

TSFC Securities Public Company Limited.

Policy No. 001/2023

Environmental, Social, and Governance (ESG) Policy

TSFC Securities Public Company Limited. : TSFC, as a securities finance business provider, is committed to conducting its operations with integrity, responsibility, and transparency. We strive to be a reliable source of capital in both the money and securities markets, catering to the needs of securities businesses and investors. Additionally, we aim to develop comprehensive securities financing services that align with industry requirements and adhere to corporate policies, social responsibility, and environmental concerns.

The company has therefore established an ESG policy as a symbol of commitment and declared its intention to adhere to ESG principles in the business management process efficiently. This includes promoting efficient resource utilization, prioritizing effective human resource management, and demonstrating responsibility towards customers and society. Furthermore, the company has set forth a comprehensive corporate governance policy to ensure ethical conduct and compliance with moral principles in its operations.

Principles of Environmental, Social, and Governance (ESG) Policy

The company has considered integrating ESG factors into its business management as follows:

1. **Efficient Resource Utilization:** The company aims to minimize waste generation and reduce the use of materials that are difficult to biodegrade. Additionally, it emphasizes the selection of environmental-friendly materials and promotes energy conservation.
2. **Ethical Employment and Human Resource Management:** The company is committed to fair and non-discriminatory employment practices and responsible human resource management.
3. **Employee Skill Development:** The company focuses on developing the skills of its employees to enhance their job performance and facilitate career growth.
4. **Governance:** The company promotes a balanced power structure in its organizational framework to ensure checks and balances, fostering transparency and implementing policies and procedures in compliance with relevant laws, regulations, and oversight agency requirements, including:
 - 4.1 **Audit Practices:** There are internal audits conducted by independent and impartial auditors to assess compliance with policies, regulations, and internal control measures.
 - 4.2 **Board Independence & Expertise:** The Board of Directors and management carry out their responsibilities transparently and can be held accountable, with independent directors possessing specialized expertise in relevant areas.

4.3 Third-party Transactions: The company ensures the disclosure of significant information and information related to related party transactions that may arise from business practices or operations related to each other, following the principles of conflict-of-interest prevention, including:

- Arm's-Length Basis: All transactions must be transparent and conducted on fair and reasonable terms as if they were with unrelated parties.
- Major transactions with significant impact on the company's reputation or image must be approved by shareholders.
- All transactions must follow the established company procedures.
- Board members and executives involved in such transactions must act with prudence, caution, honesty, and integrity in fulfilling their fiduciary duties.

5. Information Disclosure: The company discloses its Environmental, Social, and Governance (ESG) policies through its official website.

6. Policy Review: Regular reviews are conducted every two years or when there are significant changes. The proposals are presented to the Corporate Governance Committee for consideration before presenting them to the Board of Directors for approval.

Announced on 1 March 2023

(Mrs. Kesara Manchusree)

Chairperson of the Board of Directors

Primary Responsible Unit: Corporate Governance Committee