

TISCO SUSTAINABILITY REPORT 2019

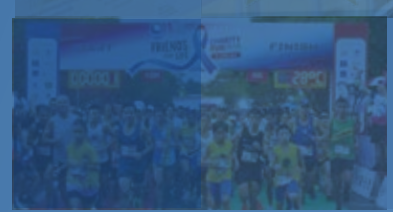
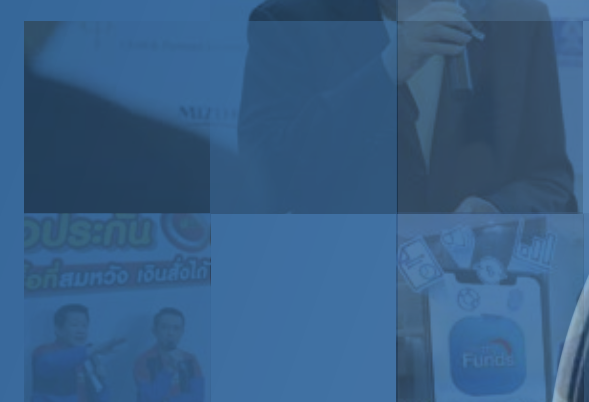


Sustainable Performance

To continuously undertake environmentally friendly business, the Sustainability Report of Year 2019 in english version is provided only in electronic file for paperless operation and available for download at www.tisco.co.th.



ที่... ส่วนกับ พันธมิตร และผู้จัด
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**SUSTAINABLE
FOCUSED
PRODUCT
DEVELOPMENT**

**GOOD
GOVERNANCE**

**SOCIAL
WELL-BEING**

เป็นผู้นำตลาด

ผลิตภัณฑ์ทางการเงิน

อย่างรับผิดชอบ



การเป็นสถาบันการเงิน
ที่รับผิดชอบต่อภายใต้

หลักธรรมาภิบาล



การสร้างสรรค์

สังคมและสิ่งแวดล้อม

อย่างรับผิดชอบ





Message from Group Chief Executive



Suthas Ruangmanamongkol
Group Chief Executive, TISCO Group

2019 was another successful year for TISCO Group despite myriad challenges, including economic volatility from both weakening in domestic and international conditions, digital technology advancement, Thailand's transition to an aging society, climate change, and the growing importance of environmental and developmental sustainability. These have led not only to dramatic changes in consumer attitude, behavior and lifestyle, but also to disruptions in various sectors, especially the financial industry.

Within TISCO Group, we see the disruptions as offering opportunities to enhance our business capabilities and increase our competitive advantage. This can be done

by developing an effective and timely risk management system, enhancing staff capacity, creating new financial products and services that answer consumers' needs and upgrading our digital services to offer a superior financial service experience to customers.

Amid intense market competition, TISCO Group continues to conduct our business with prudence. We focus on professionalism and competing in areas where we excel. We strive to effectively manage costs and risks by selecting quality loans and credit which yield return that is balanced with risk exposure. Importance is given to maintaining strong financial status and adequate reserves to accommodate future risks and ensure long-term sustainable growth.

TISCO Group conducted business prudently amid intense competition. Focus was on specialized competition in areas of TISCO's expertise that lead to stable and sustainable growth.

Throughout our five decades of business, TISCO Group has followed the Sustainable Development Roadmap along three main paths: offering responsible financial products, adhering to corporate governance, and nurturing our society and the environment by introducing Environment, Social and Governance (ESG) factors into our work process in order to enhance value for all stakeholders, together with the United Nations' Sustainable Development Goals (SDGs). This is achieved by developing products that respond to customer desires, supporting environmentally-friendly businesses with strong corporate governance, expanding our service and knowledge network to help reduce informal debt, and enhancing the capacity of our people by fostering a culture of learning and environmental awareness.

In terms of corporate governance, TISCO Group has committed to conducting business under the principles of corporate governance, the Business Code of Conduct, anti-corruption practices, and the Sustainable Development Roadmap, all of which are on par with international standards. In 2019, we were proud to receive the Board of the Year – Gold Level Award from the Thai Institute of Directors (IOD), an honorary award given to the Board of a listed company which has performed in compliance with the principles of corporate governance while displaying effective leadership. We were also bestowed the “Best Company

Performance” in terms of operations results for the second consecutive year and named to the “Thailand Sustainability Investment List” for the third consecutive year by the Stock Exchange of Thailand.

To better serve our customers, TISCO Group has designed and implemented policies and practices governing the offering of products and services. In this regard, we strive to communicate and strictly monitor the compliance of every staff member from the start to the end of the process to ensure that our customers are equally and fairly treated. In addition, TISCO focuses on expanding our customer base to cover every cluster by providing suitable financial products and services and creating value for our customers. We have also expanded our investment advisory service by introducing the “Holistic Financial Advisory”, which covers not only advice on financial services but also life and health insurance and retirement planning so as to improve the quality of life of society at large. We have expanded our branch network to extend loans and credit to small-enterprise clients through the “Somwang Ngern Sang Dai” loan products. These offer local communities easier access to funding sources while improving financial discipline and financial immunity and reducing dependency on loan sharks in the informal sector, all of which should help reduce national household debt.

TISCO Group's HR policy is to manage workplace satisfaction, nurture a corporate culture of shared learning, and enhance relationships among staff. This is achieved through projects such as OASIS in which employees are encouraged to propose, adapt to, and share new ideas for corporate development. TISCO's Subsidiaries was recognized as the "Best Employer Thailand Awards 2019" by Kincentric Thailand Co., Ltd., the world's leading HR consultancy group and SASIN School of Management, which underlines the priority the Group places on human resources as well as the confidence Thai society has in our business.

With climate change affecting all aspects of life today, we as an organization have a role to play in mitigating this problem. This involves supporting environmentally friendly businesses and integrating environmental impact management into our work process. To this end, we engage in activities that promote reduced energy use and lower release of Greenhouse Gas (GHG), encourage surrounding communities to manage the environment together, foster awareness among staff to effectively use resources, disseminate and support environmental conservation knowledge and activities initiated by employees and related parties.

In 2019, on the occasion of the 50th anniversary of TISCO Group, we organized the "Friends for Life" activity to give back to society. Through the project, we managed to mobilize Baht 118.99 million from our allied companies, customers, suppliers, and the public at large to mitigate shortage of medical equipment in five major state hospitals, namely Siriraj, Chulalongkorn, Ramathibodi, Rajvithi, and the Thammasat Chalerm Prakiat hospitals, which all together provide care to more than 8 million patients a year.

With Thailand and most other countries around the world now facing the COVID-19 pandemic, TISCO Group has issued mitigation measures and is closely monitoring potential impacts on our customers, employees, and partners. We have adjusted our business plan to ensure that our operations can continue and remain resolute in our belief that Thailand will overcome the crisis. On behalf of the management and staff, our hope is that you and your family stay strong and healthy. We express our gratitude once again for your confidence in us and support of our business throughout the past 50 years.



Suthas Ruangmanamongkol
Group Chief Executive, TISCO Group

About the TISCO Sustainability Report 2019

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 2019, covering economic, social and environmental topics. Also reported are links between TISCO's operations and delivery of value to all stakeholders and the United Nations' Sustainable Development Goals (SDG2030), in accordance with the scope specified below.

<p><i>Disclosure Level</i></p> <p>'In accordance' - Core</p>	<p><i>Reporting Period</i></p> <p>1 January - 31 December 2019</p>	<p><i>Reporting Cycle</i></p> <p>Annually</p>
<p><i>Company and its Subsidiaries</i></p> <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 • TISCO Investment Advisory Company Limited⁽¹⁾ • TISCO Tokyo Leasing Company Limited⁽²⁾ • HTC Leasing Company Limited⁽²⁾ <p>Notes : ⁽¹⁾ Formally named Deutsche TISCO Investment Advisory Company Limited ⁽²⁾ Not included in the consolidated statements in accordance with Thai Accounting Standards</p>	<p><i>Report Quality Assurance</i></p> <p>Financial data used in this report have been audited by certified public accountants and were derived from the same accounting system used for data in the financial statements and 2019 annual report of TISCO and its subsidiaries. Content other than financial data shown in the report has not yet been given assurance by a third party.</p>	<p><i>Most Recent Report</i></p> <p>Sustainability Report 2018 TISCO Financial Group Public Company Limited</p>

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Vision

“Wealth of Possibilities”

Mission

“ TISCO generates quality growth through prioritization of customer relationships and delivery of financial services with expertise and professionalism.

Our mission is to address customer needs across all geographies with innovative financial solutions and provide guidance on financial opportunities suited to the various life stages of our customers. Continuous development of human capital and investment in leading-edge technology are key to our efficiency and reliability of service. TISCO adheres to a culture of integrity, fairness, and transparency in order to create sustainable value for our customers, shareholders, staff, and society. ”

Values



Customer Priority

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



Mastery

Our staffs are obligated to continually learn and develop themselves in order to build an outstanding skillset that maximizes customer satisfaction.



Integrity

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



Creativity

Our expertise is forged in knowledge, experience, and creativity. We provide advice that is not only accurate, but also creative, helping customers see a wider swath of financial possibilities.



Reliability

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



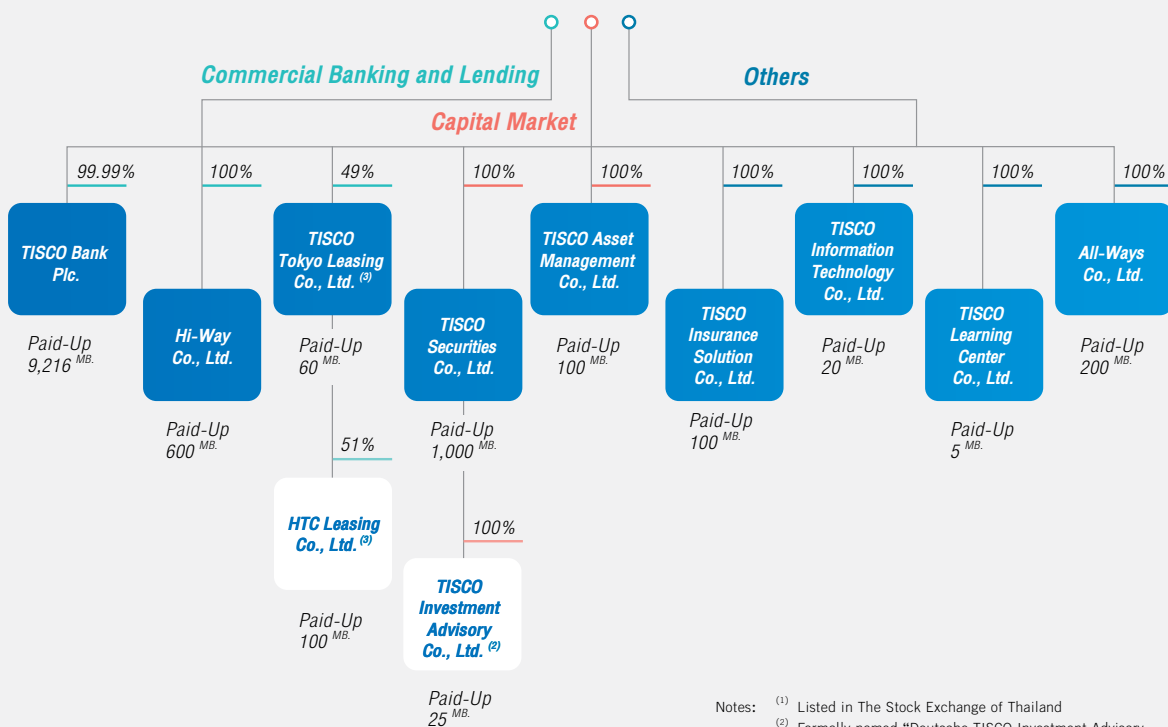
Guidance

Because our staff members have a wide range of financial expertise, we can provide our customers with sound financial advice in a friendly and open-minded way, understanding their specific needs in order to help them achieve their goals.



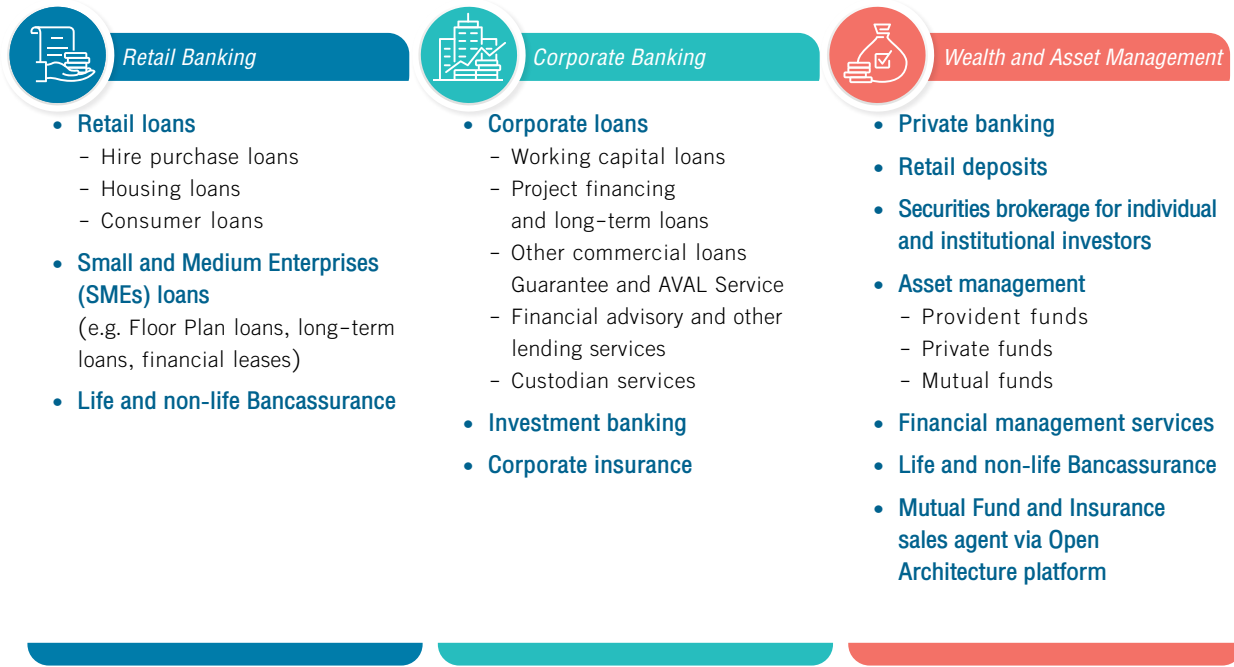
Established in 1969, TISCO is considered Thailand’s first finance company, providing financial and investment services that include investment banking, provident fund management, hire purchase loans, and securities. TISCO is one of the founders of the Stock Exchange of Thailand and became a listed company in 1983. In 2005, TISCO was upgraded to commercial bank status as 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 as parent company of the group in substitution of TISCO Bank. As the parent of all companies under TISCO Group, the Company formulates centralized policy for enterprise-wide adoption and oversees the operations of the Group’s bank and subsidiaries. Backed by this shareholding structure, TISCO has increased the efficiency of the Group’s risk management, reduced operational redundancy, supported business expansion, increased competitiveness and promoted value creation to stakeholders in a more sustainable manner.

TISCO Financial Group Plc.⁽¹⁾



Notes: ⁽¹⁾ Listed in The Stock Exchange of Thailand
⁽²⁾ Formally named “Deutsche TISCO Investment Advisory Company Limited”
⁽³⁾ Not included in the consolidated statements in accordance with Thai Accounting Standards

For the past 50 years, TISCO Group’s focus has been trained on increasing value for customer groups. The Company develops and offers innovative financial products and services which expand access to quality financial services for customers while taking into account social and environmental impacts. TISCO Group strives to continuously seek new business opportunities that suit the lifestyle changes and needs of the various stages of our customers’ lives so as to promote long-term relationships with customers. In line with its “Client Centric” practice, TISCO Financial Group Plc. has restructured its business into three groups as follows:



Retail Banking: TISCO provides loans, life and non-life insurance services to retail customers. Retail loans include lease loans, housing loans and consumer loans. Retail customers are led by SMEs operators. TISCO offers products for retail customers through its group of companies as follows:

	<i>Type of Loan</i>	<i>Provided by</i>
	Auto Loans	TISCO Bank Plc. and TISCO Tokyo Leasing Co., Ltd.
	Motorcycle Loans	Hi-Way Co., Ltd.
	Housing Loans	TISCO Bank Plc.
	Consumer Loans	TISCO Bank Plc. and Hi-Way Co., Ltd.
	SMEs Loans	TISCO Bank Plc.



TISCO Bank Plc. and TISCO Insurance Solution Co., Ltd. provide brokerage services for both life and non-life insurance. TISCO seeks opportunities to partner with leading insurance companies with good reputations, strong financial positions and differentiated expertise. Such partnerships allow TISCO to offer a diverse range of products that suit the various needs of our customers. TISCO has also adopted an Open Architecture platform, facilitating the purchase of insurance policies, including endowment insurance, annuity insurance, unit-linked insurance, health and critical illness insurance. In 2019, TISCO expanded the brokerage services channel nationwide for non-life insurance product services such as car, fire and natural disaster insurance. The expansion involved a total of 287 Hi-Way Co., Ltd. branches under the “Somwang Kanpai” brand and boasted the convenience of “Complete coverage of all dangers in one place”. The brand offers various coverage plans for auto insurance, motorbike insurance, compulsory motor insurance, Personal Accident Insurance (PA), cancer insurance, and income compensation insurance.

The rapid evolution of technology has coincided with dramatic changes in the lifestyle and behavior of consumers, the most prominent being increased demand for convenient, prompt services. This is reflected in the surge in smartphone usage; consumers now demand uninterrupted internet connection. In a similar vein, e-Commerce and its role in business operations has grown steadily. This in mind, TISCO Group partnered with automobile manufacturers and distributors in 2019 to develop an e-Marketplace Platform that allows users to reserve and buy special auto models. This collaboration has increased business opportunities for TISCO and its partners while matching the changing lifestyle of consumers. TISCO Group also places importance on continuous quality development by utilizing data derived from our services to enhance convenience and customer satisfaction. By so doing, the Company maximizes potential to develop products that better respond to the demands of consumers.



Corporate Banking: 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 include acting as financial advisor and underwriter of securities including but not limited to equity instruments, debt instruments, and hybrid instruments, and advising on mergers and acquisitions, state enterprise privatization, loans, and financial restructuring.



Wealth and Asset Management: TISCO acts as a financial and investment advisor through an authorized marketing team, striving to meet the needs of customers in terms of financial stability and wealth management. Services cover investments, life insurance and health insurance, and retirement plans. After winning “Top Advisory House” in wealth management for savings and investment through TISCO Wealth, TISCO aims to take its business to the next level by offering Holistic Financial Advisory to complement the existing investment advisory services.

TISCO divides customers into three groups based on the value of their deposits 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 private banking service, retail deposits and brokerage. In addition, the Company provides mutual fund brokerage services and fund management through TISCO Bank Plc. Under the Open Architecture platform, customers can invest in any of 12 securities companies and 10 leading insurance firms. TISCO provides analysis and investment strategies suitable to different situations to give customers consistent returns and investment choices as well as investment plans, which are the Company's strength. Customer satisfaction is achieved through excellent service quality and competitive long-term investment returns, underpinned by an experienced professional team. The Company is fully committed to being a client centric One Stop Shop for Holistic Financial Advisory.

In 2019 TISCO extended its comprehensive financial planning services to include Protection Advisory. This service is focused on health risks under the Health Protection Advisory concept (health insurance consultancy) and aims to protect and enhance financial security for customers. TISCO thoroughly studies the health insurance of leading firms before selecting products for customer review. The Company also jointly develops "Best in Class" products that cater to various customer interests; these include:

TISCO My Care Smart is health insurance that covers medical bills from illness and emergencies with no limit for expense per visit. Customers can choose annual coverage, ranging from 300,000 to 700,000 baht. Those who already have medical coverage from employers can get up to 50 percent off of insurance premiums (if the first part of liability is chosen). In addition, policies can be renewed up to the age of 80 years.



TISCO Zero Cancer is a cancer insurance plan featuring instant coverage upon detection of cancer with bills taken care of until the insured limit is reached. No medical check-up is required (must declare health history in the insurance application form). Age of the insured will not cause premiums to rise and the policy can be extended up to 70 years of age.



My Care Prestige Health is a life and health coverage plan that provides 10–100 million baht coverage for medical bills, including new treatment approaches. Customers can choose coverage for areas around the world. This plan – targeting customers aged 11 to 80 years – is suitable for customers who want high return. The policy can be extended up to an age of 98 years. Existing TISCO customers can receive additional benefits, such as receiving 200,000 baht once cancer at any phase is detected.

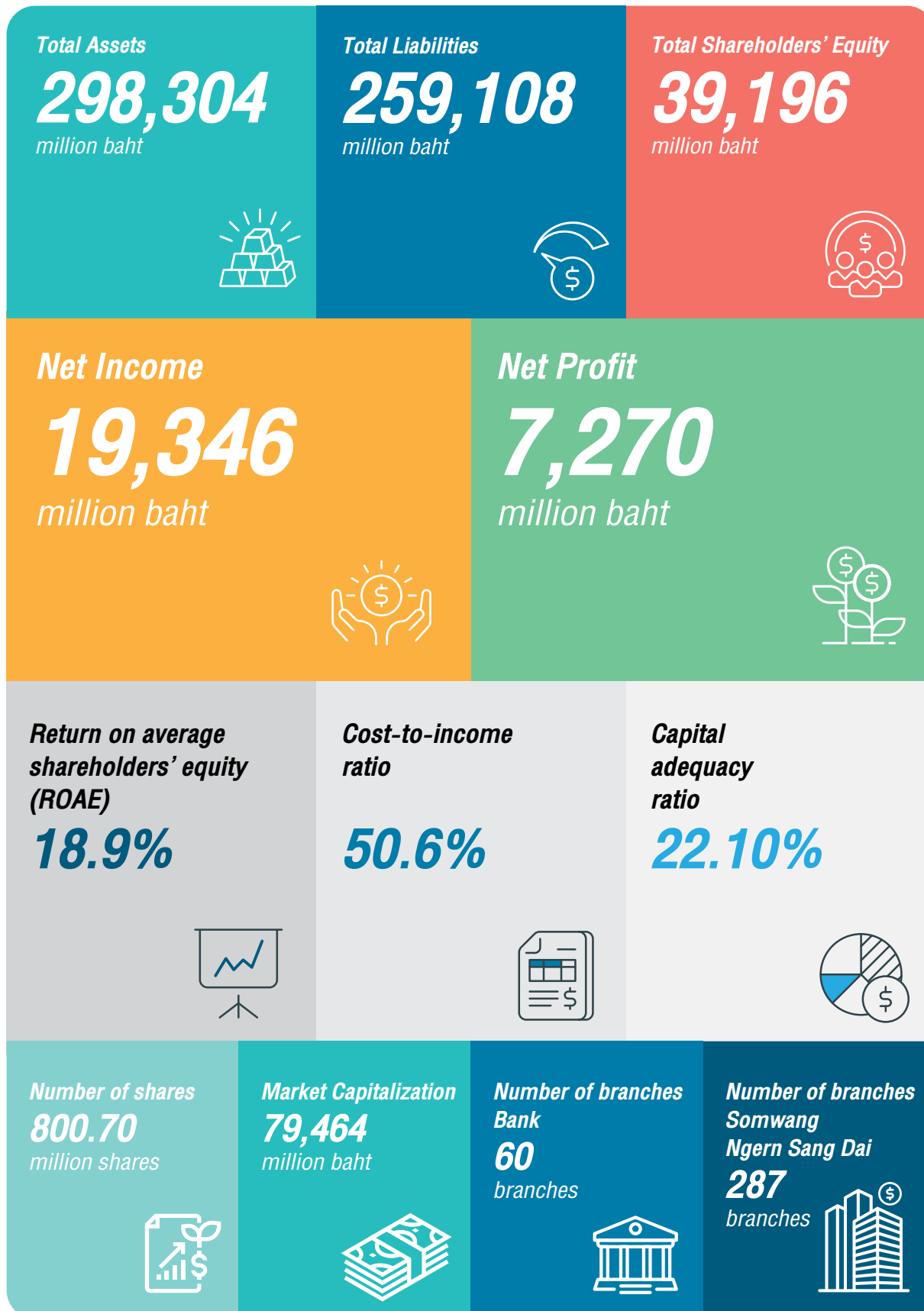


In addition to developing innovative product features, TISCO Group continues to place importance on the expansion of service channels. This can be seen in TISCO Asset Management Co., Ltd. (TISCO ASSET)’s 2019 roll-out of the TISCO My Funds mobile phone application to support purchase–sell–swap transactions of mutual funds managed by the Company. The application also helps clients search for detailed information on funds, their investment portfolio, news headlines and the economic situation. For the insurance business, TISCO Insurance Solution Co., Ltd. has expanded its web application service by allowing customers to directly compare products by browsing insurance product details and conditions. Interested customers can leave contact information for staff. The web application also allows customers to buy insurance products, make payments and electronically receive insurance policies.

Meanwhile, the stock brokerage arm, TISCO Securities Copany Limited (TISCOSEC) has upgraded TISCO Guru Plus (Portfolio Advisory) by using securities analysis as a basis for investment decisions. The upgrade aims to achieve greater return while maintaining a suitable risk level for investors. Also in 2019, TISCOSEC began utilizing Open Architecture to provide brokerage and mutual fund services via the Streaming for Funds application, in which customers can buy and sell securities and switch mutual funds with asset management companies that partner with TISCOSEC.



Key summary as of 31 December 2019



Number of employees **5,031** people



Note: Not including Directors and temporary employees

Employees categorized by type of employment contract

		Permanent Employee	Contract Employee	Total
	2017	1,510	179	1,689
	2018	1,555	182	1,737
	2019	1,611	182	1,793
	2017	2,653	254	2,907
	2018	2,764	336	3,100
	2019	2,903	335	3,238


Notes: 1) **Permanent employee** means employees at all levels, ranging from management level supervisors to operational employees which perform various duties such as chief operating officer, president, managing director, function heads, other permanent employees.
 2) **Contract employees** 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.

Employees categorized by areas

		Headquarters	Bangkok and perimeter areas	Provincial areas
	2017	1,190	88	411
	2018	1,224	115	398
	2019	1,260	121	412
	2017	1,869	323	715
	2018	1,947	412	741
	2019	1,989	426	823

Notes: Employee includes permanent and contract, not including Directors and temporary employees

Number of trainees

	2017	2018	2019
	37	45	53

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

Membership with other associations and networks

TISCO has served 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 sustainably drive promotional activities.

Organizations, associations, and networks

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. The Thai Bankers' Association
8. CSR Club, Thai Bankers' Association
9. Compliance Club, The Thai Bankers' Association
10. Bank & Financial Institution Internal Auditors Club
11. Bank IT Club, The Thai Bankers' Association
12. Human Resource Development Club, The Thai Bankers' Association
13. Thai Bond Market Association
14. Investment Banking Club, The Association of Thai Securities Companies

General Information

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

TISCO Sustainable Development

Sustainable Operations Structure

TISCO Group has designed a clear and sustainable organizational structure to drive its Sustainability Development. The structure covers Environment, Social and Governance (ESG) and supports the Sustainable Development Goals (SDGs) announced by the United Nations. In line with the Sustainability Operation Structure, TISCO Group has adopted the TISCO Sustainable Development Policy with the aim of integrating ESG factors in the decision-making process of all its units while adhering to its commitment to generate good returns on investments and stable long-term growth. TISCO strives to operate its businesses in a way that underlines its responsibilities towards all groups of stakeholders and delivers value to society across all dimensions. Approved by the Board of Directors of TISCO Financial Group Public Company Limited, TISCO's Sustainable Development Policy is integrated with the TISCO Sustainable Development Strategy as follows:

01 Corporate Governance Aspect

Promotes a culture of good governance and solid risk management rooted in risk-management and good-governance principles at all levels. Every effort is made to support anti-corruption practices within TISCO Group and to prevent TISCO Group from being used for money laundering or funding terrorist activities.

02 Economic Aspect

Focus on long-term performance and creating value for all stakeholders, including society and communities, in a sustainable manner.

03 Environmental Aspect

Operates the business with environmental responsibility and promotes resource optimization and support for environmentally friendly business operations.

04 Social Aspect

Promotes a secure and happy society by encouraging financial literacy, access to necessary financial services for improved quality of life, and development of products which take into account customer needs and benefits.

Under this policy, 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 and providing advice related to sustainable development that corresponds to corporate governance principles and the current sustainable development standards. The Sustainable Development Unit-Governance Office is responsible for formulating an implementation plan under the TISCO Sustainability Framework, as well as monitoring and reporting the implementation results of sustainable development activities to the Management Committee and the Corporate Governance Committee. The Sustainable Development Strategy is part of the business strategy that all companies under TISCO Group must adopt and implement, in accordance with the group's sustainable development direction.

To support the Group CEO's efforts to instill sustainable development in all units of the organization, a Sustainable Development Working Group was appointed on 1 June 2017. The Chief Financial Officer and Chief Governance Officer jointly chair the working group. Members of the working group comprise heads and/or representatives from seven units, including Enterprise Risk Management, Planning and Budgeting, Sustainable Development, Corporate & Marketing Communication, Corporate Secretariat Office, 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

A panel is responsible for drawing up an implementation framework based on the Sustainable Development Policy and presenting it to management for consideration and approval. The process is designed to establish relationships and encourage participation among all stakeholders in the move towards sustainable development while maintaining good industry practices. The approved framework serves as a guideline for a Sustainable Development Roadmap that fully addresses the sustainability strategy. Incorporating detailed activity plans and success indicators, the roadmap aims to monitor performance and gather data for reporting and public-disclosure purposes.

Stakeholder Engagement

TISCO emphasizes building strong relationships with stakeholders and aims for sustainable development that benefits business and society. Focus is trained on fair treatment and creation of shared value that is beneficial to all stakeholder groups. In 2019, TISCO Group established work principles for executives and employees that offer guidance on stakeholder engagement. Various recommendations have been received from key stakeholders, both inside and outside the organization, regarding the development of quality financial products and services that can meet the expectations of relevant stakeholders directly. The approach comprises four important steps: (1) Studying TISCO’s business model, strategy and business plan; (2) Identifying key stakeholders both within and outside our organization; (3) Assessing stakeholders’ relations and prioritizing material topics; and (4) Identifying units in charge and selecting communication methods, engagement strategies and reporting channels that are suitable for each group of stakeholders.



TISCO classifies key stakeholders into 6 groups: shareholders, employees, regulators, business partners and creditors, customers and community and society. The table below shows the communication process, frequency of communication, expectations and implementation with each group of stakeholders.



Shareholders
Institutional Investors/ Retail Investors

<i>Communication</i>	<i>Frequency</i>	<i>Stakeholder Expectations</i>	<i>Implementation</i>
<p>Channels & Activities</p> <ul style="list-style-type: none"> • General and extraordinary shareholders’ meeting • Analyst meetings • Investor roadshows and TISCO meetings with institutional investors and analysts • Tele-Conference with institutional investors and analysts • Information disclosure via SET Portal, print media, and TISCO website • Inquiries handled by the Investor Relations Unit 	<p>Annually</p> <p>Quarterly</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p>	<ul style="list-style-type: none"> • Strong performance and sustainable growth from TISCO • Reasonable return on equity and dividend policy • Transparent and fair business practices • Efficient risk management • Equitable and timely access to accurate TISCO information and updates 	<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 the risk-adjusted return model to maintain a favorable shareholder return rate • Disclosure of accurate and proper information to shareholders and investors • Invitations to annual general meeting and opportunities to express opinions/make recommendations
<i>Reports</i>	<i>Frequency</i>		
<ul style="list-style-type: none"> • Annual Report • Form 56-1 • Sustainability Report • Management Discussion and Analysis • Investor newsletter • News release to SET 	<p>Annually</p> <p>Annually</p> <p>Annually</p> <p>Quarterly</p> <p>Quarterly</p> <p>Regularly</p>		



Employees

Permanent/ Contract/ Part-time

Communication	Frequency	Stakeholder Expectations	Implementation
Channels & Activities <ul style="list-style-type: none"> Monthly meetings of executives at all levels Training for employees at all levels Staff Newsletters Organizing activities to support good relations, exchange and share experiences of employees, such as TISTALK Employee engagement survey TISCO HR Helpline Communication programs to instill knowledge, values and corporate culture for new employees Direct communication from Top Management to Mid-level Management 	Monthly Regularly Regularly Regularly Annually Regularly Regularly Monthly	<ul style="list-style-type: none"> Career advancement; Remuneration, welfare and other fringe benefits Knowledge and expertise development opportunities Work-life balance Attention to opinions Recognition of value Providing a safe working environment Fair, non-discriminatory and respectful treatment 	<ul style="list-style-type: none"> Treating employees fairly, giving importance to human resource management/ development and providing fair career-advancement opportunities Providing appropriate remuneration and other benefits, 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 Promotion of health and wellness among the workforce through regular arrangement of sports and recreational activities Improvement of work environment based on the principles governing occupational health and safety Offering various channels to gather employee opinions, e.g. annual surveys on employee satisfaction, the online platform, and complaint-submission channels Focusing on appreciation for colleagues' value through various appreciation expression channels Sharing experiences among employees
Reports	Frequency		
<ul style="list-style-type: none"> Monthly Human Resource Management reports Sustainability report 	Monthly Annually		



Supervisory Authorities/ Bank of Thailand / The Securities and Exchange Commission Thailand/ The Stock Exchange of Thailand/ The Anti-Money Laundering Office/ Office of Insurance Commission

Communication	Frequency	Stakeholder Expectations	Implementation
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 management and regulators on important issues 	<p>Regularly</p> <p>Regularly</p>	<ul style="list-style-type: none"> Integrity, transparency, social and environmental responsibility Business operations that comply with applicable laws and regulations 	<ul style="list-style-type: none"> Development of business policies and guidelines in compliance with applicable laws and regulations Establishment of a Compliance function to liaise with internal units and regulators Continuous supervision of guidelines and regulations Setting up a Regulatory Reporting unit to compile required regulatory reports Preparing data and resources for regulators' examinations and inspections
Report	Frequency		
<ul style="list-style-type: none"> Form 56-1 Sustainability Report News release to SET Regulatory reporting 	<p>Annually</p> <p>Annually</p> <p>Regularly</p> <p>Daily/ Monthly/ Annually</p>		



Business Partners and Creditors

Communication	Frequency	Stakeholder Expectations	Implementation
Channels & Activities <ul style="list-style-type: none"> Meetings with business partners Assessments of business partner satisfaction 	<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 prices and a corruption-free procurement process Repayment and interest received on schedule 	<ul style="list-style-type: none"> Giving equal access to accurate, clear and adequate information Declaring a Supplier Code of Conduct and Anti-Corruption Policy and operating in compliance with defined policy Meeting with business partners to gather recommendations and complaints Evaluating the performance of partners Treating creditors, depositors, bondholders in accordance with the specified terms and conditions.



Customers

Retail Customers/ Corporate Customers / Wealth and Asset Management Customers

Communication	Frequency	Stakeholder Expectations	Implementation
Channels & Activities <ul style="list-style-type: none"> Individual meetings with customers TISCO Contact Center Site visits to corporate customers Training and seminars arranged on economy, finance and investments for customers Channels to get feedback and complaints from customers Public Relations 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> <p>Regularly</p>	<ul style="list-style-type: none"> Products that are appropriately priced, with full and complete information disclosed Responsive products to customer needs Service excellence Convenient access to financial products and services Received timely and appropriate financial and investment advice Well-versed in prevention of financial crimes 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 range in response to customer needs Complete and accurate disclosure of product information Constantly improving salesforce capabilities in regard 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 customer feedback and complaints via various channels Surveys on customer satisfaction Appropriate security measures for customers' personal information
Report <ul style="list-style-type: none"> Annual Report Sustainability Report Product catalogues Economic analysis/ equity research Investment advice 	<p>Annually</p> <p>Annually</p> <p>Regularly</p> <p>Regularly</p> <p>Regularly</p>		



Community and Society

Communication	Frequency	Stakeholder Expectations	Implementation
<p>Channels & Activities</p> <ul style="list-style-type: none"> • Surveys on community/ public needs • Engaging with communities in social activities • Promoting financial literacy through <ul style="list-style-type: none"> - “TISCO Financial Camp” for youth and teachers - “Smart Saving, Smart Spending” for communities nationwide - Staying abreast of financial deception which might be harmful to motorcycle loan customers 	<ul style="list-style-type: none"> Regularly Regularly <ul style="list-style-type: none"> - Once per year - Provide knowledge to communities nationwide continuously with a total of 29 projects - Activities to impart knowledge throughout the year - All customers 	<ul style="list-style-type: none"> • Ethical business operations with social & environmental responsibility • Providing support and sharing to improve society • Education on financial literacy to help people choose financial products/services best suited to their daily life 	<ul style="list-style-type: none"> • Taking part in social development, environmental protection and energy saving activities • CSR activities to meet the needs of the community, including financial literacy programs, scholarships, school development. TISCO 50th anniversary special event “Friends for Life” (raise funds to buy medical equipment for 5 government hospitals with allied companies, customers, business partners and people throughout the country), Aom Idol 2019 contest in cooperation with the Ministry of Education to expand knowledge of savings to communities nationwide. • Encouraging staff participation in CSR activities and volunteer works
รายงาน	ความถี่		
<ul style="list-style-type: none"> • Annual Report • Form 56-1 • Sustainability Report 	<ul style="list-style-type: none"> Annually Annually Annually 		

Material Sustainability Topics

TISCO Group has a clear process for identification and prioritization of material sustainability topics viewed as important to the financial business by internal and external stakeholders and leading financial institutions. The process takes into consideration topics which have

received attention from the international community and global mega-trends to ensure that material sustainability topics appropriately address stakeholder needs and create value for both the economy and society.



Notes: ⁽¹⁾ Formerly Deutsche TISCO Investment Advisory Company Limited

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

The process of identifying and prioritizing material sustainability topics is shown below:

1) Identification of material sustainability topics

Identification involves consideration of material sustainability topics which have influence over TISCO Group's business operations, including sustainability strategy direction assessment, and the data-disclosure scope of the sustainability report. The process is as follows:

1. Collecting all material sustainability topics by:

1.1 Reviewing all material sustainability topics

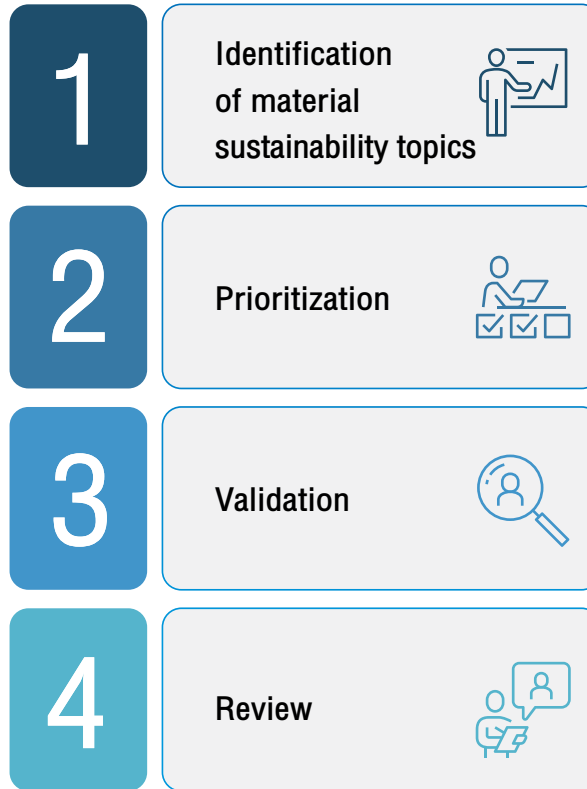
from 2018 and considering whether they remain significant for 2019

1.2 Studying sustainability trends related to TISCO Group's business through comparison with topics in the same industry and international community which have importance in terms of sustainability, as well as studying trends which hint at upcoming changes in the world; and

1.3 Gathering material sustainability topics from external stakeholders, for example through surveys of opinions among customers/target groups on

innovative products and the service development process, data search and media information provided by official agencies.

2. Screening of all sustainability topics collected before presentation to management and preparation of questionnaires
3. Sending out questionnaires with the purpose of gathering data for the prioritization of material sustainability topics based on the perspectives of each target group, with management representing TISCO Group and representatives of units that represent stakeholder groups with which the units are involved, namely shareholders, customers, regulators, business partners and creditors and community and society. Representative employees in questionnaires are employees chosen by unit heads. For representatives of customers, TISCO Group uses questionnaires directly given to customers using services at Bangkok-based branches (rather than just being given to units involved with customers).



2) Prioritization

Prioritizing material sustainability topics enables the Company to formulate an operational plan that addresses the key concerns of stakeholders in an appropriate order. In 2019, TISCO identified 18 topics which were prioritized by:

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

3) Validation

Validation represents confirmation that the prioritized material topics are important to each stakeholder and given appropriate priority. The result of 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, scope of information disclosure, and collection of data on desired performance. Completeness of the sustainability topics is considered before submission to the Management Committee and the related committee governing the sustainable development for consideration and approval. Validated material sustainability topics approved by the Management Committee and related committees will be applied for formulating a sustainable roadmap or will be revised as deemed appropriate.

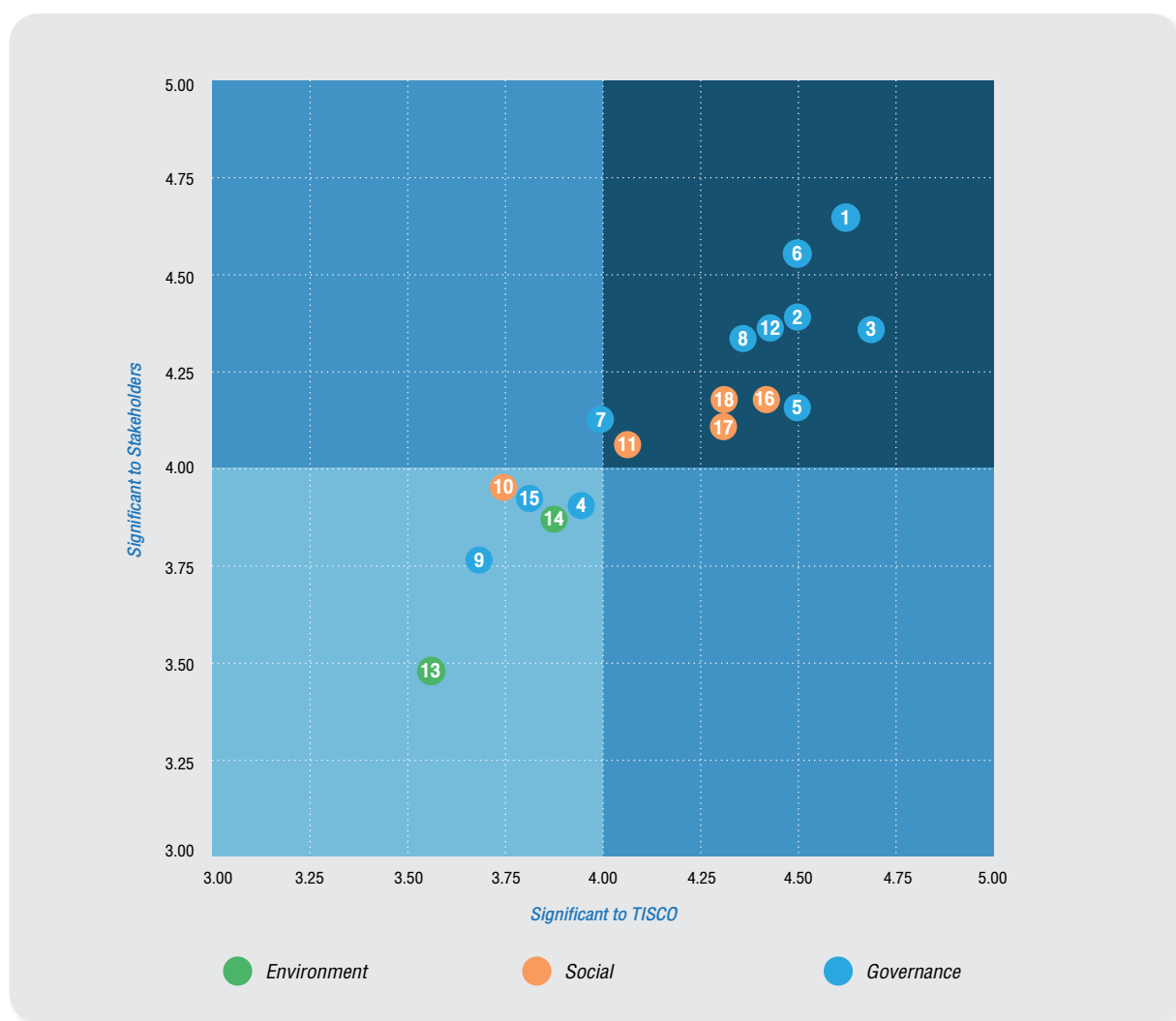
4) Review

Material sustainability topics, content, and recommendations received after the publication of the previous report will be reviewed once again to determine whether the topics remain material topics valued by stakeholders and whether the order of priority remains appropriate. Such information will be integrated with the first stage of material topic identification and considered for content improvement in the next report.

Material Sustainability Topics

In 2019, TISCO Group identified 18 material sustainability topics through the process of material sustainability topic prioritization. All of them had appeared in the previous report. However, some of the topics were renamed to fit the current context and

given a different ranking in terms of prioritization. These minor changes did not have any material significance on the overall content. The results of the 2019 prioritization of topics important to TISCO Group and stakeholders are shown in the chart below:



- | | | |
|--|---|---|
| 1 Corporate Governance | 7 Customer Relationship Management | 13 Addressing Climate Risks and Opportunities |
| 2 Business Performance & Growth | 8 Cyber Security | 14 Managing TISCO Group's Environmental Footprint |
| 3 Risk Management & Business Continuity | 9 Digital Financial Product and Service | 15 Sustainable Supply Chain Management |
| 4 Environmental-Social-Governance (ESG) Responsible Financial Products | 10 Financial Inclusion | 16 Employee Well-being and Quality of Life |
| 5 Customer Centric | 11 Financial Literacy | 17 Labor Rights, Diversity, Inclusion and Equal Opportunity |
| 6 Customer Data Protection | 12 Responsible Lending | 18 Human Rights |

Of topics important to TISCO Group, most appeared in the 2018 report and have been addressed over time based on sustainability work plans. Implementation has been improved and revised to best reflect the importance of the topics to TISCO Group and stakeholders.

For 2019, material sustainability topics were the same as those covered in the previous year’s report. However, the new report showed progress on work related to “human rights”; this information was not covered in the 2018 publication. The latest topic prioritization is in line with the 21 topics in the Global Reporting Initiative (GRI), which can be summarized as follows:

Material Sustainability Topics

Material Sustainability Topics	Material Sustainability Topics according to GRI	Boundaries		Pages	SDGs
		Internal	External		
1. Corporate Governance	Anti-Corruption	All companies in TISCO Group	All external Stakeholders	64-65	  
2. Business Performance & Growth	Direct Economic Value Generated and Distributed	All companies in TISCO Group	All external Stakeholders	Annual Report	
3. Risk Management & Business Continuity	Risk Governance Framework	All companies in TISCO Group	All external Stakeholders	73-74, 79	
4. Environmental-Social-Governance (ESG) Responsible Financial Products	Economic outcomes	All companies in TISCO Group	Shareholders, Customers and Community and Society	53	   
5. Customer Centric	Marketing & Product Labeling	All companies in TISCO Group	Customers	36-40	  
6. Customer Data Protection	Customer privacy	All companies in TISCO Group	Customers, Regulators and Shareholders	47	

Material Sustainability Topics	Material Sustainability Topics according to GRI	Boundaries		Pages	SDGs
		Internal	External		
7. Customer Relationship Management	Customer Satisfaction	All companies in TISCO Group	Customers	41	  
8. Cyber Security	Cybercrime Prevention*	All companies in TISCO Group	Customers, Business Partners, Creditors and Regulators	77-78	
9. Digital Financial Products & Services	Innovative Financial Product Development*	All companies in TISCO Group	Customers and Community and Society	56-58	
10. Financial Inclusion	Indirect economic outcomes	TISCO Bank Public Company Limited Hi-Way Company Limited	Customers and Community and Society	96-99	     
11. Financial Literacy	Local community	All companies in TISCO Group	Customers and Community and Society	43, 97, 100	 
12. Responsible Lending	Financial product portfolio	TISCO BANK Public Company Limited TISCO ASSET Company Limited	Shareholders, Customers, Regulators and Community and Society	49-55	 
13. Addressing Climate Risks and Opportunities	Risk Governance Framework	All companies in TISCO Group	All external Stakeholders	80	

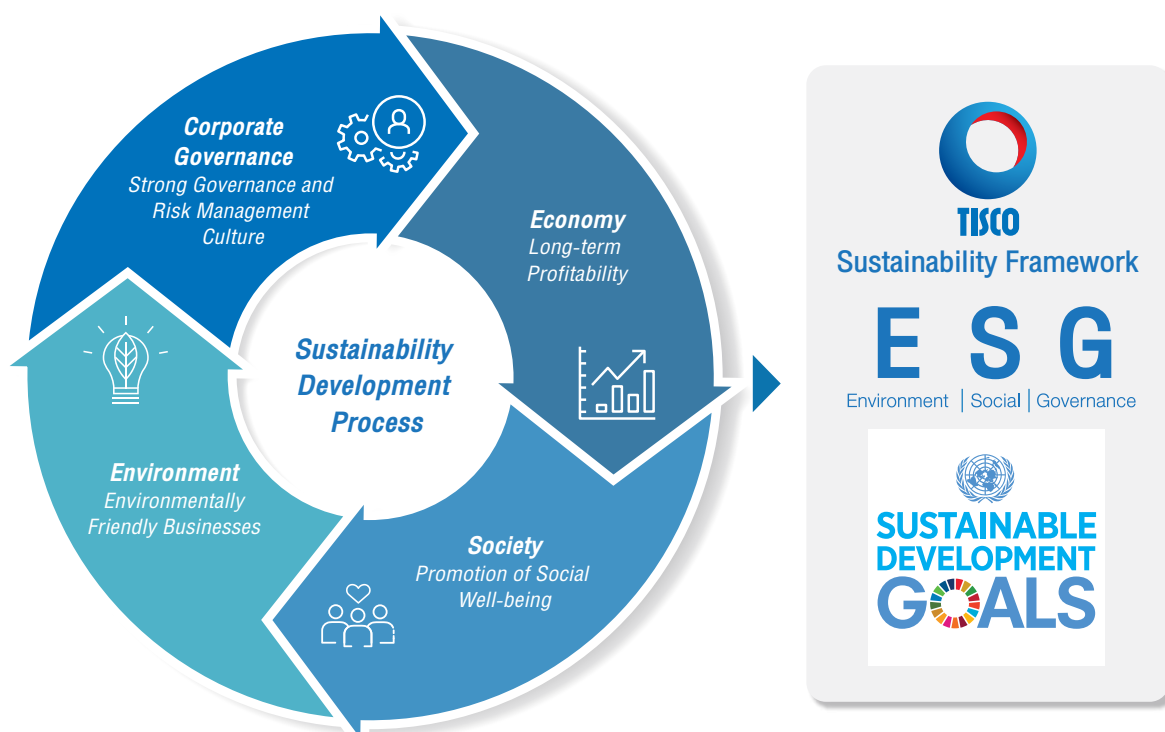
Material Sustainability Topics	Material Sustainability Topics according to GRI	Boundaries		Pages	SDGs
		Internal	External		
14. Managing TISCO Group's Environmental Footprint	Green House Gas	All companies in TISCO Group	Customers, Business partners, Creditors and Community and Society	113	 
	Energy			112	
	Material			109-110	
	Waste			113	
15. Sustainable Supply Chain Management	Greening the Supply Chain	All companies in TISCO Group	Business partners, Creditors and Community and Society	67-70	  
16. Employee Well-being and Quality of Life	Employment	All companies in TISCO Group	-	81-86	  
	Occupational health and safety			87-89	
	Training and education			90-92	
17. Labor Rights, Diversity, Inclusion and Equal Opportunity	Diversity and equal opportunity	All companies in TISCO Group	-	82-85	  
	Non-discrimination			86	
18. Human Rights	Human Rights	All companies in TISCO Group	Customers, Business partners and Creditors	81	 

Note: * These are new Material Sustainability Topics, in addition to GRI Standards and GRI-G4, financial service sector.

TISCO Sustainability Framework

Committed to sustainable growth and business operations that resonate with its vision, strategy and goals, TISCO Group has implemented concrete sustainability guidelines and processes in its organizational development. The Group has also integrated sustainability into its organizational strategies.

TISCO Sustainability Development Strategies



TISCO Group has devised a Sustainability Framework to be used in the formulation of sustainability guidelines. The framework is based on sustainability topics for which stakeholders have expressed importance, including Environment, Social and Governance (ESG). As such, it provides context for the integration of sustainability topics with TISCO Group’s core missions. It also paves the way for TISCO Group to work towards sustainable development with greater efficiency and respond effectively to the 12 Sustainable Development Goals (SDGs).



Approved by TISCO Group’s Management Committee, the TISCO Sustainability Framework laid the foundation for formulation of a three-year Sustainability Roadmap. The roadmap, which is regularly reviewed and revised, applies to all companies in the TISCO Group. The TISCO Sustainability Framework and Roadmap are crucial guidelines that drive TISCO Group towards sustainable development. The main thrust of the Sustainability Framework and its key sustainability topics are as follows:



Responsible Financial-product Leader

- Ensuring financial products are responsible in terms of environment, society and good governance
- Fostering customer satisfaction and recognition
- Focusing on Risk Management

Financial Institute with Good Governance

- 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
- Recognition of responsibilities to employees

Socially & Environmentally Responsible Enterprise

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

Summary of Key Sustainability Achievements in 2019



Responsible Financial-product Leader	Financial Institute with Good Governance	Socially & Environmentally Responsible Enterprise
<ul style="list-style-type: none"> Developed products in response to various customer lifestyles and life stages such as My Car My TISCO, TISCO My Fund and Corporate Chatbot Promoted “Sustainable Banking” operations by signing an agreement with 15 commercial banks on “Sustainable Banking Guidelines–Responsible Lending” Offered customers opportunities to contribute to society via their investments and purchases of financial-products (TISCO Group to donate part of such sales/services revenue to hospitals, foundations and organizations working on social causes) 	<ul style="list-style-type: none"> Judged as “excellent” in terms of governance by an external organization Certified by the Thailand’s Private Sector Collective Action Against Corruption (CAC) for solid anti-corruption practices for the third consecutive year Upgraded risk management by setting up the Risk Management Committee to supervise overall risk management and ensure compliance with risk-management policies/ strategies Enhanced customer-data security and customer-data protection Ensured operations were in line with policy on fair market conduct so as to assure customers that TISCO Group’s services place emphasis on customer benefits 	<ul style="list-style-type: none"> Educated the public on financial literacy and financial threats: <ul style="list-style-type: none"> Provided financial literacy through training and online channels, with a total of 70,469 participants. Conducted training for the general public via “Smart Saving, Smart Spending” in 30 provinces Explained financial deception practices which might be harmful to 26,839 motorcycle loan customers during processing services Organized “Financial Camps” for 129 children/teachers Organized special activities with partners to celebrate TISCO’s 50th anniversary under the “Friends for Life” project, which successfully raised Baht 118.99 million for procuring medical equipment for five hospitals



Responsible Financial-product Leader

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Financial Institute with Good Governance

- Communicated with partners that ethics must also be applied to outsourcers and received signed acknowledgement from 89.35 percent of partners
- Conducted a customer-satisfaction survey on TISCO Group's products/services
- Employee satisfaction and loyalty rate at 8.2 percent, which was increased 0.3 percent from the previous year
- Employee retention rate at 93 percent, that the rate of resignation decreased by 12.9 percent from the previous year

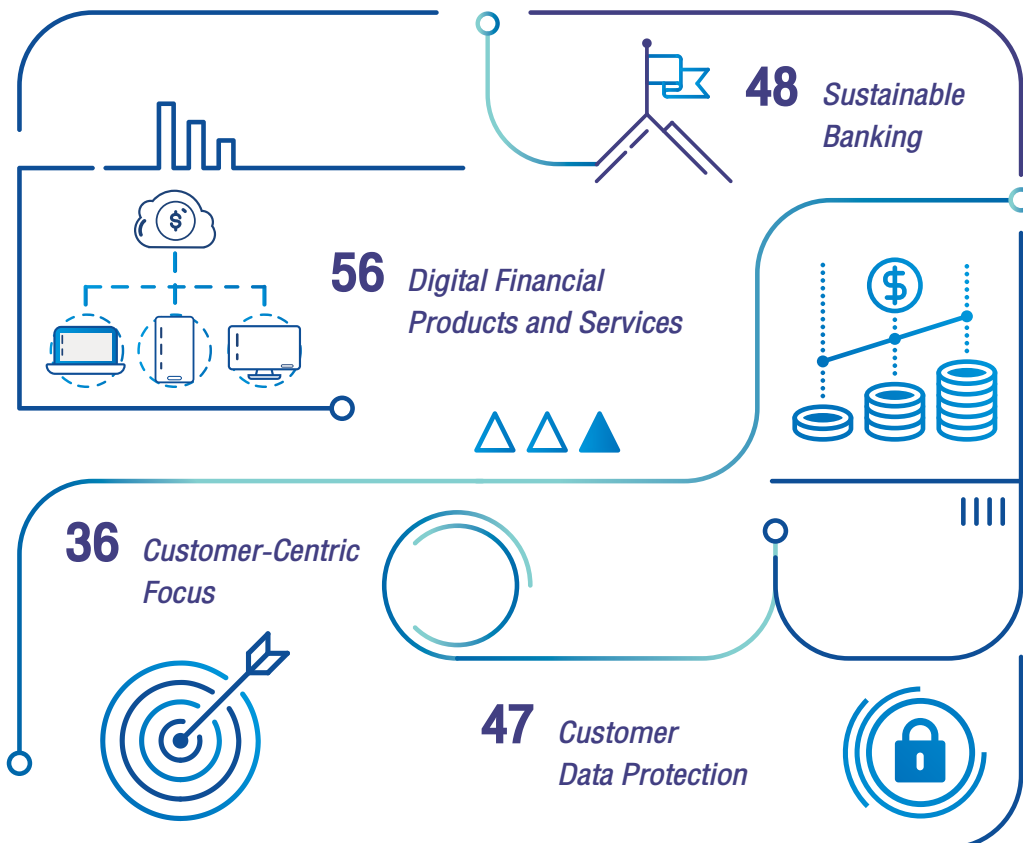


Socially & Environmentally Responsible Enterprise

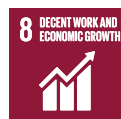
- Greenhouse gas emissions from operations
 - Reduced greenhouse-gas emissions during operations by 7.51 percent from base year;
 - Reducing carbon dioxide emissions from event 4,320.74 kgCO₂e.
- Energy-usage reduction
 - Replaced old bulbs with 16,266 LED bulbs that save electricity 591,978 kWh; and
 - Install Motion sensor devices in bathrooms at the head office.
- Conducted campaigns to promote environmental awareness among staff, partners and local communities, namely
 - Foam-based food packaging is banned at all TISCO Group's premises
 - Reduced usage of plastic cups at TISCO Tower
 - Reduced single-use plastic bag usage or recycled such bags in the "Won Project"

SUSTAINABLE FOCUSED PRODUCT DEVELOPMENT

เป็นผู้นำตลาด
ผลิตภัณฑ์ทางการเงิน
อย่างรับผิดชอบ



Shareholders | Employees | Customers | Business Partners | Supervisory Authorities |
Community & Society



Customer-Centric Focus

TISCO Group continuously upholds and adheres to the corporate value of Customer Priority. As such it is committed to developing financial products, financial services, and service-delivery channels that match the needs and lifestyles of various groups of customers. TISCO Group has long been a financial advisor that customers can trust when making plans for financial security and a comfortable retirement life with financial freedom.

The process of financial product/service development starts with studying the true needs of customers via customer relations and analyses. The process is then integrated with TISCO Group's financial expertise, extensive experience, and collaboration with Thailand's leading organizations to develop and present financial services that are appropriate and offer robust opportunities or alternatives to customers. TISCO Group also places great emphasis on clear, adequate disclosure of information on its financial products/services so that customers can make informed decisions. With disclosure fully in line with all relevant laws, fair market conduct principles, and the Investment Governance Code, customers can be assured they are receiving satisfactory knowledge and understanding of products/services.

Moreover, TISCO Group has accorded importance to the protection of customer information, information security and data accuracy, seeking to prevent the abuse of customer information.



Customer Relations Policy



With the aim of serving various groups of customers, TISCO Group has arranged its business structure and personnel by expertise suited to each customer segment, namely wealth customers, corporate customers, retail customers and fund-management customers.

Wealth Customers

TISCO Group stands ready to adjust operations in response to the changing business environment and other factors. This agility has led to TISCO being a Top Advisory House in the financial field throughout the past 50 years. Buoyed by this success, TISCO Group is now upgrading its services to the Holistic Financial Advisory level, providing investment advisory services that cover investment choices, life insurance products, health insurance products, and retirement plans that are cost efficient and suit the diverse needs of customers. It can be said that TISCO Group offers a customer-centric One-Stop Service.





In addition to studying on and analyses of customer needs, TISCO Group has taken into account “the world’s mega trends”, including such as demographic trends that influence financial planning in relation to three main needs: Investment Return, Life Protection/Health Protection and Retirement Protection. A Holistic Financial Advisory approach is thus in place for product/service development that responds best to customer needs, maximizes customer benefits, and presents various good “alternatives” for each customer. At TISCO Group, Open Architecture plays a key role in enabling customers to get Best-in-Class investment, life insurance, and health insurance choices from various providers. TISCO Group believes that each asset management firm/life assurance firm has different expertise, products and services. TISCO offers a platform through which customers can select any of the quality options to enjoy better returns. TISCO Group trusts that through this Open Architecture, it can give the best advice and recommend the best choices to customers, enhancing its status as Top Holistic Financial Advisory Provider in the process.

Within TISCO Group, the TISCO Economic Strategy Unit (TISCO ESU) prepares House View investment analyses and strategies that are accurate, reliable and highly respected in the industry. TISCO Group is one of only a few financial institutions to compile separate House-View research on Wealth Management to advise customers on the best investment options. This research covers all types of assets, including securities, debt instruments, gold, and funds, and more so customers can enjoy Asset Allocation. Combining its strengths in Top

Holistic Advisory Firm position, TISCO also released analyses on Best-in-Class insurance products in 2019 so as to provide information and alternatives to customers and consumers and fulfill their needs in a professional manner.

Furthermore, TISCO has accorded importance to improvement of the sales quality, knowledge and expertise of its Relationship Managers (RM) who takes care of customers’ needs and provide appropriate advice. Every RM must carry a Single License. To ensure that every RM can provide comprehensive recommendations, he or she is also required to pass the AFPT/CFP (Associate Financial Planner Thailand/Certified Financial Planner) tests. TISCO Group aims for every TISCO branch to have at least one or two AFPT/CFP holders.

Over the past year, TISCO Group provided customers’ opportunities to contribute to society as a portion of fees from product sales went to hospitals and healthcare funds. The donations were on top of the “Friends for Life” project, which was implemented through collaboration between TISCO Group and allies, customers, and trade partners. (See page 107)

Corporate Customers

The economic situation in Thailand and the world remains mired in uncertainty. However, big business organizations still have financial management needs as they seek to expand their businesses in various ways. As a result, almost every financial institution has placed greater emphasis on Corporate Banking. Such circumstances suggest that competition in the segment. TISCO has proactively responded to corporate customers' needs through its differentiation and positioning as a "Total Solution" provider. TISCO Group boasts not only experienced and specialized personnel, but also a flexible organizational structure, which allows its corporate customer team to work with excellent synergy. Strategy planning teams, analyst teams, loan teams, and investment banking teams work in close collaboration with their counterparts to deliver dedicated

and sincere customer service. The services are delivered in response to customers' needs rather than just occasionally and at all times through a joint review process, which allows for mutual understanding of customers' financial needs and facilitates a joint work process that is solidly rooted in customer understanding. As a result, appropriate financial products and services offered to customers are appropriate and timely. Because they receive quick and comprehensive solutions, corporate customers have confidence and trust in TISCO Group and consider it a "Lifetime Partner". With a focus on Total Solutions, TISCO Group is also very flexible in adjusting to changing circumstances and situations. Products, services, and advice offered are also "customized" too. They are not just general items available on the market.

Retail Customers

TISCO Group offers comprehensive services for retail customers, covering financial products, investment products, and insurance products.

1. Deposits



TISCO Group presents various savings products for convenient transactions. Customers may select any product they want based on their needs. TISCO Group has also developed the TISCO Mobile Banking application, adding channels for service delivery and facilitating Thai QR Code payment and Prompt Pay-based bill payment features for customers' convenience.

2. Investment and Insurance Products

TISCO Group offers mutual fund-based investment and insurance products under the Open Architecture system so as to comprehensively respond to customers' needs in three areas, namely Yield, Protection, and Retirement. It has also upgraded services from Investment Advisory to Protection Advisory with the aim of protecting its customers at every stage of their lives and in all aspects, including Wealth Protection and Health Protection. Customers can thus rest assured that their wealth will be sustainable and that they can live happily in the style they want.

TISCO Group deploys specialists in product development and selection. Health Protection advice is given based on three factors: 1) Good



Research: Research is conducted with depth and breadth on health insurance products from leading insurers; 2) Good Product: Thanks to its partnerships with several leading insurers, TISCO can select and jointly develop products with insurers based on their specific expertise before analyzing and presenting them to customers. By prioritizing customers' best interests, TISCO Group presents products that answer customers'

needs and gives them maximum protection and best value for money; and 3) Good Advice: Through comparisons of products and their coverage, TISCO Group selects Best-in-Class products to serve the interests of its customers.

3. Loan Products

TISCO Group has various loan products that respond to customers' needs. Most of its loan products are related to hire purchase for retail customers. TISCO Group sets Credit Scoring standards, which are developed, based on an internal database to control loan services, enhance their efficiency and speed up loan approvals so as to respond to customers' demands in a timely manner. In addition to hire-purchase loan services, TISCO Group offers housing loans, consumer loans, and unsecured personal loans.

In addition to car-loan services, TISCO Group engages in loan services for the hire purchase of motorcycles, Loans against Auto License, and various other services to satisfy customers' needs under the "Somwang Ngern Sang Dai" banner. Hi-Way Company Limited, part of the TISCO Financial Group, delivers "Somwang Ngern Sang Dai" services via its more than 300 branches across Thailand. This network of branches comprehensively covering all regions of the country. "Somwang Ngern Sang Dai" services include "Somwang Mobile Units" which take to the road and serve customers in various communities across Thailand. These mobile units reach out to remote areas and allow the firm aims to provide equal, fast, and convenient access to loan services for all. Motorcycle buyers, for example, may get a loan for their vehicle within one hour. In addition to providing loans for motorcycle purchases and Loans against Auto License services, the firm also offers "Somwang Insurance – Everything You Want in Insurance" services. For its insurance line, Hi-Way embraces the "Comprehensive Coverage" concept. It chooses insurance products from TISCO Group for comprehensive coverage and deploys specialists to advice customers on insurance options so they can choose what best answers their needs. The options include various types of motor insurance, such as car insurance, motorcycle insurance, compulsory motor insurance, life assurance, personal accident insurance, cancer insurance, and income protection insurance. The firm also provides after-sales services and helps to coordinate with insurers regarding claims for compensation.



Fund-Management Customers

TISCO Group has specialized in investment management for well over 30 years. Its investment team is made up of highly experienced fund managers – all of whom have managed funds in Thailand for more than a decade. In addition, TISCO Group has financial planners who are on hand to give assistance, offer advice and answer any questions an investor may have. Such services

ensure TISCO Group caters well to the needs of customers no matter what risk level they can handle. Presently, TISCO Group offers equity funds, flexible portfolio funds, mixed funds, bond funds, specific funds, retirement mutual funds, private funds for private investors who want a fully customizable portfolio, as well as provident funds that will aim for wealth in retirement.

Securities Customers

Guided by its commitment to serve as a premium broker, TISCO Group has placed strong emphasis on services and insightful, up-to-date and reliable analyses. All groups of investors can access its database of research that keeps pace with the fast-changing environment. Currently, TISCO Securities Company Limited covers more than 100 listed companies, which together account for 70 percent of market capitalization. The firm's database goes back well over 20 years for companies listed on the Thai stock market. The firm has also developed service channels in response to investors' growing shift towards the digital world. The "TISCO Guru Plus" application has been launched to help investors scan securities. Its features are suited to both new investors and experienced investors. Outstanding features enable users to select securities based on their investment styles, which are determined by their past behaviors and trends specified by the firm's analysts. The app constantly monitors securities and issues relevant alerts so users feel like they have private analysts and advisors by their side around the clock. The app has a system that can alert users when their favorite securities make an interesting movement or reach a target price. Investors can conveniently follow news or the securities in which they are interested via the app. New investors may even get a virtual portfolio on a daily or weekly basis so that they have investment guidelines on hand. Single Sign On is also in place to enable immediate transactions of prominent securities. Users can search research retroactively and receive timely updates on the latest developments.

Think Differently & Create (Business) Opportunities: TISCO's Strengths Lie in its Differentiated Perspective

TISCO Group has placed strong emphasis on business sustainability. It therefore continued business operations in fields suited to its expertise and stays prudent with its decision-making. Moreover, The Group develops its human resources and aims to generate value for society in every dimension. In conducting its business, TISCO Group stays environmentally and socially responsible. Guided by good corporate governance, the Group also exhibits responsibility to all groups of stakeholders. TISCO Group is well prepared for crisis management and ready to deal with any new risks. All these qualities provide TISCO with a competitive edge

and the ability to ensure sustainability. In the competitive financial industry, TISCO has chosen to ride its expertise and engage in businesses in which it truly specializes with solid knowledge, insight and extensive experience. Thanks to its differentiation, constant quality product/service development, social responsibility, and ability to keep pace with the changing landscape and changing consumer behaviors, TISCO is quick to recognize new business opportunities and responds well to customers' needs.

Product Development

Guided by its mission, corporate values and focus on customer priority, TISCO Group has accorded importance to the development of products and service-delivery channels that respond to customers' needs and support its collaborations with business partners to identify and fully understand customers' needs in relation to financial products and service-delivery channels.

Design Thinking



TISCO Group has embraced the international practice of Design Thinking. Studies are conducted for deep understanding of customers' problems and customers are at the center of financial products and service-delivery channel development. The ideas and perspectives of various persons in the process are also taken into account when exploring solutions, testing ideas, and developing financial products or service-delivery channels based on the Customer Journey. These results in the development of new business models and introduction of products/services that can better answer the needs of customers and business partners, nurturing a positive business ecosystem for all.

Marketing Communications

Another strength of TISCO Group as a leading Advisory House is its ability to efficiently bring knowledge from its database of financial/investment planning, products, debt management, and various services to customers and the public through various means, including marketing staff, officials at TISCO branches, its Contact Center, website, as well as the websites of its businesses. Thanks to these channels, customers are able to access any related information they seek.

In response to consumers' changing behaviors, TISCO Group has added new communication channels, such as LINE Official Account and Facebook fan page, with the aim of giving consumers greater convenience and faster access to information. These channels are developed as forums to provide knowledge, advice on financial planning, updates on the latest financial developments, and lifestyle information to each customer group. These channels also cover new products/services by TISCO which offer two-way communications whereby TISCO Group can give information, answer enquiries, and interact with customers. Not only do these online communications allow TISCO Group to communicate with customers in a faster and more efficient manner, they also let various work units know about customers' needs and pain points. This is key to the development of products and services that respond well to customers' needs.

As TISCO Group accords a great deal of importance to the distribution of information and marketing communication channels, it has prepared several outlets to communicate with customers about its products and services. These ensure that customers can get key information fast and conveniently. They can ask for information directly from marketing staff,

officials at TISCO branches, TISCO Contact Center, TISCO's social media accounts, its main website, and the websites of its individual businesses. In 2019, TISCO Group did not receive any complaints about non-compliance with regulations on marketing communications.

Customer Satisfaction Survey

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

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

Feedback & Complaint Channels

Channel 1	<p><i>Make a complaint at the Head Office or any branch by informing the staff about the complaint in person or submitting a complaint form</i></p>	Channel 3	<p><i>Contact our contact center via phone, fax, or e-mail</i> <i>Tel: 0 2080 6000 or 0 2633 6000</i> <i>Fax: 0 2633 6800</i> <i>E-mail: webmaster@tisco.co.th</i></p>
Channel 2	<p><i>Submit a complaint letter to Compliance Office</i> <i>TISCO Financial Group Public Company Limited</i> <i>48/49 TISCO Tower, 21st Floor,</i> <i>North Sathorn Road, Silom,</i> <i>Bang Rak District, Bangkok 10500</i></p>	Channel 4	<p><i>File a complaint at TISCO Bank's website</i> <i>www.tisco.co.th</i></p>

TISCO has agreed to an SLA that clearly sets financial-service standards in terms of acceptance and response to complaints.

Receiving and Handling of Complaints	Action Timeframe
1. Complaint acknowledgement	
<ul style="list-style-type: none"> Complaints received via Contact Center 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 	<p>Immediately</p> <p>Immediately</p> <p>1 business day</p> <p>1 business day</p> <p>7 business days</p>
2. Providing information on outcome and progress on the resolution of issues for all channels	
<ul style="list-style-type: none"> TISCO resolves the issues or informs the customer(s) about the progress and estimated time required to handle the issue should it not have already been resolved. 	15 business days

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

TISCO Group conducted a customer-satisfaction survey between September and October, 2019. Questionnaires focused on TISCO Group’s Touch Points, products, service hours, promotions, environment at TISCO Branches, and digital channels such as application, website, Facebook and LINE. The survey was conducted among 1,505 customers of all businesses of TISCO Group, namely: 1) Hire Purchase; 2) Loan against Auto

License; 3) Bancassurance; 4) Mutual Fund; 5) Deposit; and 6) Securities Brokerage. The customer-satisfaction survey in 2019 showed TISCO Group scored 3.19 out of 4.

TISCO Group has given importance to the opinions customers provided in the survey and forwarded their recommendations to relevant units for review and improvement ahead of the assessment of customer satisfaction next year. This process aims to ensure that all groups of customers and stakeholders receive competitive, satisfying service quality from TISCO Group. Moreover, this is considered part of ongoing efforts to “present products and services that are appropriate for customers” in line with TISCO Group’s business practice.





***Educating Customers through Financial Literacy:
“It’s More Sustainable than Presentation of
Products and Services”***

Backed by over 50 years of experience, the expertise of its staff, and solid understanding of customers’ needs acquired via customer relations, TISCO Group regularly educates each group of customers directly and indirectly with financial knowledge. Not only is that knowledge integrated with the presentation of products or new services, but it is also shared via seminars and finance-themed events. TISCO believes that inculcating customers with financial literacy will enable them to handle financial management to the best of their interests while also supporting TISCO Group’s sustainable growth. Educational activities for customers are held in various formats. Among them are seminars at headquarters and in the provinces, and the release of financial/investment analyses via email, social media – namely Facebook and LINE Official Account – as well as websites so that customers and members of the general public can access financial knowledge and apply it to their everyday life or business.

To maximize benefits from TISCO’s financial literacy promotion for society and customers, TISCO Group has developed methods to provide financial knowledge and planning based on the specific characteristics and needs of each customer group via various channels and activities. These methods are designed for wealth customers, mutual-fund customers, provident-fund customers, loan customers, retail customers, and staff. Recognizing the importance of its role as a leading financial advisory house, TISCO constantly improves sales quality by equipping its staff with financial advisor skills. Providing advice in all aspects and across all channels ensures customers can receive financial services that best suit their needs and are in line with changing circumstances. All TISCO marketing officers hold licenses to recommend financial products and are expected to continually improve their services. TISCO has also set a goal of ensuring that every TISCO branch has a marketing official who is a Certified Financial Planner (CFP) and Financial Planner based on Associate Financial Planner Thailand (AFPT) as it strives to win customers’ confidence in terms of quality of advice and assure them that recommended financial products are suitable for their financial goals.

In 2019, TISCO organized seminars on financial knowledge as follows:

<i>Providing Financial Knowledge via Seminar and Online Channels</i>	<i>Number of Time(s)</i>	<i>Number of Participants (people)</i>
1. TISCO Securities Company Limited: Private Client Group	32	2,600
2. TISCO Asset Management Company Limited: Mutual Funds & Private Funds Business	31	2,990
3. TISCO Asset Management Company Limited: Provident Fund Business	251	64,879



Example of Financial Literacy Promotion



1. TISCO Securities Company Limited

TISCO Monthly Guru Updates 2019: Economic updates and overview of the stock market and current investment environment

2. TISCO Asset Management Company Limited: Mutual Funds and Private Funds

Manager Talk seminar: Economic updates, global stock/investment assets overview, recommendations on interesting funds, and experts from Economic Strategy Unit (ESU) providing knowledge and briefing on the global economy

3. TISCO Asset Management Company Limited: Provident Funds

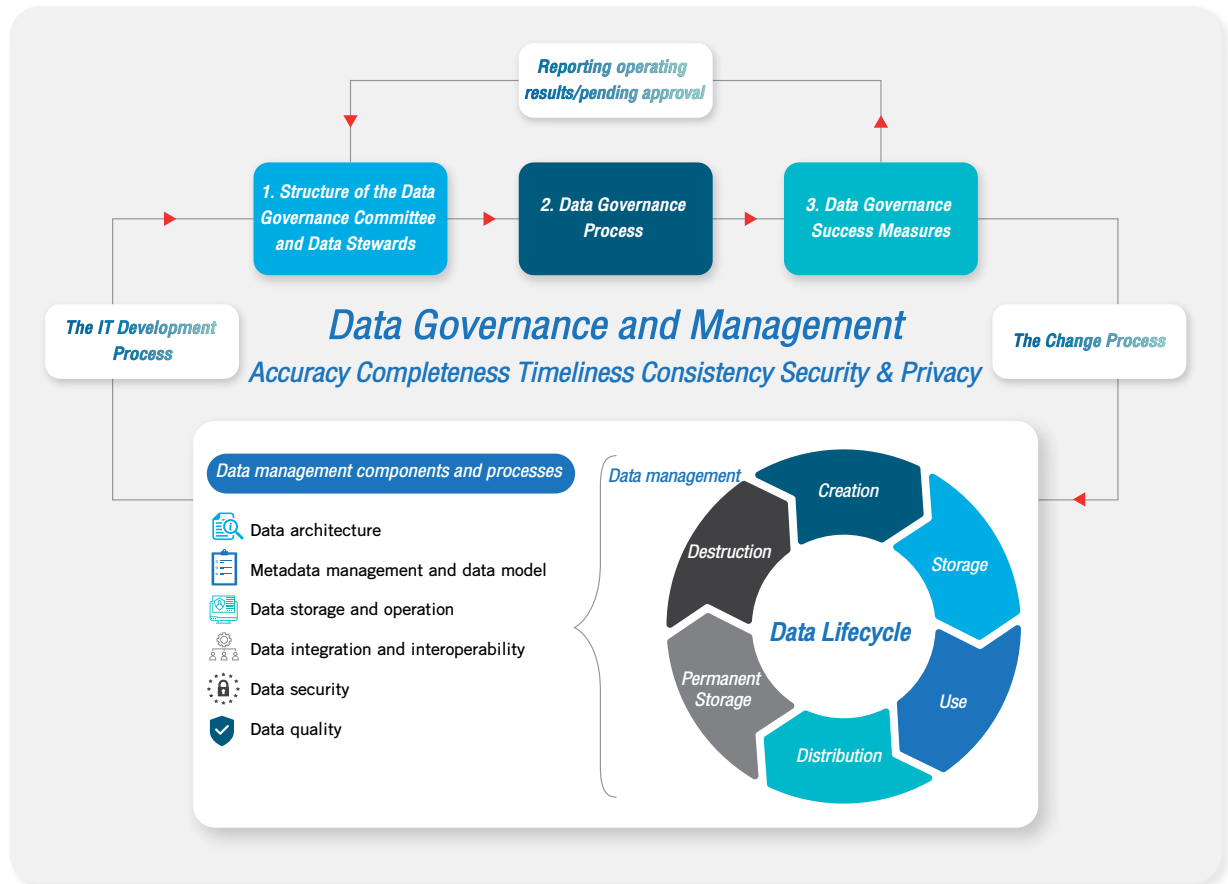
“Salaried Worker’s Financial Planning” seminar: financial planning techniques, importance of savings and investment alternatives for different lifestyles and retirement goals, plus additional information for provident fund members

Integration of Data Governance and Data Management

The volume of data used in our business has dramatically increased as a result of both TISCO Group’s business growth and the fact that we have expanded our electronic services to respond to the behavioral changes of our customers. To assure customers of our service quality and data security, TISCO Group has introduced a Data Governance and Data Management Framework with the aim of integrating and unifying existing and newly-created data within our organization. The framework aims to set mechanisms that will lead to constructive integration of data governance in order to generate quality information that can be effectively connected within a safe and secured environment. The framework is also designed to enhance our business opportunities and competitiveness. To make sure that the data governance and management is in compliance with this framework, TISCO Group has set up a unit to specifically oversee the data issue in order to ensure effective data integration, governance and implementation. The ultimate goal is to create benefits from the use of data through existing measures with no harm done to data owners, customers or companies using it.

The data governance and data management framework consists of two major components, namely:

1. Data governance and evaluation framework
2. Data management framework based on data lifecycle



The Data Governance and Data Evaluation Framework

The data governance and data evaluation framework consist of three components, namely the structure of the data governance committee and data stewards including their roles and responsibilities the data governance process, and the data governance success measures. Each component is critical and the three elements are mutually supportive.

Structure of the Data Governance Committee and Data Stewards

TISCO Group has appointed a subcommittee to oversee data governance. It also entrusts a unit or a working team such as data stakeholders, the Data Governance Office and data stewards to handle data tasks, including data governance, based on their respective roles and responsibilities as stated in the policies and practices governing the data governance framework.

Data Governance Process

TISCO Group has put in place a data governance policy and related measures that result in the operational framework and practices in relation to data management and governance. The scope of the policy and practices includes, but is not limited to, the following:

- Data governance for compliance with data security measures
- Data governance for compliance with data classification level management measures
- Data governance for compliance with data risk management measures
- Data governance for compliance with data quality management measures

Data Governance Success Measures

To ensure that established data governance policy and measures are effective, adequate, and compliant with relevant laws or regulations that may be subject to change, or to comply with any change of business or structure that could affect the data governance and management, especially with regard to the assessment of data quality and data security, the Data Governance unit must plan to measures, for example, the percentage of quality data or number of data-related complaints, as the case may be, as well as and reports on its performance. The results of the data governance will serve as guidelines for further management and analysis to improve or enhance the operation.

Data Management Framework based on Data Lifecycle

To encourage effective and accurate use of data, either for processing or for decision-making purposes, that responds to the data management objectives, TISCO Group has drawn up a framework and the entire process of data management throughout the data's lifecycle. This includes data creation, storage, use, processing, distribution, longer-term storage and, finally, destruction. The entire process must go through the management process which encompasses a standardized, reliable, and secured environment and components. The process must also be in order, qualified and responsive to the needs of all business units as well as correspond to the data classification levels. The data management components are:

1. Data architecture: This refers to the creation of both the data management environment and components in the form of data architecture to underline data security, confidentiality, integrity, and availability.



2. Metadata management and data model: Data are classified and data standards are prescribed in such a way that allows metadata management and the data model to respond to business needs. The entire operation is linked with the management of the data lifecycle and equipped with a data relationship model and data flow program.



3. Data storage and operation: This refers to data storage, data backup, data restoring and data destruction.



4. Data integration and interoperability: This refers to the data access control and the safeguarding of data quality whenever data integration or interoperability occurs but in strict compliance with the laws or rules and regulations.



5. Data security: This refers to a process where data security, data confidentiality and data classification levels are managed and where data are governed as required by the prescribed measures.



6. Data quality: A process to maintain data quality so that they remain accurate, comprehensive and updated as required by the business has been established. In addition, the data are audited and their quality controlled so that the data quality can be evaluated on a regular basis.

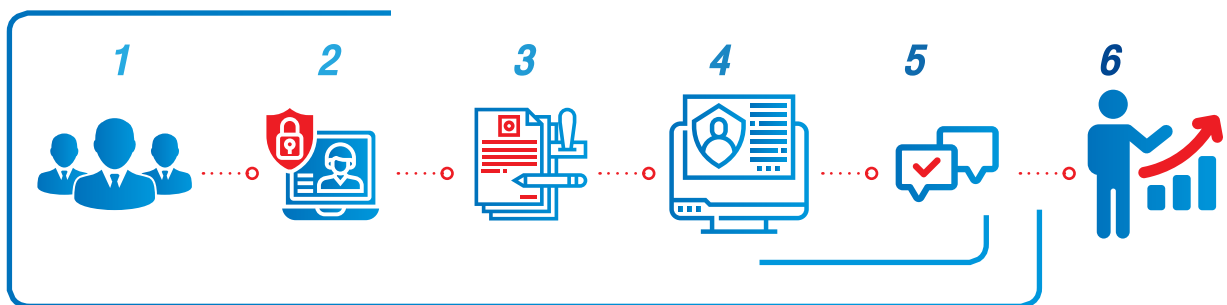


Customer Data Protection

TISCO Group offers financial services to customers that rely heavily on the use of customer data in our operation. As such, we underline the importance of customer data protection measures, especially those governing personal information, as this builds helps make customers more confidence in our financial services. In addition, since the new Personal Information Act will be enforced within May 2020, we are strengthening our practices with regard to the customer data protection to comply with the law.

Personal Data Protection

In 2019, the Personal Data Protection Working Committee was set up to improve corporate practices in compliance with the law. After drawing up a plan, framework and practice guidelines were formulated regarding the collection and disclosure of data. These ranged from setting appropriate measures based on data risk levels, reviewing the necessity to collect, use, and disclose data, and seeking consent to collect, use and disclose the data as required by the law. Reports to a related subcommittee are made on a regular basis. The operational plan should be finalized by April 2020. Personal data protection practices have been carried out not only to comply with the law but also to enhance our standards of data security for our customers. The results of our actions in 2019 in this area are as follows:



1. A subcommittee on data governance was appointed, comprising senior executives from the business and IT departments as members. The subcommittee oversaw corporate governance relating to customer data protection.
2. A Data Protection Officer (DPO) and a unit responsible for personal data governance and protection were also appointed.
3. The Data Governance and Data Management Framework and personal data protection practices were formulated. In addition, the Data Collection Guidelines and the principles and measures governing the collection, use, and distribution of personal data were revised.
4. A data inventory list was made to classify both electronic and non-electronic data from all departments within the organization. The list also assessed potential risk from data already collected, used and disclosed. In addition, data control and data security safeguard measures based on data risk levels were established.
5. A process and a system to facilitate gaining consent to collect, use and disclose personal data was put in place.
6. Policies and practices regarding data management, data governance, and customer data protection were regularly reviewed to respond to operational and regulatory changes.

Sustainable Banking

The banking and finance businesses serve as a mechanism to drive the economy forward by providing financial and investment services to the industrial sector. However, by so doing, it may cause adverse effects on the economy and society at large. For example, financial support of the construction of a mass transit project may affect the occupational health and safety of the project's surrounding communities and passers-by and the construction itself may worsen traffic conditions. Loans extended to manufacturing plants may lead to massive use of plastic that could worsen the plastic pollution problem in oceans. Because of such problems and such potential negative effects across different dimensions of the banking and finance business, the concept of sustainable banking has emerged to emphasize qualitative



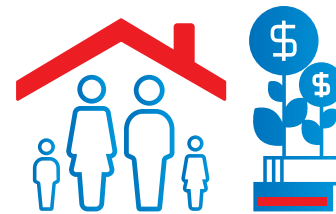
development rather than quantitative growth, whereby business is conducted with an awareness of the environment and society under the principles of corporate governance. Sustainable banking also aims to incentivize other sectors to operate in a manner that will lead to sustainable development.

TISCO Group has given priority to responsible business undertakings and has thus collaborated with the financial sector to promote the concept of sustainable banking in all business operations. On August 13, 2019, TISCO Group signed a Memorandum of Understanding on Sustainable Banking Guidelines – Responsible Lending to implement this concept with the objective of bringing sustainable banking practices to the Thai financial sector within 2020. The aim is to help resolve or at least reduce such problems as income inequality and environmental degradation in Thai society while highlighting the problems of high levels of household debt and corruption. TISCO Group has applied the sustainable banking concept to both retail and corporate customers.

Responsible Financial Services

Retail Loans

TISCO Group is aware of our role as a provider of responsible financial services and as a supporter of the Responsible Lending Directive (RLD) through which we can provide financial knowledge to communities and offer loans that take into consideration customer benefits and fairness so as to transform informal sector loans into formal sector lending. In addition, TISCO Group has drawn up guidelines to reduce household debt by underlining the significance of loan approval, Know Your Customer (KYC), and Customer Due Diligence (CDD) procedures to improve understanding of customers and their spending wishes. The practice guidelines allow us to assess customers' repayment ability given their income levels after taking into consideration debt burden and regular expenses to allow them to enjoy a decent living standard. However, to ensure that our operation is sufficiently constructive through clear policies and practices proven to be consistent with industrial standards, we have developed the following operational plans:



1. Review and update loan policies and practices for:
 - 1.1. Offering responsible financial products and services by focusing on loan approval that is consistent with retail customer's repayment ability.
 - 1.2. Assessment of potential risks to both TISCO Group and customers by not encouraging customers to borrow beyond their needs.
 - 1.3. Providing accurate and complete information subject to the terms and conditions of the loan approval process and based on market conduct.
2. Become part of a movement to create a learning society. It is important that we continue to educate and enhance our service staff to broaden their abilities in terms of requirements and proper practices.
3. Organize events that provide financial knowledge to customers and the interested public.

Corporate Loans



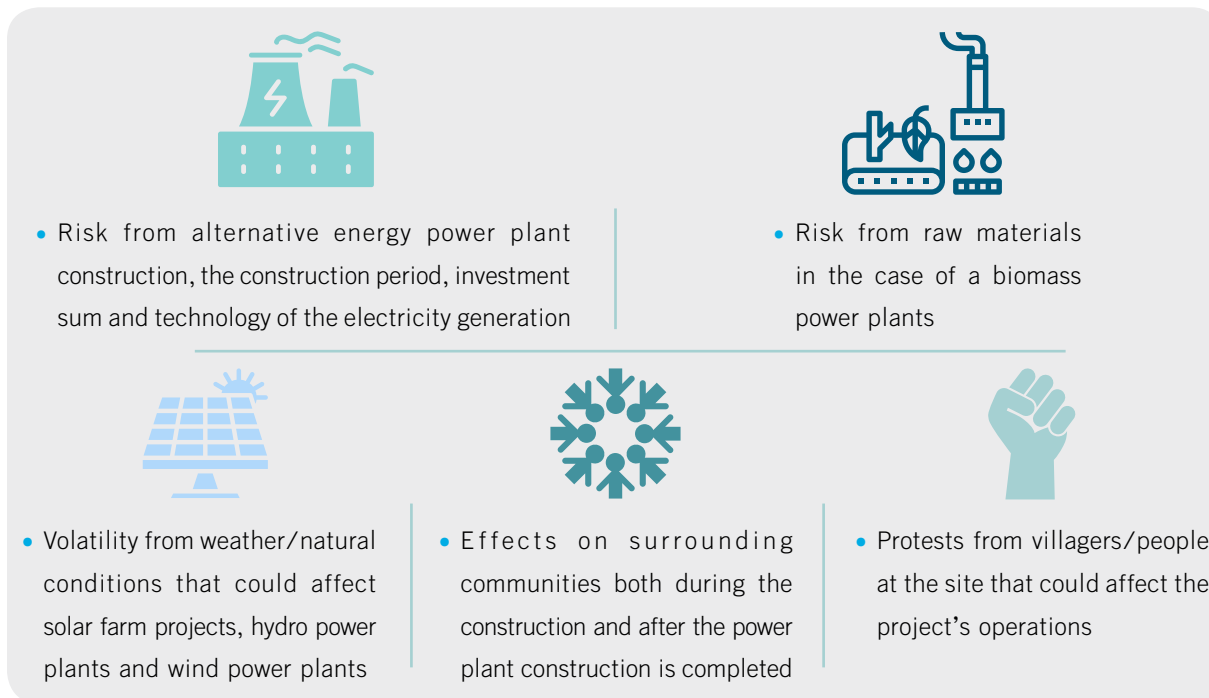
Aside from retail loan customers, social and environmental impacts are also incorporated in our loan approval process for project and corporate loans to large businesses to minimize negative impacts on the economy, society and the environment. After a loan is approved, monitoring is introduced to ensure the loan is being spent as required under the approved objectives. Auditing of compliance with loan approval conditions includes the examination of the project's Environmental Impact Assessment (EIA), a credit review and monitoring of the borrower's debt payment ability.

We continue to support the green energy business and in 2019 strengthened our abilities for constructive implementation of sustainable banking. In this regard, TISCO Group reviewed and updated the Responsible Lending Policy and project loan approval processes whereby environmental, social and governance (ESG) risk factors were incorporated as part of the approval criteria at the client and transaction levels as well as at the lending portfolio level. In addition, we produced an exclusion list of businesses, as well as corporate governance based on guidelines and client support to operate a business that minimizes environmental and social impacts.

Loans to the Green Energy Sector

TISCO Group continues to support the green energy sector through promotion of electricity generation and increase energy reserves to satisfy the country's energy consumption, reduction of use of natural resources, and minimization of environmental impacts resulting from the use of fossil fuels that pollute the ecology and impacts from climate change. Our goal is to provide expert advice and project loans to alternative energy power producers.

In approving such loans, we consider the following risk factors:



An operator is required to submit a project feasibility study that contains technical details and financial estimates audited by an independent expert in the energy sector who has been approved by TISCO. The potential borrower must convince TISCO that raw materials are adequate for the operation of a biomass power plant and that weather and natural conditions that may affect a solar farm project, a hydro power plant or wind power plant project are not severe enough to have a material effect on operations. In addition, the project must be fully compliant with the application process for permission to operate a power plant. Follow-up for an energy business license will be undertaken when construction is complete. In addition, construction progress and costs of construction are carefully monitored in accordance with the project milestones and its budget so as to ensure there is satisfactory evidence that the borrower who has been approved to operate an energy business has duly complied with the laws governing the seeking of approval to build a power plants as well as all laws related to the energy business. The borrower must also prove that he/she/it is able to pay off the loan based on the loan repayment schedule. In the event that the loan is approved but complaints are made by those affected by the project, the borrower must provide clarification and show how the conflict will be managed. TISCO will temporarily delay its loan disbursement until the debtor's planned actions to resolve the conflict are approved.

In the past, TISCO Group provided financial support to large green energy businesses for renewable energy projects which generate clean energy and reduce environmental impacts. Other projects we have supported include those generating energy that could lessen impacts from climate change and alternative energy projects, which refer mainly to energy that replaces fossil fuels, such as solar and hydro energy. In 2019, TISCO Group continued to finance alternative energy projects while maintaining a strong relationship with customers. We have explored opportunities to respond to financial needs of large corporations active in this business. In summary, TISCO Group has extended a total of Baht 7,565 Million or 20.62 percent of all corporate loans to projects that help reduce environmental impacts, which represents an increase of 5.54 percent of credit being extended compared to the previous year.

Socially Responsible Investment

TISCO ESG Investment Fund (TISESG)¹⁾

TISCO Asset Management Company Limited supports socially responsible investment and in this regard seeks to create satisfactory returns for investors, encourage asset management companies to consider long-term sustainable returns for investors and incentivize listed companies to operate their business on the basis of transparency, corporate governance and reduction of social and environmental impacts. Socially Responsible Investment also means attempting to create value for responsible business operation, encourage the equity market to incorporate the environmental, social and governance (ESG) factors into their considerations and promote a more sustainable equity market in Thailand. We have included the concept of Socially Responsible Investment in our analysis when making investment decisions under the ESG Investment Policy. To do this, we identify and subsequently monitor securities, which display no material negative social and environmental impacts on our investment universe (in practice since 2014). We also comply with the principle of ESG investment issued by the SEC. In 2019, TISCO Group adopted the following as additional guidelines for ESG securities portfolio management:



- **Best-in-Class Selection:** The fund will invest in companies with better ESG development compared to their counterparts within the same industry. This may refer, for example, to a company with superior management of environmental cost resulting from it successfully reducing water or electricity consumption; or a business that relies on alternative energy; or employees who experience improved productivity as a result of building capacity; or a company that enjoys a better overall ESG score with reference to the IOD's CG scoring.



- **Active Ownership:** Aside from investing in a business, a fund manager will inquire or monitor the ESG policy and operation of companies in which the fund has invested. The fund manager may exercise his/her rights as a shareholder through various meeting agendas or express opinions for the development of the Company. He/she may exercise voting rights at a shareholder meeting, seek clarification from executives during a company visit or discuss solutions in case a company is confronting ESG risks.



- **Thematic Investing:** A fund manager may invest in a group of companies whose themes are related in one way or another to ESG. For example, the business may invest in renewable energy business or an environmentally friendly business. Or it could invest in a public utilities project designed for improved well-being, or a hospital or pharmaceutical company aimed at upgrading health and welfare, or a business that will generate income for a community-based business using local raw materials.



- **Impact Investing:** A fund manager may opt to invest directly or indirectly through companies that have invested in projects which create positive social or environmental impacts on communities. Such projects might not generate huge financial returns but provide great benefits to the community. For example, Company A may provide tools and funds to a group of community farmers to grow tea or other vegetables instead of the opium poppy.



- **ESG Integration:** This refers to the fund management style whereby a fund manager considers ESG factors in all dimensions before making an investment decision. To elaborate, the fund manager will analyze the ESG risks that could affect the Company's investment in all aspects since risk or volatility in each dimension may not be the same, leading to different valuations of each company.

Note: ¹⁾ Formerly known as the TISCO ESG Investment Fund for Society (TISESG-S)

TISCO Asset Management Company Limited together with six founders, namely, the TISCO Group, Bangkok Transit Systems 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, have jointly invested in an ESG fund for the fifth consecutive year. Known as the “TISCO ESG Investment Fund (Class D) (TISESG-D)¹⁾”, the fund aims to generate consistent returns by taking into consideration ESG factors. Aside from investment returns paid back to unit holders, part of the proceeds that the fund generates are used to support various corporate social responsibility (CSR) projects as the receiving organization may wish, thereby creating a positive impact on society. To increase long-term sustainable investment alternatives for investors, TISCO Asset Management Company Limited offers A-type investment units in the TISESG Fund to the general public. The fund offers an opportunity for retail investors to provide financial support to organizations whose work benefits society. Starting from September 1, 2017, 40 percent of management income from the fund is given to organizations focusing on social work. In 2020, TISCO Asset Management Company Limited donated Baht 1,507,323 worth of management fees of both TISESG-A and TISESG-D funds as a result of its fund management in 2019, to two entities, namely the TISCO for Charity Foundation and the Thaipat Institute, the latter of which would later give the money it received to the Foundation for Thailand Rural Reconstruction Movement under Royal Patronage. Since its inception, the TISESG has already donated a total of Baht 6,466,924 to agencies involved in social work.

Meanwhile, the TISESG-A and the TISESG-D fund performance compared to the SET TRI as of December 31, 2019 was as follows:

TISESG Fund Performance

As of December 31, 2019

Fund Name	Rate of Return	
	12-Month Return	Return Since Inception
TISESG-A ²⁾	3.38%	0.14%
SET TRI ³⁾	4.29%	4.43%
TISESG-D	3.46%	27.35%
SET TRI ³⁾	4.29%	26.66%

Notes: ¹⁾ Formerly known as the TISCO ESG Investment Fund for Society (TISESG-S) Classified into types of investment units:

- 1.1) TISESG-A suitable for investors wishing to enjoy total returns from the fund
- 1.2) TISESG-D suitable for investors wishing to receive the return in a form of dividend

²⁾ The TISESG-A was established on September 1, 2017.

³⁾ The SET TRI as of December 31, 2019

In addition to expanding the socially responsible investment concept and increasing opportunities for investors to receive in sustainable return in the long run through diverse choices of investment, TISCO Asset Management Company Limited established the TISCO Global Sustainable Equity Fund and offered its units as an IPO on September 24, 2018. The fund focuses on securities qualified as ESG operations around the world with positive impacts on society or sustainable effects on the global economy through at least two foreign funds and/or foreign ETF funds. The fund's outstanding quality is that its manager can select a fund with impressive performance and may adjust the investment ratio based on circumstances in order to deliver a return that reflects the investment condition at the time. As of

December 31, 2019, the TISCO Global Sustainable Equity Fund's assets under management (AUM) totaled approximately Baht 242 million.

Thanks to our commitment to responsible fund management, in 2019, TISCO Asset Management Company Limited was awarded the Best Asset Management Company by International Finance Magazine, a leading financial publication which awards financial institutions who have initiated socially responsible financing with an organization or a charitable activity or who conduct governance and activities that have proven beneficial to the international financial community.



ESG Products

TISCO strives to create ESG (environment, social and governance) products for society by turning this concept and emerging knowledge in the field into, TISCO creates financial products that bring value to both business and civil society. The development of our ESG products is not limited to the use of our expertise and capability alone. Rather, we underline collaboration to develop financial innovations with third-party stakeholders with specific expertise to enhance efficiency and leverage knowledge for the benefit of our business and society at large.

TISCO Mortgage Saver

Having a home where the family can live together is a basic need that leads to happiness. TISCO takes pride in providing opportunities for customers to purchase a home while enhancing their quality of life through the Mortgage Saver home loan which is designed to answer their needs by allows customers to pay off the loan in any amount, without restrictions, to best suit their financial management.

- **Reducing burdens with everything centered on the same account**

For wiser account management, a single bank account, which allow customers to pay less interest, allowing them to become a homeowner more quickly.

- **Worry-free spending**

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



- **Money dedicated to paying off the loan is withdrawn as liquidity or for spending**

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

- **24-hour convenience**

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



<i>Differences between a traditional home loan and the TISCO Mortgage Saver</i>	 Traditional home loan	 TISCO Mortgage Saver
<i>Customer paying off the loan more than the set amount</i>	✓	✓
<i>Easy withdrawal of funds in excess of installment plan</i>	✗	✓
<i>Financial management for the customer's best interest</i>	✗	✓
<i>Shortens path to home ownership</i>	✗	✓

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

1. Reducing interest burden – customers can become a homeowner more quickly as the interest rate scheme helps reduce both the principal and interest. Advanced loan payment lowers interest and shortens the mortgage period.
2. Flexible financial management – customers can plan to pay-off their home loans while away, i.e. when they travel overseas.
3. Superior financial management – customers enjoy higher interest by using their savings to repay the loan rather than keeping in a savings or fixed account. In addition, since the product allows customers to withdraw excess of their installment payment, this can work as a reserve for family or as business working capital in case of emergency. In short, the TISCO Mortgage Saver product offers customers an opportunity to expedite their home loan payments while also allowing access to emergency liquidity.

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

The “Baan Dee Mee Down” (Great Home Reserves Down Payment) Loan Project

On November 26, 2019, the Thai Government, through the Ministry of Finance, launched a measure to help reduce the financial burden of homebuyers with TISCO Bank as one of the participating financial institutions. The “Baan Dee Mee Down” home loan project is designed to help stimulate the local economy and enhance quality of life. It offers a Baht 50,000 in a form of down payment to reduce the financial burden for homeowners entitled to the rights and benefits for a higher chance to own a home. A total of 100,000 rights were offered. Applicants must meet the qualifications set by the government. Their loans must also be approved with all documents executed between November 27, 2019 and March 31, 2020. The “Baan Dee Mee Down” loan project will help expedite decisions of potential homebuyers as well as stimulates new investments in the real estate sector. This should send positive ripples through the entire supply chain of the property development business and the Thai economy.

Home Loans for Senior Citizens

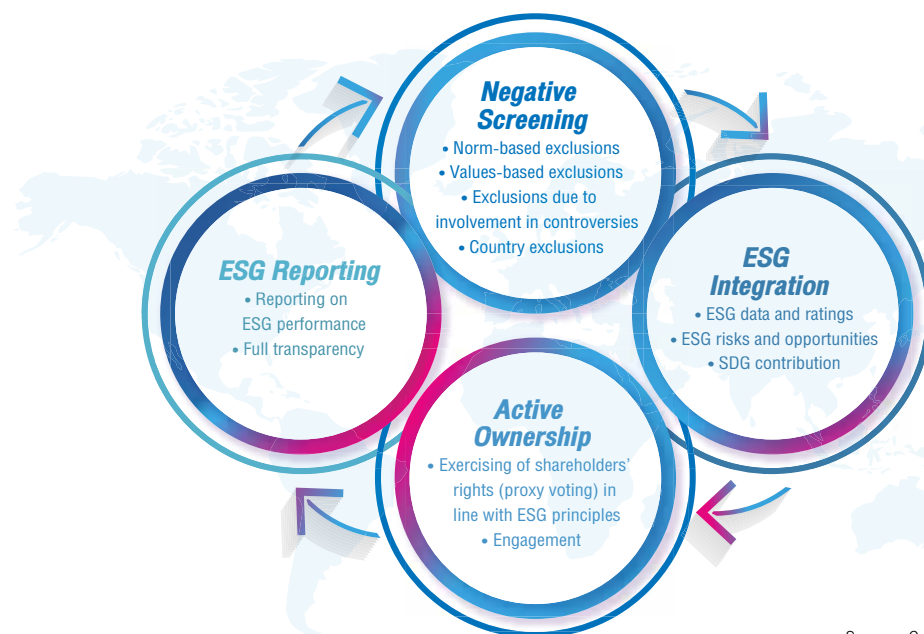
With Thai society set to become a fully-fledged aging society in the near future, demand for homes that respond to the needs of this particular group of citizens, which most residential projects available today fail to do that is steadily increasing. Homes for seniors must be designed in a specific way and equipped with technology that will help daily life be more comfortable and safer. In addition, a common area, preferably surrounded by nature, should be provided as well as healthcare and medical services from a third-party provider to respond to the eclectic needs of aging people. This type of residence should also incorporate facilities for family members of the senior citizens

who may live in the same compound. TISCO has thus started providing financial support to real estate developers seeking to develop property projects that serve the needs of the elderly as Thailand moves ever closer to becoming a graying society. As of end of 2019, the amount of loans approved for this business totaled Baht 945 million with 36 percent of the approved loan disbursed. TISCO hopes that our support will increase supply in the segment and motivate further development of products and services designed to take care of seniors.

TISCO Global Digital Health Equity Fund (TGHDIGI)

Investing in the “technology” and “healthcare” businesses is a new trend in today’s world of finance and investment. These two sectors continue to show high potential growth, not least because healthcare directly benefits from the increasingly aging societies around the world and technology is penetrating all aspects of everyday life and the industrial sector. This includes the medical business, which increasingly relies on technology to create innovations for the purpose of prevention and treatment. Investment in these “mega trend” sectors is likely to yield great returns in the long run. Yet, it also involves higher risks. TGHDIGI’s main fund, the Credit Suisse (Lux) Digital Health Equity Fund, plans to invest 25 percent in research and development businesses; 40 percent in treatment businesses; and 35 percent in treatment-enhancing businesses. Aside from these three main groups, its investment strategy is based on the ESG guidelines under the Credit Suisse Sustainable Investing Framework whereby investment is sector-specific with a focus on healthcare technology which enhances treatment efficiency. Secondly, certain types of businesses such as arms trading, tobacco, casinos, pornography and nuclear energy are excluded. Third, the best company within the same industrial sector will be selected for investment. Finally, ESG information will be analyzed in an integrated manner.

Chart: ESG Instrument to Shape Sustainable Investing Strategies



Source: Credit Suisse Asset Management

In addition, TISCO offers an opportunity for investors to help support cancer patient access to quality treatment by donating Baht 100 for every Baht 100,000 purchase of TGHDIGI’s investment units between November 14, 2018 and October 31, 2019 to the Cancer Immunotherapy Fund, Faculty of Medical Science, Chulalongkorn University. At the end of the project, TISCO Asset Management Company Limited and TISCO Bank Public Company Limited donated proceeds totaling Baht 1,534,290 to the fund.

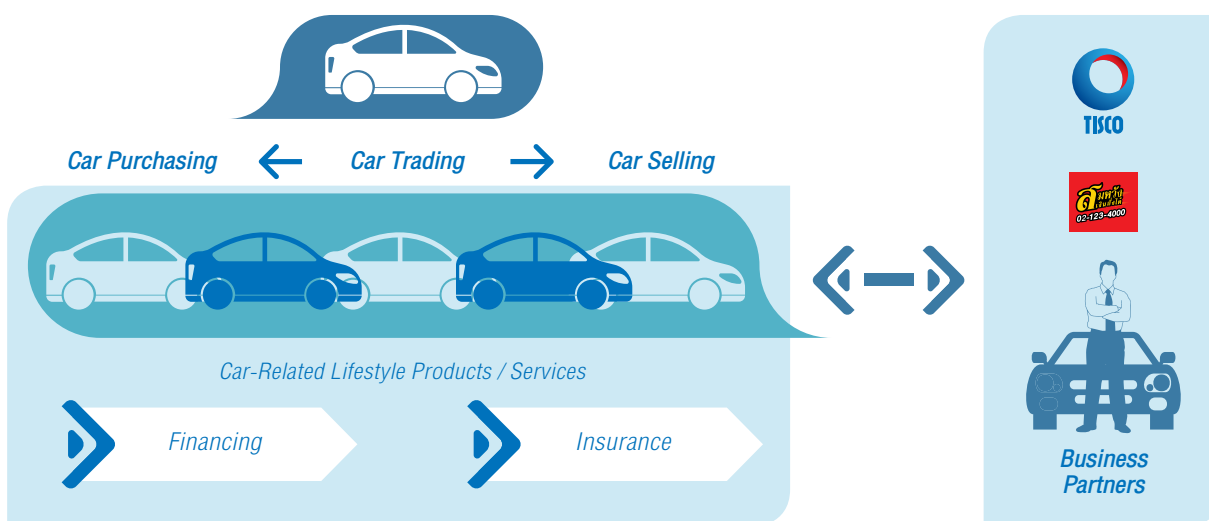
Digital Financial Products and Services

With customer behavior changing to favor digital financial products and services, TISCO Group honors its “Customer Priority” values by delivering a sound financial service experience featuring work plans and approaches with directly integrate technology. Such efforts are focused on implementing new and interesting technology into its business operations and development of digital financial products and services. Guided by its Customer Centric focus, TISCO Group has formulated a clear process for the analysis of customers’ digital behavior in each business sector so as to develop tech platforms suited to each target group. The concept of Design Thinking has been applied to better understand customers’ pain points and gain insight

into customer needs. TISCO Group brainstorms with qualified individuals from various agencies to generate differentiated ideas, perspectives, and solutions in product/service development. The ideas or solutions coming out of these brainstorming sessions have been tested and developed to ensure they truly respond to the customers’ needs. Such efforts encourage greater use by customers of TISCO Group’s products and services via the digital channels. Furthermore, these efforts are beneficial as they establish long-term engagement with existing customers, attract new customers, increase customer satisfaction and support marketing communications/public relations, allowing TISCO Group to reach customers on a wider scale and at a faster speed.

Digital Financial Products and Services Ecosystem

TISCO Group has partnered with Thailand’s leading car distributors to capture synergistic benefits and assure an efficient supply chain. Under the partnership, TISCO Group has developed marketing channels that not only support its business partners’ efforts to reach out to target groups but also complement its own presentation of loans and/or leading insurers’ insurance products. These marketing channels list locations where business partners’ vehicles are available for sale. Such partnerships aim to upgrade product presentations by TISCO, sustain business relationships, and protect the environment by curbing traveling and reducing the use of paper/printed materials. The partnerships also provide a wider range of digital marketing communications/public relations channels which keep pace with consumers’ changing behaviors.



Online Service Channel

To provide greater convenience to modern-day consumers and respond to their lifestyle trends, TISCO Group offers communication through various social media platforms such as Line Official Account and Facebook as well as through Chatbots. Such online service channels give customers/service users easy access to TISCO Group’s services, paving the way for them to enjoy the services anytime, anywhere. In catering to each target group different interests and needs, TISCO Group operates online service channels under three banners: “Somwang Ngern Sang Dai”, “TISCO Insure” and TISCO Bank Public Company Limited.



➤ Online Channels – Somwang Ngern Sang Dai

The online channels operate on social media platforms through which interested persons can access and get basic information on the products/services of TISCO Group quickly and conveniently.

In 2019, TISCO Group developed online channels for “Somwang Ngern Sang Dai” to promote financial literacy among customers or people interested in testing themselves with fun quizzes for reward points. These marketing channels presented outlets to promote products or facilitate after-sales services, while also marking initiatives to use technology for constructive purposes and increase learning opportunities among society. This concept will also be applied to other online channels of TISCO Group in the future.



➤ Online Media – TISCO Bank

TISCO Bank converses with customers via online media by integrating Chatbot technology. This technology makes it convenient for customers to inquire about and receive information on products and transaction records. In addition, these channels help promote the bank’s promotions, facilitate after-sales services, and conveniently connect service users to other financial services of TISCO Group, such as funds and insurance products. Chatbot can provide product information and accept complaints, which are forwarded to relevant staff so that customers receive help and support.

➤ Online Media – TISCO Insure

Services related to insurance products are delivered via the Line Official Account and company website to support online service delivery and online transactions. Online services now cover the whole process from a complete and accurate presentation of insurance products and information to online payment, and after-sales services. In addition, the online media of TISCO Insure helps promote insurance products and the Public Relations messages of TISCO.



Mobile Phone or Tablet Application

TISCO Group has consistently developed its application for mobile phone and tablet users so as to boost its service efficiency and enhance customer convenience. The application allows customers to check their information in a fast and convenient manner as follows:



➤ Application for Hire-purchase Loans (My Car My TISCO)

This application for car-loan services has been updated to deliver better services to TISCO Group's loan-borrowing customers. With this application, customers can conveniently check their account information from their mobile phone or tablet.

MY CAR MY SERVICES



1. Account Information

This application increases customer convenience in accessing loan information and checking paid installments, total number of remaining installments, insurance information, vehicle tax records and payment records. The information can be retrieved anytime anywhere.



2. Outstanding Balance

Customers can check the outstanding balance, details, and due date of their loan via the application.



3. QR Code and Barcode

Customers can enjoy greater confidence and convenience when generating QR Code/Barcode for payments made via Mobile Banking, Counter Service and other online channels. Thanks to this function, customers do not have to produce any credit card or a bill to make a payment.



4. Alert

This function ensures app users will not miss any important date, as it issues alerts on due date and TISCO promotions.

➤ Application for Investment (TISCO My Fund)

In 2019, TISCO Group upgraded its TISCO My Fund mobile application to boost the convenience of customers who subscribe to TISCO e-Invest in buying, selling and switching their investment units. With this innovation, customers can also check updates, monitor their investment portfolio and review their transactions anytime, anywhere, and in any circumstances.



GOOD GOVERNANCE

การเป็นสถาบันการเงิน
ที่รับผิดชอบภายใต้
หลักธรรมาภิบาล



Shareholders | Employees | Customers | Business Partners | Supervisory Authorities | Community & Society



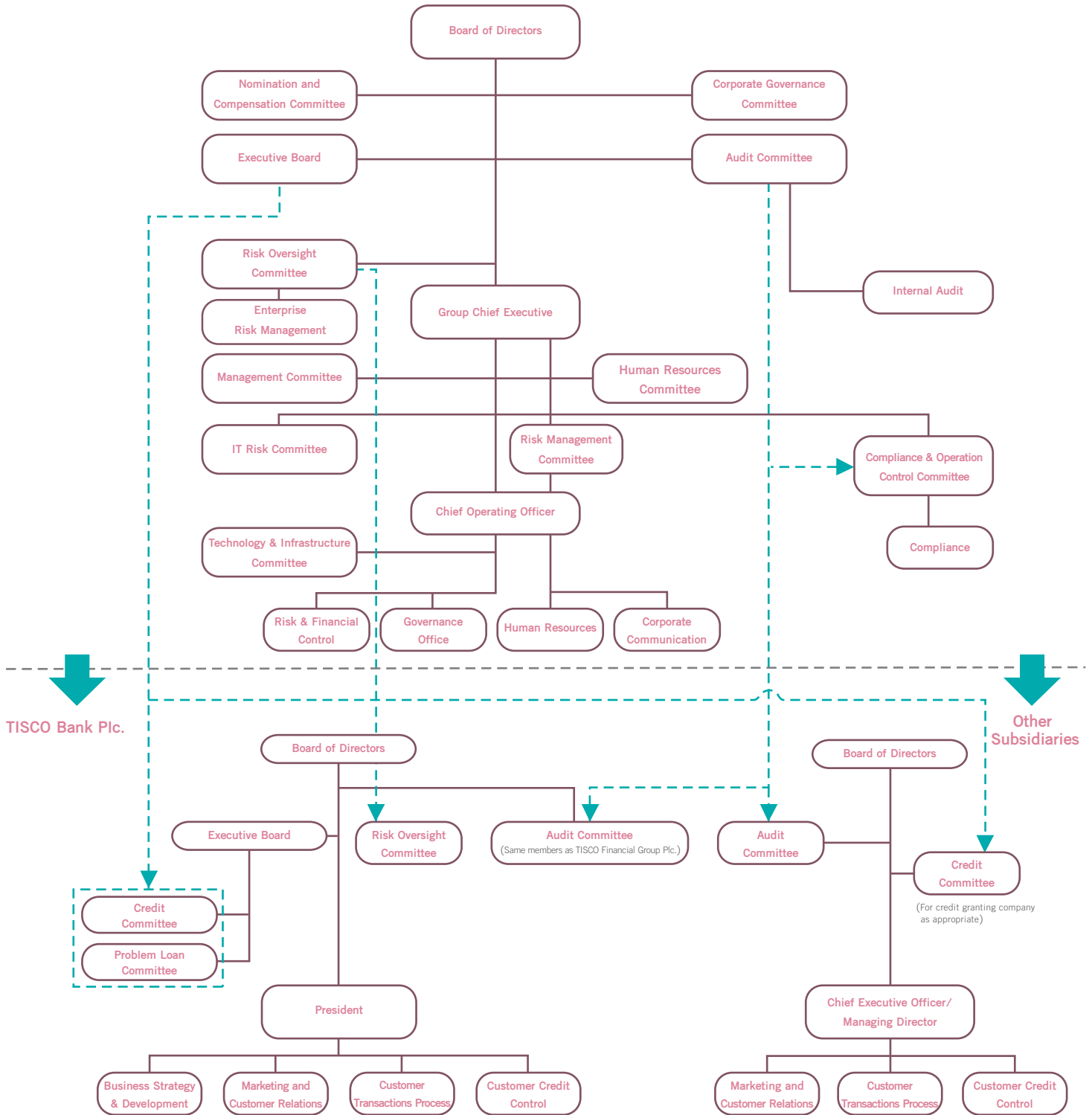
Corporate Governance

TISCO Group believes through good corporate governance we can achieve our goal of business and social sustainability. We also believe that corporate governance allows us to create maximum value for shareholders while providing benefits for all stakeholders, including shareholders, employees, customers, suppliers, creditors, competitors, the environment and the public at large. Through our adherence to the highest standards of corporate governance and the Code of Conduct, we can offer services to our customers responsibly and fairly, disclose adequate information and safeguard our customer's information. Such efforts are conducted through the principles of corporate governance across five areas, namely equal treatment of shareholders and their rights, roles of stakeholders, information disclosure and transparency, responsibilities of the Board of Directors, and integrity and the Code of Conduct. Other corporate governance practices include compliance with the laws, rules and regulations as well as the Code of Conduct on finance and investment announced by regulatory authorities, such as the oversight policy on fair customer service. The Corporate Governance Principles have been implemented universally throughout the entire Group, including among directors and executives. TISCO has also clearly expressed its pledge to fight against corruption under the Thailand's Private Sector Collective Action Against Corruption (CAC).

To ensure that corporate governance is implemented under uniform standards and framework, the Board of Directors has formulated a corporate governance policy to monitor and oversee the management of TISCO Group. This Corporate Governance Policy is designed on the basis of internationally accepted corporate governance principles, the Code of Conduct of commercial banks, and the rules and regulations governing financial institutions and listed companies on the Stock Exchange of Thailand (SET). TISCO Group also selects and recruits directors with diverse experience and backgrounds and a thorough understanding of banking and finance, economics, law, and other fields so that our Board of Directors is made up of members with various areas of expertise. The structure of our corporate governance demands a balance between power and responsibilities among various components to prevent any individual from having absolute decision-making authority. The same structure also works as a mechanism to audit and create a balanced power position within TISCO. In 2019, TISCO Group required the Board of Directors consist of 12 members, six independent directors, two non-executive members and the remaining four as executive directors. The Board is responsible for the operating the entire TISCO Group under the current economic and social circumstances. The Board also reviews and approves the Corporate Governance Policy, business strategies and risk management, including the Code of Conduct of management and employees. To enhance efficiency, support specific tasks of the Board of Directors, and to examine, oversee and monitor the operations with which it is entrusted, the Board has appointed an Executive Board and Committees, namely the Audit Committee, the Risk Oversight Committee, the Nomination and Compensation Committee and the Corporate Governance Committee. Each committee has a specific structure and charter that identify scope of authority, roles and responsibilities and best practices. TISCO Group's Corporate Governance structure is shown in the following figure:

Governance Structure

TISCO Financial Group Plc.



Note: See more details at www.tisco.co.th

Executive Board reviews and proposes strategic plans. Its tasks include revising and overseeing the business plans and budgets of the financial business group to ensure outstanding performance and sustainable growth, and to ensure current and future risks are aligned with the group's vision, missions, and the Code of Conduct. The Executive Board also screens or approves loans, restructures debts and makes investment decisions under the business plan.

Risk Oversight Committee is a committee newly appointed in 2019 to provide advice to the Board with regard to the risk oversight framework and review. The committee also monitors the risk management practices of senior executives and risk management supervisors to ensure compliance with risk management policies and strategies and reports to the Board any material risk of underlying uncertainty resulting from both internal and external factors. The Committee is also tasked with regularly reviewing practices to properly reflect TISCO Group's risk management policies and strategies.

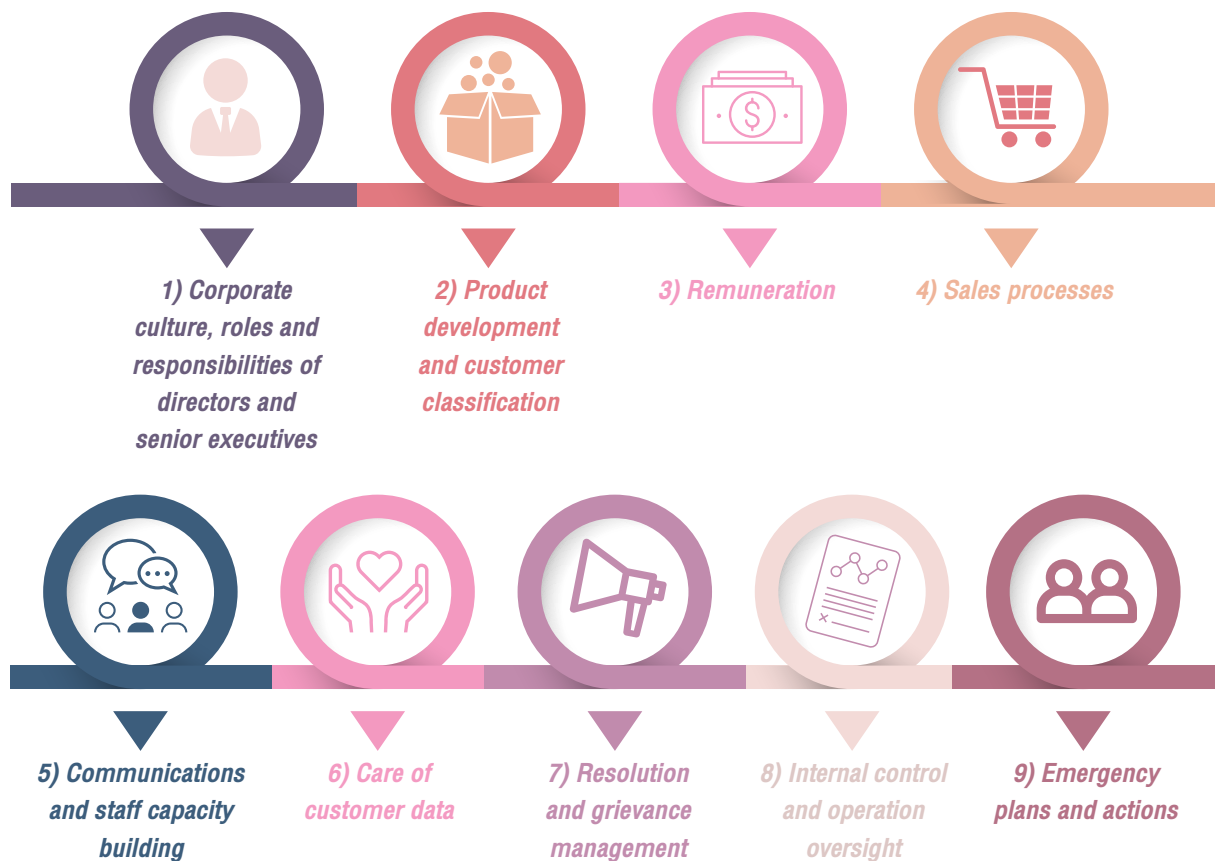
Audit Committee works independently to supervise and review financial reports, internal control, transaction auditing, and oversight of compliance with the policies, rules and regulations and the Code of Conduct relating to TISCO Group's operations.

Nomination and Compensation Committee (NCC) formulates the compensation policy and criteria of compensation offered to TISCO Group's CEO and senior executives in order to create long-term value for the Company. The NCC also oversees policies and criteria to recruit and nominate directors and senior executives, conducts reviews of directors' independence and the selection process to be implemented in compliance with the laws, company regulations, corporate governance principles and other requirements announced by relevant regulatory agencies. In addition, the Board has assigned the NCC to recruit, select, and screen nominees with suitable qualifications before proposing them to the Board or the Shareholders' Meeting for appointment. Nominees will be selected based on diverse factors, ranging from knowledge to capabilities, skills, expertise and experience; such factors must be aligned with TISCO Group's business strategies. The process is conducted without discrimination related to gender, age, nationality, race, faith, and marital status. In addition, we have implemented a Board Skill Matrix to evaluate the qualifications of our board members to ensure that the Board is of an appropriate quality to oversee the business and effectively respond to expectations of all stakeholders. The Board is bound to make decisions with prudence for the maximum benefit of shareholders and stakeholders. The Matrix is subject to regular review and updates.

Corporate Governance Committee (CGC) oversees, revises and enhances the corporate governance and sustainable development policies and practices of TISCO Group. Such efforts underline the Group's compliance with the principles of corporate governance and sustainable development, both at national and international levels. The CGC also oversees compliance with the laws and regulations issued by regulatory authorities such as the Bank of Thailand, the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. More information about the Corporate Governance policy, the operation manual and the Code of Conduct of commercial banks can be found at www.tisco.co.th.

Oversight of Fair Customer Service

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



To cultivate awareness and ensure compliance with the corporate governance principles, we have designed a learning process that allows staff to understand the practices while under strict supervision. This starts from the orientation of new staff when they first join and continues in meetings to ensure mutual understanding as well as training of staff and service personnel on the processes relating to our products, from pre-sales to ongoing sales and after-sales services. Practices and requirements are clearly set out so that all staff can study and comply. All employees are required to take a test annually through our e-Learning system to update their understanding of these processes. In addition, a specific department is tasked with overseeing and supervising the practices together with the implementation of the Three Lines of Defense to monitor, control and prevent potential risks.

Anti-Corruption

Corruption has immense impact on the country's economic, societal, and cultural conditions, impeding development and widening income inequality. Recognizing the threat of corruption, the government has issued measures that govern both the public and private sectors and facilitate integrated solutions across the board in various forms.

TISCO Group has underlined and committed to transparency throughout our history of offering financial services. We adhere to corporate governance and anti-corruption policies while nurturing integrity among our employees. Indeed, integrity is one of our corporate values and is identified as one of the practices in the employee's manual of operation. Details of our Anti-Corruption Policies are posted on the official TISCO website under the corporate governance section for easy public access. (more details on our Anti-Corruption Policies can be found at www.tisco.co.th)

In 2010, TISCO Group signed a pledge to join the Thailand's Private Sector Collective Action Against Corruption (CAC), a private sector initiative to fight corruption. We were one of the first few listed companies to be certified of this status by the CAC on October 8, 2013. On October 18, 2019, our pledge was extended for a third round, enabling us to fight corruption together under the CAC framework for another three years.



TISCO Group commits to materialize anti-corruption practices within the organization as we understand that corruption can also happen internally. Hence, we place great importance on a workplace environment that encourages internal control. The Code of Conduct lays the foundation for nurturing a corporate culture of honesty and integrity within our operation. In addition, we have constructed a reporting chain of command that provides a healthy balance of power whereby authorization and responsibilities properly reflect the nature of work and where we are able to work to achieve our goals.

TISCO Group ensures that its Anti-Corruption Policies and practices are reviewed on a regular basis and are in compliance with others within the industry. Meanwhile, the essence of the practices and policies are effectively communicated to executives and employees through various channels such as the intranet, e-Learning, and townhall meetings. We also incorporate an anti-corruption test as part of KPI score, in which every employee is required to take a test and achieve a full score of 100. In 2019, 4,964 employees went through the e-Learning training on the subject, which accounted for 98.70 percent of the entire staff, excluding senior executives.

In addition, TISCO Group delivers a Supplier Code of Conduct to each individual supplier to express our business intentions. We request suppliers cooperate with us by signing and complying with the Supplier Code of Conduct, which incorporates anti-corruption practices. We also express our intention to fight corruption by actively participating in activities held by organizations, associations, or other initiative groups that have continued to conduct anti-corruption activities. 2019 marked the ninth consecutive year, TISCO has joined the Thailand's Private Sector Collective Action against Corruption (CAC). In 2019, we took part in the "Together, We Fight Corruption" event held on the National Anti-Corruption Day at BITEC Exhibition Center, Bangna, Bangkok.



Whistleblowing and Grievance

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

Whistleblowing and grievance channels for third parties (through corporate website)

TISCO Group provides the following channels for receiving grievances related to potentially illegal practices and/ or violations of the Code of Conduct:

Irregular practices that may qualify as corruption, illegal practices or violations of the corporate rules and regulations, including but not limited to inappropriate behaviors, could be sent by letter to:

**Chairman of the Audit Committee
or the Compliance Function**
48/49 TISCO Tower, North Sathorn Road, Silom, Bangrak,
Bangkok 10500

Whistleblowing and grievance channels for employees (through intranet and related training)

To encourage reporting of mistakes and operational irregularities and ensure transparency, fairness, and equality, TISCO Group has established the HR Help Line as another independent channel to listen to employee grievances. Senior Executives have been appointed to represent the HR Help Line to ensure transparent and impartial review and operation. The filing person’s name is kept confidential in accordance with the TISCO Group’s practices of whistleblowing and grievance filing.



TISCO Group recognizes the significance of complaints and grievances received from the various channels. We examine these grievances on a transparent basis to deliver justice to every concerned party. After such an examination, if a staff is found to be involved in a violating practice, he/she will be subject to disciplinary action in accordance with our work rules and regulations. In 2019, there were no grievances regarding irregular practices among staff filed through the channels.

Sustainable Supply Chain Management

TISCO Group is committed to responsible business practices carried out in accordance with the principles of corporate governance and which take into account social and environmental factors for sustainable corporate development. This commitment is extended to our suppliers and third-party service providers, hereinafter referred to as the suppliers. Aside from urging suppliers to run sustainable operations, we ask them to conduct business with us responsibly and reduce and/or refrain from any reputational and operational risk to which we might be directly and indirectly exposed. TISCO Group has produced the Supplier Code of Conduct as guidelines for suppliers to conduct business with transparency, respect for human rights and fair labor practices on the basis of the health, safety, security and environmental standards. The practices focus on three main areas, as follows:

Section 1 Business Integrity

- Integrity and ethics
- Giving gifts and entertainment
- Anti-corruption practices



Section 2 Responsible Business Practices

- Respect of human rights and labor
- Occupational health and safety
- Confidentiality
- Respect of intellectual property rights

Section 3 Environmental Responsibility

- Compliance with related environmental laws, rules and standards
- Environmentally-friendly business practices, taking into consideration potential pollution
- Collaboration to caring for the environment and use natural resources efficiently



The Supplier Code of Conduct starts with the procurement and supplier selection process wherein suppliers are screened on the basis of their qualifications, quality, and pricing as well as their ability to comply with the Code of Conduct. Once screened and approved, all suppliers are required to sign and acknowledge terms and conditions in the Supplier Code of Conduct. TISCO Group classifies types of suppliers and their priorities so as to properly determine our actions while interacting with them. In addition, the Code of Conduct requires that operational and IT risks of third-party suppliers be monitored on an annual basis. Risks arising from having services provided by third-party suppliers are also monitored to keep risk levels at an acceptable level. Advice and recommendations are given to improve service quality. Compliance with the Supplier Code of Conduct is one of the factors by which suppliers are examined, both in the annual review and the monitoring of their performance to determine whether TISCO will continue using their service. The extent to which a supplier will be evaluated depends on his/her priority in their interactions with us.

Classification of Suppliers

TISCO Group classifies suppliers on the basis of their priorities in each type of service. Suppliers who are distributors of goods or services are classified on the basis of quantity of goods or services they have procured each year. Third-party service providers meanwhile are classified on the basis of outsourcing service criteria provided in the Notification of the Bank of Thailand.

Details of Number of Suppliers and Outsourcing						
Detail	Number of non-IT suppliers (item)			Number of IT suppliers (item)		
	2017	2018	2019	2017	2018	2019
Suppliers	116	119	127	120	123	128
Outsourced	132	147	161	13	17	16
Total	248	266	288	133	140	144

Details of Type of Products and Services					
2019					
Detail	Non-IT (suppliers)		IT (suppliers)	Total	
Products and Services (Suppliers)					
Classified by purchasing frequency or purchasing value with suppliers	Service provided :			255	
	every 1-2 months	23	> 10 million baht		16
	every 3-6 months	81	1-10 million baht		54
	once a year	23	< 1 million baht	58	
Outsourcing					
Classified by Bank of Thailand's principles	Strategic Function	None	Critical Outsourcing	7	
	Non-Strategic Function	13*	Other Outsourcing	9	
	Non-Material	148*			
Total				432	

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

Summary of delivery and signed adoption of the Supplier Code of Conduct 2019

Details

Supplier code of conduct delivered to vendors



item
432

%
100

Vendors signing the document



item
386

%
89.35

Operations

Our Sustainable Development Roadmap (SD Roadmap) sets the following goals for supply chain management:

<p><i>Long-term goals for 2021</i></p>	<ul style="list-style-type: none"> • 100 percent of suppliers acknowledge the Supplier Code of Conduct • Terms in the Supplier Code of Conduct are incorporated in the Service Agreement with major suppliers • Suppliers will be required to complete a self-assessment questionnaire with regard to the Code of Conduct
<p>2019 Goals</p>	<ul style="list-style-type: none"> • Assessing suppliers' service efficiency using the rules of the Supplier Code of Conduct • Sending the Supplier Code of Conduct to 100 percent of new and major suppliers to sign and acknowledge • Site visits to audit compliance of major suppliers with the Supplier Code of Conduct • Supporting the procurement of environmentally friendly products • Supporting, encouraging or participating in sustainable development activities with suppliers
<p><i>Operational results in 2019</i></p>	<ul style="list-style-type: none"> • The Supplier Code of Conduct was submitted to 432 suppliers (100%) • 386 suppliers signed and acknowledged the Supplier Code of Conduct (89.35%) • To fight global warming, cool mode fabric was used as a material to make polo shirts and T-shirts for the "Friends for Life" celebration on the occasion of TISCO's 50th anniversary • Site visit to audit supplier compliance with the Supplier Code of Conduct

At the end of 2019, TISCO Group had submitted the Supplier Code of Conduct to 432 suppliers or 100 percent of the total number of suppliers with whom we had interacted. As of December 31, 2019, 386 suppliers acknowledged the Code of Conduct with signatures while 41 could not be contacted, which accounted for 16.08 percent of all suppliers we have contact with. Changes in supplier administrators have led us to interact with new coordinators from the supplier side; we aim to follow-up with the rest so that all can submit the signed Supplier Code of Conduct to us within Q3/2020. In 2019, random visits to suppliers' businesses to audit their operations based on the Supplier of Conduct were made. Areas audited at the time of the visit included integrity and transparency of the business, completion and accuracy of tax invoices, and work environment factors that take into account workers' health, such as adequate lighting in the factory and availability of fans or air purifiers for better workplace ventilation. Other audited areas involved social and environmental responsibility such as the use of environmentally-friendly paper and noise reduction in and around the workplace to reduce disturbance to neighboring communities.

Collaboration of Sustainable Activity with Suppliers

1) The "Won" (Recycling) Project



TISCO Group participated in the "Won" project initiated by TPBI Public Company Limited, a client of one of our subsidiaries. Through the project, we provided a place for the public to drop off plastic bags and clean plastic film for recycling. We also created a campaign urging staff to do the same so as to bring more recycled plastic back into the system, thereby reducing the amount of waste.





2) Staff Uniform made of Cool Mode Fabric

To celebrate our 50th anniversary, TISCO Group provided new polo shirts and T-shirts to staff. These employee uniforms represented our part in fighting global warming as they featured an innovative “cool mode” fabric that offers good ventilation and allows wearers to feel

comfortable when in an air-conditioned room at a temperature of more than 25 degrees Celsius. This helps reduce the use of electricity from air conditioners, which directly and indirectly lessens the release of greenhouse gas (GHG). The fabric itself is durable and lasts longer than normal fabric, which means resources are more efficiently used. The tops are easy to wash and clean and don’t require ironing, meaning that the cool mode fabric requires less electricity and water for maintenance. On February 14, 2019, TISCO Group was given a certificate by the Thailand Textile Institute and the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) to signify our support in helping fight global warming through the use of the cool mode fabric.

3) Reducing the Use of Plastic Bags and Plastic Cups

In accordance with our SD Roadmap, TISCO Group collaborated in 2019 with various shops within TISCO Tower to curtail the use of plastic bags. A campaign was organized to create awareness among our employees to do the same. Cloth totes were made available for everyone in the building to use as a replacement for plastic bags with users invited to return the cloth bags to a designated spot so they could be reused by others.

While outlets within TISCO Tower helped reduce the use of plastic bags, outlets around the building also pitched in to help lower the use of single-use plastic cups by offering a discount to those bringing their own glass/cup when buying a drink.



Emerging Risks

Potential risks and mega trends that could affect our business or corporate strategy have been reviewed as part of our short and long-term Group Risk Management. Relevant strategies and operational plans are consistently re-examined to ensure we are ready for potential impacts. For 2019, we identified the following potential risks as well as the means to deal with them:



Economic Risk



Regulatory Risk



Demographic Risk



Technology Risk

Economic Risk

Analysis of domestic economic figures and directions requires access to rapidly updated information and aims to identify various risks such as stock market volatility, economic downturn due to falling export value, Thai Baht appreciation, and economic stimulus tools introduced by the public sector and the Bank of Thailand. As these risks can directly and indirectly affect the Thai economy, TISCO Group pays close attention to risk assessment, risk monitoring and control to ensure that potential risks are kept at an appropriate level. Risk reporting to relevant parties is particularly crucial, as this allows the parties to manage and/or administer the risk in time, formulate a business plan that will respond to changing economic conditions, enhance marketing channels to offer goods and services that cater to customer needs, and learn from businesses affected by economic uncertainty that have been brought under control.

Regulatory Risk

It is imperative that a banking business strictly comply with local and international laws, rules, and regulations. New laws and regulations issued by regulatory agencies are increasingly focused on protecting individuals' personal information and interests and preventing corruption. This is evidenced by the Market Conduct guidelines announced and enforced in 2019 by the Bank of Thailand. The Market Conduct was issued to improve the management system of customer services, respond to the Personal Information Protection Act, and urge commercial banks to manage their business under sustainable banking principles by taking into consideration environment, social and governance

(ESG) factors when formulating responsible lending policies and strategies. In addition, the Market Conduct underlines the risk management process and impact from bank lending, especially the importance of reducing household debts by extending loans only when thoroughly taking affordability into account. TISCO reviews our policies after studying the rules and regulations issued by authorities before incorporating them into our operations. We also educate our staff at all levels on such rules and regulations as such learning leads to more effective compliance and competitiveness.

Demographic Risk

With Thailand increasingly becoming an aging society, planning for retirement among the working-age population has become more in demand. This trend also affects corporate strategy and human resources management. As a result, TISCO Group is designing and offering a variety of funds with diverse investment strategies for customers to choose based on their risk exposure. The goals of these funds are also differentiated by customer groups ranging from those who are still working to retirees. In addition, TISCO sees our role as an educator who provides financial planning knowledge and advice to customers and staff through various activities, encompassing saving, investment and risk protection, insurance products and health insurance, with the goal being that everyone has adequate savings to ensure a good quality of life when they retire.

Technology Risk

Although the arrival of disruptive technology has sent negative shockwaves through the financial industry, and it is now clear that fin-tech start-ups can replace some conventional banking services in the future, TISCO Group sees an opportunity here. Indeed, the Group is now joining with such start-ups to develop new technology that will enhance service efficiency, reduce time and costs and create innovative business models, all while making financial products and services more accessible. Ultimately, this focus on technology should respond to the variety of lifestyles and needs of our customers.

Staying in the tech sphere, the protection of personal information and prevention of cybercrime have become increasingly important. Recognizing the risks and effects

of these threats, we are readying ourselves by studying and monitoring IT risk and the cybercrime risk to improve the efficiency of our management. To this end, TISCO has strengthened our internal control system and stepped up security measures, including development of a business continuity plan (BCP) and a communication plan, both internally and externally. Meanwhile we periodically exchange technical information with local and international experts and advisors and provide knowledge to our personnel and customers so they too can keep up with cybercrime trends and how to protect themselves while safely enjoying financial technology. Finally, TISCO underlines the importance of upgrading our IT risk management process and enhancing IT supervision through the establishment of an exclusive unit and subcommittee to oversee such matters.

Risk Management

Because of the diverse nature of the financial business, TISCO Group has given priority to a corporate risk management which balances the need to expand the business and generate appropriate returns with healthy risk exposure. We have developed standard risk management tools by implementing internal simulation models that are in compliance with relevant rules and regulations. The Group also effectively allocates an existing fund to expansion so as to increase shareholder value in a manner properly reflects our risk exposure. TISCO Bank Public Company Limited has revamped its risk management system to accommodate the Basel II – Internal Ratings Based Approach (IRB) since 2009,

which has led us to comply with the Basel III criteria since January 2013.

TISCO Group has issued clear risk management objectives, structure, and policy, which are consistently updated. Over the past year, we have studied a Risk Governance Framework as a way to revise our risk oversight policy and structure in order to increase balancing mechanisms for supervision while nurturing the risk culture in our organization in compliance with the Bank of Thailand's notification on financial institution corporate governance. In this regard, the Risk Oversight Committee was established to ensure

compliance with risk management within the Corporate Governance Framework. The Committee also extended its oversight to increasingly important risk factors and updated its risk management policy to cover Environment, Social and Governance (ESG) risks and other emerging risks from the rapid social and environmental changes.

The primary objective of the overall risk management policy is to create awareness of the potential risks, determine who is responsible for them, and build an organizational ability to handle them while maintaining the principles of corporate governance. The Risk Management Policy is implemented as part of our corporate strategy and reflects our participation in creating value for society through, for example, the signing of a Memorandum of Understanding (MOU) on Sustainable Banking Guidelines – Responsible Lending, which is designed as guidelines for commercial banks whose role is to allocate funds to drive the economy

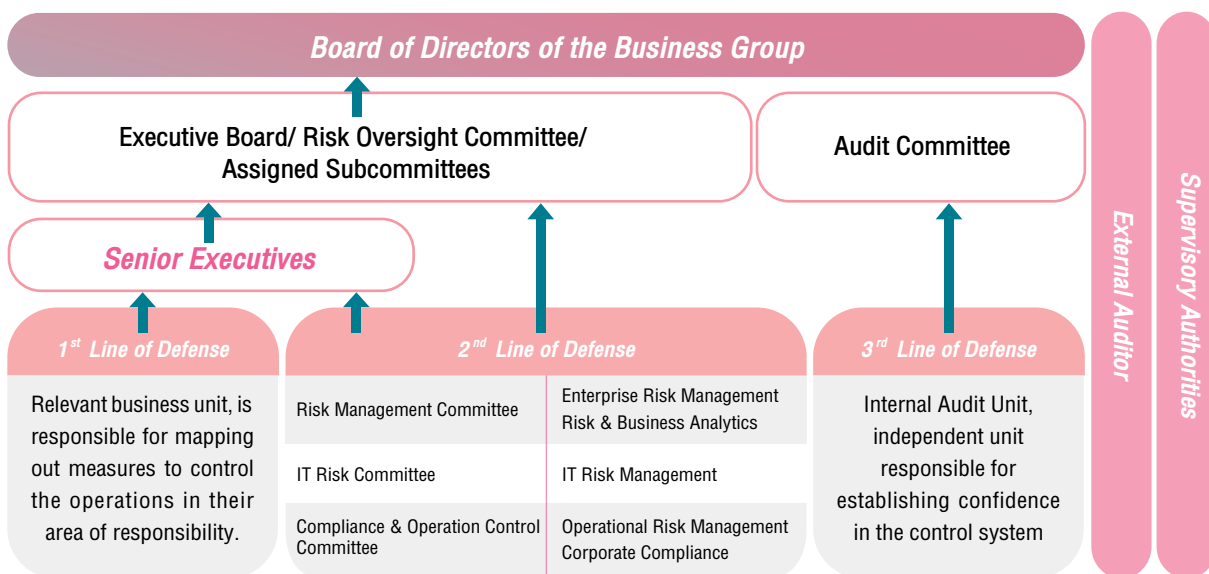
and conduct business responsibly under the concept of sustainable banking. TISCO Asset Management Company Limited has also pledged to adhere to the I Code announced by the Office of Securities and Exchange Commission (SEC) as criteria for institutional investors to invest responsibly by taking into account environmental, social and governance factors. TISCO Asset Management Company Limited has used the status of a business as a certified and/or declared member of the Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC) as criteria for making an investment decision.

Effective resource allocation involving acceptable risk levels for the best possible returns has contributed to TISCO’s success and competitiveness. We continue to look forward to creating maximum returns by taking into consideration long-term risk for shareholders.

Risk Management Structure and Process

Risk Management and Oversight Structure

To comply with the overall risk management and oversight policy, which focuses on efficiency and sustainable value for stakeholders based on our business objectives, TISCO Group has formulated corporate Risk Management Guidelines by relating these to its strategic plans. The structure of the Risk Management and Oversight Procedures and the roles and responsibilities of relevant committees and units is designed on the three lines of defense concept. The risk management system has been consistently updated to ensure sustainability.



Based on the risk management structure, the Board of Directors of TISCO Financial Group Public Company Limited and the Board of Directors of TISCO Bank Public Company Limited are tasked with overseeing overall risk supervision and internal control within the Group. An Executive Board has been established to oversee strategic risks, overall corporate risks and risks by type. Senior Executives and each committee acting as an advisory body to each business unit are responsible for corporate strategic risks and departmental risks with operational support from the Planning and Budget Function. For risk oversight, the Board has established the Risk Oversight Committee, which consists of experts with competence in financial institution risks to provide advice on the Risk Oversight Framework for financial institutions and to assure management's compliance with the Risk Management Policy and Strategies. The Risk Management Committee, meanwhile, ensures that risk management practices reflect TISCO Group's policies by establishing the Enterprise Risk Management Function, the Risk and Business Analytics Function and the Operation Risk Management Function to support its performance. As for item-based risk oversight, an Assigned

Subcommittee and authorized representatives, such as the Credit Committee, the Problem Loan Committee, and the Compliance and Operation Control Committee, are entrusted to handle such tasks as may be necessary from time to time. These committees are supported by several back-office Functions, such as the Credit Control Function, the Compliance Function, the Risk Management Function and the Legal Function to ensure that operations and supervision are in line with the Risk Management Policy. To deal with IT risk, an extremely important issue at the present time, TISCO has appointed the IT Risk Committee and the IT Risk Management Function to oversee that use of technology properly reflects business strategies, technological complexities and other relevant risks. This is considered part of the overall risk management procedures and follows the Bank of Thailand's requirement that financial institutions establish appropriate IT governance, security and IT risk management. The entire risk management system is supervised by the Audit Committee through the Internal Audit Function, which reports directly to the Board of Directors, for better risk management efficiency.

Risk Management Process

According to TISCO's Risk Management Policy, every business unit is the owner of its risks and each is responsible for the management of its own risks to reflect both the policies and best practices set forth by the Risk Management Committee and other specific committees. The practices include, but are not limited to, operations within a maximum risk threshold set by the Risk Management Committee and ensure that the new products or work processes of each department go through both business and risk analysis processes and obtain approval from Assigned Subcommittees before being launched or implemented. Important transactions are directly reported to the Executive Board on a monthly basis.



TISCO Group has set up risk management guidelines and processes comprising of the following four elements: 1. Risk identification – TISCO Group's major risks, such as strategic risk, credit risk, market risk, liquidity risk and operational risk are identified before an activity is held with customers or business partners. 2. Assessment and analysis of risk impact – likelihood scores and intensity of impact are assessed. 3. Risk management – risks are classified on the basis of the management's priorities and assessment outcomes. In addition, risk control

measures are implemented to keep the risk within an acceptable level. And 4. Monitoring, reporting, controlling several types of risk – Key Risk Indicators (KRI) and Risk Limit are identified and risks are monitored so they can be kept within an acceptable level. A reporting process is in place to ensure timely and regular reporting to relevant parties and Senior Executives for immediate and effective risk management.

Promoting a Culture of Risk Management

Aside from its effective risk management structure and process, TISCO Group also underlines the importance of promoting a culture of risk management among directors, management, and staff through communication and training courses and by incorporating risk management into all operations.

Communication TISCO Group communicates its risk management policy and criteria through several channels, including the intranet and notice boards. In addition, management, employees and the Risk Management Function communicate through meetings and other channels to provide updates on risk management practices and emergencies.

Training

The Board has attended external training courses and seminars focusing on risk management, business oversight as well as anti-corruption practices.

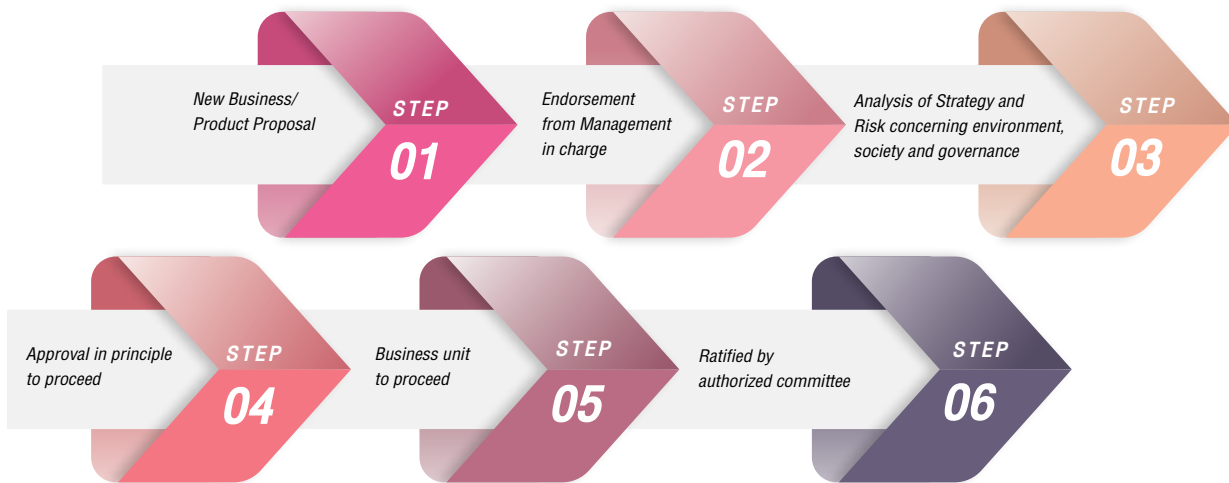
Senior Executives have been informed of new or changed regulations and new risk management guidelines, through participation in meetings, for example the Risk Management Committee, the Compliance and Operation Control Committee and the Technology & Infrastructure Committee.

Employees have attended various training events through the Learning Management System (LMS) and seminars on rules and regulations and anti-corruption. In 2019, 4,964 employees received the training.

Promoting a Culture of Risk Management within the Organization TISCO Group requires every function be responsible for the management of its own risks. In addition, each function has to operate within a maximum risk threshold set by the Risk Management Committee. This is aimed at creating a culture in which everyone is responsible for corporate risk management. Meanwhile, the Enterprise Risk Management Function is tasked with overseeing risk management and supervision in each area. Overall risk management activity is reported to the Board or a related Committee to ensure that the entire organization has appropriate risk management, in accordance with the policy. In addition, to create awareness and participation in risk management among employees, TISCO Group has incorporated the risk management process into employees' Key Performance Indicators (KPI), especially in business units that engage in customer service. For example, one of the employee KPIs in relation to retail customers takes into consideration credit quality and fair service. In another, the number of mistakes that might have occurred during services provided to a customer are considered during the salary review of those working in the securities business. To promote the best practices and participation in the unit's risk management, the TISCO Group also rewards outstanding staff on a monthly basis by taking into account their attention to quality and ability to avoid mistakes. The award encourages outstanding employees to be role models for their co-workers.

Guidelines Updated for New Products and Operational Processes

In recognition of the importance of innovation in supporting sustainable growth, TISCO has updated its process governing the launch of new products to take into account an Environmental, Social and Governance Assessment. This updated process has been implemented since 2019. In addition, to reflect the oversight process stated in our risk management policy, a new business or product, including a new process, channel and operation is now subject to review and approval by a relevant department based on the Group's risk management policy.



Under the guidelines, new products or operational processes under the TISCO Group's Risk Management Policy must first be approved by responsible executives or authorized representatives. They are also subject to an ESG Assessment by the Enterprise Risk Management Function, the Operational Risk Management Function, the Compliance Function and the IT Risk Management Function before being approved by the Chief Financial Officer or Chief Governance Officer. However, before a new product is launched or a new process is implemented, a business unit must proceed in line with appropriate Risk Management Guidelines and explain how it will manage such risk to the Risk Management Committee or the Compliance and Operation Control Committee, which, if satisfied, will ratify them. If a new business or product or operation process involves credit issues, a related business unit must seek approval on the basis of the required credit approval guidelines.

Cyber Security

Placing utmost importance on cyber security, including data protection and privacy, TISCO Group has devised a universal IT policy for the Group that controls data access and transfer and strictly oversees data supervision in all processes. This policy allows us to safely manage the data and IT systems while effectively conducting our business. It also enables us to implement updated cyber security measures that meet international standards and adapt to evolving business strategies in order to protect information privacy and prevent abuse of customer data.

TISCO also collaborates with other financial institutions and local and international experts to exchange technical information on cybercrime. Such collaboration also fosters transfer of knowledge and skills to our personnel through the IT and Cyber Security Coordination Center in the Banking and Securities Sector, effectively expanding our capability to prevent and manage cybercrime.

Major IT Policies and Guidelines

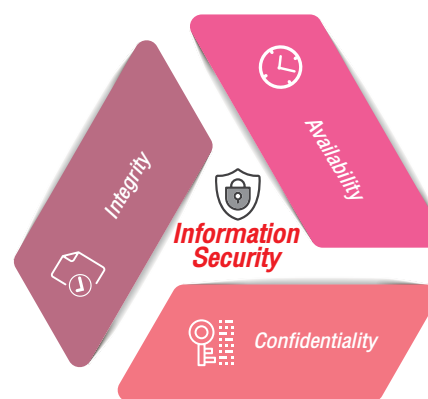
TISCO defines policies, guidelines, standards and procedures related to information technology and information security and work systems:

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

Data Protection and Privacy

TISCO prioritizes data protection and privacy as we seek to bolster trust and confidence among our banking customers while complying with the laws governing cyber security and the Personal Information Protection Act. In this regard, we have updated our related policies, standards, operation practices and systems.

To minimize risk and damage from cyber attacks, TISCO has put into place a process that covers cyber security in all shapes and forms. Focusing on confidentiality, integrity and availability, our information security processes encompass application programs, system networks, storage computers, access to data processing, and data distribution. Implementation of the “cyber resilience” concept places emphasis on the following six areas:



1. **Governance** refers to oversight, risk management, internal audit, and allocation and development of human resources to ensure universal standards of IT protocols are applied across all business units.
2. **Identification** refers to attempts to identify scope and procedures to assess cyber risks as well as to manage IT assets. This includes increasing, reducing, transferring and configuring hardware, software, information and related work systems so that IT assets exposed to potential risks can be identified and effectively managed to appropriately control and reduce the risk in a timely fashion.
3. **Protection** refers to the control of and protection against IT risk across network systems, hardware and software, and work systems.
4. **Detection** refers to attempts to search for, test, and manage any IT gap in order to detect, analyze, monitor and notify responsible agencies of unusual or irregular cyber activities in time for a proper resolution.
5. **Response and Recovery** refers to management of abnormal cyber incidents and includes the formulation of an emergency plan and relevant drills, investigation and analysis of potential causes to ensure timely response to the risk, and restoration measures.
6. **Third Party Risk Management** refers to management and assessment of the performance of third parties who provide services to TISCO. This is to ensure that the third party service provider can perform in accordance with their goals and conditions without posing a cyber risk to TISCO.



TISCO also promotes awareness and enhances the skills of our employees through the “Continuous Education & Awareness Program,” which is designed to allow staff of all levels to understand and help monitor cyber threats and attacks against themselves and the organization. Details of the program are as follows:

- Training is organized for the Board of Directors, Senior Executives and supervisors, covering current cyber threats, especially those existing in the financial sector;
- Building staff knowledge and awareness of cyber threats on an annual basis with a training conducted by a third party through the e-Learning process. Security tips are communicated through posters while procedures and steps to handle potential cyber threats and cyber attacks are periodically communicated through various means.
- A cyber drill is held annually in which a cyber attack incident is simulated so that IT and business staff as well as management have a chance to jointly and effectively conduct a drill to handle a cyber emergency.

To minimize cyber threats, TISCO also focuses on information users. As such, we regularly communicate with our customers through various platforms, including the Company's website and social media pages, to strengthen their understanding and promote awareness of potential cyber attack threats and provide greater security in financial IT service access.

In 2019, there were no complaints with regard to customer data privacy, loss of data, data intervention or forgery as well as unauthorized data access.

Business Continuity Management

As TISCO Group provides financial services to customers, business continuity with minimal impact on our customers is pivotal to our operations. TISCO Group has thus opted for a centralized model of business continuity management in which the Business Continuity Management Team (BCM Team) has been tasked with oversight of business continuation, including issuing business continuity policy and practices, assessing potential risks, preparing a risk mitigation plan, an emergency plan and process, a restoration plan, and training and testing the emergency plan on an annual basis. In the instance of an emergency, the BCM Team is responsible for assessing the situation, resolving it and bringing in Management Executives who have been appointed as part of the Crisis Management Team to review and approve actions in response to the emergency plan. The goal is to ensure that our business can continue and that the team can effectively supervise the situation until return to normalcy.

Aside from having the Business Continuity Plan in place, TISCO Group also addresses the factors that can affect

the safety of our employees, customers, suppliers and other related parties. To this end, we have set up an emergency plan as part of the BCP that allows us to issue measures in various forms to handle emergencies stemming from internal or external factors. These includes illness outbreaks and natural disasters such as floods and earthquakes. The primary goal is to maintain safety and minimize risk from any losses.

We conduct drills on the BCP practices on a regular basis. The tests cover actions to be executed under the emergency plan, system restoration, and cyber security drills against cybercrimes to ensure that related departments understand and recognize their roles and responsibilities during the emergency. Aside from ensuring readiness for the purpose of business continuity, TISCO Group also recognizes direct and indirect damage that can be inflicted on the economy as a result of natural disasters triggered by climate change. In this regard, we have purchased insurance to cover threats from disasters that could affect our organization, with an insured sum of around Baht 450 million.

Climate Change Management

Climate change management is a concern for the public and private sectors as well as civil society at large. We highlight a rise in societal awareness of the negative impact daily activities have in terms of climate change. In recognition of such effects on Planet Earth, TISCO


Group is committed to operating a business that limits direct and indirect negative impacts on society and the environment. Environmental and social risk assessments are conducted that consider such climate change-related impacts as flooding, drought, earthquakes, and thunderstorms. These are referred to when designing our operational guidelines and mitigation plans for emergencies that may affect our business, property, human resources, the environment and surrounding communities. We monitor the climate change situation to review our readiness and update the status of our operational directions and emergency plans. Here at TISCO, we have integrated the environment and social assessment process into our operations, underlining our commitment to social and environmentally responsible business. This is actively reflected through our responsible lending and socially responsible investment policies and practices, which strive to reduce indirect social and environmental impacts from climate change. We have also created e-Learning media and actively raised staff awareness through their participation in impact-reduction activities, including the Lod Phok Yaek project to reduce plastic use, promote the use of cloth bags and waste separation. Together with the Stock Exchange of Thailand (SET), TISCO Group has taken part in the “Care the Bear: Change the Climate Change by Eco Event” project, which focuses on eco-friendly events. We have campaigned for the use of public transportation and we look to minimize social impacts by urging our neighbors to avoid using foam and plastic drinking vessels, to carry cloth bags and to reuse plastic bags. In addition, TISCO participated with TPBI Plc. on the “Won” project (“Recycling” in english), which highlighted the positive impact of waste separation and recycling. Designed to reduce greenhouse gas (GHG)

emissions, the project encourages the public to donate plastic bags and plastic film for recycling in a provided box to reduce plastic waste released into the environment. We also ran a campaign to promote awareness among staff of the importance of leading a green life and playing an active role in resolving environmental problems.



Quality of Life and Well-being of Employees

TISCO underlines the importance of human resource management as its people are the most valuable and important resource to achieving the organization’s “Wealth of Possibilities” vision and laying the foundation for quality growth. A uniform HR policy has been applied to every company to ensure universal standards across the Group. Our personnel care focuses on capacity building, remuneration and welfare, security health and safety and environment. Adhere to practices and attitudes, as well as a corporate culture that fosters success and happiness. At the same time, the TISCO Group allows each business unit and department to manage their own HR resources to increase management efficiency, consistency and competitiveness.

2019 - 2021 Goals		2019 Result
	Overall satisfaction 80% or higher	82%
	Retention rate >90% or above average	93%
	Training attendance >80%	85%
	e-Learning 100%	100%

Outcome

Offering employees the opportunity to learn and enhance their capacities will contribute to an increase in organizational efficiency and improves the performance of the employees themselves, leading to job satisfaction and happiness. In 2019, our training averaged 26 hours per person per year, 21 percent decreased from a year ago with an attendance rate of 85 percent (excluding online training which recorded 100 percent attendance). Based on employee satisfaction rate, the retention rate was remarkable at 93 percent while overall satisfaction score was 8.2 out of 10.

Employment

TISCO employs people suited to respond to business needs and safeguard our corporate culture. The HR Department uses appropriate tools to manage the recruitment and selection process while management of the relevant department is responsible for hiring decisions. Employees are hired on the basis of three criteria: organization core competencies, functional competencies, and leadership competencies. TISCO has a policy not to hire close family members and relatives of members of the Board, management and senior managers who have management authority, in compliance with the principle of corporate governance.

TISCO is determined to manage business ethically and, at the same time, is committed to social responsibility and all stakeholders in a manner that reflects the principle of corporate governance and the Code of Conduct. In the area of human rights protection, we strictly comply with the laws and international principles, especially with regards to the United Nations Global Compact (UNGC). To ensure that we are free from human right violations, in 2019, a policy and practices in relation to human rights were issued to promote human rights protection across all activities. These practices were also extended to joint venture partners and suppliers. For internal staff, a regulation governing sexual harassment and discrimination was issued to protect individual rights and ensure a respectful workplace environment.

To improve the quality of life of those with disabilities, we hire in accordance with the Act on Promoting and Developing Quality of Life of the Disabled, B.E. 2550 (2007) and Section 33 of the amended Act (No. 2), B.E. 2556 (2013). In 2019, TISCO employed three people with disabilities as full-time and contract employees. Forty-eight movement-impaired and hearing-impaired people were hired under Section 35 through the Thai Red Cross nationwide to work as registration and general staff. TISCO plans to continue supporting the work of the disabled in 2020.

In addition, our HR promotion and transfer policy is to give priority to internal staff when a position becomes vacant, thus allowing for continuity and efficiency of management that reflects our objectives. The policy also looks towards long-term employment. Termination will be made upon violation of the Group's principles, business malpractice, retirement, voluntary resignation and certain behavior which require the employee leave in accordance with the Work Regulations registered with Ministry of Labor. In the event of not being able to retain any business unit, TISCO Group will proceed as required to avoid lay-offs while complying with relevant laws to minimize disruption to employees.

Details of changes in number of staff classified by age group, gender and other criteria are as follows:

Changes in Employees

Criteria Composition Staff	New Hire						Exit					
	2017		2018		2019		2017		2018		2019	
	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%	Number (People)	%
Number of Employees	4,596		4,837		5,031		4,596		4,837		5,031	
Change in number	944	20.54	915	18.92	868	17.25	356	7.75	338	6.99	291	5.78
Gender												
Male	349	7.59	272	5.62	314	6.24	145	3.15	126	2.60	110	2.18
Female	595	12.95	643	13.29	554	11.01	211	4.59	212	4.38	181	3.60
Age Range												
Age < 30 years	543	11.81	555	11.47	596	11.84	163	3.55	156	3.23	137	2.72
Age 30 – 50 years	380	8.27	348	7.19	255	5.07	189	4.11	173	3.58	148	2.94
Age > 50 years	21	0.46	12	0.25	17	0.34	4	0.09	9	0.19	6	0.12
Work Location												
Head office	604	13.14	656	13.56	530	10.53	250	5.44	225	4.65	198	3.93
Bangkok and Metropolitan Region	116	2.52	74	1.53	92	1.83	29	0.63	40	0.83	30	0.60
Provincial branches	224	4.87	185	3.82	246	4.89	77	1.68	73	1.51	63	1.25

Notes: 1) 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 kind.

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

Total number of Employees categorized by Management Level and Business Line

Criteria Composition Staff	2017										2018										2019									
	Directors			Position			Business Line				Directors			Position			Business Line				Directors			Position			Business Line			
	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate Support	Total ⁽²⁾	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate Support	Directors	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate Support	Total ⁽²⁾	Executives	Non-Executives	Retail	Corporate	Wealth and Asset Management	Corporate Support	Total ⁽²⁾		
Total ⁽¹⁾	118	4,478	2,816	54	1,067	659	4,596	121	4,716	3,035	52	1,066	684	4,837	118	4,913	3,198	50	1,057	726	5,031									
Gender																														
Male	65	1,624	1,118	19	218	334	1,689	67	1,670	1,161	17	215	344	1,737	69	1,724	1,187	17	217	372	1,793									
Female	53	2,854	1,698	35	849	325	2,907	54	3,046	1,874	35	851	340	3,100	49	3,189	2,011	33	840	354	3,238									
Age Range																														
Age < 30 years	-	1,429	953	21	331	124	1,429	-	1,467	1,018	19	308	122	1,467	-	1,548	1,119	16	278	135	1,548									
Age 30 – 50 years	2	2,819	1,727	28	667	464	2,886	66	2,993	1,875	28	672	484	3,059	65	3,082	1,922	29	688	508	3,147									
Age > 50 years	10	230	136	5	69	71	281	55	256	142	5	86	78	311	53	283	157	5	91	83	336									
Nationality																														
Thai	9	117	4,472	2,816	54	1,061	4,589	9	4,712	3,035	52	1,063	683	4,833	10	4,909	3,198	50	1,055	724	5,027									
American	-	1	3	-	4	-	4	-	2	-	-	2	-	2	-	1	-	-	1	-	-	1								
British	-	1	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Japanese	1	-	1	-	-	1	1	-	1	-	-	-	1	1	-	1	-	-	-	-	1	1								
Taiwanese	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
New Zealand	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Indonesian	-	-	1	-	1	-	1	-	1	-	-	1	-	1	-	1	-	-	-	-	-	1								
Mexican	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	1								

Notes: ⁽¹⁾ Number of employees means permanent and contract employees.

⁽²⁾ Not including directors

Remuneration and Welfare

TISCO Group's policy is to offer attractive remuneration through a fair and attractive structure. To respond to the current Thai population structure and its increasingly aging society, TISCO is focusing on long-term savings to strengthen the financial health of our employees at retirement age. We use a mixed format for our remuneration structure to reflect the nature of work supply and demand in the labor market. Details are as follows:

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

Post-retirement benefits and other employee benefits:

This refers to the provident fund established under the Ministerial Regulation No. 162 (1983). The fund was registered under the Provident Fund Act, B.E. 2530 (1987) on June 21, 1990, as the "Registered Provident Fund of TISCO Employees." Employees having saved with the provident fund will receive their money back at the time their membership ends. Members contribute to the fund at a rate equal to that made by the employer at either 5, 10 or 15 percent at the maximum. The employer will deduct the contribution from wages in accordance with the member's wishes. Members may change their contribution rates to the fund once a year. The provident fund has established a committee, which is made up of individuals elected by members as well as those appointed by the employer who stay in office for a term of two years. Members resigning at the end of a rotation may become a committee member again if re-elected or re-appointed, as the case may be. Their roles and responsibilities are to supervise the fund's management and set out an investment policy on behalf of all members.

TISCO hopes to see employees adopt an appropriate investment plan at each stage of their lives until retirement by offering investment choices that generate returns compatible with their risk tolerance levels. Training is organized to provide financial information to employees and a selection of investment alternatives are offered to the provident fund's members through the Master Fund's four investment policies of debt instruments, mixed investment, equity and overseas investment. Members can choose a variety of investments from as many as 15 alternatives and can change the investment policy twice a year. Together with other long-term benefits such as awards given on the basis of years of service and severance pay upon termination of employment, in accordance with labor laws, and other contributory projects, TISCO's employees should accumulate a level of savings upon retirement that is appropriate for the shift towards an aging society.



"Wealth of Opportunity through Better Understanding"

In a world full of differences, people are unique and have diverse opinions. But while we might not agree, it is important that we should always try to understand each other. This may be something new. It could lead to a relationship based on understanding of the differences. TISCO is not just an office. It's more of a family made up of brothers and sisters. I am impressed with all executives for their intimacy, integrity, warmth and care.... What makes TISCO outstanding is its corporate governance. It makes me feel confident in TISCO.

Khun Kanokmas Santisataporn

TISCO Bank Public Company Limited, Employment Period 35 years

TISCO Group has implemented a wage management system that reflects the current market. The structure includes classification and work descriptions that allow the system to be adaptable to market changes while remaining flexible enough to offer awards based on performance and professional expertise, both at expert and general staff levels. Remuneration is set using external data and the fair treatment practices of TISCO itself as criteria. TISCO has continued to develop the ‘My HR’ Application to enable staff to check personal data, remaining healthcare benefits, hospital disbursements and internal phone numbers. This application also offers staff updated news and information from the HR Department. In 2019, the ‘My HR’ application also allowed staff to access information and register for event e-Tickets through QR Codes.

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

TISCO Group Welfare	Welfare 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 funds 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 rewards	✓	-
Uniform (polo shirt, suit, jacket)	✓	✓

TISCO allows female staff to take additional pregnancy leave based on a new law of no more than 98 days for each pregnancy, including holidays, during her leave days with pay of no more than 45 days in case of normal childbirth and no more than 60 consecutive days in case of caesarian birth. Female staffs are entitled to be temporarily transferred from their current duties before or after childbirth by submitting a medical certificate from a licensed doctor which affirms that the person can no longer work in her original position. The Group will undertake a proper review and adjustment in conjunction with Children’s Rights and Business Principles developed by UNICEF, the UN Global Compact and the Save the Children Organization to ensure the safety of pregnant women and to provide the right to access proper care to newborns.

Statistics on retention rate of employees after maternity leave



<i>Maternity Leave Cases</i>	<i>Number of Employees (People)</i>		
	<i>2017</i>	<i>2018</i>	<i>2019</i>
Number of employees with maternity leave rights	2,763	2,936	3,051
Number of employees exercising right of maternity leave	106	104	132
Number of employees returning to work after maternity leave	106	104	131
Number of employees returning to work after maternity leave and continuing to work 12 months thereafter	78	98	103
Return to Work Rate ⁽¹⁾ upon end of maternity leave (%)	100	100	99
Retention Rate ⁽²⁾ post maternity leave and continuing to work 12 months thereafter (%)	93	92	99

Notes: For 2014, the year that data was first collected, until 2019, updated historical data uses the number of female employees eligible for maternity leave not over 50 years of age in calculation.

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

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

TISCO has set up a Welfare Committee to oversee welfare issues of both the parent company and its subsidiaries. The committee consists of 10 members, five of whom are appointed by the employer and the remaining five selected by staff. The committee reviews the rights and benefits of employees and schedules meetings with the Welfare Committee of the entire group to ensure that staff are well taken care off with fairness. Staff with the right to represent their co-workers in the Welfare Committee account for 99 percent of the entire employee workforce.

Non-discrimination

TISCO offers a wealth of opportunities for internal employees to grow within the organization by taking into consideration performance outcomes, abilities, and qualifications that reflect our corporate culture, one in which everyone is treated equally and is subject to the same standards organization-wide.

We also take business equality into consideration through our guidelines which are drawn up to avoid discrimination against customers and suppliers. For example, employees with authority are not allowed to make any decision for clients they are taking care of to avoid conflict of interest and suppliers are selected on a fair and transparent basis. TISCO Group has clear procurement policy and practices, with a Procurement Committee tasked to supervise the procurement. In 2019, there were no complaints relating to discrimination.

Occupational health and safety

TISCO Group has formulated an Occupational Health, Safety and Environment policy and practices to ensure the safety and well-being of staff and third-party service providers who work on our premises and those in contact with us. This is in compliance with the Occupational Health, Safety and Environment Act, B.E. 2554 (2011) and the Ministerial Regulation prescribing the Occupational Health, Safety and Environment Management Standards, B.E. 2549 (2006).

The Occupational Health, Safety and Environment Committee has been set up to review the Occupational Health, Safety and Environment policy and plans as well as off-site safety to prevent and reduce accidents, danger, illness and work-related disturbance or unsafe workplace. The Committee reports and advises on measures or guidelines to improve the Occupational Health, Safety and Environment practices in compliance with the laws and standards. It reviews training projects or plans relating to workplace safety, surveys workplace safety practices, checks accident statistics at least once a month before, reporting the outcome annually, identifies obstacles and problems and offers performance-related advice to the Committee once it has been in office for one full year. The Committee consists of the chairman, who can be the employer or his representative in a managerial position; an employer representative at the supervisory level; an employee representative; a work safety professional; and an employer representative at the supervisory level as both member and secretary. About 91 percent of the total operational staff are entitled to take part in the Welfare Committee. (Operational staff eligible to be elected to the welfare committee includes full-time and contract employees.)

Table of the 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
TISCO Securities Company Limited	1	2	3	1	7
TISCO Asset Management Company Limited	1	2	3	1	7
Hi-Way Company Limited	1	4	5	1	11
TISCO Insurance Solution Company Limited	1	2	3	1	7
TISCO Information Technology Company Limited	1	2	3	1	7
TISCO Investment Advisory Company Limited ⁽¹⁾	-	-	-	-	-

Note: Information shown above is the composition of the Safety, Occupational Health and Working Environment Committee of the companies with more than 50 employees.

⁽¹⁾ Formally Deutsche TISCO Investment Advisory Company Limited

Occupational Health, Safety and Environment are considered the responsibility of everyone in TISCO Group. It is therefore absolutely necessary for each of us to understand and collaborate together to ensure correct practices are followed in relation to safe working procedures in order to minimize risks to others and ourselves. TISCO requires all new staff to attend accident prevention and workplace safety training in the form of e-Learning through the TISCO LMS system. This coursework is one of the conditions for new workers to pass their probation. In addition, accident prevention information is distributed through various channels ranging from HR News, Safety Together, Health Tips, Health Alert and Knowledge Management (KM). Other related projects include examining the workplace through ergonomics and risk assessment of the workplace environment.

Realizing the importance of health, TISCO provides an annual health check-up for staff specific to each age group. The check-up includes an occupational health examination for staff prone to work-related health conditions such as call center employees and drivers. In addition, we provide a medical room to offer preliminary care and first-aid treatment to staff.

2019 - 2021 Goals		2019 Result
 Sick leave	no more than 3 days per person per year	3 days per person per year
 In-patient	no more than 8% per year	8.9%

Outcome

Our work-related injury and sickness statistics for 2019 show 77 employees reported occupational health illness but no work-related deaths. Details are as follows:

Type of injury, number of deaths caused by work-related factors during 2019		Number of reported case		Number of lost days	
		Male	Female	Male	Female
Injuries					
• Minor wounds	Head Office	-	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-
Occupational Diseases					
• Hearing	Head Office	9	1	-	-
	Bangkok and Metropolitan Region	8	4	-	-
	Provincial Branches	-	-	-	-
• Musculoskeletal Strain	Head Office	-	6	-	-
	Bangkok and Metropolitan Region	1	1	-	-
	Provincial Branches	-	3	-	-

Type of injury, number of deaths caused by work-related factors during 2019		Number of reported case		Number of lost days	
		Male	Female	Male	Female
• Sight	Head Office	35	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-
• Lung	Head Office	9	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-
Fatalities					
• Work related causes	Head Office	-	-	-	-
	Bangkok and Metropolitan Region	-	-	-	-
	Provincial Branches	-	-	-	-

Occupational Health and Safety Information

Items	Unit	Jan-Dec 2019					
		By gender		By Location			Total for the Group
		Male	Female	Head Office	Bangkok and Metropolitan Region	Provincial Branches	
Injury Rate (IR)	People per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Lost Time Injury Rate (LTIR)	People per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Injury Rate (LDIR)	Lost days per work hour: 200,000 hours	0.00	0.00	0.00	0.00	0.00	0.00
Occupational Disease Rate (ODR)	People per work hour: 200,000 hours	4.08	0.51	2.17	2.58	0.26	1.72
Absentee Rate (AR)	Percent	1.09	1.29	1.48	0.90	0.71	1.22
Number of Sick Leave	Days	5,122	10,926	12,383	1,413	2,252	16,049
Working hours leave from illness unrelated to work	Days X 7.30 hours	37,390.60	79,759.80	90,395.90	10,314.90	16,439.60	117,157.70

Notes: 1) The number is calculated based on the International Labor Organization (ILO): ILO-OSH 2001 standard.

2) Lost time injury means any injury that causes at least one day absence (starting from the day of accident)

3) Lost day injury rate, earlier called "Lost Day Rate"

4) Work hour calculation is based on employee self-service time record of permanent and contract employees from January – December 2019. 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 also gives priority to potential threats resulting from trespassing and ill-intentioned violence, which includes theft, protests and demonstration, terrorism and others. For this reason, we implement safety and space access control measures by classifying space safety and requiring visitors to register when entering the controlled space. Rights and access control are supervised through a control system, including security personnel, warning equipment, and CCTV. An emergency plan is made for BCM staff and visitors to the TISCO Office to comply with measures to protect life and property and minimize risk.

To prevent money laundering, we require each business unit conduct the Know Your Customer and Customer Due Diligence (KYC/CDD). If a customer's transaction is quite complicated, unreasonable unexplainable in economic terms or simply looks suspicious, the interacting business unit must report the transaction to the Anti-Money Laundering Office (AMLO) in compliance with the Anti-Money laundering Act to prevent any group or individual using TISCO as a platform to commit an offence in money laundering and financial support to terrorism.

HR Development

TISCO strives to become a learning organization through policies that support capacity building both at the organizational and individual staff levels. These policies aim to promote continued learning that ultimately aims for organizational sustainability. Planning for capacity building takes into consideration the following: (1) general capacity; (2) business and specialized expertise; and (3) management skills. Required skills for respective positions are given main consideration. At the organizational level, the HR Department is responsible for planning HR development to nurture necessary skills, promote corporate culture and enhance knowledge and skills that have proven beneficial for our competitiveness. At the department level, the HR Department is responsible for giving technical advice and designing methods to maximize the learning process while overseeing HR cost management to add value to the overall business and retain all skills and expertise within the group.

TISCO actively equips employees with modern-day skills so that they can respond to future changes. In 2019, it fostered the learning and development of future skills of all department staff within the organization to better-enable them to pursue the Company's current business plan while remaining agile enough to accommodate future changes.



"Wealth of Opportunity through Knowledge"

I have tried to learn and keep information my own way, for example, by taking notes by hand or by noting them on a mobile phone, which allows me to keep information anywhere and at any time. If we learn hard and work hard, we will be successful. Besides, we work at a bank. Not only should we have financial knowledge, but we must also know how to save and retire happily.

Khun Pravit Suthanasereeporn

TISCO Bank Public Company Limited, Employment Period 37 years

The TISCO Learning Center Co., Ltd. was established to plan HR development and produce curricula for the purpose of capacity building in our organization. The Company's mission is to develop the organization and staff of all levels in order to nurture leadership skills, enable personnel to reach their full potential, increase productivity and align with strategic direction. Aside from providing training, TISCO also evaluates staff across various perspectives, including skills and performance, leadership, and alignment with corporate values. These evaluations help staff learn more about their potential for further improvement and development.

Staying on the topic of staff evaluation, TISCO uses evaluation results to identify those who need further development. A project to enhance the potential of staff whose evaluation may be lower than the threshold has been set up so that they are closely mentored by their respective supervisors. In addition, individual development plans are designed for staff whose performance is in line with the organization's expectations. Employees support is provided to increase job satisfaction and subsequently raise workplace productivity and success as targeted in the Company's business plan. However, if an employee continues to perform under the required standard, the HR Department is obliged to provide advice to the department and the employee. Possible advice will include skill enhancement, increase of his/her performance and relocation to a position that better suits the employee's qualifications and interests.

In 2019, we initiated the OASIS project, which focuses on building a work culture that can cope with technological, economic and social disruptions. The aim is to plant a growth mindset in staff at all levels so that employees are equipped with open-mindedness to welcome new ideas and concepts, implement them and transfer them within the organization. The OASIS project is a starting point for innovation at both the business and organizational levels through learning, research and co-creation.

TISCO Human Resource Development Courses



Average Training Hours per Person per Year

Training details	2017	2018	2019
Average training hours (hours/person/year)	21.55	33.34	26.37
Average training hours by gender (hours/person/year)			
Male	20.83	31.59	24.95
Female	21.97	34.32	27.16
Average training hours by position (hours/person/year)			
Management Level ⁽¹⁾	31.10	50.98	41.76
Non-management Level ⁽²⁾	21.30	32.89	26.00
Average training hours by business (hours/person/year)			
Retail Banking	17.23	28.72	24.20
Corporate Banking	13.47	17.20	16.67
Wealth and Asset Management	31.80	47.82	31.97
Corporate Support	24.06	32.50	28.47

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

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

Succession Plan

Smooth management is a result of well-planned succession, especially for critical positions where management and supervisors collaborate to analyze positions that need successors and effectively express required qualifications of would-be candidates. This includes selecting and assessing the readiness of potential employees before including them in the succession plan, which must be reviewed annually and every time organizational restructuring takes place.

Happy Organization

TISCO's goal is to create an "organization of happiness" by focusing on the communication of our corporate values. We underline the importance of staff relationships, capacity building and creating opportunities for everyone to grow their careers as part of nurturing a healthy workplace environment. As people are the most important asset of TISCO, happy staff at work may also transfer the seeds of happiness to society at large. More importantly, it is our primary duty to nurture skilled personnel for Thailand's finance and banking business. Our path to becoming a happy organization is as follows:

1) Happiness through well-being support – TISCO focuses on caring for the healthcare and work-life balance of staff.

TISCO regularly promotes staff health and work-life balance, for example by encouraging staff to stretch and relax their muscles every 90 minutes while at work. In addition, we organize a walk rally event and football

match annually, both of which have been enthusiastically attended by staff. In 2019, 3,846 employees took part in the two health-promotion programs.

2) Happiness through a healthy workplace environment – TISCO promotes happiness and strong relationships between management and employees, as well as teamwork and consideration of the values of others.

Since staff work together in an office 7.5 hours a day, the office is considered their second home. This in mind, TISCO seeks to promote a healthy work environment by creating a relaxed ambiance, supporting close relationships between supervisors and subordinates, and encouraging a family working style with empathy and a sense of caring for each other. Staffs of all levels are encouraged to learn from senior management. TISCO supports collaboration and teamwork through various projects that highlight interdepartmental cooperation. Activities that allow staff to express appreciation to each other are organized for better self-understanding and understanding of others.

A staff satisfaction survey is conducted on a regular basis by both external and internal evaluators. Results from the survey are used to make the organization’s happiness a reality. Of 3,511 employees surveyed, the overall satisfaction score was 8.20 out of 10 while satisfaction in teamwork and workplace environment was 8.19. Satisfaction in knowledge-sharing and teamwork totaled 8.33. Meanwhile, 86 percent of employees answering the questionnaire expressed satisfaction towards TISCO’s corporate culture. The majority said they could trust their colleagues and could consider them close friends. The survey also showed that 90 percent of staff had a healthy relationship with their supervisors.

In 2019, TISCO took part in the Best Employer Award 2019 project held by Kincentric Thailand Co., Ltd., (formerly Aon Hewitt (Thailand) Co., Ltd.), where survey results of staff who felt attached to the organization from 2018 were taken into consideration. Hi-Way Co., Ltd., a TISCO subsidiary, was bestowed the 2019 Best Employer Award, which truly reflects our success in fostering a happy work environment while running a successful, growing business.



“Wealth of Opportunity through Idea Sharing”

With rapid changes in today’s world, adaptation and agility are extremely important. A younger generation of employees has new ways of fulfilling assignments but the older generation has experience that newcomers may lack. Each party has to understand that everyone has something to offer. Learn new things to make your work easier. TISCO is a home where I can work comfortably as others are like my brothers and sisters. Working here is never beyond our means if we try enough. We can go and talk with another person. It’s not necessary that he/she must be from the same department or the same team. Who knows? We may get some ideas from them.

Khun Chutima Panlaising

TISCO Bank Public Company Limited, Employment Period 39 years

3) Happiness from being in an organization that enjoys strong corporate culture promoted and nurtured through the integration of corporate values with the HR development process

TISCO aims to promote a strong, sustainable corporate culture that encompasses both intimacy and professionalism to ensure that such culture is effectively transferred from one generation of employees to

the next to achieve sustainable existence. New employees are directly introduced to the culture from Day 1 of their employment. This is done through the integration of six corporate values with the HR development process. These six values are communicated to and instilled in staff via various channels, including employee activities, training curricula, job orientation, and various coursework as a means to sow awareness and understanding through direct and indirect pursuits. In addition, staff who perform well in accordance with the values are lauded and awarded as role models. Evaluation of staff attitudes towards TISCO's corporate values is conducted annually. 97 percent of staff is found to behave in a way that effectively reflects these values.



“Wealth of Opportunity through Commitment”

Working often means facing obstacles. What is important is not giving in to those obstacles. It's our job to work and it's our duty to complete it. If there is something wrong, we need to fix the problem. We must be brave enough to reach out for help, not be embarrassed about asking, know what to ask and how to communicate so that the other understands what we want. We have to be brave enough to confront and overcome obstacles. The fact that we keep on working does not always mean that someone has to see us. It's okay to not be seen. Our performance will speak for itself. Just do not give in and walk away from your work.

Khun Chitapa Pornvichitchinda

Hi-Way Company Limited, Employment Period 40 years

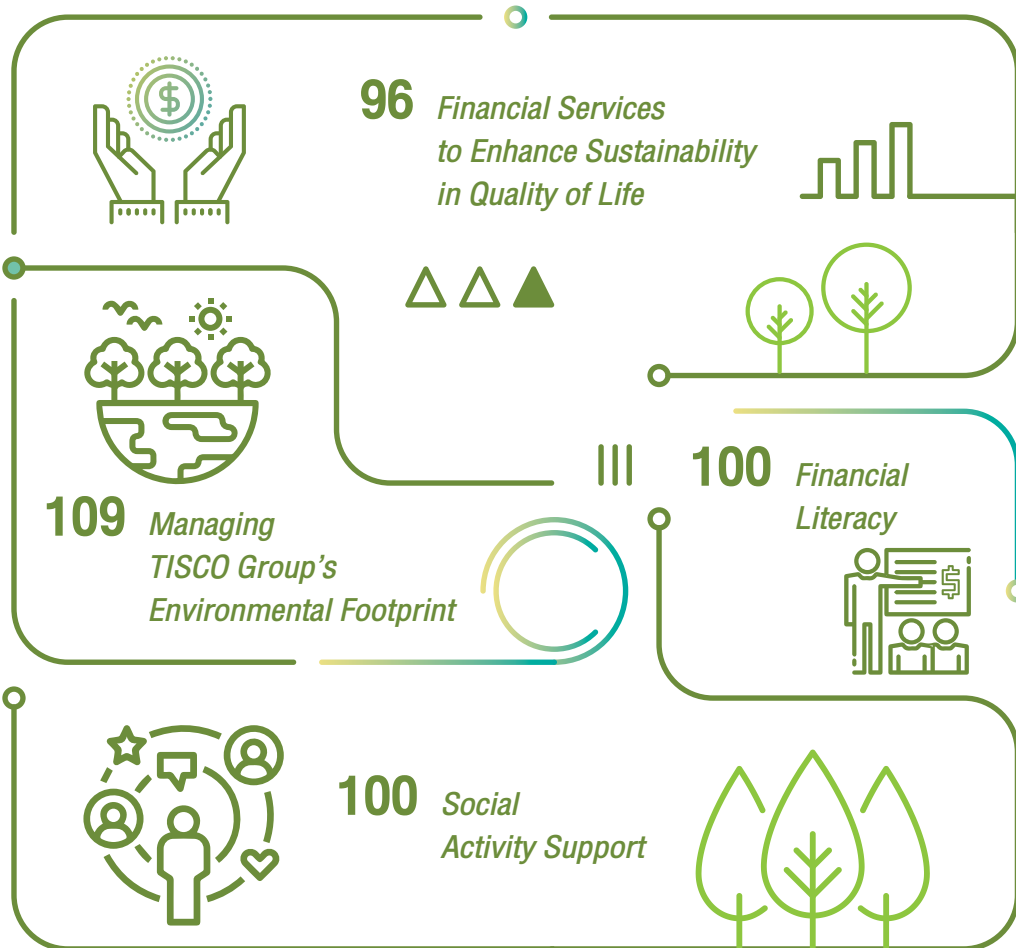
TISCO feels that it's important to listen to our employees and allow everyone to take part in the process. Communication can be made both directly and indirectly through a diverse channels ranging from a meeting with the management to emails, notice boards, website posts and social media as well as face-to-face activities. Senior management regularly attends activities with staff while TISCO's CEO and the management team travel to visit departments and provincial branches. New employees are offered a meet-and-greet opportunity with senior managers to nurture corporate culture and a staff party is held each year to recognize and celebrate staff commitment, underline confidence and nurture bonding within the organization.

A communication channel between management and staff has been set up via the HR Help Line, a center which consists of five members made up of supervisors of various departments such as the CG Office, Internal Control Office, HR Department, HR Service Department and the Operation Risk Department. The HR Help Line works as another platform for employees to file complaints or ask for advice as well as submit whistleblowing information and provide clues that could lead to identification of corrupt practices or unfair labor treatment. The name of the individual filing the information and the content will be kept confidential based on strict procedures to ensure that everyone is fairly and transparently treated. Employees may file a complaint with the HR Help Line either by submitting a letter, emailing hr_helpline@tisco.co.th or calling the number posted in TISCO's intranet. In 2019, no complaints from employees were received.

Thanks to our aforementioned employee care practices of care through the various ways and means described above, TISCO is able to attract and retain quality and experienced staff. In 2019, 544 employees recorded 5-10 years of service; 93 recorded 15-20 years of service, 65 recorded 25-30 years of service, and 5 recorded 35-40 years of service. These figures truly reflect our commitment to making TISCO an organization of happiness.

SOCIAL WELL-BEING

การสร้างสรรค
สังคม และสิ่งแวดล้อม
อย่างรับผิดชอบ



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



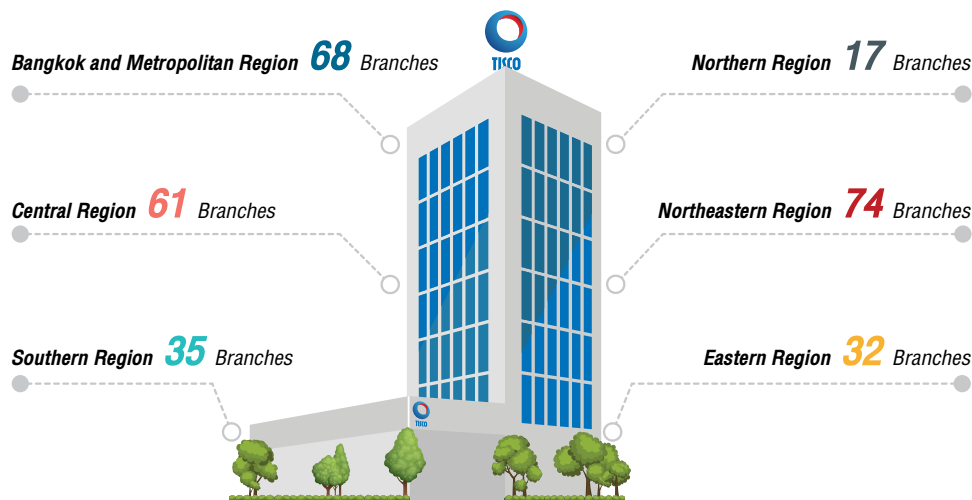
Financial Services to Enhance Sustainability in Quality of Life

Strengthening the rural economy and promoting financial inclusion

TISCO Group underlines the importance of economic enhancement in the rural community and has thus expanded access to comprehensive financial services through branches, website, mobile applications and online media. This is undertaken through the development of financial services and service channels allow low-income earners access to financial resources and enable those who need access to cash, emergency loans, speedy loans and working capital credit to receive fair interest rates and with proper market conduct to meet working capital and business expansion needs. These services are provided through our affiliate Hi-Way Company Limited, under the Somwang Ngern Sang Dai brand. Meanwhile, TISCO branch expansion also benefits the local community through employment opportunities and procurement and consumption of local resources.

“Somwang Ngern Sang Dai” offers loans against all types of vehicle license plates, from two-wheel to twelve-wheel vehicles, including motorcycles, cars, pick-up trucks and lorries. The scheme also includes small-enterprise business finance and refinancing loans and targets provincial micro businesses that have previously been unable to access financial resources. A variety of financial products are offered to accommodate different needs and limitations. In 2019, Somwang Ngern Sang Dai introduced additional insurance services through establishment of a broker entity to offer quality insurance products covering life and property protection, manage unpredictable risks and reduce burdens on the insured and their families while educating customers about insurance products, risk prevention, tax exemption and insurance-based savings.

The Company aimed to open the 300th Somwang branch in 2019. This expansion offers greater opportunities, particularly for 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 loan products, they can be assured their businesses have sufficient revolving funds for steady growth. There are three types of branches: Full Branches, Mini-Branches and Micro-Branches. These branch types are designed to support the different service areas and ensure easy access for local residents. The number of branches has increased by 49 since 2018. By the end of 2019, 287 branches were offering loan services nationwide. Below is the distribution of branches in all regions of the country:





“Somwang Ngern Sang Dai” operates in the secured retail loans business. Loan consideration is based on ability to pay off debt, customer spending behavior, and purpose of the loan and is requirement in accordance with sustainable community development concept such as loan for running a business or education. Moreover, we have a policy of offering higher loan amounts or lower interest rates for long-established customers or existing customers with good repayment records. As a result, these customers can access a source of cheaper funds involving large sums of money. The policy also helps foster discipline in debt repayment. The Company aims to extend loans to domestic customers that help them access to funds

and maintain their customer bases in a total amount of Baht 23,000 million in 2020. In 2019, the Company saw continued growth in lending, with an increase of 28.6 percent compared to the previous year. The volume of newly extended credit increased by 23 percent.

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

Unit: Million Baht

	2017	2018	2019	%growth
Secured Retail Loans Outstanding	10,236	14,323	18,413	28.6
Newly extended credit	7,446	10,489	12,904	23.0

Under a framework of responsible credit offerings, TISCO Group places emphasis on the importance of financial education for the general public and exemplifies this through the “Smart Saving, Smart Spending” program and steady branch expansion. The purpose of the program is to encourage customers to spend based on their needs rather than their desires, fostering financial disciplines and help customers choose financial products that best suit their financial risks and desires without falling prey to loan sharks. In addition, such financial information gleaned can also be used to help customers manage their family and business finances. Branch officers’ conduct knowledge-based activities while acting as facilitators, offering financial information that is harnessed to suit each target group. Activities are constantly updated with a focus on three major topics: savings before spending, staying disciplined and understanding debt, and being savvy on financial woes. In 2019, Somwang Ngern Sang Dai managed to conduct this activity, the result of which was achieved in accordance with the target. See page 105



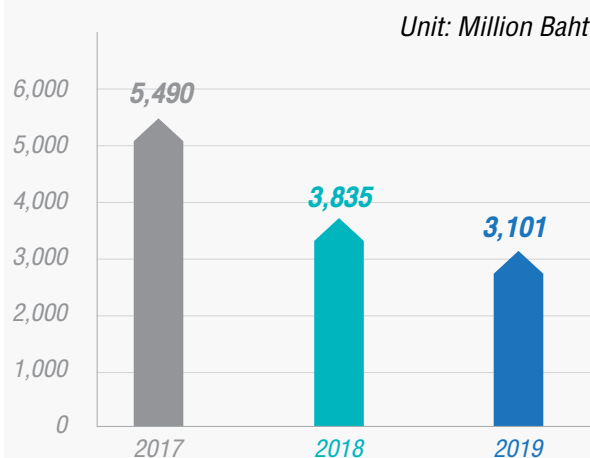
TISCO also places importance on upgrading the quality of life of community residents. This is done by creating jobs and distributing income to communities through the Somwang Ngern Sang Dai business. The Company has a policy of hiring local residents and employing local resources as much as possible. To reach up to 5 percent by avoid using resources from central and have set our target at 95 percent. We attempt to avoid using resources from central. The Company hiring local residents is as employees using a fair selection process. These employees undergo assessments of their skills 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 local communities and nearby areas. They are selected in line with basic provisions, including their integrity record, legal registration, and ability to ensure business operations without environmental and social risk. Resources in the local communities are used in running the businesses. As a result of these efforts, employment rate in local community increases and more income is redistributed to residents. Details on Somwang Ngern Sang Dai’s efforts in 2019 to hire local residents and redistribute income to local communities are shown in the table below.

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

	2017	2018	2019
Rate of employing local residents	95%	95%	95%
Rate of hiring local producers	80%	80%	80%
Rate of using local resources	95%	95%	95%

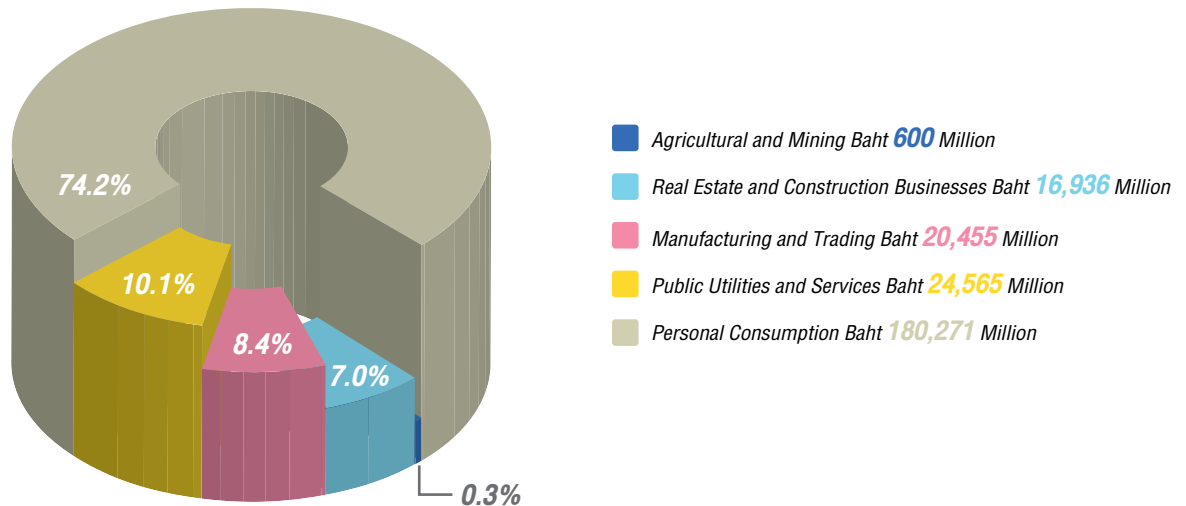
One of TISCO Group’s projects to enhance financial opportunities is collaboration between TISCO Bank Plc. our subsidiary, and Thai Credit Guarantee Corporation (TCG) which offers micro finance products to Small and Medium Enterprises (SMEs) who have potential but lack or have inadequate guarantees. For this segment, TCG offers assistance through loan guarantee mechanisms. The project has been designed to accommodate the need for working capital and offers fair interest rates. Not only does it provide opportunities to enhance business revenue and efficiency, but this program helps nurture the development of SMEs as part of the goals set out in the 12th National Development Plan (2017–2021) which aims to increase competition in the industrial sector at the national level. As of end of 2019, total loans under the program were Baht 3,101 million.

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

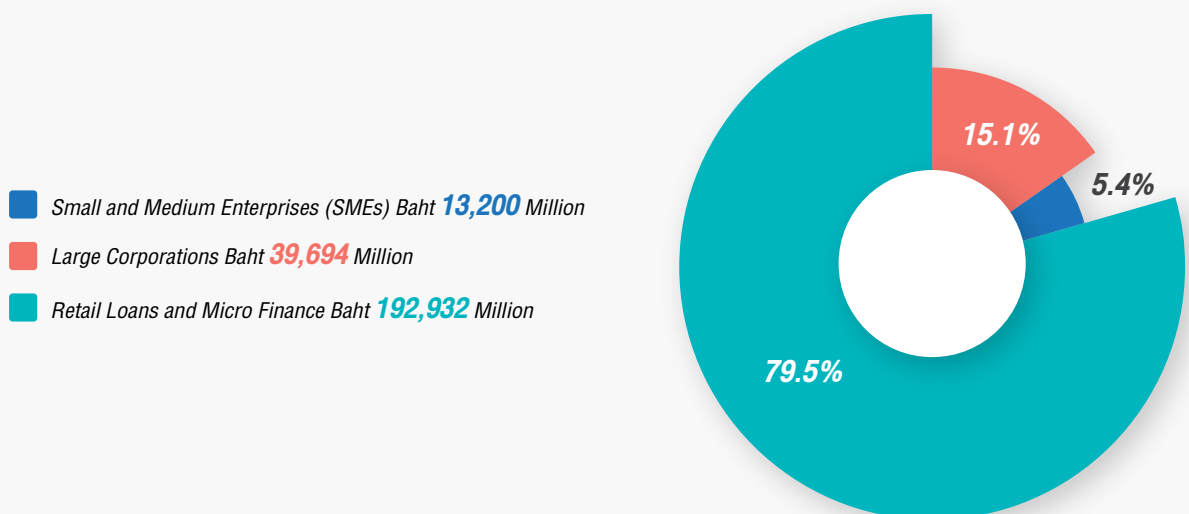


The scope of TISCO's credit services also extends to other groups of customers, meeting the various demands of different industries. As of the end of 2019, the volume of credit extended to all customers totaled Baht 242,826 million, broken down by industry and business in the chart below.

Percentage of Loans (By Industry)



Percentage of Loans (By Business)



Social Well-being

Financial Literacy

TISCO Group believes in the importance of supporting financial literacy and expanding financial knowledge among society at large. Such support enables people to choose financial products and services and be more productive in their daily life. Through expansion of knowledge, people are better able to design financial plans, create stability and wealth and improve quality of life with a spillover effect to the community. Financial literacy enhancement was once again designed and carried out by a working group consisting of volunteer staff with knowledge and expertise. The training program itself was based on a survey of financial skills of Thais conducted by the Bank of Thailand together with the National Statistics Office. Every year, our expert staff take part in the program as speakers and facilitators.



In 2019, we carried out the following programs to enhance financial literacy among our target groups:

1. Youth Programs

1.1 TISCO Financial Camp

The TISCO Financial Camp has been conducted annually since 2012 and activities and content have been consistently updated. In 2019, we used a model of learning while having fun under the concept “saving before spending to create financial discipline” to build awareness of financial management in young people and strengthen skills which can be applied in their daily life. The camp also offered participating students an out-of-classroom learning environment. Senior high school students and vocational students from schools nationwide were eligible to attend the financial camp. Quotas were accorded to students in five regions, namely Bangkok and vicinity and four regions nationwide (1. North, 2. Central, 3. East and Northeast, and 4. West and South). The financial camp was held during the school holidays at TISCO Bank Public Company Limited where is the headquarters on North Sathorn Road in Bangkok.



TISCO Group also supported information dissemination to communities through post-financial camp activities. Participants were expected to apply the knowledge gained and relay the information to people within their circle, such as friends, parents, guardians and others in the same community, with counselors and teachers serving as models and co-leaders, over a period of four months. Participants were required to submit the results of their activities as part of a competition to show changes of attitude and behaviors towards savings, spending and financial discipline as well as continuity and sustainability. Winning students were awarded financial rewards, plaques and honor certificates. The purpose of the competition was to encourage and support students in transferring financial knowledge to society.



2019 Target

- Increasing knowledge transfer level to more than 50 percent of knowledge transferred to the communities.
- The expanded result of the financial literacy sharing competition via a special activity entitled “Aom Idol Awards” (See pages 102–103)



Activity Results

2013-2018
Camp 1st-15th

332,314 People
316 Projects

2019
Camp 16th, 17th, 18th
and Aom Idol Awards

224,613 People
74 Projects

Contribution of knowledge to the communities

56%

Proportion of schools participating in financial camps conducting knowledge transfer programs to communities

Participants at TISCO Financial Camps		No. of Students (people)		No. of Teachers (people)		No. of Schools (people) ⁽²⁾		Provinces
		Senior High school	Vocational school ⁽¹⁾	Senior High school	Vocational school ⁽¹⁾	Senior High school	Vocational school ⁽¹⁾	
2013 - 2018	1 st - 17 th	1,224	94	456	47	448	35	77
2019	18 th	68	18	34	9	34	9	31
Total		1,292	112	490	56	461	38	77
		1,404		546		499		

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

⁽²⁾ Number of participating schools: schools joining activities in multiple different batches are counted as 1 school only.

Examples of Knowledge Transfer to Communities

The “Wangwiset Students Inviting You to Save” Project

Wangwiset School, Trang Province
1st Runner-Up, Camp 16th

Students performed “Manorah”, a traditional southern dance, and songs at events such as Loy Krathong, a tourism activity, an OTOP exhibition, a constitution celebration event and the Red Cross fair at the provincial, reaching out to more than 5,000 people. An activity to stimulate saving was also held in the school, increasing the members of the school bank 916 people from a total 943 people, representing 97 percent. Activities were also held to transfer knowledge to parents and 11 primary schools in Khao Wiset Subdistrict.



The “Continuation: Saving before Spending” Project

Manjasuksa School, Khon Kaen Province

The Winner of Camp 17th, and 1st Runner-Up, Camp 18th



The project pursued several activities initiated by Camp 7th. These included the family savings activity, the best saving student activity, the three generations who care about saving activity and the saving for sustainability activity with the National Saving Fund (NFS). As a result, at least 1,440 families accumulated up to 10 percent of their income as savings. In addition, this outreach encouraged 116 communities to start saving before spending. Every classroom had its own income and expenditure account. School personnel saved more. 100 percent of students from its network schools participated in the project; 96 percent of students saved on a daily basis; and 94 percent of students over 15 years old saved with the NFS. In addition, an activity named “Adjusting to Change” co-created with staff of a private company was launched, resulting in 80 percent of company staff being able to actually save, 68 percent of them through commercial banks and 37 percent through a village fund.

The “Money – That’s the Big Issue” Project

Prince Royal College,
Chiang Mai Province
1st Runner-Up, Camp 18th



21 leader students were groomed to conduct a campaign among students, teachers and vendors within the school to show the importance of financial management. In addition, a short film promoting saving was produced and disseminated through Facebook, which earned 8,400 views and 2,600 shares. School vendors were invited to do bookkeeping and reduce electrical usage within the school, which resulted in Baht 129,892.91 being saved. The campaign was also extended to two nearby schools.

The “10% Saving to Give Yourself Baht 10 million” Project

Saikaew Wittaya School, Surin Province
1st Runner-Up, Camp 18th

The project offered savings tools for use within and outside of school, with 300 students and 21 teachers encouraged to set aside 10 percent of their income before spending for 60 days. This resulted in Baht 41,811 being saved by the students and Baht 119,200 by the teachers. 893 students and teachers of five network schools in the area were added to the project, resulting in total savings of Baht 550,880. The project was conducted in seven villages, resulting in 789 villagers participating and savings of a total of Baht 285,600.



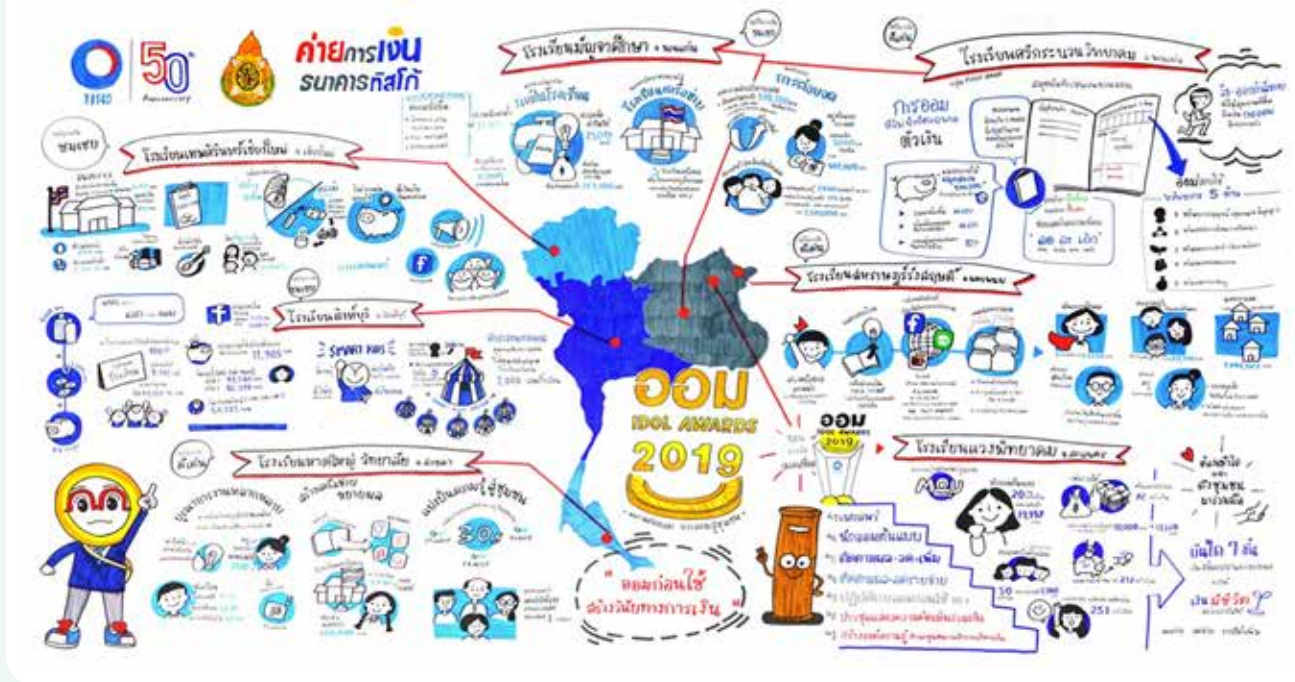
1.2 The “Aom Idol” Special Activity

The activity supported the implementation and dissemination of saving information to communities nationwide through a competition designed to give moral support to participating students and schools. The activity has been held for seven years and dates back to the launch of the first TISCO Financial Camp. Schools from all 77 provinces participated in this activity and the winning schools came from regions across Thailand.

On the occasion of our 50th anniversary, TISCO Group cooperated with the Ministry of Education to organize the “Aom Idol Awards 2019” activity by inviting the winning schools of both the knowledge disseminating activity and the post-financial camp activity from all regions across Thailand to join the best activity competition. In addition, this activity was displayed to the public for dissemination of financial information, encouraging further development in the activity and learning. The competition also aimed to promote financial access, in line with the local context. The schools participating in Aom Idol Awards 2019 were Thepsirin Chiang Mai, Chiang Mai Province; Srikanuan Wittayakom, Khon Kaen Province; Wang Pittayakom, Sakhon Nakhon Province; Manjasuksa, Khon Kaen Province; Saharat Rangsarit, Nakhon Phanom Province, Singburi School, Singburi Province and Had Yai Wittayalai, Songkhla Province.

The competition was held at the Stock Exchange of Thailand and opened to the public. Representatives from Office of the Basic Education Commission, Ministry of Education, the Bank of Thailand and the Stock Exchange of Thailand took part in judging the competition. The main criteria were changes in attitudes and behavior towards savings and expense reduction, creativity in applying financial concepts and continuation and sustainability in conducting information dissemination.





Activity Results

Seven schools conducted activities from February to August 2019 through various events, reaching 36,699 people in various communities. New activities were introduced to encourage people to change their saving and spending behavior. Leading students worked with community leaders to explore community financial problems as shown in a project created by Wang Wittayakom School, the award winner. Students learned that most of the financial problems faced by people in the community were the result of spending without considering the future. The result was that they were left with no savings, their income could not match their spending and they were in debt. This led to another activity named “Living Money: How to Earn, Save and Invest through Seven Steps”, covering: 1. Learning about the pros and cons of the community and seeking new opportunities 2. Meeting to discuss adaptation 3. Saving 10 percent before spending and distribution of saving notebooks and income and expenditure accounting books 4. Follow-up on No. 3 and reducing expenditure through, for example, the making of brooms from plastic bottles and organic fertilizer 5. Follow-up of No. 3 and No. 4 and increasing income by, for example, giving Baht 1,000 for villagers to

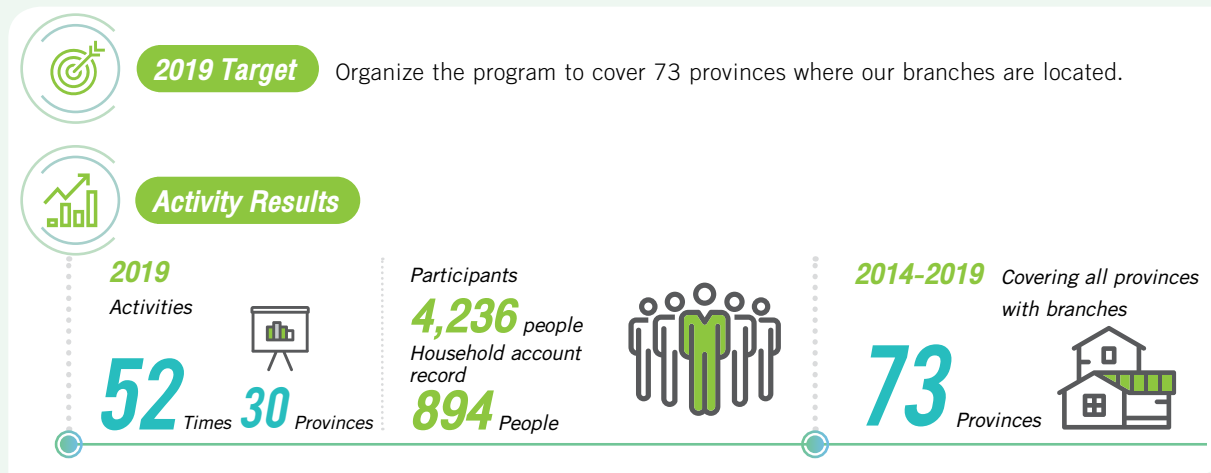
separate waste within the community for sale 6. Creating a prototype saver and setting up a community committee to continue community development work and 7. Disseminating the same knowledge to other communities and building a network for sustainability. Success: Not only did leading students and families actually put the knowledge into practice, the program was also expanded to communities. 251 households attended the meeting, expressing opinions about finance and saving; 212 households implemented the saving 10 percent before spending concept; 166 households reduced at least one item of their expenditure; 82 households saw their income increase from waste separation for sale. With respect to increase in incomes, all households, led by the 20 prototype savers and 50 savers, saw their incomes increase through the Baht 1,000 in capital received. In short, all activities exceeded the target. Participants expressed satisfaction and 82 percent committed to continue saving.

The activities involving creation of saving ideas, network expansion and others helped expand recognition of the program and resulted in tangible behavioral changes. This was a result of the cooperation with students, teachers, local authorities and TISCO staff to the key elements for the long-term well-being of Thai society.



2. Community Program: Smart Saving, Smart Spending

TISCO Group has organized the “Smart Saving, Smart Spending” Program through our branches nationwide for expansion of financial literacy to communities across the country since 2014. The activities have been consistently developed, both knowledge-giving and follow-up activities, to enable communities to save before spending, keep household accounts and plan their financial activity. The program also introduces debt management, financial threats, loan sharks, and interest computation to protect themselves and their families against financial trouble in daily life. Household accounting books were distributed and smart financial booklets, written by the Bank of Thailand and published by TISCO Group, were handed out.



Year	Educating		Monitoring			TISCO Branches ⁽¹⁾	Provinces ⁽¹⁾
	No. of activities (times)	No. of participants (people)	No. of activities (times)	No. of participants (people)	No. of people keeping household income-expenditure records		
2014-2018	623	114,633	57	6,548	1,800	202	71
2019	36	4,236	16	1,936	894	36	30
Total	659	118,869	73	8,484	2,694	207	73

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

Examples of Follow-ups with Participants:

“From the day, TISCO’s people came to me, I started to keep my expenditure record. I set aside half of what my dad had given to me as savings. I recorded it every day. Some days, I had nothing to write down because I didn’t buy anything. However, on other days, I ate a lot and I knew that I could not save up to my target because I had spent too much on food. Over the past three months, I still could not save up enough to reach my goal. Yet, I managed to save Baht 600-700 a month. That money is now in a separate account for emergency use.”

A student from Prince Songkhla University, Surat Thani Campus

“Based on what I noted, I could see that my most unnecessary spending was on the lottery. I used to spend Baht 300-400 a month on the lottery but now I only buy one ticket, once a month for every draw. The money I have saved was used for my children’s school expenses; as I have three children, they are quite high. This allows me to save a little. By keeping a record, I have learnt how to save and spend wisely. Instead of buying a lot, I now buy less.”

A citizen of Tambon Hua Yam Hom, Ladyao District, Nakhon Sawan Province

“When I received the accounts book, I started to note everything. After a week, I was shocked to know how much I had overspent. The next day, I tried to reduce my spending, but it still finished in the red at the end of the first month. Thus, I started to decrease unnecessary spending and by the end of the second month, there was some money left. I was able to cut down on my personal spending. It is very useful.”

A citizen from Saimai Senior Citizen School, Bangkok

The 2019 Smart Saving, Smart Spending Program was supported by nine network schools participating in the TISCO financial camp program: Thammasat Klong Luang Wittayakom, Pathum Thani Province; Sing Buri School, Sing Buri Province; Huay Nam Hom Wittayakan School, Nakhon Sawan Province; Manjasuksa School and Sri Kranuan Wittayakom School, Khon Kaen Province; Saikaew School, Surin Province; Hadyai Wittayalai School, Songkhla Province; Wangwiset School, Trang Province and Chumporn Vocational College, Chumporn Province. Students from these schools shared their experiences and those of their families and communities and how understanding of saving was enhanced among the program’s participants.



3. Motorcycle Loan Customer Program: Be Aware of Financial Threats



In 2019, TISCO Group initiated the financial threat awareness program after realizing the importance of remaining vigilant against financial fraud. This was a result of complaints filed by the public with the Bank of Thailand, which not only revealed a lack of understanding of various financial services but also showed that falling victim to fraud was becoming increasingly easier as fraudsters upped their game. TISCO Group therefore produced leaflets on five topics: call center gangs, ponzi schemes, social media thieves, credit card fraud, how to sign your ID copy in a safe and correct way, and other fraud prevention techniques. Staff introduced various forms of financial threats to “Somwang Ngern Sang Dai” motorcycle loan customers while they were waiting to be served.



2019 Target

Advising every motorcycle loan customer



Activity Results

May – December 2019
 Totaling **26,839** were given advice

In addition, TISCO Group organized free activities to share financial knowledge with customers and the public at large through corporate seminars on important topics that reflect the present situation and provide benefits to their financial planning (See page 43).

Social Activity Support

TISCO Group also underlines the importance of social activities by promoting macroeconomics through community investments, especially with regards to basic infrastructure and educational opportunities. Details are as follows:

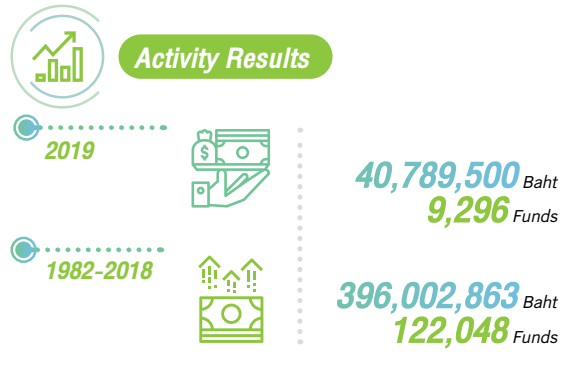
1. Educational Opportunities

TISCO Group extended educational opportunities to children, helping them to continue their studies until they complete an undergraduate course and find a job to take support their family. The project also promotes the philanthropic spirit by turning a financial beneficiary 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 which are very important and therefore provides financial support for education. This support covers consists of scholarships and a school development fund.

1.1 Scholarships

TISCO grants scholarships on a yearly basis through TISCO Foundation. The scholarships have no binding conditions. TISCO grants both new and continuous scholarships for students, active until they finish their university studies. Teachers will help to select eligible students for the scholarship and obtain approval from the headmaster.

To follow-up on the program, the TISCO Foundation visited all scholarship students to provide advice on spending, encouragement and other necessary assistance. In 2019, a sample survey of 16 educational institutes was conducted and 298 scholarships were granted in the following provinces: Kanchanaburi, Ratchaburi, Samut Songkram and Tak. Most scholarship winners were from low income families. However, most knew how to save for their higher education.



1.2 Funds for School Development

Given insufficient financial support from the government and the urgent need for renovations of school buildings to stay in line with safety standards, TISCO Group continues to allocate funding for construction of school buildings and repair of damaged buildings nationwide, in addition to school supplies and necessary equipment. These efforts encourage communities send children to school. TISCO Group acts a main sponsor and collaborates with an alliance network and those who share our beliefs. An account has been opened for those wishing to donate money to the “TISCO for Education Development” Account, No. 0001-191-000524-7.



2018

- “TISCO Ruam Jai 7” was delivered to Ban Muang School, Muang Khon Kaen District, Khon Kaen Province.
- A brand-new school building, “TISCO Ruam Jai 8” was constructed for Wat Lad Paeng School, Muang Samut Songkram District, Samut Songkram Province. The second floor concrete building, featuring 12 classrooms, replaced the old two storeys wooden building which had previously housed 10 classrooms and been in use for more than 53 years. The building was in a dilapidated state as a result of termite and structural damage and was considered unsafe. The total cost was Baht 8.3 million and construction ran from May to December 2019. TPI Polene Public Company Limited and Lighting and Equipment Public Company Limited sponsored the construction materials, including the donations from management, staff, customers and the general public.



TISCO Ruam Jai 8



2. The “Friends for Life” Special Activity

TISCO Group has initiated “Friends for Life”, a special social project to celebrate our 50th anniversary with the intention to give back to society and expand our contribution with social network activities. TISCO focused on social, medical and public health issues, especially the shortage of medical equipment at a time when the number of patients are increasing as Thailand becomes an aging society. As today’s diseases are quite complicated, fund raising to buy medical equipment is crucial to help patients access treatment. Thus, TISCO Group, together with its alliances, customers, suppliers and those sharing the same belief, have raised money for five large public hospitals: Siriraj, Chulalongkorn, Ramathibodi, Rajvithi and Thammasat Chalerm Prakit. The hospitals were selected as they continue to need medical equipment to provide services to more than eight million patients from all over the country each year.



Activity Results

The “Friends for Life” activity was held for three months from March 15 to June 30, 2019 and the public can donate through a bank account “Fund for Medical Equipment of 5 Hospitals” TISCO Bank, Account No. 0001-191-000588-1. Interested donors can wire donations via mobile banking (QR Code) from every bank and at all TISCO Bank branches nationwide. In addition, the Friends for Life Charity Run was held with all proceeds given to the project without deduction of expenses.



In July 2019, the money was divided equally among the five hospitals that was the end of the project. A total of Baht 118,999,950 was raised.



Friends for life supporters

77,857 People

Business Partner, Media Alliance, Customers and General Public

TISCO Group wishes to express our deep appreciation to all those who provided support and whose help will prolong lives and enhance the well-being of Thai people in a sustainable manner.

3. Other Social Activities

Support to the Cancer Immunity Research Fund: TISCO Group supports the research and development of cancer immunity in order to improve quality of treatment for cancer patients and provide easy-to-access medical services. Part of the proceeds from the front-end fees of healthcare funds, with Baht 100 from every Baht 100,000 invested, was given to the Cancer Immunity Research Fund, Faculty of Medicine, Chulalongkorn University. Investment funds raised between February 14 and October 31, 2019 total Baht 1,543,290.

Nationwide Blood Donation Campaign: TISCO Group has organized this campaign since 1984. In 2019, TISCO held 12 blood donations in Bangkok and branches in big cities nationwide and received 3,759 units of blood or 1,523,200 c.c., sufficient to help 11,277 patients.

Community Care Activity: TISCO Bank's nationwide branches organized six community care activities: to repair the children's playground and restore the landscape at Wat Hantra School, Ayutthaya Province and Ban Muang School, Khon Kaen Province; garbage collection and separation at Nai Yang Beach, Phuket Province; mangrove conservation and marine animal breeding at the Mangrove Ecology Learning Center, Rayong Province and Bung Borapet, Nakhon Sawan Province; to grow fruit and perennial trees in the Our Khung BangKachao Project, Samut Prakan Province; the annual "Krathin" ceremony at Amarawadee Temple, Samut Songkram Province; and the Board of Directors "Kathin" ceremony at Kruad Temple, Surat Thani Province. In addition, we supported the purchase of medical equipment for Kanchanadit Hospital, Surat Thani Province, and the community hospital of Sangkhla Buri District, Kanchanaburi Province.



TISCO Group, along with our business alliances, has also provided support to other social activities that benefit children and youth development, specifically the Dr. Sem Pringpuangkaew Foundation, Unicef Thailand, the performance art center Krukrit 80 Institute under the patronage of HRR Princess Maha Chakri Sirindhorn and the Thailand Special Olympics team. Other efforts included the purchase of medical equipment through the Thai Red Cross for Somdej Phra Borom Rachathevi Na Sriracha Hospital as well as assistance for those suffering from flooding as a result of the Pabuk storm in the South and the Podul depression in the northeast through the Thai Bankers Association.

Throughout 2019, 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, employee benefits, human resource development, and community development participation. These activities provided economic value distribution and strengthened the prosperity of stakeholders, as follows:

<i>Direct Economic Value Generated and Distributed</i>	<i>Amount (Million: Baht)</i>
(1) Direct Economic Value Generated	
• Revenues	24,524
(2) Direct Economic Value Distributed	
• Operating Costs	3,628
• Employee Wages and Benefits	6,410
• Payments to Providers of Capital	9,631
• Payments to Government	3,142
• Community Investment	45
(1) – (2) Economic Value Retained	1,668

Managing TISCO Group's Environmental Footprint

TISCO Group is aware that the environmental problems and environmental degradation that arise from an ever-economic growth and the related surge in demand for resources affect the lives of humans and other living creatures in the ecosystem both directly and indirectly. Climate change is destruction of the natural habitats of wildlife and plants, as well as PM2.5 threats are among these problems. Given that these issues affect the economy, society and the environment, it is the duty of everyone to address and mitigate the issues, and to rehabilitate the environment and natural resources so that the future generations can enjoy a good quality of life.

In conducting its businesses, TISCO Group strives hard to avoid generating adverse impact on the environment, communities, and society through its value chain, in support of the United Nations' Sustainable Development Goals. TISCO Group also promotes sustainable development in economic, social and environmental aspects. Through its ongoing CSR programs in process, its environmentally-friendly operations, the Group aims to curb energy use and reduce greenhouse gas emissions. Moreover, TISCO Group plays a role in

engaging local communities where its businesses are based in joint environmental management. At the same time, TISCO Group promotes green thinking among its employees, encouraging them to make the most efficient use of resources, while. In addition, TISCO Group has disseminated knowledge of environmental conservation among all stakeholders and supported the cause on a continual basis. In 2019, TISCO Group carried out the following activities in line with its Sustainability Roadmap (SD Roadmap):

Promoting Energy/Resource-Usage Reduction

1. Paper-Use Reduction

Paper, a consumable office supply, is still essential to financial and general office operations. Nevertheless, TISCO Group has initiated various conservation campaigns that call for using paper only when necessary. The Group has also integrated the paperless concept into its product/service development in response to the lifestyle of consumers in the digital age. In this vein, TISCO Group's digital platform has been steadily expanded with improved work systems that not only increase efficiency but also reduce costs. Finally, TISCO Group also promotes paper-use reduction via its e-Learning materials.

Guided by the above principles, in 2019 TISCO Group developed the mobile applications My Car My TISCO, My Fund, My PVD and My Guru Plus. Not only do these applications increase service-delivery channels for customers' greater convenience, but they also reduce the number of documents sent to customers. Thanks to the applications, customers can easily check documents in an electronic format on their mobile devices. This process raises work efficiency, reduces risks from physical document delivery and/or customer misinformation, responds well to customers' digital lifestyles and promotes customer satisfaction.

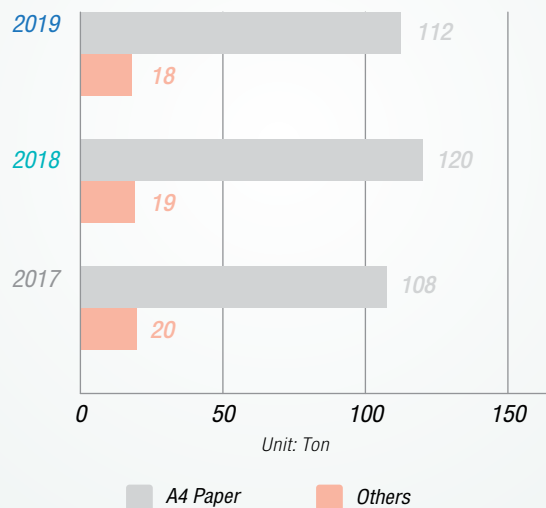


In 2019, paper usage at the head office of TISCO Group was reduced by 11.52 percent or nine tons from 2018. Given that each ton of paper uses 17 trees and 31,500 liters of water⁽¹⁾, paper reduction at the head office saved about 153 tons of trees and 283,500 liters of water in 2019.

Source: ⁽¹⁾ Paper for Trees Project, Thai Center For Development Foundation

TISCO Group has been rigorous in protecting data, including the destruction of expired documents or paper no longer used. Providers of document destruction services are carefully selected, as TISCO Group seeks to prevent the leakage of data under its management and to ensure that its representatives have the right to observe such destruction. In addition to taking into account the quality and efficiency of such providers, TISCO Group also considers their recycling procedures.

Amount of Paper Used in Overall Operation of TISCO Group as at Head Office



2. Energy Conservation

2.1 Lower Energy Consumption and Energy Conservation by TISCO Group

Acutely aware of the importance of energy efficiency, TISCO group has pushed for policies and formulated plans that lay a solid foundation for energy conservation. Not only do these efforts help reduce electricity costs, they also curb climate-change impacts that are directly or indirectly caused by energy consumption. In 2019, TISCO Group continued its implementation of the SD Roadmap by replacing personal computers (PCs) with Zero-client devices and replacing ordinary light bulbs with LED bulbs.

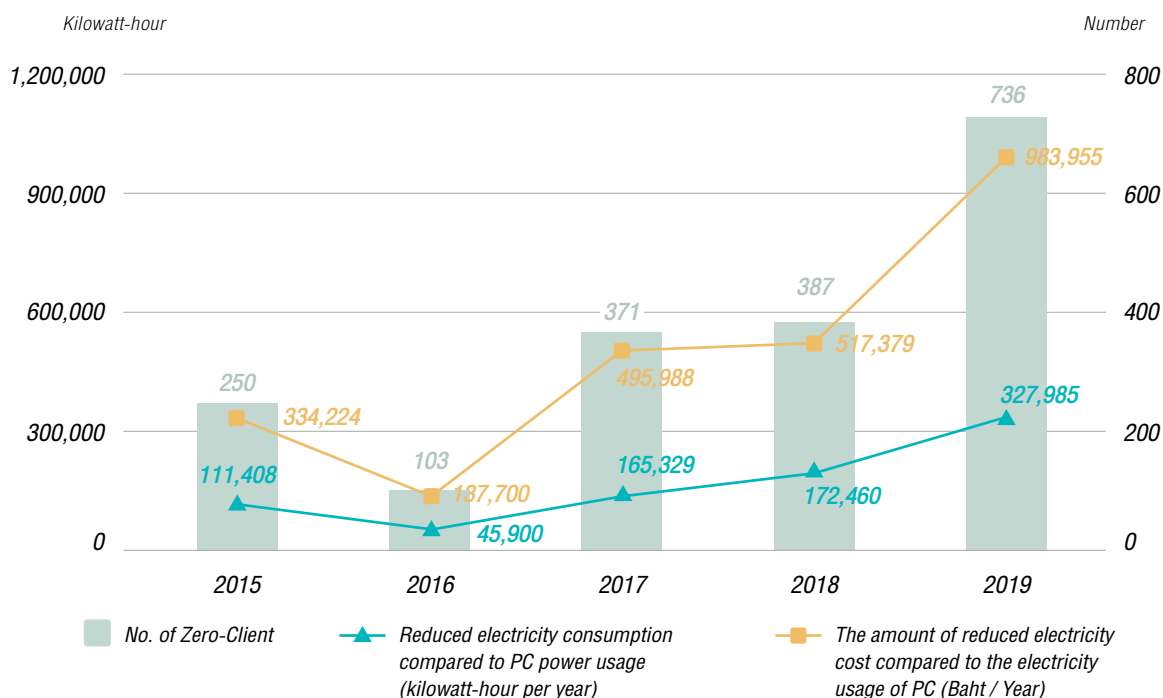
2.1.1 Replacing PCs with Zero-Client Devices

TISCO Group continues to use Virtual Desktop Infrastructure (VDI) to boost computer efficiency and energy efficiency. Thanks to this approach, TISCO Group has significantly reduced energy consumption. While a typical PC consumes 220 watts of electricity, a Zero-client device consumes just nine watts. Given that the Zero-client devices consume such a small amount of electricity, accumulated and emitted heat is minimal. As the workload of air conditioners is lowered, electricity consumption falls. The initiative to replace PCs with Zero-client devices started in 2015, and as of 2019, the number of PCs replaced had reached 1,847. In 2019, TISCO Group bought 736 Zero-client devices. The cost of the devices alone was baht 7,728,000 cheaper than the cost of a similar number of PCs (or 55.26 per cent cheaper). These Zero-client devices should curb electricity



consumption by 1,012,475.90 kilowatts-hour per year and lower electricity costs by about Baht 2,135,023. Replacement of existing devices with Zero-client items is reviewed on a regular basis.

Cumulative Power Consumption Rate of PC compared to Zero-Client



2.1.2 Replacing Light Bulbs with LED Bulbs; in line with the SD Roadmap, TISCO Group has replaced all light bulbs at companies under TISCO Group which are based in TISCO Tower with LED bulbs. The swapping of the bulbs was completed in 2019, with 16,266 bulbs replaced. The measure saved 591,978 kilowatts-hour of electricity.

2.1.3 Installation of Motion Sensors in Restrooms; another measure to reduce energy consumption was the installation of motion sensors in every restroom of the companies under the Group operating in TISCO Tower. If a sensor does not detect any movement inside a restroom for five minutes, the lights will be switched off. Installation of the sensors started in late 2018 and was completed in the first quarter of 2019.

2.2 Lower Energy Consumption and Energy Conservation through TISCO Group's Collaboration with Partner

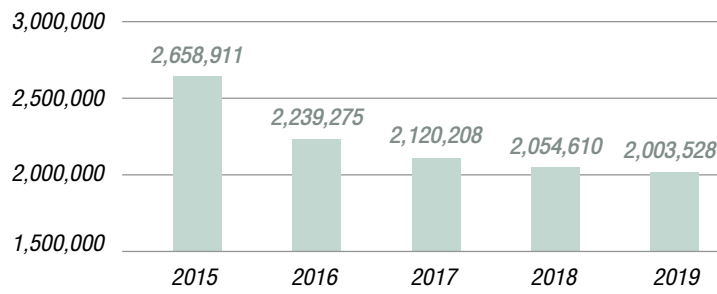
TISCO Group has accorded importance to curbing energy consumption and conserving energy on a continued basis. Efforts for these causes have been made both within TISCO Group and through its collaboration with a partner. In pursuit of energy conservation, TISCO Group has partnered with the legal entity managing Yomaraj Condominium. TISCO Group's involvement in the condominium project's energy conservation is reflected through policies issued by the condominium project's management-control committee. This committee, which represents the project's co-owners, TISCO Group has pushed for an

environmentally-friendly estate management approach. The policies also address the need to properly maintain the condo building so that it can accommodate its co-owners and tenants. To date, the legal entity managing Yomaraj Condominium has efficiently managed energy usage, culminating with winning the Best Practice Award: Energy Management and Sustainability by Thailand Facility Management Association in 2016.

In 2019, the legal entity managing Yomaraj Condominium continued its emphasis on promoting energy conservation by fitting the condo with LED bulbs in the halls on floors 1 to 22 and in outside lamps around the condo building.

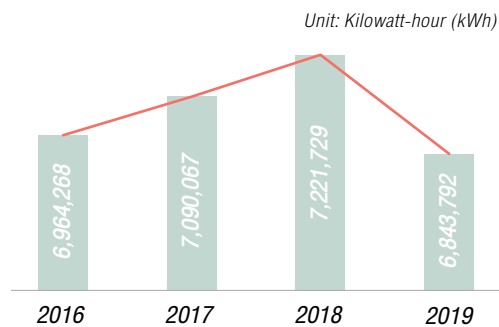
Thanks to the aforementioned projects, electricity consumption in TISCO Tower’s common area dropped by 51,082 kilowatts-hour in 2019. The drop meant the tower could reduce electricity costs by Baht 188,685.60 for the year.

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

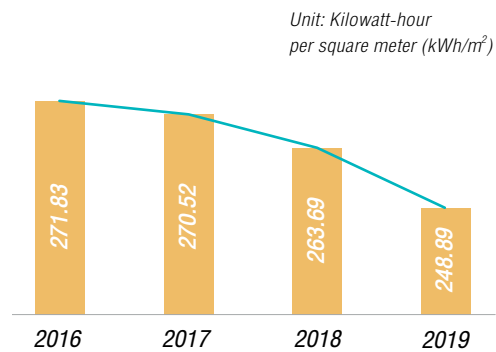


Combined, TISCO Group’s continued efforts to curb electricity consumption and promote energy conservation cut electricity usage of companies under the group based in TISCO Tower by 377,937 kilowatts-hour for the year. The drop brought down the electricity cost down by Baht 1,250,154 a year. On average, these companies consumed 5.23 kilowatts-hour of electricity per square meter.

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. Waste Reduction

In the realm of waste management, TISCO Group has implemented robust standards of practice while reducing pollution, promoting reuse and inculcating employees with the knowledge and desire to minimize waste for environmental reasons. Environmentally-friendly behavior is encouraged not just at the workplace but also in other parts of employees' daily life and their communities.



In 2019, TISCO Group ramped up its encouragement of environmentally-friendly practices in the pursuit of sustainability. This included the launch of the “Reduce, Carry and Separate” project, an initiative that builds on the earlier “3 Challenges: Dare to Change” project. The new initiative encouraged employees, the legal entity managing the condo project and all building users to engage in behavior that is friendly to the environment. Shops and communities around TISCO Group were encouraged to do the same. Under the new initiative, TISCO Group required all companies under its umbrella go foam-free. The ban on foam products was implemented at TISCO Tower as well as the businesses those operating elsewhere, as TISCO Group seeks to help the country curb its foam usage. In addition, TISCO Group implemented the following projects in 2019:

1. **Reducing plastic cup use:** Staff were encouraged to carry his/her own drink containers, with shops participating in the project offering a discount to beverage buyers who brought their own containers. In 2019, the use of plastic cups dropped by 97 percent – very close to the goal of 100 percent.
2. **Use of fabric bags:** To reduce plastic-bag usage and waste, TISCO Tower offered fabric bags for loan at its entrance hall on the 1st floor. Employees henceforth became less dependent on plastic bags.
3. **Separating recyclable waste:** Promoting waste management, the project helps reduce pollution and gave value to waste.



TISCO Group, in collaboration with TPBI Public Company Limited, expanded eco-friendly practices to Thai society in general by launching the “Won” project. Designed to campaign for waste separation and recycling of plastic waste, this project set up boxes to accept donations of clean plastic bags and recyclable film. In addition, the project donates to environmental organizations five baht per one kilo of donated bags and plastic scraps.

4. Reduction of Greenhouse Gas Emissions

Climate change is now receiving worldwide attention, as evidenced by the fact that all sectors have joined forces in addressing it. The 21st Conference of the Parties (COP) led to the signing of the “Paris Agreement”, which has as its goal keeping the global temperature rise below 2 degrees Celsius this century. Thailand has lately faced severe PM2.5 problems which have affected all stakeholders,

resulting in their increased attention to climate change. For its part, TISCO Group always considers the environmental impacts of its operations. This is reflected in the Group’s implementation of a tree-planting project since 1991 for environmental conservation purposes. Moreover, it has curbed energy consumption, reduced waste and promoted energy conservation. All these efforts have been carried out with clear planning to ensure concrete results.



Results

TISCO Group joined the Stock Exchange of Thailand’s “Care the Bear: Change the Climate Change by Eco Event” project. This initiative seeks to educate participants about environmental impacts and to encourage Eco Events to achieve the goal of easing global warming. In line with the 13th Sustainable Development Goals (SDGs) of “Climate Action”, this project also resonates with TISCO Group’s SD Roadmap. Activities held under the “Care the Bear” honor that goal and promote environmental awareness

among stakeholders. Concepts from Care the Bear apply to events held at TISCO Tower, such that materials, equipment and food containers used are environmentally friendly. Moreover, TISCO Group embraces energy efficiency in its holding of financial camp activities that were attended by youth from over all the country. In 2019, TISCO Group successfully cut greenhouse gas emissions by 4320.74 Kg CO₂e, a drop equivalent to the planting of 479 trees.

Name of Event	Number of participants (people)	Amount of CO ₂ reduction (Kg. CO ₂ e)	Number of trees reduction is equal to
TISCO Financial Camp: Class 18	129	3,124.78	346
Plantation and Brackish Water Conservation	166	765.86	85
Aom Idol Awards 2019	280	430.1	48
Total	575	4,320.74	479

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

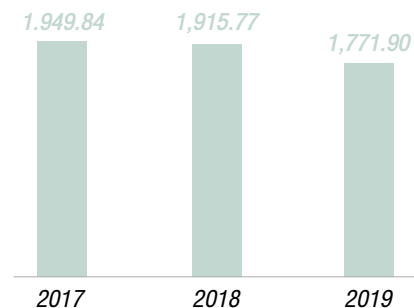
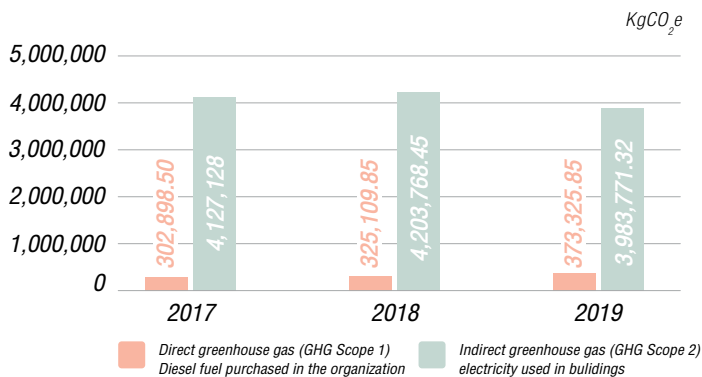
Not only has TISCO Group conducted campaigns and activities under the Care the Bear: Change the Climate Change by Eco Event, but it has also set a clear goal of greenhouse gas emissions reduction. Under this plan, greenhouse gas emissions by TISCO Group per person must drop by three percent in 2019 when compared with the base year (2017). Between 2020

and 2021, the decline should continue by a further one per cent annually over the base year. Thanks to TISCO Group’s efforts, greenhouse gas emissions from its operations at TISCO Tower came down by 171,781.13 Kg. CO₂e or 7.51 percent per person. Hence, the results exceeded the identified goal.

Amounting of greenhouse gas emissions from the operations of companies in TISCO Group located at TISCO Tower.

Emission rate per person

Unit: KgCO₂e per people



5. Environmental Conservation

Crucial to economic and industrial development, natural resources have impact on human lives both directly and indirectly. Excessive utilization of such resources at a level with which nature cannot handle, result in environmental problems such as air pollution, spread of PM2.5, floods, declining biodiversity, water pollution, noise pollution and global warming that affect various areas in the world.

In 2019, 200 executives and employees of TISCO Group volunteered for a project to plant 2,000 trees at the Chalerm Phrakiat Garden of King Rama IX of the royally-initiated Luk Phra Dabos Project – Samut



Prakan. The event marked the eighth time TISCO Group had planted trees and rehabilitated the park which serves as a learning center for brackish-water plants or flora that can withstand salty soil. The area is a botanical park that supports eco-tourism, which generates income for locals.

In addition, TISCO Group recognizes the importance of environmental conservation and thus joins several projects in support of that cause. These projects also foster engagement and relationship-building among the group's members. Among these projects is the forestation project in support of the King at Khung Bang Kachao in Samut Prakan province. Under this project, 200 fruit trees and perennial trees were planted on 2.5 rai of land in Bang Kasorb Subdistrict of Samut Prakan.



Executives and staff of TISCO Group alike have joined forces on such projects between 1991 and 2019. Over this period, 362,100 trees were planted on 1,120 rai of land in Kanchanaburi, Nakhon Nayok, Phetchaburi, Nakhon Sawan, Nakhon Ratchasima and Samut Prakan.

Performance Reforestation Year 1991-2019



1991 to 2018

Number of trees planted **360,400** trees

Area **1,116** rai



2019

Number of trees planted **1,700** trees

Area **4** rai



Total

Number of trees planted **362,100** trees

Area **1,120** rai



Executives and staff of the Group's regional branches have also engaged in tree planting for environmental conservation and community development. The Group's branches in the Central region planted 550 wishing trees at the Khao Sam Lan National Park in Saraburi province. The branches in the South planted 200 silver trumpet trees in Klong Hae Floating Market in Songkhla province. The branches in the North planted 200 golden shower trees at the Mae Kuang Udomthara Dam in Chiang Mai province so as to enhance the landscape and pave the way for the dam to become a suitable recreational area and source of income for local communities.



Our Success Awards and Recognitions

In 2019, TISCO was honored with several awards and recognitions 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 throughout its 50-year history. Our accolades include:

National Level

Operating Results

Best Company Performance (2 consecutive years)



The Best Company Performance Award for the category of listed companies with market capitalization between 30 billion – 100 billion Baht from the Stock Exchange of Thailand (SET). The SET Awards 2019 thanks largely to impressive business performance and good corporate governance that organized by the Stock Exchange of Thailand together with “Money and Banking Thailand” magazine.



Board of the Year Awards

The Gold Level, the highest award in the category of listed companies with a market capitalization value of 30 billion – 100 billion Baht. The award was granted on the basis of the committee performing its duties effectively that was organized by the IOD in collaboration with SET, Board of Trade of Thailand, the Federation of Thai Industries, the Thai Bankers Association, Thai Listed Companies Association and the Federation of Thai Capital Market Organizations.

Drive Award 2019

The DRIVE AWARD in the Financial Excellence from MBA Alumni of Chulalongkorn University’s Faculty of Accounting. The award is given to an organization whose outstanding work played an important role in driving economy and society.



Outstanding Asset Management Company Award 2019

The Outstanding Asset Management Company Award 2019 organized by SET and “Money and Banking Thailand” magazine. It won for overall outstanding performance that generated good return from fund managements, and was able to comply with rules and regulations in offering funds that are suitable options for investors.



Good Corporate Governance

Thailand Sustainability Investment (3rd consecutive year)

TISCO Financial Group Plc. was selected for the list of Thailand Sustainability Investment (THSI) 2019 by SET. TISCO has made it underlining the company’s commitment to sustainable growth.



CAC (3rd Year)

TISCO Financial Group Plc. and subsidiaries including TISCO Bank Plc., TISCO Securities Co., Ltd. and TISCO Asset Management Co., Ltd. earned certification from Thailand’s Private Sector Collective Action Against Corruption (CAC).



Excellent CG Scoring (12th Year)

TISCO Group has been rated as “excellent” and ranked in the “Top Quartile” of listed companies with market capitalization of over 10 billion Baht in recognition of its outstanding CG Report in the latest assessments of CG reports in 2019 conducted by the Institute of Directors (IOD).



ESG100 (5th Year)

In 2019, TISCO Financial Group Plc. ranks among Top 100 companies from the Thaipt Institute on the ESG100 list for its impressive Environmental, Social and Governance (ESG) performance.



Corporate Governance

“GOLD” Award from Retirement Project

The “Gold” award for its Happy Retirement Project organized by the Securities and Exchange Commission (SEC) and alliances. TISCO earned the recognition as the employer which takes saving, investment, and financial planning for retirement of employees seriously through a Provident Fund.



Products and Services

Excellent RMF

The Best Retirement Mutual Fund Award – Equity securities from Morningstar (Thailand) organized by Morningstar Thailand Fund Awards. The award was granted based on excellent performance in managing TISCO Open-end Equity Funds (Unit Type A) over the past 5 years. The fund has generated an average return of 7.1 percent per year.



Individual

Outstanding CEO Awards 2019

Mr. Suthas Ruangmanamongkol, TISCO Group Chief Executive received the “Outstanding CEO Award 2019” organized by SET in collaboration with “Money and Banking Thailand” magazine. This prestigious award is given to top executives with outstanding leadership who guide the organization to success as well as being a socialized person.



Excellent Shareholders’ General Meeting 2018 Certificate (5th Year)

The shareholders’ general meetings held by TISCO Financial Group Plc. have been described as “excellent” for scoring 100 out of 100 points in a major assessment. The Certificate organized by The Thai Investors Association, the Thai Listed Companies Association, and the Securities and Exchange Commission.



Sustainability Disclosure Awards 2019

The Sustainability Disclosure Award organized by the Thaipat Institute in cooperation with the Securities and Exchange Commission. The award is granted in recognition of a company that discloses sustainability report and comprehensive access to environment, social and good governance performances for all stakeholders according to GRI Standards.



International Award

Corporate Governance

Best Responsible Investor

The Best Responsible Investor Award organized by Asia Asset Management as a sustainable corporate social responsibility asset management company that offers mutual fund products that invest in companies with ESG and returns management fees back to society.



Human Resource Management

Best Employer Thailand Awards 2019

TISCO Group by Hi-Way Co., Ltd. received the Best Employer Thailand Awards 2019 from Kincentric Thailand Co., Ltd. the world’s leading human resource management consultant and SASIN Graduate Institute of Business Administration of Chulalongkorn University in the project to find the best employer of the year. This is the 3rd time that Highway has received this award. It was previously recognized with the award in 2005 and 2009.



Products and Services

Top Bank in Corporate Bonds (2nd Year)

Top Bank in Corporate Bonds in the Secondary by the The Asset, the leading financial and investment media outlet in Asia-Pacific.



Best Provident Fund Provider Thailand 2019 (2nd Year)

The Best Provident Fund Provider Thailand 2018 award is from Global Banking and Finance Review. The award is granted in recognition of TISCO Asset Management’s ability to generate good returns for its provident-fund members.



Best Asset Management Company Thailand 2019

The Best Asset Management Company Thailand 2019 organized by International Finance Publications. The award is granted in recognition as a fund management company with outstanding growth in asset management and good returns to investors.



GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	Organizational Profile				
	102-1 Name of the organization	SR p. 16			
	102-2 Activities, brands, products, and services	SR p. 9 – 13			
	102-3 Location of headquarters	SR p. 16			
	102-4 Location of operations	SR p. 16			
	102-5 Ownership and legal form	SR p. 16			
	102-6 Markets served	SR p. 9 – 13			
	102-7 Scale of the organization	SR p. 9 – 14			
	102-8 Information on employees and other workers	SR p. 15			
	102-9 Supply chain	SR p. 67 – 70			
	102-10 Significant changes to the organization and its supply chain	SR p. 14, 96			
	102-11 Precautionary Principle or approach	SR p. 69 – 70, 72, 73 – 75, 113			
	102-12 External initiatives	SR p. 31, 69 – 70			
	102-13 Membership of associations	SR p. 16			
	Strategy				
	102-14 Statement from senior decision-maker	SR p. 4-6			
	102-15 Key impact, risk, opportunities	SR p. 4-6			
	Ethics and Integrity				
	102-16 Values, principles, standards and norms of behavior	SR p. 8, 60 – 62 www.tisco.co.th/content/dam/tiscobank/download/about-tisco/corporate-governance-policy-th.pdf			
	102-18 Governance structure	SR p. 17 – 18, 45, 61			
	102-19 Delegating authority	SR p. 19			
	102-32 Highest governance body's role in sustainability reporting	SR p. 32			
	Stakeholder Engagement				
	102-40 List of stakeholder groups	SR p. 20 – 24			
	102-41 Collective bargaining agreements	SR p. 86			
	102-42 Identifying and selecting stakeholders	SR p. 19			
	102-43 Approach to stakeholder engagement	SR p. 20 – 24, 41, 43			
	102-44 Key topics and concerns raised	SR p. 20 – 24, 41, 44			
	Reporting Practices				
	102-45 Entities included in the consolidated financial statements	SR p. 7, 25			
	102-46 Defining report content and topic boundaries	SR p. 25			
	102-47 List of material topics	SR p. 26 – 29			
	102-48 Restatements of information	SR p. 7, 86			

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
	102-49	Changes in reporting	SR p. 9, 27 - 29		
	102-50	Reporting period	SR p. 7		
	102-51	Date of most recent report	SR p. 7		
	102-52	Reporting cycle	SR p. 7		
	102-53	Contact point for questions regarding the report	SR p. 7		
	102-54	Claims of reporting in accordance with the GRI Standards	SR p. 7		
	102-55	GRI content index	SR p. 118 - 123		
	102-56	External assurance	SR p. 7		
Material Topics					
Risk Management					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 - 32, 71 - 73		
	103-2	The management approach and its components	SR p. 71 - 75		
	103-3	Evaluation of the management approach	SR p. 71 - 75		
Climate Change Management					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 - 32, 79 - 80, 115		
	103-2	The management approach and its components	SR p. 79 - 80, 115		
	103-3	Evaluation of the management approach	SR p. 79 - 80, 115		
Economic Performance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 25, 28 - 32, 36, 48 - 55, 67		
	103-2	The management approach and its components	SR p. 31 - 32, 36 - 40, 48 - 55, 67, 69		
	103-3	Evaluation of the management approach	SR p. 31 - 34, 36 - 40, 51 - 53, 55, 69		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	SR p. 108		
	201-2	Financial implications and other risks and opportunities due to climate change	SR p. 79		
	201-3	Defined benefit plan obligations and other retirement plans	SR p. 84 AR p. 223		
Indirect Economic Impacts					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 - 32, 96		
	103-2	The management approach and its components	SR p. 96 - 98		
	103-3	Evaluation of the management approach	SR p. 96 - 98		
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	SR p. 96 - 98		

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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)
Anti-corruption						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 64 – 65			
	103-2	The management approach and its components	SR p. 64 – 66 www.tisco.co.th			
	103-3	Evaluation of the management approach	SR p. 64 – 65, 67			
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	SR p. 64			
	205-3	Confirmed incidents of corruption and actions taken	SR p. 67			
Materials						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 109 – 110			
	103-2	The management approach and its components	SR p. 109 – 110			
	103-3	Evaluation of the management approach	SR p. 109 – 110			
GRI 301: Materials 2016	301-1	Materials used by weight or volume	SR p. 109 – 110			
Energy						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 110 – 111			
	103-2	The management approach and its components	SR p. 110 – 112			
	103-3	Evaluation of the management approach	SR p. 110 – 112			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	SR p. 112			
	302-3	Energy Intensity	SR p. 112			
	302-4	Reduction of energy consumption	SR p. 111 – 112			
	302-5	Reductions in energy requirements of products and services	SR p. 111			
Emissions						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 113 – 115			
	103-2	The management approach and its components	SR p. 113 – 115			
	103-3	Evaluation of the management approach	SR p. 113 – 115			
GRI 305: Energy 2016	305-1	Direct (Scope 1) GHG emissions	SR p. 114			
	305-2	Energy indirect (Scope 2) GHG emissions	SR p. 114			
Employment						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 81, 92 – 93			
	103-2	The management approach and its components	SR p. 81 – 82, 84, 92 – 94			
	103-3	Evaluation of the management approach	SR p. 81 – 82, 84, 92 – 93			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	SR p. 82, 85			
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR p. 85			
	401-3	Parental leave	SR p. 85 – 86			

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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)
Occupational Health and Safety						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 87			
	103-2	The management approach and its components	SR p. 87 – 88, 90, 94			
	103-3	Evaluation of the management approach	SR p. 87 – 88, 90			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	SR p. 87			
	403-2	Hazard identification, risk assessment and incident investigation	SR p. 87			
	403-3	Occupational health services	SR p. 87			
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR p. 87			
	403-6	Promotion of worker health	SR p. 88, 92 – 93			
	403-7	Prevention and mitigation of occupational health and safety impacts direct linked by business relationships	SR p. 90			
	403-8	Workers covered by an occupational health and safety management system	SR p. 87			
	403-9	Work-related injuries	SR p. 88 – 89			
	403-10	Work-related ill health	SR p. 88 – 89			
Training and Education						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 90, 91			
	103-2	The management approach and its components	SR p. 90 – 91 AR p. 71 – 76			
	103-3	Evaluation of the management approach	SR p. 90 – 91			
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	SR p. 92			
	404-2	Programs for upgrading employee skills and transition assistance programs	SR p. 91			
	404-3	Percentage of employees receiving regular performance and career development reviews	SR p. 91			
Diversity and Equal Opportunity						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 62 – 63, 92			
	103-2	The management approach and its components	SR p. 62 – 63, 92			
	103-3	Evaluation of the management approach	SR p. 62			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	SR p. 83			
Non-discrimination						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 62 – 63, 86, 92			
	103-2	The management approach and its components	SR p. 62 – 63, 86, 92			
	103-3	Evaluation of the management approach	SR p. 62, 86			

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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 406: Non-discrimination 2016	406-1	Incident of discrimination and corrective actions taken	SR p. 86 – 87			
Marketing and Labeling						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 41 – 42, 44, 96, 100			
	103-2	The management approach and its components	SR p. 41 – 42, 44, 76, 96, 100 – 105			
	103-3	Evaluation of the management approach	SR p. 41 – 42, 44, 76, 96, 100 – 105			
GRI 417: Marketing and Labeling 2016	417-3	Incidents of non-compliance concerning marketing communications	SR p. 41			
	FS15	Policies for the fair design and sale of financial products and services	SR p. 16, 62, 73 – 76 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. 43 – 44, 96 –97, 100 – 105			
Customer Privacy						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 44 – 45, 47, 79			
	103-2	The management approach and its components	SR p. 44 – 47, 79			
	103-3	Evaluation of the management approach	SR p. 46, 79			
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR p. 79			
Product Portfolio						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 51 – 55, 96			
	103-2	The management approach and its components	SR p. 51 – 55, 97			
	103-3	Evaluation of the management approach	SR p. 51 – 53, 55, 97			
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. Micro/SME/ Large) and by sector	SR p. 98 – 99			
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	SR p. 37, 96 – 97			
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	SR p. 50			

GRI Standard	Disclosure		Page number(s) and/or URL(s)	Omission		
				Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)
Local Communities						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 96 – 98, 100			
	103-2	The management approach and its components	SR p. 96 – 98, 100 – 105			
	103-3	Evaluation of the management approach	SR p. 96 – 98, 100 – 105			
	FS13	Access points in low-populated or economically disadvantaged areas by type	SR p. 96			
Cyber Security						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 77 – 78			
	103-2	The management approach and its components	SR p. 77 – 78			
	103-3	Evaluation of the management approach	SR p. 78 – 79			
Innovation Management						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR p. 28 – 32, 56			
	103-2	The management approach and its components	SR p. 56 – 58			
	103-3	Evaluation of the management approach	SR p. 56 – 58			

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Reader's Survey for TISCO Sustainability Report 2019

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 2019

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

2. Please rate your level of satisfaction with TISCO Sustainability Report 2019

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

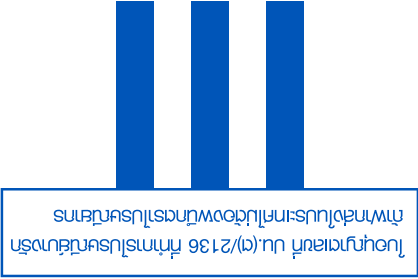
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TISCO Group would like to thank you for your cooperation.
Your inputs are valuable to TISCO Group's sustainability development
and also to the improvement of the next Sustainability Report.



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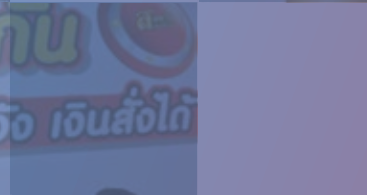
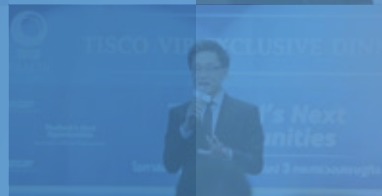
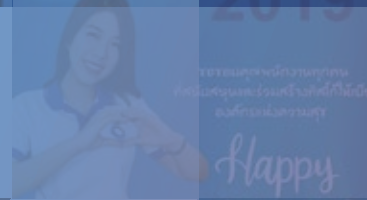
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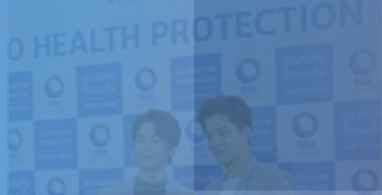


กาลิโกได้รับรางวัล
สุดยอดนายจ้างดีเด่น
2019

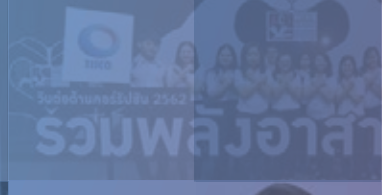
ลงทุนทั้งที ต้องมีรางวัล
กองทุนยอดเยี่ยม
TEGRMF-A
Thailand Retirement Mutual Fund - Equity
รวมพลังอาสาสมัคร



2019
Best Employers
IN THAILAND



ลงทุนทั้งที ต้องมีรางวัล
กองทุนยอดเยี่ยม
TEGRMF-A
Thailand Retirement Mutual Fund - Equity
รวมพลังอาสาสมัคร



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