the future.

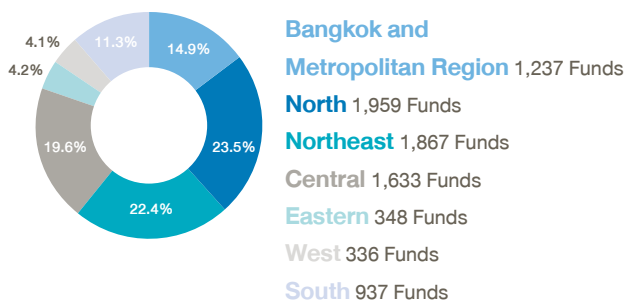


 **Results**

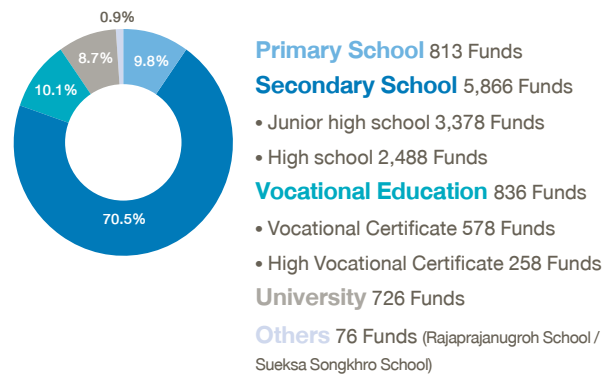


In 2018, TISCO granted 8,317 scholarships (representing 49.9% of the total 15,126 applicants) with a total value of 35,768,000 baht. Educational institutes which have received scholarships totaled 1,218. Details of the scholarships granted to educational institutes by level, region and ratio of new and continuous scholarship are as follows :

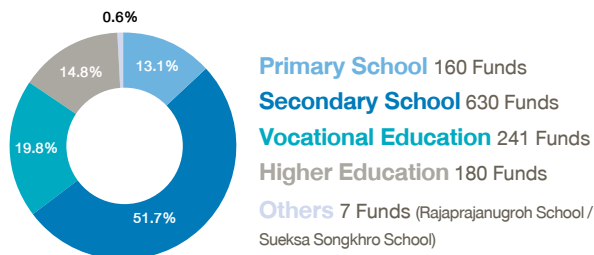
- Number of scholarships 8,317 funds by region



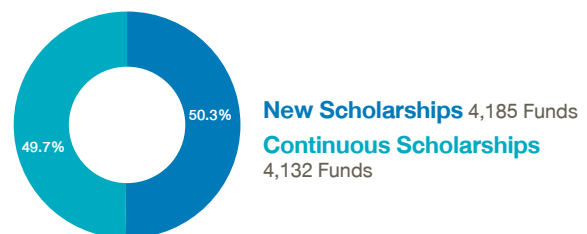
- Number of scholarships by level



- Number of Educational institutions Received Scholarships by Class



- Number of new and continuous scholarships



TISCO visits the students to monitor their progress, advise them on scholarship spending and management to meet the project objectives, and cheers them on or invites them to seek additional assistance as deemed appropriate. In 2018, TISCO randomly launched three monitoring activities covering 36 educational institutes and 797 scholarships. This covered 12 in Bangkok and suburban areas totaling 230 scholarships, 8 institutions in Kalasin totaling 95 scholarships and 14 institutions in Mae Hong Son totaling 472 scholarships. The result showed that most of the scholarship receivers are poor, of divorced parents or live with relatives. Most of them do farming or general work. Most of the scholarship receivers have average academic results. One of the main reasons hindering them from academic excellence is that they have to take care of their parents and miss class from time to time while others have to work to earn extra money to support their families. Types of jobs depend on the student's age and accommodation but include farming, convenience store staff, restaurant employees, and clerks. Most of them work on weekends and school breaks.



School development fund

TISCO has allocated a school development fund to support facility and teaching aid improvement at schools nationwide that suffer financially due to limited subsidy from the government. The funding is allocated to schools with urgent needs or those which have to improve safety standards or wish to attract people in the nearby communities to send their children to schools. TISCO has become the main sponsor in cooperation with its partner network and interested persons. A special bank account “TISCO RUAM JAI for Educational Development”, account number 0001-191-000524-7 was opened to support this activity.

Result

In 2018, the “TISCO Ruam Jai Building 6” fund was given to Ban Jor Hor School, Muang District, Nakhon Ratchasima. Initiated in 2017, the project was to build a 3-storey building with 18 classrooms and equipment for the school within a 12.08-million baht budget. It was built to replace the old 2-story building with 16 rooms which has been used for over 40 years. This new building has more classrooms to accommodate an increasing number of students in the future. Construction materials were funded by TPI Polene Public Company Limited, Lighting and Equipment Public Company Limited, Union Mosaic Industry Public Company Limited, Bangkok Cable Company Limited, Technology Systems Development Company Limited and donations from TISCO’s management,



employees and customers as well as the general public. TISCO has also launched another project in 2018, which is to build “TISCO Ruam Jai 7 Building” for Ban Muang School, Muang District, Khon Kaen. The site survey revealed that the old 2-storey half-wood-half-concrete building with 6 classrooms has been used for more than 40 years and is in bad condition. The structure is damaged and wall panels and ceilings have been destroyed by termites. In addition, the school has an expansion plan according to the government’s policy, and, therefore plans to build a new 2-storey building with 8 classrooms equipped with new teaching aids and equipment to replace the old one and increase teaching capacity. The building started in February and was completed in December 2018. With a budget of 4.98 million baht, the project received funding for construction materials from TPI Polene Public Company Limited and Technology Systems Development Company Limited, as well as donations from the management, employees and customers as well as the general public.

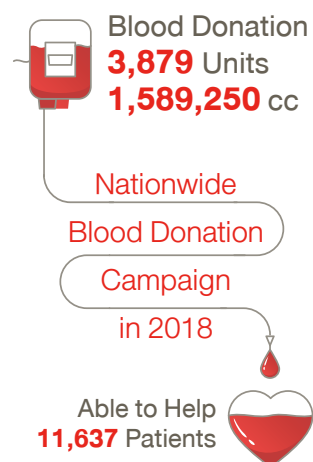
TISCO Ruam Jai 7 Building	Baht
1. Construction materials donated by partners	635,442
2. Donation through “TISCO RUAM JAI for Education Development”	2,972,349
3. TISCO donation	1,372,010
Total	4,979,801

3. Hospitals and other social development

TISCO has continued the “TISCO Pay It Forward” campaign for the second year to provide cancer patients with the opportunity to have access to good treatment. Under this campaign, 10,000 buyers of TISCO Zero Cancer Plan (ZCP) get a discount of 100 baht per policy. Furthermore, we donate 100 baht from each first-year policy of TISCO Zero Cancer Plan (ZCP) sold (a minimum donation of one million baht) to the cancer treatment research and development work of Ramathibodi Hospital. This campaign started in August 2017 and continuing until August 2018. At the end of the project, TISCO donated 1,900,100 baht to Ramathibodi Hospital to support its cancer treatment research and development project.

Nationwide Blood Donation Campaign has continued since 1984. In 2018, TISCO held 14 blood donations in Bangkok and branches in big cities nationwide and received 3,879 units of blood or 1,589,250 cc, which can help 11,637 patients.

In terms of other social activities • TISCO introduced the nationwide community care project run by TISCO branches. Activities include landscape improvement at the entrance of Khao Sam Lan Park, Saraburi, at Mae Kuang Udom Thara Dam in Chiang Mai, improving restrooms at the playground in Ban Chiang Yuen School, Udon Thani, repairing the playground and rest pavilion at Thai Rath Vitaya 64 Schools (Ban Nong Ket), Ratchaburi, improving Khlong Hae Floating market, cleaning, delivering stone chairs and table sets, cleaning Bang Saen Beach, Chonburi. Organizing a “Kathin” ceremony at Amornwadee Temple in



cooperation with TISCO employees and the general public in Samut Songkram, and organizing the company's Board of Directors' "Kathin" ceremony at Wat Huay San Plab Pla Temple, in Mae Lao District, Chiang Rai.

TISCO also supported other social development activities held by its partner network, such as

- Our Khung BangKachao Phase I project which amplifies the concept initiated by the late King Bhumibol Adulyadej and HRH Princess Maha Chakri Sirindhorn in preserving and developing Khung Bang Kachao as the natural green area and allowing the community and the nature to live together in harmony by developing 2.61 rai in Bang Krasob Sub-district.
- Children, youth and the underprivileged development activities include support for Dr. Sem Pringpuangkaew Foundation's scholarship and career development for the underprivileged or orphans affected by HIV/AIDS who are under the adoptive parent project ; support for UNICEF education projects, child protection, child development worldwide and assistance for children and families in time of emergency ; support for the Kukrit 80 Institutes under the Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn that offers opportunities to young people to demonstrate their Thai traditional performance talents in the international arena ; support for Special Olympics Thailand which promotes physical development of people with intellectual disabilities ; support for Northeastern Mentally Retarded Welfare Center in Udon Thani under the Foundation for the Mentally Retarded Thailand under the Royal Patronage of HM the Queen by constructing a skill training building; and support for physical development of all kinds of mentally retarded persons to help reduce burden of the family and society, including purchasing a van to transport them from home to the training center for muscle, speech and life skill training.

Social activity expenses

Activities	2016	2017	2018
1. Financial literacy promotion	7,422,809	7,002,826	9,620,105
2. Scholarships	10,477,900	12,500,000	25,000,000
3. Repair and improvement of buildings and teaching equipment	1,018,725	9,354,369	1,698,233
4. Social, environment and corporate governance promotion activities	1,882,990	1,147,439	1,346,684
5. Support partner network's activities	5,259,312	3,448,636	1,821,000
Total (Baht)	26,061,736	33,453,270	39,486,022

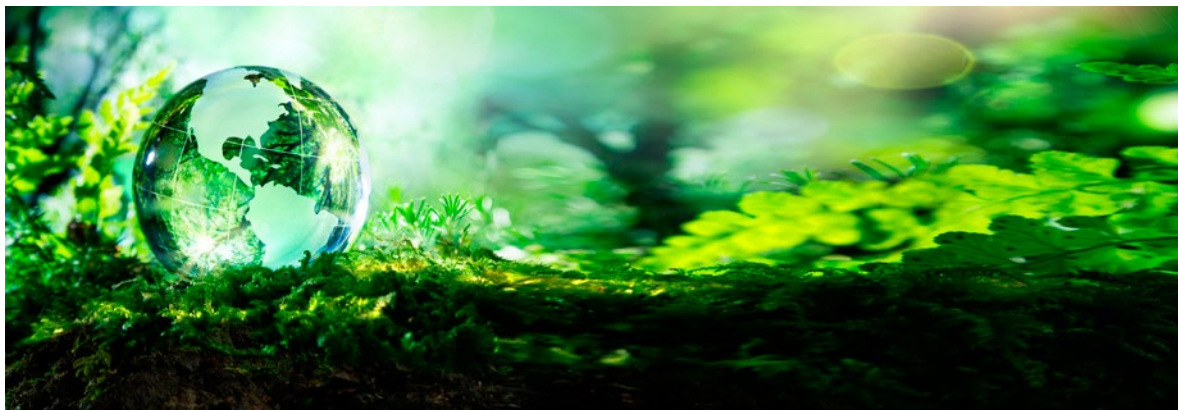


TISCO is committed to creating value for society and stakeholders, including shareholders, employees, government and private organizations including communities and society. Our business operations and various activities that add value to stakeholders and society include dividend payments, employees' benefits, human resource development and community development participation. These activities have provided economic value distribution and strengthened prosperity for the stakeholders throughout the year 2018 as follows :

Direct Economic Value Generated and Distributed	Amount (Million Baht)
(1) Direct Economic Value Generated	
<ul style="list-style-type: none"> • Revenues 	25,109
(2) Direct Economic Value Distributed	
<ul style="list-style-type: none"> • Operating Costs • Employee Wages and Benefits • Payments to Providers of Capital • Payments to Government • Community Investment 	5,273 5,839 7,965 3,080 39
(1) - (2) Economic Value Retained	2,913

- 1) Strictly comply with the law, regulations and standards in relation to relevant environmental issues.
- 2) Include environmental issues as another key factor in evaluating risk management, operational and decision-making process as well as organize activities and make other contributions that aim to reduce both direct and indirect negative environmental impacts.
- 3) Continuously develop and improve the environmental management system and operational process to mitigate negative environmental impacts while promoting sustainable and efficient use of resources.
- 4) Support operational processes or relevant activities that contribute to minimizing the amount of waste and pollution while maximizing resource efficiency.
- 5) Promote and build social awareness among employees so that they participate in both corporate and individual activities that aim to reduce the amount of waste and pollution, resource consumption, while increasing recycling and rehabilitating natural resources.
- 6) Prevent pollution caused by the operational process or activities that may have an effect on the environment.
- 7) Support environmentally friendly purchasing, supplier and outsourcing procurement based on the Supplier Code of Conduct associated with environmental matters.
- 8) Encourage suppliers and outsourcing firms to adapt to an operational process that aims to reduce negative environmental impacts as specified in the Supplier Code of Conduct.
- 9) Study guidelines in order to take action to minimize the effect of climate change that is caused by the company's energy consumption or other relevant activities both directly and indirectly.

To operate following the framework and regulations indicated in Environmental Policy, the SD Working Group has studied environmental operating guidelines, set down the purpose of the environmental operating plan in the Sustainable Development Roadmap (SD Roadmap) for TISCO in a concrete manner, in order to drive projects or activities designed to build environmental awareness among employees and stakeholders through various channels, and monitor environmental management practice so that it is in line with the specified operation plan. In 2018, TISCO Group delivered environmental management performances following the SD Roadmap as follows :



Environmental Management Plan of TISCO Group

	Reduce the amount of paper consumption	Reduce energy consumption	Reduce the amount of waste	Reduce the greenhouse gas emissions
Goals in 2020	<ul style="list-style-type: none"> Paper usage decreases by 15% Continuously support the use of more electronic channels Develop / improve operational process to move toward a paperless process 	<ul style="list-style-type: none"> 700 LED light bulbs used in the company's branches (reducing electricity usage increases by 27,700 kilowatt-hour) Continuously review replacement of desktop PCs with Zero-Client solutions 	<ul style="list-style-type: none"> <u>Foam food container</u> Stop using and bringing foam food container into all premise of TISCO 	<ul style="list-style-type: none"> Initiate at least 2 projects to mitigate Carbon dioxide emissions
Goals in 2018	<ul style="list-style-type: none"> Paper usage decreases by 10% Improve data input processing toward electronic format, electronic form processing system to reduce the use of papers at each stage of operation 	<ul style="list-style-type: none"> 9,000 LED light bulbs used in Head Office, TISCO Tower building, reducing electricity usage by 356,500 kilowatt-hour 400 units of PCs replaced with Zero client solutions 	<ul style="list-style-type: none"> <u>Foam food container</u> Stop using and bringing foam food container into TISCO Tower building 	<ul style="list-style-type: none"> Reduce Carbon dioxide emissions as a result of holding 1 event Organize training on greenhouse gas impacts alongside data and information gathering processes
Performance results in 2018	<ul style="list-style-type: none"> Amount of papers increases by 8.59% Extend service channel with the use of mobile applications such as MyFund, MyPVD to reduce the use of paper Provide seminar documents on electronic media 	<ul style="list-style-type: none"> The project of replacing the lighting system with LED light bulbs inside TISCO Tower building has been postponed, with completion of installation scheduled for Q1 / 2019 387 units of PCs replaced with Zero client solutions Install Motion Sensor devices inside restrooms 	<ul style="list-style-type: none"> <u>Waste separation</u> Provide separate bins for plastic bottles <u>Stop using foam food container</u> Ban on the use of foam food container in the area of TISCO tower building 100% 	<ul style="list-style-type: none"> Organize 3 projects (4 events) that aim to reduce Carbon dioxide emissions including, the plantation project, Financial camp project and Staff New Year Party that collectively minimize Carbon dioxide emissions by 7,603.82 kgCO₂e Organize a seminar on "The Greenhouse Gas" for executives and employees by Thailand Greenhouse Gas Management Organization (Public Organization)

Performance Result in Promoting the Reduction of Energy and Resources Consumption

In 2018, TISCO Group delivered performance results that contributed to the reduction of energy and resources consumption following the SD Roadmap as below.

1) Reducing paper consumption

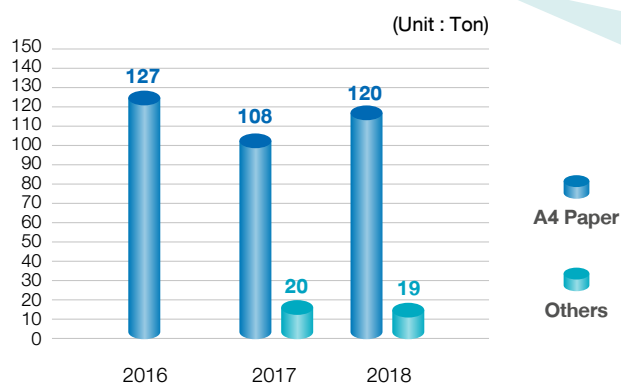
“Paper” is a significant office supply for business practice and is prone to waste. In the banking and financial industries, paper is used to draw up legal evidence of business practices / transaction confirmations with customers through receipts, agreements, statements, application forms and bill payment forms. In addition, paper is used for different forms of internal operation practice such as report printing for verification or filing as supporting documents. In addressing the use of paper to meet the requirements of third parties or corporate internal practices, TISCO Group has built and improved selected alternative operational processes continuously that meet said needs but also lower paper consumption. Among the guidelines that TISCO Group has put into place and updates every year to reduce paper consumption are :

- The shift in distribution channels of information / newsletter / business notices to electronic channels such as email and SMS.
- Systemize Information management enabling customers to access data, accounts, statements, etc. via TISCO’s e-Service channels, reduce the number of documents provided for customers and encourage subscription to the e-Service to access data or reports.
- Copies of documents are filed in supported formats of electronic documents available on the company’s information management system which related functions can access to view / verify data with no need to print copies of documents or make physical files.
- Migrate business transactions to electronic channels by developing the online system with sound information security and providing effective and adequate document filing such as order placement for securities business and mutual fund services through electronic channel.
- Learning materials are arranged in e-Learning format, enabling employees to view them at any time and derogating the data filing in document format.

In addition to above-mentioned continued practices, in 2018 TISCO Group has developed several mobile applications such as My Car My TISCO, My Fund and My PVD, facilitating customers with extended service channels that in turn help reduce the amount of physical document filing for customers as they can view and store documents in image format directly from their smartphones in substitution of keeping physical documents.

These measures have resulted in reducing paper consumption thus mitigating damage to natural resources in term of paper production while also improving the company’s cost efficiency in terms of reduced cost of paper, printing ink and document delivery service and, most importantly, lowering the amount of waste paper. Additionally, these practices improve operational effectiveness, lower the risks of false delivery / information to customers and meet customers’ use behavior based on their digital-centric lifestyles, thus empowering the company to build customer satisfaction.

Amount of paper used in overall operation of TISCO Group



However, the record of paper consumption in 2018 indicated that paper consumption rate increased by 8.59% compared to 2017 due to the growth rate of TISCO Group including the necessity in adjusting documents and printed forms being to provide customers complete and sufficient information as supporting information documents for their decision-making.

TISCO Group has paid special attention to ensuring data security within TISCO Group's management practice. This has led to the realization of the importance of selecting service providers renders services of destroying and eliminating papers that are invalid or unnecessary to keep. Taking account of a paper eliminating process that ensures any sensitive or confidential documents within TISCO Group's management practice cannot be leaked, and to entitle its representatives to witness the effectiveness of the paper eliminating process will strengthen TISCO Group in its efforts to examine the quality and effectiveness of the paper eliminating process by suppliers and also in taking into account the paper recycling process provided by service providers.



2) Energy conservation

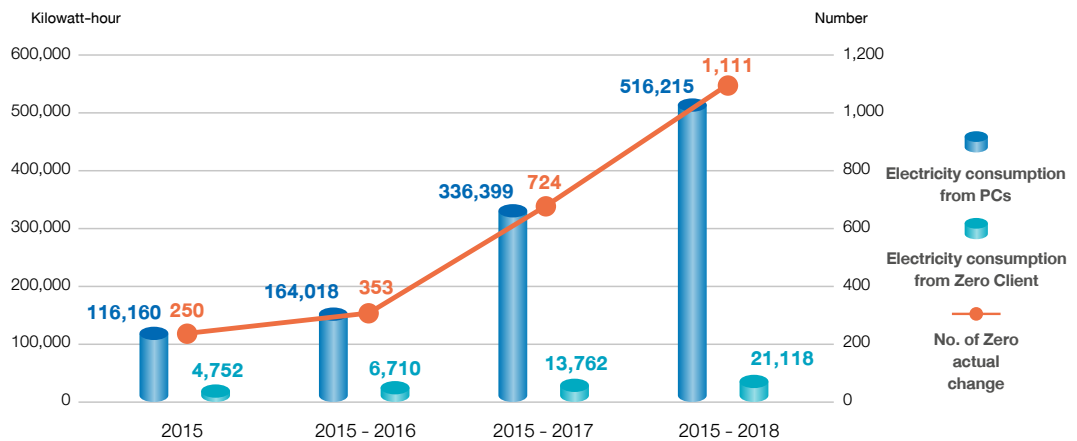
2.1) Management in reducing energy consumption and promoting energy conservation of TISCO Group

The major proportion of TISCO Group's energy consumption comes from lighting, air-conditioning and computerized system. In collaboration with executives, TISCO Group is implementing policies and programs that aim to reduce energy consumption and promote energy conservation in a concrete manner. This has led to continuous operational and follow-up practices in energy consumption that in turn help reduce the cost of electric energy consumption, and also mitigate the effect of climate change caused by the company's direct and indirect energy consumption. In 2018, in addition to reducing energy use by replacing personal computers (PCs) with Zero Client solutions, TISCO Group is replacing traditional light bulbs with LED bulbs in line with the SD Roadmap. An overview of performance results in 2018 is given below.

• **Replacing PCs with Zero Client solutions**

TISCO Group has continuously been implementing the ‘Virtual Desktop Infrastructure’ project or the use of virtualization system that is designed to improve the operational effectiveness of computers and the efficient use of energy. The outcome is a significant decrease in electric energy consumption compared to the use of personal computer (PC). Other than that of, the energy consumption rate decreases from 220 watt / PC to 9 watt / Zero Client solution, because the new devices use less energy to operate, then generate less heat into the working environment. This leads to a reduction in the air-conditioning load and indirectly lowers energy consumption. As a consequence of this project, which was originally introduced in 2015, the number of PCs replaced with advanced solutions increases every year. From the beginning of the project until 2018, 1,111 PCs have been replaced and have collectively improved cost-efficiency compared to the purchase of PCs with a total cost of 13,220,900 baht (or a 58% decrease), lowered the power consumption by around 495,097 kilowatt-hour per annum and reduced the electricity bill by 1,485,291 baht per year. In 2018, the replacement of 387 PCs with Zero Client devices was lower than the target of 400 units anticipated because the operational plan for the replacement of due PCs with Zero Client devices was postponed to 2019. The operational plan for the switch to Zero Client devices is continuously conducted and reviewed.

Cumulative power consumption rate of PC compared to Zero Client



• **An alteration to LED light bulbs**

Following the operational plan in the SD Roadmap, the switch to LED light bulbs inside all subsidiaries under the umbrella of TISCO Group kicked off at TISCO Tower building and is expected to be completed within 2020.

Replacing the Light bulbs for Energy Saving Plan



In 2018, the replacement program fell behind schedule due to the delay of supplier procurement process for new bulbs. In late 2018, TISCO Group and a supplier signed a mutual service contract. The program for the installation of LED light bulbs inside all subsidiaries of TISCO Group has already started and is due for completion within Q1 / 2019.

- **Installation of Motion Sensor device inside restrooms**

In 2018, TISCO Group carried out a measure to reduce the energy use in addition to the designated operational plan. This led to the installation of Motion Sensor devices in every restroom on every floor of TISCO Group's subsidiaries' premises at TISCO Tower building. This device is fitted to replace for some light bulbs that switch off every 5 minutes when no motion is detected. The installation procedure started in late 2018 and is expected to be completed within Q1 / 2019.

2.2) Management in reducing energy use and conserving energy in collaboration with suppliers

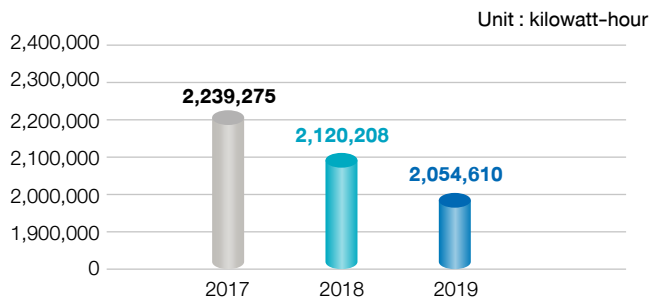
TISCO Group is well aware of the importance of continuously reducing energy consumption and promoting energy conservation as it reflects on both TISCO's own operation and collaborative operations with its suppliers. In terms of energy conservation operations in collaboration with suppliers, TISCO Group has conducted environmental management practices with the Yommarat condominium juristic person under which the management of TISCO Tower building complies with a policy issued by the condominium management committee. The members of this committee are appointed by representatives of co-owners and consist of four TISCO's representatives, one representative of another company and 2 other individuals. TISCO Group's building management in support of environmental conservation is conducted through TISCO Group's representatives of the condominium management committee, ensuring that the building management follows environmentally friendly energy use, a maintenance service that improves the building capability applicable to tenants and co-owners' usage. To date, the building juristic person has efficiently conducted energy-efficient management and been recognized with

several guarantee awards including Best Practice Award : Energy Management and Sustainability from Thailand Facility Management Association in 2017.

In 2018, the condominium management committee implemented a building equipment improvement program inside TISCO Tower building with the aim of achieving sustainable consumption of resources and to build environmental awareness through three projects, namely :

- 1) The elevator improvement project on the side of High Zone which was completed in February 2018 can save 26.50% energy compared to the energy consumption of a traditional elevator. In addition, the project ensures compatibility with visually-impaired people with Braille embossed on the elevator’s buttons.
- 2) The coolant conditioning system project in the Cooling Tower has been replaced from SYNERGY system to an OZONE system as this helps reduce energy use and waste water by 67% per month and 75% per month, respectively. In addition, it terminates the use of chemicals for water-conditioning in the cooling tower with the result that all waste water is uncontaminated and environmentally-friendly.
- 3) The new air-conditioner installation project in the common area on the first floor of the building which was completed in March 2018 strengthens the effectiveness of the air-conditioner, reducing electric energy consumption by 30%.

Electric Energy Use Rate in TISCO Tower building at its common area

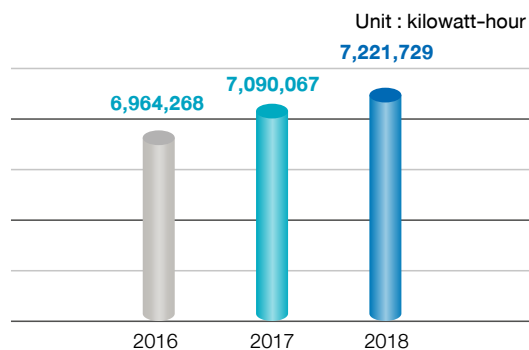


The implementation of the project reduced the electricity use in the common area of TISCO Tower building in 2018

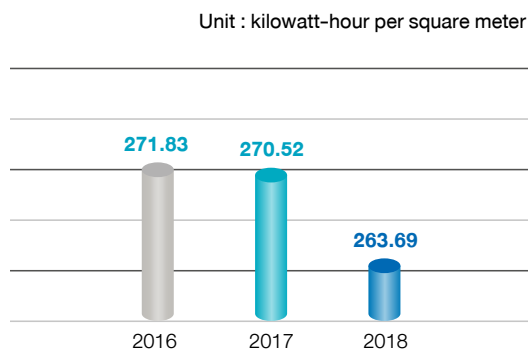
Decreased 65,598
kilowatt-hour per year in amounting to
23,402
baht per year

Thanks to the continued management of energy consumption reduction and the promotion of energy conservation through the direct operations of TISCO Group and other management practices in collaboration with the condominium juristic person in building an efficient use of energy, the amount of energy used inside TISCO Tower building owned by TISCO Group in 2018 totaled 7,221,729 kilowatt-hour per year a 2% increase compared to the previous year. The energy intensity ratio decreased by 6.83 kilowatt-hour per square meter per year compared to an energy intensity ratio by area totaling 263.69 kilowatt-hour per square meter per year of 2017 as a consequence of TISCO Group expanding its working areas inside TISCO Tower building from 26,209.31 square meter in 2017 to 27,387.71 square meter in 2018 within Q3 / 2017. This led to amount of energy consumption and the energy consumption rate - continuously increased in 2018 due to energy consumed in the extended working areas throughout the year.

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



Energy Intensity Ratio



Note : Record on energy consumption and the proportion of the energy intensity ratio by area (excluding branches in other provinces and perimeter) consumed by TISCO Bank Public Company Limited, TISCO Tokyo Leasing Company Limited, HTC Leasing Company Limited and Hi-Way Company Limited

3) Reducing the amount of waste

The waste problem is directly related to human consumption behavior. Consumption that triggers waste that is non-biodegradable or takes a long time to completely decompose includes PU foam and plastic products. Improper management of waste separation from the source and an ineffective waste management system cause pollution and the lack of recycling. These lead to pollution problem and severe environmental impacts and threaten the existence of marine creatures while also impacting hygiene and sanitation thus affecting people's health. TISCO Group realizes the significance of these problems and impacts and thus has paid particular attention to its waste management system. This is related to organizational practices designed to systemize waste management and mitigate the risks of environmental pollution and led to the promotion of recycling and raising awareness among its employees to take part in building environmentally-friendly behaviors at their workplaces and in their daily lives with their families and surrounding communities.

In 2018, TISCO Group introduced three projects as part of its SD Roadmap. Known collectively as "3 Tah Gla Plein", they encourage all employees of TISCO Group to participate in the following three major activities;

- 1) Free from Foam Food Container
- 2) Waste Separation to Upcycling
- 3) No Longer Depend on Plastics

Free from Foam food container Activity

To reduce and mitigate environmental impacts, TISCO Group has initiated target in SD Roadmap relating to a ban on all foam food container the company's premises and offices. The measure kicked off by prohibiting employees from using or bringing any foam food container into the premises of its subsidiaries in TISCO Tower building and simultaneously introducing a performance follow-up and assessment and announcing performance results to raise awareness and promote participation among employees. The objectives of this practice aims to raise awareness among employees about the significant impacts of foam product use and how it affects their health and the health of their

families and the environment, and to build a habit of not using foam food container that in turn influences the behavior of their family, relatives and friends. In addition, TISCO Group believes that changing consumer behavior starting with its employees can have a strong influence on surrounding communities and surrounding areas where TISCO Group operates and where employees and their family live in convincing local suppliers to also ban foam food container to collaboratively reduce the amount of waste and conserve environment.

In 2018, TISCO Group and the condominium building juristic person teamed up to promote the ban on the use of foam food container in TISCO Tower building. Simultaneously, an exhibition was organized to educate people about the harmful effects of using foam-based food containers together with the placing of signs banning foam food container inside the building around the entrance and exit areas. Stores situated inside the building also coordinated in - banning from using foam food containers to ensure the TISCO Tower building remained foam free. The absolute 100% ban on the use of foam food container inside TISCO Tower building in 2018 reached its target ahead of schedule.

Waste Separation to Upcycling Activity

TISCO Group has initiated a project that aims to separate plastic waste from normal waste by encouraging employees to separate recyclables from normal waste and sell them to the company for recycle or upcycle process. The company donates income from the sales of separated waste to the TISCO Foundation for use in charitable practices. TISCO Group started a waste separation campaign in mid-July 2018. The campaign is not included as a corporate target but is designed to build engagement and participation among employees with the results used to make charitable contributions. Throughout the period of operation starting from the launch of campaign to the end of 2018, more than one ton of plastic waste was separated for sale to suppliers and will be recycled and upcycled to make polymer raw material used in the production of new tools and appliances such as cups and bowls, basins and buckets.

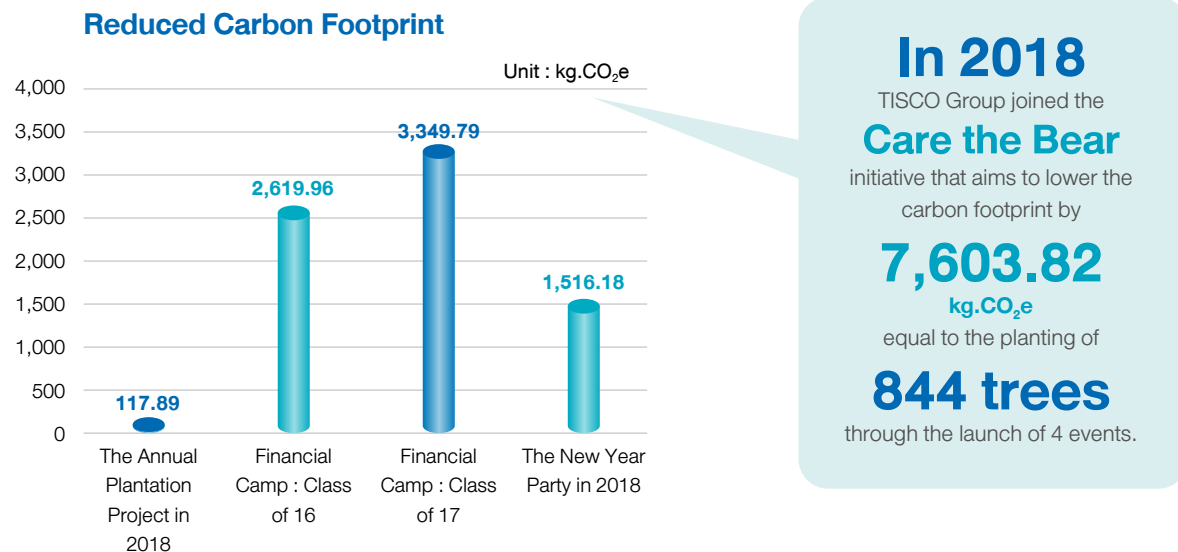
4) Reducing Greenhouse Gas Emissions

Climate change is the global issue of greatest concern as it could have a broad impact on every sector in society. Consequently, the main subject of the 21st Conference of the Parties (COP) and the Meeting of the Parties to the 'Paris Agreement' was maintaining a global temperature rise this century to well below 2 degrees Celsius. People living in Bangkok are today suffering from air quality at harmful levels because of the quantity of unsafe dust particles known as PM2.5. This unfortunate situation has pushed all stakeholders to pay special attention to climate change. TISCO Group recognizes the importance of environmental impact in conducting business. This has led to certain initiatives that respond to environmental conservation including the tree planting project that TISCO Group has continuously conducted since 1991. Furthermore, TISCO Group has continuously introduced other programs that aim to promote energy conservation, reduce energy use as well as reduce the amount of waste in a more efficient and concrete manner.

Performance Result

TISCO Group realizes the importance of playing a role in reducing the effects of climate change that are steadily becoming wider and worse. In the beginning, this led to building understanding and awareness among the company's executives and employees to engage in conserving the environment and in any act that helped reduce climate change. In 2018, Thailand Greenhouse Gas Management Organization Public Company Limited provided a team of experts to share their knowledge with TISCO Group's executives and employees to raise awareness on this issue. The body of knowledge includes the sources of greenhouse gas, the impacts of climate change on the economy and society, as well as building understanding about the connection between financial institutes' operational practices and the direct and indirect cause of greenhouse gases. In addition, TISCO Group has continuously studied standards and assessment measures of greenhouse gas consumption alongside measuring, reporting and monitoring methods.

To build a common learning process among project managers and other associates alongside operational practices aimed at mitigating the global warming crisis, in 2018 TISCO Group joined the "Care the Bear : Change the Climate Change by Eco Event" project hosted by the Stock Exchange of Thailand (SET) with the aim of building understanding and knowledge for participants, and also promoting partnerships to reduce global warming. The project included the Eco Event, which was initiated as a campaign to support Sustainable Development Goals (SDGs) especially article 13 : "Climate Action". The project also responds to the company's SD Roadmap.



Scope and process of operation

Three pilot activities and 4 events are being held as part of the "Care the Bear" project. Apart from supporting these projects, TISCO Group aims to raise environmental awareness among all stakeholders by organizing events inside TISCO Tower building addressing environmental concerns and promoting the use of environmentally-friendly appliances, food containers and tools. Additionally, understanding and knowledge about the efficient use of resources are being integrated in the 'Financial Camp' activity and shared with young people in all regions of the country.

The scope and process of the operations aiming to reduce the Carbon Footprint through these events, data collection and CO₂ emission Calculation standards inside the event are in compliance with the 'Care the Bear : Eco Event' kit and consist of 6 major elements, namely :

1. Promote public transport and shared mobility
2. Reduce paper and plastic consumption in the form of documents and packaging
3. Stop using foam-based packaging and decorative items
4. Reduce the energy consumption of electric devices or shift towards using energy-efficient devices
5. Design based on recyclable decorative materials
6. Reduce food waste from events

Performance result of reducing CO₂ emissions through the events held in 2018

Name of event	Number of participants (people)	Scope of reducing CO ₂ emissions	The amount of CO ₂ reduction by (kg.CO ₂ e)	Equal to planting big plants (tree) (to absorb carbon dioxide (CO ₂))
1) Plantation and Brackish Water Conservation	162	1) Traveling using public transport	10.28	
		2) Reducing the use of paper, plastics and foam	7.67	
		3) Reducing waste food from events	99.94	
Total			117.89	13
2) TISCO Financial Camp : Class of 16 and 17	240	1) Traveling using public transport	5,058.19	
		2) Reducing the use of paper, plastics and foam with an alternative of recyclable decorative materials	123.52	
		3) Reducing waste food from events	788.04	
Total			5,969.75	663
3) TISCO Road to Champion Staff Party	4,000	1) Traveling using public transport	1,516.18	168
Grand Total			7,603.82	844

Note : Events those join the project shall have at least 100 participants.



5. Environmental conservation

TISCO Group realizes the importance of environmental conservation as reflected through its continuous planting project since 1991 that aims to build awareness among employees about environmental conservation and promote their participation in rehabilitating the balance of nature, which in turn helps mitigate impacts of the global warming crisis, a major global concern.

Annual Plantation Project

In 2018, 200 volunteers made up of executives and employees participated in planting 2,000 trees in Chaloem Phrakiat Public Park in honor of the late King Bhumibol Adulyadej as part of the 'Lukphradabos' project in Samut Prakarn initiated by His Majesty for the eighth consecutive year. The project includes restoration to build a learning center of brackish water plants and other salt-tolerant plants in botanical garden form. The project also promotes its agricultural-tourism activity that aims to boost local income. From 1991 to 2018, 360,400 trees have been planted in areas covering over 1,000 rai of land in several provinces including Kanchanaburi, Nakhon Nayok, Phetchaburi, Nakhon Sawan, Nakhon Ratchasima and Samut Prakarn.

In addition, a group of volunteers consisting of executives and employees in each region collaborated in the planting activity to help promote environmental conservation and community development. For instance, in the central region, 550 *Cassia* trees have been planted in Khao Sam Lan, Saraburi for the central region, 300 *Silver Trumpet* trees in the 'Talad Nam Klong Hae' floating market area in Songkhla for the southern region, and 200 *Golden Shower* trees in the neighborhood of Mae Kwang Udom Thara Dam in Chiang Mai for the northern region. This has enabled the landscape to be developed into a recreation park to boost local income.

About TISCO Sustainability Report 2018

This sustainability report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and Financial Services Sector Disclosures guidelines. Contents presented herewith encompass organizational information and management guidelines on sustainability and key indicators during 2018 covering the economic, social and environmental topics. Also reported are links between TISCO operations and delivery of value to all stakeholders and the United Nations' Sustainable Development Goals (SDG2030), according to the scope specified below.

Disclosure Level	'In accordance' - Core
Reporting Period	1 January 2018 - 31 December 2018
Reporting Period	Annually
List of Company and its Subsidiaries	<p>TISCO Financial Group Public Company Limited</p> <ul style="list-style-type: none"> • TISCO Bank Public Company Limited • TISCO Securities Company Limited • TISCO Asset Management Company Limited • Hi-Way Company Limited • TISCO Insurance Solution Company Limited • TISCO Information Technology Company Limited • TISCO Learning Center Company Limited • All-Ways Company Limited • Deutsche TISCO Investment Advisory Company Limited • TISCO Tokyo Leasing Company Limited* • HTC Leasing Company Limited* <p>Notes * Not included in the consolidated statements in accordance with Thai Accounting Standard</p>
Report Quality Assurance	<p>The Management and the Sustainable Development Working Team of TISCO have played a role in supervising the preparation of the TISCO Sustainability Report 2018 to ensure that its contents are complete and cover all key issues related to the organization and stakeholders, reviewed the report accuracy, and approved it. TISCO has also planned to engage a third party for report review in the future for the purposes of boosting confidence in the report and further ensuring that the report is entirely complete.</p> <p>Financial data used in this report come from the accounting system that also provides data for financial statements and the annual report 2018 of TISCO and its subsidiaries, which are audited by certified public accountants.</p>
Most Recent Report	<p>TISCO Sustainability Report 2017</p> <p>TISCO Financial Group Public Company Limited</p>

For further information or enquiry please contact

Sustainable Development Unit

TISCO Financial Group Public Company Limited

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Awards and Recognition Our Success

In 2018, TISCO was honored with several awards and recognition from various institutes at both the national and international levels for its commitment to developing products and services for the benefit of all groups of stakeholders, good corporate governance, and social and environmental responsibility, all of which are crucial to sustainable development. Our accolades include :

National Level



Operating Results

Best Company Performance

TISCO Financial Group Public Company Limited won the Best Company Performance Award in the category of listed companies with market capitalization between 30 billion – 100 billion baht in SET Awards 2018 ceremony arranged by the Stock Exchange of Thailand (SET). The distinction is granted on the basis of impressive business performance, good corporate governance and full compliance with SET on data disclosure and quality of financial statements. TISCO Financial Group Public Company Limited was ever recognized with Outstanding Company Performance Award in 2016.



Distinguished Financial Management

TISCO Bank Public Company Limited received the Distinguished Financial Management Award for being an outstanding financial firm at the Thailand Corporate Excellence Awards 2018 ceremony. The Thailand Management Association (TMA) and Chulalongkorn University's Sasin Graduate Institute of Business Administration organize the event to honor successful and exemplary business organizations.



Good Corporate Governance

Thailand Sustainability Investment (THSI)

TISCO Financial Group Public Company Limited is on the list of Thailand Sustainability Investment (THSI) 2018, which was released by SET at the SET Sustainability Awards 2018 ceremony. TISCO has made it into the list for two consecutive years thus underlining TISCO's commitment to sustainable growth through comprehensive risk management, innovation-driven competitiveness, ethical business practices, as well as social and environmental responsibility in line with the prescribed sustainable development guidelines.

National Level



Excellent CG Scoring

TISCO Financial Group Public Company Limited has been evaluated as “excellent” and ranked in the “Top Quartile” of listed companies with market capitalization over 10 billion baht consecutively for the 11th year in recognition of its outstanding CG Report for the year 2018 arranged by the Institute of Directors (IOD).



ESG100

TISCO Financial Group Public Company Limited has been selected as one of 100 companies on the ESG100 list for its impressive Environmental, Social, Governance (ESG) performance for the year 2018 consecutively for the fourth year since the Thaipat Institute started ranking the ESG100 in 2015.



Sustainability Report Award - Most Improved

TISCO Financial Group Public Company Limited won the 2018 Sustainability Report Award – Most Improved from the Thai Listed Companies Association. The award reflects TISCO Financial Group Public Company Limited’s commitment to disclose data in line with international guidelines. The report covers not just financial data but also TISCO’s environmental, social and governance performance, which reveals the level of business sustainability for the benefit of stakeholders.



Outstanding Sustainability Report Award

TISCO Financial Group Public Company Limited won the 2018 Sustainability Report Award from the Thai Listed Companies Association. The award is granted in recognition for TISCO’s prominent disclosure of the TISCO Sustainability Framework, which is also integrated with TISCO’s mission in a concrete manner. Data disclosed include the promotion of sustainable capital market, strengthening the rural economy 61 and promoting financial inclusion, introduction of innovative financial products, and minimization of environmental impacts. The disclosure is also undertaken in an easy-to-understand manner.



Excellent Shareholders’ General Meeting 2018 Certificate

TISCO Financial Group Public Company Limited has received the excellent shareholders’ general meeting 2018 certificate by scoring 100 out of possible 100 points. The shareholders’ general meetings held by TISCO Financial Group Public Company Limited have been described as “excellent” for four consecutive years. The Thai Investors Association, the Thai Listed Companies Association, and the Securities and Exchange Commission jointly assessed the quality of shareholders’ general meetings of 657 listed companies.

National Level



Products and Services

Most Active Bank in Corporate Bond Secondary Market

TISCO Bank Public Company Limited received “Most Active Bank in Corporate Bond Secondary Market” award for the year 2018 from Thai Bond Market Association (ThaiBMA) Best Bond Awards 2018 organized by the ThaiBMA in recognition of its active market making role in corporate bond secondary market with the highest number of corporate bond transaction in 2018.



Excellent Analyst Team

Deutsche TISCO Investment Advisory Company Limited received “Excellent Analyst Team Award” – Institutional Investment Analyst for the year 2018 from Investment Analysts Association in the IAA BEST ANALYST AWARDS 2018 ceremony.



Best Analyst Individual

Deutsche TISCO Investment Advisory Company Limited received “Best Analyst – Individual Award” for the section of “Technology” – Institutional Investment Analyst for the year 2018 from Investment Analysts Association in the IAA BEST ANALYST AWARDS 2018 ceremony. The award result was considered from the voting of institutional investment analysts together with the considering criteria of the designated committee.



Outstanding Technical Analyst Certificate

TISCO Securities Company Limited received a certificate “Outstanding Technical Analyst - Not classified - Institutional and Retail Investors” for the year 2018 from Investment Analysts Association in the IAA BEST ANALYST AWARDS 2018 ceremony.

International Level



Corporate Governance

ASEAN CG Scorecard

TISCO Financial Group Public Company Limited received the Top 50 ASEAN CG Scorecard Award from the ASEAN Capital Markets Forum, which is composed of capital market regulators of ASEAN nations. The award is granted to raise CG or corporate governance standards of listed companies in the ASEAN region. Today, TISCO is one of 11 Thai firms to have made into the top 50 list of ASEAN nations. Judges of the ASEAN Capital Markets Forum granted the recognition by comparing data documents publicly released by TISCO against the CG guidelines of the Organisation for Economic Co-operation and Development (OECD) and taking into account of passing the validation test undertaken by an external and independent assessor.



Products and Services

Top Bank in Corporate Bonds

TISCO Bank Public Company Limited was named Top Bank in Corporate Bonds in the Secondary Market by the The Asset, the leading financial and investment media outlet in Asia-Pacific, in The Asset Benchmark Research Awards 2018 ceremony.



Most Innovative Asset Management Company – Thailand 2018

TISCO Asset Management Company Limited was named the Most Innovative Asset Management Company – Thailand 2018 by International Finance (UK), one of the world's leading financial magazines in International Finance Awards 2018 ceremony. This award is granted to the asset management firm that has demonstrated innovative investment products and offers new and good alternatives to investors on a constant basis.



Best Provident Fund Provider Thailand 2018

TISCO Asset Management Company Limited won the Best Provident Fund Provider Thailand 2018 award from Global Banking and Finance Review, one of the world's leading financial magazines. The award is granted in recognition of TISCO Asset Management's ability to generate good returns for its provident fund members on a regular basis, to maintain great service standards and to respond well to various needs.



Best Individual

TISCO Bank Public Company Limited was named Best Individual & Top Bank in Corporate Bonds in the Secondary Market by the The Asset, the leading financial and investment media outlet in Asia-Pacific, in The Asset Benchmark Research Awards 2018 ceremony.

GRI Index

GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
GRI 101 : Foundation 2016					
General Disclosures					
GRI 102 : General disclosures 2016	Organizational profile				
	102-1 Name of the organization	SR p.13			
	102-2 Activities, brands, products, and services	SR p.6-10			
	102-3 Location of headquarters	SR p.13			
	102-4 Location of operations	SR p.13			
	102-5 Ownership and legal form	SR p.13			
	102-6 Markets served	SR p.7-10			
	102-7 Scale of the organization	SR p.7-11			
	102-8 Information on employees and other workers	SR p.12			
	102-9 Supply chain	SR p.92-93			
	102-10 Significant changes to the organization and its supply chain	SR p.11, 92-94			
	102-11 Precautionary Principle or approach	SR p.143			
	102-12 External initiatives	SR p.13			
	102-13 Membership of associations	SR p.13			
Strategy					
	102-14 Statement from senior decision-maker	SR p.2-4			
	102-15 Key impact, risk, opportunities	SR p.2-4			
Ethics and integrity					
	102-16 Values, principles, standards, and norms of behavior	SR p.5 www.tisco.co.th/content/dam/tiscobank/download/about-tisco/corporate-governance-policy-th.pdf			
	102-18 Governance structure	SR p.14-15, 80-82			
	102-19 Delegating authority	SR p.15-16			
	102-32 Highest governance body's role in sustainability reporting	SR p.25			

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FS - Specific Information Disclosure of Financial Business Sector according to GRI (G4)

GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Stakeholder engagement					
102-40	List of stakeholder groups	SR p.18-22			
102-41	Collective bargaining agreements	SR p.103			
102-42	Identifying and selecting stakeholders	SR p.17			
102-43	Approach to stakeholder engagement	SR p.18-22, 64-68			
102-44	Key topics and concerns raised	SR p.18-22, 64-68			
Reporting Practices					
102-45	Entities included in the consolidated financial statements	SR p.23, 147			
102-46	Defining report content and topic boundaries	SR p.23			
102-47	List of material topics	SR p.25-27			
102-48	Restatements of information	SR p.12, 99-100, 110, 147			
102-49	Changes in reporting	SR p.6, 26-27			
102-50	Reporting period	SR p.147			
102-51	Date of most recent report	SR p.147			
102-52	Reporting cycle	SR p.147			
102-53	Contact point for questions regarding the report	SR p.147			
102-54	Claims of reporting in accordance with the GRI Standards	SR p.147			
102-55	GRI content index	SR p.152-158			
102-56	External assurance	SR p.147			
Material Topics					
Economic Performance					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 33, 40, 44, 49, 69		
	103-2	The management approach and its components	SR p.27-30, 33-43, 49-50, 66, 69-72, 101		
	103-3	Evaluation of the management approach	SR p.27-31, 33-44, 49-50, 70-72, 101		

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GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	SR p.133		
	201-2	Financial implications and other risks and opportunities due to climate change	SR p.76-77		
	201-3	Defined benefit plan obligations and other retirement plans	SR p.101 AR p.A10-71		
Indirect Economic Impacts					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 115-116		
	103-2	The management approach and its components	SR p.27-30, 66, 115-117		
	103-3	Evaluation of the management approach	SR p.27-31, 116-117		
GRI 203 : Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	SR p.115-117		
Anti-corruption					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 86-88		
	103-2	The management approach and its components	SR p.27-30, 86-91 www.tisco.co.th/th/sd/csr/goodgovernance.html#anticorp		
	103-3	Evaluation of the management approach	SR p.27-31, 86-91		
GRI 205 : Anti- corruption 2016	205-1	Operations assessed for risks related to corruption	SR p.90-91		
	205-2	Communication and training about anti-corruption policies and procedures	SR p.86-88		
	205-3	Confirmed incidents of corruption and actions taken	SR p.90		
Materials					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 134, 137-138		
	103-2	The management approach and its components	SR p.27-30, 135-138		
	103-3	Evaluation of the management approach	SR p.27-31, 135-136, 138		
GRI 301 : Materials 2016	301-1	Materials used by weight or volume	SR p.137		

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GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Energy					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 138		
	103-2	The management approach and its components	SR p.27-30, 138-141		
	103-3	Evaluation of the management approach	SR p.27-31, 138-142		
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	SR p.141-142		
	302-3	Energy Intensity	SR p.141-142		
	302-4	Reduction of energy consumption	SR p.139-140		
	302-5	Reductions in energy requirements of products and services	SR p.139		
Employment					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 97		
	103-2	The management approach and its components	SR p.27-30, 97-98, 101		
	103-3	Evaluation of the management approach	SR p.27-31, 97-98, 101		
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	SR p.99		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR p.102		
	401-3	Parental leave	SR p.103		
Occupational Health and Safety					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 97		
	103-2	The management approach and its components	SR p.27-30, 97, 104-106		
	103-3	Evaluation of the management approach	SR p.27-31, 97, 104-106		
GRI 403 : Occupational Health and Safety 2018	403-1	Occupational health and safety management system	SR p.104-105		
	403-2	Hazard identification, risk assessment, and incident investigation	SR p.104		
	403-3	Occupational health services	SR p.102, 104		

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GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission			
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR p.104			
	403-5	Worker training on occupational health and safety	SR p.105			
	403-6	Promotion of worker health	SR p.111			
	403-7	Prevention and mitigation of occupational health and safety impacts direct linked by business relationships	SR p.108			
	403-8	Workers covered by an occupational health and safety management system	SR p.104			
	403-9	Work-related injuries	SR p.106-107			
	403-10	Work-related ill health	SR p.106-107			
Training and Education						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 97			
	103-2	The management approach and its components	SR p.27-30, 97, 108-109 AR p. 8-26 to 8-32			
	103-3	Evaluation of the management approach	SR p.27-31, 97, 108-109			
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	SR p.110			
	404-2	Programs for upgrading employee skills and transition assistance programs	SR p.110			
	404-3	Percentage of employees receiving regular performance and career development reviews	SR p.109			
Diversity and Equal Opportunity						
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 83, 97			
	103-2	The management approach and its components	SR p.27-30, 83, 97, 113			
	103-3	Evaluation of the management approach	SR p.27-31, 83, 97			
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	SR p.100			

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GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Non-discrimination					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 83, 97		
	103-2	The management approach and its components	SR p.27-30, 83, 97, 104, 113		
	103-3	Evaluation of the management approach	SR p.27-31, 83, 104		
GRI 406 : Non-discrimination 2016	406-1	Incident of discrimination and corrective actions taken	SR p.104		
Marketing and Labeling					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 50, 52, 69, 120		
	103-2	The management approach and its components	SR p.27-30, 50-54, 56, 69-72, 85, 120-128		
	103-3	Evaluation of the management approach	SR p.27-31, 50-53, 56, 70-72, 85, 120-128		
GRI 417 : Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	SR p.56		
	FS15	Policies for the fair design and sale of financial products and services	SR p.13, 70-71, 81-82, 85 www.tisco.co.th/content/dam/tiscobank/download/about-tisco/corporate-governance-policy-th.pdf		
	FS16	Initiatives to enhance financial literacy by type of beneficiary	SR p.56-63, 116-117, 121-127		
Customer Privacy					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 84, 73		
	103-2	The management approach and its components	SR p.27-30, 84, 73-75		
	103-3	Evaluation of the management approach	SR p.27-31, 84, 73-75		
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR p.76		

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GRI Standard	Disclosure	Page number(s) And/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Product Portfolio					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 33-40, 44-46, 49		
	103-2	The management approach and its components	SR p.27-30, 33-39, 40-43, 45-47, 49-50		
	103-3	Evaluation of the management approach	SR p.27-31, 33-39, 40-44, 47, 49-50		
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. Micro/SME/ Large) and by sector	SR p.118-119		
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	SR p.54, 116-118		
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	SR p.48		
Local Communities					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 115-117		
	103-2	The management approach and its components	SR p.27-30, 66, 115-117		
	103-3	Evaluation of the management approach	SR p.27-31, 116-117		
	FS13	Access points in low-populated or economically disadvantaged areas by type	SR p.116		
Cyber Security					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 69, 73		
	103-2	The management approach and its components	SR p.27-30, 66, 69-71, 73-75		
	103-3	Evaluation of the management approach	SR p.27-31, 70, 72-73		
Innovation Management					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p.23, 27-29, 33		
	103-2	The management approach and its components	SR p.27-30, 33-40		
	103-3	Evaluation of the management approach	SR p.27-31, 33-40		

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Sustainable Development Goals Index

Sustainable Development Goals (SDGs)	GRI disclosure/ Indicator	Page number(s) And/or URL(s)
SDG1 End poverty in all its forms everywhere		
Access to financial services	FS6 FS7 FS13 FS16	SR p.118-119 SR p.54, 116-118 SR p.116 SR p.56-63, 116-117, 121-127
Availability of products and services for those on low incomes	203-2	SR p.115-117
Economic development in areas of high poverty	203-2	SR p.115-117
Economic inclusion	103-2	SR p.28-30, 33-43, 45-47, 49-54, 56, 66-75, 81-91, 94-98, 101, 104-106, 108-109, 113, 115-117, 120-127, 135-146
SDG2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture		
Changing the productivity of organizations, sectors, or the whole economy	203-2	SR p.115-117
Infrastructure investments	201-1	SR p.133
SDG3 Ensure healthy lives and promote well-being for all at all ages		
Access to medicines	203-2	SR p.115-117
Occupational health and safety	403-9 403-10	SR p.106-107 SR p.106-107
SDG4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all		
Employee training and education	404-1 404-2	SR p.110 SR p.110
SDG5 Achieve gender equality and empower all women and girls		
Economic inclusion	103-2	SR p.28-30, 33-43, 45-47, 49-54, 56, 66-75, 81-91, 94-98, 101, 104-106, 108-109, 113, 115-117, 120-127, 135-146
Gender equality	401-1 404-1 404-3 405-1	SR p.99 SR p.110 SR p.109 SR p.100
Infrastructure investments	201-1	SR p.133
Non-discrimination	406-1	SR p.104
Parental leave	401-3	SR p.103
Women in leadership	405-1	SR p.100
SDG6 Ensure availability and sustainable management of water and sanitation for all		
-		
SDG7 Ensure access to affordable, reliable, sustainable and modern energy for all		
Energy efficiency	302-1 302-3 302-4 302-5	SR p.141-142 SR p.141-142 SR p.139-140 SR p.139

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Sustainable Development Goals (SDGs)	GRI disclosure/ Indicator	Page number(s) And/or URL(s)
Infrastructure investments	201-1	SR p.133
Renewable energy	302-1	SR p.141-142
SDG8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all		
Access to financial services	FS6 FS7 FS13 FS16	SR p.118-119 SR p.54, 116-118 SR p.116 SR p.56-63, 116-117, 121-127
Changing the productivity of organizations, sectors, or the whole economy	203-2	SR p.115-117
Diversity and equal opportunity	405-1	SR p.100
Earnings, wages and benefits	401-2	SR p.102
Economic inclusion	103-2	SR p.28-30, 33-43, 45-47, 49-54, 56, 66-75, 81-91, 94-98, 101, 104-106, 108-109, 113, 115-117, 120-127, 135-146
Economic performance	201-1	SR p.133
Employee training and education	404-1 404-2 404-3	SR p.110 SR p.110 SR p.109
Employment	102-8 401-1	SR p.12 SR p.99
Energy efficiency	302-1 302-3 302-4 302-5	SR p.141-142 SR p.141-142 SR p.139-140 SR p.139
Freedom of association and collective bargaining	102-41	SR p.103
Indirect impact on job creation	203-2	SR p.115-117
Jobs supported in the supply chain	203-2	SR p.115-117
Non-discrimination	406-1	SR p.104
Materials efficiency	301-1	SR p.137
Occupational health and safety	403-2	SR p.104
Parental leave	401-3	SR p.103
Youth employment	401-1	SR p.99
SDG9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation		
Access to financial services	FS6 FS7	SR p.118-119 SR p.54, 116-118
Infrastructure investments	201-1	SR p.133
Research and development	201-1	SR p.133
SDG10 Reduce inequality within and among countries		
Access to financial services	FS13 FS16	SR p.116 SR p.56-63, 116-117, 121-127
Economic development in areas of high poverty	203-2	SR p.115-117

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Sustainable Development Goals (SDGs)	GRI disclosure/ Indicator	Page number(s) And/or URL(s)
Foreign direct investment	203-2	SR p.115-117
Responsible finance	FS15	SR p.13, 70-72, 81-82, 85 www.tisco.co.th/content/dam/tiscobank/download/about-tisco/corporate-governance-policy-th.pdf
SDG11 Make cities and human settlements inclusive, safe, resilient and sustainable		
Access to affordable housing	FS7	SR p.54, 116-118
SDG12 Ensure sustainable consumption and production patterns		
Energy efficiency	302-1 302-3 302-4 302-5	SR p.141-142 SR p.141-142 SR p.139-140 SR p.139
Materials efficiency/recycling	301-1	SR p.137
SDG13 Take urgent action to combat climate change and its impacts		
Energy efficiency	302-1 302-3 302-4 302-5	SR p.141-142 SR p.141-142 SR p.139-140 SR p.139
Risks and opportunities due to climate change	201-2	SR p.76-77
SDG14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development		
-		
SDG15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss		
-		
SDG16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels		
Anti-corruption	205-1 205-2 205-3	SR p.90-91 SR p.86-88 SR p.90
Compliance with laws and regulations	417-3 418-1	SR p.56 SR p.76
Ethical and lawful behavior	102-16	SR p.5, 79, 81-84 www.tisco.co.th/content/dam/tiscobank/download/about-tisco/corporate-governance-policy-th.pdf
Grievance mechanisms	103-2	SR p.28-30, 33-43, 45-47, 49-54, 56, 66-75, 81-91, 94-98, 101, 104-106, 108-109, 113, 115-117, 120-127, 135-146
Non-discrimination	406-1	SR p.104
Protection of privacy	418-1	SR p.76
SDG17 Strengthen the means of implementation and revitalize the global partnership for sustainable development		
Foreign direct investment	203-2	SR p.115-117

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Reader's Survey for TISCO Sustainability Report 2018

TISCO Financial Group Public Company Limited

1. General Information about the Reader

1.1 Which stakeholder group do you identify as?

- Customer
- Employee
- Shareholder
- Investor
- Business Partner
- Regulator
- Educational Institution
- Mass Media
- General Public
- Other (Please specify)

1.2 What is your main interest in TISCO Sustainability Report 2018

- To know TISCO
- Education and Research
- To study / monitor CSR beneficial to social and environment
- For investment information
- Other (Please specify)

2. Please rate your level of satisfaction with TISCO Sustainability Report 2018

2.1 The Contents

- Provide an overview of TISCO's business High Medium Low
- Cover material topics of your interest High Medium Low
- Complete for understanding of TISCO Group's sustainability development in economic, social and environment High Medium Low
- Adequate for acknowledgement and decision-making High Medium Low
- Clear High Medium Low

2.2 Presentation of report

- Easy to understand High Medium Low
- Good Layout High Medium Low
- Overall presentation of the report High Medium Low

3. Other suggestions for improving future editions of our Sustainability Report

3.1 Has this report comprehensively addressed issues you are interested in?

- Complete
- Incomplete, if you need additional information (Please specify issues you wish to read for the next Sustainability Report)

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3.2 Other comments/suggestions :

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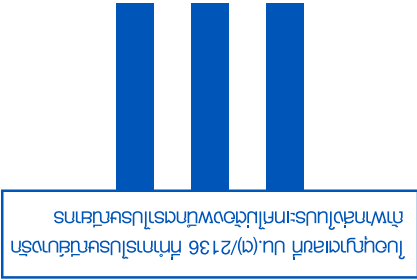
TISCO Group would like to thank you for your cooperation.

Your inputs are valuable to TISCO Group's sustainability development and also to the improvement of the next Sustainability Report.



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(ឃុំស្រីស្រី) ខណ្ឌស្រីស្រី
រាជធានីភ្នំពេញ

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