

Corporate governance operations

Corporate Governance and Ethics



Regulatory Structure

The Company's board of director consists of 8 directors of which 5 directors have no management role (5 independent directors), 3 directors are Executive Director. There are 4 female directors, representing 50 percent of the total number of directors. The Company has established a structure, the composition and qualifications of persons who will act as directors of the Company, including the roles, duties and responsibilities of the Board are clearly stated. The composition of the Board of Directors must consist of independent directors not less than one-third of the total number of the Board of Directors. And at least 1 independent director must have accounting knowledge. So that independent directors could work together with the Company's Board of Directors together with efficiently and could express their opinions freely. The Company separated the roles and duties between the Chairman of the Board of Directors and Chief Executive Officer clearly. And the Chairman of the Board and Chief Executive Officer must not be the same person. The Company defined the qualifications of independent directors of the Company according to the definition of qualifications for independent directors according to the announcement of the Capital Market Supervisory Board No. TorChor. 39/2016 of the SEC Office.

Board of Directors consisting of directors with knowledge, abilities and experience that is consistent with the Company's business strategy. There are Accounting, Finance, Banking, Auditing, Funding, Governance, Management, Industry, Credit Analysis, Technology, Law, Crisis Management, Policy and Strategy Risk Management, Marketing and Government Processes.

In addition, the Board of Directors has appointed the Audit Committee, sub-committee and has assigned the Audit Committee to perform duties in other sub-committees as follows: Nomination and Remuneration Committee, Corporate Governance Committee and Risk Management Committee, which report directly to the Board of Directors, are responsible for considering and screening important operations on specific matters with care and efficiency. The term of office is 3 years.

The operational goals of corporate governance are:

- The score of the quality assessment of holding the Annual General Meeting of Shareholder (AGM Checklist) from the Thai Investors Association (TIA) should be 100 points. In 2023 the Company's assessment results were 99 points.
- The score of the Corporate Governance Survey of Thai Listed Companies (CGR) from the Thai Institute of Directors should be Excellent. In 2023 the Company's assessment result was Excellent.
- The Company should be one of the listed companies of SET ESG Rating. In 2023 the Company was 1 of 193 listed companies who were in SET ESG Rating 2023. There are the 4 consecutive year.



Risk Management



The Company is aware of the importance of business risk management by considering internal and external factors such as changing economic, social and environmental conditions. The Company has in place acceptable risk management system including protecting or alleviating potential impact. The Company adopted the international standards of risk management principles (Committee of Sponsoring Organizations of the Tread way Commission: COSO) under the supervision of the Risk Management Committee which consist of independent directors who ensure efficient risk management process to minimize adverse impact to the business and still be able to compete whilst fulfilling the stakeholders' expectation. The Company analyzes the risks in all aspects that could prevent achieving the organizational targets including specifying approach to risk management as outlined in the annual report under the heading "Risk Factors".

The organization structure of Risk Management Committee consists of 4 independent directors tasked and the Risk Management Working Group have to specify risk Management Policy and propose to the Company's Board of Directors for their endorsement. Their other duties include outlining strategy and risk management plan that conforms to the company's business strategy, risk supervision and risk monitoring.

The Risk Management Working Group consists of a management representative from department with the Chief Executive Officer acting as the leader to guide the teams to operate in line with the risk management policy to ensure efficiency and acceptable risk as stated in the risk management guidelines and to instill risk management as corporate culture, to come under the supervision of the Company's Board of Directors after being vetted by the Risk Management Committee.



Economic operation

Brand Awareness



Due to the Company's brand is not widespread and well-cognized by the target customer groups as well as it should be, the Company has long term plan to conduct public relation activities to promote its brand of financial products via the following channels.

- Conduct public relation activities via traditional media i.e. printed media, magazines and leaflet.
- Conduct public relation activities via event marketing i.e. Money Expo, MAI Forum
- Conduct public relation activities via social media i.e. Facebook Fanpage, Youtube, Line OA (Line Official Account)
- Promote through EDM or Electronic Direct Mail.
- Public relations through mailing. Directly to the target customers, which are SMEs that are partners with the government, state enterprises and large private companies.

Long term goals for year 2019-2023: Achieve the number of 'Like' page of up to 10,000.

In 2023, the Company had achieved 7,900 'Liked'. This represents 79% of the goal.

Guidelines for public relations of financial products of the Company. The Company operates with transparency. The information is accurate, complete, and not advertised exaggeratedly. The information in documents, brochures, and websites shows accurate, complete information, without exaggeration.

In 2023, the Company granted loans to a customer which operates solar energy business, Integrated waste management business totaling 54.49 million baht.

Given that the Company is involved in the financing business, it was able to assist promoters to alternatively have access to funds other than via commercial bank loans in order to tackle the issue of informal debt faced by SMEs. The total loans granted in 2023 were 3,274 million baht. In the context of informal loans in the system, the Company assisted SMEs to shave off borrowing cost of between 1.5%-3.0% by extending loans in the total amount of between 49-98 million baht

Development of Technology and Innovation



Financial technology keeps changing forcing the Company to make adjustments to the organization for smooth operations. The Company has made improvements to the information technology system to be modern with greater working efficiency.

In 2023, The Company has continued to develop the core information system (Core Business Application). To be modern and more efficient in working, Development of Ulite Application to support more group of customers, including employees of private companies, government officials, state enterprises, freelancers, etc. The Company is in the process of developing a Business Intelligence Dashboard in order to have information to support decision making quickly and accurately. In addition, the company has procured and developed tools for storing documents in the form of electronic files for ease of storage and searching. The Company has established measures to maintain data security and has determined the rights to access information each type clearly.

Innovation

The company has brought in Robotic Process Automation to help with various operations, resulting in less work in this area and more ability to do other work.

The Company has used a Virtual Private Network (VPN) for work. In case of the officers have to Work From Home or the officers cannot come to the office. The Company has used the MS Team system for online meetings/seminars to reduce the risk of infectious diseases.

Environment

Climate Change



The Company realizes the importance of natural resources which is being depleted with time. The global weather condition is in the state of crisis. Every party concerned must jointly cooperate to alleviate the potential negative impact through various activities. The Company announced its intention to join the project “Talad Toon Thammapibarn” on the occasion of the King’s royal coronation rite to practice ‘Sufficiency Economy’ philosophy by managing the business with responsibility, always conscious of social and the environment benefit that will lead to sustainable benefit to the Company, concerned parties, the society and population at large. This is also in line with the global community’s Sustainable Development Goal. The matters that the company has specified are: Reducing greenhouse gas emissions by separating waste for recycling. It has set a goal of reducing greenhouse gas emissions by 5-20%.

The Company is aware of the impacts of climate change. and take part in reducing the impacts that will occur from business operations The Company has provided credit support to those who want to use electric motorcycles. It supports the reduction of greenhouse gas emissions.

The Company has arranged for waste to be separated so that it can be recycled. In 2023, the Company joined the “Ting to Trash” project, a project organized by the SEC Office and the Thai Listed Companies Association, to encourage proper waste separation and can help reduce greenhouse gas emissions as well.

